

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

**AMBASSADOR JOHN A. FERCH**

*Interviewed by: William E. Knight*  
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## INTERVIEW

*Q: This is an interview with retired Ambassador John A. Ferch on September 27, 1991 under the Foreign Service Retirees Program and the interviewer is William E. Knight, also retired Foreign Service.*

*John, as you know this is your opportunity to say whatever you would like to say about the Service and your experience in it. So it is your ball game and you start out and lead it wherever you would like to and I will interject occasionally, but basically this is your opportunity to say whatever you would like to say.*

FERCH: Thank you Bill. I have thought of what I would like to discuss. Let me lay this out as if it were the chapter headings. I would like to talk first about how I got into the

Foreign Service since I think most people probably get into the Foreign Service in the same haphazard way. Then I'll outline my career of some 30 years, simply noting the facts. I'll next discuss some of the major issues I was involved in during the course of that career, drawing some conclusions about what they signified for our foreign policy. Then I'll touch upon management in the Foreign Service, something that I don't think we do too well and in which I took personal interest. Next I would like to discuss the role of the wife in the Foreign Service, something that I think is very, very important and confronts the Service in our new day and age with major problems. Then I would like to talk about how my career concluded, because it concluded in a very politicized manner and therefore is a bit different from that of almost all other Foreign Service Officers. I will end the interview by talking about my satisfaction with the Foreign Service and the downsides I see in the Foreign Service. So, let me get started with the beginning.

I joined the Foreign Service for all the wrong reasons, as most people probably do. I knew nothing about it. I was corrupted at an early age by the National Geographic and became a map freak, became interested in strange, exotic lands early on.

*Q: Nothing wrong with that.*

FERCH: True, but not a good reason for going into the Foreign Service. It tells you nothing about what the Foreign Service does.

I come from Toledo, Ohio and was the first person in my family to go to high school, much less college. In high school I had an interview, wholly coincidental, with a recruiter from Princeton. I was sitting in an English class in my senior year. I was a very successful student and leader of my high school, being president of the student body. But I also was like every other teenager and was often bored with studying. Over the loud speaker there was an announcement that somebody from Princeton was down in the college room. I had only the vaguest idea where Princeton was, but I said, "I am out of here, I have to get out of this class." So I went down there and eventually got a scholarship to Princeton.

It was Princeton that obviously equipped me to pass the Foreign Service examination. I actually studied at Princeton throughout the four years with the Foreign Service as an objective.

*Q: That was my case at Yale too. What class were you in at Princeton?*

FERCH: The class of '58. I took all of the right courses. But fortunately, for myself, I also took a lot of courses in art history, which has greatly enriched my life, much more than some of the other courses.

Between my junior and senior year I took the Foreign Service examination, the written, and passed it. In September of my senior year I took the oral, passed it and therefore at the beginning of my senior year I had a job. And in total naivete I told the Service that they

would have to wait for me to graduate, and for reasons I never understood, they said, "Okay." They said that I should call when I graduated.

During the year I also became engaged to my wife. I graduated and within a week we got married. I called the State Department and said that I was going on my honeymoon and they could call me when we get back. So we went on a seven week honeymoon to her father's cabin in Canada, came back and called the Foreign Service and was told to come on to Washington.

Now this doesn't happen, and I know the Foreign Service is not geared to do this and why it happened in my case I have no idea.

Anyway, in September my wife and I piled our few possessions into an old car and drove to Washington. She was 21 and I was 22. I entered the A100 course where the average age of the class was 28 or 29 and everyone was able, had experience, and we were just totally out of it.

At that time one of the many Personnel assignment policies that the State Department has had over the years was that new officers, after A100 and language training, would spend their first tour in Washington. And sure enough, everyone in class, all these experienced people, spent their first tours in Washington. And the powers to be said, "Ferch goes to Argentina." Now everyone in the class was more qualified, more mature, and envious as all get out watched us leave for The Pampas. We sailed down to Argentina and began a career.

*Q: Did you already have Spanish?*

FERCH: I took Spanish in FSI.

As I said, I joined for all the wrong reasons and the Service itself seemed to lack reason in choosing my first posting. When I look back I can't imagine a more confused Personnel policy that would take two kids who knew absolutely nothing and send them abroad to defend US interests when all the more experienced officers were kept home in rather dull jobs. This doesn't make any sense at all. But, of course, like that class in my high school, it shaped my life. It got me on the road to Latin American affairs, and because the second year of my two year assignment down there was in the economic section...

*Q: First year was...?*

FERCH: Consular work. I liked the economic work and had it in the back of my mind to get the Department to send me back to school. I hadn't taken economics at Princeton.

I learned something in getting my second assignment. I was assigned to INR...of course I didn't even know what INR was. Naivete has been my strong suit for years and years. Another junior officer who had already left and was back in Washington wrote me and

said, "You can't go to INR, that is no good. You will just bore yourself. I will get you a better job." This has since shaped my career. I don't think the assignment process has ever put me anywhere formally. I haven't been one to go out and be a hard wheeler and dealer for assignments, but I did realize that you had to get out in the corridor and look for your assignments and make yourself known. That has shaped my career too.

My next assignment, which this fellow helped me to get, was on our delegation to the Organization of American States.

*Q: You did not go to INR at all.*

FERCH: I did not go to INR at all. How it is that people listened to such naivete when I said that I didn't like that and would rather go some place else, I don't know. But they did.

I went to our mission to the OAS. So I had two assignments to ARA in a row. This leads to another conclusion which I will try to come to next.

The OAS was a good assignment. I was the very, very low man on the totem pole, but coincidentally also on the mission at the time was Bill Bowdler, who subsequently held many senior assignments-- Ambassador to South Africa, Ambassador to El Salvador and Guatemala, Assistant Secretary for ARA. That contact led to two subsequent assignments. This just shows you how the Service works.

Perhaps the two salient aspects of the OAS assignment were that it imbedded my interest in Latin America a bit more and also gave me the opportunity to do two things. First, to lobby for an assignment in economic training. But while I was in Washington, I also took advantage of the Department's programs to go to the graduate school at George Washington University for economics in the evening. I must have taken four courses in the four years.

The Department did agree to send me to the University of Michigan. By now we are at 1963-64. By now we had two kids.

*Q: Six years in the Service at this point.*

FERCH: Well, four years before going to Michigan. A little bit more if you add in the training program, home leave, etc. I left for Michigan in the fall of 1963. That is five years after entering the Foreign Service.

I was relatively fortunate in the courses I took at Michigan. Most of them proved to be very relevant to my subsequent work.

*Q: Which did you consider particularly relevant?*

FERCH: There was a professor there by the name of Leonard Smith who had been on the Council of Economic Advisers and he crafted a program called "Stabilization" in which he brought together all of the disciplines of government economic policies-- monetary, fiscal, trade--and showed how they interact and how you can use them in an interacting way to achieve stability. Stability would be defined as a steady growth course. It was fairly intellectually challenging and rewarding.

In Michigan I started looking around for jobs. Here is where, as I alluded to earlier, the regional direction of my career became fixed. I had made a minor name for myself on the mission to the OAS, also, probably in Argentina, to a degree. But I had not served anywhere else. So the only people who knew of me were the people in ARA. Here I was an economist at the very time when the Alliance of Progress was peaking. There was great need in ARA for economists because we were throwing a lot of money into Latin America. I use that phrase advisedly.

So ARA was very interested in getting me back into ARA. I suppose the Department's formal policy at that time was that I should have gone some place else regionally. But ARA offered me an assignment as an economist in Bogota. It was doing the hard economics--the balance of payments, the fiscal accounts. At that time we were putting into the Colombian economy through AID resources equivalent to over a third of their import bill. We were in Colombia in a big, big way and were working very closely with Colombia's economic policy and had great need for detailed reporting on the course of the Colombian economy. There I learned to do basically an IMF type economic analysis where you do a monthly report on the Colombian balance of payments, on the budget expenditures, etc.

*Q: You weren't there when I was down there on the aviation negotiations were you?*

FERCH: I don't recall. We had an officer in the economic section who had aviation as his specialty so there must have been an issue there.

*Q: What was his name?*

FERCH: I don't remember.

*Q: Well it had to be between '63 and '67 when I was in the aviation negotiations.*

FERCH: Well, I was there from 1964-67, three years. It was a very rewarding period of time. We produced our last child. Nothing else significant happened during that time. It was a wonderful Embassy. Covey Oliver was the Ambassador for most of the time. He was just a great ambassador. The staff had a high morale. I have been fortunate in serving in such posts and will talk about that under management.

From there I, in my wisdom, decided that I had to have my own post. Now think of it, at this time, 1967, I was 31 years old. Why I thought that anyone was going to give me my

own post is beyond me. But I started looking around for separate consulates in Latin America. The Embassy was very supportive of me. Henry Dearborn, the DCM, was very supportive of me and I am sure that is why I eventually got the post. But it is kind of funny because it shows once again this galloping naivete.

I was offered a post we no longer have in Peru called Arequipa. I got the post report and it mentioned that spiders were a big problem. Well, my lovely wife said no way was she going to that place. So I told them that I was not going to go to Arequipa and was going to look for another place. Someone told me about a post in the Dominican Republic called Santiago de los Caballeros, a place I previously had never heard of. We had opened this post after Trujillo had died, as a listening post, and in the fashion of all bureaucratic entities it had grown fairly large. So, I said I would like to go there, and I went there.

It was delightful. We arrived two months after the troops left and you would have thought that the tension would still be in the air. But this was a two-year Caribbean vacation. There was absolutely no tension. The people were the nicest people I have ever met at a post. They were very laid back. I joked that they had had their civic sense amputated years before by Trujillo because they gave a high priority to having a party. We enjoyed ourselves immensely.

I did a lot of independent reporting trying to prove myself as a political officer, as only young men can do. I traveled all over the north, reporting on this and that and, of course, no one really cared. I did get a commendation out of the effort, however. I guess no one had ever gone into some of those little towns. But they were smarter than I, they shouldn't have gone there. There was nothing going on of any interest to the United States at all. But I went there and it was a lot of fun.

But I knew that I had to get back into economics. So I looked around for economical postings. ARA proposed that I go as economic counselor to Quito. The ambassador there, I forget his name, looked me up and called the Department and said that he had too many kids already and wanted older men. By this time I was 32 or 33 and so was disqualified on age.

At this point Bill Bowdler heard that I was coming on the market and he grabbed me to go to El Salvador. I was chief of the section there for two years.

This job, together with the one in the Dominican Republic, began to offer me the opportunity to shape programs. I was also assistant director of the AID mission. I began to think seriously about how a mission should function. I became quite interested in being methodical about work programs, etc.

This was just before the beginning of the Central American crisis, which literally began during my last year in El Salvador.

Bill Bowdler was assigned to Guatemala and he asked me to go with him. For me the move was attractive because there was a bigger AID program. So I went with Bill to Guatemala.

*Q: This was what year?*

FERCH: This was 1971. I was in El Salvador from 1969-71 and then went to Guatemala, which is right next door you know and literally about 150 miles up the road.

I went there doing the same job, but a bigger job. Once again we thoroughly enjoyed ourselves. Guatemala is a fabulous country touristically and we had the good fortune of being there between the nasty mindedness of the Guatemalans. The revolution in Guatemala, which began in 1960 with the uprising of Jan Sosa and continues to this day, was in a pause, except for the first nine months we were in Guatemala. During that time we were shepherded around with guards, etc. After that, Sue and I literally traveled over all of the country, taking Embassy 4-wheel drive vehicles. It is a beautiful, beautiful country...volcanoes, lakes, Indian culture, colonial towns.

So I progressed professionally and enjoyed myself. I enjoyed all of my posts.

*Q: Was that soon after Nat Davis? Did Bowdler succeed Nat Davis?*

FERCH: Yes. I am almost certain Bowdler succeeded Nat. Nat was my big daddy in the Foreign Service. You know we have had so many programs in the Foreign Service in which people are always trying to think of ways to do things better and somehow they sort of wither away. When I came into the Service, this is backtracking now, every new officer had a senior mentor assigned to him. Nat was my mentor. That program didn't last long. He was very nice, very helpful.

So I stayed in Central America six years. By the end of that time, 1975, I had been abroad almost 11 years and that was long enough. The oldest child was 15 and it was time to go back to the States. I also wanted senior training. I think I was an "old" FSO- 3 by that time. I don't remember all of my promotion dates, but I must have been a 0-3. I was assigned to the War College.

So I came back from Guatemala the summer of 1975 to go to the National War College. That, of course, was a great year. Also, if you are going to come back to the States having lived abroad that long, that is a nice introduction. As an aside here, we had not purchased a house before but decided we were going to buy one. I said to my wife, "Sue, why don't you go out and buy a house." This shows once again my naivete She is about to get on the airplane and a friend of mine from the AID mission said, "That is the dumbest thing you have ever done. You have to make that decision jointly." So we went up there and bought the house together, which was the way to do it.

Anyway, we had a year in the War College. During this period Kissinger, a man whose path I crossed subsequently quite a few times, decides, for whatever reason, that everyone had to go some place else. The acronym for that policy was GLOP.

*Q: Well, he got the idea that the tribes were too rigidified.*

FERCH: So here is John Ferch who has only served in Latin America and only by chance. I was not a Latin American specialist on my personnel records. I never did become a Latin American specialist. I just happened to stay in Latin America. But I had to be GLOPED, but I was also going to stay in Washington. So all GLOPING meant to me was not being in ARA, I was going to be in another Bureau. Well I am an economist so obviously I was going to go to EB. Actually this was something I didn't want to do because at that time EB had a policy of keeping people for four years and I didn't want to spend that much time in Washington. But EB wanted me. A woman by the name of Francis Wilson, probably the best executive director the State Department ever had really ran EB. It opened my eyes about ARA. I never realized that ARA was so sloppily run as it was until I saw a Bureau like EB. Jules Katz was the Assistant Secretary then, a fabulous guy. EB really opened my eyes about management.

Anyway, I was made an office director in EB, something called Food Policies and Programs, which was PL 480 and a lot of other things. Basically it was liaison office with the Department of Agriculture because State has little responsibility for international agriculture. What we had was vested in my office, a fairly large office. We must have had six to ten people.

I was there for two years and I really began to appreciate what Francis was and is, but I still wanted to go overseas. I must have done a pretty good job because Francis did not hold me to the four year rule. And more than that she was instrumental in obtaining for me one of my best assignments. By this time, having been an office director, I said that I was ready for a big DCMship. Once again naivete. So I started talking around.

Pat Lucy was ambassador in Mexico. He had been Kennedy's campaign manager and also governor of Wisconsin. He wanted a new DCM and called a friend of his in Treasury, Tony Soloman, I think. Soloman called Francis Wilson to see if she could recommend someone for the DCM slot. She gave him my name and I went over and talked to Pat. He said, "I want you." Then the Department said that he couldn't take a guy of my rank to Mexico. I was at that time still a 0-3 and 41. He said, "Okay" and chose somebody else. And then that somebody else quit the Service. Pat again said that he wanted Ferch, that he wasn't going to put up with anymore of this. So I went to Mexico. I had been assigned to go as DCM to Quito. I was in the DCM course when I was told I was going to go to Mexico, which, of course, was a tremendous step up.

At that time it was the largest mission in the Foreign Service. We had 1200 people and a hand full of consulates. I spent four years there. A fabulous job. I really conceived of that job and carried it out as I think a DCM job should be conceived--an in-house job,

managing the embassy, making it function. I had an opportunity to put into practice all sorts of ideas I had about really making reporting programs relate to policy and having reporting assignments reflected in the goals and objectives and officers' efficiency reports. I really got into trying to run a coherent embassy.

I worked for three ambassadors, three political appointees. Pat Lucy was the first one. He quit to run Ted Kennedy's campaign. Pat is still a very, very good friend of mine who I highly admire. Then there was a man by the name of Julian Nava who served only 11 months. He tested me no end because he did such things as bringing in a Rolls Royce and selling it before he even sat in it, for \$100,000. The Inspector General finally came down and he left for that reason, but most people didn't know that because it was also the change of administration. Then John Gavin came down and I worked for him until I left.

So I was there in Mexico from 1978-82. At one time towards the end, my name, although I am not sure how far along it was, was on the ambassadorial list for the DR, which really pleased me. The Ambassador, this was John Gavin, who by the way has a profound, extraordinary knowledge of Mexico and his Spanish was better than any Spanish I have ever heard, had a secretary who he wanted removed. John Ferch, the naive, who was focusing on the management of the Embassy, said that that was the DCM's job. She was a young black woman and brought a grievance against me, which did not hold. I was not charged with anything but doing my job. But during the course of the grievance, my name was removed from whatever stage it was re going to the DR. I was not too happy about that, as you can imagine. But Jack Gavin felt he had to help me out.

Because of his intervention I was called one day and asked if I would like to go to Cuba as chief of mission there? We don't have an embassy in Havana, we have an equivalent of an embassy, an Interests Section. I was totally surprised because Cuba is a communist country and I had never served in that environment at all and hadn't followed Castro's revolution. What I also realized at that time was that I couldn't say no. I was, however, concerned about my lack of experience in communist societies.

So I went to Cuba and spent three years there. I was on the island during the invasion of Grenada.

*Q: Could you pause here for a while and describe exactly what your function was in Cuba and what you were able to do and not do and what officials you saw or didn't see, etc.? Give us a picture of what it was like to be in that hostile environment.*

FERCH: I was going to do that under the issues segment, but I will do it here if you like.

First of all, the Interests Sections were established in 1977 by an exchange of Notes, very brief Notes, that limited their size, but also said they would be treated as if they were embassies and the chief of the section would be treated as if he were an ambassador. And the Cubans lived up to that. I was the American Ambassador in Cuba and dealt as any other ambassador. Now, having said that, our work load was different in Cuba than other

American embassies around the world because of the hostile relationship with the Cubans.

*Q: Does that mean that you could trot down to the Foreign Office and be received at a reasonably high level?*

FERCH: Absolutely. In fact, it was rather strange. Let me walk through this a bit. It took me some time to realize what the situation was there it was different than, I am sure, any other diplomatic mission we then had--it may not be true now. But then Castro wanted effective contact with the United States. I use the word effective advisedly. He wanted to be able to communicate quickly with us. And he wanted to be able to have us communicate with him. He could not do that through Washington because we never honored that exchange of Notes. We do not treat the chief of the Cuban Interest Section here as if he were an ambassador. He is not invited to regular diplomatic events. He does not have access. I was the third chief of the Interest Section and our practice was well established. So Castro knew that if he was going to have effective communication with the US Government, it was going to be through the Interest Section in Havana, through me.

Prior to my arrival he designated in an informal but clear manner, a handful of men to deal with the chief of the Section. The senior of these men, was a man by the name of Jose Luis Padron, who was in their DGI, intelligence organization, but had the open job of head of tourism. He was an old personal friend of Castro...a very intelligent, a very personable man. In addition to him there was the now Ambassador to the UN, Ricardo Alarcon. He was then senior vice minister in the Ministry of Foreign Affairs. There was Jose Antonio Arbreu, who is now chief of the Cuban Interest Section here. He worked with Piniero "Barba Roja", in the Americas Department in the Party. The Americas Department is the group that managed and supplied the guerrilla movements around Latin America. And there was the Foreign Policy Adviser to the Vice President, Rafael Rodriguez, an old line communist. This man's name was Salsiminde.

These people, with the exception of the latter (Salsiminde and I didn't hit it off well, I think for personal reasons) met with me frequently. I had very high regard for those other three men. And still do. They were very bright guys, professional. Through them I could reach Castro probably quicker than anybody in town.

To give an example, during the first day of our invasion of Grenada, I had a prearranged call on Jose Luis Padron. I used the visit to reiterate, under Washington instructions, the thrust of our Note which I had delivered earlier to Alarcon. The thrust of that note was that the Cubans on Grenada were not the target and if they laid down their arms they could leave honorably. Padron picks up the phone and calls Castro right on the spot. That is the type of contact I could have.

What is interesting about this is that that was the only contact I got. I couldn't do other things that a mission would normally engage in. Say dealing with the Minister of

Commerce, the Minister of Culture, etc. Castro wanted the substance of diplomatic relations but didn't want the appearance of friendly relations.

*Q: You did not see Castro himself?*

FERCH: Oh, several times, but not in personal conversation. I could not call up Castro and get an appointment. It was always in the context of other events in which he arranged to see me. I had lengthy conversations with him several times, but it was at his doing rather than my doing. My contact, when I wanted to reach him, was through these men.

But the point is that I didn't have much else to do in the sense of...you want to do a fishery report? Call the Ministry of Fisheries. No, I couldn't do that. It would give the appearance of normality and they didn't want that.

*Q: How much of a staff did you have?*

FERCH: It was limited by the Note. However, both the Cubans and ourselves, circumvented the Note by bringing in TDY people. We were not supposed to have more than 20 some people. At any one time, I suppose, we had 30 to 35 Americans, including eight marines. Then, of course, being Americans, we had to have a large local staff. Think of this, here is the government we love to hate most and we hired 100 Cubans. They were running all over the place. We were not going to drive ourselves, or paint our own houses. So we had this tremendous staff to maintain our presence there. I always found that rather amusing.

*Q: But, the rest of your staff were they doing substantive reporting also?*

FERCH: Well, there were four or five people doing substantive reporting with a couple of secretaries. It wasn't much. The real work of the Section was done by me because the real work was done through those four men and myself. The end result of this was ironic. You frequently hear people say, "Boy, I wish I had time to think. Wish I had time to sit back and plot my course, but I can't because I am too busy." Well, I wasn't that busy and I had time to think about what the Cubans were up to or what Castro was doing. I would sit in my office overlooking the water and El Moro Castle and ponder the entrails of the Cuban mystery.

*Q: This was the old embassy that we were still using?*

FERCH: Oh yes. (And I lived in the Residence. The finest Residence I have ever seen in the Foreign Service.) In this manner I taught myself how to analyze communist newspapers by what is not in them. You keep up to date on world events and then you compare with what they are not saying with what is actually going on. I was very proud of it. It was one of the most intellectually satisfying times I ever had. It was almost like puzzle breaking. As a result of this I think they respected me. They could see that I was understanding what was going on. Those societies are so opaque. They create all these

barriers between anyone and them. And I was able to break the barrier because of the time they gave me.

For example, I was able to alert Washington to such things as a Cuban about face on Angola. To me it was very clear at one point that the Cubans were taken aback by Assistant Secretary Crocker's success in his negotiations with the Angolans and wanted to come on board. I was able to alert Washington to that and negotiations resulted.

I should note that they did allow me to visit factories, which I never could understand because they displayed how inefficient they were Cuba was very interesting. I could go on talking about Cuba for hours. It was fascinating.

Cuba also provided us with a fascinating personal note. When Sue and I went to Argentina in 1959 we stayed in a hotel called the Crillon on the Plaza San Martin.

I was simply going to say that there was a neat completion of the circle, personally for Sue and myself in the Cuban assignment. Cuba was a very satisfying assignment intellectually. A very difficult assignment because you were always on your guard. The Cuban officials I dealt with were super sharp individuals. I never thought I could relax with them as you can in most places in Latin America where you can become friends. The Cubans I dealt with were very good acquaintances. They were very personable. They never mistreated me. They treated me with respect. I treated them with respect. We got along, we laughed, but you never let your guard down.

So every time we left Cuba, and we left frequently because of the pressure of always being on stage, I felt, I used to tell people, 20 pounds lighter when I got off the plane in Miami.

The completion of the circle that I was talking about before...when Sue and I went to Argentina in 1959 to begin our career we stayed in the Hotel Crillon on the Plaza San Martin. For people who know BA they will know exactly what I am talking about--a lovely place. Castro, Che Guevara and a whole crew of people were also staying there. I have this image in my mind...Sue and I are going out to dinner one night, we were at the hotel for three months before we found a house, and Fidel and Che were coming through the door. That was my first contact with Cuba and there were no other contact for years and years and then I get assigned to Havana near the end of my career. So it was kind of a full circle.

At the risk of getting off on a tangent, let me say something about the invasion of Grenada because this illustrates something very interesting about our relations and the Cuban people's relations to Castro.

I had not been told that the invasion was pending. Apparently the Cubans saw it coming and for reasons I don't understand...perhaps it was coincidental...our communications were cut. Power was down and it was very difficult for me to cable Washington on

Saturday...the invasion was on a Tuesday morning. On Tuesday morning I was awakened by a call from Washington because they could not send a message on the regular facilities. They read me a diplomatic Note to be given to the Cubans. I wrote it down and rushed to the Embassy, translated it and had it typed up, and delivered it to Ricardo Alarcon at 8:30 that morning, as I mentioned earlier.

The Note was the first of many. It was very interesting to me because it was almost out of the 19th century. It said something like, "You, Cuba, are not the target. Your soldiers can lay down their arms but keep their side arms, flags and depart with honor." It was really right out of another century.

As I said, I had a call scheduled on Padron at 10:00 that day and kept it obviously. I was told by Washington to go in and repeat the message orally. So I made the demarche orally. He called Castro on the phone at that time and said, "This is what Ferch is saying." Castro said...and I never figured out whether Castro had been deceived or not...he said, "Tell Ferch he is behind the times. All of our men died fighting. The last of them wrapped themselves in the flag and died fighting." Well that wasn't true, of course. But that was what Castro's message to me was.

*Q: There were none of them killed were there?*

FERCH: There were 22 or 23 killed.

From that point on for the next two weeks there were many messages. The Grenada invasion for us in Cuba lasted until the bodies and the troops came home. There was a lot of diplomatic correspondence. During the first part of those two weeks, the level of tension in Cuba was very, very high. I say level of tension in the sense they didn't know what we were going to do and the people of Cuba were very, very worried that war was going to come to them. During this period, no one picked up the phone and made a nasty call to us, much less demonstrated in front of the Interest Section, must less threw a stone at anyone, nothing. It was a controlled society, but it says something about the Cuban people, they can't control everyone all of the time. The people were worried.

What I am leading up to is the following. Castro tried to calm down this concern and he was unsuccessful. Therefore, this is my own interpretation, on the second day there appeared in the upper left hand corner of the Party newspaper a little box headlined, "Advise to the Public." This box appeared subsequently after every demarche I made, every Note I delivered. It began, "Mr. Ferch has the following to say." And it reported correctly in every case without changing words at all.

The conclusion that I reach from that, and I don't think the conclusion has been properly drawn by anyone else, is that it demonstrates that the Cuban Government lacked credibility in the eyes of the Cuban people and that the only way Castro could get the message across to calm down, that there would be no war, was to let it come through the

words of the US representative. I had more credibility in the public eyes than he did. I think that was the lesson there.

*Q: In your liaison and communications with Washington what was your channel? Who did you really communicate with--Desk or higher?*

FERCH: Obviously, like any ambassador, I communicated on various levels. On a daily basis I would talk to Ken Skous who was the coordinator for Cuban Affairs, effectively the Country Director.

*Q: By telephone?*

FERCH: By telephone and by cable. I did most of the reporting there so I was communicating with a lot of people. I must say now on my current job with the National Intelligence Council I find a lot of people who seem to remember my reporting. Everybody was interested in Cuba so my reporting was widely read.

When I would go to Washington I would see the Assistant Secretary. Before going to Cuba, Larry Eagleburger called me in and gave me a message for Castro to get me off to a good start. The message said something to the effect that we too wanted effective relations.

I saw George Shultz several times during the course of the three years because of certain events that he wanted to know more about.

So the level of contact was up to the very top of the Department, which is true of most ambassadors.

*Q: Were you there during Mariel?*

FERCH: No, Wayne Smith, my predecessor, was there during Mariel. That was 1980, I came in 1982. People in the Section who had been there during Mariel were still there. That was a very difficult time for the Section because many Cubans fled to the Section--40, 50, maybe even more--and couldn't leave for months.

*Q: Came over the fence.*

FERCH: Well, there was no fence. They just came into the building. We had one person come in while I was there and it was months before we could get her out. A middle aged American woman who married this Cuban kid of 18. She came into the Section and asked to bring her husband in. Not thinking, the guard said, "Sure." Once he was in she refused to leave. She was trying to get him out of the country. It eventually worked.

Anyway, I was in Cuba for three years and it was the most intellectually satisfying assignment I ever had. I got Cuba in my blood, a beautiful country, great people. My kids at this time were almost grown. They also loved Havana.

*Q: They were with you?*

FERCH: No, they were all in school, but would come down for vacations.

*Q: But your wife was with you.*

FERCH: Oh yes. The children loved Cuba and were able to really get around, especially my son who was at St. Albans. They are all bilingual, bicultural. They would go back to Cuba in an instant if Cuba opened up.

I approached Cuba as a non-ideologue. I didn't like what I saw there. Sue and I were greatly upset by what we saw there. How Castro in effect tried to change the Latin character. I could go into that if you are interested, but that is not about me. We did not appreciate what we saw. I am, on the political scale, extremely liberal. I believe in change, experiment politically, but I didn't like what I saw there. I didn't like the fact that when you sent out invitations to dinner for 7:30, everybody was there at 7:30. I am not being facetious. I didn't like the fact that everybody obeyed the speed limit. That is not Latin. No one blew their horn.

I had a lot of visitors, a lot of personal friends came to visit me. They did so because it was a fascinating place and being in Cuba the Cuban Government as a courtesy to me would give visas to these private people. The US Government would arrange permits for them to visit us. Personal friends, from Mexico, primarily, came over to visit us. I mention this because I would tell all of them to walk through the heart of Havana. They all had the same observation afterwards...how quiet it was. Obviously there was nothing on the shelves, but they knew that. But they would comment on the lack of noise. No one is yelling. Now Latin societies are loud and that is not so in Cuba. That is bad. This is an indication, small, but a revealing indication of how this guy has tried to change the character and successfully so. Well, I shouldn't say successfully, but at least they have bowed to what he wants. So Sue and I did not like what we saw there. It will be a better country afterwards. It may be more chaotic and may be less egalitarian. I certainly am an egalitarian, but less equality and more openness is certainly a good trade-off in this case.

Anyway towards the end of my third year in Cuba I began to look for an assignment. Now my aspiration was for another mission, but this time with a title. One day Tony Motley called up and asked if I would like to go to Colombia as ambassador. He wanted an honest answer. Going to Colombia with the drug situation meant that my kids could never visit, and everyone in the Embassy there lives in a very constrained world. I thought about it and said, "Yes." Later he called me back and said he was changing the assignment if I didn't mind. They were going to send me to Honduras. The guy who was going to go to Honduras had trouble with the White House and they had to shuffle people around.

*Q: We are now in which year?*

FERCH: Early 1985. So I went to Honduras. That is where my career ended.

*Q: Had you contacted Abrams at that point?*

FERCH: No, Tony Motley was the Assistant Secretary. He was removed, I think in June, once again over disagreements with the management of our Central American policy. It was in the press at the time. My last conversation with Tony was when I came out of Cuba, not the final time, but the President of Honduras was coming up for a visit here in May or June and they brought me up from Cuba. I will never forget my last official interview with him. He said, about going to Honduras and what was going on down there, "John, always remember you are playing with other peoples' lives down there. [Meaning that we are not putting our troops on the line, we are putting Central Americans on the line.] That is a tremendous responsibility and be careful and don't treat it lightly." I was very impressed by that.

Anyway I went back to Cuba, came out in mid summer, and went through the confirmation process. Jesse Helms held me up for a long time. He didn't like anyone who had anything to do with Cuba. I was suspect. In August, Sue and I flew down to Tegucigalpa.

Before flying down, while in Washington preparing to go down, I saw a lot of people, got briefed, etc. Elliott Abrams was by then the new Assistant Secretary for ARA. He called me in and asked me to be his Deputy Assistant Secretary for Central America, to not go to Honduras. I had been asked by Tom Enders to do that job before when I was in Mexico. I had turned him down. I didn't want to get involved in the mess in Central America, especially at the Washington end, a highly politicized end.

So when Elliott asked me I also turned him down. I said to him more or less this, "Elliott, my strengths are in the field, but they are good strengths. I really know how to run a mission and deal with Latins. I guarantee you that I can deal with Honduras in a way that ensures the Honduran Government will support our policy. The Hondurans had been very difficult, on and off. They are a very unsure people. Our problem is that we have been acting like Pro Consuls down there, and that day and age is passed. My plan is to go down there and focus publicly on Honduran problems through our Peace Corps, through our AID program, and, if you let me do that, I guarantee you that the Honduran Government will support us in matters that concern us."

He didn't dispute me or anything. He just let that go. But it is interesting in light of what was about to happen to me down there, because it was not what he wanted to hear. This has only come out in retrospect. This was just when the secret program was beginning in Central America. This was when the airstrip was just being built in Costa Rica. On the way down to Tegucigalpa, I stopped off in Panama because of a Chiefs of Mission meeting there. We were standing in the corridor and Lewis Tambs, our Ambassador to

Costa Rica, asked Elliott about the airstrip. Why I remember this, I don't know. Elliott said something about the status of it. Both of them understood, but I didn't know what they were talking about. Then Elliott realized he was talking in front of a group of us and went off in the corner to talk with Tambs about the airstrip. Elliott was already involved in what was to become the Ollie North secret supply operation.

Anyway, I am in Honduras and get started organizing the Embassy.

*Q: You arrive what month?*

FERCH: August, 1985. I didn't last a full year. I left in July, 1986.

Here you have a career that went from early 1959 to mid 1986, all in Latin American Affairs, except for that one tour in EB. I stayed in the Service afterwards for a couple of years until I decided to retire. There was no where to go. I saw that the new White House was not going to give me a mission. I was involved during this time, 1959-86, 27 years, at very senior and very junior levels. Deeply involved with Alliance for Progress in Colombia, El Salvador and Guatemala. I saw what could be achieved with development assistance. I think the Alliance was a success. Growth rates were raised. Infrastructure was built. We were lax in that we didn't insist on a political element. We allowed crummy governments to get away with repression. Anyway, I was involved in development assistance. I was involved in the aftermath of the intervention in the DR.

In Central America I was literally involved at the beginning and at the end of the crisis. When I was in El Salvador the FLMN made their first kidnapping. And I say I am involved because the man they kidnapped, Ernesto Regaledo, had in his wallet, my calling card. So when the guerrillas sent in the note to the family asking for the money, they enclosed the calling cards found in his wallet, calling them his "Amiguitos y Co-magnates", "little friends and co- magnates, beginning with John Arthur Ferch." At the time I didn't think it was too funny. So I was involved in the beginning of the Central American crisis and then went to Honduras and was involved with the Contras.

I was also involved in Mexico during the height of the petroleum boom, the years of Lopez Portillo, when the Mexicans thought they had the world by the tail. In effect they only pulled their own tail over the edge. I was there when they fell over the edge in 1982 and was able to say to many American bankers that this was the dance of the millions, turn around and get on an airplane and get out of here. This isn't going to last. The run up to the debt crisis. I saw it coming. I told people it was coming.

I was involved in Cuba. Fidel Castro, the man American Presidents loved to hate.

All in all, I was involved in all of the issues that ripped Latin American policy during those years. I knew many of the men who were involved in it. Bill Bowdler, a man of tremendous intellectual stature, shaped our policy for a long time. Pete Vaky Never

worked with Pete but always had indirect contact with him. Covey Oliver was a great ambassador.

On looking back I think I was involved in almost all of the major elements of our Latin American policy during the course of those years.

What do I draw from it? That for reasons that have something to do with the American political scene, not the Latin scene, we have consistently elevated Latin America to a level of importance far beyond what it merits.

*Q: I always thought the Latinos felt they were being ignored.*

FERCH: They may have felt that way but it is not so. Where else did we have an Alliance for Progress? Why did we have an Alliance for Progress? Why did we focus on that? Because we somehow felt that Latin America was going to fall to the commies and we had to fight back against Fidel. As if the Latins were not capable of defending themselves. We never understood how little Latin America affects US interests. I say this frequently now that I work on international economic issues. Seventy-five percent of world GNP is found in North America, the EC and the vibrant East Asian economies. Twenty-five percent covers every place else. Latin America's share of world GNP is under 10 percent. Latin America doesn't matter economically, it doesn't affect us. Except for Mexico, basically we are not altered by what happens in Latin America. I love Latin America. I gave my career to it and I don't regret a day of it. I enjoyed every minute of it. But it is not that important. This is the conclusion of what I draw from my experience in Latin America, and having been a player in elevating it to extreme levels of importance. We erred. It wasn't that important. It certainly didn't deserve our obsession. It probably didn't deserve the Alliance for Progress. Our tax payers money was doing what? Latins benefited, but we didn't do the same thing in Africa.

*Q: But isn't Brazil a little bit of a departure from that assessment--in terms of size and weight?*

FERCH: No. Let me quote something that is always quoted. "Brazil is the country of the future and always will be." Latin America is economically small. Latin America politically is out of the mainstream. Latin America does not threaten us militarily, it never has and never could. The Russians could never threaten us militarily from Latin America. Furthermore Latin Americans can defend themselves. Why did we fear that Latin America would become a red spot on the map?

Anyway, that is my conclusion from having supported myself by supporting our policies, and I supported them willingly. This is not Monday morning quarterbacking, it is middle-age quarterbacking thinking that maybe we fell into something. But it wasn't just during those 27 years that we did it. If you look back at the rogues gallery of the Assistant Secretaries in the conference room of ARA you will see that the tour life of those Secretaries is very short, reflecting the political intensity of Latin-US relations.

Why that should be is something else. It is a much more political bureau than any other. The focus on Latin American relations is more politicized in the United States than say the focus on European nations. There are people up in Congress who feel strongly about this. Jesse Helms feels strongly about it. People scream and shout over El Salvador. El Salvador is 120 miles long by 40 miles wide...really!

Anyway, like Israel, it is a highly politicized issue. It has always been too politicized in our mind. It is not just during the 27 years I worked the issue. But that is what I have come away with.

*Q: One other thing that emerges from your account is the tremendous working of the tribal system that you, who lived through...here this small group of people over decades interrelated, helped you with your assignments.*

FERCH: Oh, well lets come back to that because that is a comment on the Service.

I would like to offer a few comments on management in the Foreign Service. And I don't mean administration, which we also do fairly poorly. I always felt, and I think rightly so, that senior mission officers don't try to create a viable work plan. They kind of stumbled through life, going from one issue to another without thinking about where they were going. That's too grossly stated, I fully appreciate that. But to illustrate this thought, when George Shultz was Secretary he always wanted people to think of their goals and objectives as they related to US interests, and to spell them out. Then, not only write them up in a comprehensive way so that everyone in the mission would be part of it, this was what they were going to try to do, but go back again and measure them. See whether you were doing what you said you were going to do.

I always treated that task seriously when I was in Mexico, Cuba and Honduras. And I suspect that very few other people did. I say that because I would insist that we not only go through the exercise in which each segment of the mission would take part, but would insist that we go back and look at results. I would meet with them every quarter. As a result of each meeting, review where they were and write up briefly how I thought they were progressing towards their goals. On the reporting side of things I would actually have my secretary keep a list of planned reports and whether or not they were done on time. I would send little notes to remind them. Then once every quarter or so I would send a report into Washington. I would get no response from Washington. No one really cared whether the mission was actually, continuously working towards its stated goals.

*Q: The end users in Washington are a lot of sectors who have very narrow interests and I don't think there is anybody who is interested in the overall efforts of the operation.*

FERCH: Well, the Assistant Secretary should be.

*Q: Should be.*

FERCH: You know, all the embassies had country plans, Bill. I am saying that I didn't see them being treated seriously before I got to a senior level. And when I was there and tried to treat them seriously, I didn't sense that Washington really cared. I really fault the State Department for not being more serious in its approach to planning, especially at the mission level. It is too much for a Bureau to be engaged in this, but certainly a mission can. It isn't enough to write a plan, you have to be rigorous in following that plan and you have to be willing to drop part of it if circumstances change.

*Q: The inspection is one moment when somebody from outside is interested in the overall performance, and whether it is consonant with policy and whether the resources are in reasonable step with the objectives and priorities. At least when I was doing it. I did it for three years. This was a major focus of the inspection.*

FERCH: It should be. How many missions did you find were rigorous in following their own objectives?

*Q: Oh, I thought fairly few.*

FERCH: Let me say also in the management area, something that I found very satisfying. I found management satisfying. I found it intellectually challenging. But there is another aspect to that. I found the management of personnel development extraordinarily satisfying. The place where I have the fondest memories was in Mexico. Mexico, because of the consular workload, had an inordinately large number of junior officers. I would say that at any one time we probably had 25 to 40 junior officers...the visa mills. I, as DCM, was responsible for the development of these officers. I enjoyed that. I met everyone who came in. Every quarter I was suppose to write something on them so I would take them out to lunch, talk to them, find out how they were doing. Every month I would have a group of them over to my house and we would talk about the career and functioning in the Foreign Service. I found it very, very satisfying. I left Mexico in 1982. Many of those people are now really quite successful in the Foreign Service. Looking back like that you can see they are not successful because of me, but I had a hand in it.

Let me say something about wives in the Foreign Service. This is a fairly old problem but I would like to focus on it from my personal angle.

As I have related, all of my career has been in substantive work. By that I mean in work where I had to relate to foreigners and wanted something from them, information largely. And I was overseas most of my career. This meant that my need to relate to foreigners effectively was great and extended throughout most of my career. If you are in Washington that is less so. And if you are a consular officer, it is less so.

Now, I couldn't have done it without a wife who was a full-time Foreign Service wife, who viewed herself as such. Who saw the job conscientiously and intellectually. Who ended up managing huge residences with staffs of 10 or 20 and entertaining two or three times a week. Who handled that all by herself. And who started as a young woman of 21

scared out of her mind doing things like that in Argentina. We didn't entertain much then. I remember my first representation allowance was \$50 and I didn't want to take it, I didn't want to entertain at all. But we learned. For many years we traveled up and down Latin America with dinnerware for seating 100. And we did it. We did it frequently and it was work and done well. And it was all her doing.

*Q: Did she enjoy it while she was going along?*

FERCH: She learned to enjoy it. First of all it was a job. This was no less difficult than me going to the office and thinking about the balance of payments with Colombia. It was the same type of job. She, just as I enjoyed my work, became a professional at that and enjoyed it that way. Not because it was fun to entertain, it was a job that required a professional approach and she became professional at it just as I became professional on my side of the Foreign Service.

I might say in an aside, we built a cottage beginning in 1986 in northern Ontario. We are the only people on the lake, a little spur of the lake. We literally built it with our own hands. It is now equipped with all the leftover dinnerware and glasses.

My point here is that without her I couldn't have done what I did. I wouldn't have had the contacts, the intimate relationships with contacts that I did develop in every country. That was her doing. She furthered US interests certainly as much I did.

Now, during the course of those years, women's ambitions changed. My wife went Ohio University...a school teacher, who has only taught a couple of years. But basically graduating in 1958 her aspirations were shaped by the times and she didn't feel that need that women now do to be an architect, lawyer, etc. So she was not burdened in the Foreign Service with that frustration of not being able to do what you wanted to do. Women now are.

*Q: My wife was.*

FERCH: Was she?

Women now do not want to do this. At least very few want to do it. I had a great deal of trouble in Honduras getting people to engage in representation. They basically said, "You do it." That wasn't true in Mexico, the senior officers there were of my generation. But the younger officers, perhaps just 15 years younger than my self...their wives didn't want to do this. And I don't know what the Service does about that.

*Q: John, I am going to interject here because it is very pertinent. Society has passed the time in many areas where this is possible anymore. In Europe, for example, the representational allowances will pay for one lousy dinner a year. This means that if the younger officers are going to be doing this, the wife will physically be cutting the canapes two or three days before the party, without a staff to do it. When we entered the Service in*

*Italy just after the war, we did this kind of thing appropriate to our level, but we had the servants. They don't have the servants anymore.*

FERCH: Oh, I understand it.

*Q: You were still operating in the old marvelous Foreign Service regime.*

FERCH: I am fully aware of that. I am simply saying that I don't know what the Service can do, probably nothing, but it wasn't just something you enjoyed. The Service got results from that.

*Q: I understand. But there is another anomaly of this and that is that the Service still judges officers by the kind of production that that old representational effort produced. But in a lot of countries you can't have that kind of representation, so the officers are torn. They are struggling to keep up with the old criteria when they do not have the tools to do the job anymore.*

FERCH: That is unfortunate. I don't know what you do. I just mention the fact that I have always admired what my wife did. And I must say, just as women now overseas are frustrated that they can't pursue their careers, my wife, now that we have left the Service, is very frustrated too. She trained to be a senior wife and assumed she would be at that level and doing this for a decade. She now ironically, can't pursue her profession, which was the Foreign Service, and is really quite frustrated by this.

*Q: My wife is the other way around. At almost every post she would make the initial steps for some sort of separate functional career and would be cut off when we left. So when we finally came back to Washington, and had several years here, she got a job on the Hill. She now has a career going in labor and is very happy.*

FERCH: She probably is the norm now. But it was different at one time and I think the Service has lost something.

Let me switch now to how my career ended, because it will lead to the final conclusion of this interview, what I think is good in the Foreign Service and what I think is bad.

I went to Honduras in August, 1985. Coincidentally, Oliver North, Elliott Abrams and other people were just beginning the illegal program of supporting the Contras. We were at that time operating under the Bohlen Amendment which has been amply discussed everywhere, which at that time (it had several incarnations) allowed us only to accept intelligence from the Contras. We could relate to the Contras and hear what they had to say about troop movements, etc., but we didn't plan their war, we didn't supply them.

*Q: Now was this all absolutely clear to you in the field?*

FERCH: You mean before I went down?

*Q: Well, before you went down and when you went down.*

FERCH: Just before I went down Congress approved a package of \$27 million for so-called humanitarian assistance, non-lethal assistance. The Contras could use that to buy beans, shoes, and things like that. The modalities of that had not been worked out.

I was not told, "John this is what you can and should do with the Contras, this is what you can't do."

*Q: Who would have told you that if somebody had told you that?*

FERCH: Elliott Abrams. But remember he at this time was also participating with North and working up something that became known as the "Enterprise", or whatever they called it. He did not tell me, nor did anyone else. I was partly to blame here. If I had not been so naive as I had been all through my career in areas that were less important, I would have demanded in writing up front before I went down there what is my responsibility. As it was I went down there thinking that my responsibility was to keep my hands off the Contras in every way, shape and form and that the Station Chief would perform the function of taking their information. I could meet them but I understood I had no reason to meet them. I understood that I had no operational role towards the Contras.

*Q: Did you have any contact with the NSC or the White House staff before you went down?*

FERCH: I was told before going down to go and call on Ollie North, which I did. I didn't know who North was. I went over there and Fawn Hall was there, Ollie was late. We talked and then Ollie came and went into his office. You could not fail to observe Fawn Hall. So I said something and Ollie said, "Yes, and she can type too." It turned out she could also shred. Anyway we had a chat. I didn't know why I was calling on this guy. It was all very vague why I was supposed to meet him. We didn't talk about much of anything. He said something to the effect that he was the man responsible for the Contras in the US Government. I will never forget because in the context of that part of the conversation he said, "And I am walking very close to the edge of the law." Now I thought it was unusual for him to tell a stranger something like that. Anyway, there was nothing else.

So I go down there to Honduras. I had that conversation with Abrams saying I was going to build up an image, change the Pro Consul image of the mission, and I set about consciously to do that. We visited Peace Corps projects, AID projects, got involved in things like that and made sure that our PAO was getting it into the papers.

*Q: Let me ask another question, had you wanted to do so could the legal boys have given you a sort of legal officers view of what was permitted under the law?*

FERCH: I certainly wish now that I had done that. I was not smart enough to do that. Whether they could give me that, I can't answer, because I didn't try. I didn't realize, you see, how important the "open" Contra program was and certainly didn't understand anything of how important this "covert" Contra program was. I didn't realize it was the center of our policy in Central America. I thought, for instance, that our involvement in Honduras, we had a military base there in Palmarola of about 1500 people at any one time, was primarily there to support our effort in El Salvador. We were doing a lot of things that were supportive of the Salvadoran armed forces from the base in Honduras.

*Q: Do you think the country director was unaware of these distinctions also? He could have given you guidance I should think.*

FERCH: He could have. He didn't.

*Q: Do you think he knew what was legal and what wasn't, etc.?*

FERCH: I don't know. I can't answer that. And once again, I didn't put him on the spot. He didn't volunteer anything to me. This is my fault that I didn't sense that here was something so sensitive and so important. But bear in mind that I was totally unaware until well after the fact that there was a secret part to this program. Dealing with the open part where you have a liaison function, it didn't seem that complicated to me. Then, as I said, the humanitarian assistance had just been approved. The modalities had not been worked out and I didn't know what my relations to that would be, but I assumed I would be told once the modalities were worked out. There was no reason to pin anyone down on that at the moment because they couldn't be pinned down. And initially when the modalities were worked out it was that the Contras bought the goods in the States and on their own were to get the stuff down to Honduras. So we, the mission, had no involvement with the Contras taking the goods that they bought using our money down to Honduras. So I was not concerned about that either, even when it got started, until they screwed it up, which is another part of the story.

I go down there and create this image of openness. And within days I am invited by the President of Honduras, a man by the name of Roberto Suazo Cordova, a medical doctor, to a private dinner. It was hosted by a former Minister of Government. There were four of us there. I didn't know in advance what this was about. But what it was about was that the President of Honduras was feeling me out on my views about the Honduran political scene. "Isn't it terrible, isn't the instability bad and the coming election is complicating matters, etc." It became very clear about a third of the way into the evening that what he wanted to feel me out on was his intention to stay in office. There were elections scheduled and eventually held in November. Here he was feeling me out and I am replying early in the evening, that we think the political situation is pretty good, that the coming elections are pretty important to maintain that stability, that the transfer of power from one president to another will only strengthen your government and will strengthen our policy. He keeps going on, thinking, I suppose, "Doesn't this gringo hear what I am saying?", and getting blunter and blunter. By the end of the evening I said, "Mr. President,

let me be as clear as I possibly can. We support the electoral process. We are very desirous that these elections come off and I will do everything in my power to insure that these elections come off." He mumbled a lot and that was the end of the evening. That was also the end of my productive relationship with the President of Honduras.

Subsequently, their Congress goes into recess. He tries to convene a surprise session. The head of the Congress calls me up one day in early October. A man with the strange name of Bu Siron. He said he had to see me. He comes over to the Embassy and says the President is calling a surprise session of Congress that afternoon. That he is going to propose that the elections be postponed for two years and that he would stay in power during these two years. Bu Siron said that I have to stop it. I said, "Wait a minute, this is your country. The United States doesn't dictate what goes on in these countries anymore. This is your problem, not our problem. Our policy is that we want the elections, but I don't intervene."

However, as I was saying this, which was the appropriate thing to say for the record, I realized I had to implement our policy, which was that we wanted those elections held. So after he left I called the PAO to get the press in and to tell them the questions I wanted them to ask me. They came and interviewed me and I said, "Ask me what we think about the electoral process." So they went live on the air and I said, "The United States is strongly in support of the electoral process and therefore we believe the scheduled elections are very important for Honduran democratic development."

Then Bu Siron called me back and said that Suazo was still going through with it and could I come and sit in the Congressional gallery while this was going on. So I trot down there just to lend my physical presence in the gallery. There are some people in front of the Congress milling around. They had heard what was happening. It was a very small demonstration, it wasn't much.

*Q: Was this all communicated and discussed with Washington?*

FERCH: Well, before going on the air I called up Washington and talked to the fellow who took the job Abrams wanted me to have, Bill Walker, now Ambassador in El Salvador. And I said, "Look, this is what is going on and this is what I propose doing." Walker in his...I do not regard him highly, but I will not use snide remarks or anything... He said something to the effect, "Well, just be very careful, don't screw up. If there is going to be a coup we want to be with the new government too."

*Q: Not real guidance.*

FERCH: It wasn't guidance at all.

Anyway, I go ahead with the press conference and then I subsequently go down to the Congress at the president of Congress' request. There were people just milling around and Suazo wasn't pushing to get the meeting going on time. The press was down there. They

asked me my opinion about what was going to happen with this vote. I said that I couldn't express an opinion on an internal matter like that. That was certainly up to the Honduran people, the Honduran Congress. We cannot intervene in that matter, those days are past. However...and I said something that they cartooned me saying..."I am a professional observer. All my career I have been looking at foreign developments closely on the scene just like a reporter. Therefore I think I am a pretty good observer of what is going on." I said, "From all this demonstration down there"...I am saying this from the balcony..."and what I have seen, it seems to me that the Honduran people really want this electoral process to go forward. The view of the Honduran people is, in my humble opinion, that they want these elections to come off." So that gets out over television.

The session just kind of degenerates and never comes to a vote. President Suazo Cordova has even a lower opinion of John Ferch by this time.

Now this may seem irrelevant, but it is not. The next event is the Contras come into Honduras with their first load of beans, or whatever it is, and in their own fumbling style they invited the US press on their plane. They land in Tegucigalpa, pull up to the military side of the airport. The press jumps out and starts filming the Contras on unloading their beans in Tegucigalpa. An Honduran officer in charge looks at this and says, "Gee, what is going on here?" The Hondurans always maintained that the Contras weren't even there. So he rushes out and stops the whole procedure and takes control of the goods.

Now, the Hondurans are sitting on the goods, the Contras want them and the United States Government is very agitated. But it is still legal.

I am told to go in and persuade Suazo Cordova to give the beans to the Contras. Now, just remember how Suazo thinks about John Ferch, who was just instrumental in thwarting his extralegal presidential ambitions. He thinks he finally has something on me. He has got some leverage that maybe he can use. So he mumbles when I call on him and doesn't act. He says that all the military are pressuring him. I said, "Look, I can guarantee that the Contras won't do this again. They will be more discreet in the future. We have talked to the Contras in Washington and I am told that they will manage this better."

Nothing happens. Washington is getting more and more agitated. President Suazo Cordova is getting more and more conniving. He thinks he has something here.

Then, coincidentally at the same time, we do not disburse the bulk of our foreign assistance because the Hondurans didn't meet the conditions precedent...the details are important. He needed the money and we weren't releasing that. So now he needed two things from us. He wanted the money released without complying with the conditions...they were all economic conditions, nothing to do with the Contras...and of course he wanted to stay in office. He had the lever he thought would do it, which was Contra aid.

Washington sent me back, I don't know how many times, to try to persuade him. Now here is the guy who cut off his aid, in his mind...because I was the Ambassador on the spot when the aid was cut off and I am the guy who did stand up and express those views about the electoral process. He is not budging an inch.

So Ollie North flies down to try to persuade him. He doesn't budge him. Around this time I am beginning to get rumors that Ferch is screwing up down there. He can't keep his country in line. He can't get anything moving.

Poindexter comes down with a cast of thousands. He can't sway him. Suazo is still sitting there. He has this one trump and the election is coming closer and closer. At the very end of the process he did something else again to try to stop the election.

Anyway the elections are held and Suazo knows his days as President are now numbered. Washington still doesn't have the beans going to the Contras. And we can't do anything with Suazo. Washington finally realizes that they are going to have to just wait this thing out. Nevertheless, Washington in the form of Elliott Abrams, I guess, and a lot of other people are teed off at me now because this had happened on my watch and I somehow hadn't been able to break the log jam notwithstanding that Poindexter and company couldn't do it either.

*Q: Were you hitting them at both ends? Was Washington hitting the Honduran Ambassador in Washington at the same time?*

FERCH: I don't know about that. I suppose so. Even at this time I was so worried to hear about these rumors about myself that I wrote a letter to North because he had something to do with the Contras...he had told me he was the point man. I said, "Look, you couldn't do it, I couldn't do it, yet I hear these rumors." Whitehead, the Under Secretary, came down and relayed the message that they understood that it was not my doing. But, in fact, Elliott was very upset. He was mad. It seemed irrational, but that was the case.

The election is in late November. The process is really strange. It was a primary and final election together. Both parties were split into factions. The president came from the party that got the most votes, and the individual who got the most votes among the candidates of that party would be the man who became president. So Azcona won, who was the next President, with less votes...his faction of the Liberal Party received less votes than the leading faction of the Conservative Party. So his election was legal but perceptively blemished.

We had to deal with this man, so I immediately after the election went over and congratulated him. There was no question of getting instructions from Washington on this because he was the new President under their law. I also in the interim period arranged for him to be briefed by Jack Galvin, who is now NATO Commander, to build up our relationship. I proposed that I could break the economic log jam if he would commit himself to work with me to create a meaningful economic program...I cleared this with

Washington earlier, obviously...when he became President, we would disperse half of the money. And when the program was worked up with signatures on it, we would give him the other half.

I was building the ground for a good relationship with Azcona, and achieved it. But Washington was more concerned with another fact...two facts...that legal Contra aid was not flowing and that the illegal program was underway and they would have to get me on board.

*Q: Did Washington really want Suazo to continue in power even though it meant that the elections would be postponed?*

FERCH: No, I don't think they wanted him in power. But they wanted to be with the winner.

As I said, the legal program is snarled and Abrams is mad, as well as other people, I assume, and the illegal program is getting started. By illegal program I mean North's operation run by Secord.

*Q: This did not yet involve anything in Honduras at that point.*

FERCH: No. But they knew it would and they knew that when it did the American Ambassador would know about it and therefore would have to be brought on board.

I am just conjecturing what I am about to say, but I think you and those who read this will agree that the conjecture hangs together. I was informed by Walker to come to Washington in December, without an explanation other than that Elliott wanted to talk to me. I was feeling pretty proud of myself by this time, feeling pretty good. We had kept the electoral process going, we were off to a good start with Azcona, I felt my public relations program was paying dividends.

*Q: Was the press treating you okay?*

FERCH: Oh, beautifully.

*Q: Is it a free press?*

FERCH: Yes, pretty much.

So I didn't know what Abrams was up to but I wasn't concerned about anything. I figured it was working with the new Administration or something. So I fly up to Washington. It was my father's birthday, coincidentally. He was going to be 89. So I took my wife with me. Sue and I both went up and saw him first and then went to Washington.

It was December 9...obviously these things are very clear in my memory because, as you will see, they were very traumatic. I had an appointment with Elliott late in the evening. It was dark outside at that time of year. I walk in on Elliott in his office. He is alone. Walker is not there. I said, "Well, what do you want to talk about, Elliott?" And right off without any preamble he said, "There is a perception in this town that you don't support us." [All this is written down. I wrote it up subsequently for the Foreign Service Journal.] I was taken aback. I said, "What do you mean there is a perception that I don't support you? Who?" He said, "There is just a perception." I couldn't pin him down. We went around and around on why or who. I was getting more and more emotionally agitated. I remember the thought crossed my mind that I was being McCarthyized here. I said, "Well, Elliott, do you share that perception?" He said, "If you say you support us, I will believe you." I said, "I am a career officer. I support the Administration. I have supported all Administrations." He said, "I am having a meeting tomorrow and you come to it."

We were staying with friends in Bethesda and I go out there. Sue could see that I was up tight. She asked me what it was. I said that I had been subjected to McCarthyite treatment and I told her that I could not understand what was going on. It was extraordinary.

The next day I go to the meeting. It was what I subsequently learned was the RIGlet, the Restrictive Interdepartment Group, but the small version. There were in Elliott's office, Ollie North, Alan Fiers who was from this building and somebody else. The talk was about the Contras in Honduras and how we needed better control of the Contras, that we had to have the Contras more on board. I could see as the conversation bounced around that I was being put on the spot. I was supposed to respond to this conversation somehow. I didn't know what to say. I found this very puzzling. So I probably mumbled a little, I really don't remember.

I went back to Tegucigalpa and wondered what I was going to do. I had been put on the spot. They wanted me to take control of the Contras and do something with them. Who do I get advice from? I can't get advice from my boss, Elliott Abrams, who is the guy that put me on the spot. I can't get advice from the guy who said he was responsible for the Contras because he put me on the spot...Ollie North. I didn't know Fiers very well at all.

Finally it came to me that if they could say this in writing, it was probably okay. I realize that is a very bureaucratic approach to this problem, but it seemed to me if I could get my instruction in writing I could be confident that it was legitimate. So I wrote Elliott a cable and sent it back channel.

*Q: Now, they at this point had not asked you to do anything specific?*

FERCH: Nothing specific.

*Q: It is all totally vague?*

FERCH: "Somebody has to have responsibility." "We need to have tighter control." That type of conversation. It was very vague. Not that we are starting this program and are going to start air dropping in these supplies. None of that stuff. It was vague. But it was clear that I was being put on the spot. But it is also clear, if you think about it, that they, until I was signed on board, couldn't speak about specifics to me. Elliott had softened me up the night before about not being with them. Now I was suppose to commit myself, and I didn't.

So I send him this telegram in which I said, "I am the American Ambassador and am therefore responsible for all government programs in Honduras and therefore will be responsible for this program. But I will be much more comfortable if you will provide me with my instructions in writing and I will respond in kind."

Knowing what we learned afterward and what happened in the development of this program, you can imagine what Elliott Abrams thought when he got that telegram. He is going to put this in writing? I never get an answer. But I do start hearing all sorts of reports that people are dissatisfied with me. A reporter tells me this.

The inauguration of Azcona comes off and I consider it to be a great success. The Vice President comes down. I get word back that the Vice President is totally irritated by the visit...it is no good. I have my DCM check with the advance man who planned everything and he said it was a great visit. He didn't know what they were talking about. They were building a case.

After Azcona was inaugurated, I tell him that the Honduran Government had held up Contra aid because the Contras had had the press on the plane. I guaranteed that they will not do that again, that it will be handled discreetly. I would like him to help me out of this. Without hesitation Azcona said, "Yes." The aid starts flowing, the legitimate aid.

Washington didn't acknowledge that at all. In fact Elliott was mad that I had dispersed the economic aid to Azcona. I had an AID telegram authorizing me to disperse the aid. Once again he was building a case. He said I should have checked with him. I did not take my orders from AID.

I had received enough of these complaints that I was beginning to be concerned. So I sent him a letter saying, "Look, I am hearing all of these things. I think I am being discredited. I do not know what is going on here. I want to come up and talk to you. I am going to be in Washington in mid-March and want to talk to you and find out what is going on here. I can't function if I am being undermined like this." I tried to come to grips with him.

When I get up there he has Walker in the room with him. He won't talk about it. I said finally, "I want to talk about that letter." He said, "You talk to Bill." And he walked out. He refused to talk to me about the issues that I had raised concerning reports that he was dissatisfied with me. And Walker professed not to know anything about most of those issues. So there was nothing.

That week, coincidentally, was when the first vote was held on the \$100 million on so-called lethal assistance for the Contras and it was rejected by Congress, which was a surprise. Elliott gets it into his head that Hondurans are very upset that the vote was rejected. I hear Thursday, the vote was on Wednesday, that he is going to fly down to Honduras on Friday to reassure them. Although I was getting the flu at that time, I said that I would go down with him, but he said that I should go down on my own, he would handle this.

Now this was kind of strange. I fly back commercially, sick as a dog; he flew down on a government flight without me and met the Hondurans...only my DCM was there. According to my DCM, Abrams said to Azcona that he knew the Hondurans were very nervous because we didn't get the money for the Contras. [To my knowledge the Hondurans had never expressed their view about the vote that failed to get the money, one way or the other.] Therefore we are going to give you your economic assistance up front. That will help you out and we will give you some more military assistance.

*Q: Had they asked for military assistance?*

FERCH: No. This is all Abrams' initiative. But he had forgotten that the economic aid had already been given. That was the ironic part of it. He leaves a man down in Tegucigalpa to work up a wish list for military aid. Coincidentally, that next Sunday morning there is fighting on the border. The Sandinistas actually pursued some Contras back into Honduras and the Hondurans were very concerned. They didn't know what was going to happen. Whether this was going to evolve into a bigger fighting.

*Q: Up to this time the Contras had been supporting themselves with their own resources in Honduras with the Hondurans tacit agreement. Was that right?*

FERCH: Yes.

Anyway, the Hondurans are very antsy about the fighting. This incursion is coincidental, you see, with the vote and Elliott's trip. The incursion offers us an opportunity in that it publicizes the Sandinistas' threat. It makes it possible, in Washington's mind, for the Hondurans to ask for the military assistance. So the Embassy gets instructions to tell the Hondurans to formally ask for the assistance that Elliott had promised on Friday. Azcona said, "No." I was in bed with the flu and not at the meeting. My DCM did the demarche. Azcona had said no because he thought it would be an admission, in some convoluted way, that somehow the Contras were there.

Washington, and when I say Washington it is basically Abrams now, gets very antsy. Here he is out on a limb offering money and they won't ask for it. I think probably that he found out that he needed them to ask for it legally. But anyway, he really wanted them to ask for the money he had promised for military assistance.

It gets into the press and Washington is depicted as agitated and the Hondurans appear calm. It even got out in the press erroneously that the Honduran Government went on vacation, as everyone does in Latin America on Holy Week.

Monday and Tuesday went by and more agitation. I realized that I had to get off my sick bed and call in some more chips. This was just getting too much. So Tuesday morning I called on the President and said, "Mr. President, let me speak as a friend. I think you are in over your head here. I don't think you have any choice. I think you have to ask for this money. It is my judgment of the political dynamics of the situation...as a friend of yours and a professional here, I think you have to request it, you don't have an option." He took my advise and said, "Okay." He took out some paper and wrote a letter. I got it off in a cable and that was the end of that.

Abrams subsequently blamed me that somehow the Embassy was not able to function well. He argued that we should function in a way that made the Hondurans snap to immediately. He acknowledged that I was home in bed, but said if I had been running a good Embassy, the Embassy would have been able to persuade Azcona immediately, rather than go through that embarrassing delay of several days. He ignored totally the fact that he had offered the money and the Hondurans were totally bemused by this.

There were a few more incidents that happened that laid a few more bricks on the case, but I won't go into them.

At the end of June, there is another vote in our Congress and the \$100 million of legal assistance passes, so now the Contras are going to get guns as well as beans. Two days after the vote, Elliott calls me up on the secure phone and says, "The Secretary wants you out of there. He is removing you." I said, "Why?" He said, "You know, there is bad morale in the Embassy and it is going to be very tense now that the war is going to heat up and we need someone to calm down the Embassy." I said, "What do you mean bad morale?" He said, "We have talked about that." That is not true. He mentioned the last time I had seen him that there was a report that some of the junior officers were unhappy about something. I had actually followed up on it and my DCM looked into it and wrote Elliott about the situation. He, Elliott, dismissed that. It was the only explanation he would give me. He said, "When are you going to pack your bags?" I said, "Look, Elliott, I am going to stay through the 4th of July"--I knew at that point my career was over. "I am going to tell Azcona myself, I don't want you to do it." [He said, "Okay," but he called up Azcona himself before I was able to get to him. I subsequently heard that Azcona said to somebody that Elliott's call was the cruelest thing he had ever heard of.] "I am going out with my head held high. I am going to take all my leave and will come back and pack up in September."

Well, he couldn't argue with that. They didn't have a replacement for me. My family was up in Canada at that time. That was the year we built the cabin. So that is what I did. I wrote Secretary Shultz that it was his right to remove me but I felt I deserved an explanation. By this time the press was filled with the story of my removal. This was a

real hot spot at the time. And people in Washington, like Bill Walker, in their own very gentle way said that I was screwing up down there. Really I was slandered. In the normal course of events, if this was not government service I could have sued for slander.

The Secretary wrote apologizing that he had nothing to do with it. I should go on my leave, calm down and not give up on the Foreign Service to which I had given too many years of good service.

*Q: Who do you think drafted that letter for the Secretary?*

FERCH: He did. The style was George Shultz'. He said to see Mike Armacost when I got back from leave and he would tell me what happened. He was Under Secretary for Political Affairs.

*Q: Did the Secretary know do you think?*

FERCH: Elliott had built a case and presented all these things that I have just related in a twisted form to the Secretary. Such things like...he didn't hold his country in line over the first shipment (beans); he screwed up the Vice President's visit during the inauguration; he didn't break the log jam quickly enough when the Sandinistas were coming across to get the Contras; and a few other things. He built this case on the flimsiest of evidence.

In September I called on Armacost and he related all these things to me. He said that this is what Elliott told the Secretary and the Secretary acted upon it. I listen to him, hearing these things for the first time in an articulated form. I responded to Mike saying, "Hey listen, that's not what happened!" He asked, "Weren't you ever counseled by Elliott about these things?" I said, "Absolutely not. No one has ever told me anything. When I tried to deal with him he refused to talk." Then I gave him my version of the events. He said, "Well it is too late now." I said, "Well, I am going to have to quit. My career is at an end." He said, "No, don't do that hastily. You are going to go up to Brown." They had to do something with me and I was going up to Brown as Diplomat in Residence...George Vest, the Director General, was very good about arranging that. I remember he was first going to send me to some other place but I wanted to be close to a good airport, knowing that if I was going to be looking for a job I would be traveling a lot.

This was in late September, 1986. The timing is important because I would go directly to Brown in Providence. You can imagine that this development is very shattering to us. A week after we arrived at Brown, Secord's Contra plane was shot down by the Sandinistas, but one man to survived. He talked about the Enterprise, and the scandal began to unfold.

*Q: Before that you had not known about the illegal shipments?*

FERCH: Nothing at all.

Almost immediately upon my reaching Brown the scandal begins to unfold. I was now able to piece together the scandal and what had happened to me. When I was removed, after Mike gave me Elliott's story, I still didn't know why he was lying. But as the scandal unfolded, I went back over my memory and said, "Hey, I was put on the spot, 'You don't support the Administration.' And then they want me to take responsibility for the Contras. They were at that time building these airports." You can piece it together like this, what was going on.

During the course of the scandal I saw Mike Armacost again and George Vest quite a few times because he was holding my hand. George said, "Well, you have been stabbed in the back by Elliott but you just have to wait this out." But Mike at some point in the course of the unfolding scandal said, "Really, don't give up. There will be another Administration." In effect he said I would be persona grata, that I had handled myself well and that the story was now coming out.

This second conversation with Mike occurred towards the end of the academic year. I had not yet located a job. Replying to Mike I said, "You know that is good advice." I thought I was being vindicated. I had done the right thing. Whatever Administration comes on board will probably view it that way and will want people like myself whose hands were evidently clean. So I decided to stay in the Service until the elections. But my emotions were too raw to wait out the period in State. So I told Mike, I'm just too mad at this building to want to work here. So I will get myself a job and you pay for it." I called up some friends on the Hill and said I wanted to work up there. So George crafted a program for me and got me lined up with Bill Bradley.

After the election and the Bush victory, I approached Larry Eagleburger, the new Deputy Secretary, and asked him to find out if I was persona grata with the new White House. One of his aides called me back and said, "No, they won't give you anything."

So I decided to retire and sent my letter in. There was no future for me, a man has to have a little pride. I was not going to stick around just to have a job. Fortunately I had enough years in so I could retire.

I retired effective in May. I took the 3-months job search program the Department has and started looking for a job again. The best offer came from the Agency and that is how I ended up here at the National Intelligence Council. To my surprise my reputation with the Agency was very, very high. Over the years I had developed quite a reputation out here and they offered me this job. Some people might find a little bit of irony in that, but so be it. It is a good job and I am doing economic work on issues of global significance.

Let's bring this to a close with the satisfying and the down sides of the Service.

*Q: Let me ask one question before we leave this final disaster. You said earlier when I first called you that you felt the Service had let you down as an organization. What do*

*you think the Service could have done differently and should have done differently, aside from Elliott Abrams role in this?*

FERCH: That was going to be the down side of what I was going to say. So why don't I say the good side first.

I don't regret one minute of my Service career. I think the Foreign Service gave me and my family one of the most satisfying experiences any American professional can have. I really enjoyed all of my assignments. I enjoyed where I was, the work I did. I think I contributed. There are not many people who can prevent a coup in a coup-prone country. And there were other little things in which the course of history was altered in a very modest way by me. So I found the Foreign Service very satisfying.

What did I find satisfying about it, why did I like it? Why do I recommend it so much? It seems to me that the Service offers you an opportunity to be truly creative. You are sent abroad, I tell people, to further US interests. You are not usually sent abroad with a narrow mandate, especially if you are on the substantive side of the house, doing economic or political work. You are supposed to know what our interests are and then within the parameters of your job pursue them.

Now if you have good supervisors, good superior officers, they won't constrain your work. They won't tell you to do x, y and z and that fills your working week. They will let you fill your working week with broad guidance. I fortunately never had a bad supervisor. I always was allowed to be creative...this is what I will report on, this is what I will pursue, this is what I think is important. I don't think there are many jobs where you can do something like that. If you are a lawyer, the work comes to you and you handle it. If you are a doctor, the work comes to you. You don't create your work. I suppose a creative artist would be more satisfying, but you have to have artistic talent to do that, which I don't suggest I have.

But anyway I found the Foreign Service to be just absolutely satisfying in that respect. To be able to employ my abilities, talents, whatever they are, to the pursuit of our national interests in a setting...I am trying to get the National Geographic back into this. Here I was, drawn into the Foreign Service by the National Geographic and now I am allowed to pursue our national interests in a setting defined by the National Geographic. It was a lot of fun. All the countries I served in I loved. I became a Latinophile, but I don't ever think I lost a sense of our interests in that. I earlier said that I don't elevate Latin America to a very high level of importance in the scheme of things. But a career there was great in every respect. An opportunity to be a true manager, run big programs, shape those big programs. We had a \$400 million AID program in Honduras and I was in the process of trying to alter it a little bit. A lot of fun and satisfying.

Satisfying for my wife and for my kids. When they were young and teenagers, they didn't think so. When we came back in the mid- '70s they quickly forgot their Spanish and had

to relearn it again when we went back down South. But now they look back and say that no one else has that kind of experience.

That is the up side and it is a big up side. In my mind it wipes out everything else, including the way my career ended. I have never had the sense that because of the way it ended I wish I had never gotten into it.

However, because of the way it ended, my feeling for the Foreign Service as an institution is considerably altered. I do not go to Foreign Service events because of it.

Let's end with one thing. Elliott makes a case against me. I think what I have said is fairly convincing that he had to get rid of me because of the illegal program, because I had sent the telegram, and because, therefore, he could not judge it safe to have me involved in these things, and thus I had to go. I clearly, in his terms, didn't support the Administration. His terms, not the proper terms. When he made the case...

*Q: Because at that point in your letter you were still dealing with what you thought were legal programs.*

FERCH: That is right. But he had to get rid of me because of the illegal program. And he also...I must say I will never forgive the man or the Service for allowing him to do it either...he accused my wife of meddling in Embassy affairs. Totally false. Everything was basically a lie, a twisting of facts.

But, why am I bitter? Not because of him. But when he did it no one said, "Let's call Ferch up here and see what he has to say." The Secretary didn't say it. Now, I have a high regard for George Shultz and he has, subsequent to my departure from the Service, written me various letters of recommendation for jobs I was seeking at the time. I think George Shultz had a very high regard for me. I can go back to an incident in Cuba which makes me think that...but that is neither here nor there. But he didn't say, "Hey, Elliott let's bring Ferch up here and see what he has to say." He probably said, as Mike inferred, "Have you counseled Ferch?" And Elliott said, "Yes."

In my efficiency report, by the way, Elliott asserts that he counseled me. He asserts that the meetings on December 9 and 10, those two meetings I mentioned, were meetings to talk about my failures as an administrator of the Embassy. In writing he said that. That I know is a total lie. I know what went on in those meetings. I can't prove it. Anyway, he cites those as times when he counseled me. George Shultz didn't say, "You say you counseled him, let's bring him up here before we do this, remove him."

George Vest didn't say anything. George Vest was the institution. He was subsequently very supportive and helpful to me. But he didn't say, "Hey, you can't do that to a senior officer, a man who has been in the Service x number of years. You have to hear his side of the story."

No one else said it. I don't know who else might do it. Certainly no one in ARA. They didn't want to cross Elliott's path. My colleagues, my peers, very few of them stuck their head out and said, "Hey, John that is terrible what happened." Only Ed Corr did. Now that may be a reflection of how many friends I have in the Service, but I don't think so. I think it is a reflection on Service mentality. At least at that time no one was going to stick their neck out.

So, as I say, institutionally, the Service didn't say, "Let's hear what he has to say." It was done without reference to me. How can you after having spent as many years as I did in the Foreign Service, and loved it, look back now and say, "Hey, the Foreign Service as an institution treated me right." You can't say that. So the ending of my career did not alter my view about my career, but it certainly altered my view of the Foreign Service. It does not lead me to say, "Don't go into the Foreign Service." My son is taking the exam this year. But it does tell me that as an organization it has a lot of failings.

*Q: Concentrated, I would say, at the top of the careers where things become political more than coming up through. This was my impression, that the structure works really quite well coming up through...*

FERCH: Hey listen, let me tell you a neat little story about my second assignment along the lines of the Service working right at lower levels.

When I was on the mission of the OAS, at that time I was 24-25, a young kid, I was feeling my oats one day. I came back to my office where I shared a secretary with several people. I said something that really offended the secretary, but all I was doing was bubbling, a kid full of himself. The woman turned out to have a clinical emotional problem, so you had to deal with her very carefully, but I didn't realize that. I upset her greatly. She complained. As a result of the complaint I was called up to the 7th floor, I can't remember who it was I saw. But I remember, as only a young man can remember, that there was an office with beautiful windows looking out over the Lincoln Memorial, and the office furniture wasn't standard government issue and there was an Oriental rug on the floor. Finally there was this guy sitting behind the desk, a man off the front pages of the Washington Post. He didn't invite me to sit down but began directly by saying to me, "She is as nutty as a fruit cake, but who will replace her? You, however, with all your qualifications are a dime a dozen. Don't you ever do it again." I thought that was marvelous.

*Q: How had it gotten all the way up to the 7th floor?*

FERCH: I don't know. He wasn't going to lose me. He recognized a junior officer with talent, but he was going to tell him some facts of life.

*Q: Just one last question. I know that this was on a political level and so was perhaps out of the Inspector General's purview, but is it possible that the Inspector General's Office might have given you some sort of back up at that moment that might have helped you?*

FERCH: Oh, I couldn't answer that. I don't know. It was too late.

*Q: It had already happened.*

FERCH: Once George Shultz had authorized it...

*Q: So you didn't know you were in trouble in time to...*

FERCH: No, excuse me, I had been picking up those vibrations. Remember I said I wrote a letter to Abrams saying that I wanted to talk to him about this. But at that time it was only Elliott building the case. Where the institution failed me was when he presented the case. The institution should have said, "Call Ferch up and let us hear from him."

*Q: You haven't mentioned any bridge building to the Hill in the course of your career. I gather that you preserved your way within the Foreign Service?*

FERCH: What do you mean building a bridge?

*Q: Well, I mean...Ambassador Muccio, who I served under, was always going up to the Hill whenever he went back to Washington and I think this was part of his strength as an ambassador. If you had had stronger allies on the Hill, perhaps they couldn't have dared to treat you that way.*

FERCH: I am sure you are right. No, I didn't. Between assignments, when I was back on consultations, I would go up on the Hill and talk to staffers. But that was just routine. I have to conclude that I am a very poor bureaucrat, I did not do things like that. I always felt that your record would carry you. And it always had for me. I had no reason to doubt. There were times in my career when I got promoted really fast and times when it seemed like it took four years for a promotion I had hoped for in three years. But basically, I saw hard creative work rewarded. I didn't see the need of all that...the conscious building of bridges. Actually it really never crossed my mind. I just didn't do it.

*Q: I am just wondering what of your experience on this tape can be of guidance to a junior officer just starting in the Service to help him as he goes along? Of course the world is changing as is the Service.*

FERCH: I have an answer to that but I am not sure that I could have acted on it. When Elliott called me and said that the Secretary wants to remove me, I could have said, "I am on the next airplane. I am cabling the Secretary right now asking for an appointment." The recommendation would be to confront them. But I was so traumatized I didn't do that. I think the lesson in this is that you shouldn't let yourself be pushed around by politically driven people like Elliott Abrams. It might have done some good if I had done that, I am not sure.

*Q: It would really depend on that person's character at that level.*

FERCH: That is right. And I certainly would have felt better about myself since then. However, you have to remember, I didn't know why he was doing it. The story that I pieced together was only pieceable because the scandal subsequently unfolded and I was able to put it all together. In other words, when I went up, if I had done that, I wouldn't have known what was going on. I probably wouldn't have seen the importance of their saying that somebody has to take responsibility for the Contras and that I sent the cable saying that I would do it but put it in writing. At that time I wouldn't have seen the significance of that. So I am not sure that the lesson that I have thought about is even a meaningful lesson.

Another lesson for the junior officer..."The Foreign Service is great. If this be the end of your career it is a traumatizing end, but everything else is worth it."

What I regret most of all, though, is that it traumatized my wife more than anything else because he created a case that largely involved her. She can't get out of her head that she caused the end of my career. That is dirty. What he did to her, I will never forgive him. The case that she meddled in Embassy administrative affairs... John was a bad manager, but largely because of her.

Another thing you hear about the case he built, this gets back to your question about the institution...if you go back through my personnel file, you will find that my interest in management is reflected in the file and that I was always marked high in that area. All of a sudden, this case which basically said I was mismanaging the embassy, creating poor morale, etc. appeared...all of a sudden this man after 27 years was doing everything wrong as a manager and the Service never said, "Hey, this doesn't square. We praised this man, we saw him as one of our better managers."

Institutionally, Personnel never stepped forward. You would have thought that somebody would have done that. After all it was not consistent with the record. Somebody should have gone to George Vest and said, "You realize what Ferch's background file says? Let's look into it." Speaking of my record, it closed on a note of beautiful irony. The year Abrams removed me, I received a Presidential Award bonus. By the way, I had received up to that point bonuses every year since they were initiated. I suspect few other senior officers had such a record.

I don't see the Foreign Service as being filled by a lot of mutually supportive individuals. I am not sure it is a Service.

So that is it. But I don't want to turn people off on the Service even though I have a bitterness. That doesn't keep me awake at night, but I think my feeling is legitimate and will carry it with me for a long time.

*Q: Now I can sympathize with your feelings, but it seems to me though as you came along that you had quite a lot of support from people around you.*

FERCH: That is well said and you mentioned that earlier and it should be balanced against my remarks about institutional failings.

*Q: More than I think a lot of careers would show.*

FERCH: I think you are absolutely right. I take it back when you put it that way. I am still reflecting a bitterness that when I was recalled my peers didn't stand up and say, "Hey, this is a man..."

*Q: When the chips were down.*

FERCH: Yes. But you are right. A lot of people helped me along the way, an awful lot. A lot of people said, "Hey this is a guy with a future, we are going to help him along." Every one of my superiors let me be creative. But then I was creative, too. I produced.

*Q: Yes, and that is partly why they helped you along the way-- because you helped them in their role.*

FERCH: I never had a single bad superior officer except that one political ambassador in Mexico who sold a Rolls Royce.

*Q: Well, John, I guess that about covers it. Thanks very much.*

FERCH: You are welcome.

*End of interview*