

Association for Diplomatic Studies and Training  
Foreign Affairs Oral History Project

**AMBASSADOR HENRY L. CLARKE**

*Interviewed by: Charles Stuart Kennedy*  
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## INTERVIEW

[Note: This interview has not been edited by Ambassador Clarke.]

*Q: Today is February 22, 1999. This is an interview with Ambassador Henry L. Clarke, done on behalf of the Association for Diplomatic Studies and Training and I'm Charles Stuart Kennedy. Can you tell me when and where you were born and something about your family?*

CLARKE: I was born in an Army family at Fort Benning, Georgia, November 15, 1941. My father was originally from Louisiana. He studied briefly at SMU (Southern Methodist University) and the University of New Mexico before getting a West Point bachelor's degree in 1938. My mother had a B.A. from the University of Georgia and was from Columbus, Georgia, near Fort Benning. My father spent the entire Second World War overseas. He started with an assignment in Iceland in 1941, which was actually decided upon before Pearl Harbor. He arrived in Iceland in December or January, after considerable delay in finding a seaworthy vessel.

*Q: Yes. We sent troops prior to Pearl Harbor to take over the defense of Iceland.*

CLARKE: He was part of that contingent. So I spent World War II in Columbus, Georgia.

*Q: What arm was your father in?*

CLARKE: He was an infantry officer and later became involved in Army intelligence, which was before they created the Defense Intelligence Agency.

*Q: What was Columbus, Georgia like, growing up as a young boy?*

CLARKE: I was pretty young and I only remember snatches. I was four and a half when I left. My father did not get brought back to the United States immediately at the end of World War II, so he asked my mother and me to come join him in Heidelberg, Germany in 1946.

*Q: That must have been interesting.*

CLARKE: I was still pretty small, but because of the sudden change in everything around me, I do remember snatches. Mostly around Heidelberg. I remember a little bit of the efforts we made to get a vessel to Germany, staying in Fort Hamilton and riding a troop vessel ultimately. I have a memory, I think from that trip from Bremerhaven to Heidelberg, of our train passing through Frankfurt. The devastation of the central part of Frankfurt, Germany was phenomenal. But then we went on to Heidelberg which was not damaged.

*Q: Except by Louis the XIV.*

CLARKE: Yes and by the retreating Nazis who dropped the center spans of the old stone bridge. That bridge was replaced even before a lot of other stuff that needed to be taken care of. Heidelberg had its priorities way back in history.

*Q: So you were what about four or five?*

CLARKE: I was four and a half.

*Q: Did you go to school at all in Germany?*

CLARKE: We were there only a year. I went to a German kindergarten. I probably was not the only American there, but it was a German kindergarten. From Heidelberg we returned to Washington, DC.

*Q: You came back in '47 about?*

CLARKE: Right.

*Q: And I suppose by that time you were beginning to go to school?*

CLARKE: I started first grade in Arlington, Virginia.

*Q: Did you continue to move around?*

CLARKE: Right. I was in Washington for several years; then we were assigned to Bamberg, Germany where my father was a battalion commander in the twenty-sixth Infantry Regiment for a year. Then we went to Heidelberg a second time. He was assigned to Headquarters there. We lived in a requisitioned former-Nazi house in a village called Klein Gemuud.

*Q: What about schooling? Did this give you a taste for foreign life or not?*

CLARKE: I think so. Yes. It may even have created a concern that if I settled down prematurely in a place I didn't like, what a horror that could lead to. So yes, I've always had a sense that three or four years is about as much as anybody ought to stay in any place. I'm changing my view gradually on that, but that was the way I felt for a long time.

*Q: I know what you mean. This is the Foreign Service syndrome and I had it before. When you were going back and forth to various schools, at the elementary level, did you have any reading or studies that particularly grabbed you?*

CLARKE: Elementary level? You are asking a lot. I do remember taking German class in an Army school in Heidelberg, my first efforts to read in a foreign language. I remember mostly recesses and vacation periods.

I skipped the sixth grade because the teachers felt I was goofing off too much. So starting with seventh grade, where I was a little underage, I had to work harder to meet the standard. I would say after that I began noticing a distinctly lesser interest in mathematics and greater interest in verbal subjects.

*Q: Coming from a military family, was it understood that you might be headed towards West Point even at an early age?*

CLARKE: Yes. I didn't really consider any other alternative until I found out my eyes weren't good enough for West Point and then I began to consider other options.

*Q: What about high school? Where did you go to high school?*

CLARKE: Here in the Washington area in Arlington, at Washington-Lee High School. I began high school here but my last year of high school was at Frankfurt American High School in Germany. During that time I actually stayed in the dormitory of the military high school, because my father was assigned to a military advisory group in Ankara, Turkey. There was at that time no accredited high school in English in Turkey and the DOD solution to that was the school in Frankfurt. So I graduated from Frankfurt.

*Q: When was that?*

CLARKE: 1958. I mention it partly because that school has finally just closed in the last couple of years. It was a major high school for overseas Americans, for a couple of generations I guess.

*Q: While you were in Frankfurt, you were blessed with not getting there at the time when youth went wild with drugs and everything else. That didn't happen until later.*

CLARKE: No. We had a rather stiff routine in the dormitory that was quite disciplined during the week in terms of hours that we were expected to be there. On the weekend we were much freer, depending upon what license we could get from our parents at home. That suited me very well. I preferred to do all my homework that I possibly could during the week and have more fun on the weekend. That worked fine for me.

*Q: Could you get out and around?*

CLARKE: Yes and I did. I spoke enough German to get by pretty well on my own. I felt very comfortable in Germany. I might take another couple of friends with me, even outside Frankfurt, to nearby towns like Worms or Mainz, or to the Taunus mountains.

*Q: What about school work? Any areas where you were pretty well into the verbal rather than the mathematics?*

CLARKE: Yes, except that I still enjoyed the sciences, such as chemistry. I think I was well prepared for going to college by the high schools in Arlington and Frankfurt.

*Q: I was in Frankfurt when you were there. I was there, from I think '55 to '58. I was in the consulate general just up the road from where you were, as a brand new vice consul.*

CLARKE: I considered that consulate well within my walking distance.

*Q: Did any courses particularly grab you at that time?*

CLARKE: I managed to get third year German in Frankfurt by going on a waiting list with a group of other people and demanding it. Frankfurt, in those days, in spite of the

fact that it was a pretty good school, was not initially offering third year German.

An American who was a biology teacher confessed to being a German major in college who would like to teach a little German literature on the side. So they let him form a class, and this enabled me to exempt myself out of the language requirement in college. That third year concentrated on literature and was exactly the college preparation that I needed. If we hadn't asked for it, the school would never have offered the course.

*Q: Did you find that the students there were isolated from Germany for the most part?*

CLARKE: I knew the dormitory students best. There were concentric circles of people. There were people who lived in Frankfurt and only came to school, some of whom were isolated and some of whom certainly were not. Most of the other people in my third year German class were people pretty well adapted to the country. Then there were the five-day dormitory students; they came from other cities in Germany for five days and went home on a bus for the weekends. Then there were those of us from outside Germany who were there seven days a week. We had to make our own weekend activity. It was much easier for me, having had German, than for most of those who came from a non-German speaking country.

*Q: You're getting ready to graduate in '58. Why Dartmouth?*

CLARKE: My father thought I should go to an Ivy League school. Harvard wasn't appealing because of its snooty reputation. In the end, Dartmouth turned out to be a happy solution because they offered me a better scholarship than Yale.

*Q: Then you went to Dartmouth from '58 to '62?*

CLARKE: Right.

*Q: What was Dartmouth like at this period?*

CLARKE: Although it's not one of the larger schools in the Ivy League, it was doing very well in football, probably because we were all males. In the part of the student body where I was active, we had great interest in the outdoors and taking advantage of being so near the woods. I had hoped, and I was actually pleasantly surprised, to find that northern New England was not over-crowded.

*Q: Canoeing and hiking and that sort of thing?*

CLARKE: Yes. I had tried skiing before, but I really learned it at Dartmouth. It was one of the subjects that stuck with me.

*Q: What did you major in? You had to major in something.*

CLARKE: I majored in international relations, mainly because I was interested by

international affairs, and it gave me the flexibility to take courses in all of the social science areas. As it turned out, I gradually favored economics more and more, and I had almost enough credits to qualify for a major in economics, but I stayed with the international relations framework.

*Q: You were in Dartmouth during the election of 1960. Did the appearance on the political scene of John F. Kennedy engage the students at Dartmouth?*

CLARKE: It certainly did. I didn't have a TV in my room so with the debates, I had to listen to Nixon and Kennedy on the radio, and didn't realize how awful Nixon looked. He sounded a whole lot better than he looked, while Kennedy sounded squeaky, so it wasn't so obvious to me that Kennedy had won the debates. On TV, as you would expect, Kennedy really won very strong student support. We were really inspired by his fresh approach and by the idea of the Peace Corps.

*Q: Did you have any idea in mind outside of just graduating and getting a job? Did you give any thought to the Foreign Service?*

CLARKE: I had been interested in the Foreign Service ever since the Army seemed improbable. In the end I was a "distinguished military graduate," and therefore I was offered and accepted a regular commission in the Army.

*Q: This was an ROTC program?*

CLARKE: Yes, it was an ROTC program. I was really kind of surprised to have that option suddenly returned to me, after not going to West Point. But by that time my interests had shifted much too much to international relations, history, and economics.

*Q: This was a pretty exciting time in the world. We had the Cuban Missile Crisis. That would come after you graduated.*

CLARKE: It came when I was at Fort Dix, New Jersey, with a group I was helping to train, a group of infantry reservists and National Guard. I hadn't even been fully trained myself, but I was wearing a brown bar and was expected to be a training officer. The Cuban Missile Crisis had a shocking effect on some of these young folks who thought their military career was going to consist of going in on Saturdays now and then for weekend training. They suddenly realized that we had the Air Force Base right next door. The pilots were warming up the jet engines all night long and they could hear that. It brought home the fact that they might very well have to ship out.

*Q: Prior to going into the Army, as you were getting close to graduation, what about the international world? Was this something that you were following? You were taking international relations.*

CLARKE: I had a fellowship for six months in Turkey during that period. We were on a three term system. In the summer and in the fall term of 1961, I was placed with the



Turkish Industrial Development Bank in Istanbul and given *carte blanche* to do what I thought would be useful. So I spent most of the time interviewing clients of the bank about their businesses and how they were developing them. It was a fascinating thing which I think did more than almost anything else to confirm my interest in economics, especially in international development, and in working abroad. I met Foreign Service officers at the consulate in Istanbul. I met another Foreign Service officer at Adana near the Mediterranean Coast and I even had a visit with the Ambassador in Ankara. I was much impressed with the degree to which these people seemed to know what was going on and seemed to have a broad view of things but not too broad to be interested in the kinds of things I was interested in.

*Q: What was your impression of the Turks as far as the level you were working?*

CLARKE: I was surrounded entirely by Turks. There were no Americans at this institution, except one American professor at Robert College. He would come in once a week and have a little seminar in the economics department of the bank, where I was working. Therefore I was invited to attend that. But there was no full time American there. I found that particular group of people, I would say young to middle age professionals, to be very European in manner in a seemingly well-run organization. Certainly none of the usual stereotypes of Turkey from my own perspective.

*Q: I've never served in Turkey, but I gather as a general rule the educated class is both very dedicated to the promotion of Turkey and hard working.*

CLARKE: These were of that strain. These people at the Bank were all of that part of the Turkish experience, and indeed so were most of the other people that I met. I stayed in a private home, arranged by the Experiment for International Living, and those were mostly also people from the middle class, not religious, and committed to promoting Turkey.

*Q: How long was your commitment to the Army when you graduated in '62?*

CLARKE: Because I accepted a regular commission, I had a three-year active duty commitment. In those days, well before Vietnam, people accepting a reserve commitment for two years might not get called up until toward the end of their first year out of school. So I felt that I was not necessarily committing myself for a longer time by taking three years and being able to start almost immediately. That's what I did.

*Q: So you went first to ...?*

CLARKE: Three years of active duty. Everyone had a longer commitment in the reserves afterwards.

*Q: How long did you stay at Fort Dix?*

CLARKE: Just a few months until my courses in the Armor School started up at Fort

Knox. Then from there I went to Fort Benning for Airborne School and Ranger School. Most of my first year was spent on interim and training assignments. I reported to the 3<sup>rd</sup> Armored Cavalry Regiment in Germany in the summer of '63.

*Q: What was the 3<sup>rd</sup> Armored Cavalry doing in Germany in those days?*

CLARKE: It had one squadron on the border with East Germany, and two squadrons west of the Rhine. Both squadrons were in different places in the Kaiserslautern area. Some troops were rotated up to the front, but mostly we were responsible for rear area security in Germany.

*Q: What was the impression you got during that '63 to '65 period in Germany of the Soviet threat? Was this something that receded or was it very real?*

CLARKE: It was very real. The 3<sup>rd</sup> Armored Cavalry had gotten to Germany only a year or two before I had. It was a response to one of the Berlin crises. One of the reactions was the feeling they needed to beef up forces, and yet they weren't willing to increase them massively, so the 3<sup>rd</sup> Armored Cavalry Regiment was moved in from the USA.

*Q: How was troop effectiveness and morale during this period?*

CLARKE: You have to look at these questions relatively. It seems to me it was very good. There were always things that we would have rather had, different equipment or different circumstances, but in those days the best armor equipment always went to Germany first for our troops there. We were always one generation ahead of whatever weapon they had in the USA and the troops had a sense that they were there for a reason. They didn't doubt that, especially because we had a certain number of them rotating to the actual border where they did actual scout work along the border and would see what the other side was doing. There was a sense that this was a real confrontation. We were always told that the numbers of troops and tanks the other side was prepared to deploy outnumbered us impressively. So we were always under the impression it really mattered if our second round was on target or not. And it really mattered if we could qualify every one of our tanks on the gunnery range, just as a Division Commander wanted every tank in his division to qualify. There was a lot of professional pressure which I think is generally a good thing for the military.

We knew our levels of readiness were much higher in Germany than in the USA. In the U.S., all ammunition was carefully stowed somewhere on the base. In Germany, it was even more carefully stowed in our tanks and tracked vehicles. We never moved anywhere without all our weapons and ammunition. A deadlined vehicle was a serious matter that had to be corrected immediately. Being serious about your work was good for morale because we knew we were able to do our job.

When I was later transferred back to Ft. Meade, Maryland, from 1964-1965, the lowered U.S. standard of readiness were obvious. I personally prepared a squadron-readiness report and caught some flak when my reports showed plainly which equipment we didn't

have or couldn't move. That was one of my first experiences with a bureaucracy in which candor was not welcome. But I also learned that insisting patiently on the facts could be successful, and necessary to make the system work, even for a junior officer.

*Q: But there wasn't the problem with the enlisted men that came later during the height of the Vietnam War?*

CLARKE: I was gone from the military by the time the Vietnam War really was an American war. I left in September of '65 at the end of my three years of active duty, just after we had decided to send ground troops to Vietnam. We were just starting to transfer some of our people to training units that were being set up to increase the size of the Army in order to support a larger force in Vietnam. But we had not been subjected to any of those pressures of bad morale or unwillingness to serve. The closest thing I came to it was when we did have some conscientious objectors in our medical unit at Ft. Meade whose morale was always poor and whose contribution to the unit similarly poor. I had a feeling it was because nobody really knew what to do with them and they didn't fit in, they didn't want to fit in, and they had very few medical emergencies to deal with in a peacetime situation. That's about as close as I came to poor enlisted morale.

*Q: As you were approaching September of 1965, did you have any idea where you wanted to go or wanted to do?*

CLARKE: By that time I'd already passed the Foreign Service exam.

*Q: You'd taken your oral exam, too?*

CLARKE: Yes.

*Q: You took that in '64?*

CLARKE: Yes. I couldn't take the oral exam overseas. I took the written exam in Germany, and I took the oral exam when I got back to the States. I came back to the States after only one year in Germany because they decided to withdraw an Armored Cavalry Regiment. My squadron of 3<sup>rd</sup> Armored Cavalry was converted into part of the 11<sup>th</sup> Cavalry Regiment, and brought back to Ft. Meade, Maryland. We left our best equipment and all of the tanks in Germany. We got older tanks at Ft. Meade.

*Q: Do you recall anything about your oral exam? Any of the questions?*

CLARKE: Sure. How much do you want to know?

*Q: We'll take our time because I'm trying to capture the period and see who these people were and how they were selected and what they were up against.*

CLARKE: I was no great spectacular success on the written exam, but I did very well on the oral exam, and I think it was partly due to my military experience. One of the gimmicks they had in the oral exam, which apparently successfully eliminated some

other more arrogant Ivy Leaguers, was to ask a number of picayune questions that a reasonable person couldn't really be expected to answer. They did this, not just to me, but maybe to everybody. They were apparently trying to see if they could provoke us. Because of my military experience, I came into the interview thinking this is their interview. They're going to run this interview the way they want to run it, and it is my job to survive. I did not get hot under the collar. I just kept saying, "I don't know," as many times as was necessary. When I could estimate an answer based on some other knowledge, I would do that. Apparently the panel thought that was great. The other thing is they asked me a bunch of questions about the United States. They saw that I had lived overseas for a long time. They actually assumed I was ignorant about the United States. Knowing this might be a concern, I had spent a little time with some almanacs and yearbooks. I think one of my high points in the exam was when they asked me to stand up next to a map of the United States and name the five biggest field crops in American agriculture and show where were they grown. I got almost all of that right simply because I'd gone through the Almanacs. I had noticed cotton was a really big crop in California, bigger than most other states, and little things like that. I missed soy beans, but I got the other crops, and I certainly got most of the areas where they grow. For an Army lieutenant to brief senior people with a map was, of course, all to my advantage.

*Q: Did you come in right after you left the military?*

CLARKE: No. While I was in the military, I began being tempted by the idea of graduate school. I applied to several graduate schools and got admitted. The Foreign Service gave me leave without pay, so in the fall of '65, I came out of the Army, and registered at Harvard. As soon as I was out of the Army they sent me a notice that they wanted to appoint me in the Foreign Service. I was sworn in and got approval to take leave without pay. The next summer after a year in graduate school, I extended for another year because I was in a two year program. I understood that they considered this desirable.

*Q: They get the training without having to pay.*

CLARKE: Right. There were other Foreign Service officers at Harvard taking a one year version of what I was taking, and they were at full government expense.

*Q: What were you taking?*

CLARKE: One of the reasons I selected Harvard was that the School of Public Administration had a very flexible program. I could take what I wanted. I took mostly economics. But I also felt free to take Henry Kissinger's seminar on national security policy and things like that, simply because I felt they were worth doing while I was there. Then the second year I was there, the School of Public Administration was renamed the Kennedy School of Government.

*Q: Was there an attitude of trust toward the people teaching at Harvard in those times and was it a pretty broad based student body and faculty?*

CLARKE: The teachers were certainly a wide ranging bunch of outstanding individuals.

They didn't group very well at all. They were as likely to disagree with a fellow member of the Harvard faculty as any other intellectual anywhere on the globe. They were notable for individuality. There were the high profile, more fluffy types, like John Kenneth Galbraith, and then there were the sort of hard core policy oriented people like Henry Kissinger or Richard Neustadt, and other very solid academics in between.

*Q: Was there any set attitude towards the Johnson administration since this was government? Did you find there was attraction to it? Or disillusionment?*

CLARKE: Some of these people had colleagues who were from the Kennedy administration still in Johnson's. I don't know how they would exactly disown the whole Johnson administration, just because of the rather limited change in the makeup at first. But Harvard loved Kennedy, and Johnson himself was from a different world. Still, it was Johnson who really implemented Kennedy's liberal policies.

*Q: Was there still a feeling, more than today, that public service was a good thing?*

CLARKE: Yes. That was the founding principle of the School of Public Administration, which was even strengthened by drawing the Kennedy name and a certain amount of Kennedy money into the organization. The students didn't necessarily share that in Harvard as a whole. The student body of the School of Public Administration was drawing on people who were already in public service. So you're not talking about average student opinions at all.

*Q: Were you married by this time?*

CLARKE: No.

*Q: As you were taking economics, were you looking towards becoming an economic officer and pointed towards any particular geographic area?*

CLARKE: The cone system hadn't been developed yet. It probably was under construction because I was surprised when I actually reported for work in 1967 that I had been categorized as an economic officer, based on the fact that I had selected the economic part of the written exam some three or four years before. I thought that was a pretty slim excuse because way back then they said, "It doesn't matter which one you select, just select the one you'll do the best on." By the time I actually came in, maybe they had changed even the rules of the exam, to say if you select economics and you pass, you're an economic officer.

*Q: The pickings were slim at that point as far as finding economics officers, I think.*

CLARKE: That's exactly right. I came into a fairly large class in the summer of '67 because they were expecting the Johnson administration to reduce intake later in the year through a first of many balance of payments exercises. Nobody apparently wanted to use this against the State Department because the State Department was allowed to speed up

its recruitment to try to fill some of those slots a little early. So we had a really big class, nearly all of whom were generalist types, would-be political officers. There was a sprinkling of three or four economic types like myself, at least one of whom was actually determined not to be an economic officer and ultimately may have left the service in conflict over that. Although there was an administrative cone already being established, there was nobody in my class that I recall who had been selected on that basis. They were starting to establish it. They were starting to do things to the personnel system but were so far totally ineffective.

*Q: Having been in the military, you at least were not surprised that the system's so-called fairness did not necessarily represent how things will actually be done.*

CLARKE: No, and I think you probably have heard that from plenty of other people. You didn't need to hear it from me. This was a period in which the prevailing concept of the boss knows best and therefore you don't need to know, and working through closed proceedings and secrecy within the service, was under real attack. The system we had then was really pulled apart within a few years. When I first came in, you were not allowed to learn where you might be able to serve, because the list of vacancies was not available for distribution. The members of my class found out their assignments by attending a meeting in the auditorium of the Foreign Service Institute and having their name called out. As they walked up on the stage, they were told, "Congratulations" and the name of the city they were going to. In a few cases, they didn't even know what country that was in.

That was a very traumatic way to handle new entrants to the Foreign Service. They decided to send me to Munich so I was generally credited with having the biggest grin of all those who recognized their assignment. There were a few grins on those who didn't know where their assignment was, probably for just that reason!

*Q: Had this organization – I think it was called JFSOC, Junior Foreign Service Officers something or other - but anyway it was the beginning of a junior officer organization - had that started yet?*

CLARKE: Yes. It seems to me that summer we had a Fourth of July party on the eighth floor, and I think they may have been instrumental in organizing it. It certainly was a junior level event.

*Q: That was also a period when you still had a "system knows best" attitude but you also had another. That there was something extra special or extra good about being young and a junior person. This was Bobby and Jack Kennedy and that whole atmosphere. I think it carried over and was beginning to have its effect in the universities and everywhere else. I was wondering whether you encountered any of that?*

CLARKE: Not with my colleagues in the Foreign Service. But at Harvard, there was that feeling. The idea that you should have to start at the bottom of a career service was completely outdated, and why shouldn't you just start out at the top? There were actual

expressions of concern on the part of one or two of my graduate school classmates that I was salting myself away into an organization that would take me the rest of my life to get to the top and I might not emerge anywhere. One particularly ironic comment: I remember one guy saying, "God, I can't think of anything worse." He said, "You work your whole life in the Foreign Service then they finally name you ambassador to some country nobody ever heard of."

I said, "That sounds pretty good to me." Guess what? That's what they did.

*Q: You were in Munich when?*

CLARKE: I was given a few months of refresher training in German, because although I continued to read German literature, I needed to work on my spoken grammar again. I got to Munich before the end of '67.

*Q: And you were there for two years?*

CLARKE: Two years exactly.

*Q: What were you doing there?*

CLARKE: I was a rotational officer. Because I was considered an economic cone officer, I had one year at two different times in the economic, or really commercial section and six months as a non-immigrant visa officer and six months as a political officer.

*Q: Who was Consul General at that time?*

CLARKE: I can't even remember his first name. I think his last name was Creel. Anyway, he was an old German hand. The rest of the consulate was really working on largely a 40 hour week. I would occasionally come in on Saturday either because I was duty officer and had to check on things or because I had some project I wanted to finish. That was entirely voluntary except for the duty officer portion. Nobody was around. There was no prescribed activity for single people within the consulate and our evenings and weekends were usually free. I had the very good fortune of having family friends in the area so I made contact with them very easily, very quickly, and then I met their friends. I know that's not always the case in Germany, and Munich in particular, to have that kind of access.

But I did other things, too. I went to an early ski training week with a regular German travel agency and there met another bunch of Germans from Bavaria who were doing the same thing. In my age bracket and as a single person, I found it very easy to get around.

*Q: Did you feel that this was a different Germany from the one you had known before?*

CLARKE: It was clearly more modernized in a physical sense, but no. The Germany I had known before hadn't really been involved in politics or anything like that. No, I don't

think I could say this was a different Germany. The aspects of culture and how to get along with people that I had remembered from before served me well. While I was in the political section, I was supposed to follow, among others, the radicals. I found the radicals at the Munich University to be way beyond any sense of decency by my standard, but also by the standards of most Germans, so I didn't visualize them as some future new Germany. I visualized them as left-wing radicals. I also had to follow the neo-Nazis in Bavaria. That was an important function at the time because the neo-Nazis actually had representation in the Bavarian parliament. As the election of 1969 approached, there were worries that somehow these guys might reach the five percent necessary to be represented in the Bundestag. So we were watching them very closely. We figured they had to get – I don't remember the exact figure – but something above 15 percent in Bavaria in order to make five percent in the country as a whole. Our early prediction was that they'll never make it, and they never did.

*Q: What was the feeling about the neo-Nazis? Were these really Nazis or was this just a very conservative group of people?*

CLARKE: No. The true conservatives, the ones that I thought of as conservatives in Bavaria, would have been very conservative members of the Catholic church, very conservative farmers. One of their leaders was Agriculture Minister Hundhammer, who was a veteran inmate of the Dachau concentration camp. The Nazis sent him there in the 1930s as part of the Catholic opposition to Hitler. The concern with the neo-Nazis in the 1960s was that they were harping on ethnic hostilities and trying to arouse support through hostile actions against people. My idea of a German conservative was a guy who's trying not to change anything. Franz Joseph Strauss was by far the outstanding leader in Bavaria in those days. Although he was very dubious by American standards because he was so conservative, he did a marvelous job as far as I'm concerned of running the right-wing radicals off the road. He simply took their votes. I felt he did an enormous service to Germany and to the democratic development of the country. He positioned the Christian Socialist Union in Bavaria, which was the CDU's Bavarian partner, fairly far over on the right side of the road and by doing so just ran the radicals out of space in the legitimate political spectrum. If they tried to be more radical by attacks on people, they were vulnerable to prosecution.

*Q: When you say radicals, would this include the neo-Nazis?*

CLARKE: That's what I mean. They couldn't use the term Nazi because that was really prohibited, so they would call themselves nationalists or something. I'm sorry, I don't really remember the names that they went under, but there was one prominent neo-Nazi party. Once they won seats in the Bavarian parliament, they acquired a certain respectability that they'd never had before. But I was the guy who had to go out and attend a couple of their rallies to see what they were like. It was pathetic. Almost no one came to their rallies. The speaker would stand there with Plexiglas around him so he wouldn't be hit with rotten eggs or something worse. The number of policemen in the surrounding streets far outnumbered the crowd that could be assembled for these guys. In the late 1960s, neo-Nazis were an echo from the past. In retrospect, the neo-Nazis could have died out politically if anti-immigrant sentiment hadn't come along to save them.



*Q: What about the other group you called radical, the students? It's always struck me that for some reason, the Germans turn out a really violent, almost crazy bunch of people at the universities. They seem to go over the edge.*

CLARKE: The leftist students showed extreme bad taste, but in Munich there was no violence during the time I was there. The violence was in Paris. The red flag in Paris was a lot more substantial than the red flag in Munich. That helped to make this less of a German issue. It seemed like more of a Western European development than German.

*Q: Did the summer of '68 and what was happening in France have much reflection in Munich?*

CLARKE: I think it helped left wing students to be more demonstrative and nastier. But they tended to be disruptive in their own classrooms rather than elsewhere, and they were very insulting to their professors and so forth, but they never brought Munich to a halt.

*Q: Was Vietnam raising its head while you were there?*

CLARKE: Of course.

*Q: What were you getting from the various Germans you were dealing with?*

CLARKE: Most of them didn't bug me about it. I do think that most Germans were not interested in criticizing the United States for being involved in Vietnam because they didn't want to get involved in any recriminations about what they'd done in World War II. There were some who openly favored it because they accepted the Cold War logic, but most of the Germans I met did not want to get into the subject. It was more of an issue for Americans.

*Q: What about the economy? How were things going from the Munich perspective?*

CLARKE: In the economic section, I didn't do a whole lot of reporting. There was one interesting proposal that I did do some reporting on which was to come up again much later in my career. The Bavarians were proposing to buy natural gas from the Soviet Union, because they felt they were paying too much. They thought that it was not fair for the North Germans, who were closer to the North Sea, to have cheaper natural gas than they. They thought by buying from the Soviet Union, they could balance that out. They wanted, in other words, a natural gas network in Germany where everybody would be priced the same, which is of course possible. This was the very early days of to-ing and fro-ing with the Soviets. At that point I think the U.S. was very interested, but we had not yet taken a position on this pipeline, which was ironic. The reason I say it's ironic is because in 1982 I went to Moscow to be economic counselor and I had the misfortune of arriving only a couple of weeks after our embargo against our allies designed to stop the biggest gas pipeline to the West.

*Q: I take it during this '67 to '69 period the "Soviet threat" had not gone away?*

CLARKE: I remember very distinctly a group of American college students that came over and met with some Germans. I met with them at some kind of reception because nobody else in the consulate could come over and see them. This one guy was telling me with great exuberance, "The Cold War is over," and I thought he was nuts. There was no evidence that the Cold War was over from our point of view. He wanted to visit Czechoslovakia as I did, and did so under Cold War rules.

*Q: I take it by this time there really wasn't much in the way of emigration to the United States except for GI wives?*

CLARKE: Yes. My only challenge to speak of – there were occasional other things – but the only real challenge was to deny non-immigrant visas to fiancées of American citizens, usually the girlfriends of soldiers or students. The policy was to require them to wait for an immigrant visa, which took months. I didn't like the policy very much then. I still think it was dumb. From time to time when I was absolutely convinced that the person was just going to find out what it was like over here and was going to come back, I would issue a one-entry visa. Often they returned. But every once in a while I would issue a one-entry visa, and they'd get married in the states and change status, and my boss would fuss at me, but not too severely.

*Q: Looking at the guest-worker side, in particular the Turkish "Gastarbeiters," was this a phenomenon in Bavaria or was it more evident elsewhere?*

CLARKE: I don't know how the statistics would run. I might have known then but I don't remember anything about the statistics. But yes, you could see a "gastarbeiter" in Munich. Yugoslavs and Turks, even Italians, were basically visiting workers in those days. If you took the train from Munich to Italy, one of the things you had to count on was it was going to be overcrowded with workers. I imagine the same was true going to Turkey or to Yugoslavia, but I didn't do that. So yes, it was definitely an influence.

When I took my Fiat to be worked at the repair shop, I knew that the mechanic was almost certain to be Italian. There just weren't enough German mechanics to go around. Occasionally you'd run into an Italian or Portuguese waiter. So yes, the process was well under way.

*Q: By this time I would imagine we were looking at Germany as being a real industrial powerhouse?*

CLARKE: Yes. I think our commercial policies were certainly taking that into account. We weren't always doing the right thing, but we were adjusting to the idea that they were a rather strong economy. We had fixed exchange rates then, and at 4DM for one dollar, the U.S. could hardly compete.

*Q: As an economics officer was there interest in all the work/social regulations in Germany? I don't know how it was in Bavaria. I do know in an earlier period in Hesse, you*

*couldn't be open on Saturdays. You could only do this and you could only do that. There was an awful lot of social work regulations.*

CLARKE: Yes. As I remember the worst of it from an American point of view was that stores were open such limited hours. The consulate, not being an embassy with 24 hour worldwide reaction responsibilities, could do its business in a 40-hour week. Therefore I don't believe that work in the consulate was unduly hampered by people leaving early. I certainly don't believe the German workers minded it very much. The amount of beer consumed on the premises was pretty substantial, especially down in the maintenance areas in the basement. So they may have been over-regulated as to what they couldn't do at work, but not over-regulated as to what they could drink on the job. "Brot Zeit" in Munich, literally "time for morning bread," is really time for a morning beer.

*Q: It's just a different way of ingesting grains.*

CLARKE: Yes. Yes.

*Q: At Fasching do things shut down?*

CLARKE: Fasching was certainly phenomenal in Munich. Of course Germany was no longer poor, the costumes and the elaborateness of the balls were phenomenal. They really went all out. It was still true that it was very difficult for a couple to ever get a divorce based on anything that happened during Fasching.

*Q: In '69 you went where?*

CLARKE: I went on home leave and in early '70 arrived in Lagos, Nigeria.

*Q: That was a little bit different?*

CLARKE: Absolutely. Munich was almost my last non-hardship assignment. This was the beginning of the real Foreign Service for me. I arrived either the same day or a few days after the street lights got turned back on in Lagos.

*Q: For what?*

CLARKE: Because the civil war between the central government and Biafra had ended in January 1970, just a few weeks before, and it had taken a little while to get the lights turned back on.

*Q: You were there from when?*

CLARKE: '70 to '72.

*Q: What were you doing?*

CLARKE: I was in the economic section and I wrote economic reports.

*Q: This was a very interesting time because there were people, particularly in Congress and in the media who had been predicting a bloodbath in Nigeria. You had very strong partisans of the African cause in the United States in the media, Congress, and elsewhere. What did you expect to find when you got there and how did you see it playing out?*

CLARKE: The nicest thing I can say about the process of assigning me to Nigeria was that they made sure I went without any preconceptions. When I went to western Germany where I'd lived and studied and all the rest of it, I still had to take superfluous lectures on western European subjects during language studies and even before. Nigeria was an English speaking country, and because the main point was for me to get there yesterday, I got no training at all. The entire continent of Africa was something I'd never studied, so I had a tremendous amount to do on my own and absolutely no preparatory work at all. My home leave address in those days was with my family in Charleston, South Carolina. I'm afraid the public libraries in Charleston are not good when it comes to the history of Africa and even worse when it comes to contemporary Africa.

So, I arrived, really ignorantly, but since I was the junior person in the economic section, this was not painful. In fact, one of the useful pieces of advice I got from a friend at AID (Agency for International Development) soon after arriving, was if you want to understand Nigerians a little bit, why don't you read a couple of Nigerian novels and get into the characters a little bit, and you'll get a feel for this place even faster than through more formal approaches. Which I did. I thoroughly enjoyed this approach and found it useful.

*Q: Did you find a divided embassy when you arrived there? At one point it had been badly divided over the pro- and the anti-Biafrans.*

CLARKE: No. I think there was a strenuous effort in the Embassy when I arrived, not to provoke those in the States who were pro-Biafra and often wrong about what was going on in Nigeria, nor to appear too protective of the Nigerian federal client. But we were under a lot of pressure to report bad news. We felt that in various different ways. If anything bad was said in the Western press about what was happening in former Biafra, no matter how farfetched, the first question was, "Well how come the embassy hasn't reported that?" Even if it was totally untrue.

So one of my early responsibilities was to go and contact people in Reuters for an off-the-wall story that had appeared in the Washington Post that was only two paragraphs and not much more than two sentences long. So I trotted down to Reuters with this thing and presented it to the guys and said, "Hey, I don't remember this. Do you remember this?"

It turned out that somebody in their home office in the U.K. had pulled one sentence out of one report and another sentence out of a totally different context in another report, glued them together, and sold them to the Washington Post. These guys hadn't even been aware of it. They cheerfully agreed that the conclusion that one would draw from the

juxtaposition was totally incorrect. So that was a nice reply. The front office was delighted with that. We came out looking reasonably straightforward once the Reuters people disassociated themselves from the piece.

*Q: Who was our ambassador when you arrived?*

CLARKE: That's an embarrassing question. Why can't I name him? I even occasionally worked for him as an aide, in addition to my Economic Section duties. I had no idea what an aide was supposed to do. He'd been a deputy director in INR as I recall, before he came. He served in Lagos only a couple years, and left before I did.

*Q: Was the DCM (Deputy Chief of Mission) still Clint Olson?*

CLARKE: Clint Olson was indeed my DCM. He was eventually replaced before I left, but he was there most of the time I was there.

*Q: I interviewed Clint. He is now deceased, but he described how he was carrying on our policy to support the central government and was getting unshirted hell from some of the officers who were serving in the Biafran area and also from a couple of true Biafran believers in the Congressional staff.*

CLARKE: I'm sure it was true of Congressional staff. There was also, it seems to me, a White House fellow or something that came out all steamed up about Biafra, who added to the flak the Embassy took from the White House. My recollection, not from the time I was in Nigeria, but from later when I worked in INR, was that indeed at the outset of the war, our consulate in Enugu, capital of the Eastern Region, later Biafra, Iboland, was really very attached to the Ibo view. So there was conflict with the Embassy. To the extent that staff was then joined to the embassy when they were evacuated, I can imagine there was some real conflict there. By the time I came, the Embassy was trying hard to restore normalcy and objectivity. I'm sure Clint was part of that.

*Q: Would you go to Biafra to report?*

CLARKE: I did visit Iboland after it was no longer Biafra. I only did that about twice in two years. It wasn't always my turn to travel, but I did.

*Q: What was your impression of the tribal balance, tribal politics of Nigeria at the time?*

CLARKE: Well, that was the politics.

*Q: Still is from all accounts.*

CLARKE: Yes. The first thing I was impressed with was the term tribe doesn't work very well. Each of the major "tribes" was bigger than certain countries in Europe. The Nigerian newspapers ran a couple of really good articles by a correspondent who had been to Europe. One was called Tribalism in Belgium, which I thought was a master

stroke, describing Belgium in tribal terms. It was very apt. These were major national groups with totally different languages. Ibo was not a dialect of Hausa or Yoruba. They are totally different languages. It's hard indeed to run a central government based on democratic principles when you have three ethnic groups that are really big, and then other major ethnic and language groups, and then maybe some that are more the size that you'd want to call a tribe.

*Q: How was it as an economic officer, going around and getting economic statistics, economic reporting? How open was this society?*

CLARKE: It varied greatly in Nigeria. We still had a consulate in Kaduna in northern Nigeria, so I didn't do much reporting on northern Nigeria. I went up there once to get oriented. They produced cattle and peanuts primarily. We did not reopen a consulate in the East, in Enugu, so consequently the embassy was responsible for covering that area, and we had to go out and see people. Actually, although the Ibos had quite a line they wanted to pitch, they were quite accessible and quite interested in developing their relationship one way or the other with the United States. Whereas when I visited Calabar in eastern Nigeria on the other side of Iboland, they were very, very cautious about me and wasted effort trying to figure out why I was there. They were much harder to work with.

*Q: Had oil become the major export?*

CLARKE: My colleague, Bob Blucker, in the economic section was the petroleum officer who basically chronicled the reopening of petroleum development and the process of connecting the pipelines. The embassy, I think, was quite good at being able to predict what was going to happen as these pipelines were connected. Discoveries had already been made. As the offshore platforms were completed, we knew what oil exports would be. You couldn't always predict how negotiations were going to go with the Nigerian government. But that Nigeria would be a two million barrel a day major oil producer, we announced early on. Before my tour was out, various banks and other western organizations decided to show up and focus on this huge new source of wealth.

*Q: At the time, was corruption an issue? Were the milking of funds and the inefficiency as apparent as they became later on?*

CLARKE: I can't make that comparison very well because I never really went back. Let's just say that it was a fact of life that everybody recognized when I first got there. One of my pieces of the economic puzzle that I was supposed to follow was transportation. I was told when I first came, one of the things you really need to know about the transportation minister is that he arranged to buy five Fokker Friendship aircraft from the Dutch, for the price of six, and he pocketed the price for the sixth aircraft.

*Q: You know I've never served there, but from all accounts, it seemed that the oil money just didn't go anywhere. Nigeria is used as a worst case scenario whereas Norway is used as a best case scenario. This comes from the interview I've done about*

*Turkmenistan, about what you do if you find a lot of oil. My interlocutor has a Nigerian example and a Norwegian example.*

CLARKE: It's pretty unfair to compare Nigeria with Norway. There's no doubt that waste is not a big enough word to describe what they did with their natural resources in Nigeria. The other thing was that their ideological blinders were enormous. One of the prominent things that came out during this period was a new five-year plan for Nigeria in which the commanding heights of the economy, phrased straight from Lenin, would be in government hands. That included some control over the petroleum industry, but it also included major projects like building a steel mill in the middle of Nigeria. So this was classic. It was not Soviet ideology. It was English – shall I say – Socialist. It was based on the assumption that the civil service could run the economy, including large-scale businesses, better than the private sector.

It was really awful. The concept that it could have ever worked in Nigeria is ridiculous in the situation with so much corruption. But that it was the right thing to do was really even more absurd. But it was the period there. I don't know how much we contributed to deliberately not looking at American models, simply because the U.S. had supported the Biafra side in the war. But I think frankly we reached a degree of steadiness in our relationship with the Nigerians partly because General Gowon was a reasonable man. Gowon was an elected military leader - elected only by the military - but elected in the sense that he was a compromise candidate who did not belong to one of the major tribes or major national groups. That he was a Christian from the north was also an interesting balance. He had a number of assets for which he could be respected by all the different groups. He had spent a considerable amount of time reading Carl Sandberg's biography of Lincoln. He was looking at the civil war in Nigeria from the perspective of the American Civil War. It shows you that even when our policies are out of whack, sometimes American influence can be very powerful through something totally different from foreign policy.

*Q: What was life like there?*

CLARKE: This was before life became so difficult. By the time I left, the traffic jam was becoming very serious. It was during the time I was there that the first roll on, roll off vessels carrying Japanese and European automobiles began to serve Nigeria. That was stimulated in part by a substantial rise in civil service salaries. Later Lagos was the first place to get clogged once these cars started to be bought. The usual fear that people had of Nigeria in the later 1970s was highway robbery and burglary. Those occurred, and there were two attempts to burglarize my apartment, both unsuccessful because I woke up. The burglars fled. They were not armed. But that all changed. That changed very drastically as more and more burglaries turned into armed robberies and got really nasty.

*Q: Did you have any feel for what our AID program was doing there?*

CLARKE: I was very interested in the AID program because some of my functions in the economic section overlapped some of the areas of interest to them.

*Q: How did you see it? Did you see our program as making sense or was it misguided or was it just an impossible situation?*

CLARKE: I don't think their strategy, as much as they had a strategy, was all that bad. They were not looking for major capital projects to sink money into. Their emphasis was on education and agriculture, two of the obviously key things for the future of Nigeria. So the overall strategic sense was not so bad. But their tactics were awful. AID worked in a 14 story high-rise office building that towered over the little two story headquarters of the supreme military command of Nigeria. The image was awful – of this handful of senior army officers really running the country and running a war besides, and 100 Americans stacked up 14 stories high with twice that number of local people and with no program at all during the war because we gradually cut out our programs. We cut them back and cut them back and cut them back. They were all sitting there, doing almost nothing. It was an image question.

But, as I say, one of the first things they wanted to do once the war was over was finish building the teacher training colleges that they had around the country. I don't think anybody thought that was a bad idea. Somehow strengthening public education really needed to happen. They had projects in tropical agriculture which made sense to me. They provided tremendous reconstruction assistance. This gave a positive channel to pro-Biafran instincts. We had to be very careful, because there was always an American tendency to try to bulldoze these things through the Nigerian government. We realized we had to maneuver them into officially asking for it and that was hard to do there for a while. But ultimately, I think our problem was one of a poor image and inappropriate tactics.

*Q: How did you find it was dealing with the Nigerian government?*

CLARKE: I had very different reactions in different parts of the country. For some reason or other, we had good relationships with the Central Bank, which was very helpful, because they were sometimes the most serious of the economists in the country. And we had rather crusty relations with other government agencies where they were annoyed with us and didn't want us messing in their business. I had the feeling that we, as we so often do in the United States, used the catch-phrase, "Leave no stone unturned" or "Tell them the whole story and then we'll see how much they want to buy." The sense was that maximum pressure is always the best way to sell a product, because in American foreign policy a frequent handicap point in that we failed to sell a number of our products, our policies. Our assistance to Eastern Nigeria was delayed month after month after month because Washington kept insisting on going about it in a way that would only satisfy people within the Washington beltway.

*Q: Was there much coordination or good planning with the AID program?*

CLARKE: AID, then and perhaps now, liked to think that they were above and beyond day to day international relations. They were only interested in the long-term economic development of the country. But the coordination was pretty poor. The figures we were



reporting on what was going to happen in the petroleum sector and therefore in the financial sector were as if it were a different country from the one the AID program was being directed to. And rightfully so perhaps. The AID people would say, "Yes, the petroleum sector was all an export sector. It did not have great linkages back into Nigeria." If the earnings were wasted, that meant they really weren't there. I think we would have wanted to show exports of benefit to the rest of the country.

I left in '72. In '72 some of the things we predicted in 1970 were starting to happen. But the wholesale collapse of institutions happened later. The one institution I remember that was in collapse while I was there was the port. That had already collapsed. That was a special case.

*Q: One would hear reports about ships being in the Lagos port for six months and paying demurrage every day and for the crew and everything else.*

CLARKE: Right.

*Q: Were you all involved in cleaning up the mess?*

CLARKE: I actually walked around the port itself and reported on this from time to time. At one point the military government got fed up and took this young, very short Colonel who had been very effective at one phase of the war and sent him in there to clean up the mess. He did a brilliant job. Everybody was scared to death of him, and all of a sudden they cleaned the port out very quickly. Then they had to return to a more commercial basis, in which people could account for property, transactions would occur legally, and damage was minimized and all those kinds of things. They gradually slowed back down a bit. But he showed how quickly things could be changed, that they were not inherently failures. The port was not inherently a failure and was allowed to run on its own.

*Q: What about social life there?*

CLARKE: There was a lot of social life within the expatriate community and not a lot of social contact with the Africans. I think people tried to have such contacts but it wasn't easy to work out. Some people were more successful at it. I was not very successful. When I invited Nigerians to events at my house or elsewhere, it was hard to persuade them to come. Maybe that was because I was doing something wrong, but I'm not sure what.

*Q: Just to be difficult. I think we might stop at this point. I'd like to put at the end here where we'll pick it up the next time. In 1972 you left Lagos and you went where?*

CLARKE: I came back to the State Department and worked as an analyst on Africa, particularly on Nigeria, but also on some other issues - some economic issues in Africa. But mainly I worked on Nigeria and occasionally substituted for people who worked on other west African countries.

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*Q: Today is April 8, 1999. So you went to INR. You were in INR from when to when?*

CLARKE: Early '72 to early '74. Just about two years.

*Q: How did you find that INR fit into Department of State policy making?*

CLARKE: I was in the more analytical part and not dealing with intelligence coordination or some of the more operational functions. I was on the analytical side, and there seemed to be a certain amount of nervousness on the part of the folks in INR as to whether they were really accepted as fully necessary by the rest of the State Department. They worried less about being accepted by the rest of the intelligence community, which in its better moments at least, saw value in having different perspectives on the same problem. But we weren't always sure the rest of the Department felt that alternative ideas or different points of view on foreign countries were necessarily welcome. Certainly not once the head of the geographic bureau had decided what it ought to do. Then he was looking for support for the policy, not questions. So I think there was an inevitable tension there. It could only be overcome if the senior people in the Department said, "Well, I want an alternative look."

During the time I was there, there was a certain amount of shrinking of the staff in INR, best illustrated by the fact that they combined Africa, which I was working on, with Latin America into one office, even though the two halves of the office had virtually no overlapping topics. It was the brainchild of the head of the African office, a distinguished FSO whose name I forget. But I do remember that he was somewhat independently wealthy and he simply said that if they had to give up a position, they should give up a high paid position, not a low paid position, and that they should give up his. The way to do that was to have one office, where there had been two and a deputy director for each of the continents. Nobody perceived any other logic, but he felt that cutting analysts meant that they were cutting the basic productive unit of INR. I never ran into this any other time. I would say the tendency nowadays is the other way around, to create more chiefs, and less Indians. I don't know if they are doing that in INR.

*Q: You were dealing with what, Nigeria?*

CLARKE: I was following all of West Africa on a daily basis. My responsibility for writing was primarily Nigeria. Then I was given additional duties on some economic subjects in Africa that seemed to overlap a number of different countries. The reason I got that latter responsibility was that I was the only person working as an analyst on Africa from the regional point of view who had any economic background.

*Q: Let's talk about the economics first and then we'll come to the "Soviet Threat" and political developments. How did we view Nigeria or West Africa at this point? This must have been a time when oil was really beginning to bubble out of there, wasn't it?*

CLARKE: During the time I was there, in Nigeria, the embassy began predicting accurately what the flows from Nigeria would be and the financial effects. Those results came to pass while I was the analyst in INR. It was very predictable because it took a certain amount of time to develop the fields and build the pipelines and then you could very accurately predict what was going to happen.

What was not so easy to predict was what was going to happen to Nigeria as a result. I'm not sure we did a particularly great job of that and, despite serving in Nigeria, I don't think any of us would have been able to imagine that they would handle it so badly. They had a five-year plan for which I had no particular respect, but I also thought the private sector would probably take off and development could occur that way. I just simply underestimated the extent to which corruption and foolishness would prevail.

*Q: I would think within an organization like the Department of State to talk about what would happen and be accurate would make you sound almost racist or make you sound unsympathetic. You'd be saying, "These people can't handle it." This is very difficult, particularly in those times. Or any time you serve in an area and come back and say, "These people are really going to screw it up."*

CLARKE: Right and it was particularly the view of Africanists in those days that Nigeria, having at last emerged from civil war, had a chance to make it. They had the economic resources. I would not say that they had a highly educated population, but they at least had the institutional basis for an educated population and some highly educated individuals. They had a civil service, largely formed on British lines, which one could reasonably hope might help, even if the political leadership was unpredictable. I think maybe those factors were a little misleading. They were obviously all true but they were not decisive.

I was more interested in my analysis of U.S. relations with Nigeria. I was concerned that Washington often took an excessively optimistic view of the degree to which Nigerians wanted to be told what to do. This was particularly laid out for me while I was in Nigeria. So I came back to the Department with a little bit of a chip on my shoulder. I ultimately put out a fairly lengthy study, at the time classified pretty highly so that it would stay within the U.S. government and not be tempting to leak, that basically ran through all the reasons why the Nigerians were not being as responsive as we thought they ought to be. Ultimately this paper was not cleared by the African bureau. It was a view they didn't welcome. They felt it was too one-sided. It was indeed intended to be somewhat one-sided, so as to advocate a fairly clear viewpoint that needed to be addressed in our policy process.

I could have written one twice as long and the theme would have been buried in too much detail. The basic point would still have been valid, in my view, but others could say it wasn't true. As usually happens in this kind of situation, the fact that it was not cleared caused it to be of some interest to people who otherwise would not have found time to read it. In those days we were preparing briefing materials for the Secretary, and he never returned his copy, so we thought that was also a good sign. He may have lost it. He was

famous for losing highly classified documents. But the paper was a way of getting people's attention.

Later I was proven somewhat wrong because at least one of the proposals, one of the more innocuous proposals that we were making, was ultimately accepted by the Nigerians, even though it was an unpleasant matter from the Biafran war. This had to do with the Overseas Private Investment Corporation (OPIC) and a textile mill that we declared to have been expropriated. We paid off claims without the Nigerian government's approval. So they basically brought that program to a halt. Nevertheless, despite my pessimistic views, our Ambassador in Lagos succeeded in persuading the Nigerians to start up the program again. I didn't feel that exception invalidated my general view. But that was the kind of thing we in INR were trying to do. We were hopefully offering a second voice to the policy makers.

*Q: Can you give the major issues where you didn't think the Nigerians would be quiescent or what have you as far as our requests for support?*

CLARKE: Our whole style was to press them harder and to try to get further into their decision making mechanism whenever Nigerians expressed skepticism or reserve on something. In my view, this caused them to back off every time we did this. They did not like being told what to do. It reminded them of our efforts to do so during their war. Efforts which, you know, were often tilted toward one side – not theirs.

*Q: Who was the head of the African bureau at this time?*

CLARKE: At the time that my paper was not cleared, I think it was Rudy Agree. But I don't think he was particularly up tight about this report personally. I think that was sort of his Bureau's recommendation – gee, maybe they ought not to bless this thing. Agree was subsequently, or maybe before that, Ambassador to Senegal, and by all reports did a great job. He established a totally different kind of personal relationship there, that we were never able to establish in Nigeria during my time dealing with West Africa.

*Q: At this time there were two Secretaries of State, first Rogers and then Kissinger. One never thinks of Rogers being particularly focused on anything, so I would assume that Africa did not loom large in his thinking. With Kissinger one could almost say the same because he was focused elsewhere. Was that transmitted down where you were?*

CLARKE: Yes. I would say so. Actually Rogers did visit Nigeria during the time I was serving there, not when I was in INR. He had a reputation for not reading anything more than three pages, double-spaced. That may not be true but that was his reputation.

Kissinger was obviously an academic intellectual, as well as keenly interested in policy. As I recall, he was involved in the decision to separate North Africa and add it to NEA. So sub-Saharan Africa became the bureau and the continent for organizational purposes and this tended to diminish Africa even further. That said, there was no chagrin in being the Nigerian analyst because if somebody said, "Well, what's important in Africa?"

People would have said, “Well there’s South Africa. There’s Nigeria.” And maybe they would have said, “There’s Congo, Zaire.” So I could always count on at least some interest in what was going on. It was harder for my colleagues dealing with the rest of West Africa. They really felt they were dealing with exotica.

*Q: What was the feeling at that time about Soviet influence in the area?*

CLARKE: I didn’t consider one tour in Nigeria to have made me an Africanist, but in INR I was among a lot of people who had spent a lot more time dealing with Africa and I do not recall a great concern about Cold War issues in Africa. But we are talking now in the early-to-mid 1970s. We’re not talking about later developments in Angola. The biggest interest I can remember was that Fidel Castro began a program to supply bodyguards and other assistance to various heads of state, and maybe sending even somewhat larger groups of people, including I think to Angola at that early stage. It was conceivably Soviet financed, but in any case we treated it as largely a Cuban concern.

*Q: What about Nigeria and the Organization of Oil Producing Countries? Was that still a cloud on the horizon at that time?*

CLARKE: No. I remember having to do at least one paper on the oil situation in Africa in which both Nigeria and Gabon joined OPEC. Obviously when you have a producer whose output is increasing and who expects to continue to increase its output, you have to ask yourself whether this is at some point going to be limited. These were never the big Middle Eastern producers. Marginal increases in Nigeria were not going to change oil prices in the same way, the same percentage increase, as one of the big producers could. So Nigeria did not take part in the Arab oil embargo and continued shipping to the U.S. and Europe. I think we all perceived at that time that it was the ability to control production that influenced price. So we were disappointed with African OPEC membership just as we were disappointed that so many African countries broke with Israel over the ’67 war. Israel had difficulty all through this period getting back into Africa.

*Q: Yes, this is the ’73 War, the October War, which shut down the Canal again, didn’t it?*

CLARKE: That’s right. Because they still had relations with Israel before that. You are quite correct. It was not the ’67 War. It was the ’73 War.

*Q: Were we trying to do anything to get Nigeria to be nice to Israel again?*

CLARKE: It was our position that they should be even handed and that they shouldn’t have broken diplomatic relations, but I don’t think we realistically were spending a great deal of effort on that, because it was a decision which they all took together. I don’t remember if it was formally decided at an OAU meeting. I just don’t remember that fact. I haven’t worked on Africa now in so long, I’m uneasy about my memory of facts and dates.

*Q: Do you recall, having suffered the Biafran problem, whether we considered Nigeria to be a relatively stable country?*

CLARKE: During the time I was following Nigerian affairs, there was a military government. We considered the military government inherently somewhat unstable because a group of officers could, at least theoretically, challenge it with the same legitimacy that the government itself had. Murtala Muhammad was always hanging out there in the wings. No. I think the answer is on the level of governments, we didn't consider it particularly stable. However, daily life in Nigeria was relatively peaceful.

We knew that a return to elections and civilian rule would mean that you would have three very large ethnic groups. How they balanced one against or with the others, could lead, as it did in the civil war, to new instability. It was clear that the idea of forming 12 states instead of three was an effort by the Gowon government to achieve a higher degree of stability by not having a three cornered fight all the time. We saw those as maybe commendable efforts but as not necessarily resolving the ethnic problem. So, the short answer is we didn't consider it inherently stable.

*Q: Was Libya messing around there up to the north or did that come later?*

CLARKE: While I was at INR, the answer is yes, in West Africa as a whole, not in Nigeria. After I left INR, there were bitter periods, when the Libyans came pretty far down into Chad and created a very threatening situation there.

*Q: From your perspective in INR, Western African affairs, did you find that part of Africa was divided as far as we were concerned into the Anglophone and Francophone areas and if you were in the Anglophone looked upon the Francophones at some distance?*

CLARKE: The split was crystal clear, the contrast between them was so sharp. Most of the Francophone countries were organized economically to the point of having a common currency and common rules on everything from aviation to who could sell what kind of cars in their countries. The Anglophones were not the mirror image. They were more open. You could buy a Citroen in Lagos even if you couldn't buy a Rolls Royce in any Francophone country. The difference was an absolute given. Whereas in following the Anglophone countries, in which I would include Liberia of course, and Sierra Leone, and Ghana, as well as Nigeria, we tended to look to the country itself for our political analysis. For the Francophones, you had to keep one eye on Paris.

*Q: Were there any other major issues during this '72 to '74 period that absorbed your attention?*

CLARKE: You have done very well with your questions, I would say. My own personal interest was in the bilateral relationship because I felt that was something that Washington could reasonably be expected to work on and improve.

The oil issue was a natural subject. With the sudden increase in prices, I took an interest in the extent to which that would make more countries in Africa that had small deposits

potentially more viable. At least I felt that was a question that should be asked. The answer to that question was, not much in the end, as far as I could study it. But that was a question that arose: would there now be many more producers since the base price for a barrel of oil had gone up?

*Q: Did you get any feel for how the CIA intelligence people were looking at this?*

CLARKE: Oh yes. We were on the phone every day. I should say we. I wasn't every day. Certainly every week I was and someone in our little office was probably on the phone every day. I mean our little office of West Africa, not just of Africa as a whole. That would have been several people every day. That's because the CIA was in charge of producing daily output that they attempted to clear around the intelligence community. So we were comparing notes and giving examples back and forth to each other on every conceivable situation. Usually they took the initiative with their papers, but we also shared our papers with them and got their input. Everybody reserved the right to go to press without concurrence if they could not be persuaded. In some cases for a community product, there had to be a footnote taken expressing reservations. On the whole there was a lot of coordination.

Although we maintained good friendly relations with the desks that we served, the action forcing process was really within the intelligence community on these papers. We didn't seek desk clearance for a CIA paper. INR's role was to represent the State view. If I thought the desk officer could help me, I might call him up and ask his opinion or get his view, but often I knew his view. I was representing State's view on Nigeria for purposes of the paper.

In that we saw a process that doubtless continues to this day. The initiator of daily products wants always to be sure that he keeps the attention of his audience. So there's a tendency of the producing agency to raise the level of excitement to overdramatize what's going on. Since we were basically commenting on stuff produced in the CIA, it was often my role to say, "Come on, now. That's a little overblown." I believe it was even sometimes the case that analysts would rely on us to do that because their editors had upped the ante. They knew it was a little exaggerated, and they were calling on State to suggest a way of toning it back down. That being said, we did develop a great deal of mutual respect for expertise on these countries, and this process meant that it was not likely that we would have drastically different views on what was going on in the country.

*Q: Did you have a feeling that you wanted to be an Africanist or were you feeling like an Africanist?*

CLARKE: I pretty much came to the conclusion, while I was in INR, that I wanted to remain in the economic cone. I had no desire to get out of it, even though what I was doing in INR was mostly political and I liked that. I felt what I had to contribute the most over a career would be on the economic side and that possibly opportunities for me were greater there, since I was one of the relatively few, still at that point, who came into the

Department with sufficient economic training to be a qualified economic officer.

Where could you go in Africa in those days after you've been dealing with Nigeria? I was somewhat distressed by the limited opportunities for doing real economic work. I was not going to join AID. I didn't have any inclination to do that. They had a long future in Africa. That was quite clear. Maybe not bureaucratically but in terms of their mission, it wouldn't be over for a long time. For all the other aspects of international economic relations, Africa was not necessarily the place to be if you're an economic officer.

I also missed European issues. I didn't really feel that I had become an Africanist, so it was during this time that I volunteered for hard language training in Eastern European languages. Each year we put in our wish list. In those days the bidding process was different. They started the bidding process about that time and I began requesting hard language training as a way of returning to the European scene and getting involved in Eastern Europe.

*Q: Then in '74 what happened?*

CLARKE: In '74, I was assigned to Romanian language training. After five months of FSI, I proceeded to Bucharest.

*Q: When I took Serbian – it was called Serbo-Croatian – I found that probably the best training I got was the fact that my teachers, pick any one of them, were fierce Serbs. I have been living on that ever since as a way to understand the Serb mentality. Larry Eagleburger and I took it together.*

CLARKE: He certainly never gave up his interest, did he?

*Q: How about you? Were you getting anything other than just plain, straight language training about Romania, Romanians?*

CLARKE: I was lucky in one way, in that there was a larger than average class in Romanian when I took it, and they had to hire extra teachers. The one man who'd been the Romanian teacher for so long had such a fixed view that he was trying to sell, so that it was valuable that he was not my only teacher. That's not to say that I've forgotten one iota of what he wanted to sell, because we got it every day and it's there. But by having his wife, who had a different cut on things, as one of the teachers, and another younger woman who had been much more recently in Romania, as is always the case at FSI, yes, we got some of our first insights into what the people were like through our teachers.

*Q: You went to Romania. Was it '74 still?*

CLARKE: Yes.

*Q: When did you leave Romania?*



CLARKE: '76.

*Q: What your job?*

CLARKE: I went to Romania as the commercial attaché. Those were the days when the State Department was still responsible for the commercial function overseas. Much of my actual bureaucratic interaction was of course with the Commerce Department. That being said, there was at that time a rather modest economic and commercial section in Bucharest. So from time to time I would be the acting head of the section or I would write an economic report, even though I was the commercial attaché, so we had a rather flexible method of operating. I enjoyed the commercial function there thoroughly because the Romanian regime under Ceausescu was very secretive and very formalistic, and it was difficult to find out what was going on.

The commercial process of bidding on contracts and trying to get work was a way of beginning to see how they made decisions and how the Romanian Government acted on them. I felt that I was privileged because my colleague, whose primary function was to write economic reports, didn't have good raw material. I could be very helpful to him based on what I was getting from the businessmen themselves; they were coming in and asking for advice and support, which they did in those days since in a place like Romania there was no private service to turn to.

Plus, I would sometimes go out and inquire on their behalf when they were not in town. So I had contacts that were more legitimate than just gathering information from a wide range of economic agencies of the government. I felt it was a really good job. It was certainly a lot more fun and a lot more interesting and intriguing than the small amount of commercial work I had done in Munich some years before.

*Q: Romania was the darling of the government under Kissinger at that time. Was it because it was not in the Warsaw Pact? Particularly from a Kissingerian point of view, this was a major rift in the pact and basic "real politic."*

CLARKE: Right. The Romanians had refused to participate in the invasion of Czechoslovakia in '68. They had been in a rather nervous state because they were afraid that as a result, they might be invaded themselves. They had subsequently, if not before, been very leery about being drawn into Warsaw pact activities, although they were still a member. Our perception was that all the distance they maintained from integration in the Warsaw Pact was in our national interest. I don't think anybody really disagreed if it was Kissinger's idea. I think the idea actually was alive and well in the U.S. Government before Kissinger came to State, but he was already personally engaged in our policies toward Eastern Europe, along with Helmut Sonnenfeldt.

Kissinger did visit Romania during that period. We knew that Romania's performance domestically was very Communist and very much in the Stalinist tradition. We felt that this really wasn't in our interest to encourage, but we were not in a good position to challenge it if we wanted Romania to keep its distance from the Warsaw Pact.

*Q: Who was our ambassador during this time?*

CLARKE: Harry Barnes.

*Q: How did you find him and how did he operate?*

CLARKE: Harry was in many ways an excellent ambassador. He had the unique advantage of having being DCM and Chargé in Romania some years before. It was widely believed – you’ll have to ask him if it’s true – it was widely believed that he got the ambassadorship partly because the White House under Nixon had thought he’d done a good job when he was there as DCM. He then subsequently had several jobs in the Department including in the executive secretariat I think. I don’t know how he got the job but that was the rumor; that although he was a career Foreign Service officer; nevertheless he was well connected as a result of his service there.

He also knew Romania inside out and better than anybody else in the embassy. So he was particularly impressive in asking us the right questions about where to go to do this and do that. He was, I would say, active to the point of hyperactive. There were times when I felt we were leaving no stone unturned, even though we knew there was nothing under the stones. We were turning them over just so we could tell Harry Barnes we’d done it.

He was a good Romanian speaker. Unfortunately he had a tendency to speak rather softly at meetings. He liked to take a large group from the embassy to many of his meetings. The junior guy would be responsible for the note taking. The notetaker would sit way down on the end of the table where he couldn’t hear either Harry or the minister or whoever was on the other side of the table, because they could speak softly to one another. It’s possible, too, that Harry mumbled a few of his word-endings if he wasn’t really sure of them. He had a good vocabulary. He was fast and he had a lot of very good sayings or cliches or whatever you would call it. I don’t mean to be negative at all. In a very positive sense he would use these in conversation and just delight the Romanian on the other side of the table. That didn’t mean the guy taking the notes, who was fresh out of FSI, knew what the heck this nuance was.

*Q: To me as a language officer, that sounds like a horror.*

CLARKE: It was a horror. You could never hope to speak Romanian as well as your boss. He maintained a lot of good healthy professional pressure on his staff. Occasionally he overdid it. There were too many people who left Bucharest and got a divorce shortly thereafter. I don’t blame him for that because I think he was just simply trying to maximize the effectiveness of a small embassy in a hostile environment.

*Q: When you arrived in Romania, Bucharest obviously was a small embassy so you could get a real feel for where you were going. What was the attitude of the embassy toward the Ceausescu government, and the political situation in Romania at that time?*

CLARKE: I think we had a general perception of Romania that is somewhat along the

lines I've already described plus a sense that yes, it was a government very hard on its own people. One example comes to mind from that period. There was a hike in world sugar prices and so the Romanians, who never had enough sugar to go around anyway, began exporting some of theirs in order to profit from the world market. There were even reports of some unrest on the docks where people were loading sugar for export when people couldn't buy it in the stores.

Human rights issues were not my bailiwick during my first tour in Romania, so I'm not the best source on that. But we were all aware that people disappeared. Very harsh things had been done in the past and presumably still would be. If we ever get to my second tour in Romania, there will be some interesting contrasts but I would say on the whole – Romanians may remember it differently and they deserve priority – but my perception was there was a lot of criticism of Elena Ceausescu in the population already. Some of it was simply catty, but some was well founded.

Yet there was a little reserve about criticizing President Ceausescu. There was a sense that he had offered at least a degree of nationalist spirit by his standing up to the Soviet Union. To the degree that he was developing the American relationship, it was very popular. When President Ford visited, I believe it was 1975 – he came to Romania shortly after signing the Helsinki Final Act, and we considered the Romanians to have been helpful in the negotiations for the Helsinki Final Act.

I was responsible for the airport ceremonies, and I rode with a group of people from the embassy that I had taken out to the airport arrival ceremony. We came back in a bus that was marked "American Embassy" on the side, so that our staff would know this was what they were supposed to get on. We were way behind the motorcade. As we came in, all the people that had lined up to cheer the president, when they saw our bus, started cheering us. That hasn't happened to me in any other country I've served in, and it was not the sort of thing that the Ceausescus would have welcomed. Coming out to cheer President Ford was fine. He wasn't ever going to come back. This was a one-time thing, and it was really a way of cheering Ceausescu at the same time. Cheering the American embassy, that was strictly voluntary and not especially welcome. The government was trying to keep us isolated.

This popular attitude though, was very positive. You asked, "What was the opinion of the people in the embassy?" With encouragement from Harry and others, we did try to travel a lot in Romania. We did try to get around and talk to all sorts of people and this basically pro-American attitude, if often naively so, we found almost everywhere we went. Sometimes it was quite subtle. Sometimes it was very, very clear. Despite the hardship conditions we were to some extent living under, that was an encouraging aspect of the job.

*Q: I always like to get a little comment on presidential visits. How did the Ford visit go?*

CLARKE: Some of my favorite anecdotes from it have nothing to do with bilateral relations. The Romanians handled it with remarkable skill. We sent out an advance team

which took up the entire hotel that we were going to use for the main party. There were literally hundreds of people with the advance party who were supposed to plan the visit. They sat up all night long and all day long planning and planning and planning and then trying to talk to the Romanians and get some sort of confirmation on what was going to happen. The Romanians would never finally agree to anything.

As I recall, Ford was supposed to arrive on a Saturday morning and leave on a Sunday or something like that. Early Saturday morning, a little Romanian truck drove up to the front of the hotel. By that time, the advance team was out of their minds because they had cabled hundreds of scenarios, with instructions to turn this way and turn that way and three steps forward and all this other stuff which was totally theoretical because none of it had ever been agreed to by the Romanian side. Although major points on the visit had been agreed in principal, this little truck showed up early in the morning on Saturday and backed up to the Intercontinental Hotel. They unloaded the programs for the visit and gave them to our advance staff. We had had literally hundreds of people there working on this the preceding week to 10 days to no use whatsoever.

Then of course the planes started arriving with all the communications gear and all the cars and everything. The Secretary was with Ford so we had the whole nine yards. I came away with a healthy hope that I would be involved in as few presidential visits abroad as I possibly could for the rest of my career. In the end of course it's just a set piece. There may be presidential visits that result in something not planned. This was not one of them, and it wasn't really intended to be one of them. The Romanians' plans were as good as anybody else's. It's just that they didn't fit our format and they drove our people wild.

Another anecdote was at the expense of the Secret Service. I was working with them only because I was responsible for the airport ceremonies on behalf of the embassy. I remember in one of the hotel rooms discussing this whole problem with several people including the Secret Service. We knew with absolute certainty that the Intercontinental Hotel was bugged, at least in the upper rooms that were available for these guys. They kept complaining that this visit was not being done the way it was done in Cincinnati and the way it ought to be done was the way it was done in Cincinnati. I was just as sure that every time they said that, it delayed still further the Romanians agreeing to anything. Then they said, "Well, I know this is going to be a mess."

Finally they had some agreements on security issues. The Secret Service guy said, "Well, but it's going to be like in Poland. We had agreements on security but then when the actual visit took place, they all fell apart."

I ventured a meek suggestion that Romania was a long way from Poland, and the Secret Service didn't believe it. Of course the Romanians did not relax the security the least bit during the visit. We had hundreds, maybe even thousands of people mobilized purely for security. Many in plain clothes. Many armed and in uniform, but everybody in place well before every event. There were no gaps. I had an agreement that any Americans that arrived without proper identification at the airport to greet the President, and that I could personally recognize would be let in. I had to do that or they would not have gotten in. Of

course some Americans showed up with their kids and no identification and I had to do that. They actually held me to that.

*Q: What about personal contacts and social life with the Romanians?*

CLARKE: Very limited. Very limited. I was favored by the fact that the commercial relationship was one which required contact. I had a fair number of social functions for trade missions and for various different commercial exchanges that the Romanians had agreed to. They would also agree to a certain amount of limited social activity. They would entertain a little bit and we would entertain. So I stayed busy with these social contacts. But they were not very personal. I could not visit these people in their homes. We used our homes for entertaining because the hotels were so abysmal and so expensive that we could never afford to entertain there. So we tried to do it as much as possible in our apartments and houses. When they entertained, it was in hotels or in official facilities.

*Q: You mentioned the sugar. Were we showing any concern about the Ceausescu regime milking its populous for economic gain which went into whatever Ceausescu wanted to do like building palaces? Was this a concern of ours at that time?*

CLARKE: His palace building really began later. If it didn't begin later, at least it was not very evident at that stage. For instance, during my first tour you could visit the palace that had belonged to the King in Sinaia because it was a museum. It was later closed because he wanted to use it for himself and he did build an addition and used it for himself during my later tour. The first tour I was able to go inside as a tourist and see it.

But as for milking the population, Ceausescu had no conception of cost analysis in his investment decisions, and he made the investment decisions. For example, they were very proud of their economic development. They were very proud that they had an aluminum industry. When I went with Ambassador Barnes to visit one of the bauxite processing plants in Western Romania, after he finished asking his questions, I asked some that could reveal the cost of production. Basically I got answers that they were operating at very, very high temperatures and under very difficult conditions because of the nature of the ore. They did not want to answer a lot of questions on that. But they answered enough so that it was apparent that it was a plant that could only operate because it was not subject to market competition. At the very basic level of processing bauxite, the Romanians started losing money.

Subsequently they were building other plants, requiring a lot of electricity to process the ore into aluminum. They wanted to build aircraft factories and their own commercial aircraft. Throughout this entire chain, just to give you this one example, it was not obvious that they had any relative advantage commercially. Nevertheless they would conclude contracts. They would buy equipment in order to pursue these projects essentially because Ceausescu felt that's what the country should do. It was a very Stalinist approach.

*Q: What about American products? What was our market there?*

CLARKE: Our market was basically low to medium technology manufacturing equipment and some raw materials. We could not sell consumer goods there because Ceausescu's plans did not include providing much for the consumer. For instance, we sold coking coal to Romania because its own supplies were insufficient for the size steel industry that they wanted to have. They even considered investing in an American coal mine in Virginia, something they would not allow foreigners to do in Romania, so they would get a permanent source of coking coal. Ultimately they decided to do it under a long term contract. We sold coal there all during this period and even later. They bought other chemicals and whatnot from the United States, but their main interest was in importing machinery. There we faced very tough competition with all the European producers and the Japanese and we won a modest share of that. We did get a series of sales of Boeing aircraft, and that was a major item in our bilateral trade.

While I was there, we negotiated an agreement, based on the Jackson-Vanik Amendment to the Trade Act of 1974, that allowed most-favored-nation treatment for Romanian products. This made it possible for the Romanians to produce consumer goods for the United States and that process was only beginning when I was there on my first tour. The effects of that were much more evident when I came back for the second tour in the 1980s. They sold shirts and sneakers and a whole range of products to the United States after that agreement was reached.

*Q: Wines?*

CLARKE: Yes.

*Q: Were we pushing American business to go in there and do things in order to develop ties or pushing people to buy Romanian products because we wanted to drive this wedge into Eastern Europe?*

CLARKE: Oh, absolutely. First of all, we wanted to give Romania options. We thought that dealing with us economically would help to shift some of their trade away from the Warsaw Pact Countries and toward the West, which is what they were also trying to do. It was working to some extent. By a closer relationship with the United States commercially, as well as in other areas, we wanted them to become more dependent on good relations with us, to establish not so much a wedge, as giving them something to lose in the bilateral relationship.

*Q: What about Romania and the whole Jewish question? The Jackson-Vanik amendment had to do with whether a communist country would allow Jews to migrate. How did that work during the '74 to '76 period?*

CLARKE: You'll recall that the Jackson-Vanik amendment had been primarily aimed at the Soviet Union where there were literally millions of Jews. There was a feeling in the United States Congress, and the Executive Branch to a lesser extent, that we could use access to the American market to get them to allow Jews to emigrate. It passed with

overwhelming support in the Senate, but shortly after it became law, the Soviet Union denounced it and said they would not negotiate an agreement on that basis. So that leverage was pretty much frozen.

The other Warsaw Pact countries went along with the Soviet Union, with the exception of Romania. So this was another area that I was involved in, where they differentiated their policy from the Soviets and we reached agreement. It wasn't quite clear, to the public at least, what exactly Romanians had agreed to do on Jewish emigration, but it was clear that they were willing to allow emigration to continue. Since it was already occurring, the thought that it would continue and perhaps increase made this extremely attractive, especially to Jackson and Vanik, because without the Romanians, their law would have been a dead letter. It was very counterproductive on the whole, but in the case of the Romanians, they had reason to hope this was going to be a successful policy and that maybe other countries would come around in due course.

We developed a close relationship with the Jewish community in Romania, just to see how they were getting along and how many folks were being allowed to leave. At the same time, the Germans were interested in accepting ethnic Germans from Romania, and there was a steady flow to Germany as well. So we had two sorts of streams of emigration, based on ethnic considerations, because the Germans were prepared to give German citizenship to anyone who could prove German heritage, just as the Israelis were prepared to give Israeli citizenship to anybody who could prove Jewish heritage. That process did continue.

The Congress later took a different view, of course, as often happens with laws. They would hold hearings every year to see if continuation of MFN was warranted.

*Q: Most favored nation treatment.*

CLARKE: Right. What would happen is everybody who had a human rights complaint in Romania would try to get on the agenda of these hearings. There was almost never a complaint relating directly to emigration, although there were a few examples of priests or other people who had been locked up – and obviously they were in jail and not allowed to emigrate. That public hearing process gradually began to change the perception of Romania as a useful country for America's interests to one that was somewhat reprehensible. Each year, Jackson would have to come down...

*Q: Senator Henry Jackson of Washington? Scoop Jackson?*

CLARKE: Right. Senator Jackson of Washington would have to come down to Vanik's committee in the House, or hold his own hearing if he was still the chairman. I don't remember. But in the House, Vanik held the hearing. He would come down to Vanik's hearing and reiterate his support for the continuation of MFN. He didn't argue that, if we close it down for the Romanians, then our law is a dead letter. He didn't quite put it that way. But he would come down and argue that the Romanians deserved it because of the outflow of Jewish immigrants, in particular, and he would throw in some of the foreign

policy arguments as well. So would we from State. We in the administration would have to do this every year.

*Q: Did you at the embassy find yourself in the position of feeling that the praise of Romania that sometimes came out of the administration was a bit more fulsome than it should have been? You were seeing a lot of warts and all? Was this a problem?*

CLARKE: Not during that period. Later when I was back in Washington, there was an embarrassing visit by Ceausescu during the Carter administration in which some awfully positive things were said about Ceausescu. He would then publish them every year thereafter on his birthday or another appropriate occasion to show that Jimmy Carter thought he was the greatest guy on earth. It was taken out of context. Of course a lot of things get said in toasts and on presidential visits that wouldn't bear close examination. But no. While I was actually there? No. I don't think there was a problem. We praised them for things that were useful and positive from our point of view. We were at worst silent on the others.

*Q: How about newspaper coverage? Did you have somebody, say from the New York Times or The Washington Post, like Michael Duhops or the equivalent there of David Binder, somebody coming through and doing fairly good reporting?*

CLARKE: I don't remember very much from that period and that probably means that we got either little or reasonably accurate reporting because if that had been a scandal, I think I would remember it. I also didn't see these folks very much. I know Harry Barnes and Dick Viets who was DCM had good contacts with the press. These guys would drop by and see them and learn all they needed to know. I was just not in the loop on that.

*Q: Again on the economics side, was there at that point the push towards having more kids or was that later? It became quite a scandal at the time of the fall of Ceausescu in '89; orphanages were full of children, women having had too many children to take care of them. Were you looking at that demography and its results?*

CLARKE: I don't remember that as being anything that I specifically worked on. On these domestic issues, the differentiation among the Eastern European countries was probably a little less in the '70s than it became later as Poland and Hungary and to some extent the Czech Republic. Especially Hungary later began drifting further and further away from the USSR on domestic policies. Then when Russia, the home of the Soviet Union, began to change, it left the Romanians behind, but that was all a process that took place in the '80s.

In the '70s, all these countries were pretty tough so it was not unusual that there were arbitrary arrests, that religion was not allowed to flourish, or that they had a bad human rights record. The difference in Romania was also exaggerated I think by the fact that there was this public forum every year. Everybody was comparing Romania with the Soviet Union during these hearings. These were Romanian-Americans or religious groups who had a case against Romania, often a very good case, but there was no context



out there because the other countries were not examined.

Later I was involved with the Hungarian MFN negotiations. The Hungarians simply had a better record. They went into this at a later stage and after our relationship began improving there on different grounds.

*Q: In contrast, we don't want to get into your second tour in Romania, but was there a concern that Ceausescu and his wife were almost teetering on the brink of megalomania or was that a later period?*

CLARKE: Even during the earlier period the ritualistic praises and socialists' cult of personality were all there. It's just they did not seem quite so gross at that time. I think that's because the Ceausescus got worse. It's also because other countries got better, so they began to stand out more.

*Q: Were there any other aspects of what you were doing that stand out of this particular '74 to '76 period?*

CLARKE: I remember one interesting thing. I would give briefings, not only to businessmen but anybody interested in the economic situation if my boss wasn't there. I remember some consultants were talking with me, and they lured me outside of the embassy. Maybe they thought I would be more frank or something outside of the embassy, which was not true, because basically the Romanians were able to pick up conversations all around outside of the embassy, probably even better than inside the embassy. It didn't matter. I didn't consider these briefings very sensitive. Finally somebody asked me the sort of bottom line question. In none of the other briefings had it ever come up. "What do you think about the next five or 10 years? Is Romania going to be able to make it economically?"

I said, "I don't know. I don't see enough evidence that it will. They are sure trying a lot of things, but they are trying a lot of things the wrong way.

That was useful to me because we hadn't really been asking that question. We'd been dealing with each situation as it came up. Obviously, if a fellow had the chance to sell machine tools that otherwise were going to be sold by the Japanese or the Swiss or somebody, it did not matter to the US. It's clear that they were not really shopping a lot for weapons at that stage. Already at that stage, they were selling food to U.S. troops in Germany and wanted to sell military equipment to us just to make money. So they were looking for economic growth. On my level, the commercial activity there was a role for us to play that did not require a terribly long perspective. But after seeing so many inefficient industries being built, in all honesty I could not say that I thought they were going to make it.

That being said, I was reluctant for policy reasons to tell these guys, "Take your money and go elsewhere." That would not have gone over with my boss at all. I was very glad that question didn't get asked too often.

*Q: You left there in '76 for?*

CLARKE: I went to the Department, to the Economic Bureau, and I was recruited by the Office of East-West Trade because of my experience with the negotiations on the trade agreement with Romania.

*Q: Trade agreement?*

CLARKE: Yes. The trade agreement that provided MFN. It was a complex process because Jackson-Vanik was an amendment tacked onto a law that required certain special conditions for trade with communist countries. I'd been through the process and knew how to do it and so this office thought I would be useful. Most of their dealings were with communist countries so they wanted to have an officer who'd served in a communist country. So I came back to the Department.

The functions of the Office of East-West Trade in those days fell into two groups. One was strategic trade controls, the whole COCOM process covering what we were not going to sell to communist countries. The other side of the house was a handful of us, who were supposed to work on positive things to develop trade with these countries in areas that were considered not militarily dangerous but would in fact help draw them into the western orbit.

*Q: You were doing this from '76 to when?*

CLARKE: I stayed in that office for a total of four years.

*Q: Through '80.*

CLARKE: To 1980. I was promoted there. I was in charge of the positive section of the office for the first two and a half years. Then for the last one and a half years I was deputy director of the office.

*Q: You were there during the arrival of the Carter administration.*

CLARKE: Yes.

*Q: At the beginning he put Ambassador Watson in the Soviet Union. Was his idea to be more positive towards the Soviets and maybe trade might be a way to lower the tension between the countries and that there could be more cooperation? Did that reflect itself in what you all were trying to do?*

CLARKE: Let's see. That was my first experience with a change of party in the White House, from the Republicans to the Democrats in this case, and I was awed, almost thunderstruck by the ineptitude with which it was done. It reminded me a great deal of a course that I had in graduate school at the Kennedy School on presidential politics in

which Richard Neustadt had argued that the first few months, sometimes even longer than a few months of every new administration, was a period of trial and error with lots of errors because they weren't willing to learn from their predecessors. We saw that played out. No area was worse than east-west relations, even though I would have to say it mattered less on the economic side than it did on the arms control side. You may remember that Cy Vance took on the SALT agreement by trying to renegotiate it. But the whole foreign policy framework with which the Carter administration came to office was flawed.

The policy, as I remember it at least, and it's possible I exaggerate it, was that east-west relations were no longer the important driving force in international relations. It was now north-south relations. Therefore we've got to de-emphasize east-west relations and increase north-south relations, and we've got to give more attention to north-south relations.

*Q: Could you explain in this context, what north-south relations meant at that time?*

CLARKE: It meant relations between the developed western countries and the third world. But there was an interesting dimension. There was an outfit called the Trilateral Commission, which apparently included a number of people who came in with the new administration. One of their brilliant ideas, which was tried out on us, was that there should be a cooperative role for the Soviet Union and other developed communist countries with the western developed countries in developing this relationship with the south. What we ought to do is ask the Soviets to cooperate with us on relations with the south and if they didn't provide a lot more aid, then we should embarrass them. In fact, we should start by embarrassing them. We kept asking, "But how do we get somebody to cooperate with us if we're spending all our time embarrassing them?" We never got an answer for that. This was a totally unrealistic view which could only have come from people who didn't understand anything about the Soviet Union or its allies. We produced one or two papers ultimately, and that was the end of this great idea of embarrassing the Soviet Union into greater cooperation with us. But, it was a period of at least six months to a year while we were still coping with grandiose ideas like that, and during that period, mundane progress was hard to achieve.

*Q: The Trilateral Commission, as I recall, was the one entrée that Carter had as governor of Georgia into the international world. He was co-opted by this particular group and this philosophy, wasn't he?*

CLARKE: You could be right. I wasn't close enough to that action to confirm why it was important. I just knew that we had read about this during the transition and then were astonished to find this coming down as requirements to develop a policy in support of a concept which had nowhere to go.

*Q: Your responsibility was the positive side of developing east-west trade. How was that coming along?*

CLARKE: When we got all this transition junk out of the way, we basically pursued

targets of opportunity. Hungary had been developing along a somewhat more independent track and was introducing more and more market mechanisms into its own economy. We began solving problems with the Hungarians. We returned the crown of St. Stephen, which had been kept in Fort Knox. You may know that old marvelous story. That was not my job. It was being done by the Bureau of European Affairs. But after that was returned and some other agreements were reached – I don't remember all the details – we got the green light to negotiate a trade agreement with Hungary. I had the honor of being the action officer for organizing that negotiation, in which other agencies participated, including STR, Commerce, and Treasury. But we negotiated the MFN for Hungary and that was a great step forward.

At the time, it also moved forward in a very professional way. It was not highlighted by public politics, and there were no leaks about the on-going negotiations. There was one story that came out that sounded like it was a leak, but it was so misinformed that we were able to ignore it. So we had an agreement before there were press announcements of it. I never doubted that the Soviets knew about this and probably were not very happy. For some reason, the Hungarians felt the Soviets would let them go ahead and would not punish them for doing so. We also thought that if we handled it skillfully enough, maybe we could draw the Soviets into an MFN agreement, which they'd rejected earlier. Time had passed, and a new administration was in power, so maybe, with enough smoke and mirrors, we could get around past denunciations.

Unfortunately, two things intervened. I don't know if you recall, but there was a period of reduced hostility in the Carter Administration. The other thing was that emigration of Jews from the Soviet Union was gradually going up, and not by just a little bit. It was going up significantly. Maybe not significantly compared with the total number Jews in the Soviet Union, but going up quite significantly compared to the number that had gotten out in earlier years. So the Jewish community in the United States was getting interested in the possibility that something could be done to encourage this as well. There was a good deal of negotiation on the domestic front at the same time as some discussion with the Soviets on the international front. We thought maybe we were moving toward this.

Later in the '70s, we moved ahead with negotiations on an agreement with China. This was a little upsetting to the Soviets, that we might somehow get an MFN deal with China. But we did negotiate a deal with China and at the same time we kept open the window that we would like to do this with the Soviet Union as well.

So my little bailiwick was fairly active. There were weekends when I couldn't finish painting my house. I'd have to go back into the Department and support the negotiation process somewhere. But you may recall there was a big flap over a Soviet brigade in Cuba. That soured the relationship with the Soviets right at the same time that we were starting to go ahead with the Chinese on MFN. The Soviets feared, I think, that this was all blown up just to play a China card.

*Q: It was just plain misinformation, wasn't it? It was very poorly handled, a classic case.*

CLARKE: Right. And there were U.S. elections as I recall, coming up which caused a lot of public discussion which otherwise would not have been necessary. It was a nuisance. It was the Soviet invasion of Afghanistan that ended any possibility of an MFN agreement with the Soviet Union.

*Q: December of '79.*

CLARKE: I believe you're right. This was the nature of east-west relations in those days, that things would come up and cause forward progress to stop, even if they were irrelevant. It was that fragile a business. There was that much distrust.

*Q: Also there were people on both sides, but we can speak to our own side, both in Congress and in the media who wanted to throw every monkey wrench they could into any movement.*

CLARKE: Right.

*Q: How about the Hungarians as negotiators? How did you find dealing with them?*

CLARKE: They were very professional. While they probably had less flexibility than the Romanians in their negotiating instructions, and we had a little less flexibility too in a way; we already had an agreement on the books that was pretty close to what the law allowed and there wasn't much room between the two. They were very disciplined, very professional, and very dispassionate. I had the opportunity in that job occasionally to see what trade negotiations were like among western countries, and there was a great deal more heat and passion in those than there was between us and the Hungarians.

Between us and the Hungarians, it was really a step-by-step process. We were well prepared for the negotiations and so were they. And we went through our necessary moves to get an agreement. It actually took only two negotiating sessions, each of about one week, to get the whole agreement put together. That doesn't count sending them a draft in advance. It doesn't count a lot of possible give and take around the edges, but basically we took a group, with which I went as well, to Budapest, laid out the main part of the agreement, and not too long thereafter they came to Washington. At the end of the week, we initialed an agreement.

It was marvelous. If this had been conducted in public, it never could have happened. I'm absolutely convinced that taking this negotiation completely off the record, with no mention of it at all by the U.S. government to the press, enabled us to have a text of an agreement that had been agreed. Then it became public, but we had an agreement and all we had to do was stand behind it and that's all the Hungarians had to do. It was a superb example of diplomacy; admittedly I wouldn't say that it was terribly imaginative diplomacy, because we were bound by our law and they were bound by their role in the Warsaw Pact and their relationship with Moscow, but we created enough space to do it.

*Q: How about Congress? Eventually the Senate had to approve this.*

CLARKE: Both houses had to approve it actually. Under the Trade Act, yes. It was not a treaty. It was an executive agreement requiring the approval of Congress.

*Q: Were they brought in early on or was it done and then presented to them?*

CLARKE: I don't remember the details, but the way I believe we proceeded was to speak to a few key congressmen, such as Jackson and Vanik, and maybe a few more, not many, and tell them, "Look, we don't know how we're going to come out on this, but we're going to try to negotiate an agreement under the terms of the Act. It's probably going to look a little bit like the Romanian agreement because that's what we've got to work with. We're obviously not going to get more out of the Hungarians than we got out of the Romanians, but that's what we're going to do and we'd appreciate it if you'd keep it under your hat until we see if we can get this done." They said, "That sounds fine to us." And away we went.

*Q: We have Romania and then Hungary. Did Poland already have one?*

CLARKE: Poland already had MFN. It had been granted in the 1960s before the trade act was passed.

*Q: Yugoslavia had it too.*

CLARKE: Yugoslavia still had MFN based on our agreement with Serbia from the 19<sup>th</sup> century.

*Q: 1881, I think. That's when our original treaty set up relations with them. It may not have been quite then but that was our basic treaty, I think.*

CLARKE: A Treaty of Friendship, Commerce and Navigation or something like that. We did those a lot. And these two countries were grandfathered by Jackson-Vanik. They were not required to do anything different, and they were not subject to renewal each year or anything else. They were just simply unaffected.

*Q: Did you find yourself, when you say you were on the positive side, having to do battle internally with the negative side, the COCOM?*

CLARKE: No. We coexisted in perfect harmony I would say within the executive branch, in that the hard-liners on technology were hard-liners on things they thought might result in improved weapons production in the Warsaw Pact. There was tension in the export-control community between Commerce or State and DOD, which usually reflected the views of various people who were developing weapons systems in the United States and didn't want any of this stuff to leak out. That tension existed all along. But it was not tension with what we were doing on the positive side, because we were never interested in discussing trade in controlled items. From watching this process over some years I did develop a sense that it's very difficult to steal technology. Obviously it

can be done. We know of examples.

But rarely. Occidental Petroleum established a fertilizer project and set up pipelines and facilities for processing fertilizers in the Soviet Union. It was the biggest investment the United States had in the Soviet Union at that point, a huge project, based on raw materials from Florida and whatnot. Occidental had extreme difficulty getting that medium technology transferred enough so that the thing would work. The Soviets were so resistant to taking advice that they had difficulty building the system. The idea that you can glean a few ideas or that you can reverse engineer a machine were concepts that I think were possible only in rather limited situations. Obviously if you are both trying to build the same kinds of weapons and your level of technology is closed, and you get a few ideas from the other guy, it can really help you. But if you don't know anything about it, you can't just steal a machine and then reproduce it.

*Q: Did the Soviet invasion of Afghanistan in December of '89 blow up whatever you were trying to do?*

CLARKE: '79. Yes. I think we all instinctively knew that was the end of a phase of detente. Things were already a little dicey before that invasion because of the Cuban brigade and a number of other things. I believe some decisions were already being made by the Carter administration to reverse the demilitarization that they had carried out when they came into office. That would have been of concern to the Soviet Union. But from our limited perspective, yes. Because we then imposed a whole series of economic sanctions on the Soviet Union as a result of the invasion. Basically, it involved everything we could think to do, including some pretty dumb ideas, and it brought the bilateral relationship to a halt.

*Q: Were you dragged into that?*

CLARKE: We in EB (Economic Bureau) weren't even consulted. I have talked to some of the people who were working on the Soviet desk in those days, and they were asked at some point for a list of sanctions that could be imposed. They didn't clear it with anybody. They didn't talk to us about it. They thought up some stuff and passed it along. Apparently they were all imposed without any reflection whatsoever as to whether they were stupid or effective or would bring about any of the results that were intended. I then spent a good part of the next few years dealing with the negative results of that list of sanctions.

*Q: How about when you moved up to have responsibility for both COCOM and trade agreements? I am told that particularly when you are dealing with controls to protect technology, that becomes a classic battle. Commerce wants to sell the stuff, the Pentagon says no and the State Department is in between. Did you find that?*

CLARKE: Depending on who it was being sold to, the State Department might be more on the negative side or it might be more on the positive side. For the Eastern European countries, it meant we were almost always on the positive side because we wanted to draw them away from the Soviet orbit. We wouldn't have been positive, for example on

North Korea or anything like that, but there wasn't any trade going on anyhow. So generally we tended to side more with Commerce, but when they needed it, the Defense Department had a veto. So at the end of the day it wasn't a question of voting really, it was a question of whether there was some sort of consensus that what we were selling was acceptable.

Now I've described this in terms of the operation within the administration. I'm not talking about the John Birch Society and their representatives in Congress who took a much harsher view. They thought if you sold buttons, they could be used on a soldier's fly, and that was strategically important because it improved the comfort of troops in the field. I don't think that's a gross exaggeration of their view.

As Deputy Director, probably my most important project was supporting the Director of the office, Bill Root, helping to coordinate the Administration's position on the Export Administration Act of 1979, which rewrote the legislation on export controls. It didn't rewrite them wholesale, but it was a completely new act that replaced a hodgepodge of previous legislation and consolidated it, rather than a drastic change from what had gone before. We wanted a process in which we would be fully heard.

By the way, the State Department developed a whole new angle on export controls during the Carter administration which then got injected into the act. I don't know if that was positive or not, but we developed a whole series of controls for purposes other than strategic trade. We had controls for human rights purposes. We had controls for terrorism purposes. We had controls for a range of other foreign policy objectives besides limiting the weapons development potential of the Soviet Union and its allies, or the Chinese. This got written into the act. We had people in our office working on these kinds of restrictions all during the Carter Administration, unfortunately. Basically, each issue there would come down to a debate between our office representing the Economic Bureau, and the new Bureau of Human Rights Affairs, which was invented at the beginning of the Carter administration, or with other offices interested in other types of controls.

*Q: It would seem that a lot of these things would be the equivalent of "don't just stand there, do something" and about the only thing we could do was something with trade, which in the long run probably was to the detriment of our own trade because they could always go to the French or somebody else and buy the stuff.*

CLARKE: Yes. The fundamental difference was that we had an international understanding in COCOM, a committee that meets in Paris, on strategic trade. There was also an understanding in COCOM on weapons. That was not handled by our office. We did non-weapon technology and dual use equipment and technology. But there was no understanding on controls for human rights purposes. There was practically speaking, no limit in the Carter administration to what they might consider to be controllable for these purposes. And there was a constant pressure to control more things.

One of the things we controlled for example, was equipment for police forces, in



countries we deemed to be poor performers on human rights. The concept was that we didn't want to sell handcuffs or .45s or shotguns to police forces that might use them against dissidents with whom we sympathized. There was absolutely no international control here. All we could do was prevent Americans from selling it. Nobody else ever agreed to this policy. Not one other country observed it.

In the case of Argentina, for example, that got us into a curious position when the Argentine police wanted to buy an antenna cable in the United States. The Human Rights Bureau was absolutely opposed to selling them this antenna cable for their headquarters in Buenos Aires. An antenna cable that was of course buyable from anyplace else. They just thought to buy it from us, because probably everything that they were connecting it to had been bought from the United States. Ultimately, I believe with the approval of Deputy Secretary Warren Christopher who was the ultimate appeal authority for these types of issues, we refused to sell the antenna cable to Argentina. Our bureau's argument would have been, in those days, that this will have no effect whatsoever on the human rights situation and will not even have an effect on the public impression of our support or the lack thereof of for the military regime because nobody is ever going to be interested in this issue. Nevertheless, we didn't sell it.

*Q: We haven't talked about China. What about China during this time?*

CLARKE: We did negotiate this trade agreement and I was the action officer in the sense that I worked hard on coordinating the U.S. position to present to the Chinese. But unlike the Hungarian situation, I did not actually participate in the negotiation. A somewhat smaller team led by our deputy assistant secretary went out to Beijing and pretty much got agreement on something there. I was in the position of backing them up and when they wanted to try to get changes, I would try to get the agreement of the agencies. But that was looked upon as part of our engagement with China. It was an important step. Given the nature of the things that China sells in the United States, MFN absolutely would be vital to them, as it was to Romania. I don't know if it was quite so important to Hungary, but all of these countries were capable of producing consumer goods. MFN gave them a chance to compete. Even if later they came under some quota for underwear or something like that, still they could sell more with MFN, and they couldn't really sell much of anything without it.

*Q: Was there concern that China was trying to milk this for our technology?*

CLARKE: Yes, there was. The Chinese were much more feisty about it than the Soviets. I think the Soviets already understood that we weren't going to sell them stuff to make weapons with and so there wasn't much of a debate. The Chinese took the view that they were a poor third world country and any technology we denied them, no matter what the purpose, was ideologically outrageous. I think there were some in Chinese affairs on the American side who never really understood why we should worry about China threatening the United States. In that respect, as far as I can remember there was no sense in our office that the Chinese deserved some sort of special deal. We felt they belonged in the same category with the Russians. But we moved out of that.

I think we did begin looking at broader categories of stuff to sell the Chinese than we sold the Soviets, but to be honest, I would have to go back and look at the details because I did not operate on a day-to-day basis in those technology-control decisions. My boss, Bill Root, really liked that part of the job and had a tremendous knack for it. He could always tell exactly what was being controlled and wasn't being controlled, and I would have a heck of a time figuring it out. But I did work with him, as I say, on the legislation which required a lot of legwork, a lot of preparing of questions and answers and going up to the hill and talking to people and going to meetings with other agencies to hammer out positions. But I was still concentrating more on the positive side, on the human rights controls and other forms of control, other than strategic trade control.

*Q: Was there any particular point of contact that you had in the Human Rights Bureau?*

CLARKE: Seems to me I argued a lot with Ken Hill. No. These were basically bureau views. In the Economic Bureau, there was a great deal of consensus that unilateral controls were only useful if they had some major public psychological effect and some were skeptical even about that. The Human Rights Bureau thought we just simply could not be in the position of getting our hands dirty with these scoundrels. That meant our businessmen should be the ones to take it on the chin. Those were opposed philosophies. I would say 90 percent of the time, the Human Rights Bureau won, because the ultimate authority was Warren Christopher and that was his view. So we prepared many a memo that went up and that was generally what was done. In all fairness since I gave the example from Argentina, I'm sure that it's true that the Human Rights Bureau's steadfast public positions on Argentina were deeply appreciated by those people who were getting the raw end from that regime and that they undoubtedly felt vindicated by their hard-line views. I wouldn't quarrel with that. I would only express doubt that these trade decisions made any difference at all. And they did create an impression that the Carter Administration would be tough in foreign policy to the last businessman but no further.

*Q: I thought we'd probably end this session around now before we move on to your next assignment. Was there anything we haven't discussed in this period you think you should?*

CLARKE: There were, of course, lots of issues that drifted through Washington in those days, but we covered some of the ones that interested me the most. The whole issue of sanctions was a painful one, but my later assignment to Moscow was a place for testing those views more than the time in Washington. In Washington, I think the lesson is that Richard Neustadt was right, judging by the number of failures in foreign policy in the East- West area. This included mistakes in assigning ambassadors and others. They took people with experience in Africa and assigned them to Eastern Europe where they were not necessarily ideal. They took the Eastern European experts that we had under the previous administration and made them ambassadors in Africa where they were not necessarily very good. They also took people from the human rights movement and made them politically appointed ambassadors in Africa, and I don't know whether that worked or not. There was learning throughout this period and with the possible exception of some

of these principled views on human rights, there were adjustments. The policy became well refined. It wasn't my job, but somewhere along here apparently the Carter administration realized that our military situation was deteriorating more than it should. It was left to them to make the adjustment of the post-Vietnam view of the world. That wasn't easy and it was particularly hard for the Democrats to do it.

*Q: Well then we'll pick this up in 1980. Where did you go?*

CLARKE: I had been dying to go overseas, but finally I moved over to the Bureau of European Affairs and worked on trade and investment issues for one year.

*Q: All right. Well we'll pick it up at that point.*

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*Today is the 18<sup>th</sup> of June, 1999. You went to Bureau of European Affairs from '80. You were dealing with what? Trade affairs?*

CLARKE: Yes. I was in EUR/RPE, dealing with the trade and investment issues with both the European community and the OECD. We had desk officers for each of those organizations in RPE, but I had a separate little operation that dealt specifically with trade and investment issues.

*Q: This was the '80 to '81 period? How did we look upon the EU and OECD which is an extension of the EU. Taking the EU as an entity, did we consider it a threat, a good thing or what?*

CLARKE: We still viewed it as a good thing, and we even supported its enlargement. We just felt there was no reason for them to use enlargement as a means to protect markets, especially those we were accustomed to selling in. So we had issues over enlargement, but they were on a commodity-by-commodity basis, whereas we supported the overall movement during that period. There was a lot of discussion about the Greeks joining. We were in favor of that, but we didn't want to lose all our markets in Greece.

*Q: What was our situation vis-à-vis the EU in keeping them from protecting their products and giving us a competitive chance to get into market. How did we work that?*

CLARKE: The biggest friction during the time I was there – but I suspect this was really true over the long haul with the EU – was over agricultural products. For most agricultural products, they were uncompetitive, and they were heavily subsidizing not only their own market, but more importantly their exports of commodities that they'd produced at high cost. They were then dumping them elsewhere. We accused them in a number of markets of subsidizing their exports to such an extent that they were underselling our exports. We even developed instruments to use selectively to combat that by basically cutting the cost of our exports still further in response to their below-cost sales.

*Q: How did we do this?*

CLARKE: The Agriculture Department did it. My memory is not so precise anymore as to exactly how. I believe it was partly through extending credits at favorable, below-market rates. But also it had to do with simply the way the Agriculture Department bought and sold certain commodities that they were holding in stockpiles. Where there were no stockpiles, I'm not sure that we actually paid somebody a refund as the European community was wont to do. I don't remember the details of the mechanism. But once we established that the EC was playing unfairly in a given market, then the EC would immediately come back and say we were the ones that were unfair. And then we'd have a big dispute.

*Q: It's a hell of a way to run a railroad when both competitors are trying to underbid the other one by essentially taking it out of the taxpayers.*

CLARKE: The problem is that the constituencies on both sides are so strong. You simply couldn't visualize the forfeit of a market without farmers complaining bitterly through their trade representatives. Similarly, the European Union, which I think was more grossly at fault, was busy buying up commodities. They had a mountain of butter and other commodities, because they couldn't be sold at the prices that the farmers insisted they be bought. They were maintaining artificially high prices that weren't clearing the market, and they were getting stuck with the surpluses. So the temptation to unload them abroad was great where there were many willing buyers for cheap commodities.

*Q: Somebody in one of my interviews was telling me that we point to the French as the most vocal and combative but behind every Frenchman were two German farmers who were egging the French on. In other words, the German agricultural system was as bad if not worse than the French were.*

CLARKE: I don't pretend to be an expert on this out of one year in that office. The conventional wisdom was that the Germans required somewhat less protection, but of course there was a common market, so whatever benefitted the French, if the Germans were more efficient, actually benefitted them even more. The explanation that German farmers could afford new Mercedes every year – diesel driven ones because they were of course powered by heavily subsidized diesel for their tractors – wasn't far off. One wouldn't describe villages in Bavaria as poor or price levels there as weak. They were able to maintain an incredible degree of stability at these prices because these were all administered prices.

*Q: In the '80-'81 period, was this something that we were fighting and felt we could do something about?*

CLARKE: Obviously this was a very short part of my career, dealing with other democratic countries, but there is a realization that at the end of the day we can only get what we can get and that the essence of international trade is that it occurs because of

mutual interests. Therefore, trade wars are almost always mutually destructive. Consequently all the fine threats and bluster were part of the negotiating process, but at the end of the day, everybody expects the dispute to be resolved. They get resolved through compromise. To me, since I'm no longer in that field, it seems a little remarkable that the World Trade Organization actually got launched because the tendency was for compromises to fall back to the status quo ante. It was hard to move the process forward. I think if the United States had not been such an absolutely dedicated advocate of freer trade, the process would not have moved forward because it was not the native instinct of many of the European community members nor of the Japanese. It took a lot of energy to invent ways to increase trade by showing the others that they could actually be better off with it.

*Q: In '81 you went where?*

CLARKE: I went into Russian language training. My assignment was basically broken in EUR/RPE so that I could become economic counselor in Moscow. They released me, recognizing that was a career move for me. It was a senior officer position, and I was an FSO-1. It was an exciting assignment for which my experience in other aspects of East West trade prepared me.

*Q: You took Russian from '81 to ...*

CLARKE: ...'82.

*Q: How did that go? How old were you at the time?*

CLARKE: I was 40 and it was a very rough experience for me. Obviously, I was in a fairly large class. There was a new linguist in charge and two schools of thought on teaching Russian. The lady that was the favorite, even though she was new, was close to the FSI (Foreign Service Institute) tradition of simply repeating patterns and then varying the pattern until you subconsciously developed a sense of how to speak correctly. I believe that is the right way for most people to learn Russian because the grammar is too complex to analyze. However, there were a number of teachers who were accustomed to dealing with Russian on an analytical basis as well and being 40 years old, I was rather eager to figure out why I was saying these crazy things that I was saying. I longed for an analytical framework and hated the endless repetition at which I was not nearly so good as the younger people were. So that was a hard year. At the end I was very disappointed that I didn't really feel I had a professional command of the language. Grades apart, I just didn't feel comfortable. Not to the degree I had felt in German and Romanian in earlier periods.

So when I got to Moscow, the first thing I did was make sure I got into the language program again. I basically had a routine in the mornings that included listening to the radio on the way to work and trying to decipher a significant fraction of at least one newspaper every morning before starting anything else. I worked on Russian throughout the three year tour, though obviously not as intensively as in FSI. In the end I did reach a

professional level in Russian.

*Q: You went to Moscow from '82 to '85, correct?*

CLARKE: Right. Right.

*Q: Before you went to Moscow, how did we see our relations with the Soviets and where the Soviet Union was going?*

CLARKE: We were in a particularly nasty phase of the Cold War. There had been a warming trend in the mid '70s, but everything had fallen apart by the end of the Carter administration as far as the détente was concerned. We were back in the business of imposing new sanctions as a result of Afghanistan, or for other reasons. The Reagan administration was sending strong signals that basically, communism needed to be defeated. So it was not the ideal time for me, going to Moscow.

*Q: Had you been in the Soviet Union at all before?*

CLARKE: On TDY. That was an awkward aspect of the transfer, because over the years the Office of Soviet Affairs, working with the embassy in Moscow, had tried to build up a cadre so they could recruit the section chiefs from officers who had already served a tour there.

Since this was a period soon after we had taken the commercial function away from the economic cone, there was some sense in Washington, to which I subscribe, that economic section chiefs should be experienced economic officers. I was interested. There's no question that I came to do this job. But when I got there, I discovered to my amazement that no one in my section had ever done economic reporting before.

Only two of the officers were actually as new as I was, but the other officer was coming in from the consular section and was an untenured junior officer as well. So I had to train the whole team when I got there.

*Q: This all struck me as being a real problem with our reporting on the Soviet Union. We got quite good at the political reporting. The economic reporting was different and the crucial thing that brought down the Soviet empire was how the economy didn't work. How were we looking at the Soviet economy in '82?*

CLARKE: We had a host of people in the intelligence community, analyzing not only anything that came from the embassy, but anything that came from anywhere about the Soviet economy. It was widely recognized that the Soviet economy was not productive in most areas and that it basically was not growing. There was a prevailing joke: Khrushchev had predicted back in the '60s that by 1980 the Soviet Union would overtake the United States. But what was actually happening was that Japan was overtaking the Soviet Union. The Soviet Union had long since been left behind by the United States, even though the United States growth rates were minimal in those days. So there was no assumption that this was an economic powerhouse. The reason that people did not predict major change was that it seemed to the Soviet leadership that this was an acceptable state

of affairs. They were just forgetting about Khrushchev's silly prediction and as long as they were prepared to live with an economy that was basically stagnant, why should it change? They were in charge.

Secondly, there was a feeling that just as it couldn't grow, it was not terribly vulnerable to collapse. This was an economy administered from the top down. Everybody had their orders as to what they were supposed to do and what they were supposed to deliver. The orders were always bigger than they could achieve, so they were constantly missing the targets of the five-year plan or the one-year plan and that was one of the games we played. Which month would we discover, after the beginning of the New Year, that it was already impossible for them to meet the plan for the year. One year we predicted as of January that they couldn't make it, which was I think because the weather was excessively cold. They had insufficient natural gas pressure in their pipes, and they had to shut down whole factories in January. We said, "Okay, they've already lost their margin for making the plan this year."

So anyway, there was no feeling that they could do very well. There was a feeling that because this was a bureaucratic or even military style economy, in any hard time they could make sure that the minimum got delivered. They knew where to cut because they had priorities. One of the places they were not cutting, and one of the ways they were being bled dry on the consumer side was that they were putting all their priority into their military. That process continued unabated during my tour there. It was hard for us to report on their military industrial production because we had no access to that and it was all secret and nobody would talk to us about that. But I trust our analysts, who had better ways of counting these things, that military production was in fact maintained. You could see the results of the military priority everywhere you went. For example, only the military had the right to reject a product. Out in the civilian economy there were a lot of olive-drab colored trucks working. Those were trucks the military had rejected off the assembly line and were therefore shunted off onto the civilian economy where even if they could barely make it off the factory grounds, they were still better than nothing and were taken. So there was a sense that as long as the leadership chose to continue this system, they could keep patching it up, and it would be able to produce guns if not butter.

*Q: How did you find Soviet statistics and information?*

CLARKE: That was an interesting part of the job in that Washington was dying to get their hands on the official statistics the day they were published. It was a requirement for my section to see that the official statistics got back there very quickly after they were published. But they had to be taken with some reserve. The fact was we were not able to go out and collect basic statistics on the Soviet Union very easily. We could go to markets and find out what prices were like and what would be available to consumers, but there was no way we could collect industrial or agricultural statistics very well. It's true that USDA estimates of the Soviet grain crop were always closer to the mark than the Soviet official estimates, but they were done differently and they had the advantage of satellite photography. One of the interesting features of my tour there was to find out that, although they joked about it, Soviet officials did in fact put some credibility into what the

USDA reported on their crops.

*Q: They didn't trust their own statistics, eh?*

CLARKE: Right, especially in the case of wheat. I actually accompanied an American wheat expert on a tour of certain wheat lands in the Soviet Union. We'd been denied access to areas where the crop was doing badly, so we got to visit only where the crop was doing fairly well. We were received by a group of people who were also very knowledgeable about wheat. I guess I knew the general principle before I got there, but nevertheless, it was demonstrated to me. They make their estimates before the harvest, based on what's in the field. They have every incentive and no disincentives to exaggerate that. So, for example, I stood in a field with the American and some Canadians, who were competitors for sales - and Soviet officials, and they couldn't agree what was actually growing there. So that's for starters. There was a difference in field information.

Secondly, Soviet losses in harvesting were enormous. They would not let us near their harvesters because they knew that we would be able to see that the harvesters and combines were not very productive, and they lost a lot of grain right there as they were harvesting. During storage and transport and along down the line, losses were also unacceptable by U.S. standards. So even the difference in what we'd think would satisfy their needs and their original estimates was outrageous. Just vast. Wheat is only one example. It happens to be a critical crop for them, but the same things would happen in other crops as well.

During my career in Moscow, Uzbekistan distinguished itself by pulling off what I think is one of the world's most classic frauds. They were reporting six million tons of cotton production per year when they were actually only producing four. Considering the fact that cotton is an industrial crop that you can't eat on the side, where was the other 50 percent of the bale? Where did it all go? The answer was, there was fraud at every stage in the collection process and at every farm. There was exaggeration which all compounded together amounted to a 50 percent error in the statistics. It was discovered, however, and led to something of a crisis between Moscow and Uzbekistan in the 1980s. But there simply was no incentive to tell the truth. You could only be hurt by it. You could only lose your bonus or worse yet, be punished or fired. So what could they do?

*Q: How did we view this, with chuckles, seeing that here was our giant enemy unable to do things and maybe we could make some money off it? Or what?*

CLARKE: We cared about those cotton estimates, not because we expected to sell a lot of cotton to the Soviet Union but because we are a major cotton exporter ourselves. If they have sufficient, or if they have to import it, that would have a significant impact on world markets. The same is true for wheat and corn and all of those major commodities. So we had an economic interest. But everybody would sit around and ask, "When is this all going to change?" Clearly they are not world competitors economically, and this is not going to get them anywhere. But in a top-down system, that is for the people at the top to



decide for themselves. So it was a constant question.

There was something called the Brezhnev Reforms which are now viewed as a joke. We in Moscow at the time also viewed them as a joke. Dusko Doder, who was the Washington Post correspondent in Moscow at that time, did not view them as a joke. He was constantly writing front page articles in the Washington Post about how reform had come to the Soviet Union. That was 1982 to 1985. Each time he'd write them a little different way because a new set of decrees came out, and he would report that reform had come. We knew when a new decree was published that the next day at 6:30 in the morning, our policy makers in Washington would be reading Dusko Doder's absolutely fundamentally incorrect analysis, probably before they left home. Therefore we had a matter of hours to get together a contrary view and ship it off to Washington in the cable traffic, which of course, the senior leaders in Washington would never see, but which at least analysts could use to brief with, if they got questions.

*Q: Doder, I know in Yugoslavia, was certainly a little East European hand. What was bringing this about?*

CLARKE: Lack of self-esteem in my opinion.

*Q: To be ahead of everybody else?*

CLARKE: Yes. He had Yugoslav buddies in Moscow who he stayed in close touch with. The Yugoslavs were inclined to boast that they were showing the Soviet Union the way to the future. In the context of today, that is even funnier than it was then. But that was actually their line. They had a somewhat less bureaucratic economic system than the Soviets and therefore were capable of helping the Soviets reform their system. Or so they thought. The more serious people in Moscow, in the think-tanks, considered the Hungarian model a great deal more interesting than the Yugoslav model. And the western model obviously was more appealing to some there than the Hungarian model. That analysis was not what Doder was reporting. He was claiming that these decrees were a sign of something really new. He was insisting that the Washington Post publish them on the front page, which they did.

But I was pleased to discover that after a time, the International Herald Tribune started carrying its economic reporting from the Los Angeles Times reporters and not from Doder. As far as I'm concerned, he's a totally unreliable economic reporter.

*Q: This brings up an interesting thing. If you have a reporter working for either the Washington Post, or the New York Times, who's doing this, these accounts are read more by policy makers than the analysts'. This is what they read with their coffee in the morning before they go to the office. It penetrates more deeply into the political system than all the professional reporting combined.*

CLARKE: Right. However, I think someone must have immunized our bosses at some stage. We still felt under the gun to be in competition with him, which we thought was

unreasonable because we had analyzed the situation the same way over and over again. Nevertheless there was no sign, at least from State or the White House or our colleagues in the intelligence community that they perceived real reform was going on. In fact, it was contrary to the Reagan Administration view that the Soviet Union was hopeless.

*Q: Look at the agricultural situation. We have an agricultural attaché (this is an aside), who seems always to be an extremely competent person. They are a delight to have in an embassy. Where did they see the failure? Was it the system? Was it the geography? Or was it something innate in the Russian work ethic? Or what was it that caused such a disaster in agriculture?*

CLARKE: We considered it the system. It is true that most of the Soviet Union was at higher levels of latitude and was more northern than the United States but not more northern than Canada, and we could see what the Canadians could produce in the same climate. It was systemic because if the work ethic was bad, in our typically American analysis, if the work ethic is bad, it's probably because the system doesn't provide the right incentives. Certainly it's true if you work on a farm in which there are 5,000 farmers, it's pretty hard to believe that if you get up in the morning and go do your job or you call in sick, it will make any difference in whether you get your bonus at the end of the year. Even if you get your bonus, it's not going to change your life. So there was just no way to make the collective farm system productive. Then again, they did have technological problems. But if they had a harvester that could really harvest, they would have saved themselves a significant fraction of their wheat crop. They could have bought harvesters from us, but that would have been too embarrassing.

*Q: Were you there during the issue of the gas pipeline?*

CLARKE: I believe I'm the major victim of the gas pipeline.

*Q: Could you explain what the problem was?*

CLARKE: Yes. A few weeks before I was due to arrive in Moscow, the United States decided to impose sanctions against those western countries which were supplying equipment or services for the gas pipeline from the northern part of the Soviet Union to Western Europe that was then under construction. In my view, this was probably one of the stupidest foreign policy decisions ever made in the economic field, certainly in terms of accomplishing anything. I believe it contributed to Secretary Hague's decision to resign within a few days after that decision was taken. If it hadn't been for George Schultz coming in and turning it around, it could have been a disaster for NATO. We imposed those sanctions on our allies. The most vociferous response came from the British who pointed out how this was interfering in their affairs and that it was extraterritorial sanctions and refused to cooperate as did all the others who were supplying equipment for the pipeline. And there were American companies indirectly related to these European companies. The decision was taken without knowing what the hell we were doing.

*Q: This was a political decision.*

CLARKE: A political decision. It was something that Richard Pearle, perhaps Richard Pipes, and other people had brought with them to the White House or the Reagan Administration as something they wanted to do. They were dissatisfied that in the Carter administration, we had let the Europeans go ahead with the idea of the pipeline. I don't know if we'd ever actually formally endorsed it, but it had been studied in NATO. The "hardliners" were determined to find some way to stop this pipeline. To my mind, I don't believe a single days work on the pipeline was ever interfered with. This was the most ineffective decision imaginable.

The effect on me was, nobody in Moscow would talk to me except our allies, and you can imagine what they had to say. I couldn't get appointments with anybody. The general reaction was we were conducting economic warfare against the Soviet Union. The pipeline was a high priority project, one in which they were engaged with countless international firms. Therefore I was a representative of the economic enemy. This was not good for my work on my Russian either, except that maybe I had more time to study on my own. I certainly didn't have enough opportunity to use it in meetings. I did have some meetings but too often I tended to be shunted off onto KGB types rather than real economic interlocutors.

*Q: During your time, was it seen that this was going to be a viable source of power for Western Europe? Did it make sense?*

CLARKE: The Reagan administration's argument was that Western Europe would become dependent on this power source. So obviously even we acknowledged that this was useful to Western Europe because if you were going to become dependent on it, it must be helpful.

When I had served in Munich many, many years before, the government of Bavaria favored buying gas from the East because Bavaria was disadvantaged vis-à-vis Northern Germany which got gas from the North Sea and from Holland which I think was an exporter into Northern Germany. So the idea went back 10 or 15 years before, when the first pipelines were done. The difference was only that this pipeline was so big in diameter, it could pump in so much gas, that the argument of dependency, which was silly with the early pipelines, was real. But the policy was stupid anyway. The pipeline was being built. No reasonable foreign policy analysis would have concluded that our sanctions would actually take effect.

I remember talking with a guy from Business Week in New York on my way to Moscow. It was a hard conversation for me because I knew what the Reagan administration's policy was and I was sure it was going to fail, but I was also concerned about being quoted since that's one way to make it fail. I would not say so, but I even hoped it would fail and quickly, before it was a complete disaster. That ruined our alliance, which we needed for much more serious matters. The Business Week guy was really surprised that the sanction wasn't somehow already precooked and it was a really a disaster. Within a

few months, a fig leaf had been invented in NATO to restudy the question and the sanctions were dropped.

We went on to other sanctions of course. We were still imposing Afghanistan sanctions. We had the shoot down of the Korean airliner. We imposed sanctions on Aeroflot because of that which to the best of my knowledge only handicapped official American travelers. But in any case, we did that and shot ourselves in the foot again. But we made a point. We made a public point that we were unhappy with the USSR.

*Q: You mentioned the airliner being shot down over the Kamchatka Peninsula. All these things must have really made you very popular there.*

CLARKE: Yes. That was a grim thing. I think our sharp reaction was basically all right. They shot down a plane that had belonged to one of our allies. It had a lot of Americans on board. They did so, apparently, by mistake, but they weren't willing to admit it was a mistake. So I think we were right to take them to task. Seymour Hirsch has written a book on this, trying to make it look like the United States was being so evil, not to be more reasonable about the shoot down. I guess he was looking for a controversial position. There is no excuse for shooting down a Boeing 747 commercial airliner, full of people.

*Q: What was your impression of the Soviet petroleum industry?*

CLARKE: That was one of their big success stories. Talk about dependence, they were totally dependent on their oil exports. They were hoping to get more from gas, but really their role in international trade depended upon oil most of all. They had vast quantities. Even when I first came to Moscow, they were in denial that this would ever peak. I'm not sure that all of our CIA predictions, which were public, were totally on target, but the general drift of them was right. A peak was going to come. There were things they could do to mitigate or postpone the peak, but there really wasn't much they could do to prevent it simply because of the geology of the question.

*Q: Were we concerned about ecological matters? Looking at the Caspian Sea, oil apparently was all over the ground. They weren't making any effort to reduce wastage. It was misuse of nature.*

CLARKE: Right. We viewed those as Soviet problems rather than global problems in those days, it's fair to say. But even though we weren't generally able to go to oil fields, in our travels around the Soviet Union we had no trouble running into environmental disasters. In the case of Baku, it was not a closed city for us. We could visit Baku. I did several times, partly because of our interest in the oil industry. We had sanctions against the oil industry too, trying to keep American companies out of the oil business in the Soviet Union. I never did agree with that. But the scene around Baku is ghastly. That was not news. The question of whether they would reroute the northern Siberian Rivers to flow south into Central Asia was already an issue during the early 80s. It was being discussed. That was one of the few issues actually in which you could find conflicting

public opinion in the Soviet Union. There weren't many such issues but this was one. Russian nationalists would speak up when it looked like something disastrous might happen to Russia in favor of Central Asia, for example, in the case of these rivers. Some environmental protest was sometimes made.

One of the first signs that Andropov might be introducing some reform after Brezhnev's death was in the economic pages of Izvestiya. Even though I hadn't been there very long by then, it was my impression that they had eased restrictions on reporting about economic problems, specifically environmental problems. This was the end of 1982. I'd only been there for a few months. It was very interesting that we for once learned of an environmental disaster out of the Soviet press before we knew about it from some other source. This was a major waste chemical spill. I'm trying to remember now. It was on the Dneister or the Dnieper River. It was a disaster. It ruined the water supply for many, many towns and villages and killed all the fish for a long stretch of the river until it came to a dam where it was somehow contained.

Just the fact that the story was published while it was still news before everybody heard about it on Radio Liberty was an interesting sign. That continued pretty much after Andropov came in. Nothing changed on the front page of Pravda or Izvestiya. All the political propaganda was in place but if you turned inside, there were certain pages – I forget exactly which pages, but I think maybe pages two and three – that were usually devoted to economic developments. That went from almost totally phony stuff to some interesting stuff about such things as why they couldn't get spare parts for certain oil fields. Then later it even began to creep into TV. You'd actually see a TV program in which somebody would be saying, "Yes, this is not working right." That was unheard of when I first came.

*Q: Were we looking at the relationship of the various elements of the Soviet Union, the ones that broke off – 12 or whatever it was that broke off about 10 years later? Were we looking at the relationship of Kazakhstan or Kyrgyzstan or Georgia to the Russian side in order to see who was coming out ahead, or were we looking at this as a totality?*

CLARKE: Both. There was always somebody in the political section who was specifically responsible for knowing all the beefs of the different segments, not only the republics but the nationalities in general, had with the center and what they were most upset about. Sometimes there were economic questions. The prevailing public opinion among such intellectuals as we got to talk to in Moscow – I mean even informally volunteered – was that actually Russia had been strapping itself for too long by putting more investment into places like central Asia or the Caucasus than at home. There was a net shift of resources going into these other basically undeveloped areas by comparison.

The center of Russia, the heartland of Russia, not necessarily Siberia or the Far East, and not Moscow, as nobody ever claimed that Moscow wasn't getting its share, but the heartland of rural smaller town, small city Russia was being sacrificed. That's a respectable position. I'm not sure we had good enough or sophisticated enough figures to know where all of the Soviet Union's investment was going, at what rates, and at what

times. But it was certainly plausible that the huge water projects, the huge mining projects, the huge transportation projects out across the remote parts of the Soviet Union, were not really balanced by similar infrastructure investment in Russia itself.

Is what you are getting at, how might one have foreseen the breakup of the Soviet Union?

*Q: Yes.*

CLARKE: There was a book published, which I had read at the time, by a French woman, basically predicting that eventually the Soviet Union would fall apart because of nationalist pressures. I read the book, and later I even met the author – a real scholar. I traveled in many of those areas and concluded that this was a theoretical model that she had there and if the Soviet Union were maybe a little more democratic that might happen, but it wasn't going to happen under the Soviet system; I felt that there were too many people benefitting from the Soviet system and in the positions of power in each of the republics. A footnote to that is, I'm not sure in retrospect that I was entirely wrong. The Central Asians who were in power were in no big hurry to break up the Soviet Union.

*Q: No. They screamed and yelled when it came. They didn't want to become separate.*

CLARKE: Where the French author was correct was in identifying where the greatest strain was and that was visible actually even in the early '80s. Mainly that the Baltics were the worse case in terms of dissatisfaction and the Caucasus next. I don't think we even had a handle on what Ukraine would do. It was pretty clear that the Baltics were seriously disaffected, and maybe some parts of the Caucasus. The latter was not as strong a case as the Baltics.

*Q: Were we seeing an underground economy? I served slightly earlier in Italy. Italy's announced national product and its underground, or gray economy, probably exceeds what they report for tax purposes. Did you see any of that going on?*

CLARKE: Of course. Actually we used to draw the analogy with Italy all the time. I guess the question was posed when someone announced that the Italian economy was going to collapse. The answer was, "It can't collapse because it's already sunk. It's just sitting on a sandbar. There's no further way down it can go." And I think that's about right for the Soviet economy at that time. It wasn't floating on anything.

The underground economy was obviously critical to the performance of the main part of the economy. But when it reached the extreme of the Uzbek example I gave, about six million tons of non-existent cotton reported, clearly you couldn't have a planned economy where one third of your cotton supply didn't exist. Input-output tables had to be a little closer than that. So yes. There were both functional and dysfunctional elements of the underground or unreported aspects of the economy.

There were people thriving by supplying goods or services that the state could not supply, that certainly existed. The Caucasus and central Asia were already known as being more adept at doing that than the Europeans. There was a lot of discussion about that. But

again, it was a system that could continue as long as the leaders were satisfied. I think it is fair to say that Gorbachev, who understood the problem better than all the old people who were in the Polit Bureau (he was the best educated Polit Bureau member when he was appointed), was aware of all these problems, and he had the audacity to think that change could bring about better performance. Gorbachev didn't come to power until about three or four months before I left.

*Q: What was your impression of the Soviet leadership, Andropov, Chernenko and all, and before that Brezhnev?*

CLARKE: We buried three of them while I was in Moscow. Brezhnev was already losing it by Aug of '82 when I arrived. We were all sitting around watching him, live, on TV making a speech in Baku and it was pretty pathetic. He lost his paperwork, or his paperwork got confused. Maybe that was not his fault. Nevertheless, he couldn't cope.

The camera had been focusing painfully on a struggling old man trying to collect himself in front of all the party leaders of Azerbaijan. Finally the camera mercifully turned away but you could hear his voice with his inimitable bad accent saying, "Comrades, I'm not guilty." That was, I think, the poor man crying out for help. I got to go to the October Revolution parade in November, because there were a thousand other things we were boycotting so that our ambassador couldn't go and they had to send a counselor and I got to go. It was snowing. It was miserable. Brezhnev was there and stood through the whole parade which goes on forever and ever and ever. Then he went to the reception, which our ambassador was allowed to go to.

*Q: Who was your ambassador?*

CLARKE: Arthur Hartman, who had been Assistant Secretary for Europe and Ambassador to France, really an outstanding American diplomat. He called a meeting not long after the reception and told us that Brezhnev was going to die and we'd better start figuring out what we were going to do, in our reporting, in our analysis, and about the funeral. He wasn't quite that blunt, but his sense was that the man was a goner, that he'd just done something that a man in his condition should not have done. Sure enough, he did die within a few days. We were really busy then coping with the end of an era. You could argue that the era didn't really end until Gorbachev came in, but the process of leadership turnover certainly began with Brezhnev's dying. Some say that it began actually when Suslov died a few years before, but that's an even more complex argument. Suslov would have been the heir apparent if he had been there.

*Q: He was the ideological type?*

CLARKE: Right. And it would have been a very different outcome from Andropov, who was KGB but somewhat more sophisticated, and who took over. Immediately he got sick and was missing from the public scene for most of the year that he lived after he took office. Economic reform, the phony reforms of the Brezhnev period, continued, but nothing real happened. So other than the thing I already mentioned about loosening up on

the economic press, there wasn't much change there.

But some very important things were happening outside the economic field. They were very decisive things for both the end of the Cold War and I believe the change in leadership as well, which came about when we were able to deploy Pershing and cruise missiles in western Europe.

*Q: It was close to the SS20 that the Soviets had?*

CLARKE: Right. Because Foreign Minister Gromyko had a major campaign in Western Europe to try to stop deployment and he went so far as displaying the Soviet Union's dislike for German Chancellor Kohl and his reelection. Both efforts at Soviet foreign policy in Western Europe failed. NATO held to its decision. The deployments went ahead despite protests and everything. Kohl got reelected and some were saying it was partly because a few people said, "Well, if the Russians are against it, maybe we need this guy."

I believe Gorbachev, already sitting on the Polit Bureau and listening to these old men arguing about this, must have begun thinking about what he would do if he took over. Nobody was surprised by Gorbachev's prominence because he was a whole generation younger than the rest of them and he was better educated than any of them. He was what passed for the number one rising star of the Soviet Union. People were a little surprised that he didn't automatically become general secretary, but I think that's a failure of Kremlinology. They had to go through this business of the ranking leader succeeding.

*Q: Was Chernenko viewed as a short term, interim replacement?*

CLARKE: My interpretation comes to a certain extent from Russian sources who were questionable, but nevertheless plausible to me. It is that in exchange for a quick agreement that Andropov would become the general secretary, it was also at least tacitly but probably explicitly agreed, that Chernenko, the representative of the old guard, would be next in line. Every sign after Andropov's appointment, I felt, fitted that model. Then the other side had its day when Andropov died and it was Chernenko's turn. The more progressive members said the next guy is our guy, Gorbachev. So I believe this business of figuring who is number two helps explain why there was no great crisis in any of these turnovers. The Polit Bureau handled this transition, not brilliantly, but with tremendous stability.

*Q: Did you sense during this '82-to-'85 period any change in the Reagan administration attitude towards the Soviet Union or was it fairly constant?*

CLARKE: I think in the limited area where I was working, economic and commercial relations, there was some change. I think there was no change in the ideology of the Reagan administration. But on pragmatic issues, we began to see that after you got through pounding the table, you still had to decide what you were going to do. Negative things didn't seem to have any impact on the Soviet Union. So by the time I left, which



was of course still during the Reagan administration, we were working back into a more official economic relationship. We were having meetings discussing the whole range of issues. The Commerce Department Secretary came out to chair such a meeting. We were loosening up the diplomatic isolation on the economic side. There was pretty much the end of our agricultural trade controls, which were intensely unpopular in the United States and which cost us permanently a fraction of the Soviet market. That policy was pretty much being wound down. Even self-inflicted wounds have to be healed eventually.

That policy was both sufficiently symbolic and practically important to the Soviets so they were willing to move forward, even despite this elderly leadership. We had a septuagenarian in the White House, and we had a whole row of septuagenarians in the Polit Bureau. But both sides began gradually to adjust to a more practical relationship. Most important, Gromyko failed in the arms control area and in the military area. It was a big relief to our military guys. They got to deploy the weapons they felt they needed. I think it was more important in terms of attitudes within the Soviet Union. They were not going to bring us down by just outsmarting us. That was not going to happen.

By that time, the American economy was starting to recover from the ghastly inflation and unemployment that we'd had at the beginning of the 80s. That may have had a demonstration effect on them too. This was a cyclical decline in the American economy, and there was no structural decline going on.

*Q: Being on the economic side, did you help the intelligence community with satellites and looking at serial numbers and that whole thing?*

CLARKE: They wish. They wish.

*Q: They wish. Were you getting much information from the CIA and other intelligence agencies to make your judgements?*

CLARKE: For most of the three years I was there, the bilateral relationship was in such bad shape that I had actually a lot of time to devote to analysis and studying the Soviet economy. Of course we looked with great interest at the finished work. The day to day operational stuff we didn't even see. But this group of analysts in the states would periodically produce important analytical documents on the Soviet Union, and we would always read them, not only to see what they came up with, but whether they agreed with us or whether they'd borrowed anything that we'd ever written.

I know there's a great deal of controversy still about the CIA cooking the books on some issues, but my humble opinion is they were doing a pretty good job with what they had at the time. They were not rosy about the Soviet economy. Nobody was. We also saw the academic economists a lot. Since we had no formal exchange program going with the Soviet Union at the time, little informal exchanges and non-governmental relationships were much of what actually was taking place. Leading American experts on the Soviet Union would come to Moscow, and we had a good exchange with them. We would tell them what we could tell them from sitting there and being there all the time, and they

would tell us what they were thinking, based on what they could get and their more scholarly approach. I've had very few jobs in the Foreign Service where such a high percentage of the time was actually devoted to analysis. Maybe the only time I had more was when I was in INR..

*Q: Arthur Hartman was your ambassador during this time?*

CLARKE: Right. He was there before I got there and he was there after I left.

*Q: How did he operate? What was your impression of him?*

CLARKE: He had a tendency, despite the fact he always seemed very imperious in his posture, he always had this manner of saying, "Gee, I'm very dependent on you guys because I really don't consider myself a Soviet expert and I really expect you guys to give me the best you can to bring me along." This touch of humility, I felt, was a wonderful way of encouraging the staff to produce their best work, but it was also a bit misplaced. We had as our ambassador somebody who'd been ambassador to the EC, I believe, and to France – one of the very few professional diplomats to serve four years in Paris as ambassador – assistant secretary for European Affairs, an economic officer with great political savvy. We haven't often done better than that, even though he didn't claim to be a Soviet expert. I don't think ambassadors necessarily need to be geographic experts. The one disadvantage he had was, although he worked on Russian, he never really mastered it. We of course have had other ambassadors there who did not speak Russian.

*Q: Were you there during the Sergeant Lonetree business and the security problem?*

CLARKE: Thank heaven I was gone when all that broke. I am pretty familiar with the situation that prevailed in Moscow before I left and therefore, I have some views on it. Even though I don't ever remember meeting Lonetree, he might actually have been there as one of the watchstanders.

*Q: Could you talk about the security situation?*

CLARKE: I think, first of all, the effort to blame Art Hartman for failures in security in Moscow is totally misplaced. My impression is that he was careful about security in his own dealings with the rest of the staff. There are two places to look when the marines are not doing their job right. One is, who is in charge of the marines? And who is in charge of post security? If those two people are fighting with each other, you've got a management problem that somebody needs to correct. The agreement between the Marine Corps and the State Department on management of marine security guards is flawed. I found this out the hard way as DCM in Bucharest. But it can be made to work if you have good people.

I don't know who exactly is to blame for what happened in Moscow because I wasn't there and I have only all the horrendous amount of newspaper articles that I did manage to read. But clearly there was a collapse in discipline among the marines. If you have

marines violating the no-fraternization rule, then you have lost discipline. If you have big parties and lots of alleged intercourse with the wives of the mission and all this kind of stuff, you've lost control of the Marine Corps at your post. It's not the job of the ambassador to maintain the day-to-day discipline of the marines at post. It's, first of all, the marines' job and if they fail, it's the post security officer's responsibility to do something about it.

*Q: How did you find the KGB? How was this when you went on trips?*

CLARKE: We could spend the next several hours because I was there during the period in which the KGB was not allowed to harm us physically but almost anything else was okay.

*Q: Could you talk a little about that?*

CLARKE: I would say there were two levels of interaction with the KGB. On the Moscow level, there was the simple fact that some of the people that we met who were ostensibly members of the USA-Canada Institute or some other official organization turned out not to know a whole lot about that organization but seemed to know a whole lot about the American diplomats. So you had this question of a tainting of your professional dialogue, in which you had to recognize that the guy you were dealing with was probably interested in you for reasons other than the subject you were discussing.

The other element was when you traveled. The KGB had this impression that this was the opportunity to seduce American diplomats and they had to give it their best go even if they had failed before. As you would come into each area, there would from time to time be attempts literally to seduce you with women or to get you drunk or do something to build your file. This poor KGB leader out in this corner of the empire could report back to Moscow he fulfilled the plan and had run an operation against a visiting American diplomat. We traveled in pairs. Your pair didn't necessarily have to be a Foreign Service Officer. It could be a wife or it could be another western diplomat but because of this constant intrusive practice, we were not generally allowed to travel alone. In some situations that was very comforting. If something was becoming really rather hard to control, you at least had one other pair of eyes there to see what was going on.

*Q: Could you give an example or two?*

CLARKE: Okay. Tirmopol, Ukraine. I was visiting there together with a young officer from the political section, junior to me but more experienced because he had been stationed longer in Moscow. This was my first year in Moscow, and it was probably his last.

*Q: This obviously was before the Chernobyl nuclear thing went up?*

CLARKE: That didn't happen during my tour in Moscow. That happened when I was in Bucharest. That's another story for another day. We were visiting and after – we were in a snowstorm – after we sorted ourselves out, we wound up in the restaurant of the one

hotel we could stay in. We were sitting at a table, and there were two young Ukrainians there at the next table, and somehow we got into a conversation with them in Russian. Suddenly two women came up - one attractive and one not - and bumped these guys, basically telling them, "Get out of here." Then they started to put the make on us, suggesting we get together the next night some place and so on. It was done sufficiently crudely that we were of course fully aware that this was not their hormones at work. Much as we'd like to think that they might enjoy that, we didn't believe that was why they were there. So we tried to avoid them. We didn't tell them what our plans were the next day. We deliberately didn't tell them.

We found another restaurant through Intourist so we wouldn't be subjected to this a second night and got a cab. That also had to be arranged through Intourist because Ternopol is kind of a crummy place and we were enjoying what was indeed a better meal at this restaurant. We were almost the only guests when guess who shows up? Same two girls, who then arranged to ride back with us to our hotel, stranded away from town and the more attractive one invited us to her flat. Any woman who has a flat of her own - a single woman who has a flat of her own either it's not her flat - who's flat is it? Or she's a full time worker for the KGB. She had some interest in living abroad. We asked her about her husband. She had no husband, but she did have a boyfriend. He was off in Poland and so she wasn't worried about him and so forth and so on. This is just a typical but sufficiently blatant example of how they worked.

*Q: Did you see a difference between how things were in Moscow and when you got out in the country?*

CLARKE: Yes. Generally speaking in Moscow, there was a sense of keeping track of the diplomats mainly by checking them in and out of their homes. We all had to live in certain places, and there were KGB guards in front of those who were observed from time to time to be taking notes on who was coming and going. They were probably smart enough to be able to recognize us about the third time we passed. So they were able to play a zone defense, if you will, in Moscow.

But out in the countryside, a zone defense would have been too manpower intensive so they had to go more one-on-one. They would actually track you according to your itinerary. But since your itinerary had to be approved in advance to get travel permission, they had it. They knew where you were going to be staying. They knew what appointments you were seeking. They knew who you were. They had the files. It was a piece of cake.

That being said, we still had conversations with people that maybe later got interviewed by the KGB but who were really willing to talk to us and who were not afraid to do so. But in Moscow, people were more likely to be afraid of the follow-up interview.

*Q: You were a new boy on the block in the Soviet Union. Could you comment on your impression of the Soviet specialist core as it had developed because this is fairly far into the period. It started with George Kennan and Chip Bohlen. But by the time you got there,*

*it sounds like there was a certain dissipation or it kind of wore out?*

CLARKE: I don't know what happened to the economic function. It may have been that the economic function just never got started in this cadre. So this was mainly a political officer question. The system was that they tried to recruit the best they could get in political officers and put them to work in the consular section after they had their Russian, so that they could practice their Russian every day, and then would rotate them from the consular section into some other section – political or economic section. And then they would hope they could sign these guys, or women, up for later tours either at some sort of mid-career level if possible or have them come back as a section chief. It was expected that the DCM would be an old Soviet hand at least.

*Q: Who was the DCM when you were there?*

CLARKE: We started out with...I can't say his name. I can see his face; later ambassador in Belgrade.

*Q: Zimmerman?*

CLARKE: Zimmerman.

*Q: Warren Zimmerman.*

CLARKE: Warren Zimmerman. And then his successor was Kurt Kamman who was political counselor or political minister/counselor when I was economic counselor the first couple of years. Then he took over in my third year as DCM. He went on to be ambassador several times in Latin America. So I don't know what happened on the economic side. It didn't work as well. That was the expected pattern. I think it produced some very good people. No doubt about that.

I should say what they did not welcome was really long tours. They felt three years was the absolute max and two years was enough for a junior officer. That was because of the intensity of the fishbowl quality of living at the embassy there and the basically negative relationships, the isolation, the security concerns and so on. So they didn't push for long tours. What they preferred was for people to go off and serve some place else and then come back. I think it worked pretty well. I certainly never would have been economic counselor there if it had worked perfectly because they would have had somebody and indeed the guy who they did propose as economic counselor was Mike Joyce who was doing a fine job as the head of the science section. The trouble was, that was a boring job because we had wiped out most of our scientific exchanges through various kinds of sanctions. Mike was later DCM when Jack Matlock was ambassador. So I sincerely hope my getting that job didn't hurt him. It certainly made a big difference in being later considered for not only Bucharest but Tashkent for me.

*Q: Was the radiation still going on during that time?*

CLARKE: That was an irritating thing. I don't know exactly what's been made public about it. While we were there, they turned on the microwave again, and my understanding is that Art Hartman simply told them, "Either you turn off the microwave or I'll shut down my embassy."

I don't know whether he was authorized to do that from Washington or not. Probably not. They turned off the microwave. That was the end of the discussion. We were all very pleased with that outcome.

*Q: You left there in '85. What was your impression of whither the Soviet Union and its relationship with the United States?*

CLARKE: That was really fascinating. I was tired because it had been three hard years. But I felt I was leaving at the wrong time. We were all interested in what Gorbachev was going to do. I think I can speak in the collective on this because it was more or less an understanding within the embassy. We thought that because Gorbachev had studied agriculture – he'd been first secretary in Stavropol and had experimented with economic enterprises and what not, on a reformist basis there, and therefore knew something about agriculture – he had to know what was going on. We assumed that he would leave the international and military situation that he received more or less in place. Let the old guard continue to have the assurance of Soviet might, but meanwhile turn his attention to the domestic economy outside the military sector and try to reform it. That was the theory but it was not based on a conversation with Gorbachev and indeed if Gorbachev had signaled what he wanted to do before he became general secretary, it's my view he never would have become general secretary. So we didn't discover it either. His fellow politburo bureau members didn't know what he was going to do. But I knew that all our predictions were off before I got home from Moscow.

I traveled east from Moscow and spent a few days traveling in China with my family. When we got to Honolulu, I picked up a newspaper and found that he'd appointed Shevardnadze as foreign minister and Gromyko was going to become president. I immediately knew this was way off the scale of anything we'd predicted while I was there. Although Gromyko was said to have supported this move and there was still the lingering possibility that somehow as president he could still run the Polit Bureau, he would still be in charge of a lot of things in foreign policy. We now know that Gorbachev and Shevardnadze, as you might expect, knew each other from before and there was a whole new agenda in foreign relations going on. He appointed, maybe before I left, and this was a little puzzling to us, Likachev to be in charge of agriculture. He was widely understood to be a conservative hard liner, which seemed to suggest that his first moves were not going to be in agriculture. So when Perestroika came, it was not a particularly agriculturally oriented move.

But I was sure there was going to be big changes in foreign policy. I remember visiting in California on home leave and being invited to give a little talk to my father-in-law's service club in town. For what it was worth, I predicted that there would be a fairly significant change in foreign affairs. I wasn't exactly sure what it was, but probably it

would involve a new relationship between the U.S. and USSR.

*Q: What about family life, your wife and children and all that during this time? How did that go?*

CLARKE: Moscow is not the greatest place, but my children were young. They were in the Anglo-American school, which was not a bad school. Many international schools, even in remote places, can function effectively. This one was certainly big enough for grammar school. It had enough classes so that there really were enough kids to make a very viable grammar school, not only for kids of American diplomats but all of the foreign community. There were no Russians in the school. It was possible to send your children to a Russian school and Greg Guroff sent his kids to a Russian high school, but I believe they had a little more of a break on language than most kids would have had because of Greg's excellent Russian. They survived pretty well. They were treated well at the Russian school. It was a particular school that had some foreigners, not just any school.

But certainly there was a social life within the foreign community and to a lesser extent some contact with Muscovites, limited, not very rewarding, but for those of us who were basically dealing with communist countries, it was not totally impossible. It was frustrating. You couldn't get people to come to your home, and when you finally got somebody who would come, it turned out to be another KGB guy. But you still had some interaction that was useful, and they weren't all KGB. There were those, especially in the artistic community, who I'm sure were not KGB. They were creative people who simply were willing to put up with the interviews that they had to go through afterwards. At least that's my interpretation. They never said they were being interviewed afterward. I just assumed these were folks who were given a little more leeway and who of course had no access to any privileged information. So in that sense they were not a risk to the Soviet system.

I did take my family with me on some of my trips in the Soviet Union. We were able to mix tourism and official calls. That was important because a lot of times we would arrange meetings and they would just not happen when we got where we were going. So we had to do something and at least we could see the sights. Before we left, a group of the wives actually went on a trip by themselves to central Asia and had a good time. But the local officials couldn't figure that one out. They never figured that one out. I guess by the time they left maybe they understood they just wanted to see more parts of central Asia and they were willing to pay and they went. The husbands were busy with visiting delegations and couldn't travel.

*Q: You left in '85. Where to?*

CLARKE: I went to home leave and on to be DCM in Bucharest.

*Q: And you were DCM in Bucharest from when to when?*

CLARKE: For four years from '85 to '89.

*Q: I want to concentrate on that because that's a very important period.*

CLARKE: It didn't change that much in Romania. You can ask me about Chernobyl, too. I want to comment on the effect of the huge release of radiation from the Chernobyl nuclear power reactor on the U.S. Embassy situation in Romania. I think it has not been recorded elsewhere, and it shows the state of Romania's relations with the USSR and the USA at that time. It also shows something of the dynamics of managing an Embassy during a crisis, or at least what we perceived as a crisis.

You will recall that the initial release of radioactive clouds from Chernobyl was not announced by the USSR, and it passed over the Republic of Byelorussia, and Poland, before being detected (I believe in Sweden). U.S. Embassy Warsaw began an evacuation of a large part of its dependents and staff. Ambassador Kirk was in the northern part of Romania, with his wife, visiting local governments and a folk festival. So I was not Chargé d'affairs, but I was in charge of the Embassy staff.

Winds then shifted, and the radioactive plume from Chernobyl turned in the direction of Romania. The first I heard of the wind shift was an urgent call from the Romanian authorities that I should come to a meeting at the Council of Ministers. They asked me, on an urgent basis, if the United States could provide an expert team to assess the danger to Romania from this development and provide recommendations. They had received information from the Soviets which they did not accept at face value. I said I would do my best.

We sent a cable to Washington and got an immediate, positive response to the Romanian request. An accident-response team began collecting itself and heading for airports, mostly in the western part of the U.S. In the meantime, we had a holiday, and the Romanians announced that everyone should stay indoors and bring their domestic animals under shelter – despite the beautiful spring weather. I called Ambassador Kirk, who said that at his age (mid-fifties), a little radiation was not likely to affect his life expectancy, so he would finish his trip before returning to Bucharest.

A few members of the staff called me about the possibilities of evacuation, aware of the shock and panic that had occurred in Northern Europe. I told them to stay indoors and sit tight, that we had experts on the way who could judge the risks. Our Administrative Counselor, Jim Robertson, wisely began figuring out how to buy a lot of bottled water from western Europe. (In Bucharest, we boiled, filtered, and decanted our filthy water, before drinking it, but it was not clear that this would be useful for removing radiation contamination.) A Canadian diplomat's wife, a friend of ours, departed with her children.

The experts arrived in good order, and began comparing notes with Romanian experts. By the next working day, a Monday I believe, they briefed our staff at the Embassy. They were so blase, or perhaps jaded, that at least some of the staff were skeptical. They assessed the danger from radiation as being the equivalent of a long airline flight at high



altitude, or living in Denver for two years. They found the Romanians' assessments to be accurate, and so informed the Romanian authorities.

We talked about water and food, which seemed to deserve some caution. At least one staff member thought the bottled water should be supplied for free by the Embassy. I replied that free goods tended to be wasted. We were importing water for drinking, not for washing cars or animals. I agreed that the Embassy would pay for the air transportation from Germany, and each family would pay for the actual cost of the water. I believe that most of the staff was satisfied with the decision not to evacuate, and that they could handle the situation. Afterward, I heard that the State Department had been pleased that we remained cool. In my opinion, the responsiveness of the Department and other agencies in getting the experts out to us so quickly was the key element – both in showing the Romanian Government our good will, and in reassuring the American Embassy staff.

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*Q: Today is the 20<sup>th</sup> of December, 1999. You are DCM in Bucharest from '85 to '89. Who is our ambassador and how did you get the job?*

CLARKE: I got the job through the process they had at the time which depended a good deal on the person they had planned to be ambassador. David Funderburk had been appointed by President Reagan as ambassador to Romania and served there for four years, until 1985. I was fortunate enough to be chosen by Roger Kirk who was scheduled to go out as ambassador in '85. He was the principal deputy in IO (International Organizations Bureau), and they lost their assistant secretary, so there was a delay in officially naming him. Then, because it was late in the congressional season, there was a long wait for his hearing. In the meantime I went out there and replaced the chargé because Funderburk had already left.

*Q: Who was chargé?*

CLARKE: I remember his face very well, but now I suddenly can't say his name. He had been assigned to Bucharest as political counselor. He was a former Marine. When Funderburk fired the DCM, he chose this fellow as his DCM. Before I went out to post, I was warned by people in the department that the post was in considerable disarray and that all the traditional State Department functions of the post were in bad shape. The reporting was down practically to nil and very slanted. If anything came out at all, it was very much that Romania was part of the Soviet empire, all other indications to the contrary notwithstanding. There was practically no economic reporting going on that was of use to the policy process. The consular section was functioning, but there was a consular agreement that was in the process of being negotiated which required front office involvement. Since I was going to be the only one in the front office for awhile, that meant me. The whole administrative setup was in bad shape through mismanagement.

*Q: Looking back, Funderburk was a very controversial political appointee.*

CLARKE: Indeed. He was a protégé of Senator Helms and shared his ideology, not only with respect to foreign countries, but also toward the State Department.

*Q: Funderburk came from South Carolina or North Carolina?*

CLARKE: Eastern North Carolina.

*Q: Coming out of a very anti-communist sort of fundamentalist side, he had served in Romania in the Peace Corp, I believe?*

CLARKE: He had been a Fulbright. Again that's probably in his CV somewhere.

*Q: So there had been a connection there and he took a very dim view of everything that our policy and the Foreign Service was doing.*

CLARKE: That's right. And the seventh floor of the State Department was particularly annoyed because they felt he was not executing their instructions. Even when they tried to be tough on the Romanians, he tended not to do it. I'm now very vague on the details of what happened before I went there, because I got them only second hand to begin with. I quickly agreed with Roger Kirk that our main objective in Bucharest was to forget about what had gone on before and create what we thought was a good embassy and not worry too much about who was to blame for what went on before.

*Q: While you're getting yourself ready to go, Bucharest, Romania, was not a place you thought about much, was it?*

CLARKE: No. I'd served there before.

*Q: From the department were you getting any sort of ideas of where Romania stood, because one school of thought was Romania is a dictatorship, it's communist, it's all awful. You were saying the embassy was quite small.*

CLARKE: Right. Therefore even though my first tour was as commercial officer, I remember very well the assumptions and directions of our policy at that time which was, the period of Henry Kissinger. It was to encourage every possible deviation that Romania might be considering from its Warsaw Pact and CEMA obligations. They were deviating in a lot of ways. We did indeed encourage that and we tried to build up a bilateral relationship truly based on their foreign policy and without having anything good to say about their dictatorship or the fact they were very, very Communist. Indeed, Ceausescu was Communist in even less pragmatic ways than some others. He had some very hard radical ideological views, especially on economic matters and especially on what you do with your opponents.

By the 1980s of course, people were more interested in what Poland was doing or what Hungary was doing and the amount of foreign policy deviation by Romania hadn't really

changed much. So people focused more and more on what was undoubtedly a deteriorating domestic political civilization. It was a different world, and we concentrated on different things. We focused much more on the domestic side, on human rights, on protecting religious groups from repression and that sort of thing. But I had been able to track what was going on in Romania in between because I had served in Romania, then in East-West Trade in Washington, then one year out of the loop in EUR and then a tour in Moscow. I was very interested in the economic relations among the Communist countries. I'm still trying to follow the overall political situation. So I thought I knew the place and I knew what I was asking for by going back to what was a relatively unpopular post in Europe. But I had found my time there the first time very challenging and interesting, and so I was quite happy to be going back to a place where I knew the language and could expect to do well. It was even more fun to arrive there and take over the post as Chargé, which lasted four or five months, and see how relatively easy it was to correct some of the things that were wrong.

*Q: What did you do to put things right in reporting, administration, etc?*

CLARKE: The first good news was that people were glad to see me. They didn't know me from Adam, but they were glad to have a change. They began submitting draft reports to me that had been not sent under my DCM predecessor, as well as Funderburk, some months earlier. I remember in particular the first one I got from one political officer. It was a long, involved, but very rich report with a lot of sources. He had obviously consulted a lot of Romanians in putting this together. I found it not terribly well written so I made a number of major suggestions in organization and drafting. When I returned it, I apologized that it had taken me a period of three days or so to get through this.

He laughed and he said, "This thing has been lying around for months. Three days is light-speed compared to the way it was treated in the past." And he was pleased with the changes. He was glad to have them. I was just doing what I knew from previous assignments needed to be done and that was in many cases all it took to restore good working relationships in the embassy. Give people a chance to do their job right and sure enough, they appreciate it.

*Q: Let's talk about the Consular operation to begin with. The consular treaty and all that, how did that work out?*

CLARKE: If I remember correctly, the idea was to make some arrangements so as to facilitate the exit from Romania of all those who were entitled to some sort of immigrant status in the United States through relatives or through refugee status. I confess I haven't looked at that in all these many years and I don't remember the details or the sticking points particularly. I just remember that we had to have a number of sessions with the consular section of the foreign ministry; it was thought not to be a very diplomatic institution but rather more of an intelligence institution. It was housed in a different building in a different part of town than the foreign ministry. We went there and negotiated and negotiated and negotiated over a period of many months and were ultimately successful. I was the spokesman during this negotiation, but the consul general

was the one who prepared our paperwork at each stage, and then we would discuss how we wanted to proceed and what our best chances were. It was actually a very civilized process with the Romanians. Not as speedy as we would have liked but methodical and professional, as I remember.

*Q: When you arrived there, was this a government where everything went to the top or were there people, say in the Foreign Ministry, who could make decisions?*

CLARKE: Basically everything went to the top that was either important or that people were afraid the President might think was important, including a wide range of minor stuff. It was very difficult to get anyone to make a decision unless the President had given sufficient guidance and the decision was within that scope. Even that was unusual. Most of the things that we needed tended to be decided at the top. This is also partly in retrospect, looking back and actually talking to some of the people who were there on the other side then. Look at Roger Kirk's book, which he wrote with one of our opposite numbers in the Foreign Ministry. It was about as good as you can get as far as seeing two sides of the same dialogue. Those who were most effective in the Foreign Ministry were effective because they were able to get decisions from Ceausescu. It was not because they were making the decisions themselves.

*Q: What was your impression, and also of the other officers, of Ceausescu, particularly at the beginning and did this change over the four years you were there?*

CLARKE: Yes it changed. My perception at least changed over the four years. When I came, I had the impression from my previous background following Romania that here was a very bright and skillful dealer in foreign affairs who had some serious constraints within which he had to operate, but that he was a real master of pressing them to the limit. Whether it was with us or with the Russians or whether it arose from his desire to become involved in the Middle East peace process or a whole range of other considerations, he seemed to have something of a knack for that. By the time I left, I was convinced he was losing that knack. He was slipping. This would be impossible for me to prove, because it might just be that there were fewer and fewer of these effective people in between and there was more and more slippage in the communications to and from him. But I don't think so, because there were things that he did very personally. One example comes to mind.

It was not in the first couple of years that I was there so it must have been in one of the last couple of New Year's Day receptions for diplomatic corps. I always went to them, because Roger was never in country on New Year's – at Christmas and New Years he was always in the States with his extended family. That was fine with me because I had little kids in the family and I didn't really want to go anywhere at that time of year. I went to this reception and here comes this incredible statement, basically supporting the idea of chemical weapons as a small country's answer to countries that had nuclear weapons. Who this was supposed to favorably impress, damned if I know. It was certainly not something the Romanian people wanted to hear. It was certainly nothing that Moscow wanted to hear from such an unreliable fellow traveler, if he could even be said to be on the same path. For us it was just one further nail in the coffin of some kind of working

relationship with Ceausescu's regime.

That's the first thing that comes to mind, but there were others. When you reach a point with a regime as basically static or stable as that one, the key people in the embassy can pretty much write the speech for the next public occasion for the president, simply by rearranging the paragraphs of all the other speeches they'd ever read by him. If then he starts doing things that we can be sure will not work, you conclude that he's losing it.

*Q: Did you have the feeling that this was megalomania? One hears that later, based on his building big palaces and his hunting parties and so on.*

CLARKE: Megalomania, a preference for having people around him who said yes and flattered him, an increasing tendency to get furious with anyone who told him the truth or questioned his statements. I can give you examples of foreigners who ran into his fury. With foreigners we had a closer read out of what was going on. For example, when the Canadians told him that there was no way his nuclear power plant was going to be built on the schedule that he had announced publicly, they had the impression that no one had told him the truth about this project. We were never sure, because often Ceausescu did things for effect. Getting mad at the Canadians because it was behind schedule and trying to blame them rather than his own side, which was really to blame, was perfectly natural in his bargaining framework. But in this case, they really had the feeling that he just didn't know what was going on and nobody in his government was about to tell him. So there is this problem of dictators who are so feared, they become so isolated that they really can't run the country anymore, and in a way that's what finally did him in, I think.

*Q: What about Madam Ceausescu? What was the reading on her?*

CLARKE: It was widely believed in Romania, and I don't think anybody in the embassy would have denied it, that she was a worse case than Ceausescu in terms of megalomania, totally self-centered. She was inclined to cause gratuitous harm to others. I had the opportunity either to accompany Roger or visitors to meetings with Ceausescu. I only met with Ceausescu once or twice totally by myself, but I often accompanied high-ranking Americans in or out of the government, especially when the ambassador was not there, and so I saw this guy face-to-face quite a lot in four years time. I came to the conclusion, proof to my satisfaction, that it was possible for a person to be evil and that he was sustained in this by his wife who shared it.

*Q: They had a son, too, didn't they?*

CLARKE: They had several. And a daughter. Some were more favorably treated than others. One son went into the sciences and did his best to stay out of Bucharest and out of the family orbit. Another was all playboy and didn't do anything official. Another was a deputy minister of defense. There were a number of children. And a daughter who was supposed to be a mathematician.

*Q: How did one deal with this situation? Did we have to run every decision up to him or*

*treat it with kid gloves, try to avoid him or what?*

CLARKE: Our day to day business was done with the Foreign Ministry and occasionally other ministries that were particularly appropriate. We had access to most of those ministries directly, and we would pose questions at the level that would be reasonable for a government to have. We still knew that we couldn't do a deal ourselves right there at the table but that we were going through the right channel. We would take things up directly with Ceausescu whenever we had high level American visitors, but governmental visitors declined over this period. There was less and less enthusiasm on the part of our senior officials for spending a couple hours debating Ceausescu. There was more and more a feeling that we should avoid that. One of the most extreme cases was the Secretary of Commerce who was supposed to be the counterpart of the Minister of Foreign Trade in a bilateral economic commission. The Romanians would do everything possible to get this commission held there, and our Secretary would do everything to stay out of it because he had spent three or four hours with Ceausescu on a previous visit and he just did not want to go back. He intended putting it off until after the end of his time in public service.

So those were hard to handle. We knew what was going on back in Washington and understood why, and yet we were still trying to maintain a bilateral relationship with Romania that gave us some avenues into the country, including trade, that were of benefit to the United States. We also figured Ceausescu would not last forever, and we wanted to have something in place in the relationship that we could keep it for the transition.

*Q: There were stories about babies being warehoused and all sorts of things about the security. Could you talk about what we were observing and what we were reporting that was developing in Romania during this time?*

CLARKE: The babies thing shocked me, and I didn't think there was any shocking left to be done after serving there for four years – basically four of the last four and a half years of Ceausescu's life. What happened when we were there was the process of adopting Romanian babies by foreigners was stopped. We spent a lot of time, we and the Europeans – the Western Europeans were adopting more babies than we were – arguing over not so much the principle of stopping adoptions, but the fact that there were so many cases in process. Families and even the children, in some cases, were aware they were supposed to be adopted and the whole thing was brought to a halt. We tried to resolve those cases in a humanitarian way. We understood that Elena Ceausescu was behind that decision. She thought they shouldn't be losing these people to Romania, and we knew her really weird views on demography and abortion and all, and just assumed this was another arbitrary step. It could also be that people at a lower level were aware of the deteriorating situation in the orphanages and just didn't want any more foreigners around. There may now be a lot of material out there about what happened and some of the people involved in it. There may be people who just didn't want to talk about it. I don't know the situation now.

*Q: What were we doing on the baby situation? What could you do?*

CLARKE: We didn't know that the babies were all developing HIV. That was not evident. It was not being reported on those adoptions that were successful. I think the adoptions that did occur were occurring from model orphanages and not from the ones where all the horrors were found. There was a rumor that Ceausescu liked to have transfusions of blood. We thought this was a rerun of Vampires in Transylvania and had a hard time believing it, although we knew he had some fetishes that were pretty weird. That was one that would have required a bit of evidence before we would have believed it. In any case, they didn't get the HIV from transfusions with Ceausescu or Ceausescu would have had HIV, and that was not the story. I assumed this was just bad medical practices somehow.

We did tell people never to be injected in Romania. Our medical unit was willing to provide disposable needles for people if they were traveling up country and thought they might have an accident or something. It was not considered bad form to have disposable needles in your family first aid kit. Everyone knew the Romanians reused needles.

*Q: What did we tell the prospective parents? Did we have a policy?*

CLARKE: We were pretty realistic on this. Basically we were prepared to provide the normal assistance we would, in divided family cases, when the child had been adopted according to Romanian law. The problem was figuring out what Romanian law was and helping those families go through it. I'm sure that our consular officers were – I wasn't in any of these interviews – but I'm sure that they cautioned that this was a risky proposition and that the government could change its mind in any stage of the process. But people who want to adopt a baby tend to be very determined folks, and I don't think they are easily talked out of it on the basis of a theoretical briefing, particularly the ones that made it all the way to Romania.

*Q: What were we reporting on conditions inside Romania? Human rights had been on the agenda since the Carter administration. So we're into the Reagan administration but Congress has mandated human rights.*

CLARKE: That was the one part of the Funderburk portfolio which we continued. I think we did a better more objective job of it. But we inherited from that period a relationship with American religious groups that were trying to support a religious revival among the Protestants in Romania. These were growing churches and lots of them were growing underground, trying not to cause too much trouble, but getting into trouble in the end. They needed premises, and they were trying to expand churches and to turn houses into churches. They needed building permits which they couldn't get.

I was reminded of this when I later served in Israel and they were bulldozing buildings without permits. In Romania we were more aggressive than we were in the West Bank. We actually sent officers to the scene so that we saw some bulldozings and could talk to some people there and find out what exactly were the circumstances. The more evangelical Protestants, Baptists, a number of others, Pentecostalist, Seventh Day

Adventists, and a number of other churches were growing. People were turning to them as an answer to their miserable lives, and these people had established contacts with American religious groups. Bibles and all kinds of things were being smuggled in to further this religious revival. We in the government were trying to hold the Romanians to the standards of the Helsinki Final Act and modifications made subsequently, right down the line. Every time we heard about something that wasn't in accord with that, we would go in and make our objections known at the Foreign Ministry and report the facts.

We had a slew of cases. The Human Rights officer was a junior political job, but it was not only a full time job, it was an overtime job, weekends and nights. One young woman said one of the hardest things for her was when she visited one of the dissident contacts who was on a hunger strike. When she arrived, she found out it was his birthday; they had baked a cake, but he wasn't going to eat it, he was on the hunger strike. She had to eat the cake sitting there talking with him about the hunger strike. That was routine duty there.

*Q: Did you feel that we were able to make any headway?*

CLARKE: Headway is not the word I would use. Ceausescu's personal ruthlessness goes back to before he was president. There may have been some moderating in the late '60s and early '70s. I don't know. But probably not much. It was probably just that we didn't concentrate at that time on domestic matters as much as we did later. It was getting worse, if anything. People disappeared and were believed to have been killed or put in political prison in Arad where they were very likely to starve or freeze to death. There was no making excuses for Romania. What we had to do every year though, was explain to the Congress why we wished to continue so called Most Favored Nation trading status. That meant that Romania would have the same trading status as almost all the other countries in the world with the exception of a handful of Communist countries. This was a status which had subsequently been given to Hungary, which Poland already had and Yugoslavia had never lost since the nineteenth century. So we felt that relationship was worth maintaining. The question was, could we squeeze concessions out of Ceausescu every year to keep that in place.

Ultimately we were not able to do so. Instead Ceausescu got mad at our demands and himself suspended Most Favored Nation trading status. From our point of view, that was not a bad outcome. One of the reasons we had not wanted just to go in one year and say no further MFN was our fear that he would retaliate against democratic dissidents, against religious groups, against American government installations such as the large cultural center we had in Bucharest, and the USIS library that was practically unique. If he had taken that away from us, we would have lost a real asset. I also felt that the closer trading relationship, which gave jobs to Americans and Romanians, was worth maintaining as long as we could. I felt it helped prepare both sides for the post-Ceausescu period. So there were things we felt could be worse than giving MFN, and we were therefore not eager to be the ones to cut this off. When Ceausescu ended MFN, there was no reason to retaliate.



Others I think blamed us for that – those who view MFN as some sort of sign of good conduct on the part of a country. We weren't arguing that Romania was conducting itself well. But emigration was one of the things the Jackson-Vanik amendment required. It doesn't say anything about human rights at all. If emigration is being permitted, and by that it was understood primarily Jewish emigration, then it was possible to obtain Most Favored Nation trading status and the emigration continued. The consular agreement helped to facilitate it to the United States. But Jewish emigration to Israel continued through this period and similarly emigration of Germans to Germany continued as well.

*Q: Could you explain Jewish emigration? What was its impact during the time you were there? Where was it coming from? Where was it going?*

CLARKE: Different parts of Romania had suffered differently from the holocaust, going back that far. Parts of Romania that had been incorporated into Hungary were nearly stripped of Jews who were sent off to Auschwitz. There were pogroms, and awful things happened in other parts of the country. But Romania ended World War II with hundreds of thousands of Jews and many of them, with the coming of the Communists, managed to get out of the country, either to Israel or to other countries in the west. After it became no longer possible to leave legally, through some unusually skillful diplomacy, Rabbi Rosen, the leader of the Romanian Jewish community, worked out a de facto understanding with the communist leaders that he could somehow maintain a community, continue to practice the Jewish religion, teach Hebrew which was not allowed in most Communist countries, and facilitate a certain amount of emigration.

When we came along with the Jackson-Vanik amendment, Russia having rejected it, we found that Ceausescu felt that he had already allowed a certain amount of emigration and was prepared to allow some more. So we struck a deal. This deal was struck during my first tour in Romania, and I participated in the negotiations on it. In Washington one of my duties was to supervise how we would use Jackson-Vanik with the other Communist countries. We had negotiations with Hungary and China during the time my office was working on that. So I was extremely well filled in on Jackson-Vanik and the congressional connection by the time I went back to Romania the second time. By then, however, the game was no longer just Jackson-Vanik. Jackson was gone. Vanik was not so sure this was a useful amendment any longer and what was being articulated in congress, other than a latent interest in emigration, was a demand for better observance of human rights in general. The standard had broadened de facto. So any report then covered not only the status of Jewish immigration, but human rights. By the time I was there the second time, a steady flow of Jewish immigration was continuing, but the Jewish community had shrunk to some 20,000, many of them elderly and with no plans to leave. Still, the younger ones who were planning to leave had their own Hebrew schools, and I understand that they integrated speedily once they got to Israel, partly because of their language preparation.

*Q: Romania was not a stopover on Russian Jewish migration, was it?*

CLARKE: No.

*Q: That went to Austria.*

CLARKE: Right. There was a train to Vienna. Most of the Jewish emigration from Romania did not go to the States. We were accepting refugees, but on a non-discriminatory basis, and they had to establish refugee status as being at hazard in Romania, and we also assisted divided families. Lots of them.

*Q: What were relations with the Soviet Union at that time? We're talking about Gorbachev who was the new phenomena during this period of time. Were we watching that closely?*

CLARKE: Sure. Especially since Roger and I and others in the embassy had a different view on this than Funderburk had had. We felt that relations between Romania and Moscow had been pretty poor all along, considering they were supposed to be allies. But the defense relationship was especially weak and that was very much in the American interest because that accounted for a certain number of divisions that probably would not fight against us. They didn't participate in Warsaw Pact exercises, and they were very reluctant to allow more than limited transit of Romania by Russian troops. They were very careful about how those transits were done. We had a defense attaché shop whose leading interest was the relationship with the Russians, as well as what the Romanian military was like.

Gorbachev had just assumed power when I left Moscow and was a new phenomenon for the Romanians, but because the Romanians wanted no part of glasnost, let alone perestroika, there was no chance Romania would follow his lead. The relationship simply continued to deteriorate. I think what Gorbachev would have liked is a renewal of the Communist world and that would have meant a strengthening through reform. Romania had never wanted tight relationships in which Romania would be subject to control by Moscow. Secondly, they certainly didn't want any kind of reform, so this gap became greater and greater.

*Q: How about the Bessarabia situation, the part of Romania that had been taken over by the Soviet Union? Was that a nagging thing?*

CLARKE: It was something that Romanians would complain about as a historical injustice. It was, in practical terms, of no real significance. I did visit the part of Ukraine and Moldova that had been Romanian while I was DCM in Bucharest, and it was interesting to see the degree of Romanian-ness of these areas, but it was not a practical matter. Nobody in Romania thought that as long as the Soviet Union existed there was any hope of getting those territories back. There were all kinds of theories about how the U.S. was to blame for Romania's becoming Communist, but this was, as far as I can tell, just sheer nonsense, not really worth a lot of time.

*Q: Most small countries had figured out how to blame us. A little earlier on, I was in Greece, and we were absolutely to blame for the Colonels taking over there. What about relations with the other countries, Yugoslavia, Hungary, and Bulgaria?*

CLARKE: They weren't the greatest. There too, Ceausescu wanted his turf to be his turf and nobody else's. If that meant he had to limit his cooperation with his neighbors, that's what he did. The relationship with Hungary was difficult at best. Ceausescu's regime, like most Communist regimes, oscillated slightly between discouraging nationalist feeling and encouraging nationalist feelings, depending on how they thought the politics would favor central control. The relationship between the Hungarians and Romanians was bad but was papered over through Communist ideology. As in the Soviet Union and in Yugoslavia, so long as the police were maintaining the structure, the structure connecting the ethnic groups stood, but it was not healing itself in the process.

*Q: My understanding was that nobody really got to invite Mr. and Mrs. Ceausescu to come over as house guests to any other country. Stories were raging of how they would go and pluck the guest house of other countries clean. This may be a story, but it meant that you weren't having the normal get-togethers of chiefs of state. Was this a fact?*

CLARKE: I don't remember about Elena traveling, except there were great stories about her trip to the States, which were probably pretty well documented. I was not on that trip so I'm not your source for that. I do know that the Ceausescus expected, even demanded, all sorts of phoney honorary degrees and other symbols of greatness and legitimacy. But as far as meetings of Communist Chiefs of State, Ceausescu had to go to some of those. Those were bottom line, are-you-still-Communist-or-aren't-you kinds of things. Not to go would have had consequences for him.

*Q: What about life in Romania? One hears about the security people. What are they called?*

CLARKE: Securitate.

*Q: Were we reporting on that and how difficult was it, would you say during this time?*

CLARKE: It was worse than during my first tour, but I was also more conscious of it because I was watching the political scene more. I had been commercial attaché the first time and had been quite busy with the commercial relationship. The second time I was supervising political and economic reporting and was much more in to that side of the situation in Romania. It was really bad. I think it was arguably the worst in Eastern Europe with the possible exception of Albania. I don't know if anybody's done a real good comparison because the two were really different cases. But it was awful. It broke down the society. It made it much more difficult for Romania to move out of the Communist period. A basic lack of trust, an inability to organize openly, corruption, all these things which existed in all the Communist countries were worse in Romania.

So when Poland or Czechoslovakia or Hungary showed greater capacity for adapting to the West, this should really have come as no surprise to us. More damage had been done to the Romanian body politic, to people's ability to relate to one another through this constant spying and ratting on one another and because so many Romanians really felt

that the only hope was to escape. They'd come to the conclusion by the time the Ceausescus were killed that the only hope for leading a normal life was to leave Romania. The Ceausescus really destroyed the national spirit. I don't think any of the countries, certainly not the countries that have been recently admitted to NATO, ever reached that low a level of social breakdown.

*Q: There are stories about food shortages, that Ceausescu was selling off the national food for hard currency and the people were in bad straits. Was this true?*

CLARKE: That was absolutely true and was common knowledge and a source of great pain. I think the best way is to tell you the Romanian joke of the period about the school boy who was asked to draw a picture of a pig and he drew a tail and hooves and stomach, various other miscellaneous parts without meat, and the teacher said, "But that's not a pig, that's just pieces of a pig."

He says, "You didn't ask me to draw you a picture of an export pig."

And that was true. Even back in my first tour, one of the riots that I remember occurred at the port, a spontaneous riot, that I believe was caused by the fact that they were loading sugar for export that Romanians made but could not buy. It could have been caused by a number of things, and we never really found out. But I believe it was caused by the fact that during a period of sugar shortage in the world, sugar prices had risen and the Romanians were exporting their short supply of beet sugar, in competition with cane sugar. The difference in cost of production is outrageous. They were getting very poor money, even at the high inflated world prices of sugar in those days. They exported aluminum even though they made it at much higher cost than probably any other producer. The total loss to the economy was appalling. And it was the same with agricultural products, whether it was wheat or something else.

When I first arrived on my second tour, I heard so many Romanians complaining about the food situation that I toured the market. I thought things were really not a whole lot worse than I remembered them before. They hadn't been good. There was a big line at the fish store. I got in line to see what it was people were getting because the presence of a line was a good sign. It meant there was something worth waiting for. I got up to the front and realized they were getting heads and tails of carp. They were not getting export carp that were raised at fish farms in Romania, but they had the basis for a soup and that was worth standing in line for. There were certain staples that were generally available, but lots of things were in very short supply. I think it was true, and we reported this as well even though we couldn't prove it, that a lot of people in the cities survived because they still had ties to the countryside and were getting food in the trunks of cars or in knapsacks that could not be supplied through the markets.

*Q: When one looks at Romania and realizes this is one of these breadbasket countries, it should be a pretty good food producer.*

CLARKE: It should indeed.

*Q: What was behind all this? Was the money going into Swiss banks or was it being misspent or what?*

CLARKE: Some of it was going into Swiss banks, but in most cases, Romania just lost its money and resources. Consider for example my aluminum case. If it cost you 10 times as much to make the aluminum as you can get in imports – I’m trying to get away from questions of exchange rates — if your return value on the export of that aluminum is only one tenth of the resources you put into it, you can’t do that for a whole lot of years without forcing your country into poverty. One industry can do it for 10 years. But this was generally true for the economy. It wasn’t just the final stage of aluminum production. They produced bauxite, and it required extremely high temperatures to process and was therefore a very heavy energy consumer and they just simply decided – the president decided – they were going to produce aluminum and so they had to do it. Then they sold it at a ruinous loss.

They bought the last of the BAC 111 aircraft in the world. The British Aircraft Corporation had been unable to sell them, and they bought the technology to build BAC 111s when there was nobody in the world who wanted that aircraft any more. That was Ceausescu’s approach – that Romania was to become a commercial aircraft manufacturer. I remember very clearly, again from my first tour, telling Bill Casey when he was chairman of EXIM Bank, that by 1980 Romania’s steel production would outpace that of the UK. Casey couldn’t believe his ears and he said, “Well, why would they do that? They’re cutting theirs back.”

There was no comprehension on the other side of the table there. They didn’t dare comprehend because it would be reported badly back to Ceausescu. So this was a country hell bent on economic self destruction.

*Q: During the time you were there, were there any equivalent presidential or vice presidential visits?*

CLARKE: No, not during my second tour, 1985-89. We were constantly being asked for high level visits one way or the other because the Romanians had reached the point where that was about the only thing they could think of to maintain their prestige on the world scene. It was fortunate that I’m not a great fan of high profile visits in general. So when it was pretty clear that our folks didn’t want to do them, that didn’t cause me any grief, at least not in Bucharest. But for example, we had the Secretary visit not long after Roger arrived and this would have been very late fall of 1985.

*Q: Shultz.*

CLARKE: Shultz. Six hours. No overnight. So we had to plan that down to every last minute. It was deliberately less than an overnight because it was not intended to be a warm, fuzzy visit at all. It was intended to talk straight to Ceausescu.

After that, the Romanian relationship within the department was delegated to Deputy Secretary Whitehead who wanted to have a functional role in the State Department in addition to being deputy. Eastern Europe apparently fell to him. So he toured Eastern Europe a number of times and then became our Washington level spokesman for policy. It was his tough talk in early '89, which led Ceausescu to back off. He decided he wasn't going to get MFN any longer and he would rather take it back himself than lose it another way. I think that was again a mistake on Ceausescu's part, because then he had no means to retaliate against us. Nevertheless, that's what he did. Then there were allegations of American spying, the Foreign Ministry was turned inside out, and Romanian-American relations reached their lowest point.

*Q: Were we acting as a monitor for the Helsinki Accords or were other parts of European embassies taking on that?*

CLARKE: When I first arrived and was chargé in '85, we had regular meetings with the NATO ambassadors in secure rooms. The general view was that the American position on human rights was quite Quixotic, and totally out of place in Romania, that it was really a hopeless quest. By the time I left, most of the other ambassadors of major NATO countries were into the act. The ambassadors themselves, not to mention members of their staff. There had always been somebody to talk to in the German embassy or somebody to talk to in the British embassy about human rights, but no interest in '85 at high levels. By '89, the British ambassador was up country trying to get to see a famous dissident. We had no trouble if we wanted to cover a trial or something, of getting somebody from another embassy to accompany our officer. Quite an interesting change. I think partly they all mistrusted Ambassador Funderburk and that was part of the problem.

*Q: But did it reflect their governments attitudes as well?*

CLARKE: Sure. Interestingly enough, one of the things that seemed to bother people in Western Europe more than it did in the United States, was Ceausescu's policy of leveling big sections of towns or even villages and reconstructing them in a ghastly modern fashion. In the case of some of the villages, it was just tearing down houses, plowing up the ground, and planting something. Some of this was related to his palace building, but it was a larger megalomania – that he would ultimately plan all of Romania down to the last detail according to his standards of not only efficiency but aesthetics as well. This really bothered people in Western Europe, apparently more than it did in the United States, where it all seemed kind of distant, I guess. We were much more into the religious or freedom of speech questions.

*Q: Was there any real freedom of speech?*

CLARKE: Virtually none. What would happen though, is occasionally a dissident would talk to a reporter from outside the country. The reporter would get out and relate what he'd been told. Sometimes there were interviews for radio. I don't think TV was very likely because that's hard to do on that level of contact. But you're right to ask the question, because in many cases, nobody would be willing to speak because they didn't want to risk their lives. The people who did were often putting themselves in a position

where they were absolutely counting on outside support to prevent being “disappeared.” The list of examples out of four years would be quite long. In many cases, we did come through and eventually establish their refugee status and bargain with Ceausescu and maybe as part of the deal for next year’s MFN, get the guy out of the country. I remember some very able people, a couple of them lawyers, who chose to fight a case like real lawyers in a Romanian court, involving religious freedom and quoting things like the Helsinki Final Act. One guy got put in jail. We had witnesses there who heard him, officers from the embassy, and we got him out of jail. We ultimately resettled him in Texas. But that was the state of freedom in those days.

*Q: What about the international media and particularly the American media? Did they come in from time to time and report on what was happening?*

CLARKE: Yes, they did, but no one was based there, so it was fairly superficial coverage. Some of the better reporting, I would say, was BBC. During the actual revolution, when I was no longer there – I was in Israel – BBC had phenomenal coverage. They had people in Bucharest and Timisoara during the events, able to witness them and report them on the radio live. It was really a superb caliber of reporting.

*Q: Did you note increased nervousness as Gorbachev instituted his reforms, which included perestroika, openness, and glasnost, reform? Was this reflected at all? Were countermeasures taken in Romania or did this happen over the horizon?*

CLARKE: The level of control in Romania was such that it was largely over the horizon. It’s just that newspapers like Pravda which nobody would have paid a dime for before, suddenly became as much contraband as The Herald Tribune. So as glasnost increased in Russia, it meant that there was more shielding that was necessary. There aren’t that many people in Romania who like reading Russian and so it wasn’t hard for the authorities to shield them.

I would say though, they were pressed from all sides. The route for people wishing to escape the county was generally to swim the Danube to Yugoslavia, and then evade the Yugoslav patrols for enough miles ‘til they could get to Belgrade and report to the UN Commissioner for Refugees and establish their refugee status. That’s the way most people got out. Some were killed in the process and others were returned to Romania by the Serbs and others were caught on the Romanian side. The Romanian government was always a little worried about leakage to Yugoslavia, because it was an example of a more Western country. All the rest of the borders were of course with Warsaw Pact allies and Romania got cooperation in policing them. But as Hungary took advantage of the Gorbachev period, lots of Hungarians were in Romania with good contacts in Hungary, and were able to bring in the news of what was going on. Germans tended to be pretty aware of what was going on outside the country. So the pressures built. The fact that the revolution really started in Timisoara reflected the fact that it was a city composed of three ethnic groups – Hungarians, Germans and Romanians – who, more than in some other places, got along with each other. So when they got annoyed with the authorities, it wasn’t one ethnic group against the authorities, it was all three.

*Q: You left there in '89, in what, the summer?*

CLARKE: The summer of '89.

*Q: Because 89 was a critical year?*

CLARKE: Yes. And I missed the best six months, which would have been fascinating.

*Q: As you left, how were you reading the tea leaves?*

CLARKE: We had a debate for at least two years, the last two years out of the four, as to whether there would be a violent revolution in Romania to throw Ceausescu out. We didn't have any scenario we could imagine of Ceausescu stepping down because he was feeling old or anything like that. We assumed he would stay there until he died in bed unless somebody threw him out. We could not see that his controls were so weak that the military would throw him out. The securitate seemed to be totally loyal to him, working for no one else. Would the common people do it? We had what we had always had in Romania every so often, riots or street demonstrations or something when people blew a fuse. I remember having a good dialogue with the political counselor, because he felt that everybody had their limit and the Romanians must have their limit somewhere, even though the Romanians had been crushed down more than most and had put up with it more than most, and yet there must be a limit. I agreed with him: yes, somewhere, but don't count on it being effective.

He was absolutely right. That's pretty much what happened. People reached a point where they were willing to risk their lives, which took a while. Romanians are not Hungarians or Poles on that score, but they did reach that point. In Timisoara and Bucharest, they risked (and lost) their lives. That was the first element. Secondly, I don't think that would have even succeeded, but Ceausescu lost the army at a key moment in Bucharest and that was the other element that we could not predict. Much as we knew it was theoretically possible, we could not see how that fissure would develop. But a point was reached in Romania, as elsewhere, when the army decided it was not going to shoot people anymore. If they were going to shoot anybody, they were going to shoot the securitate. When that happened, Ceausescu really was doomed, and he knew it. He tried to flee and was caught and executed.

*Q: You went to Israel in '89?*

CLARKE: Right.

*Q: What were you doing and how did that come about?*

CLARKE: I was not aware that there was a vacancy in Israel, nor was it a place I hoped to go. I was actually phoned by Mark Parris, who was a relatively new DCM there, whom I had worked with elsewhere, and said they needed an economic counselor and if I



wanted it, the job was mine. He later strengthened that invitation by saying that they hoped I would serve as acting DCM when that was needed, because they visualized me as the third ranking person for the Embassy in Tel Aviv. I had wanted to be DCM again and had not found such a berth. The call was well timed, and I agreed to it. I went there, half expecting that since I'd been economic counselor to the Soviet Union, that probably in a country the size of Israel, this would not be an excessively difficult job. That was a misjudgment. Israel certainly didn't have anything like the scale or the kinds of problems that we had in the Soviet Union. Nevertheless it turned out to be a very interesting and challenging assignment.

*Q: You were there from 1989 to when?*

CLARKE: '89 to '92. I arrived thinking that the economic relationship was basically fairly stable. But I arrived just at the time when the United States imposed ceilings on Jewish immigration admissions to the United States. Suddenly thousands of Jews who had hoped to go to the United States decided they couldn't and began emigrating to Israel. That opened a whole dialogue as to what the United States would do to help Israel absorb the Jews that it had always wanted to absorb, now coming from the Soviet Union.

*Q: Who was the ambassador of this '89 to '92 period?*

CLARKE: Bill Brown was the ambassador most of that time. I got to know him pretty well because I was acting DCM frequently. The econ job was a little different from the one in Moscow. In Moscow it had been largely a reporting function. Separate sections that I did not supervise were doing science or agriculture or whatever. In Tel Aviv, I was responsible for the agricultural operation which consisted of a local employee doing reporting and also for the science relationship. One of my officers was engaged full time in the science relationship. I also supervised an officer and local employees who worked on aid to the Gaza Strip.

*Q: Let's talk first about the economic job. You see the disproportionate amount of our aid by far goes to Israel, which strikes me as being an industrial state. It certainly probably needs the money far less than for example, Botswana or some place like that. Can you say how you saw the economy of Israel in this '89 to '92 period?*

CLARKE: Israel had a difficult time partly because it needed reform. It was stuck with a socialist economy which was not working very well. In fact, practically no progress was made on privatization during that period. They were getting ready to begin to start for the whole three years I was there. I knew some people working very seriously on it, and it was just going against the political grain for Israel to do this. They were just having a terrible time.

They were running inflation of over 10 percent much of the time and that was irritating people a lot. The constantly depreciating shekel made it hard for them to be competitive. They were exporting but inflation was making it difficult.

*Q: Why weren't they making the necessary adjustments? Was it because of theory? Were we supporting a socialist theory?*

CLARKE: No. It's because changes in the local setup depended upon political action, political decisions and support in the Knesset. The majorities were never really that secure. If a state-owned company was proposed for privatization, no matter what price they wanted to sell it at, there would be an instant 49 or 51 percent of the Knesset that would say that price was too low. If they put the price too high, they couldn't sell it. So it was just politics. I believe that U.S. financial support tended to cause the shekel to be overvalued, which tended to make exports difficult. I don't know if recent history has proved me right or wrong on that, but I felt that our assistance was a mixed blessing. They tended to rely on it to balance their budget as well as to balance the foreign trade account. It was a huge share of our worldwide economic assistance. As you may know, those big figures consist of a more-than-50-percent share of military assistance and that is a figure that reflects purchases by Israel in the United States so that was not really inflationary in Israel. That was an in-kind subsidy of their military budget, and I don't think it had much economic effect one way or the other.

*Q: The economic effect was that we were underwriting their military budget.*

CLARKE: It enabled them to have a larger military than they otherwise would have had. Yes, it saved them money from their budget. The economic assistance was a cash transfer, something we don't do in practically any other place.

*Q: We talk about politics in Israel, but this was pure politics in the United States, too.*

CLARKE: Right, but you get into these commitments through a policy process, however flawed. Not through a really arbitrary decision. You get into them through things like the Camp David process, in which commitments were made to both Israel and Egypt to make it easier for them to agree. We got into it through the economic crisis that occurred in Israel in the 1980s, that I think began the process of convincing Israelis that socialism really was never going to work, e.g., when all of their biggest banks had to be nationalized because they went bust. We then promised more money to help bail them out.

Once you began supplying the money, AIPAC – the American-Israel Political Action Committee – made it its goal in life, during at least the first part of my tour there. Its goal was to increase the flow of funds to Israel by whatever channels and means it could find, generally through getting Congress to write things into legislation. They were very effective at doing that, and they were even more effective in rounding up domestic support if there was any challenge to the existing flow. So they were very, very effective in keeping whatever was in place continuing, even if the original rationale for it was fading. They would keep it in place, and they tended to put in their annual report, “We got four billion dollars for Israel.” So if you wanted to know where all the American inflows into Israel were occurring, it was easier to find them in the publications of AIPAC than it was any where in Israel, where nobody was keeping track.

*Q: I interviewed Sam Hart who had your job sometime before, and he mentioned that they would go through an analysis of what would be good for Israel. The Israelis would say that's very nice, but it means nothing because the whole economic action was essentially a political decision that was happening between AIPAC and Congress and the Israelis who wanted money. I mean it's really a pretty disgusting situation.*

CLARKE: Yes. We prepared, with the approval of the ambassador, a very carefully worded report, suggesting what some of the economic disadvantages for Israel were of continued dependence on American economic assistance. There wasn't a word in there about the military situation, which was driven by a different logic. Military assistance was support for their budget if you want to look at it that way, but it had a different logic. I did not feel that military assistance should have been reduced at that time. We couldn't go into a peace process looking like we were too cheap to fund the side that was depending on us. So I was not then in favor of reducing military assistance. It was a subsidy for American business. Almost all the money had to be spent in the United States. There were very few exceptions. But on the economic side, our report pointed out some of the disadvantages and how, through a gradual process, maybe Israel could be weaned from this.

My recollection is we classified this analysis very highly. Reports of the existence of this report and the general gist of it – not the analysis but just what it supposedly concluded – made the American press long before most people in the Department had even gotten their copy to read. The ambassador and I met with some people, with AIPAC about this time, including Tom Dine, and they really gave us a hard time about it. But it was a respectful sort of relationship as I remember it. Maybe it could have been more respectful. The ambassador didn't want to confirm or deny that we had sent this report, but he defended our right to make those kinds of recommendations if we felt they were appropriate.

*Q: What was the common opinion in the embassy about where the leaks would occur when something like this got out?*

CLARKE: The highly classified leaks were in Washington. Both the Embassy and Washington accepted that if there was anything really sensitive, it better not be in writing. The practice was that some of the embassy's most important instructions were received only over the classified telephone to the ambassador, not ever confirmed in writing. Our reporting, however, was meant to inform a whole lot of people in Washington. It couldn't be limited to a five or even 20 minute conversation on a STU 3 (secure phone line) and certainly not by pumping it all through the poor ambassador. So we had to keep reporting, and I would like to think that we tried very hard to be objective; I know the front office looked at my stuff very, very closely. We would discuss the bottom line on something, e.g., the final little comment section or recommendation section, until we were blue in the face. But I believe we served Washington as well as we possibly could under those circumstances.

That didn't mean we would write a cable quoting the prime minister if the prime minister told us something super-sensitive. That would have to go through the ambassador over the phone. But we reported our analysis of the country on a given issue. We just had to run the risk that somebody would leak it.

*Q: As economic counselor, who were you dealing with mainly on the Israeli side?*

CLARKE: I dealt with the economic department as I think it was called, the equivalent of the economic bureau of the Foreign Ministry. I dealt with the finance ministry, which was my most important counterpart, the central bank, and a whole host of economic agencies that I had some access to. The most difficult of those relationships was with the Housing Ministry headed by Ariel Sharon, who was reinforcing the settlements in the occupied territories through his ministry. I believe Sharon was acting on behalf of the Shamir government. Sharon was personally committed to building settlements. I was seen as unfriendly to that process. Nobody ever said a word to me personally about it – but they understood that I represented the interest of the United States in discouraging settlements in the West Bank and Gaza. They knew I was looking for data to reinforce my observations, and that was data that they considered secret and I was not going to get. So this is one area of my relationship with Israel that was difficult.

*Q: Would you have officers go out to the housing areas and count and that sort of thing?*

CLARKE: Sure. The consulate in Jerusalem, being responsible for the West Bank, did it in spades. We in the Embassy were worried about Gaza, and we would sometimes try to track that in Gaza. We had other interests in Gaza as well, so that wasn't necessarily always at the top of our list. We would try to track that, with whatever mechanism we could use. There were statistical reports coming out that we tried to examine. We tried to find how they were prepared and whether we could trust them. On the whole they were not precise, and they were not helpful. But they did actually reinforce the general impression that yes, official resources in Israel were going into settlements in the West Bank and Gaza, where to a reasonably neutral observer, no one would want to go and live without a subsidy. You didn't have to get into any secrets to talk to Israelis and learn how much more it cost to move into a house in one of these settlements and how much more it cost to move into a similar house 10 feet inside of what was called the green line.

*Q: Were you involved in the decision of the Bush administration to hold up on loan guarantees for housing? Was this a major issue then?*

CLARKE: I was involved with the very first request for housing loan guarantees in 1989 to assist Soviet Jewish immigration to Israel. When I first arrived, the Shamir government was actually a grand coalition, led by the Likud party, and the labor party was also in the coalition at that time. Shimon Peres, then Finance Minister, asked the Ambassador and me for four hundred million in housing loan guarantees. The initial response from the Department, which I believe was probably cleared or maybe even dictated by somebody on the seventh floor, was that we didn't think housing loan guarantees were a good way to assist Israel, "A". And "B", if we did go into something like that, we would have to be

sure that any funds that we were providing were not enabling Israel to provide more funds to support settlements in the West Bank and Gaza.

When I saw that instruction, I suddenly realized that we had gotten ourselves into a really major political issue with Israel. Certainly the Likud, leading the government at that time, was counting on support from the settlers and was ideologically committed. I think there was even some hope that with all of these Russians coming in, there would actually be more people who wanted to live in the West Bank and Gaza than before. But being something of an economist, I knew that the freeing up of resources concept, the idea that our money is fungible, made the analysis extremely difficult to do. In fact, I had a huge job, and I spent a lot of energy over the next three years trying to sort that out.

*Q: How was it playing out when you were there?*

CLARKE: What you would have to show is not that there was some support going to the West Bank and Gaza, because that was already underway. But you had to show whether there was an increase in Israeli assistance to the settlements in occupied territories as a result of our support for settlement of the immigrants in other parts of Israel.

We also got into the business of Export-Import Bank financing for houses which was another thing that came under my supervision. We had to make sure the whole house didn't go to the West Bank or Gaza so we really had to go count houses. I couldn't find any other way to do that. They played it straight on that. As far as I know, none of that stuff ever went. They planned communities – some of them very badly planned, very unwisely planned – out in the Negev, where immigrants were supposed to go. Those houses were out there but nobody wanted to go there because there weren't any jobs. So what exactly they had in mind I don't know. Surely many of those houses were wasted. But those were commercially-financed houses, prefab houses built in the United States and set up by Israeli construction firms in the Negev and other parts of Israel.

*Q: Did you feel that this was a time when we were being tougher with Israel than we have at other times?*

CLARKE: I read Middle Eastern history to some extent when I was in college, but I don't claim to be in a position to calibrate and compare different periods. We were very committed. This was all a period in which James Baker and his close advisors were really the architects of our relationship with Israel and with the Palestinians. I think he really felt that this business of settlements was a make-or-break issue for the peace process. If the United States were seen to be supporting the expansion of these settlements with our capital, whether we claimed we were against it or not – if in fact our money was fungible and was turning up there, we were never going to have a peace process.

Part of the problem was rhetoric and ideology. In fact there was no great desire on the part of the immigrants or most others in Israel to move into these settlements. There were few Zionists or religious activists not already there who wanted to do it. It wouldn't have been hard for the government of Israel to cap what it was doing and allow the immigrants

to settle in places where they wanted to settle. So I spent a lot of time trying to track this issue down, and Shamir and Sharon kept trying to “build facts on the ground” in the occupied territories.

There was some increase in settlement construction. Whether it had been planned before the wave of immigration really got underway or not, I’m not able to say. That would be getting into intentions and into plans that we were not privy to. But we then tried to get the Shamir government to negotiate with the Palestinians, and that was an extremely difficult process. I was not a central player in any of the peace process negotiations themselves. In fact I was often left running the embassy while the ambassador and DCM were busy supporting the frequent Baker visits in Jerusalem. But I was able to stay in pretty close touch with what the country team was able to learn about it. I do feel that some of Baker’s success was the result of evenhandedness. Any mediator has to be extremely concerned about that. I also think he accepted what I would call the Kissinger maxim – it may predate Kissinger for all I know – that there isn’t going to be a peace process unless Israel believes that its security is guaranteed. That’s such a fundamental idea that it meant there were certain things that we should continue to reassure the Israelis on, on which they had been reassured many times dating from 20 years before.

*Q: This is back to your point about supporting the military expenditures?*

CLARKE: Yes. It’s related to it.

*Q: Were we concerned at this time about the Israeli military establishment selling advanced items to China and other places?*

CLARKE: If there were any ulcers on that, they were mainly in the defense attaché office where they did have to vet proposals for selling military technology. Dual-use technology might have come more under State or Commerce supervision. That was not really a big issue for me in Israel. Every once in a while something would come up. Don’t misunderstand me, this was a complex relationship. So many 747s took off every day from Israel to the United States and the same number were coming from the other direction so we had a very, very rich relationship there. If there was a possibility to misdirect technology, I’m sure somewhere along the line it’s bound to have happened. But those main concerns were military technology, and the defense people were mainly concerned with that.

*Q: Nuclear, did that fall under your responsibility?*

CLARKE: No.

*Q: I want to ask you about the Gulf War. I’d rather have a little more time to play with.*

CLARKE: Oh, okay.

*Q: So we’ll pick up there. We’ve talked about most items dealing with your time in Israel, ’89 to ’92, not the Gulf War. Was there anything else that was going on then?*

CLARKE: I got down into the Gaza Strip fairly frequently because unlike most economic sections, I also supervised the AID program for Gaza. I had a Foreign Service officer – a State Department Foreign Service officer – who was spending most of his time doing that. That’s worth considering.

I think after I left, that function was replaced by a direct AID role. But I did go down there, not only because of the AID relationship but also because we were interested in the economy of Gaza. That was a very different thing from the economy of Israel. You had to view them as two separate pieces.

*Q: Next time we’ll pick up the Gulf War and the economy and what you observed in Gaza.*

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*It’s the seventh of January, 2000. Henry, let’s talk about the Gulf War first. Could you explain how the Gulf War was viewed from Israel. Explain what the Gulf War was and then talk about it.*

CLARKE: I believe the Gulf War really began in 1990 when Iraq invaded Kuwait. The U.S. government became very alarmed, not only at the conquest of what had been an independent state for a number of years, but also the threat to Saudi Arabia and the rest of the Gulf States and which seemed implicit in the ease with which Iraq took over Kuwait. What to do about it and all those questions of high policy were not being resolved in Tel Aviv where I was, but rather in Washington. But clearly there was a massive build-up of American troops in Saudi Arabia. The relationship with Israel in one sense became somewhat easier because suddenly they saw us as really doing something to stop aggression in the Middle East, and something against one of the radical states.

Saddam Hussein had been making threats against Israel throughout this period, right up to the invasion of Kuwait and perhaps even after. In any case, the threat that he would use chemical weapons was a matter of particular concern in Israel. Israel undertook to manufacture gas masks and other necessities for every citizen in the country, including foreigners such as ourselves who were in embassies there. We too in the U.S. Embassy began preparing ourselves for what appeared to be another likely phase of the war. The betting was that if pressed, Saddam Hussein would attack Israel as well as Saudi Arabia with scuds and that they might include chemical weapons but that given the huge buildup of American air power, this probably would be a short-lived exercise. The scud launchers would be found and destroyed as soon as they were used.

The question for us in the Embassy was largely whether to draw down the staff at the Embassy, to evacuate dependents, or what if anything, to minimize the Embassy community’s exposure to possible Iraqi scud attacks including a possible chemical attack. I was not acting DCM during that period, and wasn’t involved first hand in a lot of the debate back and forth. But based on town meetings held by the front office, we were all

under the impression that when the war got underway, there would be a draw-down of the Embassy, and at least a voluntary, if not a mandatory, evacuation of dependents.

When the attack did come, I was very much involved because I was the senior duty officer in the Embassy at the time the scuds first came in. The very next day we began gathering up the people who were to be drawn down according to our plan, as well as dependents from both the Embassy in Tel Aviv and the Consulate in Jerusalem, and hauled them down to Eilat. In the meantime Washington changed its posture and decided there wouldn't be a draw-down. The people could take leave. I should add that prior to the first strike, dependents had been given the option of voluntary departure. I would say a majority, but not necessarily a huge majority, had left. The remaining dependents who chose not to leave and those officers and staff who were designated for the draw-down were the people taken down to Eilat, as it was believed to be out of range of the scuds. The plane came in to take them, but they didn't go unless they were willing to go on annual leave. A handful, including my two secretaries, decided to go on annual leave.

That was an amazing reversal and, considering the long planning that had gone into this draw-down, evidence that Washington was simply unable to make a decision and carry it out. The Embassy staff felt this was the result of some political decision in Washington not to be shown to be weak toward the Israelis. It is hard to believe, however, that they had not been consulted. The Israelis, many of whom had relatives in the United States, were crowding every flight out of Tel Aviv to the U.S. Apparently Americans were supposed to stay in Israel to be a good example for them.

*Q: How about American citizens, the religious community and Orthodox Jews and all? What did they do?*

CLARKE: When we allowed the voluntary departure of dependents, we had arranged for several extra flights to the United States by non-scheduled carriers. We made seats available for others who wanted to go as well. A number of them were provided seating on Pan Am. These were additional flights, not regularly scheduled flights. The regular scheduled flights were packed. My family did in fact take advantage of the voluntary departure, but it was a close call. It seemed by all the advice we were getting that, first of all, the scuds were not very accurate, and secondly that the invincible U.S. Air Force would put them out of action in very short order.

The inaccuracy of the scuds proved to be true. The impacts were scattered all over the Tel Aviv area, although some concentration in central Tel Aviv suggested that they were aiming more or less at the Ministry of Defense complex in the middle of Tel Aviv and anybody else they hit would be fine. But the scuds continued to fall almost daily, and sometimes more than once a day, throughout the Gulf War. There was no indication that our Air Force ever got any of the mobile launchers. They may have knocked out the fixed launchers that were spotted before the war, but the mobile launchers continued to function right up to the end when they lost the terrain that they were firing from.

As a result, I was very much happier that my family was gone when I saw what the



situation was, even though of course, the threat of chemical warheads was not in fact carried out. We were told that the Iraqis had that capability. Subsequent to the war, we found out that they did indeed have it. I presume the reason they didn't use it was because they feared Israel would retaliate with a nuclear weapon. But that's just a presumption that we all shared.

In any event, we went about our business. My section had been scheduled for a fairly sharp draw-down because it was the economic section. It was thought that normal economic activities wouldn't be going on during the war and we wouldn't need so many people. As it turned out, we did different things, but we were all very busy. One of my secretaries quickly volunteered to come back, and we agreed to that as an exception to the usual rule. The rule was that once you'd been taken out, you didn't come back until the Department allowed everybody to come back. But we stayed very busy during that time. Nobody on my staff really wanted to be withdrawn, except for one secretary. So it was a good outcome that they weren't.

*Q: Were there any cases of Foreign Service people, the professionals in the embassy just getting out, not panicking, but just leaving?*

CLARKE: I can't confirm from my own experience anybody acting very panicky. I do know some questions were asked at these town meetings that sounded kind of panicky. I believe that there were a certain number of people, whom I did not know very well, who took this annual leave option very seriously and left. But the prevailing opinion among Foreign Service officers was that if they left and couldn't come back for months because the scuds stopped but the war was still going on, that they would just get stuck in the States. This was one argument against families going back too. I lost about \$600 that I was never able to claim. FSOs would be stuck in a temporary situation in the states, losing money, and basically unable to do their jobs. So there wasn't great enthusiasm for going home. I was certainly glad to stay in Israel. This was, as one other officer put it, my first Middle Eastern War, so I was interested to see how it was going to go.

*Q: I interviewed Chas Freeman, who was ambassador in Saudi Arabia. There they were faced with a problem that it was essential that they have a full operating embassy. They also did not want to give an example for ARAMCO, and other organizations of Americans to pull out and stop pumping oil. So maybe you were caught in that too, and the idea that Saudi Arabia was going to be more of a target than Israel might have been a factor.*

CLARKE: It could well have been, although American Israelis and others were making their own decisions without checking with us. It is true that there was a domestic political issue in Israel that so many people were bugging out because they had relatives in the West. There was also a certain amount of internal migration as well. People were parking their families in hotels and motels and whatnot in those parts of Israel that were seen as difficult to hit or not targeted. It was their home so it's understandable that this was more stressful to Israelis.

Certainly than to people like me. But I can't say that my attitude was necessarily typical. I did spend a certain amount of my time trying to make it possible for economic activity between the United States and Israel to continue normally. Even before the first scud hit, commercial aviation dried up, even though Tel Aviv Airport was too small a target given the range and unreliability of the scuds. Apparently the insurance companies wouldn't insure a plane that went there, so they didn't go there unless there was government insurance provided. We did get some flights in and out on that basis. I think it was Tower Air or another contractor that was operating in the build up and resupply of our colleagues closer to the Gulf, stopping off in Tel Aviv and picking up passengers in Israel. But we had an interest on the part of Tower to expand that service because they had been a carrier, not just a charter company. We had a terrible time convincing people that we should maintain normal trade and transportation links as much as we could. But that was about it.

The major diplomatic effort was to keep the Israelis from intervening, and that was done by then-Deputy Secretary Eagleburger coming out and spending a lot of time in Tel Aviv and showing that he was personally willing to sit it out, not merely to recommend sitting it out. Indeed, perhaps that did help keep the Israelis from retaliating.

*Q: Did you get any feeling from your contacts that the Israelis you talked to were thirsting to have a whack at Iraq or were they hoping they could stay out despite the scuds coming in?*

CLARKE: The military certainly felt uncomfortable in the role of sitting tight. They were ready to do something and did not like leaving the fighting with Iraq up to other armies. There was a professional concern there, undoubtedly shared by many other Israelis who had served in the military, which is nearly 100 percent of the men and a lot of women. So clearly that sentiment was there, but it was not really a subtle point. They really understood that the Arab coalition that we had organized against Iraq could be broken up if Israel were identified as part of that coalition. This was not too subtle a point. Most Israelis understood it very clearly and realized they were weighing one concern against another. In the end they were pleased with what they had done. I think it was hardest for the political leaders in Israel where for several years tit-for-tat was the rule of the day. If you get struck by Arabs, you strike back. It was no secret we in Israel were certainly being struck and considerable damage was being done. What was fantastic was the small number of Israelis killed by these scuds, even the scuds landing in heavily residential areas, at times of the evening when people were at home. Lots of damage. Only a very few deaths. It's just remarkable. Miraculous.

*Q: What about economic activity? Was there just a pause?*

CLARKE: There was a considerable pause. There was even a question of whether ships would dock. Haifa was a port. Haifa was fired on very rarely by scuds. There was no real reason not to continue operations out of Haifa. Tel Aviv was not a port, but the airport shut down to all intents and purposes. El Al may have done some flying, but the other airlines did not. It was a period in which it was hard to get in and out of the country.

*Q: What about normal shopping and that sort of thing?*

CLARKE: There was a real effort to keep things going. In terms of retail trade, they needed to keep serving the public. A lot of restaurants managed to stay open and somehow continue operating. Every place open to the public was supposed to have a sealed room that you could go into when scuds started to land. Everybody was supposed to haul along their gas masks everywhere they went and we pretty much did. I had a little Pan Am bag with my little walkie talkie from the embassy and my gas mask and that just became like a women's purse, part of my uniform for the month or so this was going on.

We did go out to restaurants, but that was a little discouraging because it was in the early evening hours after nightfall in Iraq and therefore dusk and nightfall in Israel that almost all the attacks occurred. There were a few very late at night or in the early morning. The pattern must have been 80 or 90 percent of the scuds in the early evening, so that did break up the business of going out and celebrating. Israel was a quiet and gloomy place compared to the normal scene there. It was also very tense. You were very conscious of the raids. Not only because everybody would listen to the radio and go to their rooms and put on their gas masks in a very disciplined way, but we also had these batteries of missiles that would fire back.

*Q: The Patriot missiles.*

CLARKE: The Patriot missiles. They made almost more noise than the incoming scuds. They provided a great deal of moral support, especially at first, because it seemed that we could do something besides just sit there if you heard these things firing off. I think two of them were being manned by Americans, and one of the batteries was turned over to the Israelis and they ran it. It was only after the war that we found out that they never hit a thing, that it was totally ineffective. Just as the U.S. Air Force never hit a mobile launcher, the Patriots never hit a warhead.

*Q: This was a war that played on TV around the world. After it was over and even at the time, did you feel that this made an impression about how the war was fought with the Israelis?*

CLARKE: Our stock with the Israelis as a nation capable of meeting its military commitments was really raised. As they gradually began to figure out that the Patriots weren't doing any good, that aspect of it and the assumption that any technology from the United States must be good technology probably evaporated. The success of the military operation in the Gulf was tremendously impressive, not only to the Israelis but to the Arab countries all around. It was a very unusual kind of war in which we had all of these months in which to get ready and build up. If we hadn't done it, it would have been a great disgrace. As it was, it was a success, and everybody liked to praise it.

*Q: Let's go back to the economic side. What were you seeing in Gaza during this time, '89 to '92?*

CLARKE: The thing I've already hinted at, the incredible contrast between economic conditions in Gaza and economic conditions in Israel was evident to anyone who crossed the line. But not a lot of people were crossing over the line in those days. Traffic in and out of Gaza was mainly those Gazans who were lucky enough to get some work in Israel. They were able to travel into Israel except when the government shut the border, which they did rather regularly in response to acts of terrorism in Israel.

Gaza is one of the most highly concentrated populations in the world, comparable to the extreme levels in Asia and elsewhere, with very little natural basis for economic activity. That was also before the Intifada, the violent uprising of the Palestinians in the West Bank and Gaza. Before the Intifada, there had been a number of factories developed in which cheap Palestinian labor was working together with Israeli capital and marketing to produce a lot of consumer goods. The Intifada brought that kind of cooperation to a halt. Those factories either shut down or moved away. What was left was against Israeli rule, really extraordinary poverty and poor health conditions, and a steady loss of potable water. Then the settlement movement continued building even in Gaza, the most unlikely place for a settlement movement to be. There's at least some historical and religious background for settlements in the West Bank, but in Gaza, it was purely exploitative.

There had been claims that there was some military advantage to it, but in fact the military demands of protecting these settlements actually made them a great weakness rather than a military advantage. They used a large part of the available water and arable land, leaving the rest of the Gaza population, basically the urban population, with no means of employment.

We had a very small aid program there. They comprised community development-like activities, either helping Gazans with small business or assisting with medical, and educational and other projects which we maintained on a very low profile basis. But we were anxious to let the Gazans know that these were American projects, and we were financing them, and we certainly looked forward to the day when they would be much more successful economically. This was an issue because some organizations like Save the Children preferred not to have American vehicles and officials and whatnot visiting their projects. For accountability purposes and to report to AID, we had to visit their installations. We insisted on doing so in our cars, even though we tried to do so in a low-key fashion. We wanted to make sure there was no confusion about this. This was not just private donors in the U.S. giving money to Save the Children, although there may have been such funds available. This was a U.S. government-funded aid program. That tension continued the whole time I was there. Interestingly enough, our people carrying out these projects in Gaza and those of us who visited Gaza over this period were almost never harmed or threatened. The Gazans knew what was going on.

*Q: We're talking about Gaza. The Israelis, at the time we're talking about, were responsible for Gaza. We were giving considerable amounts of money to Israel for aid, and a great deal of it was going to the military, but looking at the non-military as a rational use of our money to Israel, it would go to where it's needed most. It would strike me that Gaza would be it. If we weren't giving it to Gaza, it would strike me as being in a way racist. Was this an issue?*

CLARKE: You have to go back and recognize that it was we and not the Israelis who made a very clear distinction regarding who was responsible and in what way for the occupied territories. We did not consider Gaza to be part of Israel. We did not route our aid to Gaza through Israel in any way. In Washington it was a totally separate little program for the West Bank and Gaza and we had an aid person, an American, in Jerusalem, dealing with the West Bank. That had not always been the case. There had also been a period when there was a State Department officer handling that. But for very clear political reasons, we kept the two programs totally separate. What we were paying to the Israelis was essentially a cash transfer of 1.2 billion dollars per year that went into their budgetary and foreign exchange support. It was not designated for any specific purpose whatsoever, but rather for economic “stabilization.” It went back to the crisis period some years before in the Israeli economy. Israel never intended to spend one penny of this on Palestinians.

What we were doing in the West Bank and Gaza was much more the classical type of aid program with technical assistance, small business development, and humanitarian programs, in which we provided money to non-profit organizations. In a few cases they were indigenous, Gazan non-profit organizations. In other cases they were American-run organizations, delivering these very specific programs which required the usual aid thing, verification that the program achieved its goals. And do we want to expand it or contract it or end it or do something different? What do we want to do was always the question. Whereas with Israel there was no such question. This money was not going to be accounted for because once it had been received by the Ministry of Finance, its purpose had already been served. It’s two very, very different approaches. The amounts of money that we’re talking about in the West Bank and Gaza at no time were substantial compared with the amount we were providing Israel. Israelis who hoped for peace probably would have supported our programs for Palestinians, but AIPAC and the Israeli politicians ignored that aid.

*Q: Did this cause any disquiet? Israel does not seem to be an impoverished Third World country. We all understand the basic underpinnings, that this is an American domestic policy, driven by American Jews and by non-Jewish groups within the United States, Friends of Israel, as opposed to real need.*

CLARKE: There was practically no reexamination of real need. Once the Israeli economy emerged from its crisis, at some point in the 1980s before I ever got there, inflation was still running high, unemployment was still high by American standards, and they had not undertaken the privatization of their economy. It was still basically a socialist economy, even if democratic. We continued to have an annual or semi-annual dialogue with them, which I continued between sessions, urging them to reform their economy. That was our real economic policy, although I cannot say it was taken seriously by the Israeli leadership. This 1.2 billion dollars was simply a check that was conveyed in Washington annually, based on a commitment made some years before. I mentioned in our last discussion the Airgram that we wrote, suggesting that this economic part of our assistance could be gradually reduced and it would be in Israel’s benefit if we did so. As

far as I know, not only was that report purely voluntary, some would say it was masochistic for a U.S. government organization to write it, since it was destined to leak and did in fact leak immediately. No one else was justifying these funds, to the best of my knowledge.

*Q: I would think at a certain point that your conscience would take over, that you'd have to do something when it's on your watch by saying, "Is this really justified?"*

CLARKE: It was on my watch when we sent that in. My deputy and I worked on it. The Ambassador and the DCM went over it with a magnifying glass. I saw the futility of it as soon as it appeared in the newspapers. We'd made our point. Anybody who wanted to could go back and look that up. Basically, nobody gave a damn about that money.

*Q: It is a little bit like spitting in a hurricane.*

CLARKE: It was considered foolishly quixotic.

*Q: You left there in '92. Looking at it from an economic point of view, how did you see Israel as an economic entity?*

CLARKE: As so often with Western countries, it was an economy that was doing pretty well, considering what it had going against it in the way of political handicaps. The concept was that they should be on the dole without weighing properly the effects of that on their export industries. The other sorts of socialist things that they did caused damage throughout the economy. I could list a bunch of them, but the damage was particularly obvious in the small business sector.

I actually met a guy who tried to expand his one-man business into a slightly larger one and the regulators drove him out of business. He had to fire his employees, and he went back to being a one man business. That pattern prevailed throughout Israel. In the United States employment is created chiefly by small business. That fact is not only accepted here, it's basically not surprising to anyone. The ruling ideology behind Israeli regulations in those times was that the people who hire other people are exploiting them, not that they are giving them a job and giving them the chance to make a decent living. It was an old Eastern European socialist viewpoint. So Israel was a land of one-person shops and handicrafts, and bloated, inefficient public companies as in Eastern Europe. Real private companies fought to survive and often did not.

*Q: Did you see a new generation coming in that would make any difference?*

CLARKE: Sure. I felt the most affinity with those officials in the government – in the permanent government, the civil servants – who were determined to try to get some of these reforms to work. Every time I needed a morale boost, the most effective way to get it in terms of what was going on in Israel, was to go have lunch with one of these guys and listen to his frustrations and come away realizing there are people out there trying to improve it. I haven't been back to Israel in a long time, but I would guess by the relative success of their high-tech industries that this is gradually working its way through.

*Q: Was there a feeling of concern that they were moving, but all of a sudden the Soviet Union collapsed, just about the end of the time you were there. All of a sudden a lot of former Soviet citizens were coming in. These were not exactly entrepreneurially motivated, at least that's not how they'd been brought up.*

CLARKE: They were overwhelmingly doctors and musicians. That had been their employment in the Soviet Union. The result was the concertmeister from Kishinev, Moldova, was auditioning for umpteenth violin in the Herzliyya community orchestra. They had a totally skewed employment background. And you're right. They did not bring with them great instincts on how to do business, although some certainly did try to start businesses right away. A good many, no sooner had they parked their bags in Israel, than they tried to set up trade between Israel and the Soviet Union where they really did have contacts and knowledge of possible business opportunities.

*Q: You were saying that Israeli government officials were turning their attention to this phenomenon?*

CLARKE: The primary Israeli interest in the former Soviet Union was to get Jews to emigrate to Israel. The Jewish Agency in many cases set up shop in places before the Israeli government ever had a chance to set up an embassy or a consulate. The Jewish agency was already there to facilitate emigration because the restrictions on emigration ended before the Soviet Union collapsed. The triggering thing for massive immigration into Israel was our decision to put a cap on refugee admissions to the United States. Those refugee admissions were almost exclusively Jews and Armenians. So we effectively caused a huge backlog of applicants to the United States. People who wanted to leave the Soviet Union because they really thought the place was going to pot, or if they had been refused for many years, then saw Israel as the next best place to go. That caused a big influx. Then when this trade began to develop, a small level of trade at least, it caused the Israeli government to realize there was more to the Soviet Union than just getting more citizens for Israel. I don't know on the macro level how successful it has been, but in almost every capital in the former Soviet Union you'll find some signs of Israeli trade taking place.

*Q: You left Israel in 1992. Whither?*

CLARKE: In '92 I was nominated to be ambassador in Tashkent, Uzbekistan. My case was a little unusual. What happened allegedly was that Secretary Baker set the middle of March as a target date for opening an American embassy in every former Soviet full Republic – Union Republic. So suddenly we needed about a dozen more embassies. We already had a presence in Kiev in the Ukraine. We already had people in the Baltics. Kiev because we had a consulate, the Baltics because their independence was moving faster than the rest. Then suddenly we had this decision to open in all the other republics as well. In most cases the Department sent out a senior officer as Chargé d'Affaires, who was later nominated as ambassador. That's what they wanted to do with me; once I'd been approved as ambassador, they wanted me to get to post right away.

But at the Embassy in Tel Aviv, we had just had Bill Brown replaced by Bill Harrop as ambassador, and Mark Parris, who was our DCM, was called to Washington to be the first deputy in NEA. He left, making me basically the DCM for a brand new ambassador until the replacement for Mark Parris showed up in the summer time. So an appeal was made, I understand to the seventh floor, to make an exception to keep Henry Clarke in Israel.

To remind you of the timing of '92, We also had the election campaign underway which ultimately unseated the Likud government. It was a very delicate period in which the Israelis expected us to be playing politics and were eager to find evidence that we were doing so at every turn. We were beside ourselves trying not to give them excuses for that accusation. We certainly did think the peace process was not going to go anywhere if Likud got a new mandate, whereas it certainly might go somewhere, and most Israelis thought it might go somewhere, if Labor led the new government. I'm absolutely convinced that the national election was a referendum on the peace process, based on conversations with ordinary Israelis, not on commentators but on conversations I had there. Many Israelis perceived that it had been their government which was screwing up the process, and they wanted somebody in there who would lead it. Rabin, well known to them both positively and negatively, seemed like the guy who could carry that off. Votes went to Labor to give him that mandate even from people that would normally have voted for smaller parties or perhaps even for the Likud. So it was an interesting last bit of time in Israel.

I was eager to find out what was going on in my new post and very enthusiastic about it because I had visited Uzbekistan during the Soviet period. I had been struck by how different Central Asia was from the rest of the Soviet Union back in 1983. Almost in getting off the plane, I thought this is so different, why don't we have a consulate here? The answer was because we didn't want any new Soviet consulates in the United States. If we hadn't had that concern, that would have been one of the first places we would have added a consulate, Tashkent. Tashkent was really the administrative and transportation hub for all of Central Asia during the Soviet period. Tashkent is a city of two million. It's about the size of Kiev and therefore one of the four largest cities in the former Soviet Union. A really major center with a manufacturing base, it's an agricultural center as well as a processing and transportation center.

*Q: I want to go back to Israel to finish it up. How long were you with Bill Harrop?*

CLARKE: It seems to me he came in the winter. I don't remember if it was January or February while Mark Parris was still there. So Mark helped get him on board with his appointments and with his initial receptions and entertaining and all that. Soon thereafter NEA said we really need Mark. I don't remember exactly what happened to the man he replaced. When he left, I left the economic section and moved into the front office. I was there through the Fourth of July. So I guess I left in July.

*Q: Bill ran into a problem in Israel because he was taking the government line, saying*



*maybe we can't keep up these subsidies forever, wasn't he?*

CLARKE: During the time I was economic counselor, I drafted several speeches by Bill Brown, and one of them might have been used by Harrop too. These were not revolutionary pieces. Brown in particular wanted no politics in his speeches. He would appear with a speech on the record only on economic topics where he could be protected from being drawn into the peace-process questions. Harrop, I think, was also extremely careful because he was literally in the run-up to the elections. Even if the official electioneering period was shorter, this was really the pre-election period. Everybody knew it, so he was very careful. Anything I drafted for him then would not have gone beyond where we were with Brown. I heard after I left that he was criticized for some economic speech he had made. I find that hard to understand. He might have wanted to stick his neck out more than Bill Brown, and that's fine, but I can't imagine why that would have been so upsetting to anyone.

*Q: I'm just guessing that he was essentially saying that our overseas commitments were such that we had to be careful about them. And that it wasn't very good for Israel. Nothing outstanding at all. I get the idea that Bill Harrop's chemistry wasn't great with Israel. He's a rather tough, aloof person. Maybe that didn't work.*

CLARKE: I can't really confirm that. What I can confirm is that he did a television interview just prior to the formal election period, but when people were expecting an election, in which he handled a whole range of questions, including some on the economy, but not limited to the economy. The overwhelming response to that was very positive on the part of the Israeli public. He really did something that I had felt we had not done enough of, getting our official view out there on the record. The advantage of the TV mechanism over the newspaper for a seasoned man who knows how to do Q-and-A's, is that there is nobody between you and the viewer. So this positive response was very reassuring.

*Q: I think part of the problem was not really with the Israelis but with the American Jewish organizations that came out. You also had a brand new administration, the Clinton administration, which at that point was very weak on foreign policy and had panicked.*

CLARKE: I was not there for the Clinton administration. I was already at my next post by the time Clinton won. All I would say is that it is certainly true that Bill Brown was one of the most charming diplomats I can think of, and his handling, even of people who were quite opposed to his views or our views, was magnificent. He always managed to tell stories and talk about it until he had people in the palm of his hand. But he did this only on an "in my office or in your office" kind of situation, not for the public. So, yes, maybe somebody felt that Harrop was a little too cool and analytical for their taste. But I can tell you as a professional diplomat, both of those guys had tremendous strengths for that particular job. Harrop could have done a superb job and for my money he did.

*Q: I think Harrop fell victim to an inexperienced new administration. There was a little*

*flurry and their immediate response was to change things. It was handled poorly. Uzbekistan and Tashkent. You were there from '92 to when?*

CLARKE: To '95.

*Q: How about Senatorial agreement? Any problems there?*

CLARKE: That was the [most pleasant] experience I had in Washington actually. Getting through the personnel system and out to post through the Department can be extremely frustrating and irritating. Especially if you've got a new post, you're trying to get things organized. It's not always supportive. Amazingly, the hearing was a piece of cake. It was organized.

They decided, under some pressure from State, to get us out there. We had, as I recall, nine ambassadors-designate, all five for central Asia plus four more for Moldova and Georgia and Azerbaijan and Belarus.

Harry Gilmore was summoned for Armenia at the last minute and his name did not get up on the hill and he lost the best part of a year. It was a good example of the unresponsiveness of our good constitutional government to appointing an ambassador when you need one. But the rest of us went through in more or less record time. All of these other guys had been at post as Chargé, which is very unusual for U.S. government practice. I had not. I thought probably I was going to be at a bit of a disadvantage, but it didn't turn out that way at all. It was very easy to anticipate the kinds of problems that had come to the attention of the Senate Foreign Relations Committee and to be briefed on those. But the average amount of diplomatic service among our group was over 20 years.

Every candidate spoke at least one language of the country he was going to, and every country had two languages, Russian and whatever was the language of the majority ethnic population. Most of us were Russian speakers, but there was one who came speaking Romania for Moldova, and Dari or something for Tajikistan.

*Q: Farsi.*

CLARKE: Farsi. Stan Escudero was a Farsi speaker. He had served in Iran before the hostage period and was able to get by in Tajik pretty well with that. Consequently the Senators were really kind to us. I was asked, of course, about human rights in Uzbekistan, even by my old former roommate Senator Larry Pressler, who asked me a few questions. He'd been in Uzbekistan during that summer and seen one of the dissidents who'd been beaten up within a few yards of the general prosecutor's office, which was a real scandal. Even he was not as hard on me as he might reasonably have been. So I felt that we were given an opportunity to say a few useful things for the record. We got a speech by Senator Biden at the end about the coming importance of drugs in Central Asia. We met as a panel of five for Central Asia and then there was a separate session for the other four. On Central Asia, Biden really held forth on drugs and very effectively.

I have often since had occasion to think this is the way senators do play a role. They have one shot at you before you even go out, in which they can say for the record an awful lot of what's important to them. Surprisingly, considering the number of other hearings I've been to for ambassadors, they don't always take that approach. They don't come with an agenda. They come with a few sorry questions prepared by their staffs, some of them petty, some of them serious. But Biden came with a speech, and it turns out he was before his time. The extent of drug trafficking then was nothing like what it is now. We have not found the mechanism to stop drug trafficking. Maybe nowhere, but certainly not there.

So that went relatively smoothly. We were sworn in promptly thereafter. I went out to post a little faster than the others because the others wanted to take a bit of a break since they had already been out there. Whereas the government of Uzbekistan had been complaining that we'd been changing Chargés every 40 days or so for the past six months, suddenly they found that the first full fledged ambassador in the region to show up was me. They took that as flattery whereas in fact it was pure coincidence.

*Q: Could we talk first about opening up these posts, because it's important? Talk about the housekeeping arrangements and then talk about policy.*

CLARKE: I'm delighted because never at any post is the administrative function so important as at a brand new one. Inevitably I had to get involved in that. I benefitted a lot from some of the work done by the TDY people that had been out there before. Maybe I should mention one of those housekeeping things, that we had started out with 100 percent TDY staff. Temporary Duty people were dispatched from Moscow or from Washington or from wherever they could find a Russian speaker and sent them out there. This included the entire staff.

They set up a model Embassy which they rubber stamped across the map of the former Soviet Union. You were going to get something like five Foreign Service officers and a communicator and then the other agencies varied from zero to one in the people they provided. I was told right from the start, we know this won't work in Tashkent. We understand that Uzbekistan is bigger than that. It's not going to work in Kazakhstan either. You know we're going to have to expand, but we put this package together to get the process started. So, much of what I did for three years there was to manage the development of the post, to build up those things that were really essential and to keep out the foolishness to the extent possible so that we wouldn't be hampered by underemployed people.

I tried to tailor the staffing to the overall U.S. government objectives there. This concept met with a resounding thud in Washington, which is just not accustomed to running staffing on the basis of U.S. objectives at all. We had a whole process of policy analysis that's supposed to be matched by logistical support, personnel and budget and all that. But it hasn't worked in the past, and it certainly didn't work during the three years I was there. But I had a certain amount of control as Chief of Mission, over who didn't come to post. Even if I couldn't really reach out and get who I wanted every time, I could at least stop the foolishness, and I could plead for the resources that I needed.

*Q: When you say stop the foolishness, can you give some ideas of agencies or organizations that wanted to put people in place there that seemed inappropriate?*

CLARKE: Yes. The United States has a number of different intelligence agencies that operate at different levels of secrecy. I'm not going to go into a discussion of who did what to whom because it would still be classified and justifiably so. All I want to do is make a few generalizations that I think are fair and shouldn't be classified.

One is that despite the end of the Cold War, intelligence agencies still had vastly greater resources for staffing people overseas than did the non-intelligence agencies such as State, USIA, or Commerce. So there was pressure to put people out there representing different agencies and in some cases, it's not clear what they would usefully do. I was even concerned there were things they would be doing that I didn't even want them doing. I can give one example because it's really changed now and it doesn't hurt, I think, to mention the background.

Just as State Department had a cookie-cutter approach to establishing these posts, so did the Defense Department. They had an idea of a package DAO (Defense Attaché's Office) for nearly every post, which would consist of two officers and an NCO (non-commissioned officer), and five vehicles, and six refrigerators and on and on and on and on and on. There were even rumors that they had bought all this household equipment and had it stored in a warehouse waiting for housing to become available to move it in. I took a quick look around at my ability to support other agencies. We had to be in a position to support other agencies. DIA (Defense Intelligence Agency) does not supply people to find housing or to equip them or to move people in and out. It doesn't do any of this stuff. It depends entirely on State. We only had a couple of resident defense attachés in Tashkent. They had no access and practically nothing to do.

The Turkish defense attaché told me as he was leaving after two years that it was probably the worst couple of years he'd spent in his career because there was nobody to talk to. He was the defense attaché whose embassy had been designated as the spokesman for NATO in Uzbekistan. So it was not clear to me on the diplomatic side what our defense attaché would do. It seemed from the traffic we were getting from that agency that what they were hoping people would do is continue more or less the role they played from Moscow and Leningrad during the Soviet period. Mainly going out, doing traditional intelligence functions, taking pictures of the local military, trying to put them on our payroll. So I told them no.

We had a defense attache in Moscow. An assistant defense attaché up there was accredited as defense attaché in Tashkent. He would come down and have a couple of relatively superficial meetings. We never managed to get senior officers from the military to come to a dinner party for these guys. Often they did not see anybody at, for example, the level of defense minister. I couldn't get to see the defense minister. So my conclusion was Uzbekistan might or might not want to have an American defense attaché, but they certainly weren't going to let him do any work. I didn't want an underemployed,

field-grade officer coming into my office every day with nothing better to do than express his frustration, because I had other things that I needed to do. We needed to set up the usual range of diplomatic relations so that we had contacts with agencies across the board and throughout the government.

Instead, we had a full fledged USIA operation there. For the first time since relations with the Soviet Union began, we had an opportunity to run a press information program. So I was anxious to build up the USIA function and all these open, outreach type functions of the Embassy. I was not anxious to build up the snoop and poop staff, especially not to a level where they outnumbered legitimate diplomats. I'm not going to describe any further agency attempts to expand their staff. This was the most high profile one and ultimately this got turned around. In 1994 I had a meeting with President Karimov when he criticized the U.S. for not supporting Uzbekistan's independence sufficiently. I said, "Well sir, I don't even have access to your defense minister. I can't get to see anybody on security issues. How do you expect me to be able to support you?" I told him why there was no Defense attache. I told him we did support Uzbekistan's independence, but I did not see that it had any practical importance to Uzbekistan.

He looked a little shocked. It later turned out that somebody on his staff felt as a matter of policy that the Americans should not be allowed to meet with all these people and that was the policy. After that, I had access to the defense minister, and he confirmed that the Presidential staff had blocked our contacts. We began having visits with Pentagon officials who came over. We got access to a few of their bases for more or less ceremonial and introductory purposes. The situation began to turn around. By the spring of '95 when Defense Secretary Perry made a quick stop in Tashkent, I was ready to agree to a defense attaché. They got one out on a TDY basis right away. By that time we had some content in our military-to-military relationship. So there was something for this guy to do besides try to see how close he could get to a training area and count tanks. That's what I was looking for. I felt I was quite successful there, although I'm sure there are people over in DIA who will never understand this. Nevertheless, that was the right thing to do.

At the same time, I couldn't get USIA to fill a position they'd already established in Tashkent. We had one officer, and I wanted a second one, and it was all a battle. They didn't feel Uzbekistan ought to have the level of priority that it should have a second officer. That was a major mistake, and it involved some real missed opportunities.

*Q: What about the embassy staff itself and their living quarters? How were these?*

CLARKE: Actually this varied from post to post in the former Soviet Union. We lucked out in that we were offered a building that was allegedly a young businessman's club. In fact, it was built to be a young communist club, but then communism went out and so it got renamed. It still was not finished, but when the deadline of mid-March came up and the building was agreeable to the U.S. government, before I got there assuredly, they rushed it to completion and turned it over. So we were the first occupants in that building.

Over the period of my three years there, I tried to set everything in motion so that we could buy that building as opposed to renting it, because it needed major improvements and I wanted to improve property we owned rather than property we leased and then just have to pay higher rent for it. That was my approach. I felt we were going to be in Tashkent for a long time. With rapidly inflating real estate prices but which had started at a very low base, we should have been buying property, because there was no chance that we would get any smaller. So that was one of the housekeeping projects that I and my administrative officer had to push more or less the whole time I was there. The work that we set in motion resulted in buying the embassy and the house that I found for the Chief of Mission residence and some other houses as well.

But when we first got there, we didn't have any housing. Tashkent, more than almost any other major city in the Soviet Union, had a lot of small individual houses that were similar to village style farmhouse construction by Uzbek standards. But they had been upgraded with running water and electricity and so forth. Most of them had little courtyards so they provided us a modest-sized house, but with a yard.

One of my decisions, which I think most of the staff really supported, was that we should try to find enough housing of that sort, individual houses out in the community – the residential communities – in Tashkent, to house most of our people. I wasn't opposed to finding some apartments, but I had had so much unfortunate familiarity with Soviet apartments in Moscow that I just could not believe that was ever going to be a profitable route. Maybe for a TDY apartment or if a single person moved into a first class apartment, something could be worked out there. Some people would maybe prefer the greater security of an apartment if they were single.

So my preference was for family housing in these individual houses, which I knew many of the other new posts just didn't have enough of. Because of that, I did not encourage the Department to build anything in the way of housing where we were.

The main problem we had was finding houses in such a condition that Americans would be willing and able to live in them. We got a WAE – While Actually Employed former GSO to come over and screen houses. He saw about 40 houses. Out of that ratio he found about two that were usable. But TDY people had found some already before I got there. Most of those houses turned out to be very useable and as far as I know, are still in the housing inventory, on either a purchased or leased basis. Since we often had to upgrade the electrical and other basic facilities, it payed to own the houses. There is no danger we will lose if we ever have to sell.

I initially stayed in a Dacha area and so did several others on the staff. It was really a kind of a VIP guest area on the outskirts of town. These had been for Communist party visitors during the Soviet period. They had individual houses that we moved into, but in a deteriorating condition. They were inevitably part of a Socialist organization and the power that had been there to make sure a VIP place was presentable was no longer effective. They were very expensive to rent, very expensive, so we set about trying to get out of them.

I was particularly pessimistic about finding a decent house in which an ambassador might entertain. I looked at a number of unsatisfactory possibilities. Some of them were expensive, some not so expensive. But, luckily, my administrative officer found, and I agreed to, a house that was under construction and almost finished. It hadn't been lived in yet. It was being built privately. It was a two-story house, which was very unusual for those days in Tashkent. Now it's very common. They're building more and more. But in the Communist period, a second story was considered ostentatious so it didn't usually happen. When I got it, it was probably the only residence any foreigner had that had two bathrooms on the second floor. It had space for a family or in my case since the family was not there, visitors, to sleep upstairs and then a downstairs that was really usable for entertaining, if not huge groups of people. People asked me about it and said what a wonderful house, it must be fantastic and so forth. I said, "Yes, it's just about as good as the house I had as DCM in Bucharest, Romania a few years ago." That was indeed a very good house, the DCM house, yet this was similar to that. I could have a reception. I could have a fairly substantial dinner. I could meet with a few people in a smaller room.

It had 25 amp circuits. Most of the circuits in the other houses we were finding were nine amps. Nine amps means that if your refrigerator motor goes on while you're trying to vacuum the floor, chances are you blow the fuse. Thus many houses had to be rewired if we decided we wanted to keep them. But not this house. It was extremely well constructed. We had a lease-purchase arrangement on that which the owner was very glad to sell and it just took us years to get through the bureaucracy in Washington to the point where we could actually put up the money and buy it. I believe that's been done now. That's probably more than you wanted to hear on housing, but these were all very time consuming tasks.

*Q: In '92 to '95 what was the government of Uzbekistan?*

CLARKE: The government throughout that period and still today is headed by Islam Karimov, who had been the Communist party first secretary prior to independence and who got himself reelected before I arrived with an 86 percent majority. When I first arrived, they were in the process of working out and publishing a draft constitution which later became the constitution and provided for a parliament. So a number of forms of democracy were being put into place. But the content was often missing. It was still a top-down directed organization. The Communist party was gone. Karimov ruled his country through the government apparatus, not through the Communist party apparatus.

The distinction was important to Soviet specialists maybe, but it was a distinction which unfortunately I could never get the Department to make in the human rights report. That constantly talked about Karimov running the country through his private party, but nobody even knew what that was. The party was relatively unimportant in management. But he did run the country through the governmental organizations. So it was a post-communist but not yet a reformed government. The economy likewise. There had been some moves toward – I think important steps – toward reducing government control in the economy, but that was an issue as well for me throughout the three years there.

*Q: What were American interests there at that time?*

CLARKE: I think our overwhelming interest, and the reason probably that Baker said we had to have an embassy in every one of those countries, was that we cared about where the former Soviet Union went and what would happen to it. Would it remain a group of independent countries or would it somehow be reunited as a new empire? So from the very beginning, an important feature of our interest was what were the Russians doing in Central Asia? The Russians were, of course, doing a lot because they had been running the place and it was a hard habit to give up. So I think that was very important to us. The core idea was that we really did feel that the independence of these countries would ultimately be more stabilizing and more positive in terms of the development of a new world order than unwilling forcible reunification or collapse or who knows what else. So we did support the independence of these countries even though there was lots to be desired in the specifics.

As a general approach we were very consistent, and we did support their independence. We felt their independence would probably not last unless they developed relatively effective economies. For us this means a free market economy and some sort of democratic system that would enable them to go through governmental changes without collapse.

Our European colleagues and others would sometimes chide us a bit on this. “What do you mean, you are bringing democracy to Central Asia. Come on! You know, you’ve got two traditions going against that. Both the Soviet tradition and the tradition that existed before that. It was not hospitable to democracy.”

Be that as it may, nobody has come up with a better long run answer. So even today, we are still pushing those same goals.

*Q: During this period I spent three weeks in Kyrgyzstan and there it was very obvious that the Kyrgyz had been essentially net beneficiaries of Soviet rule. The Soviet-Russians had put more into Kyrgyzstan than they had taken out, but they left a lot of white elephants – helicopter factories, and other things and the Russians were beginning to move out. Economically, where did Uzbekistan stand vis-à-vis the Russians when you saw it?*

CLARKE: First of all, what you say was probably true of Kyrgyzstan. It would also be true of what the Russians thought of Uzbekistan. Nevertheless it is an issue. Was more put into Uzbekistan than was taken out? It’s not an issue I would find easy to analyze. The numbers are not available. The prices are all wrong. It’s just tough to say. It is probably true that all of Central Asia was surprised by the collapse of the Soviet Union. A bunch of the world was surprised, and Central Asians thought the Soviet Union was a pretty powerful entity. Nevertheless, the Uzbeks, at least, were very much in favor of independence. Economic factors were certainly not least in that. Uzbeks really did feel they had been ripped off a lot. They had had a long running battle with the Russians from



the Brezhnev period through the Gorbachev period over corruption, the cotton crop, and other economic issues which had lined up Moscow against the majority of people in positions of power in Uzbekistan.

This had started with a cotton scandal in which the Soviet Union was reporting that six million tons of cotton were being produced in Uzbekistan whereas the actual number was not over four. There was a 50 percent phony increase in the output. I do not know where everybody thought these other two million tons were. This is not something that you can slip under the rug. But inflation of the statistics was built in throughout the system, from the field throughout the entire production and transportation system to the top totals for the country. All the errors aggregated to the point where it was 50 percent off. Amazing. That's a world class scandal. I've never heard of anybody being fooled to that extent before. When the scandal broke, everybody began trying to find out where the money was going that was paying for this cotton crop. It really was a long, drawn out issue through the '80s. I had seen signs of it beginning during my assignment in Moscow in the early '80s. But the bitter parts of it occurred after that and during the Gorbachev period. So Uzbek relations with Russia in the late Soviet period were not all that positive.

The economy was seriously misoriented, distorted, by the central planning system. This happened elsewhere in the former Soviet Union but probably nowhere more dramatically than Uzbekistan. Uzbekistan was supposed to produce cotton. It was under the kind of pressure to produce cotton that meant you couldn't even rotate the crops. By the eleventh year of growing cotton in the same irrigated field, the production was far below what they were reporting it to be. It couldn't be greatly improved. The methods used involved enormous amounts of water from the mountains of the Eastern part of Central Asia, channeled into irrigation through the Central part of Central Asia. What water was left, which was increasingly bad quality, went into the Aral Sea, which had no outlet and which was busy drying up. Central planning of Uzbekistan produced a lot of cotton, but it was ruining the fields, the water, and started ruining the climate and health around the Aral Sea.

Another major product, gold, is one of the reasons that people like President Karimov considered the Russians were ripping them off: the gold was taken out of Uzbekistan. Karimov said when he was Finance Minister of Uzbekistan during the Soviet period, he did not know how much gold, by value or by quantity, was being taken from Uzbekistan. He was not allowed to know. It was secret from the world and from Uzbeks. Uzbekistan has the world's largest open pit gold mine in Zaravshan. The whole town was a closed area, as well as the pit.

You had an economy developed mainly on certain primary production in mining and in agriculture. They did produce fruits and vegetables that were shipped off in refrigerator cars to Russia. There were other things being produced. But those were the major items.

*Q: One hears about this cotton crop, how with the use of fertilizer and overproduction and lack of maintenance of the soil that it turned the place into almost a polluted desert.*

CLARKE: In some cases the desert did get polluted. In other cases they just used increasing quantities of water to try and flush out the soils. The water was then used over and over again on its way to the Aral Sea and the runoff became increasingly concentrated with the excess fertilizer they were using and herbicides they were using in the picking process and even defoliants and pesticides as well. So it was a pretty unholy mess that was reaching the Aral Sea.

*Q: While you were there, was this a problem that we felt we had to help work on?*

CLARKE: Yes, it was. But with some modesty I would say that, because it's pretty clear that this whole question of irrigation is an integrated issue for the whole Central Asia watershed. There are two major rivers, both of which wind up in the Aral Sea and both of which go partly through Uzbekistan, but the rivers either originate in, or pass through all five of the Central Asian countries. So without a cooperative solution among all five, no solution is really conceivable.

We realized that the whole land-use issue, the agricultural technology and so forth were wrapped up together and had to be addressed together. It wasn't originally my idea, but I certainly warmly endorsed it, that the World Bank was the one institution in the whole world with the most expertise on how to manage river basins and combine questions of agriculture and health and all in a multi-disciplinary way. In other words, this was a terribly difficult problem of misplanning. This was not something that depended just on market forces. There was a limited amount of water. It was already all in use. The question was what could you do about it.

First, there was the question, should you try to save the Aral Sea? Was that an objective? Why do you need clean water going into the Aral Sea if you need this water to support this huge population? We took the approach that the World Bank should take the lead on the larger problem. But I felt that the United States should have at least a modest program to alleviate the most damaging human effects of this disaster in the Aral Sea region. It was a test of our humanitarian policy. If we wanted to have a humanitarian policy, and we only had limited resources, we should probably try to address a piece of one of the fundamental problems and see if we could make a difference there. AID agreed with that, but they were somehow also hung up in viewing this in a big global way and were not prepared to turn that function over to the World Bank entirely. We supported several conferences, and I'm not sure that our very limited funds were always used in the most effective way. But we did start very modest health and water treatment programs in the Aral Sea region. The Germans also were involved and helped with medical equipment in the region. I think the presence of these two countries trying to do something was very valuable in helping remind the Uzbeks that we were interested in their general welfare.

These were not big aid programs. They were technical assistance. How to run existing water treatment plants so that they actually did produce water that was drinkable, for example. To some extent that was by upgrading their laboratory apparatus so they could tell what quality water was coming out. They had a system there based on Soviet analytical equipment; it took so many days to finish the analysis that by the time the test

results came back, it was a quite different bit of water that was going down the pipes. The water did change from seasonal variation and whatnot. By varying the treatment technique, you could definitely improve the quality, if you knew what the water needed. You had to do that on more of a real time basis. So we got into that.

I made a special trip up to the Aral Sea just to make sure it got a little more public attention than it would have otherwise. I don't know if that was the world's best conceived trip. I was amazed. That experience and many, many others in Uzbekistan made me a believer that we are not as adept as we should be in public diplomacy. People don't know what in the world we are up to overseas half of the time, so what we do is not always effective. It was hard to get it started in Uzbekistan. It may be that in other Third World countries where we were long and well established, we managed to solve this public diplomacy problem better. Despite having important resources left over from the Cold War for public diplomacy, we're not really getting the best mileage out of it. The rest of our assistance, whether in the form of exchanges or in technical assistance, we directed toward the reform process as much as we could.

*Q: When you say the reform process, what do you mean?*

CLARKE: By attempting to introduce market economy and democratic practices, often through exchanges. Exchanges were the most effective method in many ways, often by taking officials in key positions and sending them to the United States to see how what they were doing in Uzbekistan could be done in a free market situation. Or by stationing advisors in Tashkent to work with these guys there. In many cases, I feel the exchanges were more important because the person coming back from the exchange could see how to apply what he learned. First of all, we're good at exchanges in the U.S. The people coming back could develop their own ideas on how to adapt techniques to their local situations, whereas advisors coming in to Uzbekistan were often hard to take seriously and very easy to overrule politically. But we felt we needed both. In an ideal situation, we would have a few people benefitting from exchanges and then other people in advisory positions.

*Q: I got the feeling from talking to people there, and I saw just a little bit of it in Kyrgyzstan, but the people who have been there, that the whole former Soviet Union, including the Russian part, was deluged with people from Harvard, from Slippery Rock State teachers. I mean all these advisors coming. If they were cheese advisors, all of a sudden they would arrive in a place with no cows, but you got wonderful ideas about how to set up cheese producers. Did you find that there was a problem with a lot of superfluous advice?*

CLARKE: No, I didn't. That's partly because our experience was very different from Kyrgyzstan. Kyrgyzstan was viewed in Washington as the bright star. Every time I reflected on what sort of a person President Akayev was, I couldn't fit him into my view of Central Asia. That a person of his qualities existed in Central Asia was no surprise to me. The surprise was that he was president of a country. It was as if he had stepped off of a spaceship or something. How did this guy get to where he was? The other thing is that

Kyrgyzstan is really small compared to Uzbekistan.

*Q: Four million.*

CLARKE: And we had 20. The economic strength of Uzbekistan contrasts sharply with the relative weakness of the mountain countries of Central Asia, like Kyrgyzstan.

*Q: They had a lot of water and that's it.*

CLARKE: I didn't mention it earlier when we were talking mainly about primary production, but during World War II, a number of industries were moved to Tashkent, especially the city of Tashkent, but also elsewhere in Central Asia and reassembled there, with their same machinery and same work force hauled from Central Russia. These had become part of the Soviet production system and were therefore constantly modernized and over the years expanded. So we had a full fledged aircraft factory covering several square miles of territory in Tashkent, producing aircraft.

Back to your question about advisors running all over the place. Because Kyrgyzstan was viewed as inspired and undergoing rapid reform, it was at the top of the list of priorities for every advisory body that might be available and the Kyrgyz were apparently inclined to accept most of these offers. They were really trying to build up the U.S. relationship. So they were pouring in. I did hear, before I left Tashkent, that we were beginning to question whether these guys were falling all over each other in Kyrgyzstan.

Kazakhstan was second priority, I would say. And Kazakhstan was arguably of greater strategic importance for a variety of reasons. We could pour our resources into Kazakhstan, and you might never notice because with 16 million or so people and a huge territory, they could be spread out.

Uzbekistan, Tajikistan, and Turkmenistan were generally viewed in Washington as recalcitrant Communist countries where it was difficult to do anything and therefore undesirable to try. So every program we had was to encourage reform, but getting started was pulling teeth. I made the argument over and over again, these people were not going to reform unless they had an idea of where they were going and why. They did not come into independence with a home grown body of scholars who knew anything about the outside world. Any such scholars they had tended to gravitate to Moscow where they were available to Gorbachev but not to Tashkent.

If we wanted to have a reform impact, we had to have programs or activities that would educate the government. It was true enough they were committing human rights violations. But some Uzbek leaders did realize that there was a need for changes; they just didn't know basically what to do.

Fortunately, although USIA funding for exchanges was declining, AID basically accepted the idea that exchanges could work in Uzbekistan. So that was probably our most important, as well as maybe our most effective, influence on the reform effort. But that

took people out of Uzbekistan for significant periods of time. We couldn't always get exactly the people we wanted but AID and USIA, I think, were both very satisfied with the quality of people that were being made available for these exchange programs. Often well educated, younger people, but of course educated in the Soviet system. The numbers of people they could identify and that we could send were significant.

But we were not so successful in placing advisors. My effort to find a personal economic advisor for Islam Karimov when he asked for one went on for months, and in the end I think we have to conclude that Karimov changed his mind. When we finally got a really good guy to come to Tashkent, he did not have access to the president, and he really did not have the kind of impact that we had all imagined he could have. That was really too bad. But it was an example, I think, of how I saw our job there, which was we don't know what's going to work there. We don't know very much about Uzbeks. We know the role they played in the Soviet Union but we don't really know, if left to themselves, who they really are or what they are about or how to relate to them effectively. So we've got to try different things. If they ask for an advisor, we ought to try to see if we can find one that will somehow connect. Then if it doesn't work, ok. You know we'll try it for a while and try something else next time. So we were in a trial-and-error effort.

I felt, and I still feel, that we had a window of opportunity, including my period there, in the first few years of independence of Uzbekistan, in which we could expect the Uzbeks to take an experimental approach and try some things and see if they worked. We had to promote reform then. If we were going to wait for the Uzbeks to reform themselves, to the point where we felt easy dealing with them, as happy clients as opposed to difficult clients – if we were to wait for that, it would probably never come. By then they would have lost all confidence that we had anything to offer. So we kept trying different things, and some of them worked. Some of them didn't. Some of them worked despite odds against them, we later discovered, simply because personalities on the Uzbek side wanted them to work. Some of them failed despite having every apparent reason for success, simply because we put them in an organization or working with a group of people that were just totally resistant to what they had to say.

Unfortunately, for example, there was a deputy prime minister who was put in charge of privatization. We got some very good advisors on privatization to come to Uzbekistan to teach based on experiences in Poland, and Czechoslovakia and elsewhere, how this might be done in Uzbekistan. They had some modest success. They were not a total failure, but in the end, it became clear that this deputy prime minister was not going to allow very much real privatization to happen. We also had a fear that if he did come through, that it would not be a transparent process. It might suffer from corruption, as has happened with a lot of privatization in other parts of the former USSR.

*Q: It ended up being basically in the hands of colleagues of the people in power.*

CLARKE: We felt that was a major risk. I did too after dealing with this guy. I felt that he was a representative of the old school, in which candor and honesty were just not part of the transaction.

*Q: When you think of Tashkent and Samarkand, major centers of commerce, you think of Middle Eastern bazaar type entrepreneurs. Was there any of that entrepreneurial spirit left?*

CLARKE: Yes, there was. One of the smart things that the government did, which was hardly noticed in Washington, was to start privatization by simply turning over a lot of the little retail or small producing operations in the economy to the people who were working there. In some cases where the people who were working there were one family, the result was, a little private business got started.

In others, where there was a workers collective, what you got was something like the Yugoslav model where the workers could get together and vote on who should be in the management and that sort of thing – a model which does not generally follow market principles very well. But, it is still probably better than a state-owned company, especially in small-scale production, because at least they would know something about their business and how to make it prosper. There was always the possibility these would gradually approach the free market model as managers were allowed to run them more intelligently.

The other thing that they did early on, they privatized apartments. They did it in a very strange way and with a certain amount of hesitation. For a while, they wouldn't allow you to sell your apartment because they were embarrassed that you could sell it for so much more than you paid for it. There was a sort of socialist reluctance there, but they committed themselves, and the result was an awful lot of additional housing became really private in Uzbekistan. The makings for a real estate market were there.

The small businesses would be really booming except for the fact that like Russia, there were still too many government agencies around without a role to play except harassing these newly private organizations. The number of bribes they had to pay, the amount of taxes they had to pay were in many cases, really crushing. So they have not been able to grow in the way small business tended to grow in Europe and America in the 19<sup>th</sup> and 20<sup>th</sup> centuries. In some places, governments recognized this and local governments did their best to scrap the old control commissions and other groups of people who preyed on these vulnerable small businesses. But that also meant reforming the tax system and recognizing how large the problem was, transforming central planning and central control of finance into a decentralized economic system with taxation.

That was a long and sad story which I hope someday will be described in detail by those who took part in it and who knew the blow-by-blow better than I did. I generally felt that once we had a seemingly competent group in town doing their job, we went on and did other things at the embassy and didn't spend all our time tracking everything that was going on. But basically these tax reform people, headed by a former Turkish finance minister, went all over the country and came up with a whole series of recommendations as to how to reform and simplify the tax code, how to write a tax code, and basically their recommendations were not accepted. Some were undoubtedly implemented, but I was not there when this final result came in. I was there while they were still hopeful and still

working on it and still dealing with the financial powers in Uzbekistan. We really were hoping that this would make a difference. But the assumption that has been passed on to me by others, is that in the end, the system they were recommending was just too transparent. It just did not offer the opportunities for graft that the system in Uzbekistan expected it to have.

*Q: What about human rights? You know, the government working with the citizens.*

CLARKE: I was the embassy's chief human rights officer because this was basically a high level problem. This was not just a low-level problem. By the time I got to Uzbekistan, there had already been this outrageous beating of one of the Pulatov brothers that Senator Larry Pressler, who was then the Republican Chairman of the Foreign Relations Subcommittee for Europe and covered our area, had just been visiting Uzbekistan and saw the poor man with his bandaged head in the hospital. So we started off with a human rights policy and if we hadn't, we would have gotten one soon. Because I had worked a lot on human rights issues in Romania in the Ceausescu days, I felt pretty much at home with this set of issues. I felt I knew how to balance this with all the other things we wanted to do, including the reform objectives and so on. But I spent a lot of time personally pitching human rights, issues, complaints, and recommendations.

*Q: What were the problems? Was it just the old type government – if somebody raised their heads, they beat it down or was there a different thrust? Who was getting picked on?*

CLARKE: It certainly represented an unbroken continuity from the Soviet period in terms of harsh treatment of citizens whenever they were deemed to be out of line. The definition of what was out of line was somewhat changed. The harshness may have been somewhat mitigated but basically it was the same. If you were identified on the list of dissidents that was causing displeasure to any number of security officials from the president on down, anticipating you might oppose him in the future, your life could be pretty miserable. Arrests of people without serious or reasonable charges, falsification of evidence, all kinds of things, show trials, the whole routine leftover from the Soviet period was still very much in place. It's not to say that there weren't some cases where people got a fair shake, but not over political issues. Courts could not handle political issues. Most of the people who were opponents of President Karimov were run out of business during the time I was there.

*Q: You'd hear about something. What would you do and what was the effect?*

CLARKE: Although I considered myself the chief human rights officer, we did have a political officer, Daria Fane, who was particularly working the human rights issues. She stayed in very close touch with lots of people. She was a remarkably able political officer in the classic sense of getting to know a very wide range of contacts.

*Q: What was her name?*

CLARKE: Daria Fane. F-A-N-E. She loved to work in the field, and she loved to be in touch and talk with people and she would hear as quickly as anybody of the latest outrage. As soon as I heard about it, if it was important and we had enough information on which to lodge a complaint or to raise the issue, it was my practice to make the complaint or raise the question myself or to have someone else do it if it were less important, right away, without waiting for instructions from Washington. I felt we had our instructions on human rights. We had our instructions on reform. On those occasions when we waited for Washington to react, it was often, I think, a bit inappropriate. But when we went ahead and took the action, we could help manage the issue in a useful way.

*Q: Why weren't they saying, "What business is it of yours?"*

CLARKE: They did at first. We said, simply, "this is the kind of folks we are. If you want to deal with the United States, you have to listen to us when we have complaints. You will ultimately decide for yourselves what you are going to do about it. But if you want to tell us that you are seeking a democracy, that you look forward to the time in which your citizens will feel greater personal dignity, you need to listen to us, because we can't deal with you without telling you." I didn't try to gild the lily too much on this. I just said, "This is important to the American political system. You want to talk to us? You've got to listen to this stuff."

Is what you're implying how do we get a channel established if they don't want to talk to us? Establishing an effective channel to them was difficult early on in my assignment. I spent a lot of time on that issue. During the time I was there, there were four different foreign ministers. Two excellent, one tried hard, and the fourth, a disaster. During the period that the disaster was the foreign minister, I had practically no access to the president, and my access to the foreign minister was often very discouraging because he really was not taking us seriously. But that said, I worked with all four of them as my principal point of contact on human rights issues. I made sure that this was an important part of my dialogue with the president whenever I had a chance to meet with him.

*Q: What about your fellow ambassadors? I'm thinking those from the OSCE (Organization for Security Cooperation in Europe) states, all of whom were signed on to the Helsinki Accords, and human rights was a major part of the basket. Was there much cooperation or were you pretty much the point man?*

CLARKE: I was pretty much the point man, but there were other ambassadors who were interested. I tried to include them in the loop over these human rights issues to the extent I could. I do feel that some of them felt this was really a waste of time in Central Asia, that the history of the region and of the Soviet Union was such that we couldn't expect to have any useful effect. Some of them probably said, "Well you know, Henry argues forcefully, but he's doing this because he has to, not because it's going to work." So they may have respected me for representing my government but not necessarily for having a brilliant policy. Others were certainly interested to the extent that their government was participating in OSCE and issues would come up. Really, much of Europe was getting on board. They were slow but they were getting on board. So you would have



parliamentarians coming out from places like Holland or Germany who were considerably more radical on this subject than I was. I had some sense of the context in which I was working, and I hoped that I was asking them to do things they could actually do. That limitation was not there for many of the visiting parliamentarians; indeed some of our own parliamentarians were a little extreme in what they wanted.

But that's the way it was. It wasn't just Larry Pressler. There were other visitors out there who came out from our congress and high, high, high on their list, all the time, were human rights questions. The whole visit of Arlan Specter from Pennsylvania was not intended to be human rights, but when we tried to organize a breakfast for him with some dissidents, and several got arrested so they couldn't go to his breakfast, he took this very personally and made an issue with every Uzbek he met from then on. This was really a major component of our policy.

*Q: What about the influence of Iran or Afghanistan? Both of these places by this time had very solid, radical fundamentalist Islamic governments. Was that a concern of ours in Uzbekistan?*

CLARKE: The Taliban really came into power after 1995, after I left. I followed that subject at the National War College along with others. It was fun to speculate on its chances of coming to power. But the Taliban was not really a potential threat from Uzbekistan's point of view during the time I was there. Iran was initially. The Uzbeks came to the conclusion that because of what Iran was trying to do in Tajikistan, they needed to keep the Iranians at arm's length. Although the Iranians were allowed to open an embassy, they were more carefully watched than most other foreigners. The Uzbeks were very suspicious of Iranian activities in Tajikistan, partly because of the linguistic affinity. But the Tajiks were mostly not Shiites. There was only one part of Tajikistan that was Shiite, so the religious affinity question was not so clear. But the Uzbeks thought there was some evidence of gun running and military support for the opposition. Iran did offer a haven for some of the more religious opposition in Tajikistan, when they left the country.

Afghanistan was a major problem for the Uzbeks the whole time I was there. Even though the Taliban had not arrived, the fighting between various other groups was going on all the time. It could not help but concern the Uzbeks that radical movements, especially Tajik nationalists, might somehow combine with those in Tajikistan and be destabilizing to Uzbekistan.

Uzbekistan's largest minority are Tajiks. They used to say the largest minority was Russian, but I believe that if it was ever true, it isn't now. But the Tajik minority was of that scale: a million or two, at least, and concentrated in areas which were awkward for Uzbekistan, such as along the border, in Samarkand and Bukhara. So there was great concern about what might happen, and at the same time, a desire to stay out of Afghanistan. Not to become so wrapped up by involvement with General Dostum, who was the leader of the Uzbek ethnic group in Afghanistan, or other players, that somehow Uzbekistan would be drawn in. So there was, on the one hand, nervousness or concern, and on the other hand a sense that somehow Uzbek involvement should be at best limited,

and if possible not at all.

*Q: Is there anything else we should cover about Uzbekistan, do you think?*

CLARKE: There's a lot more that could be said about its relationship with the other countries in Central Asia. There are some myths out there that I would love to get a chance to put to rest.

*Q: Before we leave Uzbekistan, let's talk about its relations with the other countries in Central Asia. How were they? Let's start with Uzbekistan. Who are its neighbors and what is its role in Central Asia?*

CLARKE: One of the funniest introductory speeches I've ever heard somebody give was when they were addressing an audience here in the United States and said, "Of course a few of you here might not know where Uzbekistan is, and so let me clarify that. It's south of Kazakhstan and it's west of Kyrgyzstan and it's north of Turkmenistan and Tajikistan. So now you know exactly where it is."

It's the center of Central Asia. The Soviets did not really consider Kazakhstan to be Central Asia. They thought of it as a separate case, which given the fact that half its population is European, is understandable. Of the remaining members, if not Kazakhstan, Uzbekistan is by far the dominant country. That's obvious from its size, economy, population, and central location. Tashkent was one of the four biggest cities of the former Soviet Union, with over two million people. It was really the administrative capital of the whole region. The Uzbeks got in the habit of being the capital, the most important ethnic group who outnumbered the other ethnic groups. Several times larger than any other ethnic group in Central Asia, the Uzbeks are an important minority in all the other countries. This creates a great deal of friction with the surrounding countries, just by the fact of that dominance. The smaller ethnic groups assume from the outset that the Uzbeks are trying to do them in. Many Western observers who come to the region think the Uzbeks are the natural imperialists or the bully of the region, including some highly regarded American analysts on Central Asia.

I was there during a period of great tension over the civil war in Tajikistan, which did have some foreign involvement from Afghanistan, and also from Iran. The Russians, not the Soviets any more, were also playing a key role in trying to stabilize the situation. But it was a kind of Soviet concept anyway that the Russians needed to worry about Tajikistan's borders with Afghanistan. The Uzbeks were terribly nervous because they saw this conflict as potentially spreading throughout Central Asia and they were next in line. Nor did they want the Russians to use Tajikistan as an excuse to resume control in Uzbekistan.

You did see my article in [Central Asian Survey](#). I won't go into all the details about that because that's written down someplace else, but I became convinced that given their relative size, the kind of status quo role they were playing was not at all surprising, and was in fact somewhat restrained. I gather that since I've left, they have continued

occasionally to do things that we would consider interventionist in neighboring countries.

On the very critical question of boundaries, these were rather arbitrary and were established during the Stalin period. Even if Stalin had been well-intentioned, no matter how you do the borders, they would have left ethnic groups on both sides of the border. It is interesting that the borders have basically helped keep the peace and that politically at least, the countries have resisted the idea of taking territory from one another. The degree of cooperation leaves a lot to be desired between the countries and that, I suppose is natural. Cooperation before was imposed from Moscow and now with greater freedom, it doesn't come as easily or naturally as it did before.

That said, the Central Asians are all more aware than we how dependent they are on the limited water supplies in the region. Those are based on the two river systems that flow through all the countries. So in this way they are all interdependent, whether they like it or not, because they must cooperate on the management of the water flow or there will be real disasters. Threats by Turkmenistan, one of the down river countries, to divert substantial amounts of water from one of the rivers, was the kind of thing which could lead to real warfare if the diversion were done without some sort of mutual agreement.

So the Uzbeks feel they should be in a leadership position, but as they look around, they see the region as concentric circles. Although they are actually surrounded by weak countries, just outside are a series of very large, powerful countries, first of all Russia, but also China and Iran and Pakistan, all of whom either are nuclear powers or potentially so. Sorting out their security situation is a continuing concern to them.

*Q: Did you as ambassador ever have geopolitical discussions with them to figure out their role? They are new to this and we don't really know their role either.*

CLARKE: Yes. I can't say that we were in any way the leaders on this. I would try to talk to them, and initially they were rather cautious about sharing their views. They became more interested in doing so as they began to realize that they needed a strategy. We developed a political dialogue with them by bringing people in from the States while I was there. We started the practice of having a political dialogue led by the foreign minister on their side. When they got a good foreign minister, Kamilov, they were able to conduct this on a pretty decent level of sophistication. I think it was very helpful to them. They also started the practice of trying to consult with their neighbors by having conferences in Tashkent to talk about regional security issues. I certainly participated in that and in some cases we were not able to get senior people from Washington, so I was the leader of the delegation. We did have good exchanges with them, I got to know their perspective on things quite well, and I think they are a conservative, status-quo tending power, in the region. That's actually in our interest to encourage.

*Q: Sticking to the foreign affairs side, were you concerned about the Iranians mucking around there? You know, trying to turn them into a fundamentalist Islamic regime.*

CLARKE: Yes, and soon after I got there, there were accusations that the Iranians were

doing just that with one side of the Tajikistan civil war and that they were supplying weapons. They were certainly providing moral support, of that I'm sure. The weapons will doubtless be covered some other way. Iran was providing support to the opposition to the installed government, which was basically holdovers from the Soviet period. It scared the Uzbeks a great deal more than it scared us, in fact. That was their fear. They had reason to be particularly concerned if the Tajik minority in Uzbekistan were somehow to become involved or that the crisis would develop into a Tajik versus Uzbek ethnic war. In that case Uzbeks might start getting involved very deeply.

Early in the time I was there, it probably was President Karimov himself who decided it was better to be in touch with the Iranians than not, so he allowed them to open an embassy and visited Iran and came back very unimpressed. Negatively impressed is the right word. He decided that the Iranians were folks that needed watching. Whether he had those suspicions before he went, I don't know, but he certainly did when he came back. They were very concerned even about cultural offices being set up by the Iranians, or bookstores. This, despite the fact that the Iranians are basically Shiites and the Uzbeks and most of their neighbors are Sunnis. Despite the fact that Uzbek is a Turkic language and Farsi is certainly not. There wasn't a lot of affinity there, but there was certainly a great deal of worry. In fact, the Uzbeks used to berate us for not being more worried about fundamentalism spreading.

I don't believe the Uzbeks did the right thing. Their reaction was to become more and more strict with Muslim revivalist movements. In so doing, they alienated people who were by no means pro-Iranian. I think that was a fundamental, strategic error, probably caused by their basic Soviet and authoritarian Uzbek traditions. They didn't know how to build bridges to the Muslim revival and instead tried to control it and then sit on it and repress it. That may really cost them some day.

But I think that Iran was not in a position to be an across-the-board challenger of Russia in those days, and probably not now either. What the Iranians and the Turks and to some extent, the Afghans did succeed in doing, was developing their commercial ties with Uzbekistan, and indeed with all of the Central Asian countries, through Uzbekistan in the middle of all the others. So the development of commercial ties basically depended on whether they could trust one another but, certainly during my three years, there was a huge increase in trade coming up from the Persian Gulf right across Iran. Part of this was because the time and expense to import things all the way across Russia or somehow from the Black Sea was so great that other people could get into the act. I would not say that there were more Iranian trucking companies involved than Turkish because the Turks really pushed hard into this region and I admire their entrepreneurship. It was not always as profitable as they hoped it would be. But those two countries became really alternative transport routes for the whole region, and alternative sources of foreign trade. Afghanistan also. Even though there was often fighting going on, amazingly, whenever there were breaks in the fighting, no doubt with lives paid along the way and whatnot, trucks would come, originating from ports in Pakistan, I presume.

*Q: One of the elements that has prepared a fertile ground for fundamentalism is unemployment or underemployment. Young people with nothing to do seem to be the*

*prime target of the Mullahs. Did you see this at work at all?*

CLARKE: Absolutely. Unfortunately it was in one place. The part of Uzbekistan with the highest potential for unemployment is the Fergana Valley. Uzbekistan sits in the center of the valley and is surrounded by Kyrgyzstan and Tajikistan. The ground is very intensively used in agriculture, but the population is very much larger than could possibly be employed in agriculture. There was some industrialization in the Soviet period, but they need to build factories almost every week or every month to employ the new entrants into the labor force. The population growth rates in Central Asia were always higher than in European parts of the Soviet Union, and they did not slow down after independence, at least not initially. Large families were the norm, and culturally there was no greater reward than to have a large family and be seen as the head of a large family. So there was definitely a push in that direction.

We tried, with some success among the professional medical people, to develop birth control programs through AID in Central Asia and in Uzbekistan. This was one of our programs that was most enthusiastically supported by the Health Ministry and by the medical profession in general. In Muslim countries, at that level of traditional culture, nobody expected this would be an easy job. They got off to a rather strong start in the three years that I was there, largely because they were getting a lot of help from the medical profession. But the problem was unresolved. Your question is unresolved because the Fergana Valley is also the home in all of the former Soviet Union of continued Islamic practice during the Soviet period and therefore unquestionably the leader in the Muslim revival after the Soviet period. The clash there is great between government oppression and a strong Muslim background, certainly stronger than anything in the Caucasus. In Central Asia, the Fergana Valley was certainly one of the strongest areas of Muslim practice and belief. That's not to say they are highly sophisticated Muslims, because with great limitations on their practice and study during the Soviet period, they're not always as well informed about exactly what this religion calls for. In terms of loyalty to Islam, I think this is perhaps the most sensitive area.

*Q: Because Tashkent was the central point of Central Asia, the major city, did Uzbekistan traditionally act as the university center and does it still today? This is where young Central Asians went to go to school and this always has quite an influence.*

CLARKE: Yes. There are a lot of tendencies going in opposite directions at this point. Certainly the other countries would like to build up their own higher education, but Tashkent certainly was the center. They even had, for example, a Mongolian consulate in Tashkent when I arrived. Its main function, according to the consulate, was looking after all the Mongolian students in the various universities. They had an economic university. They had a sort of general university of Tashkent. They had a technical institute, a whole range of higher education.

*Q: Were we doing things with these various universities?*

CLARKE: Yes. AID feels some interest in that, as does USIA, so we had pretty good

contacts with these folks. We were trying to develop programs that would enlighten people about democracy and the market economies, and there was a lot of interest in doing that. I'm probably not the best source on how well that was really going because the other very negative tendency was that they weren't really paying their professors. I paid my Russian tutor a ridiculously low sum, I'm embarrassed to mention. She was delighted because it meant that just about every session with me was worth a month's pay as a professor at the university where she went. She could not survive on that. The result was that students were paying their professors for their grades and for their graduation. Not all students under those circumstances are willing to study, having already paid for their grades and graduation. So there was a really deep need for educational reform, probably at all levels, but certainly at the highest level.

*Q: This may be a bit of repetition, but you were mentioning on human rights. Could you talk about how you dealt with the human rights situation?*

CLARKE: Since we've gone through such a long part of my career in the Foreign Service, I should mention that I learned about human rights from my tours in Bucharest, Romania, where I went to a country famous, under Ceausescu, for poor human rights. Again in Moscow, I was on the country team and heard about our policies, how we pursued them, sometimes made pitches myself on human rights issues when I was acting DCM. Then again we had human rights problems to cope with in the West Bank and Gaza in dealing with Israel, which were very sensitive issues, because in that case we were dealing with a democracy, not with a Communist country.

So I came with this rather large background. Even though I was an economic officer I had been constantly confronted with human rights issues. I quickly learned in Tashkent that some of the habits of the Cold War had not died in Washington. There was a tendency to react with extreme shrillness over incidents that came to their attention even if those incidents were, let's say, less important than some incidents that didn't come to their attention, or even if they were not typical of what was going on. In an effort to provide Washington with a balanced perspective, my policy was we had to stay out in front. Chances are, if there was some kind of human rights incident, we would hear of it rather quickly. We had a very good political officer during my first tour there, who stayed in touch with everybody, everywhere.

*Q: Who was that?*

CLARKE: Daria Fane. She was already an old Central Asia hand even though we hadn't had offices there. She had been a journalist in the region before joining the Foreign Service. She was a marvelous field person, in touch not only with the Uzbeks, but also with outsiders and meeting people in Moscow who watched Uzbek affairs. The chances were we could find out what was going on from dissidents or from the victims rather quickly, or learn about the accusations from outside. Often people from Moscow who heard some rumors would phone us to try to see if they could confirm them, and that got us into a dialogue with them so that we had connections to their sources.

My preference was to seek clarification, from the government if necessary, on the same day, but in any case as quickly as possible, so that we could attempt to report two sides of the story and get some kind of rational recommendation to Washington. Most of the time what we reported was sufficient to cause Washington to feel that we had the situation in hand and we didn't get off the wall instructions that were difficult to execute.

Unfortunately, it meant we had to devote what was a substantial part of our reporting effort to this one issue. But because that issue is of such importance in the development of democracy and some of our other objectives in Uzbekistan, it was a price we simply had to pay.

My view of an embassy abroad is that – forgive the jargon – it's an adaptive organism. It may not be strictly analogous to a living thing, but this organization should be able to respond and react on the scene. This was very important in the early days of our managing foreign policy toward the former Soviet Union. We tried to open posts in all 15 new capitals almost at once. We tried to staff them rather thinly. Nevertheless we had more talent in the field than we could possibly have assembled in Washington. Not for Russia, but for these other countries. There wasn't really a great deal of knowledge in Washington, but there was even less labor available to work these issues. If we didn't work them well in the field and report them, as to some extent finished or semi-finished product, we weren't serving Washington well. It's my view, not just on human rights but on a lot of other issues as well, that embassies should not, when they hear something, just pick up the phone and start gabbing to Washington about it. They should try to develop the situation intelligently on the spot.

*Q: Did you find that your instant reaction to these human rights problems ended up with the Uzbeks saying, "Let's modify our behavior because this just means more trouble"?*

CLARKE: I wasn't sure how they reacted in practice. I mentioned that we had four different foreign ministers when I was there and I got four different reactions to my approaches. The two best foreign ministers were clearly prepared to see me based on my telling them that this was important to the United States. They didn't decide just on the basis of this that observing rights was the latest thing they would like to do. They did not like my objections. The two best of them, but not, I think, one of the others, tended to report what I was saying to the president. That was important. We weren't always sure whether these various depredations on dissidents were really being authorized at a high level or if this was just low level harassment designed to keep these people in their places and save trouble for the security services. We even had a feeling that in many cases the situation of the dissidents was being exaggerated by the security services for their own reasons.

For nothing else than improving communication to the policy makers, I felt it was important to go in quickly and to try to compare our facts, as we could best determine them, with what they thought were the facts. My very first meeting with President Karimov, in our initial *tete-a-tete*, he related a situation involving one of the embassy officers and a human rights case, a very important human rights case, if I remember correctly, involving a former Vice President. He had the facts wrong and related them in

a totally exaggerated way. I don't think he would have done that in his own mind. I suspect it had been reported to him that way. So we were constantly working with that dimension. In any case I could make sure they knew it was important to the United States. As a minimum, I had that. There were interlocutors who would do everything they could to avoid me under such circumstances. The president himself told me one time, "I'm tired of this." That was not the subject he wanted to discuss with me. I'm sure he didn't want to talk about it with his subordinates either. I'm convinced now, this was his style, this was his intent. I do believe he knew more or less what was going on, and events proved it. He could certainly have stopped many of the violations. We certainly kept him informed.

I think in the end, the Uzbeks did not moderate their behavior much. Because in the end, I believe they felt that using strong measures against the population was necessary for Karimov to stay in power. I don't happen to share that assessment. I think he was quite popular without doing that and might conceivably have been more popular and certainly a greater developer of his country, a greater leader, if he had taken the more humane approach to his opponents and dissidents. I think he just preferred being tough.

*Q: Did you feel that you and say your German and French and British and Japanese and maybe Scandinavia counterparts were singing out of the same hymnal on human rights or were you singing solo?*

CLARKE: When I got there, I was a soloist. Nobody else had the idea that this was a good way to start off their relationship with a new country. There's something to be said for that. We paid a price. This sometimes cost us access. It sometimes cost us a negative attitude on the part of some of the officials. Too bad. It was our policy. I got more instructions on human rights than I got on any other issue, even though I was trying to keep those minimized to cases that were important.

But I remembered pretty well from Bucharest, that at the beginning of my tour as DCM, none of the other diplomats had been interested in our story and by the time I left, some of them were more zealous than we were. Not because we had changed. It was because they had changed. Not only personalities, but policies.

The Germans were certainly supportive. The Germans had cases they had to deal with that came to their attention either through their staff or through the immigration of Germans back to Germany. The Germans could not really avoid these issues and therefore addressed them. I'm sure they were not as loud as we were. My style was not to be shrill. My style was to be probing to try and seek out the facts and tell them the bottom line, but also do it in a civilized way so as to maintain my access and develop a dialogue. The Germans did the same. For the other countries, the idea that you could bring democracy or human rights to Central Asia seemed so quixotic that they just couldn't bring themselves to get into it. The British came late and with only one or two people, they were not really able to have the kinds of contacts that we or the Germans had.

*Q: One of the things that permeates foreign policy, particularly in dealing with the newer nations, is that the Europeans have an awful lot of sophistication and they've seen it, and*



*done it, which tends to make them rather world weary so they watch but don't do much. Americans go at this with a can-do attitude. Both these attitudes can come a cropper. As a general rule, particularly in human rights, the United States has been in the forefront and can do something about it and our representatives have to whereas the Europeans are dragged into it kicking and screaming.*

CLARKE: Right, but fortunately I found that I could invite a half dozen people to lunch and talk about these issues, especially if I were offering the lunch. I tried to spread the burden, by educating them on our policy at least. I think that's part of the job too, getting more people on board. That being said, if you're a dissident in one of these countries, and you suddenly find you have no place to turn, you're more likely to pick up and call somebody that's with the American embassy than anybody else. There's nothing I can do to change that or that I would have wanted to do to change that.

*Q: Is there anything else we should cover, do you think? You may notice a hole because of time, but you can fill that in yourself.*

CLARKE: Yes. I think one comment I'd like to make is that especially from Washington, there's a perception which never really bothered me very much in Tashkent, but which is an issue for American foreign policy. That is the extent to which our policy should focus on Russia and the extent to which it should give attention to all the other former Soviet Republics. This didn't trouble me a lot in Tashkent. I got virtually no instructions on this subject. For a variety of reasons telephone communications with Washington were very difficult during that period. I basically used the front-channel reporting, official and formal communications with the desk for 95 to 99 percent of policy-related work. There weren't a lot of secure phone calls because I never could get anybody at the time that I wanted to keep my communications setup open. I had to shut down every night because we had no Marines, no security. We had to close everything down. Later we were ordered to shut down on Saturday too, to save overtime pay for communicators.

So the issue didn't seem great to me out there. I instinctively understood that Russia was more important than any of the others. That being said, I felt our policy should very much be in parallel with what we were doing with Russia. I was not comfortable that we were distributing our resources evenly. I felt some of those decisions were not going well. We talked a little about agency representation and all, because that was a sticky issue for me. But did we care about the independence of these countries and would we do something to help support them in their independence? By something, I mean in the diplomatic realm. I didn't envision any kind of military support. I think, by our presence, even by our rather limited programs, by our attitude, we conveyed that pretty well. It's a natural thing to assume that a country is a sovereign and just by being there, and by dealing with them on that basis, I think we conveyed that.

Looking at it from Washington, I sometimes feel we overdid the Russian angle. In terms of resources, we often underdid what we might have done in Uzbekistan. In Tashkent, we always had plenty to do, and even if we didn't get all the resources we wanted, we always had something to work on. I have to confess in the three years I was there, we always had

challenging work to do.

*Q: Thinking of what's happening in the Caucasus now, in Chechnya there's been a series of very nasty conflicts between Russian troops and Chechen rebels. Knowing about this, were the former Soviet Union countries in your mind a whole different kettle of fish than the Central Asians?*

CLARKE: Not so different as you might have good reason to expect. Chechnya really was an issue for the Central Asians. They had no trouble identifying with them, even if they didn't like Chechens any more than the Russians liked Chechens.

*Q: Chechens were regarded the way gypsies are in parts of Central Europe.*

CLARKE: Yes. Like gypsies in some respects and more dangerous than gypsies in other respects. There wasn't a great deal of love for Chechens. Secondly, these countries did not really want a break-up of Russia. What Uzbekistan wanted to do was ensure that the breakup of the Soviet Union succeeded and that they maintained their own independence. But it didn't really see much benefit in having nobody able to speak for all of Russia. Thirdly, the most fundamental fact of international life, especially for those people who came up under the Communist system, but even for those that had been outside the Communist Party – they had to acknowledge that the most important foreign country for them, like it or not, was Russia. Bugging the Russians about their domestic issues was something they had to be very careful to avoid. In some cases the Russian example was very important to Uzbekistan. Russian inflation, what Russians did to their currency, that was easy for Uzbeks to translate, and they didn't want to copy that. The failures in Russian privatization were perhaps misunderstood by the Uzbeks, but they saw they really failures and wanted to avoid them. There are lots of ways in other words, that they were learning from the Russians, negatively, and Chechnya worried them. Although Uzbekistan is more homogenous than Russia, it has minorities, too.

But the Uzbeks liked our line. Our line was, we think Chechnya is a problem that ought to be resolved by other than military means. At least that was the line we took back then. I imagine we've gotten more hysterical now. But that was the line then. That was a line that even Uzbeks could use comfortably without feeling they were interfering. But it was a lesson to them. Russia, of course, had great difficulty with the Chechens that time around, in the early '90s. They may yet again, but in any case, there was nothing like the success that they have had in the recent hostilities in 1999 and 2000. So I think Russia's problems with Chechnya had another effect which was to raise Uzbek leaders' consciousness that they were really on their own. There was not only much less chance that the Russians would be sending vast military forces into Uzbekistan or any of the other countries, but also if Uzbekistan needed help from the Russians, they might not get a lot either.

*Q: In a way they were seeing that the Russians were not all-powerful.*

CLARKE: Absolutely.

*Q: Which could be discomfoting if you're sitting next to Iran or something like that.*

CLARKE: Yes. The Iran connection is something I am sure my successors made sure stayed high on our bilateral political dialogue with Uzbekistan. What to do about the Russians and Iranians and the Russians and Iranians working together, which the Uzbeks saw as a serious threat.

If you have fighting in the Caucasus, this can affect transport routes, certainly through Georgia and Azerbaijan, which is one of the short ways for trucks to come, because then they can take a barge across the Caspian. There can even, in some cases, be problems importing from ports on the Black Sea, in Ukraine or Russia. It certainly means a very circuitous rail connection. It tends to make you more dependent on the Iranian routes, which was not what the Uzbeks wanted. They are sufficiently land-locked. They have to look at these problems and judge how they will be affected. That being said, you know, as a conservative, status quo power, changes in borders are not a good idea. You might do all kinds of skullduggery working around the borders, but once you start changing the borders, you are no longer a status quo power.

*Q: You left Uzbekistan when?*

CLARKE: September '95. Three full years after arriving.

*Q: Then what did you do?*

CLARKE: I became the International Affairs Advisor at the National War College, here in Washington at Fort McNair. I'm not sure there's a great deal of fascinating stuff to talk about. This is a job originally held by George Kennan in the 1940s and I had the honor of moving into what could have been his office. It might have been his desk, although knowing how government offices are, it might have been somebody else's instead. Unfortunately, that's where the kinship ends. While he was at the National War College, Kennan wrote the "X article" for Foreign Affairs, whereas Henry Clarke wrote an article on Uzbekistan that was published in an obscure journal called the Central Asia Survey. So the contrasts could not be more unflattering to me.

Interestingly enough, my article dealt with geopolitical issues having to do with the break up of the Soviet Union and whether there was something to the new containment or whether we should consider Central Asia a sphere of influence for the Russians. It did reflect the old issues that Kennan addressed so well and that are inevitably long-term concerns for anybody dealing with Russia.

*Q: What was your impression of being in the heart of military education at the upper level? Did you feel that the military was undergoing a revolution in thinking that we were no longer going to be fighting tank battles in the Fulda Gap again, but we're going to get involved in a lot of small conflicts. Was this a matter of concern or discussion?*

CLARKE: The most important function of the National War College is to take Lieutenant Colonels and Colonels out of their purely military careers and expose them to broad national policy issues and hopefully expand their perspective beyond their own profession. Because at that stage, especially, the people selected to go the National War College are going to be involved in national policy that is not strictly military any more. The school quite properly does not have a school solution because that would almost always be wrong and almost always be out of date. Instead it tries to teach these guys how to make strategy that is broad and includes all national concerns. Still, there is time in the curriculum to address military issues as well such as what kind of war they should be fighting and how they should be organized to do it? I think the course does a splendid job of helping them address these questions, but doesn't answer it for them.

So I can assure you that there are many Lieutenant Colonels graduating still, who think that the U.S. should not be involved in these little deployments all over everywhere but should be waiting around for the great big war, even though we don't happen to have a peer enemy anywhere at this moment. That would lead you to believe that maybe the military should be much smaller than any budget estimate that any of them would want, or anyone has proposed.

*Q: Either that or develop an enemy. China seems to be the designated enemy for some, today.*

CLARKE: Interestingly enough I was there during the period when Admiral McDevitt, who was a Pacific-strategy man, was the Commandant. He made sure that the college focused much more than it had in the past on the Pacific. But he did so in a very sophisticated way. It was definitely the view, as well, of the professors dealing with East Asia that they had to study on the one hand, the sort of the hegemonistic tendencies of China, and on the other hand, its weaknesses. They probably did a better job of teaching East Asia than some other areas of the World.

I certainly learned a tremendous amount from this because it was my job to teach strategy too. I taught in the course that dealt with all of the major regions of the world including East Asia. In order to do that, I had to become as knowledgeable as my colleagues. I think it's a fine institution. I think it's terribly important that the State Department continue to send substantial numbers of its better officers to be part of their student body there.

*Q: It's becoming more important. It used to be that we were just a resource there. In my day, and maybe yours, almost all of us, certainly the males, had had a substantial hunk of time in the military, maybe as an enlisted man. I had my four years in the barracks. But we knew the military. The people we're getting today, particularly the junior ones, not the ones that are coming in in mid career, don't understand the military and the military has been off to one side and a bit looked down upon.*

CLARKE: Right. I think that's terribly important, and State's role is more important now than before. I do think that the officers we send there come away with a much greater

understanding of what the military amounts to. Another thing that's happened is we are rapidly approaching 50 percent women among Foreign Service officers. Certainly in the years I was at the War College, we were sending 50 percent or more women to take the course there. There certainly was no chance that they'd ever been drafted or little chance they served in the military. So for them I think it probably was fascinating, and essential for their future role in foreign relations. It's not a place that we should send the Foreign Service officers who've already spent a lot of time in political-military affairs. We should be sending somebody else there. I think that by and large personnel has sent a spectrum of people from different backgrounds, including admin and consular, over there. As long as they are picking people with potential in the Foreign Service, not just a past in the Foreign Service, that's a good thing.

*Q: Could we just touch on what you're doing now and what your concerns are?*

CLARKE: I left the National War College in 1998 to take a job working for then Under Secretary of Economic Affairs, Stuart Eisenstat, on restitution of real property in Eastern and Central Europe. It was a job that I had hardly known could even exist and certainly wouldn't have in the Communist period. It involved persuading the newly democratic countries to return property that the Nazis and the Communists had taken.

Property falls into two categories. One, community property i.e., property mainly owned by religious groups – the churches and synagogues and so on. And two, private property, that had been taken from middle class people, but not necessarily just middle class, and never returned. It has been an interesting assignment. Partly because I've been on my own. My brief does not cover all of these class action suits and measures by the insurance commissioners of the various states to put pressure on European insurance companies. I'm not involved in that loop which is basically being done by J.D. Bindenagel. I've had the real property brief. I had a chance to visit most of the Eastern and Central European countries to argue my case, which is that restitution is part of becoming a democratic country, that property taken without compensation should be either compensated or returned.

Every country is doing something different. There's certainly no need here to discuss all the facts, but it's been fascinating. Lately I have taken a different tack. I have decided that I wanted to retire before the end of 1999 and I succeeded in doing that. Eisenstat, however, persuaded me to stay on in some capacity so as to finish mediating an issue in Poland. The issue is important to the United States, first, because restitution is a matter of principle for U.S. policy, and failure to reconstitute Jewish religious property in Poland could hurt Polish-U.S. relations.

My job is rather unconventional Foreign Service business, yet it may be the sort of thing that the political scientists have been talking about. Diplomacy in the future will not be just between governments but will increasingly involve non-governmental organizations at the center of things. AID has been dealing with non-governmental organizations routinely, and trying to use them to develop democracy in the newly independent states. I think it is appropriate. But nongovernmental organizations can be surprisingly inflexible.

Sometimes they would rather fight than win.

The situation in Poland is that there had been some three million Jews before the Holocaust. Those who were not killed often were placed in slave labor camps or went into hiding. Some who returned home in Poland after surviving those bitter experiences were chased off by the local Poles and went abroad to settle, many of them to the United States or Israel. Leaving Poland at that time was bitter for them, but during the Communist period, many of these folks did much better in Israel and in the United States than those they left behind.

The situation now is that there are nine recognized, but rather small Jewish communities in Poland, a tiny fraction of the previous multitude. Nothing like the number of former Polish Jews who are living outside the country. The Polish communities in Poland have the sole right to reclaim all of the synagogues and cemeteries and offices – even in some cases old folks homes and who knows what all – the huge prewar Jewish community in Poland, three million people, had. Even with the best will, they don't have the resources to process all these claims, to take over the property and to manage it. So the proposal was that the World Jewish Restitution Organization which represents Jews worldwide on these issues, would join in a joint venture with the Polish-Jewish communities and form a foundation which would reclaim this property. My work in restitution led me into following these discussions, and they totally broke down last year,. There were about four major issues which seemed to be totally irreconcilable.

*Q: Were these issues with the Polish government or issues between the Jews in Poland and the Worldwide Jewish Organization or both?*

CLARKE: The Polish government took the position that they had a law that allowed for the restitution of this property. If the local Jewish communities wanted to have foreign partners, that was okay. They were not going to get mixed up in that. It was up to the local communities to decide what they wanted to do. The local communities did not feel that they should give up their responsibility in Poland by simply acknowledging that only those abroad had a right to this property, and the people abroad, who by and large, were very suspicious of the local Jewish communities, didn't feel that the local Jewish communities had a right to claim it. So there was great tension and ill-will between the Jews outside Poland and those inside. So yes, the dispute was between Jewish groups.

I wrote a little paper saying there's huge mutual interest. They both feel the responsibility for having this property restored to Jewish religious groups. There is absolutely no reason why they can't objectively get together and reach agreement and set up this foundation. But they are deadlocked now. They are not doing it. What they need is a mediator, someone to help them find a common interest and pull it together. That's what I have been doing. We are now, it seems to me at least, at the risk of having to eat my words shortly, very close to getting that agreement. I really hope to wrap this up before Passover.

*Q: Great. I think this might be a good place to wish you luck and we'll stop at this point.*

CLARKE: Fine.

*End of Interview*