

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

H. FREEMAN MATTHEWS, JR.

Interviewed by: Charles Stuart Kennedy
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Q: Today is April 20, 1993. This is an interview with H. Freeman Matthews, Jr. and will be done on behalf of the Association for Diplomatic Studies and I'm Charles Stuart Kennedy. Could you give me a bit, more than a bit because you come from an interesting background, could you tell me about your early years?

MATTHEWS: My father was also in the foreign service.

Q: What was his field of specialty?

MATTHEWS: He was primarily interested in politics. At one point he was Treasury Attaché in Paris, just before the war, but he was primarily in the political field. He entered the foreign service in January, 1924. His first post was Budapest. After about a year in Budapest, he met my mother here in this country when he was on home leave. They were married a couple of months later and so their first post together was Budapest. Then he was transferred to Bogota, Colombia. Both of those posts were Legations in those days.

I was born in Bogota on the last day in 1927. My father was sick in bed with typhoid fever, the second time he'd had it; he was really right on the edge. They weren't sure he was going to live. The minister was away and the only other person in the Legation was

somebody named "Two Quart Hoover," who acquired the name in recognition of his daily intake of alcoholic beverages. In effect, my mother was the only functioning person in the Legation when I was born. I was born at home, in a bed that I still own, a large sleigh bed. It's the same bed my father was born in. Anyway, that's where I was born, in Bogota, Colombia. I lived there till the age of about 2.

Then we came back to Washington where my father was in the Latin American Division from 1929 to 1933. Then we were transferred to Havana, Cuba. We were there for 4 years, 1933 to 1937. Jefferson Caffery was the ambassador, and he and my brother were very close friends. As I'd not been baptized before, my parents asked him to be my godfather.

Q: He was one of the characters of the foreign service, not character, I mean a major figure in the foreign service.

MATTHEWS: He was extraordinary. It's a shame you never got an oral history interview with him. It would have been just fascinating.

Q: He's one of the imperial Ambassadors.

MATTHEWS: Right up to the very end, we would see him from time to time. He retired in Rome but often he would come back here and then we would all get together, my father and the Cafferys. And the tales that he would tell were absolutely straight and lucid and you understood exactly what he was going through. He was a man of few words, especially on paper.

I remember when I first went into the foreign service, he was in Cairo. He would receive a long instruction on what to do with King Farouk or Nagib or Nasser at the time, and he'd send about a 2-line answer, saying that he had carried out the instructions and Farouk had agreed or Nasser had agreed. None of this garbage that goes on and on and on at great length as today. He was the ambassador.

I had a very happy existence in Cuba, had my own horse, we lived out in the countryside and it was a very pleasant place to grow up.

There was some student unrest, those were the days when Batista was a big hero. He'd thrown out Machado who had been the dictator before him. And Batista, who had been a former army sergeant, was a great hero to the people because he had gotten rid of the last bad guy. I remember there was one point when the students--I guess they had almost universal university education, anybody who wanted to could go to university--but the result was that there were a lot of people with university degrees with no jobs. This led to a fair amount of unrest, especially among the students. There was a lot of unhappiness and naturally they directed this against the United States.

We had a chauffeur that came down with us, a very fine Black-American named Charles Taylor, who was our driver and he drove my father to the Embassy every morning. One morning on the way back after he dropped my father off, driving along the Malecon, which is the ocean- side highway in Havana, a car cut in front of him and blocked him off. A couple of guys got out and one of them broke the windshield with a pistol butt and said, "This is just a warning to Mr. Matthews, you tell him he's got just 2 weeks to get out of town or we're going to get him or his children." Poor Charles was greatly dismayed at this, but he drove on home.

The result of that was that we had Cuban army guards on the house from then on. While they were affable enough, they weren't very efficient. That was my first indirect experience of terrorism. We lived in Cuba till 1937 and then we were transferred to Paris.

As I mentioned earlier, my father was first named the Treasury Attaché there, a field that he was not particularly expert in but he did speak very good French. He had studied at the Ecole des Sciences Politiques in Paris before he entered the Foreign Service. In March 1939 he was sent down to Spain at the end of the Civil War to become, for a very brief period, the first American representative to Franco's government.

I remember going down on the train alone to meet him, at the Spanish-French border, with some money pinned to my underwear so it wouldn't get lost or stolen. He met me at the border, San Sebastian, where we stayed for awhile. And then eventually we made our way up to Madrid, where we saw Franco's victory parade at the end of the civil war. Then we went on back to Paris.

When I was in Paris I went first to an American school called McJannett's School which I think later became the American School. To my father's dismay, I was not learning very much in the way of French. So the following year they put me in a lycee, L'Ecole Alsacienne. I was miserable for 2 weeks trying to learn some French. Neither my teacher nor any other teachers spoke any English at all. There was one girl in the class who spoke some English. So it was kind of rough in the beginning but eventually I got used to it, and got to enjoy it. As a result my French when I first came into the Foreign Service was very good, practically bilingual.

In 1939, with clouds of war hanging over Europe, my mother and brother and I came back to the States in September 1939. In fact we landed in New York, on August 31st and the war started September 1st. The idea had been that my father was to follow on home leave but of course the war changed that. So my brother and I lived with our grandparents in Tarrytown, New York. My grandfather was the President of the West Virginia Pulp and Paper Company which is now Westvaco, a family business founded a couple of generations earlier. We lived in Tarrytown from 1939 to 1943.

My father remained in Paris and eventually followed the French government, in the Spring of 1940, down to Vichy where he was Chargé d'affaires until January 1941. My mother traveled back and forth between Vichy and Tarrytown . Eventually my father was

transferred to London where he was the Minister (the number 2), and served also as Political Advisor to General Eisenhower. My mother again made several trips back and forth which was not easy. A lot of it was on PanAm Clippers to Bermuda and the Azores. She had tales of being stuck in Bermuda having to wait for the seas to calm down so they could take off again. My father was in London till the middle of '43.

Meantime I had gone first to a school called The Harvey School near Tarrytown and then to Lawrenceville. I was there from 1941 to '45, eventually graduating in '45. My father and mother came back to Washington in 1943. That brought great joy to my brother and myself to finally have our parents back. They a nice house here on Woodland Drive. He was Director of European Affairs, which later became Assistant Secretary of European Affairs.

In the Summer of 1945, I graduated from Lawrenceville and went to Princeton. I was at Princeton for my freshman year until February of 1946. At that point the war was over, but it looked as though the draft was going to continue for some time and I was sure I was going to get drafted. So I signed up with the army in April 1946 for 18 months. I went to basic training and then was transferred to Japan, were I served in the occupation of Japan until 1947 and I came back to the States, after that was discharged.

When it came time to be discharged, the recruiting officer for the Reserves at Fort Lewis Washington said, "You've got three more weeks on your enlistment. If you sign up for the Reserves, you'll be on a train on your way home tomorrow." "If you don't sign up for the Reserves, we're going to lecture you everyday on why you should join the Reserves up until your very last day of enlistment." So naturally in 1947, this looked pretty safe so I signed up for the Reserves. I later came to regret that decision because I got caught up in the Korean War.

Anyway, I went back to Princeton and in my senior year, I met my future wife. I did not pay enough attention to my studies and flunked out. So I went to work at a bank and we nevertheless got married in June 1950. We were in Bermuda on our honeymoon when the North Koreans came over the 38th parallel.

Q: June 25th.

MATTHEWS: My wife said, "Oh, you'll be called up." I said, "no, never, I'm in the Inactive Reserves." I'd never done anything in the Reserves, nothing at all. So I was sure I was going to be all right. But of course what happened was, the Inactive Reserves were those that were called and my enlistment was extended a year by President Truman. By September, I was on my way to Korea. I was in Korea from November 1950

Q: Right at the beginning?

MATTHEWS: Near the beginning. We landed in Inchon just as the Chinese were coming over the border, entering the war. So immediately we were put on a troop train for Pusan.

We were going to the Pusan perimeter. I ended up, by pure good fortune, in the 2nd Finance Disbursing Section, simply because I had worked in a bank before I was called up. I guess they needed somebody who knew about finance. I felt very fortunate because before when I had been in the army in Japan, I had been in the 1st Cavalry Division, so I escaped some hairy combat.

We were attached to the IXth Corps Headquarters and followed the troop movements up and down the peninsula, as they went up and came back down again. But to my astonishment, President Truman did not extend the enlistments beyond that one year, so come August 1950 I was discharged.

Q: '51 it would be.

MATTHEWS: '51, I'm sorry. So that was my interlude in Korea. Meanwhile, I wrote to Princeton from the front lines, saying that if I survived this great adventure out here, I'd like to come back to Princeton and finish. They responded, yes of course, if you do survive we'd be glad to have you back. So I went back to Princeton as a married undergraduate and we lived in the old veterans project on Harrison Street, for the final year there. I did graduate and I got a prize from the Woodrow Wilson School for the student who had improved the most over his previous year.

Q: What were you taking?

MATTHEWS: I was at the Woodrow Wilson School of Public and International Affairs.

Q: Had your experience as a "foreign service brat" made you aim for it?

MATTHEWS: I was more interested in foreign affairs, I guess, then I would be otherwise. I was uncertain when I went to Princeton, as to whether I really wanted to join the foreign service. I was a little concerned that perhaps I'd seen some of the more exciting, glamorous parts of the foreign service, and I thought I should try something else. Well, my experience of working in a bank as an executive trainee in New York, I found interesting, but it did not lead me to believe that this was where I wanted to make a career. I just couldn't get excited about the fortunes of the bank, was not something that really stirred me. So I thought, when I came back, by then of course I was married--let's give the foreign service a whirl and see how that goes.

When I was sent to Korea, it was pretty traumatic of course, for my wife having first been married. She decided rather than continue to live in New Jersey with her parents, she would come to Washington and live with my parents. She got a job in the State Department, working in a clerical capacity but in an office that had a liaison with the CIA. So she was able to keep track, in a certain sense, of what was going on in Korea. But she had a very good experience working in the Department and really enjoyed it.

In the Spring of 1952, just before I graduated from Princeton, I took a civil service exam called the Junior Management exam. I passed that, though it was a very difficult exam, especially the oral part. It was worse than the foreign service oral exam because they sat you down, 7 of you in a room, and you knew that 4 or 3 of the 7 were going to pass and the others would not. So you were directly competing against the others that were there. And there were various topics that would be put out that you had to discuss as a group and come up with recommendations as to what could be done. I remember one of them had to do with the over commercialization of sports, in those days.

I passed the exam and I was offered a job first in the National Archives, but also I wrote the State Department to see if I couldn't get a job in the Department instead. And Herman Pollack, who has recently died, was instrumental in trying to get me into the Department. And I was offered a job as a GS-5 in the Department at the salary of \$3,410 in the Summer of 1952, after I had graduated from Princeton.

Just after I graduated, our first son was born, named Luke. He was born at Princeton hospital and he's the one who just had a baby yesterday. Or rather his wife just had a baby yesterday.

So our little family moved to Washington. I started out as the number 3 or 4 guy on the British Desk in what was then called BNA, the British Commonwealth and Northern European Affairs. My boss was a fine man named William L. Hamilton, officer in charge of U.K. and Ireland Affairs. This Bill Hamilton has since passed on. Bill Blue was the Office Director of BNA and Andy Foster was the Deputy Director. We were in what is now the old part of the State Department building, but at that time it was pretty new and fancy. My father at the time was the Deputy Under Secretary for Political Affairs, which was in effect the 3rd ranking job in the Department.

Not too long after I started work, the elections were held in the Fall of 1952. The Republicans came in, Eisenhower and Dulles, replacing Truman and Acheson. Dulles brought about what may be the only RIF in the foreign service.

Q: This is reduction-in-force.

MATTHEWS: Reduction-in-force, right. Because I was a veteran, this helped a great deal, but in any case, my job was abolished as part of this RIF. But I went onto a register, which is the way it worked in those days. You were on a register with the number of points according to whether you were a veteran and how long you had worked.

I was the second person on my register and the fellow who was the third, the guy just below me, was Maury Draper. He had been working in the Secretariat so I bumped him out of a job. And I went to work in the Secretariat with Jimmy Burns who was the Administrative Officer for the Secretariat. He managed some how to save Maury Draper's job so we both worked there. I worked in the old Secretariat back in its very early days. Bob Gordon was my immediate supervisor.

Q: What was the Secretariat doing in those days?

MATTHEWS: It managed the paper work for the Secretary. We wrote summaries of the day's cables, performed some of the functions that are done today. They also, as I said, managed the paper work that went through from other parts of the Department to the Department principals.

One of the things that was started while I was there, and I guess I was the first one to actually do this, was a summary of decisions. We had the idea that there ought to be a record of the important decisions that principal officers of the Department made in the course of their tenure. So every day there would be a "brief." The format that was developed had an active verb followed by a description of what had been decided.

My job was to try to keep track of all the memoranda and telegrams and letters, that had been personally signed by the Secretary or the Under Secretary or one of the Deputies, and get this into the daily summary that would be produced and sent forward. A lot of this of course involved working on shifts at odd hours.

The entire Secretariat, I can't remember exactly how many people we had, but it was certainly no more than 12, 15. God knows how many there are now. It was a very interesting and useful assignment.

Q: Sometimes it's so difficult today to find out what was decided, I mean, things sort of disappear. This seems like you were in a position to, as a very junior person, to sort of say: they did this. And maybe for the record they'll say, well I never decided that or something like this.

MATTHEWS: It took a certain amount of detective work trying to determine exactly what had been done. But a good many of the papers that would go up, would have a decision on it, whether he approved this or didn't approve it. The same thing on telegrams. If one of the principal officers signed off on a telegram that gave instructions on what to do about Berlin or whatever, then you'd have the decisions. A number of them were not momentous. It was more the day-to-day smaller decisions.

Q: Accumulative.

MATTHEWS: A cumulative record. So that began in 1953, and it has continued to this day. I think that still is the practice of the Secretariat; part of the daily summary is a record of the decisions of the principal officers. So that's what I did, and I found it really very interesting as a junior officer.

In February 1954 they made up a delegation to go to the Berlin conference, the 4-Power Berlin conference in 1954. I was the junior guy that went along on that.

Q: Dulles of course was the Secretary of State.

MATTHEWS: Dulles was the principal leader of this conference.

Q: What were you doing at the conference?

MATTHEWS: I was in the Secretariat. We put together a selection of various documents and things that we thought we might need. I guess today they don't go through quite as much, though I'm sure they produce a lot of briefing books. In terms of a lot of the backup stuff it's so easy to go back to the Department either by telephone or immediate telegram to get answers to things that you might need. But we weren't so sure of that and so we put together several foot lockers, sort of a basic library that we could carry with us.

This was a conference that went on for 4 or 5 weeks, in February 1954. It was just fascinating to be there.

Q: I realize you were obviously way off but did you get any feel from emanations about how Dulles worked at these conferences?

MATTHEWS: Oh yes, it was a small delegation compared to what we have now. It had Dulles, Doug MacArthur, who was the Counselor of the Department, Livy Merchant was the Assistant Secretary for European Affairs, and Carl McCardle was the Public Affairs guy. Then we had some military advisors.

We even had a CIA fellow there who could lip read in Russian. Seats in the conference room were limited by the size of the room, but this fellow always had to be in the front row so he could lip read what the Soviets were saying. But he never came up with anything more significant than: "I have to go to the bathroom," or "Pass me the water."

My job was to process and distribute the telegrams that came in over night to the various principals for action and information. These were materials having to do with the conference and with other affairs that were going on all around the world. It was wonderfully interesting but exhausting. I remember falling asleep in the bathtub one morning when I was trying to wake myself up at around three in the morning.

It was very exciting also being in Berlin. Some parts of the conference were in East Berlin and parts were in West Berlin. It was fascinating.

The only specific substantive matter that I remember I had to deal with was the question of Austria. Austria at the time was divided into the 4 different sectors, with one of them occupied by the Soviets. So the conference began working on an Austrian peace treaty.

I was asked one afternoon on very short notice by Mr. Merchant to prepare a paper for Dulles the next morning on the origins of Swiss neutrality. I had a vague memory that this came out of a European conference at one point but I couldn't remember all the details. So

I raced to the library which had a lot of German books and I didn't speak any German. I eventually found something that had a resume of one of the European conferences, I guess it was after the Napoleonic Wars.

Q: It might have been the Congress of Vienna.

MATTHEWS: That's probably what it was. I think you're right. The critical point was that Swiss neutrality was something that the Swiss themselves opted for. It was not something imposed on the Swiss by the European powers. And this was the critical point for the Austrian peace treaty. If Austria was to be neutral, this was something that should be chosen by the Austrians themselves and not something imposed from outside. This eventually became part of the basis of the Austrian peace treaty which was negotiated somewhat later. Anyway, I produced this paper overnight and proudly brought it in to Mr. Merchant, who thought it was just what was needed. Dulles was also there and said, that's good work, that's just what we need. So that was my great contribution.

Q: What was your impression of Dulles' way to approach things and all, sort of from the Secretariat point of view, how did he operate?

MATTHEWS: He was a very different person from Secretary Acheson. We always felt we knew where Acheson was coming from and what his objectives were and where you stood with him. Dulles I think was much more difficult to read. He had, I think, some very strong fundamental views about the Russians and about American foreign policy and what we ought to be doing. He was a more difficult person, I think, to try to pin down as to what his objectives were in any given scenario. Sometimes he would appear to be leaning in one direction when in fact what he was trying to accomplish something quite different. I found him a confusing kind of person to observe.

Q: Did you get any impression about, I mean, what were the sort of feelings about the Soviets? There was actually some movement in this particular conference unlike many other ones. Was there a feeling that things may start to break?

MATTHEWS: I think there was some hope that there might be of achieving a modus vivendi in Southeast Asia, which had begun at the Berlin Conference in Geneva in the summer of 1954. There was hope that they might be able to accomplish something on Austria. But in more fundamental things, what could be done about Germany, about Eastern Europe and relations with the Soviets, seemed there was very little that could be accomplished. I don't think there was much hope that they could. Dulles was really a very firm cold warrior. He didn't think there was going to be any great warming in that period.

Q: Did you go to the Geneva conference?

MATTHEWS: No. Berlin was the one conference that I attended from the Secretariat.

In the meantime I had taken the foreign service exams and had passed them, but there were no appointments being made because of the RIF that took place under Dulles. There'd been no appointments for a couple of years in the foreign service. So I continued working in the Secretariat.

Then all of a sudden, out of the blue in May 1954 came a query from Personnel as to what would I think about going to Palermo as vice-consul in the foreign service. I thought that'd be great, wonderful, when do you want me there? They said, in 10 days. This had come after waiting for something like 18 months or so, checking almost every week where things stood foreign service appointments. Anyway, what had happened was the Refugee Relief Program of 1953 had come along and the Department got some money and authority to appoint new people.

My wife was expecting our second child in two months. We decided to go via the Hague where my father was the Ambassador. She stopped in the Hague with our oldest son, who was then about 2, to have our second son who was born in Holland in August '54.

I went straight on to Palermo in June '54 and when I got there I found to my astonishment that there were something like eight or ten other brand new foreign service officers who had come there from various places around the States. A number of them had also left their wives in one place or another to have babies. So there was quite a crew of us who arrived in Palermo to work in the Refugee Relief Program.

Q: I know the answer but I'm asking for the record. The Refugee Relief Program, there were no real refugees in Sicily, what was this?

MATTHEWS: The Refugee Relief Program of 1953 was, I think in essence, was based on a false assumption that there were a lot of refugees left after World War II. This is after all 7 or 8 years after World War II ended, so the refugees who were still unsettled were pretty hard core. There were not that many of them who were still around. But the Act also provided for a certain number of immigrant visas to be issued. And if you couldn't get enough refugees, then they could be used for relatives of American citizens, especially brothers, sisters and parents. And that was what we ended up issuing the visas to in Sicily--large numbers of brothers and sisters of American citizens.

The Consulate, which was headed by Consul General James Keeley, had gone from a very sleepy place with a total of 6 or 7 Americans to something like 75 as a result of the R.R.P. There was a large contingent of investigators that came to look into the backgrounds of the people that we were issuing visas to. And there was a medical unit that was there, including a doctor who ended up serving a term in Fort Leavenworth for embezzling funds and taking bribes. There were also some immigration people. It was a very sizeable establishment.

Q: I was a Refugee Relief officer in Frankfurt, Germany where we were getting real refugees up there. My understanding was that this program, the initial thing was designed to get Italians into the United States.

MATTHEWS: Italians and Greeks.

Q: It was sort of worked around to make it more palatable. It was turned into a refugee program when it really wasn't. The political impulse was basically to get the Italians in. We also had refugees coming in from the Netherlands.

MATTHEWS: The only refugees that we had were people who'd been refugees as a result of natural disasters, floods and other kinds of problems in the area. There were primarily Greeks and Italians as well as some Germans.

Q: What about the Mafia?

MATTHEWS: That was very interesting. Our personal contacts with the Mafia in Sicily were in essence very amicable. They seemed more a local vigilante group.

The place that we rented in a village called Mondello, sort of a beach resort for Palermo, was a very pretty little house, and the garden was postage stamp size. But when we rented it, the owner said, there's one condition, you have to hire these two gardeners, Salvatore and Giovanni. I remonstrated and said, there doesn't look like there'll be enough work here for half a gardener let alone two. He said, that's all right, you're going to be very happy with them and that's the condition under which you take the house.

It turned out of course that they were very low level local members of the Mafia, but very nice men. The result was, that we were only robbed once, when somebody stole some Dr. Dentons (baby pajamas with feet in them), off the clothesline. These guys were horrified that somebody had the nerve to steal them, so they posted a man with a shotgun in our garage for the next several weeks. That was about the extent of our own direct involvement with the Mafia.

But there was no doubt they were very influential in Sicily. In terms of what we did, in issuing and denying visas, it was very hard to detect Mafiosi. Anybody who was convicted of course we were able to exclude. But there were a lot of people who were simply under suspicion and it was hard to tell if they were truly Mafia or not.

Q: But the investigators, I mean here you had, I know it was a huge operation all over, and you had these people running around doing investigations in essentially a crime ridden area. Did they turn up anything or were they sort of learning to avoid asking or getting into the wrong places or something like that?

MATTHEWS: We were always a bit puzzled as to what these investigators did. Many of them were of questionable background and qualifications.

Q: Mostly Italian-American weren't they?

MATTHEWS: A lot of Italian-Americans. As brand new FSOs, I'm afraid we tended to look down on these less qualified people who were not foreign service officers. I can't recall that they produced anything of great moment or great use. But there certainly were a lot of them and they were running all over Sicily, all over Italy for that matter Naples and Genoa also had substantial programs.

The head of the investigators in Palermo was a very ostentatious fellow, I think his name was Wilfred V. Duke, I don't know what became of him. He cruised around in a bright red convertible. Sicily in those days had nothing but small Fiats. And here he had this bright red convertible. He was supposed to be sort of, undercover, not CIA, but he was supposed to be discreet.

They had quite a collection of characters that were there. The head of the visa section, a fellow named George Palmer, whose father had been Minister in Afghanistan at some point, was kind of a character himself. He and the head of the investigators, Mr. Duke, became fervent enemies, with big disagreements on everything.

Q: Q: If it was the way it was when I was dealing with it, about a year later up in Frankfurt, they would make a report which you would get and the immigration service would get. Both of you would then interview the people and if the immigration officer and you made the decision to give them the visa, they were given the visa.

MATTHEWS: It wasn't that formalized in Palermo. I think the way it worked was if the investigators turned something up they would provide a report on what it was. But that was fairly rare. My impression was they didn't get involved in the visa issuing process unless they had something on the individual. But I guess what we did was to run names past them and they'd check with the police or whoever they could find. The applicants were interviewed by the visa issuing officer and I suppose by the immigration person too. I have the feeling they would mostly handle it on paper, and would sign off. If the vice consul approved the visa, then I think the immigration people tended to go along.

Q: We had joint--one would interview then the other--technically we would interview them first and immigration interviews them afterwards. Well then, you did that for about a year and a half or so?

MATTHEWS: I got there in June 1954. In August my second son was born in Holland, and my wife brought John and Luke, the older boy, to Palermo. I, in the meantime, looked for a house in Mandello and at the urging of some of the old timers who had already been there, I found a house that had central heating. They said this was really needed in the winter because it got quite cold. It was the only place I could find that had heating.

Well, it turned out to be a disaster, a terrible house. My poor wife arrived with this little bitty baby, she probably shouldn't have traveled that early with him, and with the older boy who was two. She didn't speak Italian, none of us spoke Italian when we got there. And here we were in this awful house and she was very unhappy. All we ate was spaghetti for weeks, it seemed like. She finally said that she had enough and she wanted to go home. I said no, I can't do that, we have to stick it out here for a little bit longer. We're going to find another house.

So I went to the landlady who spoke French. I had a long talk with her and she was very disappointed. But I said that it just was not working out, the house was decrepit, the plumbing didn't work, a variety of things. In addition, I'd inspected it in the daytime and the first night we were there all of a sudden we heard all these police sirens, gun fire, a tremendous racket. I stepped out on the balcony and saw were across the street from an open-air movie theater showing a spaghetti western movie.

Anyway, we did manage to break the lease and found another more appropriate house complete with Salvatore and Giovanni. Then things improved and we were a whole lot happier. We had visits from both our parents, and traveled all over that fascinating island. We left Palermo in December 1955.

I credit Bill Boswell with having been the person who really made sure of this because he was the Administrative Counselor in Rome at the time. He'd been down to Palermo and we all told him: Look, we are foreign service officers; we joined the foreign service and we're happy to be here issuing visas but we don't want to do that indefinitely. So he promised he'd get us out in a year and a half and by golly he did.

We were transferred directly to Zurich which was a nice change. We arrived there in December of 1955. It was an enormous contrast to Palermo, of course. It was just fantastic. You could buy everything in the stores. My wife says that that Christmas, we bought more than we ever had before. We found a lovely house, down the lake in a little town called Thalivil, probably one of the nicest houses we have lived in. We were just lucky because the landlord was interested primarily in somebody who would take good care of his house. He had had experience with Americans before and he liked them.

My job in the Consulate General was passport and citizenship, welfare and protection officer. The consular district included the Ticino, the Italian Canton of Switzerland. In the meantime we'd learned pretty good Italian in Sicily and it actually got better in Zurich because I had to deal with anything that came up having to do with the Ticino.

Zurich was a wonderful change. The Consul General was an old friend of my father named Carlos Warner, who had been with my father in Cuba many years before. The Deputy was a wonderful guy named Wally LaRue who had lost one lung to TB while serving in India. I think Zurich might have been his last post. He had real trouble breathing. These were two very good mentors. It was a very enjoyable post. We had about 6 or 7 Americans and some very fine local employees.

So it was a very interesting assignment. Skiing was something we had never done before but we quickly adapted to it. We could ski 15 minutes from the house, it was wonderful. Of course fine restaurants. You could travel up to Germany and down to Italy and over to France, so it was a fascinating period. We had another son born there, a third son, Timmy, who is now a Lieutenant Commander in the navy and who just had a baby also, early this Spring. We were all very happy there. Some of the friends we made in Zurich are still good friends whom we run into from time to time.

My father in the meantime had been Ambassador to Holland. My mother died in 1955 from brain cancer. My father ran into an old friend who had been a secretary of his many years before, whom he liked but didn't have any romantic interest in at the time, named Helen Skouland, a foreign service secretary. After my mother died, he ran into her when she came up to visit Holland and they fell in love. some months later I made arrangements for them to be married in Zurich with a small reception at our house. Then they were transferred to Vienna, so he was Ambassador to Vienna while we were still in Zurich. We were able to travel over to Vienna to visit them several times.

Q: Did you get into any, were there any reflections or waves at all from the Hungarian revolt in '56, this is October '56.

MATTHEWS: There were numerous Hungarian refugees that came into Switzerland. The Swiss were very supportive of the Hungarian refugees. I think they had the feeling the United States should have done more to try to help them. There were accusations that Eisenhower had encouraged the revolt and then had done nothing about it.

Q: It was difficult.

MATTHEWS: The Swiss really leaned over backwards in trying to do everything they could to help the Hungarian refugees that came in large numbers into Switzerland. They found them jobs and did all sorts of things for them. They genuinely went out of their way to help them. I was not dealing with visas then but I think we probably did issue visas to some of them who went on to the States.

In my job, on the citizenship side, this was a period when various court decisions were dramatically affecting the provisions of the Immigration and Naturalization Act that had to do with loss of citizenship. One after another the different provisions were being set aside as unconstitutional. The requirements on how long you had to live in the States or you lost citizenship; and who became a citizen automatically and who didn't; how you could lose your citizenship; all were being overturned.

I remember some of the cases had to do with dual citizenship. There was a provision in the 1952 Act that a person who lived abroad for 3 years after acquiring dual citizenship and who took advantage of the second citizenship, could then lose his American

citizenship. Lo and behold if it didn't turn out to apply to the President of the American Women's Club in Switzerland.

Q: Oh God!

MATTHEWS: I looked the case over and sent in a request for an advisory opinion on it. The Department came back and said, you've got to expatriate the lady. I made the argument that I didn't think it was constitutional, and I didn't see how you could do this. So I had to call the poor woman and expatriate her. She of course was livid. What she'd done was to get a Swiss passport and used it, and she hadn't been to the States for the required number of years. Anyway, I had to expatriate her. About 4 months later, an instruction came from the Department saying that the Supreme Court had held that that provision was not constitutional, and therefore I should give her back her citizenship. Which I did with some glee.

On protection side of the job, Zurich seemed to attract more than its share of nuts. The Jung Institute was in Zurich and we often wondered whether the people who came in claiming they were studying at the Jung Institute, maybe were being studied themselves. We had a number of weird cases.

I remember one spectacular case of a black GI who married a white German girl without the permission of his superior officer in Germany. They came to Switzerland seeking asylum. There was a tremendous amount of argument over their case. The Swiss were very sympathetic, I was too in fact. They also had two children. They were penniless, and despite how sympathetic the Swiss were, they wouldn't give them work permits. Our military authorities claimed he was a deserter and wanted him back I think this was another case where we finally gave them train fare to get to Paris or Cherbourg or Genoa to get a ship home.

Anyway, we had a large number of welfare cases that were interesting. You dealt with that kind of problem in Europe.

Q: Did you get involved at all with one of the major activities in Switzerland at the time-- spying? Were you aware that it was sort of a meeting place?

MATTHEWS: There was a lot of talk of that. But there didn't seem to be a great deal going on. Major interest of course was banking. The gnomes of Switzerland. That was a very hard subject to learn about and that was not part of my job. The Consul General and the Deputy Consul General tried to pay attention to that.

Q: The concern of course being that people had secret accounts. At that time you couldn't penetrate that thing. Everybody who was of criminal intent or tax fraud intent plus other reasons, had their Swiss bank accounts.

MATTHEWS: You couldn't touch them. We had good friends in the banking community there. We made a lot of good friends in Switzerland. Some of them were sort of half-Americans, their wives were Americans. In terms of trying to find anything out about a specific individual, you never got anywhere. But it was interesting in trying to follow to the extent that you could what was going on.

Q: Did you get any feel for how the Swiss felt about the Cold War which was at its height. Did they really feel neutral?

MATTHEWS: They were proud of their neutrality. They wanted to make sure it was maintained. They were also very strongly anti-communist. I don't know what the percentages would have been but they had a small communist party, not anything significant. In Zurich especially it seemed to me that there was a very conservative group of people. They felt that we were correct in standing up to the communists. The Swiss always have a kind of superior attitude towards other people. No matter what wonderful thing you may have done lately, the Swiss could have probably done it better, faster, whatever. So there was a bit of that. And as I mentioned earlier, there was criticism of our response to the Hungarian revolution.

But I think in general the Swiss believed we were right in the lines we were taking. They certainly had no sympathy for what the Soviets had done in Eastern Europe. I think that the Swiss basically tried to be helpful to us. It was almost a positive neutrality they had as opposed to, say the Swedes, a different view.

Our Chiefs of Mission when I was in Zurich were, first, Francis Willis who was our first career foreign service woman Ambassador. She was succeeded by Henry J. Taylor who was a real character. A right-wing radio announcer for General Motors who was a political appointee. General Motors gave him a red Corvette before he came to Switzerland. And he toured around Switzerland in his Corvette with an American flag flying. He had a sad marriage, his wife was quite ill. He acquired a Swiss girlfriend, which unfortunately became rather well known around Switzerland. A lot of fun was made of him from time to time. He was not a wonderful Ambassador.

Q: I take it he didn't have much impact on where you were.

MATTHEWS: No.

Q: Just sort of an object of derision almost?

MATTHEWS: A bit. As far as Francis Willis was concerned, any piece of paper that came to us from the Embassy in Bern, even if it was a letter having to do with visas, (because Bern didn't issue any visas, and we did). Francis Willis would have seen it. She kept very close track of everything. Henry Taylor didn't care too much about visas. He used to attend the NATO Ambassadors meetings. American ambassadors from NATO countries would have meetings in various places. He met my father at one of these things.

At the end of one of the meetings, he proceeded to stand up and invite everybody to hold the next meeting in Switzerland, which of course would have horrified the Swiss.

Q: A NATO meeting in Switzerland.

MATTHEWS: A NATO meeting in Switzerland. Anyway, he was a character.

Q: Then you left there and went to Personnel.

MATTHEWS: 1958. We had had home leave from Zurich, because we had been direct transferred from Palermo. We had home leave and came back on the Constitution or the Independence, I forget which. Then returning I think on the America or the United States, anyway one of those ships. Those were the days when we had those wonderful sea voyages back and forth.

Q: Oh God, yeah. What were you doing in Personnel? You were there from '59 to '61, what were you doing?

MATTHEWS: I came back to the Department to take the mid-career course. I had been in the foreign service for a total of 5 years.

Q: You hadn't had any real basic training at all.

MATTHEWS: I never had a foreign service class. I had the Junior Management Program when I first came into the civil service. But I had no basic officers course. I took the mid-career course.

I was in Personnel, POD, Personnel Operations Division. Loy Henderson was Under Secretary of Management and under him was Wally Stuart and under him was the Director of POD who was John Jova. John had a Deputy named Don Downs. The geographic area chiefs were members of a panel in charge of assignments. We were also in charge of career development. I was at first for a brief time, the number 2 in the European placement office with Galen Stone. Don Macdonald had been the head of the Far East Division.

Q: The Korean expert.

MATTHEWS: The Korean expert. When he left I was named the head of the Far East personnel placement and that's what I did for two years. We had panel meetings twice a week, figuring out what vacancies were coming up and what officers were due for transfer, trying to work out assignments that both met the needs of the post and the career requirements of the officers concerned. I think it worked quite well.

The panel that handled the assignments was considered highly sensitive, as nobody outside personnel was supposed to know the details. I think there was not much

favoritism; I don't think it was a purely old-boy network arrangement. But it was a contrast to the earlier period when my father was in the foreign service--where everybody knew what was going on, and everybody knew everybody else. When you were assigned to a post then the Ambassador would say--oh yeah, he'll fit in very well. They all knew each other.

The foreign service had gotten a lot bigger quickly by the time I went into it. The old system no longer worked. And I think our system was pretty efficient.

Q: Just to get a little feel for the times, you had some posts that were less desirable than others. Was there much problem getting them staffed, I mean, did people sort of go?

MATTHEWS: I think there was generally pretty admirable willingness on the part of people to go to places that were unusual. While I was in Personnel, one of my clearest memories is when John Jova and Loy Henderson went on a trip all around Africa to decide where we ought to open posts.

Q: It was a very famous trip.

MATTHEWS: They came back with wonderful art materials. They came back with spears, daggers, and all sorts of stuff, statues that they picked up along the way. They gave most amusing accounts of travel in all these places. The department ended up opening posts in all of the places they'd been to, all of the former colonies of Africa. Maybe today we should try to scale it back.

Q: Well there had been a debate whether or not to have centralized places and all. But they realized this wasn't going to work.

MATTHEWS: It wouldn't work.

So we ended up with all these posts. Sheldon Vance was the placement officer for Africa and the Near East. He had a lot of scurrying around to do to try to fill spots. The most difficulty he had was trying to find qualified administrative people to go out and set up these new places. I guess it's the same kind of problem we're having now with the former Soviet Union. There were some strange places we had to set up.

The area I was dealing with was the Far East. There were a number of hardship posts there including Vietnam in the early days, but I really didn't have any trouble trying to fill the jobs in the Far East.

Douglas MacArthur II whom I had known earlier at the Berlin conference was a good friend of my father's from Vichy days as ambassador in Tokyo, he was notoriously difficult to please in terms of personnel. He came back on conversation and I had a meeting with him and with the Executive Director for the Far East bureau, Jimmy Johnstone. MacArthur with his piercing eyes, started off by saying, "If you and Jimmy

don't get me better people out here, you're going to need an asbestos jock strap cause I'm going to burn your balls." So much for old friends! I think he actually treated me pretty well in the end.

Q: Of course one of the problems was Mrs. MacArthur too.

MATTHEWS: Well anyway, he was a character.

Then I'm afraid we did not always assign our best caliber people to Australia and New Zealand, because (garbled) we didn't have a lot of problems there compared to other countries in the area.

There was an Ambassador Sebald in Canberra who came back for a briefing. Our second son at 5 or 6 had written in to one of the local kids TV programs . I think it was Ranger Hall, a silly children's show. Anyway, John got an invitation to go on this program and ask questions of Ranger Hall. I wanted to watch this and so I asked one of the girls in the office to bring in a TV.

Well the interview with Ambassador Sebald turned out to be the same day. He was scheduled for quarter of five but he was late getting there so it was about five of five when he got there. I explained to him what this show was about but I think his mind was elsewhere. At five o'clock, the girls came in and turned on this program with my son and Ranger Hall. And Ambassador Sebald watched it for a bit. We were all cheering at John and laughing. Finally we turned off the TV, and he turned to me and asked, "Do you watch this show every evening?" I said, "no," but I think he figured, "no wonder I'm getting lousy personnel if the assignments officers sit and watch this kiddie program every afternoon".

Q: This is of course one of the problems you were talking about, sending people to Australia. I was doing consular personnel and we tended to, poor London, the consular section in London and in Paris and a few other places, tended to get people that we didn't know what to do with elsewhere. Because we couldn't send one lousy consular officer to a small post.

MATTHEWS: It was an interesting assignment, sending officers and families out to the Far East. I'd never served in the Far East except for Japan and Korea when I was in the army.

Then John Jova, whom I said was the head of POD, had the bright idea that I should go to Western Europe, which made a certain amount of sense because I had bilingual French, which was getting rustier and rustier. In the meantime I had learned Italian and some Spanish and German. So he had it all lined up--Spanish language training, Spanish desk in 1961; and from there I was to go to Madrid for at least 3, maybe 5 years. Then I'd be launched on my European career.

So this worked out at first. I did Spanish language, and my wife went through it too. Then I went on to the Spanish desk. It was a lot of fun being on the Spanish desk. Frank Meloy was the Director of WE, Galen Stone was the Deputy and George West was also the Deputy later. EJ Beigel, the famous EJ Beigel, was a long-term civil servant. He and I worked very closely. Frank Stares was the Portuguese desk officer. The officer-in-charge, my immediate boss, was a guy named Ray Valliere. One of the things we worked on, most assiduously, was the renewal of the Spanish base agreement. It came up every five years and it was due in 1963.

Q: How did you find, the principal players, the Spanish desk in the Pentagon? I assume you probably felt they were equally a problem or not.

MATTHEWS: Essentially what it came down to was that the Spaniards wanted to get as much as they possibly could. The Pentagon had very helpful assets in Spain and was anxious to renew the base agreement despite some of the attitudes over at the White House, where the Kennedy administration had just come in. Some of them thought that Franco was a relic of World War II; the last remaining Fascist; no need for us to truck with him; we don't really need those bases. The Pentagon was upset at these views. I remember there was one meeting where Chester Bowles and Sam Lewis...

Q: He was head of IO at the time, wasn't he? Or was he?

MATTHEWS: He was working for Bowles, who was the Under Secretary. They were both strongly anti Franco. Over at the Pentagon, of course, they didn't think much of this.

So the effort was to try to get the renewal plus some new uses that we were interested in. The Defense Department especially the Navy was interested in acquiring rights to the ROTA naval base for our nuclear submarines. The question arose of whether we needed all the bases we had. At the same time, the Portuguese negotiations were going on. Frank Stares was the desk officer. Somebody had the bright idea of using a computer for the Portuguese base negotiation.

Q: Talking about 19--?

MATTHEWS: 1962 it was.

..

Q: Which was very early computer.

MATTHEWS: They had the idea that maybe the computer could tell us how to renew the Portuguese base agreement. Well it ended up that the Portuguese agreement was resolved without any renewals. It just went on being agreed without a formal renewal. Eventually they did come up with a renewal.

Anyway, poor Frank Star had to cope with these people trying to put everything on a computer. Trying to answer your point, it wasn't a great success. The Spanish base agreement was eventually renewed. I worked hard on this. It was a very satisfying thing to accomplish. The fellow who was the Third Secretary at the Spanish Embassy at the time was a man named Jaime Ojeda who is now the Ambassador here.

Anyway, I had a good time doing that. There were several problems with Ambassadors to Spain who were appointed but didn't manage to serve. One was Ellis Briggs who ended up having hepatitis for a second time and it finished off his career. He'd been another friend of my father's in the Cuban days. Anthony J. Drexel Biddle was another Ambassador who was supposed to go there but he died suddenly. In the meantime the Spanish Ambassador to Washington also died. Eventually, Bob Woodward was named Ambassador. He was the Ambassador when Nancy and I were transferred to Madrid in the summer of 1963. In the meantime, we'd had a fourth child here in Washington, a daughter; to give us three sons and a daughter.

Q: What was the political situation in Spain when you went there in 1963?

MATTHEWS: Well, Franco was in charge, very much in charge. We speculated for years about what would happen after Franco died. Everybody thought that was probably going to be imminent. It took 12 more years ----- There were some efforts at liberalization, trying to make the regime less oppressive. But it didn't turn out to amount too much. It was only later, considerably later, that Franco started paying serious attention to who and what kind of regime might succeed him.

In the end, the Spaniards did a remarkable job, with considerable luck, in how they handled the succession. The pretender to the throne Don Juan was considered sort of a joke, but he had a son, Juan Carlos, whom Franco had taken under his wing. He tried to assure that he got a proper education, went through three military academies, so he'd end up with as broad a background as possible as the time approached. Franco finally died in '75. I guess in '73 or '74 it became clear that Juan Carlos was going to be the person to succeed Franco and that's what happened. The transition ended up being very smooth.

But when I was there in Spain, the fear was that there would be another bloody revolution. It looked bad and I think the bitterness of the civil war was still very strong indeed. Franco did nothing to try to appease those who had been on the other side of the civil war. His Valle de los Caidos, outside of Madrid, is a monument only to those on his side who lost their lives.

Q: American interests were bases and trying to prevent...?

MATTHEWS: ----- Our interests in Spain were trying to see that Spain became a full fledged member of Europe; democracy to the extent that it could be promoted; that there be a peaceful transition from Franco to whoever succeeded.

Our primary interest at the time were the bases, so very important. They became increasingly critical as we lost air fields and other facilities in North Africa.

Q: Libya, in particular Williams Air Base.

MATTHEWS: Also Morocco. So that Spain became the primary training area especially for the air force. We also had the major new interest in Rota, the Polaris submarine base. We also had some commercial interests.

Q: What were you doing in Spain?

MATTHEWS: This was interesting because here I'd been the Spanish desk officer, dealing directly with the Ambassador on most things, correspondence back and forth on a professional level, and I was an FSO-4.

Q: About, in those days, equivalent to a Major.

MATTHEWS: I had a pretty good promotion record so I was a 4. Then I went to Madrid and all of a sudden, here I was the second most junior person in a 7-man political section and the area that was spelled out for me was the Falange. I was supposed to do reporting on the Falange which was the government political party which by then was pretty decrepit. They were not very appealing, and very hard to get a handle on.

So I'd gone from what seemed to be an important role player in Spanish-American relations to a junior guy. I suppose this is typical of most European embassies because of the desirability of the posts. They tended to be pretty top heavy in terms of personnel. Bob Woodward was the Ambassador, he was a wonderful Ambassador. Bob McBride was the DCM, the Political Counselor was a guy named Pete Watrous, Bill Fraleigh had been the Counselor for years but he left by the time I got there. Watrous was the Political Counselor, Bob Zimmermann was the Deputy, George Landau was also there, there were some others, a first tour political officer. That was just the political section. There were a whole lot of people there.

Spain was a fascinating place, it was really great to be there. The kids were put into the American School there, very happy with that. My wife loved Spain very much and we found a nice house. The whole personal and family side was fine.

From a job standpoint, I was pretty low on the totem pole. In that sense I think I was lucky that we'd been there just about a year when I got a telegram saying: off to Saigon.

Q: Q: This was no 'we'd like a volunteer' or something?

MATTHEWS: No, there was no volunteering. Well, it turned out that two old friends, Bob Miller and Mel Manfull were in Saigon and they were trying to collect good offers to come to Vietnam. I was very disappointed this was September 1964. It had been less than

a year since Diem was assassinated. The political and military situation seemed to be deteriorating rapidly.

So despite the fact that the family could have gone, it seemed unwise for them to do so. So while I was in Saigon two years, they stayed in Spain which I think turned out to be a wise decision. They had a good house, good school, and servants. My wife was faced with a very new situation. At the beginning she would write me about some problems with the kids, and even though I'd answer right away, by the time the letter got back, the problem had disappeared. So it forced a new independence on her, it was difficult at the time but she stepped right in and did a wonderful job with the kids.

Anyway, I was in Saigon for two years; I got home for one Christmas, and in the Summer of '65 I got back for home leave. So I did see the family a couple of times. My wife, because she still had orders to go out to Saigon, came out to see what it looked like, right after Christmas 1964. So Tet 1965, she was there and met everyone.

McGeorge Bundy had come out for President Johnson for a look-see during this period. While he was there, the NVA attacked a couple of our bases. He went to the hospital and saw some of the wounded soldiers, and was traumatically impressed by what he'd seen. Meantime, Maxwell Taylor, who was the Ambassador, and General Westmoreland had been pleading with LBJ to authorize the bombing of North Vietnam, because there had been increasing evidence of North Vietnamese attacks in South Vietnam. The only way to try to turn this around was to show the North Vietnamese that they couldn't do this and therefore we ought to start bombing North Vietnam. LBJ said no, he was not prepared to do that so long as there were wives and children in Saigon. There might possibly be retaliation against them. If we're going into a war situation, we shouldn't have wives and children there.

When McGeorge Bundy came and he saw the wounded Americans, he sent a cable endorsing Taylor's and Westmoreland's recommendation for the bombing campaign against North Vietnam. He specifically tied it to retaliation for attacks on the American camps in Vietnam. LBJ approved it but at the same time ordered the evacuation of all wives and children, which made sense. It was disturbing to see a school bus full of American school children driving around the streets of Saigon as easy targets for terrorism, although they were never attacked. Anyway, all the families got evacuated including my wife who'd come out on my transfer orders. She was evacuated to Hong Kong and I went with her for a brief vacation.

Q: What were you doing in Saigon?

MATTHEWS: When I got to Saigon in September '64, I was assigned to the political section. My role changed while I was there. Maxwell Taylor was the Ambassador and Sam Berger was the Deputy, Mel Manfull was the Political Counselor and Bob Miller was the Chief of the Political Section.

My job was twofold, one was to be the reports officer in the political section and the other was to be the political-military liaison with MACV. What I did in the beginning was a draft, a weekly telegram for Taylor to send back to Johnson summarizing the political, economic, military and psychological situation.

There was a great deal of political turmoil in this period but eventually we ended up with Thieu and Ky . There was a continuing struggle between the two. In the summer of 1965 I was given home leave and picked up the family in Spain and spent two months in Colorado and returned to Saigon.

By the time I got back Taylor had left and Cabot Lodge had come for his second tour in Saigon. Sam Berger had left and was replaced by Bill Porter. Manfull left and was replaced by Phil Habib out of Korea; not too long after that, Bob Miller left and I took his place as Chief of the Political Section. Phil Habib was the Minister Counselor for Political Affairs. My role then became more of Political-Military Liaison to MACV.

Q: MACV was the military headquarters in Vietnam.

MATTHEWS: Military headquarters, General Westmoreland's headquarters.

When I first got to Saigon, the Westmoreland meetings that I would go to, would be held in a room somewhat bigger than this but not a great deal bigger.

Q: This is a very small room we are talking about, 8x10 or something like that.

MATTHEWS: It's a small room. There were about six or eight people sitting around the table with Westmoreland. I think he had maybe two other generals and the embassy representative was very high in the hierarchy there. The whole effort was what we could do to try to support the Vietnamese military units. Everybody there had the job of trying to do what we could to push the Vietnamese along, make sure they got proper equipment they needed, ammunition and intelligence and everything else that went with it. That was the whole effort.

In the spring of '65, we began the bombing of North Vietnam in the program called "Rolling Thunder." Not too long after that we landed some marines up around Danang and Chulai, and then the 173rd airborne came in, and then the 1st Cavalry Division.

The whole nature of the war changed, so that before long the MAC meetings were held in much bigger quarters. The embassy rep was pushed farther down the end of the table, there were lots and lots of generals around. The people who were in charge of advising the Vietnamese had trouble getting any word in edgewise. All the effort was on bringing the Americans in, getting American troops deployed, building Cam Ranh Bay, the great base that went in there. The whole nature of the war changed completely from trying to help the Vietnamese to our taking it over, trying to do it ourselves. Then of course the pendulum later swung back the other way.

But this was a fascinating period. I had general supervision of the provincial reporters in the embassy, who were six or eight young Foreign Service officers who spoke Vietnamese. They would fan out around the provinces to try to find out what really was going on, try to learn things, because there was a general, I guess a natural, distrust of the reporting that came in, especially from the military but also from the CIA. So we were trying to get our own independent fix on what was going on.

Q: What were the problems with first the military, and then second the CIA, from your perspective of that time.

MATTHEWS: Well I think one of the problems with the military, I don't know whether you could pin it all on McNamara, but a major problem they had was in trying to measure something that was not measurable. They came up with all these crazy statistics that became great sources of contention with the press. They had body counts, and they had the numbers of structures destroyed, and acres of land defoliated, and endless numbers of different measurements.

Q: Villages were classified in different terms.

MATTHEWS: Then when the famous Robert Komer became the head of pacification in Washington, he developed the Hamlet Evaluation Survey, the HES. The HES had a whole complicated list of questions you applied, as to whether the hamlet was safe or contested or lost. Then they put little dots on the maps as to which area was which.

We had a whole series of American officials all over the countryside, advisers to the province chief, advisers to the district chief, advisers to the sector chief and so forth. We had a consulate in Danang.

The problem with the military, I think, was that their reports were called progress reports so you could never show anything that was not progress. There was great pressure on military officers to show that things had improved, with the implication being that if things got worse, it was your fault, which was completely the wrong kind of judgement to make. These results were dependent on what the enemy's efforts were.

I think throughout the Vietnam war we tended to have a strange, I guess a very American feeling, that if something didn't go the way we wanted it to go, it was our fault. We never took into account that this depended on what efforts the enemy made. We could never get through our heads also that if we did something to the Viet Cong or the North Vietnamese, they would come back and hit us just as hard as they had before.

Furthermore we had the idea that if we just kept ratcheting up the pressure on them, Westmoreland's famous phrase--"attriting the Vietnamese", this would gradually bring them to the point where they were just destroyed and couldn't continue. This was especially true of our bombing of North Vietnam, the idea of rolling thunder. It'd roll up

there, and the thunder got worse and worse and worse, and eventually they would just have to give up and quit. This was a total misreading, it turned out, of the Vietnamese temperament. They were prepared to go on forever, they'd beaten the French this way and they were going to beat us.

The result of all this was that I think in the embassy there was considerable distrust of the military figures, as to what was going on, what was happening. This I think was certainly shown in Tet 1968-- the great attack.

Q: Going back to the time that you were there, we're talking about '64 to '66, what about the CIA?

MATTHEWS: I don't think we had any particular problem with the CIA. I think we felt that a lot of them were kind of wild men. We weren't sure if they had any particularly better grasp on what was happening than others. But they were a good balance to what was being reported by the military. This was another reason why we in the embassy, the State Department, tried to bring our own assessments, to attain our own views of what, in fact, was happening on the countryside through the civilian advisers to many of the provinces and to many of the districts. We had a pretty good corps of young officers who were spread around who were doing these things.

Q: Did you have any feel for how the embassy reports were treated back in Washington as opposed to the military?

MATTHEWS: I think I got a better feel for that when I was later transferred in 1966 back to Washington to the Vietnam Working Group. I worked there for 4 years, and I had a better feel for what the relationship was there.

Q: How about your impression of Ambassador Taylor and Ambassador Lodge, how they operated and all that.

MATTHEWS: They were totally different people. Ambassador Taylor was a remarkable military figure. He would come back to Washington about every three months to personally brief President Johnson on what was going on. He was a very hard worker. When he came back to Washington, he always brought somebody from the embassy along, sort of his escort, to carry his papers and take care of chores that he might feel were needed in Washington.

I came with him in the Spring of 1965. While we were back here, the embassy was attacked. The famous attack where a taxi cab blew up right outside the embassy. A lot of people were hurt. One American and several local employees were killed. I think if he hadn't brought me back on this trip, I'd have probably been hanging out the window there, looking to see what the noise was. My window was one of the few that would open in the building. I'm sure I would have been looking to see what this noise was, probably would have had my head blown off.

Anyway, I did come back with him. I noticed on the airplane that he carried with him the Corriere de la Sera from Milan.

Q: The Italian newspaper.

MATTHEWS: the Frankfurter Allgemeine, Le Monde and a Spanish language paper, I think it was from Argentina, a Buenos Aires paper. He read these 4 papers on the plane, among other things. When he came to a word he didn't know, he had a little dictionary and he'd look them up. He was that kind of man. A man of extraordinary discipline. He believed in making the best use that you could of your time but also to keeping your skills up, that military training. This was just simply another example, there he was working to enhance his language skill.

He was very straightforward, he was a straight arrow. A military leader. I think the embassy felt that this was a man that could lead you on to what your objectives were. Whether the policies worked out while he was there, I guess that could be questioned. In fact, he supported the military pretty much in what they wanted to do.

Cabot Lodge was a totally different kind of character, very emotional, he could go up and down, very excitable. He was a politician. One of the extraordinary things to watch was how this Connecticut Brahmin, a very political figure by nature, a very social figure, how he related to Phil Habib who was this Lebanese American from Brooklyn. Phil could just wrap Cabot Lodge around his little finger, it was just amazing how the two of them got along. Phil could talk back to Cabot Lodge, could persuade him on virtually anything that he wanted to do. It was just a remarkable combination there. And of course Bill Porter was playing the role of the Deputy Ambassador. It was a very good combination.

Lodge was much more quixotic, you were never entirely sure what was going to set him off on some particular tangent, one time or another. He had a lot of memories, of course, of what had gone before when he was there the first time. Some of the memories were correct and some of them really weren't. He tried to butter up and assuage Thieu and Ky during this period.

What happened was Ky, who looked as though he was going to be the person who was really going to drive the Vietnamese government, really lead it, he miscalculated and permitted Thieu to become President and Ky was going to be Vice President. Ky thought that he was going to be able to run the whole thing, from behind the scenes, but it turned out that Thieu was a stronger and more clever character than Ky thought he was. Thieu also had other support from the Vietnamese Military.

There was a lot of jealousy of Ky because he was flamboyant, and I think some of the Americans didn't quite trust him either. They were never too sure of what he was up to. Whereas Thieu they felt was more amenable to American control. Ky in effect got kind of

faked out in the whole process. Thieu very much became the prominent figure among the Vietnamese.

Q: What about General William Westmoreland? He of course was a major figure in the Vietnam thing. In your meetings with him, what was sort of your estimate, that you were getting from others around you, of how he viewed things.

MATTHEWS: He was a straight forward soldier. I don't think that he had a great deal of subtlety in terms of understanding some of the other dimensions of the Vietnamese problems, the political or the social side of it. He paid some lip service to it, but I don't think he really appreciated how important it was to 'try to win the hearts and minds.' The military would often use that phrase, but I think it was more almost in derision, rather than a real belief that that was needed to be done.

In fact, that was one of the basic problems, that the government of Vietnam became less and less popular. Partly because it couldn't protect the people but also because of a lot of corruption, a lot of inability to get things done. I think the vast majority of people simply wanted to be left alone, to continue their traditional way of life. Growing rice in the countryside, a very rich country. The Vietnamese people were caught between the NVA and the Viet Cong on one side and the Vietnamese authorities on the other.

I think that Westmoreland, as well as most of the military, had tremendous faith in the ability of the American soldier, American troops, American equipment to accomplish things that the Vietnamese, despite all the training they got from us, didn't have the same courage or the same willingness to carry through and fight on. One major difference between the Vietnamese and the American soldier, was that the American soldier was there on a specific limited tour, sometimes 6 months, sometimes a year.

The Americans knew they were going to be there for that period of time and then they're out. That's it buddy, somebody else is going to come in and finish this job. The Vietnamese, they were there for good. So they were maybe a little less interested in taking chances and making commitments that were irrevocable in terms of the people on the other side. Of course there were a lot of families that were on both sides of the issue among the Vietnamese.

It was a very complicated mission. Despite all the tremendous effort that we put into it, the numbers of troops, well over half a million, the numbers of bases that we established, and the bombing that we conducted against North Vietnam, these things in the end just weren't enough. I don't think you can entirely blame the South Vietnamese for this; we continually underestimated the resiliency and the strength of the North Vietnamese and their willingness to take incredible punishment.

Q: You left there in 1966. What was your impression, how did you think things were going when you left that time--whither Vietnam?

MATTHEWS: I think in '66 we thought that probably we were making progress, the government seemed relatively stable by that time, American troops were coming in in very large numbers, I think we felt that we were beginning to make some progress in the countryside and against the Viet Cong in all the different areas.

On the military side, the political side and the economic side, I think all these things were looking good in '66 when I came back. I think they continued to look good-- even Tet '68 when there was this great surprise with the attack of the Viet Cong. You have probably heard the opinion, and I think it's true, that the Viet Cong suffered heavy losses in that '68 attack, when all of their infrastructure rose up and came out and was mowed down.

In fact it was a strictly military victory for the South in 1968. But politically, it was a defeat because of what we had said publicly about what was happening and some of the pictures that the media was able to show, even the American embassy being attacked. Westmoreland had come back at Christmas '67, and made a speech to a Joint Session of Congress about light at the end of the tunnel, implying that the war was about over--all these optimistic statements blew up in his face.

Even though on the ground. Tet '68 was a definite plus for the South Vietnamese side, it ended up as a great debacle. It was the turning point in the war because the American public, especially the left-wing here, the students and professors, the media, they just completely blew up.

Q: After you left Saigon in '66, what did you do?

MATTHEWS: Well I first flew from Saigon to Madrid where my family had been staying during the two years I'd been in Saigon. I picked them up and we came back to the U.S. by ship, either the Constitution or the Independence, a last trip on a boat.

I then went to work in the Vietnam Working Group. I was there for another four years.

Q: '66 to '70.

MATTHEWS: 1966 to 1970.

Q: What was the Vietnam working group?

MATTHEWS: Basically it was the Vietnam desk at the State Department. It was a very large desk, I think we had as many as 10 officers on the desk at the time. The idea was that we were supposed to be, in a sense, coordinating a lot of US government policy and activity in Vietnam. Of course that was something that could not be done, given the range of activities that were going on.

Q: When you arrived there, who was running it?

MATTHEWS: Robert Miller was the Director. He stayed there, another two years, then he went on to London to the Imperial Defense College. He was replaced by, John Burke. Then when Burke left, Chuck Flowerree replaced him. When Flowerree left, I replaced him. I think that was only for about 6 months at the end. Our bosses were Len Unger and then Bill Sullivan. We also were involved not only with what was going on in Vietnam, but along during that period the Paris peace talks began, so we were also attempting to backstop the operations there.

Q: When you talk about Vietnam, were Laos and Cambodia really included? Was it really Indochina? How did they fit into it?

MATTHEWS: We were pretty exclusively concentrated on Vietnam. There were separate desks that dealt with Laos and Cambodia. But of course there was an obvious relationship between the three. When Phil Habib came back from Vietnam, he became very much involved in the Vietnam Working Group.

Our bosses were clearly involved in the bigger picture of Laos and Cambodia but we were attempting to deal specifically with Vietnam.

Q: Strictly Vietnam you mean?

MATTHEWS: We were primarily trying to keep an eye on State Department reporting from Vietnam; relationships with the White House; to some extent involvement with the Pentagon, with AID, CIA, there were frequent interagency meetings that would deal with one subject or another. Our emphasis was primarily on the Vietnam side of it.

Q: When you got there, what was sort of the mood or the feeling of the Vietnam Working Group? Whither Vietnam?

MATTHEWS: As to how we were doing? Were we winning the war? I think we were basically pretty optimistic. The optimism remained at least until after Tet '68--the famous Viet Cong and North Vietnamese attack on the cities in South Vietnam. This of course was a very traumatic experience for everybody concerned. I concur with those who believe that the Tet Offensive was really a defeat, militarily anyway, for the VC and the North Vietnamese, in that they surfaced all of their infrastructure and they were very badly bloodied by the counter attacks by the South Vietnamese and by our own forces.

The problem of course was that, I believe it was around Christmas of 1967, General Westmoreland came back and addressed a joint session of Congress, in which he talked about "the light at the end of the tunnel," and how he thought before long we'd be able to reduce forces and everything was going along beautifully. And only less than two months later there was this enormous uprising. There were video pictures, TV, of Viet Cong attacking the American Embassy compound in Saigon. A great to-do that they had overrun the Embassy and most of the city.

So the public perception was that once again the administration had been misleading the American public on what was truly going on. From then on, if we hadn't already lost public opinion on Vietnam, I think that was when we clearly did lose it. So that was a very serious blow, it seemed to me.

Q: Going back before to '66, let's do a pre-Tet and an after-Tet. Pre-Tet, most of the officers I assume probably had been in the field?

MATTHEWS: Yes, most of the ones on the desk had been.

Q: How did you treat the reports that were coming in? I mean it was the time when we certainly were looking for the good. I mean having been in the field, say--we know the pressures here. How were you treating these?

MATTHEWS: I think that we certainly gave more credence to reports from the Embassy in the political section than we did to the military reports on what was going on. Already I think there was a lot of lack of confidence, a substantial lack of confidence, in much of the military reporting as well as in the famous HES survey. I forget when the HES came in.

Q: That's the Hamlet evaluation.

MATTHEWS: The Hamlet Evaluation Survey that the famous Bob Komer started up. They were, after all, basically called 'progress reports' and so the implication to start with was that this was progress. So I think there was a lot of feeling that much of this was just hype, was not really true, that they tried to always look at the brighter side of things.

But nevertheless there seemed to be a general improvement in the situation. That our forces were making a significant difference in what was happening there. There were of course, continuing reports of the increasing and continuing North Vietnamese movements into the South. There was a lot of frustration over our inability to stop the movement down the Ho Chi Minh trail, despite all sorts of efforts to try to stop it including, I think, dropping some kind of detectors along the trail to detect movement, B-52 bombings, all of this kind of thing. But nevertheless, the North continued to move things South. So I think there was obvious frustration on the part of the military that this wasn't helping very much.

There was also concern that perhaps the bombing of North Vietnam was not accomplishing what it was intended to do. Once again, I think I mentioned in a previous session, our whole idea was that a 'rolling thunder' which our bombing raids were called, would just continue to increase the pressure on North Vietnam, and that eventually the North Vietnamese would see that this relentlessly increasing pressure was going to be so severe that they were going to have to give up. Well, this didn't work. It was a miscalculation on our part or a misunderstanding of North Vietnamese determination. They simply just kept going regardless of what the price was.

I think a lot of us also began to have the feeling that air power was not something that ever was going to win the war. I have ever since had a great deal of skepticism about the possibilities of "surgical strikes" even when they're with the wonderful new equipment that was shown in the Persian Gulf War. I think some of that is still a lot of nonsense.

Q: I think Dean Rusk in his memoirs mentioned that all his professional career, he dealt with the promise of air power and the actualities of air power and had to reconcile the difference between them.

MATTHEWS: That's exactly right. Consider the number of times that we tried to hit that famous bridge in North Vietnam and we never did.

Q: Let's talk about the Johnson years first. How did you feel about the White House? Were you feeling that you had to give an optimistic view or did you feel, at your level, did you feel any pressure from the White House, the National Security Council, on how you dealt with things?

MATTHEWS: No, not in the sense of having to show that everything was upbeat. I certainly had such feeling. On the military side, they probably did feel some. On the military side, especially for those who were dealing with the provinces as distinct from the American military units, I think a lot of the province advisors were under considerable pressure to show progress, the implication being that if the war wasn't going right in their province, it was their fault. Which of course was a lot of nonsense. It depended on how much effort was being put on the other side.

But as far as the Vietnam Working Group was concerned, I didn't feel any sense of pressure to report or to try to give a rosy view of what was going on. In fact I think Bill Sullivan and Phil Habib, were often much more on the pessimistic side than perhaps their military colleagues were in dealing with the White House. So I didn't feel any sense of pressure from that side.

Q: How about the CIA? What was your impression of how they were reporting and dealing?

MATTHEWS: I think the CIA also tended to be somewhat skeptical of the military. That is always a CIA viewpoint, a mistrust of the ability of the military to get things done and to properly appreciate what's going on. The CIA also had a much greater, I don't want to use the word 'stake,' but they were much more involved in direct activities on the ground. So in that sense, they also had some pressure to believe and to show that they were making progress.

The State Department was in a unique position in that we weren't really, as the State Department, operating any programs in Vietnam. We did have people who were involved in a lot of the different programs. Many of the provincial advisors or district advisors

were State Department officers. But the State Department per se did not have any programs that it was directing, so we didn't have that particular ax to grind on our own side. Maybe this also made us more skeptical of the activities of other people.

Q: You almost run into these, but at the same time, I mean did you get any sort of the frustration that President Johnson was feeling about this?

MATTHEWS: Well certainly some of it. I think a lot of us felt this frustration, especially those of us who had been involved in Vietnam before the massive American presence began, before the Spring of '65. I got in '64 and most of the other guys had been there longer than that.

Once American troops had come in and we'd begun to throw the full weight of our effort into the war, nevertheless, the VC and the North Vietnamese were still able to survive. I think they'd been severely beaten back, and especially by Tet '68, they had gone significantly down hill. But nevertheless, they were still there and we hadn't won the war. They showed every evidence of continuing.

I think we all had that sense of frustration that things were not going better than we thought they probably would once our own forces had gotten involved. We were like everybody else in the country. That here we are, an enormous world power and we're not able to take on this small bunch of people.

Q: Did you find, you know, there's intensive, particularly in the military, the Kennedy administration got involved in this, a tendency to look for an American quick solution--either special forces or getting the right kind of rice in or handing out M-16 rifles to local population. As you watched this thing over a period of time, did you keep coming up--there was a technological answer to everything--did you find?

MATTHEWS: Yeah, I think there was to some extent. There were always new things that were going along. You mentioned the M-16s, and I mentioned earlier, those special pebbles that were dropped along the Ho Chi Minh trail?

Q: These sensors?

MATTHEWS: Sensors that were suppose to detect movement. There was an outfit, I think it was called "SOG", Special Operations Group. It was part of the MACV effort. They had a lot of technological things that they were trying out. Some of the things in fact did work. Defoliation was another thing, I'm not aware that defoliation was used militarily before the Vietnam war. So there were searches for gimmicks like that but I don't think there was sudden great hope that one of these things was going to win the war for us.

Q: After Tet, can you describe what happened when Tet hit. Were you all called back? Can you kind of describe Tet day?

MATTHEWS: I remember Tet day very clearly. My brother had come to town, he lived in California, and I forget why he was in town. I think he was only here a day. So we went out and had a big lunch, just wandered around talking, reminiscing a bit and so forth. So I didn't get back to the office after this long lunch until about 3:00 in the afternoon. All hell had broken loose.

I got back and holy mackerel! Absolute hell had broken loose. I think we were there in the office for the next, certainly, day and a half straight. I don't think we saw much of home for quite a bit there, just trying to keep track of all the different reports coming in. I think there was some telephoning from the Embassy, very dramatic phone calls coming in, the whole thing became kind of a blur as to what all had happened. But all these different reports of activity and attacks all over the country were really amazing.

Q: What was the feeling? I assume we are talking about surprise.

MATTHEWS: Yes, tremendous surprise.

Q: What was the feeling? Now they've come out, we'll get them. Or something like that?

MATTHEWS: It's hard to remember precisely what the views were. There was certainly astonishment that they had been able to mount such an enormous attack throughout the country, such a highly coordinated effort. I think there was distress that they had as much success as they had. But then as reports began to come in, it took a while for an understanding of the severity of the Viet Cong military and infrastructural defeat. It took a while for that kind of information to come in.

When it did come, then we got some hope that this might really turn things around. Because they did lose enormous numbers of their infrastructure, their agents and their covert people, all of whom had surfaced for this one major effort. Lots and lots of them were killed, captured or wounded. Over a period of weeks rather than days, we began to feel that maybe they had been severely hurt. But I think the initial feelings was that this was just a fantastic, dramatic attack, that had had surprising success.

Q: What was the calculation? I mean, there's a certain point, where you're dealing with the fires, as you're able to begin to look at this, what did you feel was the rationale for this at this time?

MATTHEWS: As to why?

Q: Why they did it.

MATTHEWS: Why did they do this? I think there's a lot of truth to the suggestion that they thought that the populace would rise up with them and support them. In fact, the populace, quite the contrary, in many cases showed a lot of bravery in trying to repulse

them and turn them back. So I think there was a severe miscalculation on the part of the VC and the North Vietnamese. Otherwise, what was the point in risking such a major loss of many of their forces.

I don't think that they were astute enough to have realized what a major impact this would have on American public opinion. You hear that subsequently this might have been one of the purposes, certainly that was one of the results. But I doubt that they had the sophistication to figure that out--Aha! Westmoreland made this speech, everybody is being very optimistic, now we'll punch in and show them, Americans will lose heart and backout.

Q: You never can tell on these thing, they can go the other way. Pearl Harbor is a good case in point.

MATTHEWS: Exactly. But I don't think that was the case. I think it was more that they had been saving up these enormous assets, significant assets that they had throughout the country. They thought that when the people saw how many they were, and where they were, and when they all surfaced and came out, I think they believed their own propaganda that they were fighting to liberate South Vietnam from the colonialists and the corrupt South Vietnamese government.

In fact this didn't happen. In that sense, I think it was a miscalculation on their part. I think the end result was far more significant. In the sense of what it did to destroy American public opinion support for what we were trying to do.

Q: Speaking of public opinion support, here you were, you were there during the really critical time when things were going up then basically down, set the course for how it finally came out. You as an individual, were you sensing the public mood, the protest and all this. How did you feel about this?

MATTHEWS: I think we did sense a lot of this. Many of us, myself included, did a lot of public speaking both to groups here and around the country, going around and trying to talk to all sorts of different groups. Certainly as time went on, you got more and more a feeling, especially among young people at the universities and elsewhere that there was rising opposition and a lack of understanding of what was going on in the war.

In fact, I guess the State Department, more than any other part of the government, had to respond to congressional and public inquiries complaining about one or another aspect of what was going on in the war. So we got a full flavor of the disillusionment that seemed to be spreading about the war.

I think I talked about this before, as to why the disillusionment came. In essence it basically came back to the press, the media losing confidence in the truthfulness or the ability of the administration, especially the people on the ground in Saigon, to really

understand what was going on and to tell the truth to the reporters. The 5:00 Follies in Saigon.

Q: The 5:00 Follies being the press meeting that was held at 5:00.

MATTHEWS: Right, Barry Zorthian was the Mission Spokesman. I think there were several incidents that pushed that forward. Things where the press knew what had happened, and the Saigon mission attempted to, I don't think mislead them, but at least to put a rosier hue on what had actually happened. Then the press doubt was warranted. Gradually this built into a lot of cynicism and got worse and worse. I think the journalists had a major impact on the American public.

I think beyond that, the other significant factor of course, was TV. You could sit at home and watch the evening news every night and here are these ghastly pictures of what was happening in Vietnam. Of course the pictures were about what had happened to the civilian side of things. Because of the limits on how news was gathered, there was very little about what the VC and the North Vietnamese had done and the kinds of things they were up to.

So I think all of this built up in terms of the impact it had on people. I also had the feeling, making talks to different groups, that as far as the colleges were concerned, it wasn't so much the students as it was the instructors and assistant professors, the younger professionals, who were the ones who were much more vocal and strong against the administration efforts than the students.

Q: Did you have any feel, or did your group have any feel about why they felt this?

MATTHEWS: I think that maybe they felt that they were more sophisticated, for whatever reason, they were more experienced and therefore felt they weren't going to be sucked in by what the government was saying. Kind of an effort, maybe perhaps to show off in front of their students.

Q: I suspect there's a certain amount of that and a certain amount of power. We're still suffering from that generation which are now the full professors and have not done the educational process well, I'm afraid.

MATTHEWS: That's exactly right.

Q: Just to get a little feel, did you find that when you went to universities to talk, did you get shouted down or have to deal with mobs or anything like that?

MATTHEWS: No, I didn't have that kind of experience. I did have some unpleasant experiences in terms of questioning and that kind of thing. But I never ran into any mobs or severe attacks. I think the worst time I had was at Princeton, where that famous

professor, Falk, who's still around I think, who was vehemently anti-administration to the extent that many of the things he was saying were practically traitorous.

I did go and talk to Princeton, I'm a Princeton graduate, and I talked to a group up there and he was in the audience. Some of the questions or statements that he made after I had spoken, were pretty bad. He flat out accused me of lying and being a dupe of the government and trying to mislead the people. I forget exactly what the argument was. But he just flat out made misstatements, and accused me of being a corrupt supporter of the government, pretty distasteful. But that didn't produce a great deal of support on the part of the students who were listening. They let him have his say. I forget how I dealt with it but it was primarily kind of ignoring what he said or trying to refute some of the things.

Q: How did you feel? Did you feel that you were on a pretty short string as far as when you went out there, that you had to support the administration line. I mean when questions would come up, would you give a flat answer? Oh yeah, we're concerned about corruption or something like this. Or did you feel that you had to present a rosy picture?

MATTHEWS: No, I didn't feel that I had to say that everything was great about Vietnam. I think that I, as well as most of the people in the Working Group, during the period that I was there until 1970, had the general feeling that what we were doing was right. There were probably things that we could do better but the cause was the right cause and eventually, we were going to be able to win.

I think it was only after I left working on Vietnam, that it later became clear that we simply were not going to be able to do it. I didn't feel under any pressure to make things sound better than they really were. We all had prepared materials that we used in giving our talks, our speeches around the country. But I didn't feel that it had to be presented more rosily than the facts warranted.

Q: When the Nixon administration came in in 1969, did you find a change in what we were doing, or attitude, with the new administration?

MATTHEWS: Well of course the major difference when Nixon came in was that he had talked about how he was going to end the war, and eventually the Vietnamization program came along. That was a major change and effort, to shift more of the burden towards the Vietnamese as opposed to our own troops. But as I recall, even under Nixon, there continued to be an increase in the American troop level. I think it was a small increase, we finally got up to about 550,000 troops. I think that peak was reached after Nixon came into office.

I might mention before we get to Nixon, that one of my most clear memories was of March 1968, when there was a SEATO and seven-nation meeting, (Seven-nation being the 7 countries that were supporting efforts in Vietnam with troops). I think in Canberra or it could have been Wellington.

We had one of the air force KC-135s, the so-called flying submarines that had no windows so, you can't see out. Dean Rusk as the American chief-of-delegation and Secretary of State, and Bill Bundy, who was the Assistant Secretary for East Asian Affairs, went on the plane and I did too. I was going from the Working Group, Though I was not yet in-charge of it.

While we were on the plane, LBJ's famous speech in March 1968 was broadcast on our way out there. Bundy had helped write it and he was sitting next to me on the plane. Rusk was up in the forward compartment, sort of curtained off. The speech was broadcast over the loudspeaker on the airplane, and it was a little bit hard to hear but you could pick it up. Bundy was following along on the speech that he had written. Then came the kicker there at the end when LBJ said that he would not accept the nomination of his party and that he would not run.

There was a gasp on the plane and Bundy was clearly astonished. The curtain was opened and there stood Dean Rusk with a big sort of grin on his face and he said something to the effect--did that last part of the speech surprise anybody? Obviously he had known it but nobody else had. Anyway, it was really dramatic to hear it that way.

Then we went on to the SEATO and 7-nation meeting which was not anything unusual that I remember, the effort being to try to keep all the allies going together.

Then on the plane coming back, I think it was in Guam or Fiji, the word came that Martin Luther King had been assassinated. As we flew back we landed at one of the airbases near San Francisco and we heard reports of rioting in Washington, and we were all concerned about that. Then as we flew into Andrews Air Force Base, there were some small windows, as I said it was a flying submarine, but there were some small windows where you could see out and we could see the smoke rising behind the Capitol building.

Everybody was just aghast. When we landed the 82nd Airborne was on the ground at Andrews Air Force Base and we were escorted back into town by military troops. It was just an unbelievable experience to fly back like that. Then we got home with everybody worried about what had happened to families and property.

And of course the rioting did not reach the parts of the city that most of us lived in. I lost a car in it, a little Fiat car that had been in a garage being repaired, and it disappeared. But it was a really dramatic moment.

Q: One of my most vivid moments is seeing paratroopers in helmets and flak jackets walking up and down Wisconsin Blvd.

Well back to this SEATO thing. How did we look upon the contributions. President Johnson made a tremendous effort to get various countries. How did we feel, I mean, there's the political component but how about the effectiveness or the value of these troops?

MATTHEWS: I will come to that. I had an absolutely fascinating trip with General Maxwell Taylor, who by then had left Vietnam as Ambassador and was basically retired, although he continued to be an advisor to LBJ, and Clark Clifford. The two of them were sent on a trip to the troop contributing nations to try to get some more troops and to get greater support. Again, we went on one of these special aircraft and it was just the two of them plus a fellow from the Defense Department and myself. Just the four of us on this trip.

We went to Saigon, Canberra, Seoul, Manila and also to Bangkok.

MATTHEWS: So we went to all of these places and then we ended up back in Hawaii to write our report. It was an absolutely fascinating trip to go with these men, I'd known Taylor before but I had never met Clark Clifford. It was just a really fascinating trip to be with them.

Q: What was their impression of the value and the actual contribution?

MATTHEWS: I think that the general feeling was that more important than the actual material effect of the troops of the other countries, the more important part of it was the psychological impact of the idea that it was not just the United States that was fighting there, that there were allies that were involved. I think that was the most significant angle, although it has to be said that some of the troops were very good indeed. The Koreans were certainly very tough, though they engaged in a great deal of illegal activities with PX goods. The Filipinos were even worse in that sense. The Koreans were very brutal and very cruel in how they enforced the rules in their particular sectors. I'm surprised we didn't have more trouble than we did over the things that some of the Koreans did. But I think it was primarily the fact that these were additional nations that were supporting us, that they contributed, that was more important than their actual effectiveness.

Anyway, I think the result of this trip was that it clearly affected Clark Clifford's views when he later became Secretary of Defense. We wrote our report in Hawaii at an incredible place. I don't know if you know Fort Derussy?

Q: That's right on Waikiki.

MATTHEWS: Right on Waikiki beach and that's where we wrote our report. Waikiki beach was right in front of the little bitty house on the Fort. Maxwell Taylor had his back to the beach and Clark Clifford was facing it, the Defense Department guy and I were at opposite ends of the table. I remember that Clifford would kick me under the table and wink whenever a pretty girl would walk by on the beach.

Anyway, we wrote a report for LBJ on the results of our efforts and I think we did get some more troops, not anything significant but at least statements of continuing support for what we were trying to do.

One other funny thing happened in Saigon when we went into this very fancy room in the Presidential Palace. President Thieu was there and General Ky was also as Vice President. President Thieu greeted me most effusively and throughout the meeting he kept looking over at me and winking and waving. I thought, what the hell is going on? I had met him before but I didn't know him especially well.

It turned out that shortly before we were there, some months before, Secretary of Agriculture Orville Freeman had been there. And of course, the names Freeman Mathews and Orville Freeman are similar and, in fact, I do look a little bit like him.

Q: You do.

MATTHEWS: And he got us confused and he thought this was his old buddy, Orville Freeman, who had brought in a lot of PL 480.

Q: And you know, these occidentals are kind of hard to tell.

MATTHEWS: All these round-eyes look the same. Anyway, Taylor and Clifford were quite impressed with my reception by President Thieu!

Q: Did you get any feel say with the Nixon White House, particularly with Henry Kissinger and all, that he was beginning to intrude, to make changes there or not. Or was it pretty much business-as-usual for the Working Group.

MATTHEWS: Well there was more emphasis on the Paris peace talks. They were trying to get that moving ahead. I think gradually as time went on, the Vietnamization program came into effect. There was a difference in the kinds of public statements that were being made, in the sense that we would talk more about trying to wind the war down, end American involvement. But that all came, it seems to me, fairly gradually.

I think from my perspective, I didn't see an enormous amount of change on the ground as to what was happening.

Q: All during this time, really from my guess '65 on, when the Americans started coming in, was there any, trying to go back to the period of time, any sort of disquiet on the part of those of us who were dealing with, about the American military presence and the fact that we tended to brush the Vietnamese aside and "lets us do it." That this might be sapping the ability and the will of the Vietnamese to carry the main burden and all that.

MATTHEWS: I think the short answer is "yes," especially those of us who had been there earlier before the American involvement became so heavy. I think there was a very definite feeling that we were placing too much emphasis on what we were trying to do and not enough on trying to support the Vietnamese. I think I mentioned the last time, that when I first went to Vietnam I had been the Embassy representative to MACV, seeing all

the efforts being made in trying to advise the Vietnamese and in getting them better weapons.

Then when we came in the Vietnamese were just forgotten. I mean not totally forgotten but they went way down on the priority list. Many of us continued to feel that this was a big mistake, to not put enough effort on trying to keep the Vietnamese going because after all, there was only a certain amount that the foreign troops could do. We didn't have the language, it was a complicated country, very hard to tell who was a friend and who was a foe. Then you certainly needed the Vietnamese.

I think the original idea was that we were going to take on the North Vietnamese and a lot of the fighting against the Viet Cong would be done by the South Vietnamese. That, before long, was forgotten. I think that there was very definitely the impact that you're talking about, that many of the Vietnamese decided--well, to hell with it, if the Americans are here, we'll let them take it over.

Part of it was that the Americans knew they were only going to be there for a year and then they were out. The Vietnamese were there for the duration, right to the end, so better let these guys take their chances, after all they only had to do it for a year and then they'd be gone. The Vietnamese had their families and everything else to lose.

So I think this happened.

Q: But you didn't feel Henry Kissinger's hand in the period you were there.

MATTHEWS: Well of course, Kissinger had been in the Embassy in Vietnam, LBJ had sent him out when I was in the Embassy. He came out and stayed for about three weeks, he stayed actually with Dick Smyser in the Embassy. We got to know him fairly well and he seemed like a very smart visiting professor type. So we had known him and then he came to this great new eminence in the Nixon White House.

I think he pulled things together. It was very clear who was boss. I think one of the problems of course was the distrust between Kissinger and Rogers. That I think did cause some problems.

Another one of my memories concerns the changeover, when the new Nixon administration came into office in 1969. By then we had reached an agreement with the North Vietnamese that they would not attack the cities. It was part of the efforts during one of the bombing halts, that we wouldn't bomb North Vietnam if they didn't attack the cities. Only a short period after the Nixon administration came into office in January 1969, Nixon went off on a visit to Europe, to France and England and elsewhere, and Rogers went with him, leaving Elliot Richardson as Acting Secretary of State.

On the night before they were to leave, the VC did attack Hue and Danang, two of the cities that they had promised not to attack. Telegrams came in from Taylor and

Westmoreland, saying, we cannot permit this Vietnamese violation to go unchallenged and therefore we must strike back at North Vietnam. So Bill Bundy called me early in the morning at home and told me, to collect the cables from the code room and meet Elliot Richardson at the Department and brief Richardson in the car going out to the airport, where he was going to say goodbye to Nixon and Rogers.

I was supposed to give him whatever advice I could on what we should do in response to these cables. I tore down to the Department, got the cables and rode out in the car with Richardson. I explained what this was all about and here was the recommendation from General Westmoreland and Ambassador Taylor, that we should resume the bombing of North Vietnam immediately in response to these very clear violations of the understanding. So we discussed this thoroughly.

He finally decided that he would talk to Kissinger and Nixon and Rogers out there at the airport, and then decide what to do. He never got a chance to do that, of course. He got to the airport but with all the goodbyes, he had no chance to raise it. In the end we didn't do anything about the attacks at the time because he didn't want to take it on himself to go ahead and authorize a resumption of the bombing.

Q: That would be really a major thing I suppose.

MATTHEWS: I can't remember now what the upshot of that was. I think, at least as far as those attacks, we did nothing about that at the time. Later on we felt we had to.

Q: Is there anything more we should cover on this Vietnam working group?

MATTHEWS: It was a time of very long hours, fascinating work. On the Working Group, we were not privy to all that was going on in the Paris peace talks. I think certainly Bill Sullivan wasn't happy. The delegations were up to date on it but they kept a lot of this to themselves and to Kissinger. So we weren't fully briefed on that.

One of our jobs was to keep the Paris delegation informed, and we backstopped them in terms of material that they needed for speeches and that kind of thing. So that was a pretty heavy chore to keep going. But in terms of what really was going on, I think we were not all that privy. Of course, during that period we didn't reach any definitive results.

Q: Nothing much. The line of communication was open and that was about it.

MATTHEWS: That was about it.

Q: You left in 1970 and then you went off in quite a different world.

MATTHEWS: After 6 years in Vietnam, I finally escaped to Mexico City. That was a bit of a fight too because I was only an FSO-3 at this point. I think the job in Mexico City as Political Counselor was an FSO-1 job.

Q: It certainly would be.

MATTHEWS: Bob McBride, who had been in Madrid when I was there, went on to Paris as DCM. He was the new Ambassador to Mexico and he'd taken a liking to us and also to Nancy, my wife. Anyway, he pressed very hard to have me go to Mexico City and eventually won.

I didn't quite realize it at the time but it caused quite a stink because there were lots of old ARA hands who had their eyes on that job. They thought it was disgraceful this outsider got it, but I had a wonderful three years in Mexico City.

Q: '70 to '73. First place, could you describe how Robert McBride operated as Ambassador?

MATTHEWS: He was a very professional ambassador, he had an excellent sense of humor. He tended to have firm opinions about people, both people working on the staff and local citizens. As far as the people on the staff were concerned, he tended to believe that they were going to be good people unless he found out otherwise. Once he found out otherwise then you were in real trouble. But he generally tended to be very fair and to be supportive.

As far as Mexicans were concerned, he liked the Mexicans, and had a number of good friends. I think that he probably tended to cultivate the wealthier upper class Mexicans to the, not to the exclusion, but to the detriment of contacts with lower level people in and outside the government.

He ran a very good Embassy, there was no doubt who was in charge. His DCMs were Jack Kubisch first and then Bob Dean. Bob McBride, I think, was a very popular Ambassador there. He could give the impression of being aloof but in fact he was a very caring man and those who got to know him really appreciated him. Jackie McBride was a charming, entertaining woman but she could also be rather imperious and demanding when she wanted. Among other things, they both felt that when people were invited to the residence, they were there to work, they weren't there to enjoy the party. There were several occasions on which Mrs. McBride made that pretty clear.

She and my wife got along very well indeed, and that helped smooth things along. We had a wonderful time there with them. I think it was partly the relationship between the wives, but anyway, Nancy and I did a fair amount of traveling around the country with the McBrides, as well as with the USIA Public Affairs Counselor, George Rylance and his wife, Betty. The 6 of us plus the Ambassador's aide would travel around the country, primarily because McBride wanted to see what was happening in the countryside, and of course it was useful to us too to have this opportunity.

McBride had Mexican government protection. He had very tough special agents that were assigned to him and they traveled all over. In many places, they made things easier because if we needed a reservation for dinner in some place, these guys made sure that we got it. I remember the chief agent was named Inocencio and it was certainly a misnomer. He was maybe the least innocent looking fellow you ever saw; he was a really tough looking man. They were very good.

We had a great time. The other people in the Embassy were also nice. It was my first job really, at least abroad, of running a large section. I was the Political Counselor and ran the political section. We had some very good people there working with me.

Q: First place, what were the major issues during this '70 to '73 period in Mexico?

MATTHEWS: The major issue that I spent a majority of my time on was the old problem of the salinity of the Colorado River. This was a very complicated issue that I learned more and more about as time went on. It basically had to do with the fact that we were meeting the requirements of the 1944 Water Treaty with Mexico in terms of quantity—a million and a half acre-feet of water a year out of the Colorado River. But the treaty said nothing about the quality of the water and the United States was, I think, very much at fault in delivering poor water to Mexico and doing so deliberately.

We built a dam at Yuma, Arizona to direct the run-off water from some of the agricultural districts, particularly one in Arizona called the Wellton Mohawk Irrigation District, which had very saline water. We built a separate canal so that that water did not go back into the Colorado River to pollute the water that was being used elsewhere on the US border. But it went straight to the Mexican border at Yuma and then on into Mexico as part of the water deliveries. So the result was that Mexico got quite poor water.

Another problem had been that when the Water Treaty was agreed to in 1944, one and a half million acre-feet of water was very easily met by the US side because there had been a number of years when there had been a lot of snow packed up in the mountains and the US needs were a lot lower. So a million and a half acre-feet of water didn't seem all that much. But by 1970, for primarily irrigation reasons but also, for climatic reasons, there was less water going into the river. US uses had increased and therefore we could not afford, at least from the standpoint of the 7 basin states that used the water, we couldn't afford to give Mexico any more than the one and a half million acre-feet.

So they got exactly what they were entitled to and no more and a good bit of the water was this run-off that was not good. So they had a legitimate complaint but it became a very difficult technical and political issue. The International Boundary and Water Commission, with the Commissioners being in El Paso and Ciudad Juarez on the US and Mexico side, were very much involved in it. They attempted to resolve it but they got nowhere.

It became a very heavy political issue between the two countries, especially because, just before I got to Mexico, before McBride and I got there, we had signed the final agreement of the Boundary Treaty to settle the famous Chamizal boundary dispute near Ciudad Juarez and El Paso that came about because the Rio Grande does not stay in its banks and keeps shifting. That issue had been resolved and that left the water issue as the major issue between the two countries, although there were also pollution problems and other things along the border.

So I spent a lot of time working on the things that had to do with the border issues.

Q: When you say you dealt with the border issue, but in a way I can see something like this would be so completely out of the State Department's hands. One, more than anything else that's local politics, it's Arizona, New Mexico, Texas, Colorado, the whole thing. Water of course is the guts of what the West was interested in, that reflects in Washington with very powerful Senators and all this. Then you have a Water Commission. I mean, what could you do?

MATTHEWS: It was a fascinating job, unlike any other I think in the Foreign Service, there was so much US domestic political angle to it. We of course were not setting policy, we were making recommendations, trying to find ways to get these things resolved. We were reporting on what the Mexican Foreign Office was saying about it, trying to keep an eye on what the Mexican Boundary Commissioner was saying, up in El Paso.

We had a lot of close dealings with the US Commissioner, a wonderful man named Joseph Friedkin, who served many years as US Boundary and Water Commissioner. A very expert technical guy but he had diplomatic skills in the sense that he was always very straightforward and he would establish a very clear working relationship with his opposite number, the Mexican Commissioner.

But our job in the embassy was to report the pressures that were being exerted by the Mexican government, not just the Foreign Office but also the Ministry of Hydraulic Resources, which is what their water department is called.

Then finally, because this effort went on the whole time I was there, President Nixon appointed Herbert Brownell, former Attorney General, as his Special Representative to come down and try to reach an agreement to resolve the water problem. And he came and I spent a lot of time with Brownell, who turned out to be a very interesting, very decent human being.

We traveled together up to the Mexicali Valley which is where the major complaints were, that's where the Colorado River water came down in to Mexico. In fact the Colorado River no longer reached the Gulf of California because it's all dried up; the water is all used. .

We took a bus trip up through the Mexicali Valley and every time we came to a crossroads there'd be farmers--the Mexican government had laid this on there--there'd be farmers out there showing this white earth with all the salt in it and poor old Brownell would have to get off the bus. He'd stand there and these farmers would harangue him about the terrible water, we can't grow our tomatoes, this is terrible and so on. This was an all day trip through the Mexicali Valley and all these irate farmers harassing us.

We had a number of negotiations with the two Commissioners and with the Mexican foreign ministry and with the Secretariat of the Hydraulic Resources and Brownell. He came back and forth several times. He did a lot of negotiating back in Washington with Senators from the border states. Eventually we reached an agreement on what we could do, which essentially involved the US government agreeing to set a water quality standard. We would try to provide water no worse than the water that came out of, Lake Powell, and it involved our agreeing to build an enormous desalinization plant in Yuma, Arizona so that the water delivered to Mexico was of decent quality.

And that's how it was resolved and I think that plant has finally come on-line. Another thing that helped was that the climate changed and we got more snow packed up in the mountains so there was more water coming down.

I think the issue is still a hot one with the seven basin states because in the meantime, something called the Central Arizona Project has come on-line. That means a further increase in the use of water by Arizona, water that had been allocated to Arizona under the seven basin state compact up until then was going to California but was agreed to be rightfully water due to Arizona. And Arizona put this enormous agricultural project on-line and now California is really short of water and that's why there is all this talk is of trying to take water from the Columbia River down to Southern California. So the issue of water in the West is still very active.

Q: How did you find dealing with the Mexican authorities. First, what was your impression of their Ministry of Foreign Affairs?

MATTHEWS: Very interesting because they were, in a sense, maybe more anti-American than most of the Mexican people were. I don't mean this in a sense that they were viciously anti-American and pro-Soviet. They had an acute sense of the importance of their own sovereignty. Of course the US over the years has trampled on their sovereignty with a fair amount of impunity. I think the Mexican foreign ministry felt they had to be alert all the time to anything that the US was doing that might be a problem for their sovereignty.

I remember one of the issues that came up was remote sensing from our satellites, with the idea that the satellites were going overhead, and they were taking remote sensing pictures of the whole earth. The embassy was instructed to reach an agreement with the Mexicans on providing the Mexican government with satellite photographs of their land.

And I think primarily it was a no-cost thing to them but we simply wanted to know what areas they most liked and what kinds of infrared and so forth.

The Mexican foreign office was just outraged that the United States was taking pictures of their sovereign country. It took a lot of explaining that we were doing this to the Soviet Union too, to everybody. It wasn't an attempt to be invasive, we were trying to be helpful. So in that sense, I think the Mexicans were very alert to anything that might suggest that we weren't being respectful of their rights.

We had a lot of other issues like fishery agreements, and I mentioned sanitation and pollution along the border. When we first got there also, this was the period when Mr. Kleindienst was Deputy Attorney General, and he started Operation Intercept--to catch Mexicans going into to the US with drugs. That caused a furor. At the border, we also had a big anti- narcotics program with DEA agents all over the country.

There were numerous efforts to try to get Mexican support on international issues at the UN. We spent a lot of time on that. They were not all that supportive.

Q: I would have thought, I mean I've heard this before, that the foreign ministry has always been the province of turning it over, you might say, to the leftist side, not necessarily Marxist, but to the leftist side sort of for the academics and all this. And this is where they put their people. The rest of the government is really a very pragmatic government and this is one that really doesn't cause much trouble. Because Mexico really doesn't have many foreign problems, it's their own sandbox where they can play. But I would have thought too that the UN would be a wonderful place for Mexico to tweak the nose of Uncle Sam.

MATTHEWS: I think that's true, especially the people who dealt with UN affairs often were quite difficult. I think a lot of that was true.

Another issue that we spent a lot of time on was Cuba because the Mexicans were very much more friendly to Cuba than we thought was appropriate. We tried to work on that. Of course one of the major efforts of our sister agency there was targeting the Cubans and the Soviets and the Eastern Europeans and what they were up to.

Q: My impression is, from things that have come out, that the reason the CIA had very good relations in Mexico, I mean the intelligence agencies got along beautifully without maybe telling their superiors how well they were doing.

MATTHEWS: I think they did. We had a very good relationship. I think the relations between the political sections in Mexico City was probably the best of any place that I'd been. Although it was pretty good in Cairo too.

Q: Here you have a one-party system and today, March 24th, we've just had a tragedy where the candidate for PRI was assassinated. But what was your impression of the

Mexican political situation and how as the Political Counselor did you deal with it and what were the interests?

MATTHEWS: We tried to keep track of what was going on in the PRI. We had a couple of excellent political reporters that worked on internal Mexican affairs, Bob Service notable among them. We tried to report on what was happening with the PRI. The opposition parties during the time that I was there were not very strong, were not very highly regarded. I don't think they had much popular support either.

There was no doubt that the PRI succeeded in winning elections throughout the country by fair means or foul, whatever was needed. I don't think the opposition was very strong against them. It was primarily the PAN, the right-wing party, and that didn't have a great deal of political support. The major influence of the opposition parties was to some extent, to keep the PRI somewhat honest in what they were trying to do.

While we were there I think there was some progress made in the greater openness of the party but it still was a one-party system. I think it's interesting that it's changing now, it's very clear that things have changed. Luis Echeverria was the President throughout the time that I was there. I think he became a disappointment to a lot of people. He turned out not to be as honest as we had hoped he would be.

One thing that did change, that we tried to work on, was population policy. Echeverria had come into office saying that--to govern is to populate--the more people the better. On a trip three years into his administration, he made a trip to Chile to visit Allende. His Secretary of Finance, who had been Ambassador to Washington, went on the plane with him.

The Mexican population people had worked very hard to provide the Secretary of Finance with some charts that showed what was happening to Echeverria's plans to increase productivity, increase land and agricultural products, increase health, etc., all sorts of different things. The charts showed what was happening because of the population explosion. It showed that it didn't matter what government money was put into these programs so long as the population kept increasing at the rate it was going, things were going to continue to get worse in Mexico.

The Minister of Finance, whose name was Hugo Margain, convinced Echeverria on this airplane trip to Chile and back, that he was going to have to change his policy. And he did, he turned it 180 degrees, so that Echeverria came out in support of population control. In fact, by the time we'd left, they had produced some very good cartoons that appeared on television, that made fun of Mexican machismo and the idea of more children.

I think this was a major development that we had some input from the Embassy. We helped the population come up with figures and that kind of thing. So that was a major change.

In terms of other political events, this was a period when there were guerrillas in the state of Guerrero from time to time, causing disturbances. The Mexican government had some trouble trying to capture them and keep track of them because they could disappear into the hills pretty easily. This is more bandits than anything else, it was not like what has been happening in Chiapas in recent days.

One other event that happened while I was in Mexico was a kidnaping. Our Consul General in Guadalajara, Terry Leonhardy, was kidnaped on his way to the office one day. This was in 1973, the Spring of '73, just before I left. I was then sent down from the Embassy to Guadalajara to try to figure out how to get him back, what to do, how to coordinate this.

What happened was that the kidnapers first claimed that they were doing this for political purposes, to demonstrate that they wanted greater freedom, release of political prisoners, and so forth. But very soon it became apparent that really they were looking for money and they wanted a substantial amount. The only way that the kidnapers would communicate with either the government or us was through Leonhardy's wife in the residence, using the residence phone, and there was only one phone in there. So when I got to Guadalajara the first thing I did was to get the Governor to put in another telephone line so that we could have our own line running to the Embassy or to Washington to keep track; otherwise that other line would have been tied up.

There was a lot of back and forth. The Mexican government said eventually that--alright, we'll meet the demands of the kidnapers, we'll pay the money but we don't want it to appear that we're paying it; we want to leave it fuzzy as to who paid for it. So this was a very tense three days of phone calls back and forth between the kidnapers only to Mrs. Leonhardy. She was a remarkable woman, showed a lot of guts in trying to deal with this.

It was a really weird situation because the Consul General, from Monterrey, was also sent down to try and help out. Everybody ended up in the residence, nobody dared to leave because this was the only activity going on. And we kept getting messages back and forth from the kidnapers on what they wanted and where this was going to happen, and we made attempts to make sure that Terry was still alive and put him on the phone a couple of times. So it was a pretty hairy three days or so.

When finally the Mexican government did agree to provide the money, it was wrapped in newspapers. The idea was that one of the local employees was to get on a bus and ride on the bus until some signal occurred and then he was to turn the money over to somebody on the bus who was to be identified somehow and then Terry was to be released later. This was all pretty tricky but it was the Mexican government's money.

Meantime from Washington, we kept getting instructions from, Bob Hurwitch who was Deputy Assistant Secretary in ARA. Hurwitch kept insisting that we could not negotiate with the terrorists and he went to the extent of suggesting, that we were not to allow the

Mexicans to negotiate with them. Bob McBride by this time had gotten ill and wasn't there but Bob Dean, who was the DCM, was the Chargé in Mexico City. He kept telling Hurwitch, all right, do you want me to go in and tell the Mexican government they are not to make any effort to get him back? No, no, we don't want to do that, but you go on and tell them that we don't negotiate.

So Dean went in and told the Foreign Minister that we don't negotiate and their response was--do you want your man back or don't you? So this kept going back and forth, kind of silly arguments about whether we were negotiating or not. But eventually the Mexicans said, in effect, to hell with it. They went ahead and agreed to provide the money.

Sure enough after about three days, the money was turned over by this complicated business of riding around on a bus. Leonhardy suddenly appeared on some street corner and came back in not too much the worse for wear. That was my first direct experience with a kidnaping, and it was pretty dramatic. We finally did get him back but it was quite tricky because the kidnappers would talk to only Mrs. Leonhardy and only over that one phone line.

Q: What was your impression of Mexican officialdom that you had to deal with?

MATTHEWS: I think they're pretty competent people. The lower level, if you're talking about the police on the corner, there's the old problem that their pay is so low that they couldn't possibly survive so they have to get "mordidas" and that kind of thing. But the other people that I dealt with, were generally pretty competent people. Their diplomats, their technical people in the Ministry of Hydraulic Resources, the Boundary Water Commission people, they all, were pretty competent people. They were basically friendly too.

Q: Did you find that there was really much of a, I've heard today, I've never served in Mexico so I'm speaking from just hearsay, that sort of the ruling group in Mexico City has its own cast which is looking much more suspiciously on the United States and all this, El Norte. But when you get up to the whole border area, I mean this is a big, we're not just talking about border but into Monterrey and much of their industrial area there, that it's quite a different society and cast of mind.

MATTHEWS: I think that's entirely true. The area in Northern Mexico, as you say extends not just to the Maquilladores on the border but considerably farther south. There are so many more dealings with the United States and there are so much closer relationships. They are far more friendly and they are far less sensitive about this idea of their own sovereignty than the officials down in Mexico City.

But even down into Mexico City, there are lots and lots of people, particularly the wealthier people, who for any kind of medical problem would go to the States to get that taken care of. The shopping trips, continual movement back and forth between Mexico and the United States. And the strong feeling of relationships.

Q: Also for much higher education, that's where you go for graduate degree.

MATTHEWS: Lots and lots of people going to the US for education of one kind or another. I think in general the Mexican feeling about the United States was really a very positive one.

There were certainly leftists and some of the press especially, Excelsior, the most prominent Mexico City newspaper, was quite leftist. I think in general there was a very favorable view of the United States and a supportive view of the United States.

I haven't been back there since the fall of the Soviet Union. It'd be interesting to see what happened there because the Soviets were quite active in Mexico. They received some sympathy from the Mexicans.

Q: How did you deal with the Cuban problem? They were kind of for Castro and we were against Castro.

MATTHEWS: There wasn't much effort on our part to try to convince the Mexicans that they were wrong. From time to time when some egregious things that the Cubans had done would happen, we'd take great glee in pointing that out. I think most of the activity as far as the Cubans were concerned, the Embassy tried to keep an eye on what they were up to and to counter whatever propaganda they were trying to put forward.

Q: Q: I take it that this was a period of time when the Nixon administration was not putting much emphasis on Mexico. It had lots of other fish to fry.

MATTHEWS: Well, I don't know. Nixon made a trip to Puerto Vallarta soon after I got there, about the first thing that happened, I guess. There was the Amistad Dam and all sorts of things, efforts that were made to try to be friendly to Mexico. But at the same time we had Kleindienst's Operation Intercept.

The other side of that was the effort that was made to try to resolve some of the boundary problems, especially water, such as the gesture of appointing Herbert Brownell, a close friend of Nixon, to come down to solve the water problem. So I think there were efforts on the part of the Nixon administration as to Henry Kissinger, I don't think that he thought that Latin America was at the top of his list of priorities.

I don't think this is a apocryphal story. Kissinger came to Mexico for some meeting, and while he was there a telegram came in from Europe about MBFR. He couldn't find anybody on the delegation who had accompanied him or anybody down there who knew what the initials stood for, or anything about the issue of Mutual and Balanced Force Reductions. So he said, "The hell with these specialists, you people are too specialized."

Q: I heard that.

MATTHEWS: That's why the Department started the Global Outlook Program which is in turn how I ended up on the Egyptian desk.

Q: Were you there during the fall of Allende?

MATTHEWS: I don't think so, I left there in June of '73, I can't remember when Allende was, I think it was later.

Q: On the political section, how important were our consulates, from your point of view. They are obviously important for commercial purposes and for immigration purposes.

MATTHEWS: We got some useful information out of the consulates but I have to say, not a great deal. I'm sorry to see the reduction in the number of consulates in Mexico. I don't know what there are now, certainly a lot fewer than what there used to be.

In terms of the reporting that came in, I don't think there was a great deal of reporting. Most of the consulates were so busy dealing with consular problems that they didn't have a lot of time for that. But when we had a consular conference where they pulled all the Consuls General into a meeting; or if you traveled around the country and stopped in at the consulates, you often got pretty useful insights into what the thinking was in the area and what was going on politically. But in terms of reporting, I don't think there was much of great use to the embassy.

I think it's too bad to have a reduction of our presence, it reduces the impact that the United States has on a foreign country.

Q: On these ties, they often get lost when you just turn out these mega-consulates.

MATTHEWS: I think that's right.

Q: How about illegal immigration, did this play much of a role or cause problems for you?

MATTHEWS: I think it was an issue that the Mexicans felt torn about. In a sense they were kind of embarrassed that there were so many of their own citizens who preferred to abandon Mexico and go to the United States and all the implications that had for the fact that life in Mexico was not all that good. At the same time they were upset at the treatment that many of their citizens got in the United States because they were illegal immigrants. They hated pictures of our immigration people, the border patrol, capturing Mexicans trying to swim the river and all that kind of thing.

So I think there was a dual view there and from time to time there would be protests about one thing or another that would happen with our people. But I think the basic view of the Mexicans was that so long as there was such a difference in the standard of living

between the two countries, it was only natural that a lot of the Mexicans were going to try to get to the United States to have a better life.

I'm a great supporter of NAFTA and I think over time we're going to see some improvements.

Q: North America Free Trade Agreement.

MATTHEWS: I think over time this is going to have a major difference in improving the standard of living between the two countries. The fact is there are lots and lots of Mexicans down there who would like to come to this country. I think basically they make good citizens but the question is, how many of them do we want?

Operation Intercept of Mr. Kleindienst was, I think, basically an attempt to get the Mexican's attention, and to make them realize that we were serious about trying to do something about drugs. But the attitude among the immigration people and among the customs people became very anti-Mexican and, I think, unwarrantedly so.

We had the terrible experience that the daughter of the Foreign Minister, was twice body searched in Miami on her way to the States. She was subjected to very unpleasant treatment by the customs people. You can imagine the furor. Emilio Rabasa, who was the Foreign Minister, and was not particularly pro-American to begin with, when this happened, was even worse.

Q: So these were sort of brush fires that you would be...

MATTHEWS: There were a lot of brush fires. But it was a fascinating place and we made a lot of good friends there.

Q: So you left there when?

MATTHEWS: In 1973, in the Summer of '73, I came back and went into the senior seminar.

Q: Today is April 7, 1994. So we have you going into the senior seminar then going to the Egyptian desk from '74 to '76. Would you explain how that came about.

MATTHEWS: Well there was something called the Global Outlook Program, GLOP. My understanding is that this came from Henry Kissinger having gone to a conference in Mexico as Secretary of State. A cable came in from Europe talking about MBFR and Henry couldn't find anybody who knew what the initials stood for, let alone what some of the policy behind it was. So he was kind of outraged and thought there was far too much specialization among these Latin American employees and therefore he decided that there ought to be a spreading out of talent, different people in different bureaus so there wasn't too much concentration.

So, at about the time I was coming out of the senior seminar, each bureau was required to take on somebody who had never worked in the bureau before. I ended up on the Egyptian desk, Country Director for Egypt, never having set foot in Egypt and not knowing a thing about it. The only time I had been in the Middle East even, was spending one night in Beirut en route from Saigon to Madrid.

Anyway, it was a fascinating time because this was just after the '73 war. We were just beginning to establish relations. So I came on to the desk in June '74. Hermann Eilts had arrived shortly after the war but didn't become Ambassador until the Spring when the Egyptians and ourselves decided to exchange ambassadors.

Hermann was Ambassador in Cairo, and the Spanish flag was finally hauled down off our embassy there, having been there for 7 years during the time we had no relations. It was a very active period because we were anxious to take advantage of the momentum that had been started by our having brought about the end of the war through diplomacy, to try to make a new breakthrough in our relations with Egypt and with the whole Middle East. So it was a fascinating period to have been on the desk.

Q: How do you come up to speed? I mean here you are, the Middle East has sort of been the minefield for the foreign service for 50 years or more, so here you are in there.

MATTHEWS: If I had had greater advance notice that I was going on the Egyptian desk, having been in the senior seminar I could have spent a lot of time reading about Egypt and trying to get myself prepared. But I only found out about this something like three weeks before the seminar ended. The seminar by the way, was maybe the best year I had in the foreign service.

Q: Did you concentrate on anything particularly?

MATTHEWS: We always had to write a senior paper and I wrote mine on international water problems drawing on my experiences in Mexico with the Colorado River.

I wrote a paper on three water problems. One that I hoped was in the past, namely the Colorado River problem because that had been, we thought, resolved with the efforts of Herbert Brownell and the agreement we finally reached with Mexico on quality of water of the Colorado River. The second problem, the more current one, had to do with something called the Garrison Diversion Project in North Dakota, which would involve diverting water out of the Missouri River into a small tributary called the Souris River which flows into Canada.

A big dam would have been built called the Garrison Dam. It would have had major ecological and other impacts on North Dakota and further down the river. Among other things, it would have diverted water into the Souris flowing north into Canada and on into Hudson Bay. This would have brought what they call, biota--microorganisms--from the

Missouri River and American rivers such as the Mississippi and others that flow down into the Gulf of Mexico, north into Canada, which had not had experience with these kinds of organisms from this system.

Furthermore the water would not have been high quality water, it would have been run-off water. And unlike with Mexico, our agreement with Canada on water did include provisions dealing with quality. In effect it said we should not divert waters from one country into the other that would adversely affect the quality of water in the other.

There were also impacts from the proposed Garrison Diversion on a lot of wildlife in North Dakota. It's an area where there's are numerous flyways for birds flying north and south. And there was considerable controversy about the whole project.

I ended up going to Canada and talking to people in the Canadian government in Ottawa; going to Winnipeg and Manitoba which is where some of the water would have ended up; and then going into North Dakota a state I'd never been before. I spent about two weeks driving all around North Dakota talking to farmers and all sorts of people. Fascinating experience. Then I came back and ended up writing the paper.

The paper then got distributed to a lot of people in Canada and North Dakota that I had spoken to. It caused something of a furor because it became a domestic political issue in several races in North Dakota. I was accused of having interfered in one side or the other there. One of the Congressmen complained that I was going to cause his defeat because he had been in favor of the Garrison Diversion and I'd come out strongly against it.

So it was a very fun sort of paper. The other part of the paper dealt with a possible future water problem which concerned the waters of the Usamasintra River that rises in Guatemala and flows into Mexico. They had no agreement on what ought to be done with that water.

I flew down to Guatemala and talked with the Guatemalans. Frank Meloy was Ambassador at the time, one of the last times I saw Frank before he was assassinated in Beirut. Anyway, it was a fun time. The whole year was a really good year. This is kind of a diversion.

But I did not know I was going on to the Egyptian desk until a few weeks before the end of the course. If I had known, I could have done a lot of reading, even perhaps written my paper about something to do with Egypt. I could have written it on the Nile which a later member of the senior seminar, Richard Benedict did. He wrote his paper on the Nile and came to Cairo and visited us. He wrote a wonderful paper, and excellent paper.

Anyway, how I got up to speed on Egypt was more by osmosis than any other kind of process. It was one of those things where you get plunged into it and you begin to learn.

Q: What would the Director of Egyptian Affairs be doing, what were your main concerns, what did you do in the '74-'76 period?

MATTHEWS: As I said earlier, the major effort was to try to build a relationship with Egypt that would be lasting and that would turn the Egyptians towards peace with Israel and away from war. Henry Kissinger was tremendously interested in what was going on with Egypt. In a sense, he was almost the desk officer, so it meant that practically everything I did had a very close eye from him on what was happening.

I had several very good bosses above me. The hierarchy was from Kissinger to Joe Sisco who was the Under Secretary for Political Affairs; Roy Atherton was the Assistant Secretary for Near East and South Asian Affairs; and Hal Saunders was his Deputy and the one to whom I basically reported. So those were all very highly qualified, very excellent people, especially Hal Saunders whom I had tremendous respect for.

A major part of our efforts involved dealing with the Congress on their interests on what was going on in Egypt. A lot of effort was put into trying to coordinate the different aspects of our relationship.

There was not much of a military relationship during that early period. Kissinger was very leery of trying to encourage the Egyptians on that side. On the other hand, the Egyptians were very anxious to get the benefit of our military expertise and our military weapons. Sadat was fond of saying that Egypt had beaten the Israelis. It was only when the United States entered the war, as he called it, on the Israeli side that they were able to overcome the initial Egyptian advances. That's not entirely true, but there is something to it.

Of course with the new relationship, our military was very anxious to get in there, to get a foot in the door. They had dreams of glory as to what the military could do there. So there was a lot of trying to keep them under control. In fact, Kissinger had laid down a rule that there were to be no high level visits to Egypt unless he personally approved. This stuck in the craw of the Pentagon considerably because they really wanted to send a lot of people over there.

Then there was of course the AID program that began to build up. That was something that we tried to keep a close eye on too. A Man named Bob Nooter was the Assistant Administrator for the Near East, an excellent fellow.

Then there were all the problems of a growing mission in Egypt. When Hermann got there, he was the seventh American in what was then the American Interests Section of the Spanish Embassy. It gradually grew over the years, much to Herman's disgust. He didn't believe in large staffs and he resisted every increment.

In the beginning it was clearly necessary to beef up the staff and they had myriad problems. So I was much involved in a lot of the backstopping of the embassy there--

trying to get more people assigned there; backstopping them on housing; and all sorts of day-to-day aspects of development.

One way in which I tried to get up to speed on what was happening there was to get out on an orientation trip as soon as I could. I was able to do that fairly early on, and I went to Egypt, Saudi Arabia, Jordan, Syria but I didn't go to Lebanon. That helped to give me an initial idea of what the area was like. It was very valuable to have done that and it was also a way to meet Hermann and to see what the embassy looked like.

As time went on, I guess the major event that took place during my tour as Country Director was President Sadat's visit to this country. This was in 1975 and was the first visit by an Egyptian Chief of State ever to this country. So it was really played high in the headlines. As I said earlier, Henry Kissinger was very much involved in everything that had to do with Egypt. So he kept an extremely close eye on everything that had to do with that visit. He really wanted it to be a whopping success. He got into all sorts of details.

Q: Can you give any examples?

MATTHEWS: He personally inspected all the public statements that were drafted. He checked all the menus, he checked guest lists of people who were invited to dinners and things. We had two or three meetings with him with Protocol on the issue of where the Egyptians might hold their return dinner after the White House dinner, the formal dinner, because this was a State Visit. He had all sorts of ideas as to where the return dinner might be held because he was anxious that this be a unique occasion.

One idea he had was to try to have it in the Botanic Gardens by the Capitol. I went down there and looked at that.

Q: There isn't any room.

MATTHEWS: It's not a good place.

Q: It's a hot house.

MATTHEWS: It's a hot house. It would involve moving a lot of plants to make room for this. So we searched all over and ended up having the return dinner in the Headquarters of the Order of the Cincinnati on Massachusetts Ave., more or less opposite the Cosmos Club. It did turn out to be a big success.

But the whole visit was extraordinarily exciting. These were questions of where the various events would take place, who was going to be at the airport, all that sort of detail. It was very highly concentrated, long, long hours, trying to keep track of all of this.

Q: It was President Ford at that time. Were you involved as a note-taker or anything else at any of the meetings?

MATTHEWS: No I wasn't. Henry, because of his extreme interest in this, usually insisted that either Joe Sisco or Roy Atherton be present to take notes at all of these meetings. Even when the Egyptian Ambassador came in to talk to Kissinger, I don't think there was a single occasion when I was able to get in to be with Kissinger on such a meeting.

The one time that I did go in for a meeting was, when the British Ambassador called on Kissinger, and I suddenly got a summons with no warning on this, to be prepared to come up and take notes at this meeting. I had no idea what it was about, why I would be called in for the British Ambassador. I was waiting in the anteroom when I suddenly got called in and Kissinger said, "take notes of this".

There were several people in the room and it all had to do with China. I was absolutely flabbergasted. I didn't know the names of any of the people, I didn't know who was in the room, I didn't know who these Chinese were that they were talking about. There was a very civilized conversation and here I was scribbling away trying to keep track of them. Of course Henry wanted verbatim notes. I don't know what the hell I would have done if I really had been the one that had to produce a report on it, but fortunately there was somebody else in the room whom I guess was the Chinese desk officer who said, "Don't worry, I know what it's all about." He said he was astonished at seeing me there.

Anyway, basically it was typical Kissinger. First he didn't know me even though we met briefly in Vietnam when he had come out on a visit for LBJ back in the earlier days. Maybe he didn't have total confidence in his own GLOP program. In any case I never took notes on any meetings with Kissinger. There was always someone more senior. And this wasn't only me, with most of the people in the bureau, Kissinger wanted somebody who was much more senior to take hold of these things.

Anyway it was a very exciting time and Sadat of course addressed a Joint Session of Congress, a very extraordinary thing. There was the dinner at the White House, my wife and I were not invited to the dinner, but we did get invited to after-dinner and danced right next to the Fords. Sadat and the Egyptians didn't do any dancing, any public dancing, that was their choice.

The return dinner at the Order of the Cincinnati mansion on Massachusetts Ave., was a very grand affair, very pleasant, very nice. I had written a toast, as I had for the White House dinner, and it was all put on cards for President Ford. I was sitting at a table with Walter Cronkite and one of the Kennedy sisters and several other people but not up near the front. There was a big table in the center with Ford and Sadat and Kissinger and various other people.

It came time for the toast and Ford stood up with these cards in his hands and it was virtually the same toast that I had written, very little changes. So naturally I thought it was a good toast. President Ford got to the end of the toast and put the cards down and said,

"Now let us all raise our glasses to the friendship of the people of the United States and the people of Israel."

I thought Kissinger was going to fall under the table, everybody at the table gasped, Cronkite said, "Did I hear what I heard?" Nobody could believe what had been said and poor President Ford said, "I mean, I mean the people of Isr of Egypt." It was just awful. I guess it was just that people were so used to anything to do with the Middle East--"it's the United States and Israel, it's the United States and Israel" So that gaffe.

Q: Ford was Renowned for these gaffes. What was your impression during this period of Sadat? I mean what were you getting? Here he was the new boy on the block when he first came in, when Nasser died.

MATTHEWS: 1970 I think.

Q: He was considered quite a lightweight. But obviously we already had at least a, not a disastrous, war in '73. What was the feeling about his abilities and all?

MATTHEWS: I ended up as a great admirer of Sadat. I think most people who dealt with him did, I mean I was not the only one, most of the so-called Arabists starting with Hermann Eilts, all thought he was an extraordinary man. He almost from the beginning understood the importance of creating a favorable impression with the American public and the American Congress. The result was that he gave interviews, live interviews in some cases, but interviews to large numbers of American reporters including some of the fancy media leaders who came out.

He also devoted great attention to congressional visitors. Over the course of the time that I was there, he received over 400 American congressmen and senators, an extraordinary number. He never turned a single one down. It made for quite a burden of course on the embassy to try to take care of all these people. But he was just a wonderful spokesman for Egypt. He came across on American television just beautifully. I think most people reacted to him very, sympathetically.

His phraseology, his English was fairly good. One problem with his English was that he spoke better than he understood, which is sort of the reverse of a lot of people. So he sometimes didn't quite get what was said to him but his speaking was excellent. He just charmed the pants off of virtually everybody who came to see him.

His visit to this country was played to the hilt. I think he had a major impact especially with the Congress. The idea that Egypt and Israel should be on a par in terms of financial assistance or economic assistance, a few years before that would have been unthinkable. But he turned it around virtually singlehandedly with his skill in dealing with people. I saw him numerous times off and on; I would often be the one who would have to take congressional people around to see him.

I can remember many times sitting where he liked to receive people down at his relatively modest house at what they called the Barrage, which was a small dam on the Nile River in the Delta. He would receive them there and talk to them. Or, even better, he liked to receive them in Isma'iliya, at his house on the Suez Canal. You could see the ships passing by on the Canal. He would talk to visiting delegations about what had happened during the crossing of the Canal in the 1973 War. He always referred to it as 'the Crossing' or 'the October Crossing'. There was even an Egyptian magazine called "October" to celebrate the October crossing of the Canal.

He was very proud of that because the Israelis assumed it would be impossible for the Egyptians to cross the Canal. In fact they had, and they surprised the Israelis in the '73 war in a rather astonishing fashion. They'd caught them asleep because it was Yom Kippur. Anyway, it was very dramatic to have him down there at Isma'iliya sitting under the palm trees, with ships going by on the Canal while he explained to his visitors what had gone on.

There were lots and lots of good visits that he had. He really went out of his way to receive even the most minor congressmen. Without exception, they all came away very well impressed.

Q: What was the feeling, particularly on the time when you were on the desk, we'll pick up the Cairo bit a little later, about his control of the political situation within Egypt.

MATTHEWS: Certainly in the beginning he had very firm control over what was happening. Over the course of his period as President, gradually there were democratic institutions that were brought forward, there was less direct control over what was going on. There was often political opposition to what he was trying to do from various sources, some left-wing people who felt that he was betraying the legacy of Nasser, that was a frequent theme.

There were even back then the beginnings of the fundamentalist views that he was too liberal, in the sense of not following the strict principals of the Koran. Although he himself was a devout Muslim, and said his prayers five times a day, and had the famous mark on his forehead from touching his head to the ground. But there was some political opposition, especially in the earlier years. It didn't amount to very much. Members of The Peoples Assembly would speak out against him and there were various clerics who preached against him.

Over the years there became increasing criticism over his lifestyle, a lot of feeling that he lived a little too high on the hog. Of course there were a lot of palaces that were left over from the days when they had a royal family. He used a number of those palaces around Cairo and Alexandria and there was criticism of that.

There was also criticism of Madame Sadat, that she was far too westernized, that she was part English parentage. She was a very charming lady and had a lot of style. She also

became very popular especially with women in this country and other places abroad. But there was a lot of feeling especially among the more fundamentalist people that she was not playing the role of the traditional Muslim wife, that she was doing a lot of things that were of doubtful virtue for a good Muslim wife.

Q: Heavily into birth control, family planning

MATTHEWS: That came later, she became quite a spokeswoman for birth control and for women's rights. There were a lot of changes in the domestic laws on the rights of women in Egypt. This brought criticism of her and to some extent of Sadat. In terms of the impression they both made on the American public, I think they did an absolutely marvelous job.

Q: When you were in Washington, did you feel the lash of the Israeli lobby at all? I mean here you were, I mean there must have been concern on the part of the Israelis and their strong supporters here in the United States.

MATTHEWS: There certainly was, but on the other hand, I had the impression there was a lot of feeling on the part of the American Jews that this was perhaps an opportunity to bring about some settlement in the Middle East. I think many people agreed with the old dictum that in terms of peace in the Middle East, there can be no war without Egypt, there can be no peace without Syria. So there was a strong belief on the part of many American Jews in the Zionist and the Israeli lobby in this country that if they could get the Egyptians to adopt a more peaceful attitude towards Israel, this was a major part of the game in trying to protect Israel's security.

There was a lot of opposition to any sort of military assistance to Egypt, and I think this is one reason why Kissinger was so concerned about encouraging any Egyptian ambitions to try to get American assistance. In fact, any real American military assistance didn't start to flow until after we succeeded in getting the peace treaty between the two countries. There was the beginning of assistance before that but it was very carefully measured and I think the constant effort that we, and I think especially Kissinger, had to make sure that this never exceeded what the Israeli lobby and the Israeli government were willing to go along with. Of course they were especially concerned about any sort of offensive weapons that could be brought to bear against Israel.

The lobby itself of course was very powerful. I think the lobby had a difficult time trying to adapt its methods of operating to the new idea of a charismatic Arab leader, somebody who was appealing to the American public.

Q: Their worst nightmare in a way.

MATTHEWS: Not at all like Nasser. I wasn't involved at the time but from all accounts he was not somebody that the American people fell in love with.

Q: No, he was confrontational, made a nice villain in a way.

MATTHEWS: Exactly. Whereas this fellow, Sadat, was a whole new ball game. He was very clever. Sadat tried to encourage a number of prominent American Jewish people to see things differently in Egypt.

Sadat also, eventually made a number of different steps in such things as the boycott in trying to appease American Jewish feelings about what was happening.

Q: In following with your new knowledge, you went off to Cairo, where you were from '76 to '80. Is that right?

MATTHEWS: Yes. I had a couple more trips to the area. I helped escort one big congressional delegation that went to Egypt, Israel, Jordan, Greece and Iran. That included Tom Foley who was then, I think, the second ranking man on the Agricultural Committee. It included wives. That was a very interesting trip because it included a Senator from New Hampshire and another Senator, neither of whom are in the Congress anymore, and in addition to Foley, it had some other very bright congressmen and their wives.

It was interesting to see how they reacted to the different places that we went. It was my first experience of seeing Sadat with congressmen there in his own country and he did a very good job indeed.

I was also impressed with the Israelis. I had been to Israel on that one earlier visit and in both cases they knew exactly who I was, what my background was, they had a complete bio of me. Our program in Israel was over booked, I mean every single minute was taken care of. They took us all over the place and they followed a concerted careful propaganda line of what they wanted us to see, what they wanted us to understand from it. All sorts of details that showed very careful forethought, very careful planning, and a lot of experience in dealing with American visitors whom they wanted to impress. It was quite interesting. In Tehran we had a session with the Shah, and we saw a lot of things there.

But anyway, then in April of 1976 Frank Maestrone, who had been the DCM in Cairo under Hermann, was named Ambassador to Kuwait. A bit to my surprise, Hermann said he would like to have me as DCM. I think this probably surprised a lot of people because I didn't have any Middle East experience. But nevertheless, I thought it was great and was very excited about going.

So I got there, in April or May of 1976. I first went out without the family, and they came along later in the summer after school was out. Thinking back on those first days in Cairo, the Embassy did some renovation on the house that I was to live in, which was the one that Frank Maestrone had been in, and so I lived in the Embassy compound when I first got there, in an apartment. So, not having my family there, I quickly fell into the bad habit of spending many, many hours there in the embassy. But it was a fascinating place.

It turned out that Hermann was primarily interested in having me act in the role of keeping track of what was going on in the embassy, especially to ride herd on the administrative side of things, which was a very difficult chore. We had a succession of Administrative Counselors over the 4 1/2 years that I was there, of various abilities. But the continuing problems of trying to run that embassy were considerable, especially as it grew in size--with all the problems of shortages of housing, an enormous AID mission that came in there, all sorts of problems with customs, telephone service, water shortages, appliances, virtually everything you could think of on the administrative side of things. Security was a major issue.

Q: Was there concern as this thing grew, I mean we have while you were there, the results of the growth of both our mission but also our commercial presence and all blew up in Iran. I mean it still reverberates today. I mean putting just too many Americans into a foreign culture particularly one like the Iranian culture, what about in Egypt? Was this a concern of the Ambassador's and of yours?

FM;

It was a major concern. Hermann was very worried about it, I think he had a visceral feeling about excess staff. He was a very conscientious public servant among other things, he felt that it was a waste of money and a waste of everybody's time to have too many people on the scene. They just got in each others way and it was not a good idea to do it. It was wasteful and something he didn't agree with. He fought every single increase in staff, tooth and nail, but he got eventually beaten down.

Especially on the AID side, they kept saying, we've got to have the people here. If we don't there are going to be scandals, the Congress is going to be on our backs because we don't have enough people to keep an eye on what's going on. And so the place just grew like topsy. But he would bitterly complain to virtually anybody who would listen, he complained in letters and memos and so forth.

When he finally retired, he wrote a famous piece about the terrible problems he had with too much staff. It became a rather controversial piece because I think he said a bit more than he really intended to.

It was very, very difficult to try to keep this back. One aspect of it was that the Egyptian people as a whole were very welcoming to Americans. They were so happy that after 7 years of no relations at all, that here the United States had come in there and we were welcomed with open arms. I remember the first time that I was in Egypt, walking back from the embassy to the hotel and an Egyptian man, obviously lower class, came towards me as I was walking along the road that runs along the side of the Nile. This fellow came towards me and I could see him staring at me intently, as he came up to me he stopped and said, "Are you American?" I said, "yes I am." He said, "Welcome, welcome." He put his arm out around me.

This was the kind of feeling that you had, that everybody was very happy to see the Americans there. So there was not the kind of pressure that you had that you didn't want people there.

The one thing that did slow us down was the availability of housing, which was very hard to come by. Electricity was very erratic and very poor. Water was unsafe to drink, if you had any water. Often the apartment elevators would break down.

Telephone service was really terrible, totally unreliable, you could not call the airport, it was not possible to call the airport. So if you had a delegation coming in and the planes were delayed or something, it was hopeless. In the beginning it didn't take all that long to get to the airport but later on it could take you as much as two hours to get out to the airport, so it was a real disadvantage not being able to maintain contact with it. Eventually we found out that the Office of the Presidency, Sadat's Chief of Staff, did have a special line that ran out there, so if it really was important we were able occasionally to make use of their telephone line to get a message to or from the airport. For a long time it was very hard.

Finally what happened was, through our AID program we were able, through a satellite, to call from downtown Cairo to the airport on the satellite. To go up into outer space and back down again, a matter of 15 miles out to the airport. But there were a lot of problems of that nature that gave us a good way to try to hold off the hordes of people from various agencies that wanted to get out there.

Q: Q: What was your impression of the AID program? It's such a huge thing but did you have the feeling, you'd seen what happened in Vietnam, were we doing the same thing? In a way getting into everything.

MATTHEWS: I don't think we were doing it to the extent that we did in Vietnam. Major efforts were made to try to keep our program tailored to the real needs of the country and not get into big demonstration projects or building museums or great monuments to American AID. But the Egyptian needs were very great indeed. A lot of our AID turned out to have to be in PL 480 wheat, providing food for the country. We made a lot of efforts in urban renewal and trying to build housing and sewage, telephones, electricity, a lot of infrastructure type efforts. Eventually these were fairly successful.

I think Egypt's major problem, and I think it still is despite considerable effort, is population growth. I mean it's just growing out of sight and the numbers of people there just boggles the mind. There was some resistance to population control, some of it on religious grounds--some of the Muslims disapproved of it, some of the coptic Christians also had problems with it. Just the sheer difficulty of persuading people that it was no longer necessary to produce 10 children in order to have 5 that survived who could continue to work the farm. It took a long time to get this message across. I think it's

improved to a substantial extent but it still is higher than it ought to be. In those years population growth was just destroying any efforts to try to raise the standard of living.

One of the major problems, and I'm afraid this was to some extent Sadat's fault because he kind of encouraged it, was that the Egyptian people came to believe, that with peace was going to come an improvement in their daily life. Sadat encouraged this, he would give impromptu statements or he would give speeches which suggested that the reason he had made a certain concession to the Israelis was that this was going to bring peace and when peace came, life would be better for everybody.

The people took this to mean not simply that their sons would not be going off to war and be killed in battle, but it also meant that bread would be more abundant and food would be better and housing would be more available and life would improve. Of course those things didn't happen. So I think there was a great deal of disillusionment that gradually set in. I think that that is one of the root causes of the problems that Egypt is facing today.

It's not simply fundamentalism. I think the fundamentalists efforts, and the increased interest in fundamentalism in Islamic rule, has come about through frustration on the part of a lot of the people that they don't see any other way to improve life. Therefore they're returning to whatever was there before the Koran. They were encouraged by the Islamic students and clerics that if they could just get unified and form an Islamic state, that then they would be able to cut back on corruption, and do away with the fat cats who were living high on the hog, that then there'd be more for everybody. I think that the fundamentalists profited from the disillusionment of the people that life, in fact, did not get better.

And of course, one of the inevitable results I think of a large AID program is that some of the money gets filtered off to places where it shouldn't go. So you saw a lot more Mercedes in the streets and a lot of television sets. I think most of our people in our AID program were capable people. Don Brown was the AID Director throughout the time that I was there, the brother of Dean Brown in the State Department side of the foreign service. He tried very hard to make the AID program something sensible, that made a difference.

But I think also one of the problems, as with AID all over the world, was the tremendous amount of congressional interference with the heavy requirements that are placed on AID to justify everything they do, and the budget cycle that is required for the AID programs. It's just extraordinary that no sooner are they finished working up their budget for this year, than they're working on the one for the next. In the end it's just a continual effort to keep up with congressional requirements. It's not just large sums of money but every little project has to have umpteen justifications for what they're doing. It wastes an awful lot of people.

Q: What was your impression of, say, the political section in Cairo? Did they have good contacts, were they out and around?

I mean, how did they work?

MATTHEWS: I think they were very good in my day. They did get around a lot, I think they kept plugged in to the different parties, the different religious groups. I think they made a real effort, they did a good job. I think their reporting out of Cairo was outstanding. We had some very good people there that turned out very good work.

Q: You didn't find CIA and State were at odds, you didn't have the feeling that this was, I won't say a rogue operation, but it was going its own way or something like that?

MATTHEWS: No. I think that it was partly Hermann Eilts that kept on top of things. Nobody dared get out of line on something like that. He insisted on seeing all the traffic that went back and forth. I think I saw virtually all of it too.

At one point we had some problems with our attachés' office.

Q: You're talking about the military attachés.

MATTHEWS: The military attachés. They tended to go off in sort of different directions and they were specially suspicious of people in other agencies. We had a bit of a problem there from time to time.

Q: I've heard stories that, maybe not particularly at this time but at other times maybe earlier on or something, that the American military from time to time, I mean all of a sudden they would discover that there was sort of almost a joint exercise going on or Generals were coming out that you didn't kind of know about. Things were happening.

MATTHEWS: That didn't happen while Hermann was there, he kept a very close eye on anything that happened. And also while Henry Kissinger was Secretary of State, he kept a close eye on the Washington end of things. I knew very well from my experience being on the desk that no senior military people went out there without permission. Kissinger got an NSC order out that there would be no high level visits to Cairo without State Department approval. We had a pretty good lock on that.

Q: Constant vigilance was the name of the game. It was during the period that you were in Cairo that Sadat made his famous trip to Israel. How did that impact on you? In the first place were you kind of getting ready for it? How did this come about?

MATTHEWS: The Sadat announcement that he would go to the Knesset, if that would bring about peace, came completely out of the blue as far as we were concerned.

To go back, there had been efforts, there had been a sustained effort by Kissinger through the various shuttle diplomacy trips that he had made, to bring about disengagement in the Sinai and also on the Golan Heights. There had been various stages of Israeli withdrawal.

By the time that Sadat made his speech not too much had been happening for a while and it looked as though a stalemate had developed.

The question was, how were you going to get things off dead center and get them to move ahead. Of course by then Kissinger was no longer in office. Secretary Vance was Secretary of State and Carter was President.

Even though there were some efforts to move ahead on the peace front, not very much had happened at all. The Israelis were still sitting in the passes in the Sinai, we did have the Sinai field mission out there, a very interesting group of people.

Our American Sinai field mission was out in the Sinai monitoring the disengagement agreement. A lot of them had their families in Cairo which added to our problems of housing and so forth. They could have their families either in Cairo or in Israel, as they wished.

Anyway, I think what happened was that Sadat got impatient with the lack of anything happening and I think he was a great believer that if there was no sign of movement forward in the peace process, that things would turn around the other way and you'd head back towards war. And so he made this speech in the Peoples Assembly, saying that it was time to head for peace and that if necessary, he would go to the Knesset and speak to the Israeli people.

This happened just as a large congressional delegation headed by Majority Leader Wright [from Texas], who later became the Speaker, arrived with their wives in Cairo and I was the Control Officer, as I usually was on the big delegations. So there was great excitement over this statement by Sadat, the press was very interested. But people were not too sure just exactly what he meant--whether he was really serious or whether this was sort of like saying, I'd give my right arm for a new car or something.

So the program was that the Wright delegation was to go down to the Barrage--this little dam on the Nile where the former British engineer had had a nice little house. It was nothing elaborate but Sadat liked to be down there and he liked to receive visitors there. It was only about an hour from Cairo, north on the Nile.

So we all went down there, several busloads. I think there was something like 20 congressmen plus their wives, plus staffs, so it was big, there were something over 50 people in all. A full air force plane load of them. So we all went down there, and my wife went along because of the congressional wives.

We all sat around this big table at the Barrage and Majority Leader Wright said, "Mr. President, we've heard that you made the statement yesterday in the Peoples Assembly about going to the Knesset, speaking in Israel. Would you explain to us what you mean by this. How serious is this?"

And Sadat said, "Well, I will tell you. But first we must have some refreshments." So waiters came in with juices to pass around and he sat back and lit his pipe. When they were all through with that, then he said, "Yes I will go to the Knesset--as soon as I am invited I will go. I'm going to speak to the Israeli people."

This was really dramatic, as this was the first time that it was clear that he really meant it, that it was not just a figure of speech.

Q: It wasn't the usual Arab hyperbole.

MATTHEWS: It wasn't just a figure of speech, it was something serious. So there was great excitement, Lots of questions, a very amicable session, very very dramatic. Then what usually happened was that Sadat would go out in the garden and the guests would come out and they could talk individually to him in the garden outside. These sessions were always live with the press there, CBS and NBC and so forth.

So he got up to go, and my wife and I were standing over near the entrance, and as he started out the press photographers and the TV guys got right between us. So Sadat was here and the press was here and we were right behind them. The NBC guy said, "President Sadat, won't you be afraid going to Israel? Something could happen to you."

The most astonishing thing happened. Sadat was facing directly at us, and his eyes just glared and he said, "Never! Allah will protect me. 'I am going on a sacred mission.' Allah will protect me!" It was just startling to see him and he clearly believed it. He went out and people went on out to talk to him.

The delegation stayed on for a day or two in Cairo and then flew in their plane up to Aswan and Luxor, as part of their visit, and then they were to go on to Israel. My wife and I flew with them up to Luxor and Aswan.

In the meantime plans moved ahead very quickly and Sadat was to leave that day to go to Israel to speak to the Knesset. Wright said, "Well, you come with us. You and Nancy should come with us to Israel so you can hear this." I thought that would be really fantastic but then I thought, I just wonder how this would look with the DCM of the American Embassy in Cairo arriving with this group in Israel. I knew for sure I'd better check with Hermann, so I called him via satellite in Cairo. He agreed that it would probably be a mistake to do that, so we didn't go.

The Wright delegation went on and they were there when Sadat made his speech to the Knesset. It was a very dramatic event. That really did push things off of dead center and moved things forward in the peace process. Things moved along pretty well then. Among other things it galvanized the Carter administration and got them really going hard on it.

That was really the beginning of that phase of the peace process.

Q: I assume the Camp David business, you were basically minding the store.

MATTHEWS: That was interesting because it went on for I think 13 days. There was virtually no news, if you remember there was a complete news blackout on what was happening. That also included any kind of messages to foreign service posts or the embassy in Cairo as to what was happening. So Sadat was there, Hermann of course went back and was at Camp David. That left me in charge of the embassy, trying to figure out what was going on. It also left Hosni Mubarak, the Vice President, also wondering what was going on.

He and I got to know each other quite well in this period because we were trying to figure out what was going on. He had me over in the course of that period, something like 6 or 7 times to his little house to try to learn what was happening. We would exchange thoughts as to how things were going and talk about other things too. But it gave me a chance to get to see him.

Q: What was your impression of Mubarak. Because he was sort of a cipher at that point, wasn't he?

MATTHEWS: He was not well known, and he was clearly a military man. He occasionally would receive congressional delegations himself. He worked very hard on his own English because at the beginning I don't think he had any English. I think perhaps now his English is better than Sadat's was.

There was never any question of his loyalty to Sadat, he was totally loyal to him. He had been an air force general before and actually had received training in the Soviet Union. As happened with many of the Egyptian officers who had gone over to the Soviet Union, it did not result in his becoming pro-Soviet. Quite the contrary, they came back unhappy with the Soviets because of their treatment they received there. I gather the Soviets, tended to look down on them and treat them as kind of subhuman species. So they were not favorably impressed by the Soviets.

He was very pro-American, but he tended to be a lot blunter than Sadat was. He was particularly strong in saying that Egypt ought to get more military assistance. He was much more forceful in trying to press for that. He was a very straightforward type of fellow, you didn't get the feeling that this was somebody you had to dance around with.

Q: How did you feel about our knowledge of the Egyptian military because we must have wanted to look at, I mean the military is a major factor. Nasser, Sadat and Mubarak all came out of the military. In a country such as Egypt you have to be concerned about how affected or disaffected the military is.

MATTHEWS: When we were there, there was no sign of any kind of disaffection within the military. I think it came as a total surprise to everybody when Sadat was assassinated by members of one of the more elite units in the military. I never heard any inklings that

there was disaffection in the military. I think that as with many countries, it's hard to get a handle on what is going on in the lower ranks. Among other things, certainly in the beginning, you couldn't just go out and visit a military unit.

To visit an Egyptian military unit, you had to get permission first. And in the earlier days, you had to get permission to even contact anybody in the Egyptian military, to invite them to a reception or a party, that had to be run through the Egyptian protocol office, the military office. The access that our military attachés had to Egyptian military was distinctly limited.

In terms of trying to learn about the Egyptian military, obviously there was a lot of interest on our part in the Soviet weaponry that they had. As time went on, the Egyptians became very cooperative and very helpful. Mubarak was especially helpful, personally, in working out some arrangements for us to receive not only samples of Egyptian-acquired Soviet equipment, but I think we ended up even with an entire squadron of a large number of Russian MIGS that were then used in our combat training in this country so that our flyers could really see what the Soviet equipment was like. But there was a lot of effort put into that. The Egyptians ended up being very cooperative, very helpful.

While I think the senior officers in our military establishment were anxious to establish a good working relationship with the Egyptians, there were some, especially in the military sales side of it, who were looking for ways to make money and to strike hard bargains. Some of them, it seemed to me, were some of the worst examples of the merchants of death that you can run into.

I had an experience with one of them who came out there to acquire Soviet military equipment, to be balanced against the prices for American military equipment we were going to provide to the Egyptians. At one point Mubarak said, "No, we don't want any payment for this equipment,"--the Soviet stuff that they had--"you can have that, it's a gesture from Egypt. We're not interested in trying to haggle over the price you pay for it. It's just a gesture of friendship from us."

Very clearly what he had in mind was that we would be similarly forthcoming on our side when it came to discussing prices for American equipment. Well, our side of the bargain didn't carry through. I think it was kind of a rude awakening to Mubarak and to the Egyptian military that we were very firm in our pricing, and not helpful at all in trying to meet the Egyptian concerns over military cost. This occurred considerably later in the period that I was there and I think it got even worse later on as significant amounts of American military equipment went over there and repayment schedules were set-up that ended up costing the Egyptians significant amounts of money. I think, at least in that instance, we treated the Egyptians unfairly, because they in effect, gave us Soviet military equipment which was priceless to us because some of it we never had seen before.

Q: How did you view the reporting from Israel? What was the reaction of the officers in concern with the embassy? I mean, you had the Likud government in, very tough, Begin

was the Prime Minister, very aggressive government as far as what they were doing. We had an Ambassador, Sam Lewis, who is considered by many Arabists to be too pro-Israeli. And again I'm talking to you because you weren't one of the 'Club,' you might say and watching this. What were you seeing the reaction from, you might say the Arabist group, who were there too, when they would get copies from Israel on all this.

MATTHEWS: You sort of pointed the direction of thinking there. It certainly is true that we all felt that the Israeli government was not doing what it could to try to further the peace process, and that our embassy in Israel was not being very forceful in trying to push the Israelis in the right direction. I also share the view that Sam Lewis ended up being very much pro-Israel, I think more than he certainly should have been. I also question his having accepted positions with Israeli institutions after he left being Ambassador. I think there are some ethical questions there.

I think that Begin was a man who with his background found it very difficult to give up anything to the Arabs. He was such a strong Zionist, such a believer in Israel and in the right of Israel to all of the land of Israel, as he described it. I don't know about Begin, but some of the people around him, including Arik Sharon have said the land of Israel extended well beyond just the West Bank and Gaza and the Golan Heights, well into Arab territories. Begin found it extremely difficult to give anything up of that nature. Very quickly after the peace treaty was signed, and the Israelis had to withdraw from the Sinai, this reluctance became very clear in the early autonomy talks, that were supposed to lead to the kinds of agreements that are going on right now between the PLO and Israel. That was supposed to have continued right on, following on the peace treaty with Egypt.

It didn't happen because, I believe, Begin really had not intended to carry through on the Palestinian side of the bargain. And if you recall, the Egyptians, and Sadat especially, were very concerned that it not appear that he was signing a separate peace with Israeli and casting the Palestinians to the side and not getting anything for them. So that Palestinian autonomy as part of the Camp David agreements was not simply, in Sadat's view, or in the Egyptians' view, a fig leaf to cover their peace treaty with Israel but was something that they were very serious about and that they thought would eventually lead to Palestinian autonomy.

I went to the first meeting of the autonomy talks in Beersheba in Israel. I flew over on Secretary Vance's plane, Vance came to Cairo. This was after Hermann Eilts had left and before Roy Atherton got there so I was the Chargé ad interim. So we went to the very first meeting in Beersheba with Begin and Sadat and the rest of them. This was supposed to be the lead into the on-going autonomy talks. It consisted basically of set speeches, and some pleasantries all the way around. Then I flew back to Cairo on Sadat's airplane because I had no other way to get back, which was an interesting experience.

But the autonomy talks quickly floundered; there were several other meetings that were held with lower level delegations in Alexandria and in Israel but they didn't lead

anywhere and eventually they were broken off. Nothing further happened on that front until we finally began to get some movement now with the PLO and Israel.

But I think that Begin basically didn't want to have to face up to the fact that the West Bank especially, but also Gaza, were going to have to be up for negotiation. I think also that he reneged on his commitments about settlements in the occupied territories. It was clear that he had agreed that there were not to be any further settlements but he continued to push them. I think that helped to destroy whatever confidence the Egyptians had in his word. There was a great sense of euphoria when the peace treaty was finally signed, but that quickly dissipated when it turned out that they were not able to reach agreement on autonomy for the Palestinians.

There was a further disagreement on the issue of the border at the top of the Gulf of Aqaba, in the area called Taba, where the Israelis redrew the map so that some fancy resort hotels in which Ariel Sharon had heavily invested could be considered on the Israeli side of the border. Eventually after long, long talks, that went on for several years, the Israelis finally succumbed to agree that the maps they had drawn were wrong and that the original boundaries were the correct ones. This again helped destroy any feelings that the Egyptians might have had for whether the Israelis were going to live up to their side of the bargain or not.

So it was very sad to think there was a possibility that things could have been carried on once you had that momentum going towards the peace treaty. But the autonomy talks didn't lead anyplace and then you had Sadat's assassination, which occurred after I left.

Q: You left there when?

MATTHEWS: I left in July 1980. He was assassinated the following October.

Q: You were mentioning there were some other things we ought to discuss.

MATTHEWS: One thing that I remember very clearly, it was during the same period, the time of the signing of the peace treaty between Egypt and Israel. What led up to that was that after Camp David Carter began a sort of mini-shuttle to Israel and Egypt to bring about the final agreement between the two countries. He had been to Egypt and then he went on to Israel and then he came back to Egypt to try to firm this up.

His visit to the area was one on which we had a total of 72 hours advance notice for a Presidential Visit to a country like Egypt. It was something! We had 36 hours advance notice of the arrival of the advance team. So it was a very busy time indeed. I had previous experiences with presidential advance teams when Nixon came to Mexico. These Carter people were a lot more pleasant to deal with than the Nixon team. But it still was extremely difficult to try to set up.

The Egyptians turned out to be quite efficient when they really wanted to put their minds to it. They ran an excellent program. One of the first things that happened was, when the advance team got there, the Egyptians said--and I had already heard this from the Egyptians-- they would like Carter to make a trip by rail to Alexandria, just as Nixon had done when he came on a visit in the Summer of '74.

Q: It was about that time.

MATTHEWS: Yes, it was '74.

Q: Nixon having real trouble with Watergate went running off to Egypt.

MATTHEWS: It was just before I came on the desk. Anyway, they wanted Carter to do the same thing. The Carter advance team said, that's exactly the reason we don't want to do it. We don't want to do the same thing that Nixon did. Well, I said, you're going to have trouble persuading the Egyptians that that's not going to happen. And of course the Egyptians insisted because that's what Sadat wanted. Sadat got it, that's what happened.

So it was just a whirlwind visit. In some ways it's better to have that short a notice because there's not a hell of a lot you can do. It was really something. We did have the train trip to Alexandria. My wife and daughter went along on it because the Carters were there and Amy of course was along. We all went up to Alexandria for an overnight stay. It was all very exciting. My daughter, who was only 20 ended up on a date with Hamilton Jordan one evening there.

We all stayed over in the Palestine Hotel down at one end of Alexandria. President Carter was lodged in the Ras al-Jin Palace at the other end. I remember getting there very early in the morning and was walking around the Palace and suddenly in an inner courtyard, there was President Carter. He just appeared; he had some paper he was studying carefully and he stopped at a table in the middle of the room and worked on the paper. He suddenly looked up and saw I was the only other one in the room. I couldn't believe it but I guess there must have been a security guy nearby. Anyway, he smiled and said, good morning, and we shook hands.

It was very exciting with the president there. The crowds along the way on the railroad trip to Alexandria were just enormous. There were still some signs about Nixon on the walls as we rode by. Carter got a kick out of that. Crowds were wildly cheering with great excitement.

The purpose of the trip was to try to break down the last barriers to the peace treaty. Carter got some further concessions from Sadat and then went on to Israel. I guess he got some further ones from Begin but not enough to cross the last t and dot the last i on the treaty. So he came back to Egypt and everybody was very glum.

He came back to Egypt just to the airport and we were all out there in the VIP lounge. Just Carter and Sadat and Vance and Foreign Minister Ismail Fahmy, worked in an upstairs room on the final details of this treaty. Finally, Carter came out and announced that President Sadat had agreed to the final point that Begin had insisted upon. Everyone clapped and cheered at this great news.

Carter, really knew all the details of everything that was going on there. He was the negotiator on this. I ended up feeling that Carter did a pretty wonderful job as President, at least in the Middle East. The whole time that he was President, I was in Cairo, so I ended up with a very different view than many other people did about his presidency.

Then after the treaty had been signed, on the trip that I had mentioned earlier, Vance came out to Cairo and we went on to Beersheba for the first autonomy talks. En route there was a ceremonial visit to a town (EL ARISH) in the Egyptian part of the Sinai up along the coast just before the Gaza Strip. There was to be the turnover from the Israelis to the Egyptians on the site. Then we went on from there to Beersheba. Again at this time I was the Chargé d'Affaires between Hermann and Atherton.

It was very difficult making the arrangements to go into this place in the Sinai that the Israelis still had under their control, but they were moving out and the Egyptians were moving in. So we didn't know what was there and what kind of buildings we could use for the different meetings, etc. Trying to coordinate with the Israelis and the Egyptians, and the embassy in Tel Aviv, and trying to work out all the security arrangements, as well as the logistics was an absolute nightmare. The roads at that point, from Egypt into the Israeli part of the Sinai, were not very good but some of the transport had to be done by road. I flew over in Vance's airplane when he got there.

One of the really scary things was that we had received a report (we were always getting intelligence reports on things that might happen, terrorist attacks and so forth) that was particularly worrisome because it seemed to come from a pretty good source. The gist was that one of the press photographers on either the Egyptian side or the Israeli side, had been coopted by terrorists. His camera had been equipped so that instead of taking a picture, it was actually a gun and he could shoot through it.

So we did everything we could to get this checked out and to make sure all the different security people knew about it. Nevertheless when we got there, the press briefing was held in what looked like a small warehouse. The press were all sitting in rows down below with the principals and their staffs including me, up there on this platform looking down at the press. And here they all were with these cameras. It was a bit nerve-racking wondering if one of those things...

Q: No, no, no, don't take pictures!

MATTHEWS: One of the sad things was that the Israelis destroyed everything before then left, and I think they're planning to do the same thing in Gaza in the Golan Heights. I saw

an Israeli TV program that claimed they were going to do the same thing in the Golan Heights, that they were going to destroy whatever they had there rather than turn anything over. This fellow in the Golan Heights said he was going to cut down all his apple trees if he ever had to pull out. That kind of thing is very sad.

Q: It's a very sad thing.

MATTHEWS: It sets a bad precedent. Anyway I think that is probably about it on Egypt.

The last year I was there was with Roy Atherton. He was a very different kind of Ambassador than Hermann Eilts was.

Q: How did he use you?

MATTHEWS: I think a little bit more in a substantive sense than Hermann did. With Hermann, as I said earlier, and it took me a while to learn this, he didn't seek my views on policy, though he was grateful to receive them when I offered them. But he primarily looked to me not as a substantive adviser so much as somebody to run the nitty gritty of the embassy. Roy, I think partly because he was the new man on the block, used me more in a substantive sense.

Being a DCM is a very interesting job because among other things, even though Hermann wanted me not as the substantive guy so much, when he wasn't there obviously...

Q: You're in charge.

MATTHEWS: It turned over. Even though he was a very active man, when he wasn't there, and that happened I guess maybe about a quarter of the time, it meant that I really did have to be both substantive and kind of executive thing.

Hermann was an extraordinary Arabist and a very fine FSO. He worked very hard and very efficiently. He spoke in perfectly paused sentences and could dictate the same way. A demanding but compassionate boss!

Hermann's hours and his work habits were also just a marvel. He was in the office early every morning and stayed late into the evening. In the three years that we overlapped there, I think he took leave only three days--once he was sick, and once was Christmas and there was some other occasion when he was out. But otherwise he was in the office every single day. He didn't ask you to be there, but you know, if you weren't there he wondered where you were. Roy was very different, and it ended up much easier to work with him.

I left Egypt and came back to Washington. I became Deputy Director of Management Operations, which was a deputy assistant secretary level job. Our function there was to be a kind of an enlarged staff to the Under Secretary for Management, whatever he wanted

us to do was what we did. We controlled personnel levels, not the actual staffing of jobs but the numbers of jobs that there were abroad.

We did a large number of different studies of what could be done to improve management around the Department. We had a lot of odd jobs. Very soon after I got there I ended up in a really peculiar highly classified job that took increasing amounts of time and eventually became full time. It had to do with emergency preparedness, sort of a doomsday thing, what do we do if we get hit with a nuclear bomb. Especially after the Reagan administration came into office, it turned into quite a big deal. It was an interagency thing and I think it's still very highly classified. But it involved lots of interagency work and a lot of highly secretive stuff.

Q: This is an unclassified interview. In many ways it's also not as pertinent to the...

MATTHEWS: No, it's a little different today. I think some of the things we had to do are still classified.

Q: Moving to the other side, just your impression, the Reagan administration came in in 1981. It was, as is so often the case, it was an outsider group. Democrats had been in for a while, these were conservative Republicans.

One of the great causes that the Reagan administration people came in with, first place-- these are State Department people, are sort of untrustworthy and you've got to watch them. The other one was great signs all over, 'Prevent Waste, Fraud and Mismanagement' which was almost, I still see these signs at the State Department, as though the major thing you have to worry about at the State Department is not 'serve your country abroad' but is 'you're a bunch of wasters, frauders and mismanagers.' How did you find this where you were, this waste, fraud and mismanagement, and the sort of initial impact of the Reagan administration on the management side?

MATTHEWS: I think that the Reagan gang really did come into office with an antagonistic view towards Washington in general, and I think towards the State Department in specific terms. It made it hard to work with them. It took a while for the new team to get on board in the Department.

Our own Under Secretary for Management had been Ben Read and he was succeeded by Dick Kennedy, a horse of a very different color.

Q: I've heard of his temper, for example.

MATTHEWS: Yeah. A very severe temper. I've only seen it once but several other people had also seen it. He looks like he's going to explode.

Q: Is this a put-on or is it a real temper?

MATTHEWS: I think it was a real temper.

Q: Some people have tempers, they can turn it on and off.

MATTHEWS: He was out-of-control the time I saw him and that's what I understand of that. He also had a curious management style of criticizing subordinates in front of everybody else at a staff meeting, which I find a very poor way to deal with people. I don't think you accomplish anything. It embarrasses everybody else and the person who's being criticized deeply resents it. I don't think it's an effective way to do things. Anyway, he was a loyal Reaganite and somehow or other has managed to stay on all these many years, maybe he's gone now, but for a long time. He ended up in the Nuclear Regulatory area.

Management operations was a very interesting office. Because of the change in the administration there was a lot of effort to try to figure if there aren't ways to do things better, cheaper, with fewer people and so forth. There was also the whole question of the Ambassador's authority, that's one of the things that management operations often gets into. The various relationships between different agencies abroad, whether an agency has the right to assign as many people as it wants to one of their offices in an embassy abroad, or whether the State Department has some role in trying to control the number of people assigned.

This takes lots and lots of interagency argument back and forth. A lot of it depends on whether the White house, specifically the NSC staff, is willing to support the State Department in what ultimately is its primary role in trying to be assertive about these things. Those things go up and down depending on who's the Secretary of State and who's the NSC Adviser and how aggressive various cabinet secretaries or underlings tend to be. That's the kind of thing that M/MO gets into.

Q: How did you find, there were stories about how Alexander Haig, who was the initial Secretary of State in the Reagan administration,

MATTHEWS: The vicar of foreign policy.

Q: The vicar of foreign policy had the NSC staff opposed to him almost from the beginning. Was this reflected in what you had to do?

MATTHEWS: We had some difficulty in trying to get out a standard letter, that dates back to the Kennedy years, that goes out to all Ambassadors over the signature of the President, giving the Ambassador his authority over his mission. We spent a lot of time arguing back and forth over that between the NSC staff and objections from Bill Casey...

Q: The head of CIA.

MATTHEWS: ...CIA, and other parts of the government as to what was permissible and what wasn't. We did not get a great deal of support from the NSC on this. I think that it

tended to be due to Richard Allen who was the guy at the NSC at the beginning. He didn't last too long, but neither did Haig of course.

I think that was my clearest impression of how different things are, what a disruption it is when you get a new political party in the White House and a new President and all that. It really was different. And you're trying to reestablish links that you used to have and now they're gone. You've got to find out who it is that you call about this, that or the other kind of problem.

Q: Did you see any change in the time you were there between when Haig left and George Shultz came in, as far as control over things or was it still a problem?

MATTHEWS: I think that Shultz had a much firmer grasp of what was going on and he had a much higher standing, I think, with the White House. He was not somebody who was going to be pushed around, not that Haig could be pushed around. But I think there seemed to be a bit of a tendency not to take Haig seriously, there was a little bit of the fly-by-night. And that famous incident when he said, not to worry, I'm here in control.

Q: This was after Reagan was shot.

MATTHEWS: After Reagan was shot. Shultz was a different kind of person. I have a high regard for George Shultz. I think he's a very good Secretary of State. I think he made sure that the State Department was calling the tune, basically, in what went on in foreign policy. Although he, and especially Casey, didn't necessarily see eye-to-eye on a lot of things.

Q: Weinberger was also another one too.

But on the management side, was this battle between staffing over overseas of the various agencies, I take it this is a continual one and it's never

MATTHEWS: It goes on and on and on. It's never permanently resolved. What invariably happens is if there's a new decision that we're going to cut back on numbers of personnel and so forth, or across the board decisions on things, the other agencies always somehow find some way to get around the decision and it's the State Department that takes the cuts. I increasingly got the feeling that the State Department was primarily doing all the housekeeping for the other agencies abroad. We're kind of getting rough shod by the other agencies on what they wanted to do, and it's very hard to knock them back. They've got more or less unlimited budgets and the State Department always plays by the rules and has very tight budgets, so we have very difficult problems trying to cut back.

During the period that I was in M/MO and certainly since, we've seen a reduction in the number of posts that we have abroad. Maybe some of that has been reversed because of the breakup of the Soviet Union and the new embassies we've had to put in there. But

certainly the number of consulates we've had has gone way down. I'm not sure that was such a wise idea.

Q: We're losing an important contact.

MATTHEWS: Losing contacts, that's true.

Q: I mean the so-called savings really doesn't

MATTHEWS: But there were so many issues that we had in M&O. There were just very interesting management issues. What happens when you put in more advanced technological improvements. The fact that we have much better communications now, the communications package is very rapid but it can't be left unprotected. So you have to have a marine security detail to be there to make sure it's adequately protected. That means you've got to have x-number more people in the administrative side to manage the marine security detail, etc., etc.

You can't get by on a small post with just a couple of communicators, you've got to have much more around the clock. This endless kind of problem with what modern technology is going to mean.

Q: It's almost as though there's a greater scheme of things. All the modern gadgets that came out from the 20s up through the present are going to make the housewives work a lot less. It hasn't seem to make that much difference.

MATTHEWS: I suspect it makes things easier for the housewives. I'm not trying to scrub clothes by hand.

Q: I suppose so.

MATTHEWS: Certainly in the Foreign Service, in the government, all this business with new computers and so forth, that we're going to save personnel costs. I don't believe it because you need more people to keep the computers running properly and all that kind of thing.

Q: You then spent about a year with the Inspection corps?

MATTHEWS: I spent my last year and a quarter in the Inspection corps., I did an inspection of INR and then did some domestic inspections, the Office of Protocol, which was very interesting with Lucky Roosevelt.

It turned out that Lucky was doing a very good job in the visible parts of her protocol job but not in terms of the nitty gritty of keeping track of people--who was on the Diplomatic List, diplomatic privileges, who had tax-free cards, etc. So we made a recommendation for a shift in some of the duties about the same time that the Office of Foreign Missions

was established to enforce reciprocity. So that was an interesting issue. Lucky wasn't very happy with the way the inspection came out but I think in the long run, it was a good thing.

We did the Family Liaison Office, we inspected that. I did an inspection of the Bureau of Near East and South Asian Affairs, which was a very interesting inspection. I did some overseas inspections of the embassies in Madrid and Lisbon with Fred Chapin.

Q: What was your impression of the Inspection Corps. by this period of time where you've shifted over to be what seems to be more, I don't know, maybe I'm wrong you can correct me, more confrontational than it had been prior to that, where it was more to go out to help.

MATTHEWS: I think the period you're talking about probably occurred after I left there. Bill Harrop was still the Inspector General, he has been replaced by Sherman Funk. Bill was still the Inspector General and while there was more emphasis on trying to look at some of the details of accounting procedures and that kind of thing, I think it was still the old inspection system.

I enjoyed the time in the Inspection Corps, I think we genuinely did try to help the offices and the posts that we inspected and, in fact, we probably did. I didn't find much resentment to what we were trying to do.

Q: Were you seeing problems with the new Foreign Service Act beginning to bite. We're talking about the Act of 1981, I think.

MATTHEWS: Yes, I think we were. The question of thresholds, the whole idea of cones, I don't think they're in the Foreign Service Act but they seem to be becoming more of an issue, I think the cones are probably a mistake but what can be done about it. I think a major issue that came along is the whole question of tandem couples.

Q: You're talking about male and female married officers.

MATTHEWS: Not just the tandem couples but even if the spouse is not in the Foreign Service, what in the world is she going to do? In many places overseas, there just isn't anything useful that can be done for spouses. I got into that to some extent in the inspection of the Family Liaison Office, which is very much involved in trying to help that problem.

I think this is going to be an increasing problem with the change in our society. The spouse is no longer just somebody who stays home, raises the children, keeps house and helps the husband to go along.

Q: And increasingly it takes two incomes to raise a family.

MATTHEWS: That's exactly right. I racked my own brains and talked to lots of friends about what could be done about this, but I don't see any real way out of it. A lot of these spouses are highly trained, very capable people and they go abroad and there's nothing for them to do, nothing really useful for them to do. Often they can find rather clerical type jobs in the embassies but not anything very satisfying.

A good friend of ours is a lawyer. She had a very good practice here in this country. They went abroad and of course there was nothing to follow up on that. Yet how at the same time do you raise children? It's a serious problem.

Q: Why don't we end at this?

MATTHEWS: There are a couple of things I'd like to mention here.

After I retired, and I realize that you're primarily interested in Foreign Service careers, I did two things that are related to the Foreign Service. For a little over a year I did Crisis Management Exercises, going to posts abroad and putting on exercises to try to train people how to respond to simulated crises. This program I think is very useful and we've had some good results. I observed one in Santo Domingo and then led them in La Paz, Bogota, Nicosia, Vienna, Athens and we were supposed to have done Rome but we weren't able to do that, and then Madrid and Lisbon.

I think these are very worthwhile programs which went on for a considerable period after I left. I think they've stopped now, the budget apparently won't carry it anymore. But they're a very useful process in which you try to draw up a series of challenges to a post of a crisis nature, adapted to the real life situation of the post. In other words, you try to work out a scenario that will include political situation, etc. of the country. Then you go and put on a variety of different crises, from bomb threats to fires to kidnappings to airplane hijackings to mob demonstrations, mysterious break-ins, etc. And then try to see how the embassy responds to it.

It's a kind of a table-top exercise. It can be very useful to seeing what are the kinds of things Embassies need to be ready for in the beginning, before the crisis hits, to try to get ready. I think that was useful.

The other thing that I got into was through the declassification center. After I started working there along came the Iran Contra scandal. I and three or four other people ended up being detailed to work on the documents involved in the Iran Contra scandal. This went on, believe it or not, for something like 5 years off and on, from when the scandal first hit the fan. I think we started working on it in April of '87. The scandal came to light, if you remember, in November '86.

We worked first over in the Old Executive Office building reviewing documents that came from all over the government. We formed what was called the Interagency Review Group, the IRG. We worked first in trying to draw the papers together that were needed

for the congressional hearings. The Reagan administration put out a requirement that all government agencies were to provide any relevant material to the Interagency Review Group and then to the Congress. Well actually, I guess to the Congress, but we looked through the papers first to vet them and to make sure we knew what was going on.

And to try to deal with the classification problem. And we first had the Tower Board, the three member group.

Q: John Tower.

MATTHEWS: John Tower, General Scowcroft and Ed Muskie was the 3rd member of the Board. Then there were the congressional hearings and finally there was the appointment of Judge Walsh, the Independent Counsel.

Throughout this whole 5-year period, we were involved in trying to search for additional documents, trying to maintain a registry of all the different documents that came through. Reviewing the classifications of documents whose contents could be released, and deciding if they couldn't be released, were there ways in which you could make redactions to make them releasable for use in the trials.

We, in effect, were the liaison group, or the group that sat in the middle between the Independent Counsel and the Defense teams and the government agencies, in terms of the handling of the documents and the material that went into the whole Iran Contra investigation.

It was a fascinating exercise seeing all the different kinds of activities that went on in the various government agencies. We were composed of the CIA, the NSA, the Defense Department, the Justice Department, the NSC and the State Department. We met, almost everyday depending on how intense things were going. It kept up for quite a long time-- five years.

Q: What was your impression of the paper trail that you were seeing?

MATTHEWS: I think Judge Walsh put it pretty well together. I think he was perhaps too ambitious in his initial attempts to go after the culprits in this. I think his initial efforts to try to get a conspiracy conviction for both North and Poindexter, and eventually he had to back off in the trial, was a tactical mistake at the beginning of his process.

The most serious problem though was the granting of immunity by the Congress to North and Poindexter, which in the end meant that the convictions he obtained for both of them were set aside even though they're clearly guilty. The standard that the Appeals Court set for the use of immunized material is virtually impossible for a prosecutor to meet, even though Judge Walsh set up a system fairly early on, so that most of his attorneys had no knowledge of what the immunized testimony was.

He did not believe that it was necessary to assure that the witnesses who were called in the case had not seen anything of the immunized testimony, which would be virtually impossible. And he did not anticipate that the court would hold that he had to assure that every single thing that each witness testified to had not been affected by their having heard immunized testimony. And that is virtually impossible for any prosecutor to be able to do. It's a lesson certainly for the future, that if any immunity is granted to witnesses, you should forget about trying to bring about a prosecution.

I think that Walsh was a real tiger on this, he pursued it at great length and I think it's too bad that he received such bad publicity on the length of his investigation. I think he ended up probably a pretty bitter person. But he certainly went after this just as long as he could. I'm not convinced that there was a conspiracy at the end amongst the senior officials to conduct a coverup, as he felt there was, but otherwise I think he was pretty much right on.

It was really fascinating to see all the documents that went through. And to see a lot of stuff that normally you would never see as a foreign service officer, internal material from some of the other agencies, a real eye-opener.

End of interview