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

### CHARLES J. O'MARA

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#### **INTERVIEW**

[Note: This interview was not edited by Charles J. O'Mara]

Q: Today is December 8, 2017; we are in the residence of Charles J. "Joe" O'Mara, a retired senior Foreign Service Officer of the Foreign Agricultural Service, United States Department of Agriculture. I am Allan Mustard, a Foreign Service Officer of the Foreign Agricultural Service. Joe, thank you for agreeing to this interview. Could you please talk to us about your origins, your family history, your childhood, how you got started in life?

O'MARA: I was born in 1943 and my heritage of my mother's side is German. They were coal miners in Germany and when the Depression hit in the late 1920s, they all moved to the United States. They settled near Baltimore, Maryland. My father's side were Irish. They were dairy farmers there for many, many generations and in the late 1800s they decided to emigrate to the United States. They brought a ship with all the cattle they could fit on the ship and arrived in Baltimore and then they walked the cattle for one day from the port of Baltimore and established a farm in would be west of Baltimore, probably about 8 miles or so west of Baltimore. I grew up on a farm in Howard County, Maryland near a little town called Marriottsville and went to school nearby, went to a Catholic school that was nearby, then to public high school, Glendale High School at the time. My first year at college was at Loyola in Baltimore and then because of the high cost of that I then went to the University of Maryland and graduated with a degree in business administration there and then shortly thereafter joined the USDA Foreign Agricultural Service.

Q: Did you work for anybody before you joined FAS (Foreign Agricultural Service)?

O'MARA: No.

Q: When you joined FAS you started out working at headquarters. You started out in the Oilseeds and Products Division?

O'MARA: Correct.

Q: What year was that?

O'MARA: That would have been about 1966.

Q: And so, you worked in Oilseeds and Products until your first overseas posting.

O'MARA: Yes, my first posting was in—actually I started out in Brasília, Brazil because at that time FAS had no one in charge of the office in the capital. We lived there about six to eight months and then I was moved to the American Consulate General in São Paulo where I finished the rest of my tour there, which was about a total of six years.

Q: So what year did you go out to Brasília?

O'MARA: It was probably either 1969 or 1970.

Q: You came back from São Paulo to FAS Washington and what did you do?

O'MARA: I was assigned to the trade policy division and about just about two years later I was assigned to Buenos Aires as the, I guess I was called the attaché at the time.

Q: While you were with trade policy what were you doing?

O'MARA: Well, most of what I was focused on were a number of problems that we were having with the European Union. It wasn't limited to that but that consumed most of our time and it began my interest, frankly, in trade negotiation because in that experience it was very obvious to me that even at that time even though we didn't have a very effective dispute settlement mechanism in the GATT (General Agreement on Tariffs and Trade), irrespective of that if there is not the development of serious working relationships with your counterparts in such as the European Union in Brussels there is no way to really find a solution to the problems.

Q: What were those sorts of problems that we were dealing with? This was the era of the Chicken War, for example, among other things. What besides that were some of the issues you worked?

O'MARA: Well part of the problem in those days was the GATT rules with respect to what members of the GATT could do with respect to agriculture, particularly on import protection. The rules were not clear so it was relatively easy for a member those days to find ways to increase protection with quotas, particularly in the EU, and one of the areas where we had particular problems was oilseeds and in those days the EU market was our largest for soybeans. The problems we had with Japan were enormous; of course, we couldn't even export rice to Japan at that stage. The other part of the issue was the use of export subsidies, which were completely free of any obligations under the GATT and in those days both the European Union and the United States, we had very very beneficial, let's say, subsidies to produce particularly wheat and then with the excess supply the world market was basically governed by how much subsidies either the US or the EU would apply to export primarily wheat but also other grains. It was a growing growing

problem, plus we had in the late 1960s or early 1970s we had about 2½ times the world consumption of grains in CCC (Commodity Credit Corporation), just an example of how the domestic support was overwhelming frankly the ability at the time under US law to, shall I say, manage the market in a much more reasonable way.

Q: After two or three years of that you rotated in Buenos Aires in 1978. Can you talk about your posting to Argentina and what your job was and again what it was like working within an embassy as an FAS officer in those days?

O'MARA: Well, of course I was assigned there as the agricultural counselor. That time in Argentina was most tumultuous, to use that term. The military had taken over the government. It was the time of what was called the era of *desaparecidos*, which means disappeared in English. The military probably, although I don't know the exact number of people they murdered, but it was around 250,000 people. It was just incredibly aggressive. Our two older children they had to go to school with an armed guard because there was a very very very difficult, to use that term, relationship between United States and Argentina at that time. The embassy functioned very well in the sense that we did communicate very well with each other, the staff and the ambassador. Many times, there were efforts to try to communicate more effectively with the military regime, but they didn't want any communication. It was interesting too, the Archbishop of Buenos Aires at that time is now the current Pope Francis and he, I found out later, he worked very effectively behind the scenes to try to protect people from what the military regime was, was doing, most of whom were Catholics as it turned out.

It was also a time of enormous tension because, just about the time that we were to return to Washington, Argentina invaded the Falkland Islands which was and still is a British colony and although that war didn't last very long—thank God—it was interesting because Alexander Haig, who was then, I guess he was then head of the whatever the highest military officer was in the Administration at that time, he was asked by—who the heck was President?

Q: Jimmy Carter would've been President at that time.

O'MARA: Carter had him establish a group to try to negotiate a solution of the Falkland Islands with the British and the Argentines and I was made part of that that group and it was a very interesting experience for me to learn the art of negotiation or perhaps what you should never do in negotiation.

### Q: For example?

O'MARA: Alexander Haig was a very determined personality and if he didn't agree with your perspective, he didn't even want to hear about it. I mean, he had his objective as he saw it and those that were members of his team had to have the same. I would say to him various times, it's not that I'm not looking for a solution but I think it's time to think about other ways to achieve that than being so aggressive in saying this is the way it's going be. If you're not going to negotiate while saying this is the way it has to be. You've

got to hear from both sides and even though I don't think Argentina should have started this war of course we still have to give them the opportunity to speak their perspective. We don't have to agree to it. So, it was an interesting experience for me in the, shall I say, the art of negotiation. There eventually was a resolution but it really didn't develop with what Alexander Haig was trying to do. I think he was certainly committed; he was certainly trying to follow the direction of the President or the objective of the President, but his method wasn't necessarily useful.

Q: Anything else on the tour of duty in Buenos Aires that that you want to...

O'MARA: No, I don't think so.

Q: You came back to Washington in 1980 from Buenos Aires and where did you land in Washington?

O'MARA: Well I did return to trade policy and I forget now when Dick Lyng became Secretary of Agriculture.

Q: That was the second Reagan Administration so that would've been in 1985.

O'MARA: Eighty-five, okay well by the time Dick Lyng became Secretary—and I don't know exactly why—he decided to make me his assistant. He in fact referred to me as Shanty Irish which is the term used for low class Irishmen.

Q: I never heard that!

O'MARA: Yeah, he didn't like me using certain Irish words so he referred to me as Shanty Irish but apart from that we became very—we communicated very well, and his vision of what we needed to do for the United States particularly on agricultural policy, with all the excess grains we had in storage, all the other complications there. Those days there was always a little bit of an internal battle going on between the grain producers from vegetable producers and the dairy industry and the only way that ever was resolved was the on the Hill. There would be a battle over the budget and the consequence of that was that the budget was decided but that battle never ended and he recognized it was essential that it was in our U.S. interests to find a resolution that would be sustainable over time and reset required international negotiations because of the negative consequences of agricultural policy in the European Union and in Japan in particular. We—at that time under his supervision, the USDA became much more active not only among the other agencies involved in trade, but we also became very active in the OECD (The Organization for Economic Co-operation and Development) to some extent FAO (Food and Agriculture Organization of the United Nations), although we always had some representation there, but the OECD at that time was a much more significant international organization, where particularly the U.S. and the EU had some kind of dialogue on economic policy, which included of course agricultural policy.

Q: Is that why we posted an attaché to OECD during that period?

O'MARA: Yes. We wanted, well Secretary Lyng wanted to get much more directly involved, plus we both understood that we needed to have USDA in Washington whether it was ERS (Economic Research Service) doing economic analysis or FAS on the foreign policy side trade side it was it was the first time that we began to try to merge the roles of various agencies within USDA. The culture particularly among those agencies that had regulatory control, it wasn't that they weren't pleasant, but they weren't interested in any discussion of whether the regulations were essentially in our best interest or not. A lot of regulations in those days in USDA were designed to restrict imports. They weren't necessarily related to any food safety concerns that was part of the, to use the term, dynamic that went on on the Hill. You know, the fruit and vegetable people didn't get what they wanted in the budget they lobbied USDA to get the kind of regulations that they wanted to suit their interests.

Q: So that accounts for the, the heavy protectionism of the avocado industry in California for example. Is that correct?

O'MARA: That is a good example. And the dairy folks were also very active in that regard, too. The senator from Vermont at the time, what the heck was his name?

Q: Patrick Leahy.

O'MARA: Yes, he was very much, so to say, the chief advocate for the dairy industry and actually John Podesta was his staff person who I worked with a lot in those days, not necessarily productively.

Q: Coming back to the roles of the USDA regulatory agencies, you're talking about APHIS (Animal and Plant Health Inspection Service) and FSIS (Food Safety and Inspection Service) primarily?

O'MARA: Yes.

Q: What was it like, what was the transition and working with them over the period, say, from 1980 when you came back from Buenos Aires and started working on trade policy until a little bit later, '89, when you went to Geneva? During that period there were some major transformations in terms of policy and in particular preparation for conclusion of a WTO (World Trade Organization) agreement. You were in the middle of the Uruguay Round, there was a lot going on. Could you please discuss both your role in that and the roles of other people in the administration?

O'MARA: Well it's of course very complicated to describe the shall I say the relationships between and among the regulatory agencies. In USDA their biggest objective was to not be productive with FDA.

Q: Not to be productive with FDA? Why?

O'MARA: They did not want FDA telling them what to do, whether it was in terms of a regulation that had been established by FDA and just as importantly in some cases how that regulation was implemented. 'Cause that culture at the time was if agency X didn't like, didn't want the regulation that was then law, how you implemented that could mitigate some of the issues they didn't like and that's why it was so essential to begin a an effective dialogue among the agencies in USDA and eventually to have a common objective with FDA and a way to separate the bureaucracy to the senior level. Because at the end of the day to skip all the way to the Uruguay Round negotiations even though we had enormous pressure from particular ag groups like cotton on and on and on, dairy, so forth, the, as it related to the SPS agreement—sanitary and phytosanitary agreemen—FDA did not want to agree to any international law that would govern how they act.

Q: So you had overcome that in order to get an SPS agreement?

O'MARA: Yes. It was very challenging.

Q: And how did the interagency finally prevail over FDA?

O'MARA: Well, Alex Thiermann became an enormous positive for me and he clearly understood why we needed to have international rules to govern trade under the SPS agreement and he clearly understood if we weren't successful in the Uruguay Round to get an SPS agreement, of course it was first time in history there was ever any agreement like that, it would just become increasingly more impossible to manage all the complications to use the term of that culture, and the other benefit I had with Alex is that he really understood the regulatory aspect from a technical point of view and I mean there's no way I could get would have the time to get involved in that.

Q: Alex is a veterinarian and he had come up through the ranks. He knew the technical side extremely well.

O'MARA: Yes, and he could articulate as well to those of us who didn't know the jargon to use that term of how regulators talked about regulations to other regulators. You see, the other part of that culture at that time, in that regulatory culture, hose people worked hard to make sure you never understood what they were saying even if you knew the effect of it, they could easily try to take you away from tracing the negative effect back to how they were implementing the regulation.

Q: Can you give me an example of that?

O'MARA: I can't remember specific examples but certainly a lot of the regulations that were in place at that time were clearly restricting trade and the, you know, whether it was avocados from Mexico or it was milk from Canada or I bet you could just go on and on and on, the grain...

Q: Potatoes from Canada were a big issue for a while there, too. I remember Under Secretary Amstutz carrying on about suds and spuds, meaning beer and potatoes.

O'MARA: Yeah, and Dan Amstutz was very wise, too. He understood the complications and why we needed to find a solution. He wasn't as good at articulating why that was in U.S. interest, which had to be part of our effort. We had to make it clear if we were going to change the political dynamic on the Hill, we had to lay out the reasons why this made good economic sense as well as health sense for the United States to be able to move forward, and there again Senator Dick Lugar was a major help in that regard. This also in retrospect really elevated the role of USDA in trade policy formulation unlike it had ever been in the past and I think it was important. One of the reasons why President George H.W. Bush wanted USDA to play a much more significant role, see prior to me being imported chief negotiator, Commerce controlled trade policy.

Q: Commerce, not USTR?

O'MARA: Commerce. USTR (Office of the United States Trade Representative) had been established but it was really Commerce that was driving what became trade policy and of course that often cost U.S. agriculture. I mean, it's not unlike what's going on in the current administration, Commerce is playing a much more significant role, Agriculture isn't. And, it wasn't necessarily that Commerce's objective was to cost U.S. agriculture export benefits, it was a price they were willing to pay to get a benefit on the on the industrial side and that's why again President, as I call him, Papa Bush decided that he wanted the chief negotiator for agriculture to be from USDA so that was his decision.

Q: So, that was his decision.

O'MARA: That was his decision.

Q: That's interesting. Let's, before we go into that, can we backup just a little bit because now we're coming up to that period of history when the Bush Administration came in in 1989. You went to Geneva in 1989. My recollection of that period is that you spent as much time in Washington as you did in Geneva during that one-year tour of duty. Can you talk about that?

O'MARA: I'd rather not because I can't think of a way to say that that's printable. But yes, I have no idea how many times—basically I would, Dick Crowder, whom I have great respect and regard for and still is a very good friend apart from the fact that we talked on the phone every day numerous times, just about every week he would say, "Joe you gotta come back for having X, Y, and Z meetings and I need you to be here for those meetings." Then after I don't know how much time, I said at a particular time, when he asked me to come back I said, "Yeah I'm moving back, this is insane." Which I did. Anyhow I think that it was a good learning experience too in that if you're not effectively communicating with should I say your constituents at home, if you're not effectively working with members of Congress and particularly those like Senator Lugar who was extraordinarily sensible as well as being very savvy politically he had an excellent staff but he really studied the particular issues himself so that he clearly understood and he

became an enormously effective builder of support across the agriculture and industry generally even though obviously never could convince the sugar people but he understood what needed to be done and he understood how essential was to have sufficient support in Congress to get the changes we needed done to U.S. law.

Q: So in 1990 you came back from Geneva and you were appointed according to the historical record, one title was counsel for international affairs of USDA, another source refers to you as the special trade negotiator for USTR, and you just told us that the President made that decision that someone from USDA would be appointed to that. How did you get picked, and how did that work out working essentially dual-hatted with both USTR and USDA your masters?

O'MARA: I'm not sure who suggested to President Bush that I be appointed. I don't really know, it all happened so quickly I paid too much attention to the whys. I mean, it was also significant as I mentioned earlier, at that time that there were enormous geopolitical objectives as well as the economic objectives and in the Uruguay Round. You see, it started with President George H.W. Bush. He along with François Mitterrand in France who was then prime minister, Chancellor Kohl in Germany, Margaret Thatcher and John Major, they had decided that the way to effectively end the Cold War with soft landing which was their geopolitical objective was a successful Uruguay Round negotiation. It was probably the first time there was ever such an integration of the geopolitical with the economics and I assume that I wound up being selected as chief negotiator because of my involvement in trade at USDA. I, and at that time too, see, not only was the objective to end the Cold War with a soft landing, an Uruguay Round that was successfully concluded was a key part of that. The White House controlled trade policy when Jim Baker was Chief of Staff. Jim Baker was not a warm and friendly personality of course but he was extremely effective and efficient when he took over as Papa Bush's Chief of Staff. And in those days, I was going to the White House two or three times a week because he was so directly involved. We had, if we had a decision meeting, the Administration had a decision to make on trade policy we would get the paper that outlined the decision at least 24 hours before the meeting took place, at least 12 hours before that meeting we and the other agencies involved had to submit our reasoning for disagreeing with it or agreeing with it or how it could be or should be modified and under Jim Baker's shall I say leadership if you didn't get that paper to his staff 12 hours beforehand your views were ignored, so he really did have a discipline in place that worked. And again, it all came back to effectively ending the Cold War with a soft landing, with this Uruguay Round agreement and of course unfortunately it turned out that agriculture became the most difficult issue to resolve and they were going around in particular with our European Union partners.

The role of the Uruguay Round and its effect economically was in many ways the first time that the objective of the United States and major European leaders had what was called to end the Cold War with a soft landing given the history we had with the USSR and the essential need to have a unified position between United States and European—well I should say the UK France Germany particularly. This also signified how essential it was to resolve the differences we had in the Uruguay agriculture negotiation with our

European Union partners and this is this is why the, I was asked or should say told to go to several summit meetings that took place among the leaders and it was it was amazingly how effective they communicated with each other even though there were political perspectives that were quite different. François Mitterrand was very much to the left for example. Margaret Thatcher much more to the right. President Bush was sort of in the middle. But it was amazing to go to these summit meetings because even though there is all the formality in the staff running around, saying, "Well, Mr. President, to your left is Chancellor Kohl, in the United States we would call him President," you know that was standard procedure they never, none of those leaders needed to have any of that kind of help plus they never spoke with, him talking, they had agreed by telephone conversations several days before the summit meeting took place that these are the two or three issues we must resolve at this meeting and particularly as it related to the Uruguay Round and particularly as it relates to the agricultural provisions, so their summit meetings were very effective and even if they couldn't agree to a particular solution at that meeting they did give instructions to me and to my European counterpart, Brussels counterpart, what we needed to focus on to get a solution.

## Q: That was Guy Legras?

O'MARA: It was Guy Legras at the time, yes. Yes, and we spent countless hours, days trying to find solutions and it also highlights how essential it was to develop good communication and dialogue even when the positions on our side or the European side, the Brussels side were distinctly different.

Q: Can you give me some examples of the really major sticking points that you had to negotiate with the Europeans within the framework of both the SPS agreement that was under negotiation and the Agreement on Agriculture, which we haven't really talked about yet?

O'MARA: Well, the Agreement on Agriculture, it was our objective to develop rules that would govern how domestic support was to be implemented and we wanted to limit the funding for those programs obviously the other was export subsidies and the other major issue was SPS matters. So on domestic support one of the one of the ways that Guy and I found the solution was to separate funding between what we called non-trade distorting type of support, in other words that kind of support provided to farmers but not to produce X, Y, or Z product or livestock or it was just a benefit provided in cash.

## Q: And that's what you call the green box

O'MARA: The green box, right. And the other, the trade-distortive sort of support, we were able to work out a solution to develop the specifics for how trade-distortive support would be provided and the limits that would be applied over time. So likewise with respect to SPS matters we, the US, had to establish the role of what we called sound science to determine trade restrictions based on food or health matters, and the eventual solution we found there was, and I convinced Ray McSherry, who was then the Commissioner for Agriculture, that it would be in their best interest because, absent the

rules we were trying to negotiate with respect to SPS three, he had absolutely no political way to oppose pressure to put in place a trade restriction that had nothing to do with science. It was to restrict trade, so we found a solution to move forward there after many many months. He said to me at a meeting, "Joe thank God you're absolutely right it would be impossible to find a political way to stop pressure to impose a regulation that has absolutely no relationship whatsoever to sound science." I think the other part of this reality was that in a way it was helpful that the ending the Cold War with the soft landing became a major objective that the Uruguay Round was an essential part of and it highlighted how essential it was for heads of state to be directly involved and even though none of them would claim to be an expert on agricultural trade it was very clear that if we did not have an agreement with Europe that would define clearly what the rules for agricultural trade would be there would never have been not only the Uruguay Round agreement there would never been the cooperation needed with our European allies with respect to the USSR and these were all I think very valuable lessons learned.

Q: Would you say that the negotiations with the EU were 90% and that the rest of the world was 10% or something like that, or more or less.

O'MARA: I would say that it is hard to put an exact number on that if there's no question that without an agreement between us as to what the fundamentals would be even though there might have been some negotiation going on particular language, but we never would've been able to have a an effective Uruguay Round agreement because the director general of the GATT at that time Arthur Dunkel was his name there was no way he could negotiate among the GATT members effectively and the trying to negotiate with representatives of members with their Geneva ambassadors shall I say was a waste of time as they had 99.9% of them had no direct communication with the leadership in their capital even though they were all ambassadors you know had all the titles and so forth they was a no value so even with Dunkel who at first was a bit cranky frankly with me personally, he realized over time that without the U.S.—EU agreement there would be a conclusion of any consequence to the Uruguay Round.

There was also some awkwardness to use that term with our Cairns Group partners. Australia was the leader of the Cairns Group and although generally speaking they spoke all the right language with talking points, but at the end of the day Australia wanted access to the U.S. market for Australian beef but exclude other suppliers as they had an extremely difficult time domestically managing their export interest, and of course beef at that time was their largest export, and in New Zealand it was dairy. It was just another example of why the U.S. and the EU had to have the basic framework and the specifics that made a difference agreed, otherwise there would never been an agreement, and we would never been able to effectively negotiate with the Japanese either.

O: Can you talk about Japan what were the major sticking issues with Japan?

O'MARA: There were two major sticking issues. One is that Japan had no interest in finding a solution to the agriculture problems generally speaking because their Diet, their parliament, their Congress, at that time was totally controlled by ag interests and if the

prime minister didn't have effective relations with them he couldn't get anything through the Diet that he wanted. And the other complication was that to make any significant international rules on the import protection that we were working on with the EU to get any effective rules in place, Japan had to fundamentally change their domestic support system from day one because all their almost all their trade restrictions had to use of term benefit of raising domestic prices substantially which benefited their farmers if those were reduced significantly then the Diet had to come up with a budget to support farmers, another huge political complication for them. But fortunately my counterpart, Hiro Shuwaku, he not only well understood the political complications he had domestically and he had me come to Tokyo—I don't know how many times—so that I also understood that reality and whether I liked it or not I had to accept it if we were to find a solution and that was one of the reasons why we on domestic support rules separated the Green Box from the domestic support that was subject to strict rules.

*Q: That was the Amber Box.* 

O'MARA: Yes.

Q: So that's where the Green Box and Amber Box came from. Who invented those terms, who came up with the terms Green Box, Amber Box, and Blue Box?

O'MARA: You know, I don't even remember.

Q: It wasn't you?

O'MARA: No, I wasn't good on that sort of thing. I just wanted the rules to make sense and I think that we really made a difference over time in Japan and this is another major lesson learned, not only did we open up the Japanese market for U.S. rice which it never been the case before, we forced upon Japan the need to reform their policies and it was the only way that they eventually, should I say, had a Diet that represented more of what the Japanese population was like and is like, most of the population obviously was even if the Diet was controlled by those from the farming areas.

Q: These are all developed countries, United States, EU, and Japan. What was the role of the developing world and who was kind of the champion for the developing world?

O'MARA: Well Brazil was the most major player of developing countries even though there was a lot of resentment among other developing countries. India for example didn't necessarily think Brazil should be the leadership of developing countries, and it's all well understood because at that time up to that time there was no OECD or any other organization like the OECD that existed with particular focus on developing countries. There were organization but they didn't have any influence, and India saw itself as the leader of the developing world because those days it had the highest population and other considerations. I think that this is one area where the GATT Secretariat and Arthur Dunkel did play a helpful role. Arthur Dunkel realized that he would be seen as a leader who is not necessarily supporting any particular developed country like the U.S., the EU,

but he effectively used his role as director general to try to bring a coalition together of developing countries and even though there was no designation of Brazil as the leader of that they in effect became the leader and it Arthur was able to work out the consequences. Countries like India that were of the view that they should be in fact designated the leader, but it was an effective way to bring the developing countries into the process in a positive way.

Q: What were the sticking points with the developing world and were they more of a hindrance than a help in negotiating with the EU?

O'MARA: I think the biggest concern that most developing countries had, South Africa was the one that was not part of that, that they didn't want international laws that that required them to either put in place domestic support provisions that were consistent and would restrict what they could do and they also had a, many of them had a serious concern with international rules that would govern how they would control imports when they had, some of which like if any of them had price spikes in any food product, they would, they believed that they will want to restrict imports, so prices would reduce. They, it was all very complicated and sometimes very very different depending on the developing country of course but it was interesting, it was Uruguay in South America and Chile, but Uruguay that became in effect the leader in South America.

## *Q: Not Brazil?*

O'MARA: Not Brazil. I mean it was a lot of complications between those two countries but it was interesting because Uruguay had a very, their economic policies were well ahead of the rest of South America, well, and they had a very effective nano economic development but they had a very very good education system. They were very unusual in South America at that time, and they were very useful to us in the Geneva negotiations.

Q: Let's shift focus from the countries to the commodities, if we may. Were there particular commodities or commodity groups, industry groups, that were easier to work with, harder to work with, what were the dynamics within the commodity realm?

O'MARA: Well, the biggest problems we had of course were sugar and I would say the next would be dairy and then fruit and vegetables.

Q: So, two of the three white commodities as we call them.

O'MARA: For the most part the grain producers, soybean producers, saw expansion of export as a major part of their objective and I think when Jimmy Carter imposed the export embargo on soybeans to Japan and Brazil became as a consequence not only became well they their soybean production expanded enormously because that and they not only were the soybean producers very upset with President Carter it was and it was an example that they used to advance the role of liberalizing trade and making an embargo on exports in this case illegal under the WTO what would become the WTO. All this helped us. We had the American Farm Bureau that was generally was very supportive of

liberalizing trade. And on the Hill again it was Senator Lugar that really helped us with other members such as Patrick Leahy that were totally opposed to anything like trade was. I think the fact that we eventually were able to manage the sugar industry's opposition, it was the growing support among the grain producers, soybean producers, that sugar couldn't get its way this time.

Q: You haven't managed mentioned cotton. Where was cotton in all of this?

O'MARA: Cotton was a big player and it was opposed to any changes to the status quo. I mentioned sugar because they were of course much more effectively politically even though I don't discount the role of members of Congress from states that produced cotton but the sugar industry, particularly the Florida cane sugar industry, they had an enormous influence even though the sugar production in dollar terms was much less than cotton but they had an enormous political influence because they were donors to those who supported their interests. They had enormous political influence. I mean like when George HW Bush was running for reelection they the Florida producers particularly they were very much opposed to what I was doing in the Uruguay Round with respect to import protection particularly how it affected sugar that they had told whoever was running President Bush's reelection campaign, I forget his name right now, they told him that if President Bush didn't fire me they would withdraw any funds they had committed to Bush's reelection campaign, double it and give it to the Clinton campaign. In fact that's, I wound up meeting with President at his command on that very issue and it was an extraordinary example of how he was committed to the overall economic benefit of a successful Uruguay Round as well as of course to achieve the political aspect of it as it was a significant threat to his reelection campaign that the [indistinct] sugar people were going to withdraw the funds they had committed to his reelection campaign and double it and give it to the Clinton campaign that he, he really, President Bush really understood the overall necessity of having a successful conclusion to the Uruguay Round and he was committed to deal with those who were opposed. And he had very good, his inner circle were extremely talented people, even though I said when Jim Baker was Secretary of State he wasn't necessarily warm and fuzzy, but my God, was he efficient, and did he have discipline, and by God was that discipline enforced, yes! Nobody ever questioned that. And his successor, Brent Scowcroft, was a very different personality but also very effective and very politically savvy, too.

Q: You've touched on here something I'd like you to explore more which is the role of the interagency in this a little bit more broadly than then you have up to now. The role of James Baker and Brent Scowcroft the role of the White House generally of the role of Senator Lugar and Congress more generally the House Agriculture Committee and then how did USTR, Treasury, Commerce and State interact, did they have to be kept in line by the White House or was there a fairly collaborative relationship? How did that all work out?

O'MARA: Well, I think they, one of the positive roles of Jim Baker was that he had to understand the, it was essential to have the members of the Cabinet Administration that had a role in trade, he understood that they had to be directly involved and the way he

disciplined maybe was a pain in the neck sometimes. But it if you were in X department and you wanted a role in trade in you obviously had a constituent interest in trade the way to do that was to follow Jim Baker's discipline. Everybody had a seat at the table and another example of that was that he would have often times meetings in the White House to, before a decision had to be made, to have a dialogue among the different departments, with him in charge of course, the so that he understood you know why maybe I was advocating X but you were advocating Y and it became clearly his role to find the way to resolve that difference. He didn't want just President Bush to be the shall we say the commander-in-chief in trade obviously he needed to be decisive, but he wanted to build as much consensus as was possible to get to that.

Q: So, this brings up the question of getting consensus not only within the interagency but within the halls of Congress because in 1994 Congress had to pass the act that allowed us to join the WTO and ratify the what amounted to a treaty. Was that something the administration pursued or did you simply delegate that to Senator Lugar and let him take care of it? How did that work out?

O'MARA: It was a combination. I mean, Jim Baker and Brent Scowcroft understood well the role that Senator Lugar played particularly on agriculture and they understood the opposition coming from what's his name from Vermont.

Q: Patrick Leahy.

O'MARA: Patrick Leahy, sugar interests, and so forth and that reality just reinforced how important it was to have a dialogue not only going on between say the Chief of Staff and Sen. Lugar but to make sure that the various agencies various departments and course including USTR that we were saying the same message to the Hill and it wasn't me advocating X and another agency or USTR advocating Y and Jim Baker was very effective and that discipline too and it made a heck of a difference while in the Uruguay round had to go through congressional approval given the fact that it was the most extensive agreement ever negotiated on trade it was also one that fundamentally changed would fundamentally change agriculture policies particularly and of course first time there was ever an SPS agreement so I think it was a very effective combination of players that learned and understood Jim Baker's discipline.

Q: Where was Pat Roberts in this because in that was about the time he sponsored Freedom to Farm under the '94 Farm Bill so what was his role?

O'MARA: Well I think the, whereas Pat Roberts in in the early stages wasn't particularly supportive of trade that was [indistinct] I think he understood as time went on how important that was to for his state and wheat was a major commodity. One of the problems that made it difficult for him of course was Canadian Wheat Board having total monopoly control and how the hell were we going to deal with them if they continued their monopoly. I mean, this became another huge issue in the NAFTA negotiation with Canada was wheat and dairy. I think not only did Pat Roberts eventually understand that there was never going to be a way that wheat producers were in a position to effectively

deal with the monopoly, I mean we could wind up funding more the Farm Bill, whatever, but at the end of the day you're a monopoly or you're not, and that that was a very effective shall I say learning lesson I think that you know what, how we were going to deal with sugar was even more complicated. And the, well I have to go back to the leadership of President Bush in that respect he in effect, when I when he told me to meet with him about the sugar problem I in fact told him that I would resign that day if that was what he thought I should do and he said, "absolutely not, you may be a son of a bitch Joe but you're my son of a bitch," that's a direct quote, so overall I think it was a combination of various factors but leadership at the top makes a heck of a difference.

And that also happened on the EU side and that's what happened in Tokyo too. I mean we had on the European side it was the French that were the most determined continue the status quo even though Germany wanted to change England wanted to change but France wanted absolutely no change. And fortunately with Guy Legras not only did I understand how significant the political influence in those days was in France, it was also the pathway that we eventually found to have a Green Box so there would be some way to provide funding to producers as long as it wasn't crop related so one of the most interesting lessons certainly in my experience was really understanding how significant political complications were for my counterparts and I really appreciate all they did to make sure it wasn't just them telling me what the political reality was for them. They wanted me to see it firsthand. They wanted me to talk to the producers, which I did in Japan and I did in Brussels and it was the basis then for what we were able to develop as the solution and a final agreement.

Q: So, we're now in 1994 let's say and the legislation is being written in the halls of Congress to ratify the WTO agreement so that we can we can join the WTO. One of the things in that legislation essentially was a repeal of USDA's authority to engage in in trade negotiations which first came into effect in 1934 with the Reciprocal Trade Agreements Act. Why was USDA written out of the authority and what were the consequences of that? How did that affect FAS and FAS's role?

O'MARA: Well I think what became clear during the negotiations of the Uruguay Round was there and that's why President George HW Bush made the White House the center of decision-making with respect to how the negotiation would proceed. I think his decision to make me chief negotiator since I was USDA, was to send a signal that yes the White House was in control but that USDA and other agencies with a stake in trade, like Commerce for example, they all had a place at the table in the decision-making and they had a, they didn't, Commerce didn't have a bigger role than we did at USDA, we all had the same weight at the table. Now we had to effectively advance that, but it was very clear in President Bush's mind that one agency of government shouldn't be in control. Yes, USTR could coordinate but USTR was not to be the decision-maker.

Q: Coming back to the legislation though, why, do you have any sense of why, well, specifically the legislation until then had stipulated that the Secretary of Agriculture must be consulted when any tariff negotiations are being conducted and that that statute that portion of the statute was completely repealed and so technically by law right now USDA

does not need to be consulted under any statute I'm aware of when it comes to trade negotiations.

O'MARA: There may not be any statute that requires that but I think any Administration that ignores USDA whether or not it's direct or there's a trade matter directly which agriculture's directly involved in or even where there is let's say an industrial issue, a benefit that agriculture may have in X, Y or Z country, could be in any way impeded by that is not wise. The other part of the equation now is under the WTO, rules have to be complied with, so if an industrial interest wanted to do something to advance their interests it may be particular agricultural product line of paying the price that isn't doable under the WTO rules. You can't, no WTO member can ignore or not comply with whatever the rule may be without suffering the consequences. The countries generally and whatever the particular product might be.

Q: Now at the same time that the Uruguay round negotiations were going on, at approximately the same time NAFTA negotiations were going on and who was conducting them in and how did that work?

O'MARA: Well, I was chief negotiator for agriculture in both the Mexican and Canadian negotiations and the Clinton White House was very much involved. Leon Panetta when he became chief of staff he was actively involved, and he was effective within the Administration for continuing the approach that President Bush had established. The White House in effect was in charge. It wasn't as obvious as it was under either Jim Baker or Brent Scowcroft but that's still how it worked, and when we were having the challenge of getting the NAFTA agreement approved by Congress it was Leon Panetta that played a major role on the Hill politically because as you know we had lots of complications getting NAFTA approved for the sugar, dairy, so forth. I think it's a good example, yes, there's no question that USDA has to player major role, there is no question that Commerce has to play a major role, but that doesn't mean that either one of those are in charge. And I think that when the White House has been directly involved the resolution of all the various political consequences, all the negative consequences are much more manageable. They don't go away. That's the reality. But they're manageable.

Q: So if we wind the clock back just a bit to January 20th of 1993 the Clinton Administration came into power, the President was sworn in, and Mike Espy was appointed Secretary of Agriculture, but at that point you were, before he came through the door, you were the highest ranking USDA official and you became essentially acting Secretary of Agriculture until Mike Espy was sworn in. Then after he was sworn in there was approximately a six-month hiatus before any other political appointees were confirmed by the Senate. So, you were in effect his number two at the Department of Agriculture and periodically were acting Secretary of Agriculture. How in the world did you juggle everything else you were doing on top of those responsibilities?

O'MARA: It was in one word very difficult. I think it was also a very significant learning experience for me, you know, comparing Secretary Espy, his background and experience when he came to be secretary and say Dick Lyng, when he became secretary. Dick Lyng

had a very active role in California agriculture before he became secretary. Mike Espy really didn't. I mean he certainly understood the cotton pressure and so forth. I think one of the biggest consequences too with Secretary Espy was that he had his Chief of Staff who was with him on the Hill at the Department and that was a huge difficulty in many respects because being a Chief of Staff when you're a member of Congress and being a chief of staff when you're head of a department with how many thousands of employees all over the United States and in some cases all around the world it's a totally different world and I think Mike I think it was an effective way for me to convince Mike that he really had to understand the significance of the broad powers that he had and it wasn't just you know sitting in the secretary's office and making X, Y, or Z decision. If you don't have the support, understanding of the bureaucracy any of those decisions may never be implemented effectively. He learned that.

Q: He kind of learned it the hard way, didn't he?

O'MARA: Yes, and of course he had consequences legally that affected him directly I think he wanted—a major qualities he had was he did learn from lessons and bad mistakes. You know, I never did hear him give an excuse for what he had done that wasn't legal as that's the way it should be or blah-blah. He just really understood that the rules are the rules that you have to abide by them.

Q: So when you were acting Under Secretary for those six months and simultaneously the chief negotiator for both WTO negotiations, the Uruguay Round, and NAFTA who are you working with within both the Department of Agriculture and over it USTR in the White House who were essentially helping you push both of those initiatives forward while still also helping Mike Espy run the department?

O'MARA: Well, there were a lot of people. I certainly had, you know, the benefit of knowing well those that were head of major agencies like FAS or FSIS. I think the role of USTR was certainly important at that time but in those early days and during the Clinton administration and certainly Leon Panetta was his Chief of Staff. He really understood the role of the White House not only being in charge but being effectively, insisting that there would be useful dialogue among the major players in the various departments. And there's...personalities really make a huge difference. Sure, if you have, if you're a commander in discipline such as Jim Baker, yes X, Y, and Z gets done, and you have the power to it and the personality to enforce discipline yes that works but Brent Scowcroft was totally different in his personality but he had he was extremely effective too. He had he had a very workable ego, being Chief of Staff of the President is obviously an extremely significant job, some would argue sometimes it's more important than being President. Brent never had any, how many times he said to me, "Joe, I am not a trade guru, I don't understand a lot of the jargon that you... Explain exactly what this means to me." He had no problem admitting he didn't understand, and he had no problem recognizing he had to understand if he was going to be effective. Leon Panetta had a good ego, too, very effective way of moving the ball forward. He was more focused on the political aspect because that was his genre but he also wanted to know what the hell

he was talking about and he, he was that, he was very effective working with Pat Leahy when we were getting NAFTA through Congress which obviously wasn't easy.

Q: Within FAS you worked very closely with Rich Schroeder who in the first two years of the Clinton Administration was acting administrator. What was Rich's role in all of this?

O'MARA: Well, he had the benefit of really understanding the technical details I think he had developed over the years certainly in those years when I was shall we say no longer in FAS even though technically I was an FAS employee. He really understood the those in the commodity areas and of course export credits and that part of the department that did PL 480. They were all major players let's say and he understood the role they were playing and why they were significant. And I think Rich had a very, he had a very important quality of listening.

Q: One question you've answered is who was really running overall the negotiations, it's clear that the White House was in charge but you haven't really discussed beyond Secretary Lyng the roles of some of the other secretaries of agriculture that were there, like Jack Block, like Clayton Yeutter, what were their roles? And then after Secretary Espy left, I think you were still around when Secretary Glickman came in, at least briefly. What were their roles in all of these negotiations?

O'MARA: Well, of course Clayton Yeutter had a very keen interest in trade and say as compared with Ed Madigan, who did not, and Clayton was not only had a keen interest but he wanted to be directly involved and he spent an enormous amount of time on any trade matter, whereas like even Mike Espy at the beginning didn't have a great interest in trade. But he soon, it's, he soon understood the role trade played and how essential expanding agricultural exports and in such a way that there were international rules in place that that were effective. He understood how important that was not only to expand exports on year one but to make sure there was continuity and sustainability over time so the ERS economists could make projections about this that or the other sector that that had the that that had international rules that would govern how trade took place. That made a huge difference. Are we out of time?

Q: Oh, no, we're not.

O'MARA: Yes, we are.

Q: Okay, Joe, if you say you are running out of time if I could just ask you to maybe reflect back take a broad view of how agricultural trade changed over your career from the time you entered in the 1960s to the time you retired. What in your mind were the major changes?

O'MARA: Well, the major change was international rules that govern how trade would take place and international rules that govern how domestic support would be implemented and you know prior to that you know it was how much money we would use to fund PL 480 or export subsidies where they existed. That all changed with the

Uruguay Round agreement and even though we had some complications obviously with the implementation of NAFTA that we had in fact a legitimate free-trade agreement with Mexico even though the sugar people did wind up finding a way to get Congress to impose some quotas and even though we had problems with dairy and wheat, the Canadian Wheat Board is now gone, and I think those all those speak to how important it is that in today's very interconnected world and to cut back quickly to the Uruguay Round and American leadership President Bush European leaders recognizing the geopolitical significance of an effective Uruguay Round agreement. That was the recognition all that's a recognition of what we have in today's world. We have a totally interconnected world whether it's supported or it's not, but that is the reality and it you know the Uruguay Round is a good example of if we don't have international rules that govern how in the case of agriculture with this trade policy or domestic policy it becomes a battle between you and me or Country X and Country Y that that doesn't advance economic interest of Country X or Y.

Q: How has FAS changed then from your perspective; how should FAS change to adapt to the 21<sup>st</sup> century?

O'MARA: Well I haven't followed FAS that closely in recent years, but I think that the overall objective to make sure that our domestic producers understand the central role that expanding international trade plays now and in the future is essential. I think that FAS working with ERS to communicate that effectively and understandably is very essential. It has to be clearly understood that you know if you're an organic farmer or you're opposed to GMOs or whatever, you know your particular agenda might be, if we don't comply with international rules is not only going to be in not in their overall interest in agriculture, it's not going to be in your particular interest either. I think that message was that it just gets more so as time goes on. How the hell is India going to feed its huge population? How the hell is it these countries in Africa that are suffering terribly from lack of arable water arable land? How is the power in those countries for it be able to sufficiently feed their population if modern technology isn't used to make it possible?

## Q: Any final thoughts, Joe?

O'MARA: I'm very fortunate to have had the relationships I had with those I negotiated with in the Uruguay Round and it was particularly interesting. I was at the Japanese ambassador's residence three weeks ago for a reception and many of the members there remember the relationship I have with my counterpart, Hiro Shuwako, how difficult it was to find solutions. We became very good friends over time, same with Guy Legras. I mean, we could have spent our time arguing, and me using Irish bad words but it it's a good example of how essential it is to have those kinds of relationships so you can work with people that really want to find solutions. It was also an extremely memorable experience to work with the, say, President Bush and to go to summit meetings, watch those leaders communicate with each other in such an effective way and how they understood their role. Sure Margaret Thatcher was not warm and fuzzy but she just as her counterparts in Germany and France and President Bush, they didn't waste one minute

complaining of oh, it's all your fault, or if they really understood their role was as having to resolve consequences to move all of them all of their countries forward.

Q: Excellent. Thank you very much, Joe, for this interview.

O'MARA: Thank you and I appreciate the fact that you never forced me to use Irish words. Thank you.

End of interview