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AMBASSADOR WILLIAM T. PRYCE

Interviewed by: Charles Stuart Kennedy
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INTERVIEW

[Note: This interview was not edited by Ambassador Pryce prior to his death]

Q: Today is the 22nd of September 1997. This is an interview with William T. Pryce and it is being done on behalf of the Association for Diplomatic Studies and Training. I am Charles Stuart Kennedy. To begin with could you tell me something about when and where you were born and something about your family?

PRYCE: I was born in San Diego, California, the son of a naval officer. I really grew up in a little town where both my mother and father, and all four grandparents were born, Evansburg, Pennsylvania, a small town about 50 miles east of Pittsburgh.

Q: When were you born?

PRYCE: I was born July 19, 1932. My early years were as a navy junior following my father. I spent half a year in China in Tsingtao before the ban was lifted. I spent a little

time in Manila, then I spent time on the West Coast, then always back to Evansburg which is where my roots were and are. My father was a submarine commander first in the Pacific and then later he was the operations officer for the Twelfth Fleet under Admiral Stark. I spent all the war years and most of the years after that in this small town, Evansburg, Pennsylvania. I went through grade school and high school there.

Q: In the first place, how much of a flavor of the navy did you get?

PRYCE: Quite a bit. Obviously my earliest memories were submarines, submarine tenders, and naval bases. I can remember taking the ferry from Manila to Cavite where the naval dispensary was. My mother took me over there as a child. I always had a great admiration for the navy and I probably would have gone to the Naval Academy if I had good eyesight. However, I didn't have good eyesight and so I didn't go into the navy. I thought I wanted to be a lawyer. My grandfather was a lawyer in this small town and had the ideal of a country lawyer. I went to Wesleyan University with the idea of becoming a lawyer and while I was there I became fascinated with international relations.

Looking back on it, I realize that my father had encouraged me to be involved in international affairs. He had served as the naval member of the National Security Council and had been involved in political military affairs. He was the naval member of the four power peace commission that wrote the peace treaty with Italy. I see now that my father, seeing that I probably wasn't going into the navy - so gently that I didn't perceive it - sparked an interest in international affairs which grew while I was in college. I gradually shifted from pointing towards law school to looking towards diplomacy. My interest expanded and my professors sort of pushed me in that direction. I got a scholarship to the Fletcher School of Law and Diplomacy and from then on my direction was the Foreign Service.

Q: Let's go back just a touch. While you were a young lad in Pennsylvania, what kind of books were you reading?

PRYCE: I'm trying to remember. I remember now that even in this small town there were a number of classic books that I read because they were part of the course. I remember reading Shakespeare which was a standard requirement in high school years. I remember reading Dostoevsky. Very much I remember reading news magazines. We got The New York Times on Sunday which I read very thoroughly. I think Time Magazine was one of the things that I read a lot. I have to reflect on it.

Q: How about during the war years, you were about eight or so?

PRYCE: I must have been about eight, or nine, or ten, that's right. I remember then having a map. My earliest memories were wondering what had happened to my father who was a submarine commander in the very first part of the war in the Pacific. He had had some very harrowing experiences. One of the things I remember when he came back from patrol, he finally came back to the States I guess about nine months after the war

had begun, I remember trying to get him to talk about his experiences which he really didn't want to do. He gave some flavor of being depth bombed, depth charged, by ships that were basically trying to sink his submarine. That is a memory which is vivid to this day. Of course we greatly admired him but we worried about what was going to happen to him.

Q: Was he in one of the old S boats?

PRYCE: Exactly.

Q: Pig boats.

PRYCE: Yes, pig boats, that's right. As a matter of fact one of my earliest memories is taking an unofficial dive in an S boat in Tsingtao harbor. I am amazed that you know about the S boats.

Q: My brother was class of '40 at the Naval Academy. I was a teenager in Annapolis, that's my hometown.

PRYCE: It was his first command as a lieutenant. He probably was about 32 or 33 years old and he was the commander of the S-38 which was an old pig boat. Just as the World War was starting, I remember my mother, my sister and I were in Hawaii and we were evacuated from Hawaii starting on December 2nd. My father had gone to sea on patrol. As you probably already know now, a lot of people thought that this war might happen and he went out. He then had a spear fish which was a modern attack class submarine, and we were on a transport going back to Evansburg.

Now that you are mentioning it I remember as young children - I must have been seven or eight - going up on the decks and watching the anti-aircraft guns. Our ship had to maintain radio silence and our captain went off the standard sea ways because I guess we at that point thought there were a lot of Japanese submarines lurking and waiting to sink us. We took a very circuitous route and as I remember it, it either was a standard five day voyage which took us ten days but I think somehow it took us about 20 days. We could hear the news but we were not allowed to transmit, and I remember we were reported as being sunk because we were overdue. When we finally got to San Francisco they thought that we had fallen prey to Japanese shipping.

I remember the train ride going back across the continent from San Francisco to Evansburg and settling down in this small town which is a very supportive town. I also remember how supportive this small town of 4,000 people was. Friends of my family, the fathers who were not in the war, taking a special effort to make sure that I was included on hunting trips or fishing trips especially, or that when they were going to basketball games somebody thought to bring me along. There was a great feeling of togetherness and support in the whole town for people whose fathers, in those days it was almost always the fathers or sons or daughters, who were off to the war.

Q: I am four years older than you are and I was getting a full dose of this. One of my memories is how I read the paper every day and I got a wonderful sense of geography and the world. Were you picking this up from your reading?

PRYCE: A little bit, yes. I started to say that later on when my father was transferred, he was an operations officer for the Twelfth Fleet which was planning the invasion of Europe. I remember having a map in my room in my grandfather's house where we were staying where we mapped the progress of the war, the invasion of North Africa, General Eisenhower's exploits. I even heard a little bit about Robert Murphy who as you know was a famous diplomat and wrote a book Diplomat Among Warriors. Then there was the campaign through Sicily. I remember hearing on the radio a commentary about the Russians and what they were doing. They were always called Russians; they weren't Soviets at that point. I also remember analysts talking about Stalin, and kept saying when are you going to open the second front? There was tremendous pressure for us to invade and of course we, I think wisely, didn't want to make that move until we were sure we would succeed and until we had made the proper preparations.

Q: You graduated from high school when?

PRYCE: In 1949.

Q: So by this time the war was over but while you were in high school were you having any contact other than your father with foreign affairs at all?

PRYCE: Not really. We didn't have a little UN. I guess the traveling I had, I was a forensic speaker in some kind of a speech dialect. They had declamation and forensic reading. No, it was extemporaneous speaking and I remember going around the countryside. The little town gave me a lot of very good experiences. I spent one summer working in the steel mills where I also joined the union and got a good feel of what it's like to be a steel worker. I spent one summer as a pipeline construction worker for a pipeline that was going through the town. I guess this was during my college years although the time I worked as a pipeline construction worker I think I was graduating from high school. In our moves I had skipped so I was only 16 when I graduated. I remember worrying about whether I had a proper work permit so I empathized a little bit with people who were trying to immigrate or whether they had the proper papers. I think maybe I had started to work a week or two before I was 16 and the younger ones of us worked a lot harder than many others did in wanting to show that we could carry our load. I also worked as a farm hand during the harvest one summer; it was an interesting experience.

Q: Where did you go to college?

PRYCE: I went to Wesleyan University in Middletown, Connecticut.

Q: You were there from when to when?

PRYCE: I was there from '49 to '53.

Q: That's one of the little three.

PRYCE: That's right.

Q: I was at Williams.

PRYCE: Williams, Amherst and Wesleyan, that's right.

Q: Potted Ivy League, I think it was called. In '49 the Cold War had really started. There was the Berlin Air Lift, Czechoslovakia...

PRYCE: That's right and at that point I had a great interest in foreign affairs. I should go back. When I first went to Wesleyan I had wanted to be a doctor because I greatly admired our family doctor who had gone to Wesleyan. He had been thrown out for some minor infraction and had graduated from the University of Pennsylvania, but Wesleyan was his first love and he steered me in that direction. I was able to get a scholarship there and I think that was part of what made me think I wanted to be a doctor. I practically flunked out my first year taking chemistry and high level mathematics, a very difficult schedule. I had come from this little town and as you know in my education I had gotten top grades but I hadn't had to work very hard and I was behind the power curve. I think I had one of the biggest increases between my first and second year in term of grade jump but it also became clear to me that I really didn't have what I thought you needed which was a vocation to be a doctor. It is not exactly like being a priest but you really had to feel that that was your life work and I didn't have it so I felt that I shouldn't be a doctor.

I was then moved towards being a lawyer but started to become very interested in international affairs. I remember my roommate and I had gone together to purchase The New York Times which was a considerable expense at that point. We shared it but we were very much involved and interested in world politics. I don't think we had Republican and Democratic clubs at that point but I remember being very interested in the electoral campaign and I know both my roommate and I felt that the presidential campaign of '52 had two good candidates; you couldn't really lose. You had Eisenhower and Stevenson, either one of whom would have made a good president so it was a very healthy choice. I am not sure that all the choices we've had since then have been quite as good.

Q: Quite right. You were going to Wesleyan in the late '40s and early '50s and you were in the heart of what was known later on as the Eastern establishment. Did you get any feel from your teachers or from clubs like the International Relations Club of both the UN and developments in Europe?

PRYCE: We certainly did. I was a member of the International Relations Club and I majored in government. I was interested in history and involved in studying domestic U.S. politics. Wesleyan had a very strong group of professors then. They had E.E. Schattschneider who has written the classic History of American Politics. They had Sigmund Neumann who was internationally famed as both a thoughtful person and a scholar in international affairs. We had Steve Bailey who later on was the head of the Woodrow Wilson School. We had Carl Shoreski, who later went on to Harvard and Princeton. We had an absolutely stimulating group of professors, and Wesleyan at that point was small enough that you actually got to talk to these people and participate in small seminars. I remember a professor named Walter Philly. He was an assistant professor involved in international relations who encouraged me very much in the direction towards international affairs. As I went into my junior and senior year it became more clear to me that I was interested in wanting to have a career in international affairs.

Q: What about as the Cold War was really becoming a major thing, did you feel any sort of right-left tug within the college?

PRYCE: No. It's interesting, as I say Wesleyan of the little three probably was the most, how should I put it, egalitarian. I think at Wesleyan as I remember half the students had gone to private high schools and half to public schools. I think at Williams it was a much higher percentage that went to private schools.

Q: I think it was, yes.

PRYCE: Something like 75 percent or so. I know that in part of my selection process I thought that Wesleyan had a more eclectic point of view and that I would learn more and get a broader input. I wasn't involved in either the Democrats or the Republicans and there wasn't nearly as much partisan activity; in fact, there was very little partisan activity. I remember being on the debating team and we would debate the international questions and there were all sorts of ideology. I remember most of us thinking that most of the faculty were liberal, and in the Wesleyan faculty, perhaps more than others although not all, there was a balance.

One personal experience for me was the Korean War and the feeling that as part of the United Nations we had a duty to stop repression. I remember at one point thinking that I should leave college and join the navy or join the Marine Corps. I don't think I could have gotten in but I was actively pursuing this. My father I remember for whatever reason, this was during the Korean conflict, saying "Certainly I'm proud of you. I think obviously you want to serve but you'll serve your country best by getting your education first and then you should go in as an officer and you'll have more to offer. Your country will need you later just as much as it needs you now so please don't drop out of college. Finish college and then do whatever you want in terms of military service."

That is what I did. I finished college, went to graduate school, and then I joined the navy. Now that I'm thinking about it, I had a great admiration for the navy and I wanted to

serve. It was interesting, in those days a lot of people wanted to serve in the armed forces and I had to actually cheat my way in because I didn't have the eyesight. I could have been 4-F but I wanted to be in. I wanted to be an officer but I was prepared to be a seaman to do my part in the military service so there wasn't any question.

I remember, again this is very interesting, four of the people who were going into Fletcher had taken the Foreign Service exam. There was a lot of English composition and reading comprehension that were heavily weighted and then of course there was economics, statistics, and one thing or another. I remember all four of us ended up becoming ambassadors. The absolute star was Tom Pickering who is now the undersecretary of State. There was Walt Cutler who was my roommate at Fletcher and is former ambassador to Tunisia and Zaire. Bob White was ambassador to Paraguay and El Salvador, and myself. It was interesting that all four of us were in the service. Bob had been in the navy before he went to Fletcher. Walt had decided that he wanted to get out as fast as possible so he volunteered to be an enlisted man and get out in a-year-and-a-half. Tom and I both joined the navy as officers and spent the required three years.

Q: What year did you take the exam?

PRYCE: We took the exam in 1953 and none of us expected to pass it. We were taking it for practice and as it turned out we all got by. Pickering probably passed it well. I think the rest of us passed it by the skin of our teeth.

Q: I took the '53 exam. I was an enlisted man in the air force at the time. I remember that exam well.

PRYCE: I remember that there were 20 points and about the biggest single factor was reading comprehension which was a four. English composition was about three or four and then you did the rest. I remember doing very well in those two and not quite so well in some of the others but I think 17 is what you had to have and we all got a little better.

Q: When you were at Wesleyan did you feel at all the effects, not you personally, but concern about McCarthyism?

PRYCE: Yes, very much so. Very much so. I guess we were very bothered by McCarthyism and I think it came to the culmination at Fletcher with the Army McCarthy Hearings, I think they were called, and Welch. I have some very vivid memories of watching on the old television one H. Struve Hensel who was the general counsel for the Pentagon who didn't take guff from anybody. I remember at one point him facing McCarthy and said, "Senator, are you accusing me of anything?" Or maybe it was Shine, and McCarthy said "Oh no, we are not really accusing you; it is just that we want to get to the facts." It was a very acrimonious process and I remember Joseph Welch the famous lawyer had decency.

Q: He was the attorney for...

PRYCE: He must have been attorney for, maybe it was for Zwicker.

Q: It might have been. I'm not sure but anyway he was the attorney, Joseph Welch wasn't it?

PRYCE: I think that's it. And one of the things I remember then is that the army stood up for General Zwicker who was the commander of a garrison and he was being accused of harboring a dentist who was a communist. Zwicker stood tall and the army stood tall behind him. I do remember feeling that the State Department, I don't know who it was for the State Department standing behind him or maybe it was other people, but I felt that the other elements of the government did not stand behind their people to the degree that the Pentagon, specifically the army, stood behind Zwicker.

Q: Was there in Fletcher at all any sympathy at all for you might say the McCarthy side of things?

PRYCE: No, none that I can remember. None.

Q: I don't recall any but obviously he had a support group.

PRYCE: Well he didn't have any at Fletcher. It was unanimously felt that this was not a healthy thing.

Q: I think this is one of the things that bothered me about the Eisenhower administration. It tainted the Eisenhower administration because they had not stood up to him.

PRYCE: I think there was a feeling perhaps because of the electoral process. In retrospect, in reading about in afterwards, I can understand a little bit more about Eisenhower's approach and what he felt he had to do with the Republican Party. I probably was closer to being an Eisenhower Republican but I also admired President Truman and there really wasn't a whole lot of difference between an Eisenhower Republican and a Truman Democrat. There was a difference but not a lot and I think they were both great men. I think that Truman has come into his own and we all appreciate what a great president he was. I think that Eisenhower was perhaps not as great a president but in retrospect he will loom greater. He obviously was much more intelligent than many people thought. I remember he used to give rambling speeches and I remember at one point, it's famous now, where he told Haggard, "Don't worry Jim I'll just get up there and confuse them." He was doing it on purpose. He was a very incisive person and a good leader.

Q: You were at Fletcher from when to when?

PRYCE: I was at Fletcher from '53 to '54. It was a one year program.

Q: Fletcher is the school of law and diplomacy?

PRYCE: Fletcher is a school of law and diplomacy. It was founded I think in the early '30s with a very heavy influence from Harvard. It was founded by Tufts and Harvard and in the early years Harvard had a much greater influence. You would take courses either at Fletcher or at Harvard or at Harvard Graduate School. A number of people in our class did take courses that weren't offered at Fletcher, at Harvard. As the years went on I think now Tufts has assumed a larger role. It was jointly administered in the beginning. I think it was Roscoe Pound who was very influential in the formation and he used to give lectures.

Q: He was a very famous legal figure.

PRYCE: Right. I think that as Harvard began to have its own international graduate school, first it was the Kennedy School and then there is the Harvard School of International Studies, their emphasis on Fletcher has diminished. There is still that cooperation, but Harvard is doing a lot in the international field on its own. In those early years, and it was just beginning to taper off when we were there, Harvard's international outlook was in many ways channeled through Fletcher.

Q: What type of impression were you getting from Fletcher about the Foreign Service? We're talking about this is in the early '50s.

PRYCE: A very positive impression. I think one of the reasons that we were at Fletcher, one of the reasons I was there and when I say we, I'm thinking of the combination of the people I mentioned, Pickering, Cutler, White and myself and Alice Pickering. Alice Pickering was a star student and also I think a Foreign Service officer. I think she resigned when she and Tom were married. In those days one had to resign and it wasn't a choice for which one, the women had to resign. We were all interested in foreign service of one type or another. Some of the class went into banking and some went into UN work. In our class we had the foreign minister of Iceland, another person who became ambassador from India, ambassador from Pakistan. It was quite a composite group.

Q: You had taken the Foreign Service exam before you left Fletcher.

PRYCE: Right.

Q: Then what?

PRYCE: Then I went in the navy and I remember waiting around to see if I could get in. I was basically fighting to be accepted and I finally was accepted. I had six months before I came into the navy and I came down to Washington and worked for the Commerce Department. They had an old JMA program, Junior Management Assistance. This was a federal program and I remember I had a choice, or what I thought were my options, either to work for the Bureau of the Budget or the Department of Commerce. I was moving

towards the Bureau of the Budget but a very persuasive person from the Business Defense Services Administration in the Department of Commerce, which was a domestic arm, at that point came up to Fletcher and convinced me to come. I told him, "I really want to join the Foreign Service. I've taken the Foreign Service exam," I think I had passed it at that point, "and that's what I really want to do." He said, "Go on down and try it for six months and maybe you'll like Commerce. We are looking for new people. There is no obligation. We would like to have you." It was a very interesting experience.

Q: You were in the navy from when to when?

PRYCE: I was in the navy from January of '55 to May of '58.

Q: What type of work were you in?

PRYCE: I was a supply officer. Again the options were supply or intelligence because I had bad eyes. I wanted to go to sea and so being a supply officer gave me the option of going to sea. I spent six months in Athens, Georgia in supply officer school then I was assigned to the USS Columbus which was assigned to the Seventh Fleet.

Q: It was a light cruiser?

PRYCE: A light cruiser, exactly. It was a very interesting experience. It is funny, I then wore as I do now contact lenses and I was overcorrected. I had better than 20-20 vision with contact lenses and I remember being the fire control officer for a five inch 38 gun which were used as anti-aircraft guns. We won the pennant because in those days early radar was very rudimentary and the people that did the best, you could spot the planes visually before the search radar could. Basically if you turned the radar in the right direction so they could lock on, then you did very well but it was really who could spot the planes the furthest out and get the radar in the general direction so they could lock on. Later on it was determined that really I guess in the heat of battle I might lose the contact lens so I should no longer fulfill that function, but we had already won the pennant by that time.

Q: You were with the Sixth Fleet most of the time?

PRYCE: It was the Seventh Fleet.

Q: The Seventh Fleet worked in the Pacific.

PRYCE: In the Pacific, right. We spent about six months on an extended, mostly tour, I guess it was deployment. We visited Japan, Okinawa, but we also visited Singapore and Kuala Lumpur. I remember visiting Kuala Lumpur which made me understand early on... That was one of the sleepers in the Foreign Service. A very attractive post, interesting people in Malaysia but it was an interesting attraction. People thought it was the end of the earth but it wasn't. It was interesting work and very pleasant living.

Q: Was your ship involved at all in any of the Taiwan Straits crises?

PRYCE: No, we were not. We were involved in maneuvers but we never actually were in the Straits. Our only really interesting experience that I remember in terms of naval operations was we were involved in a night flight operation and it involved a collision at sea which will always be graphic for me. You wake up and the alarm bells are ringing at three o'clock in the morning and you have to muster your men and find out where everybody is. As it turned out it was tragic but not for us. We were the cruiser and we collided with a destroyer. The destroyer lost some men and we had to put in for repairs. The navy was a very valuable experience for me and a very enjoyable one. I wouldn't miss those three-and-a-half years for anything.

Q: While you were in the navy who was the enemy? What was sort of the feeling as a naval officer?

PRYCE: Basically the enemy was North Korea and China because I was in the Pacific. The overall enemy was the Soviet Union. The only other real superpower was the Soviet Union and that was a security menace, but for practical terms the hostile forces for us were North Korea and China.

Q: Did events in Vietnam crop up while you were there?

PRYCE: No, that was much later.

Q: Before it was Dien Bien Phu, which was in early '54 I think?

PRYCE: Right. I'm trying to remember. We were more worried about the Taiwan Straits and whether we would be defending them, whether there would be actual conflict. I think we really thought that somehow wiser heads would prevail and that there would not be an invasion. That was the question, would communist China invade? Of course we were very strong allies of the Republic of China.

Q: At the time there was no doubt in your mind or your fellow officers that if the communist Chinese tried to invade Taiwan we would get involved?

PRYCE: Yes, we thought we would.

Q: While you were these three years in the navy were you involved in any reading or preparation or anything?

PRYCE: I was. I remember taking some correspondence courses but it was hard. The books came late. I remember taking a course on the Far East. I think that was the only time that I became involved in studying the Far East and it was a correspondence course with whoever the military used as sponsors. I think it might have been the University of

Oklahoma or another university. It was a Midwest university or a university west of the Mississippi, I know that.

Q: By this time you knew you had passed the written exam.

PRYCE: Right.

Q: Did you sort of do some shopping around as you made your ports of call?

PRYCE: Not really. I mentioned Kuala Lumpur where we met embassy people who I admired and had some interesting discussion with. In Japan somehow I don't think we really had much involvement with the embassy. I remember in Singapore I think I did manage to visit the consulate. In the Philippines we didn't have much time off because we didn't really get much port time, but I remember going back to the house I had lived in in 1940 and it was still there. There wasn't really much contact with the State Department then, no.

Q: You got out and what happened?

PRYCE: I'm thinking I came back and I was then stationed ashore in San Francisco. I was then getting ready to take the orals. It was a traveling board which came out to San Francisco. I met my wife, we were dating, we were courting. I must say San Francisco was highly recommended, it was a wonderful place to court. We had an interesting time but I remember then again getting The New York Times back dates. I never had time to read them and I never felt that I had a very busy job in the navy. I was an assistant controller for the Military Sea Transportation Service and I never had as much time as I would liked to have had to prepare for the orals.

One of the things I remember, and Joan and I still joke about it, is that I kept saying I'm really worried that I don't have an academic atmosphere and I really don't have the time to become as erudite as I need to be. It's highly competitive and I probably may not do too well in these orals. In those days it was sudden death or sudden life. They told you right afterwards that you either made it or you didn't. I remember Joan getting me a little stud box which I have to this day. She bought it as a consolation prize because I had been so pessimistic about my chances that she thought that it would be something to cheer me up. As it turned out I passed and it was a congratulatory prize.

Q: Do you remember any of the questions that you were faced with on the oral exam?

PRYCE: No I'm sorry to say I'd have to really try to think back. I do remember, it's coming back now. There were questions on geography and I guess somehow I had heard that there would be. I'm not sure how good that was and I remember I was sort of asked to parse the rivers, which I could do. It was a question like you know the Mississippi River, where does it start? I couldn't do it for you today but there was the Red River and the Monongahela. Of course I knew that the Allegheny met the Susquehanna and in

Pittsburgh the Monongahela became the Ohio but that was one question that I could answer because I knew every tributary. There were questions on geography. What there weren't which there are now which I think is very interesting is there weren't questions on how you deal with a practical problems within embassies. There was none of that. I think there were questions that sort of tested your knowledge of world history, of current affairs, and there were I remember difficult questions to answer but I don't remember what they were now.

Q: What was the background of your wife?

PRYCE: Joan had gone to the University of Colorado and she was a business major, interested in business and art. She was very interested in art but she thought that might not be a way to make a living. I'm sure that she would have been able to support herself if she needed to. She was a business major. She came out to San Francisco and one of my navy roommates had gone to school with her. We're not hurried for time and it's kind of interesting. I often ask people how they happened to meet and what happened.

What happened here was that before Rich had an unattractive apartment in a very attractive section of San Francisco in Pacific Heights. We had found a better apartment and we wanted to leave but we didn't want to have to break the lease and pay the penalty. These three young women had come out to make their fortune, all of whom had known each other back in Milwaukee which is where Joan had grown up. They were staying at a boarding house. I remember now you had hours; you had to be in by eight o'clock. They had a house mother, they were safe and they had a certain regime but they wanted to get out of this and get their own apartment. We threw a party and put blue light bulbs in to get the right atmosphere so it was a very attractive atmosphere. We had this party and invited them over. Along about ten o'clock we said we understand that you are looking for a place. Guess what, (you couldn't see the cracks in the walls) this is an attractive place and you might be interested. "Oh," they said, "really?" Basically they rented the place. Two of the four of us felt a little guilty saying we didn't want to schnooker them but maybe it doesn't look as good in the light of day so we went over to help fix it up. A buddy of mine and I painted and helped clean. We sort of got to know each other and that's how we met.

Q: When you were told you can get into the Foreign Service, how did things progress after that?

PRYCE: Now that I remember, I think that I got a letter from the head of the board of examiners that said as you know you passed and you are number whatever it was. It was a fairly low number, and we expect to take 20 people so you can plan out what's going to happen. In the same envelope was another letter saying that you've been accepted in the class starting in July of '58; this was about May of '58. The first letter said you're in and we expect that you will come in this year and then I got a second letter saying there's a class starting in July and you're in it. I was getting out of the navy in May. I got out of the navy and I think I spent about four weeks back at the Commerce Department exercising

my veterans re-employment rights and then came into the Foreign Service.

Q: When you came into the Foreign Service I assume you went into a junior officer course.

PRYCE: That's right, I went into a junior officer class. The composition of the class was interesting. At that point I think at least half, probably two thirds of the class had had military service. Most had had graduate school. There were one or two people in the class, perhaps two, who were coming directly out of college. The average age of our class was probably 28.

Q: This was my experience when I came in in July of '55. All of us had military experience and usually you parlay that into graduate school for a year or two.

PRYCE: Exactly. As I said I think there were only about two people who did not have graduate school or any military training.

Q: Minorities, women?

PRYCE: There were no women. The succeeding class had a number of women. I don't know how it worked out but in our class there were no women and there were no African Americans. It was not a heterogeneous class. There was great heterogeneity in terms of where people came from. I came from a little town in western Pennsylvania. There was a good geographical distribution. There were people from the heartland, people from both coasts and people from the north and south. I won't say they had diverse backgrounds because they all had been in the military or in graduate school, but they came from very different socio-economic backgrounds and geographical backgrounds. As I say there were no women and there were no African Americans.

Q: During this basic officer course, how well did this prepare you for the Foreign Service? Do you remember any of the course subjects and your impression of them?

PRYCE: I think that we felt that it was a pretty good preparation. I think preparation is much better now, much more practical. Probably the most practical course was the consular course which I think lasted about three weeks. There you really were learning nuts and bolts about how to act and they also had role playing. We had a number of very good lectures and that's what the course was, and readings. There wasn't a whole lot of reading. It was a very good bonding process and we learned about the Foreign Service. But it wasn't sort of directly related to your responsibilities, but of course they didn't know what your responsibilities were going to be.

Another thing I remember then is that in those days it was really an autocratic process of assignment. You went where you were told and you didn't know where you were going to be told. There was no bargaining; there was no well I don't like this and I want to do that. I remember in our class we all joined the Foreign Service and we wanted to serve

overseas but there was no travel money and only two of us in the entire class of 30 were given overseas assignments. Those two people went as disbursing officers and nobody wanted to be a disbursing officer but at least you did get overseas. For the rest of us, we were all assigned to Washington. As it turned out our class was closer than many because of that experience where we all were young, poor, and starting out our careers together in Washington.

Q: Were you taking a language or had you already passed the language?

PRYCE: No, I took a language. I had had high school Spanish and college French neither of which were good enough for me to pass so I was on language probation. I remember taking early morning French and studying very hard at it because the standards were rigorous and you had to work very hard. I think I had a two plus, or a two; I can't remember what I had. This was on a scale of one to five and I remember before you came in it was a written exam and there was no oral part of it and you had to score whatever you had to score and I didn't score high enough so I was on probation. I took the early morning language and after I took one course, one series, I passed.

Q: In what?

PRYCE: In French.

Q: Could you explain what this early morning class was?

PRYCE: Early morning class is basically before work. The State Department had a language program which has gotten increasingly better over the years but it was quite respectable in those days. They used the oral method of repetition. I think work started at 8:45 and early morning language started at 7:30 so you went to language class from 7:30 to 8:30 every morning. You had tapes, you did homework, and that was the course. I think it lasted four months.

Q: What were you doing in the State Department?

PRYCE: Let me give you one other thing that was kind of interesting. I was telling you how you really didn't bargain with what you were going to do. One day someone from the Bureau of Personnel which was an unknown, scary organization, sort of god-like entity that nobody knew about came over and they read off who was going where. We really didn't know ahead of time. You were told do not call personnel. We will call you when we've made up our mind what's going to happen to you and we don't want any hanky-panky in terms of trying to influence what is going to happen to you. Your father will decide or your mother will decide. I remember that they announced about all but four or five and I was one of the four or five who was not announced.

Finally I did sort of ask personnel. I waited, and waited, and waited because we were told not to ask. Finally I called up and it turned out that I had been assigned to the economic

bureau and I was very happy about that. Personnel had thought the executive secretary of the economic bureau was going to call and tell me, and the executive secretary of the economic bureau thought that personnel was going to call me. I finally heard by the grapevine that I was going to the economic bureau and I finally called up personnel to say I don't have an assignment. "What do you mean you don't have an assignment?" They told me where I was assigned. I started out in the Bureau of Economic Affairs in the fuels division.

Q: You were in the economic bureau from when to when?

PRYCE: I was in the economic bureau from '58 to about '60 I guess.

Q: You started out in fuels?

PRYCE: I started out in fuels. I learned early on a couple of interesting things. The fuels division which was mainly concerned with oil and I was the junior person. They had some career Foreign Service officers, one of them Kattenberg.

Q: Paul Kattenberg?

PRYCE: Yes. I learned a lot from him. They also had some people that they brought in from oil companies. I think probably the Middle East was where the most interest was and then there was Southeast Asia. Anyway, I was assigned to handle coal. I remember deciding all right by golly, I'm going to know more about coal and so I dug into it. I of course learned about oil and helped the other more senior people but I became an expert on coal. I got to go to various meetings. I learned this little niche, then coal became very hot. There was a trade problem with Germany. All of a sudden here I had been doing all this work, writing all these papers, and was sort of the resource person. I was going over to the Interior Department. When the going got really good, all of a sudden here comes this high level person from the German desk saying "That's fine sonny, we're glad to have you. We will let you come to the meeting but the big boys have taken over now and I'd be glad to work with you." Clearly the German desk was handling this problem, which was interesting.

I also learned that to get things through to the assistant secretary you had to be concise. We were sometimes writing these long memos which were very erudite but they weren't getting read. I remember finally learning this and convincing my boss that we at least had to have an executive summary so that the assistant secretary would read it. Anyway, I was in the fuels division for about a year and then I was assigned as a staff assistant to the assistant secretary.

Q: Let's stay with the fuels division for a bit. What was your impression at the time of how we looked upon I guess it would be the coal and steel community which was still, this was particularly between France and Germany? Was this on your horizon?

PRYCE: Certainly I think we very much supported the Schuman Plan. I remember in the economic bureau we were trying to push the OECD and to push greater economic cooperation and lowering of non-tariff barriers. The argument that the Europeans were making was that it was politically difficult to take these steps which we were urging upon them, we as the all knowing United States. Of course that has followed me throughout my career. I mean if I even heard *politique* meant impossible once, I've heard it 100, 300, 500 times about how difficult it is to move to take these difficult steps. It's the irony I've found later on where we ourselves, the United States, have found it very difficult to take steps to control inflation, to balance the budget. My first experience was preaching to the Europeans that they really had this nurturing period after the Second World War and it was time now to drop the barriers and become more of a common market. Currency controls were one of the things that were most difficult to get people to drop.

Q: What about while you were dealing with coal, did you feel the power of American unions or the coal companies and all? Were they sort of trying to get us to knock off some of our initiatives or anything else with the Europeans? Did you feel that at all?

PRYCE: No. I think basically even then, more than people gave credit, the State Department was interested in expanding exports. For example opening the way for coal to go to Japan in lowering barriers and being able to compete. U.S. coal was highly competitive and really was in essence carrying coal to New Castle because we could make them cheaper, we could mine them, process them, and deliver them cheaper so it was trying to expand the market.

Although I had coal on my own, I also helped the other people in the office on the other issues. We were always worried about our oil reserves. We had a plan which was absolutely, logically incorrect I felt, that in order to keep our basic oil industry healthy, what we had to do was to encourage domestic production. We had quotas on foreign oil in order to jack up the price so that it would be economically viable to keep investment going so that we could produce local oil. Well it was a very sophisticated argument to support the local oil industry. To me the logic of it was if you want to have a reserve, you keep your own oil in the ground and you use up the other guy's oil. The theory was that now you had to keep the price up because you had to make it profitable for domestic people to keep producing.

Q: As the new boy on the block in this thing, sometimes one can look at it with an eye without getting caught up in the policy of a long time ago. Did you feel that this type of policy was illogical but made perfect sense if you figured that the domestic oil companies and the Texas senators and the Louisiana senators were more interested in this or not?

PRYCE: I don't think it made perfect sense. I think it gave you an appreciation for the art of politics and the recognition that we don't always pursue policies which are logically correct because you have to take into account political forces. The argument was not a completely specious one. It is simply I felt that it wasn't correct and most of the people, my superior would say, "Well Bill, yes, you have a good point but we have to recognize

the political facts of life and this is the way it is.” I could accept that but I still didn’t think it was the best policy. I must say in those early years I wasn’t afraid, I was determined not to be afraid, and I don’t remember worrying about expressing my views. Sometimes I think people said “Yeah fellow, you don’t understand.” I’d say, “Yes, I think I do.” And they would say “You just have to accept it that this is the way it is.” I could do that.

Q: We had gone through the Suez crisis in ‘56, within the fuels division was there concern that our support of Israel and the alienation of the oil producing countries, particularly the Arab ones, could cause a real crisis in the United States or was that just not seen as too much of a threat at that time?

PRYCE: I think it wasn’t seen as that much of a threat but I’m remembering back now to the retreat in the junior officer course. There was a three or four day retreat at Front Royal where we studied case histories. There was a feeling that the professional Middle East people in the State Department felt very strongly that our policy vis-à-vis the Arab-Israel problem, which of course we’ve had forever practically, that the political forces were tilting it too much toward Israel. We were not giving sufficient weight, as they saw it, to our long term security interests in maintaining ties and developing relationships with the Arab countries, and that professional advice was ignored.

Of course, as we all know, President Truman was very happy to say “That’s very fine, I’m glad to have your advice but I’m making these decisions on what I consider to be the overall U.S. interest and am taking everything into account. Thank you very much but I’m not following your advice.” There was a feeling among the career people that they were not properly paid attention to, sufficiently.

Q: You were there in fuels for about a year then you moved on to where?

PRYCE: I moved on to be staff assistant to the assistant secretary. There I dealt with the whole gamut of problems. I was basically a paper pusher in making sure that the briefing memos were brought to the assistant secretary. I was very, very fortunate in that the assistant secretary liked to have a few staff assistants. He liked to have someone in every meeting that he had to take notes, follow-up, and so you learned an awful lot. One of the things that I learned was that there were certain areas where the functional bureau, it was then the Bureau of Economic Affairs, had preeminence; there weren’t very many.

The geographical bureaus were preponderant in many areas, but the State Department in those days in the late ‘50s, had a much stronger role in the international economic area than it has ever since. Partly this is because of Doug Dillon who was the undersecretary of State for economic affairs, a very influential, powerful person. Not only because he had good staff but also because of the power of his own personality and connections. He was able to make State a much more important player than sometimes it was. He was constantly making sure for example that we were a real player in the financial world because that was part of his world. When he became secretary of Treasury, he didn’t have quite as strong a voice.

One of the areas where the State Department had, and I think still largely does have the strongest voice, was in negotiations of aviation agreements. I notice we've got one coming up with Japan right now. There State Department led and the Bureau of Economic Affairs was the leader. There was a fellow named Larry Bass who was the officer in charge of aviation negotiations and a fellow named Snowden, William Snowden I think it was, who really did the yeoman's work and did the negotiating. One of the things that was interesting to me, I remember Tom Mann who was a very old boy Texan who was very frank in his talk...

Q: Who was Tom Mann?

PRYCE: Tom Mann was the assistant secretary for economic affairs. Often in talking with the top levels of these airlines he would say "We'll be tough." I remember it was a question of frequency and capacity; how many planes you could have and how many flights you could have. We were constantly battling because we had the big market and we were trying to expand it at all times. You get into these difficult situations and I remember the airlines said we want to really be tough and we want to get this thing. Mann would say, "All right, I think we can get your objectives but in order to do that we are going to have to be willing to shut down. We have to be willing to say all right, we've come to an impasse and we're going to stop the flights which means everybody is going to lose money for a couple of days. Then they'll cave. But you have, it's almost like a union saying we've got to go on strike. We've got to shut these..." And they'd say, "Oh no, no, no. We want you to get all our objectives but we really don't want to shut down." I'll never forget that. The feeling was that the State Department is a bunch of wimps but the State Department was not wimps. They were willing to be as tough as possible but industry had to be willing to back them up.

Q: Do you think this was a ploy?

PRYCE: No. Mann was ready to do it and he thought we would win but this meant you lose a lot of money temporarily. He thought they would, whoever it was the French or the British or maybe the Netherlands, would concede to what we were looking for but we had to be willing to basically say all right, we can't agree so we are going to halt the agreements and stop flights. We never wanted to do that.

Q: What was your impression of Mann because he is an important figure in particularly Latin American affairs and all, as how he administered and how he dealt with Dillon and others?

PRYCE: I admired him greatly. I worked for him for a total of about five years in different capacities and I had the greatest admiration for him. One of the things he was, early on when it wasn't so popular, he was a great defender of American business. He always felt that this was one of our jobs as a Foreign Service officer is to give our best advice to business, and he did that. He had a very close relationship with Bill Snowden

and depended on him heavily. He was not an economist by training, he was a lawyer who had come in during the war and he had come to his job as former ambassador to El Salvador. He basically had great political skills and used those I think very effectively for the Department. He knew how to work with other departments because the economic bureau had to work with Treasury, Commerce, and we had to work with the Hill.

Q: Did you see any particular ties at that time, him being a Texan, with Lyndon Johnson who was...

PRYCE: No, no. We can skip ahead to that. He had ties to Johnson like every Texan did but not really close ties. I'll skip ahead to that and then we can come back.

Q: Why don't we pick this up each time rather than go back.

PRYCE: He knew Johnson not all that well but where he became very close with Johnson, he was ambassador to Mexico.

Q: This was later?

PRYCE: This was later. He was asked to come back and be assistant secretary for Latin American affairs, a job he held before. It was because people who knew him, Mann, and people who knew Johnson told Johnson that Mann would be a wonderful person for him to appoint to this job. He will do a good job and you should appoint him. Johnson didn't really know Mann, and people didn't know this; the people thought they must be big buddies because they were from Texas but they actually didn't know each other. Mann would go to the Texan party that Johnson gave and he invited 3,000 of his closest personal friends. What happened is that Mann was then appointed to the job and he was the first appointment that Johnson made. At that point nobody wanted to attack Johnson. The Kennedy group didn't want to attack Johnson because they were trying to have unity and do everything right. And so some people attacked Mann as an appointment. Johnson had this "You're my guy, I'm with you." There was some controversy and then they got to know each other and they did become close but only after the fact.

Anyway going back to what had happened then, is that Mann, whose background was Latin America, was then picked to be assistant secretary for inter-American affairs.

Q: This was while you were...

PRYCE: I should explain. I was staff assistant in the Bureau of Economic Affairs and then when Assistant Secretary Mann moved over to be assistant secretary for Latin American Affairs he took me with him, so I was also staff assistant in the Bureau of Inter-American Affairs for about six months. One of the things I remember was the question of Castro, and was he or was he not a...

Q: This was almost around '60 when we didn't even know where he was.

PRYCE: That's right, we didn't know for sure where he was. You tend to forget all of this. I remember now that I was with Ambassador Mann in the Bureau of Economic Affairs and there was a question, what is Castro? Is he an agrarian reformer? Is he really a socialist? Is he a communist? What is he?

I remember I had had an interest in the Soviet Union because I figured that's the other superpower and communism was a problem. So in my spare time, which there wasn't much of, at nine o'clock at night, I used to read the FBIS reports (Federal Broadcasting Information Service) of what Castro was saying. They monitored the radio broadcasts from countries around the world. It is amazing but as you probably know an awful lot of people in the State Department and everywhere else never had time to go to the source to actually see what's going on. I was reading Castro's speeches. I remember going to Assistant Secretary Mann. I assume he had intelligence that I was not privy to, trying to figure this out, but I said to him, "This is what he's saying in his public speeches. You read this and you read the language. It's the old saying he walks like a duck, he quacks like a duck. To me, based on the objective analysis just of his speeches, he's a duck. He is a Marxist, socialist, communist, whatever you want to say. He certainly seems to believe what he is saying. If you analyze where he is coming from, he is not just an agrarian reformer, he is a particular kind of agrarian reformer and he is a communist." I was frankly one of the first people that brought this out.

There was the question then, where there was a disagreement between the Economic Bureau and the Latin American Bureau, as to whether we should cut the sugar quota as a means of pressure on Castro. Part of the question was what kind of person is Castro. One of the things that lead, I think we did cut the quota, was the feeling that we weren't going to be able to convince him to change, that he was not an agrarian reformer who could be brought around by treating him lightly.

Anyway, so then we moved over to the Bureau of Inter-American Affairs.

Q: While you were in the Bureau of Economic Affairs was it Frances Wilson...

PRYCE: Yes, yes.

Q: Was she a power?

PRYCE: Oh, was she a power!

Q: Can you talk about that? She sounds like one of the major figures in the State Department.

PRYCE: She was a major figure. As a matter of fact, she was a clear influence in my career. She picked me.

Q: Could you explain who Frances Wilson was and how did she operate?

PRYCE: She was the executive director of the Bureau of Economic Affairs. She was a civil servant who had risen during World War II from, I think, an executive secretary and had risen, broadened her experience, and had become the deputy executive director when I was there. She had an unusual understanding and interest in the value of Foreign Service officers partly growing out of Wristonization.

Q: You might explain what Wristonization was.

PRYCE: Wristonization was the result of a study, the reorganization of the State Department which came out of a study by Henry Wriston, the former chairman of Citibank who had analyzed how the Department should be organized. Then I guess most of the positions in the Department itself were manned by Civil Service personnel and Foreign Service officers spent most of their careers overseas. There were some jobs in the Department but not very many; the Foreign Service was mainly foreign.

Although you had to come back once in your first five years or once in your first 15, there was a feeling that people serving overseas really had often lost contact with the U.S. That's when they had this question of home leave. You had to come back, get reoriented, and you wanted to be sure that you hadn't forgotten your roots. It was a wise move. I remember there were senior Foreign Service officers who were Europeanists. They were not dilettantes but they really did not have the strong roots with the United States that they should have had and that we have today.

Part of that was to say all right, we should meld the Civil Service and the Foreign Service. Almost all the jobs, in fact just about all the jobs, would be Foreign Service jobs and we will integrate the Civil Service into the Foreign Service. I remember that several people in the fuels division, my first job, were former civil servants. There were problems with this because there were many people who didn't want to be in the Foreign Service, didn't want to serve overseas. They weren't really well suited to it but they had to either transfer to another Department or join the Foreign Service. It was sort of, you had to join. At that point almost all substantive officers were Foreign Service officers with the exception of say the legal division, accounting and finance.

Frances Wilson was not a Foreign Service officer but recognized that the Foreign Service was going to play a major personnel role. So she took the time and effort to develop really her own cadre of Foreign Service officers. She knew that the lure in the Foreign Service was that you ought to be in a geographic bureau, that's the road to success. You want to be a political officer and you want to be in a geographic bureau. That's where the fast track comers tended to want to go. She wanted to make the Bureau of Economic Affairs an attractive place to serve and she knew that she had to work at it to do that. She also wanted to be sure that she good people.

She had her own private little files really on half the people in the Foreign Service. She

kept track of people who were assigned to the Bureau of Economic Affairs and kept notes on how well they did. If they did well, she tried to help them get good assignments. I think the Bureau of personnel probably wasn't too happy with this because it was somebody getting in their knickers. She nevertheless persevered and she helped the bureau.

She would give frank opinions and she had a good symbiotic relationship. She would say, "Well look, so and so hasn't worked out very well and I think they are a good person but I think they are better at something else or they are better at this or that." She would take a certain number of people that weren't that good because everybody had to. She'd say, "Look, I know this person is not the most able that you have. We can take them and put them in such and such a job but in return for doing that, I need somebody really good to do such another job." She would check on people and if you were a person that she admired, you did well. On the other side, if somehow your work did not impress her or your boss, she would remember it and you would have a tough time getting another job in the Economic Bureau.

Q: When you moved over to ARA, first what does ARA stand for?

PRYCE: ARA stood I think for American Republic Affairs.

Q: What was your impression? You had been a basic officer, you had been in economic affairs and moving over to ARA, how did you feel about that at the time? Sort of where in the Foreign Service hierarchy...

PRYCE: I admired greatly and was learning a great deal from Assistant Secretary Mann so it wasn't really a question to me that this was an opportunity. The general feeling in those days was that Latin America was not the best bureau to be in. Again, at the top of the scale was the European Bureau. That was where the more action was, that was where the secretary and the deputy secretary spent more of their time and interest. There was a Far East Bureau which was run for years by Walter Robinson. I remember there he really did not countenance any dissension from his world view.

Q: Which was?

PRYCE: Which was that by golly you can not ever even think of any kind of a relationship with communist China. That Chi-coms are anathema and there is no hope. Anybody who even thought to breathe a question of whether we might some day, somehow, have some kind of a relationship with the most powerful, largest nation in the world that was clearly going to be run by the communists, he would ruin their careers. He would literally ruin careers. I remember expressing a view and people would say you really ought to be careful because you just can't say this, it is dangerous to say these sort of things. People did.

Q: Yes, I know I did and I had nothing to do with it. I think most people in the Foreign

Service sometimes said, you know they are there and we've got to deal with them sometimes.

PRYCE: Exactly, you've got to deal with them. It took President Nixon to finally come around and say we're not involved in something that is very important. I would say that Latin America was not considered among Foreign Service colleagues as being *the* place. The European Bureau was sort of where the heaviest action was. The Middle East Bureau was sort of in-between. Latin America was the not the...

Q: There was no African Bureau?

PRYCE: No, there was really no African Bureau. There was also a tendency of people in Latin America to stay in Latin America as there was in every bureau. We can talk later on about the GLOP, global out-placement, which was Henry Kissinger's idea that you were getting inbred, that you were getting a lack of cross fertilization of ideas. He was forcing everybody to serve at least one tour outside of the area of their greatest expertise.

Q: It was really pointed at the Latin American Bureau.

PRYCE: That's right, it was. It came out of a meeting in Latin America where Henry went down and asked what a group of ambassadors thought about what was happening I think in Europe and they said that's not our department. They'd say, where is it? He must have hit the wrong group down there. The ambassadors I knew would not have responded that way, but anyway he came out and he said we're getting too insular, we've got to mix them up.

Q: I thought we might go until we finish off this ARA time and then we'll cut it for today. You were in ARA with Mann from when to when?

PRYCE: I think I was there for about six months. I was in the bureau until about May of '61. He left I guess in probably February or March, I don't remember quite when, and he went as ambassador to Mexico.

Q: While you were in ARA, when you went there, particularly as the assistant to the assistant secretary and you're running papers around trying to get it, did you sense any difference between how the ARA people responded to when the assistant secretary wants something as opposed to the Economic Bureau? Was it a different feel?

PRYCE: Yes. I think there was more a sense of urgency. There were specific problems that people dealt with. In other words there were country officers that had individual problems that had to be dealt with immediately. In the aviation division, it was one where you sometimes had this same sense of urgency but by and large in the financial areas and in the trade areas, there were not the day-to-day individual problems. There was a greater sense of urgency in the Latin America division.

Q: Do you recall what some of the issues were that you were at least on the periphery observing?

PRYCE: Yes, the issue was Cuba. This was the time when we were getting ready to invade. It was a very, very interesting time and Assistant Secretary Mann was involved in the discussions, was privy to them, as was I. He insisted on my getting a special clearance so I could sit in on these meetings. We had of course problems with Mexico, we had problems with Venezuela, and we had all kinds of problems with Brazil which we dealt with on a day to day basis. But the one I remember the most was the problem with Cuba. Maybe we can save that for another day.

Q: Okay, why don't we stop at this point because I would like to go into this in some detail from your perspective because it is very important. I'll put this at the end here, we are going to deal with the time that you were a special assistant to Assistant Secretary Thomas Mann in ARA and particularly your observation of the events and the information and all that you were privy to that led up to what became known as the Bay of Pigs. I also would like to talk about your impression from your perspective of the Kennedy takeover, the change of administration and how that...

PRYCE: I will try to find in my papers a very interesting memo that Assistant Secretary Mann wrote precisely on the Bay of Pigs.

Q: Today is the 16th of October, 1997. Let's start talking about the Bay of Pigs. Again you were doing what?

PRYCE: At that point I was a special assistant to the assistant secretary for Inter-American Affairs in the State Department, Thomas Mann. I must say it was a unique position because Secretary Mann wanted to have a staff assistant in all his meetings and so he insisted that I get clearances to attend meetings that he had with the CIA, with Defense and others without holds barred. As a result I was involved in the meetings that were leading up to the Bay of Pigs. There was a very detailed plan developed by the CIA involving an invasion of Cuba from Nicaragua and Guatemala originally. The overall plan was to first destroy Castro's air fields by having planes take off from a couple of places, and bomb the air fields, bomb Castro's planes on the ground so that the invasion could then take place.

Mr. Mann felt this was not a viable program and he opposed it inside the circles of the government. He wrote a memo to Secretary Rusk showing why this plan wasn't the right one. He became very unpopular of course with the Agency because there was tremendous pressure frankly. We had built up this huge apparatus that President Kennedy was handed and there were hundreds of people, perhaps thousands of people, ready to go on this invasion and it would be very difficult to call it off. Mann had two fundamental points. One that it probably wouldn't succeed. It would have great difficulty succeeding without U.S. involvement and that the U.S. should not be involved but that if we did become involved, we should see it through and we should be prepared to use U.S. troops to make

it succeed.

He then proposed an alternative plan; if something had to be done we should try to use the OAS. It was a very interesting time because there were people that felt this plan would not succeed. Another fascinating thing was that this was a covert plan which was bandied about in The New York Times for probably a month before the invasion took place.

Q: You were in ARA, I realize that you were kind of the fly on the wall...

PRYCE: Right, exactly.

Q: But at the same time the fly on the wall often has... Were you sensing anywhere within the ARA apparatus that was cleared for this, anybody who was saying you know, Castro isn't that disliked in Cuba and we are not going to be accepted. It is not just a military thing, it is a popular thing.

PRYCE: Well, yes, I think that the plan of course depended upon a popular uprising. The word from people who said yes, Castro has a certain amount of charisma; but as I remember if the premises of the plan, if the bombings were successful, in other words if the air force were destroyed and if there was a successful insurgency which was able to establish a beachhead, then I think the prevailing opinion in ARA (and there weren't very many people who were involved in it, there were very few)... One of the interesting things is that as you probably remember, Adlai Stevenson was not privy to what was going on.

Q: He was the ambassador to the United Nations at the time.

PRYCE: That's right, and the U.S. ambassador to the United Nations was not privy to these plans even though talk about an invasion appeared in The New York Times.

Q: Well Stevenson was considered by this new thrusting group, activists, to be soft.

PRYCE: I guess it was a question of plausible denial. What I remember very clearly was that one of the premises was that the Agency had at least one or two, several I think, Cuban pilots that were supposed to take off from the air field, then turn around and bomb it, and then fly off to other places, so the story that this was a Cuban operation would have some plausibility. Of course that never happened and I don't know if that was ever a serious possibility or not but it was touted as a possibility. The decision was made to go ahead and go without the people from Cuba so I think maybe they had a plane that had been in Cuba at one point. I'm recalling now that Stevenson was very much embarrassed in the UN because he made statements which later turned out to be not correct. I also remember that what had happened is that the initial raids did not achieve their purpose, they were only partially successful, but the decision then was to go ahead anyway.

I would like to mention one thing that I think has come out lately but not always. There

were a lot of stories around that at the last minute President Kennedy held back the participation of U.S. forces. My recollection is that that clearly was not the case. President Kennedy at all times made very clear at all discussions that I heard about and certainly in the other discussions, that there was to be no U.S. involvement. This was one of the things that Mann was saying, that if we do this we shouldn't fail but it was very clear that the president made up his mind ahead of time that there would be no U.S. participation.

What happened was when the invasion was in trouble, the president did relent to the point of allowing an air cover to cover the beachhead at the Bay of Pigs so that the people there would not be pounded by Cuban air. An air cover was authorized but never a U.S. attack. I've heard pilots talk about it, I was up there and we were ready to go. I think that probably lower in the chain of command maybe our U.S. military wanted to go but there was never, to my knowledge, ever, any thought that U.S. forces would be directly involved. President Kennedy never called anybody off. He basically refused to have involvement as he always said he would.

Q: Again from your position, did you sense sort of hostility from either the White House, the National Security Council, or from the CIA towards Mann for not being fully on the team?

PRYCE: No, I didn't. They respected each other and there were honest discussions and he raised his doubts. I should also say one other thing. I remember that at one point, this probably was in Ted Sorenson's book, that there was a thought that the military said that they never really had a chance to look at the plan, that JCS never had a chance to look at the plan. I recollect that there was a plan which was signed off on by the Joint Chiefs of Staff. Now what happened was they didn't vet it through the normal process so you could say in a sense that the Joint Chiefs had not looked at it in the normal process but there was a small group of people that did look at it. They said that there was a reasonable chance of success, again assuming they had the air superiority, and that this estimate, which was cautious, nevertheless was seen by the Joint Chiefs and was signed as I remember correctly, and I think I do, by the Joint Chiefs so they were certainly aware.

Q: There were a lot of people who were backing away from this and as the president later said, victory has many authors, or something to that effect, and defeat it's...

PRYCE: ...defeat it's hard to find who's in charge. He accepted full responsibility. He was I think very courageous to do that because he certainly was handed an ongoing process which had been authorized by President Eisenhower and there was a certain inertia there. As people at one point said, Tracy Barnes and Bissell...

Q: Richard Bissell yes.

PRYCE: ...were the people involved in it, "What are you going to do with these 2,000 people that you've been training for a year-and-a-half if you turn it off?"

Q: It's a little bit like 1914 when everybody mobilized and the Germans said we've got to invade France rather than fight the Russians. The whole thing got caught up in military plans.

PRYCE: Clearly the president was fully briefed but there was a certain pressure to go forward with the plan.

Q: How did this play out when it didn't work? What was Mann getting from his posts?

PRYCE: I think just about that time Mann was transferred to Mexico City and he may not have been there when the actual invasion took place.

Q: Were you there?

PRYCE: Yes, I was there. I continued on for a short time as staff assistant to...

Q: What was the reaction you were hearing and seeing about what this failed Bay of Pigs thing did to our relations within the Western Hemisphere?

PRYCE: That it was an unfortunate event and that it obviously damaged our prestige to be involved. Some people felt that we should have been involved in such a venture but the greater feeling was that if we were involved, we should have won, we should have made it work. So there is a combination of people feeling this is intervention, and that certainly was the public position by most countries that the United States should not intervene in situations like this. A lot of private opinion was that you guys, the United States, if you did something like this you should have made it work, you should have gone all the way, you should have eliminated Castro. So I think that was the...

Q: You know every officer when he or she serves picks up lessons, what did you pick up in your portfolio about the CIA, your personal portfolio that you carried around with you the rest of your career?

PRYCE: One was I always have had a respect for intelligence officers in terms of their ability and dedication. I guess what I picked up early on was a need to probe very deeply as to exactly what their plans were. In this very high level policy incident, but also throughout my career, I found you had to push hard to find out exactly what the agency was planning to do and to be very clear about what their operations were, not what their sources were but what they were planning to do in terms of operations. During the first part of my career we were still involved in covert operations then we backed off. What I learned, as I say, is to establish respect, a good rapport, but to push hard to know what they are doing.

Q: This would have been still in '62?

PRYCE: Right.

Q: You went where?

PRYCE: I went to Mexico. No, this was in '61.

Q: Just to get the dates, you were in Mexico from '61 to when?

PRYCE: From the summer of '61 to the fall of '63.

Q: Was this a normal assignment or had Mann asked for you?

PRYCE: I determined later that it was not a normal assignment. I was going to Hong Kong and all of a sudden I was going to Mexico City. I didn't have a direct conversation but I can see that Mann had thought it would be a good idea. I went to Mexico as a consular officer but I ended up a year later as special assistant or private secretary to Mann in Mexico.

I think we may have discussed this briefly. Mann was called back; he was the first appointment that President Johnson made after President Kennedy's assassination. He was called back to Washington DC. He took a number of people from his... He was getting ready to retire and in fact he was planning to retire and might have retired a year earlier except the director general convinced him to stay on. In retrospect the director general may have had no authority to tell him to stay on but when he said, "Don't retire, we want you to stay," he did stay. He retired in I think the following year but he was called back by President Johnson to be assistant secretary for Latin American Affairs.

I guess there were four or five people in the embassy that he knew well and he said "You know I have been in the Foreign Service for 30 years," or however many it was. "I've taken people that were assigned to me, I've worked with them, trained them. This time, it's my last assignment I want people, it's a very difficult job and I want to take a certain number of people that I've worked with and that I know." He took the political counselor, the senior special assistant, me, and the administrative counselor. All of us sort of ended up in Washington at that time.

The interesting thing there that I think is worth recording is that Mann was not a close personal friend of President Johnson and didn't really know him very well. He knew him because he was from Texas and he always went to Johnson's Texas birthday parties. They became very close friends because Mann's appointment was attacked by some people in the Kennedy entourage who didn't want to attack Johnson directly so they attacked the appointment. Johnson had the attitude of you're attacking my people, you're attacking me, and so he had Mann over there and was talking with him and so they became friends. They would interact and Johnson talked with Mann not only about Latin America but also about Vietnam and other things. The bond that arose came after his appointment, not before.

Q: Let's go back to Mexico. You were doing what type of counselor work?

PRYCE: It was largely protection and welfare.

Q: Could you talk about sort of the state of protection and welfare in Mexico at that time and what you were doing?

PRYCE: As Mexico is one of the closest overseas posts to the United States, we had a lot of customers. It was rewarding in the sense that you got to help people. I can especially remember helping people in hospitals who had been hurt. You would go and visit them or get them into the hospitals. I was also helping people who had lost things.

It was rewarding in that sense but it was also difficult because you saw some of the other side of humanity and you learned how to do things in a practical way. I think the bus fare from Mexico City to Laredo was about \$19.00 and we had all kinds of people who thought they could solve their personal problems by going to a foreign country. They would end up in Mexico City and they'd end up in jail or they'd end up destitute. We had a repatriation system which didn't take very much. I think it was a total of something like \$35.00 which could get them bus fare, a little money for a ticket and send them back to the border.

I can remember time and again we were not allowed I think to lend people money but sometimes it would take time to get money from the States which we tried to do at first. I can remember times some of us having an unofficial hock shop at one point when somebody would say I really just need ten bucks to eat tonight and why don't I just leave my watch here. We'd say "You can't do that," but nevertheless sometimes we did lend them money out of our pocket. Sometimes you'd get it back and sometimes you didn't.

Some of the more difficult times, I'm just thinking, was when you're trying to get an important person out of jail. Often they had a few too many and they didn't understand that Mexican police often understood a certain amount of English; they certainly knew when they were being spoken about in derisive terms. There would be times when you were trying to get somebody out or you were trying to get them from being put in jail. The person is cursing and talking about these people that are no good, that they're corrupt, and that somebody asked him for a bribe and he told them to go fly a kite in much more obscene terms and that he'd be doggone if he was going to be involved. We'd try and tell him, "Look sir if you just be quiet we'll try and work this out and I think we'll be able to walk out of here without doing anything improper, without paying a bribe but we need to show respect." I can remember some difficult times but it was fun.

Q: Did you have to visit anybody in jail?

PRYCE: Yes, I visited people in jail. The conditions were often not very good but again if you had money you could buy your own food, you could buy a better situation.

Q: Drugs were not a problem then?

PRYCE: No, drugs were not a problem as I remember. Where drugs were a problem was where individuals who would use drugs, drugs including alcohol, would get in trouble. At that point there was not a real drug problem in Mexico City.

Q: How would you deal with a problem of corruption? What is the term?

PRYCE: Mordida.

Q: We are under very strict instructions, we always have been. We can't support anybody paying a bribe and yet sometimes the system works in this. How did you deal with this?

PRYCE: Basically that was my first assignment and you just assumed that that was not done. I guess it was naiveté and sometimes you'd wait around a long time to get things done but you just to... I'll tell you a little story which was my first experience. We drove to Mexico City in an old car with my wife and two small children. When we got to the border at Laredo we went through and we were very proud because this was our first posts and we were diplomats.

Q: Diplomatic passports.

PRYCE: Diplomatic passport and actually they were very polite and we went through the whole procedure. Then the fellow from the custom service said, "Well sir, I didn't check your bags." I said, "Thank you very much I appreciate that. It was nice to see that diplomats were given the courtesy." As you know if you had diplomatic pouch you were impervious and you couldn't be searched but we did not insist on that for personal baggage so they have every right to check our bags if they were so inclined to do so. I said, "Thank you very much," and got ready to leave. He came around again and said, "Senor, buen [inaudible] (phrase in Spanish)." I said, "Yes, I understand that, thank you very much." I really almost didn't get the point. I didn't get the point but Joan got the point and she was sort of saying, "Well, I don't know." I ignored him and said "Thank you again very much," and drove off and this guy was saying "Este stupido [inaudible] (Spanish phrase)." Basically this dumb guy from the United States doesn't understand what the hell is going on and he's very upset that he didn't get a tip for not having gone through the bags. That was my very first experience and I just learned to live with it. As you said, we were enjoined from making bribes and we didn't. Sometimes it took a long time to do things.

Q: Were we making any effort to help people in jail? In other words if they didn't have money, what would you do?

PRYCE: Absolutely. We would visit them. We would bring books to them. The people in the embassy often give old books to the church. We had a protection and welfare unit that would collect the books and embassy officers would visit the jails. We had regular rounds to go and visit the various American prisoners in jail. We also tried to visit people in

other cities. We would make a trip around and see how they were so they'd know that there was somebody that cared. We had a list of lawyers so if somebody was accused of a crime we knew who possibly would be a good defender.

I want to take just a moment here to give credit here to the head of the welfare and protection unit, Diego Asencio, who later on became an ambassador and assistant secretary for Consular Affairs. When he headed the protection and welfare unit he had a very ingenious way of helping in terms of funeral homes. There was one very good funeral home that charged very high prices to ship bodies back to the States. When somebody has someone who is killed, it is a very sad time. That was one of the downers when you had to help people get their loved ones back to the States. If you shipped them by air it was expensive and the funeral home knew that they had a market and so they charged a lot of money.

Diego basically set up a competitor. He learned about this person, got to know him just because he was in business one way or another and he said, "I think there is room for another funeral home here and we could perhaps steer you some business if you had reasonable prices." This guy was useful to us because he was very knowledgeable on how to get the right death certificates and how to do all the things that needed to be done. How he did it we didn't ask. In terms of his business, he may have had contacts, he may have had a relationship where he paid bribes, I don't know. But he provided a competition and the price for U.S. funerals came way down. It was a symbiotic relationship and if prices came down it was something that helped U.S. citizens.

Q: During this period of '61 to '63 you were there (and we'll come to the time you were working as a special assistant to Thomas Mann) how would you describe from the perspective of the embassy and again from your perspective, the relations with Mexico?

PRYCE: I think the relations were very good largely because the Mexicans loved President Kennedy. He was a very admired figure. He was young and charismatic. He had a very attractive wife. He was Catholic. One of the biggest events of my service there was President Kennedy's visit to Mexico. It was a huge success and he made a very good impression. Jacqueline made a good impression. She spoke a little Spanish at one of the lunches that they had. President Kennedy visited widely while he was in Mexico City. It was certainly I would say one of the most successful presidential visits they had. Relations generally were good.

The major problem that was solved at that time with Assistant Secretary Mann's very active participation was the Chamizal, which is a border dispute between U.S. and Mexico. The Chamizal River had changed its course a number of times and the question was trying to delineate the border. We had worked out a system where we traded pieces of land, us and Mexico along the border, to come up with a definitive solution. There had been at one time the solution that we had taken to the World Court which we lost and we didn't accept the solution. There was a little bit of a hard feeling but we were able to come up with a successful resolution of that dispute, the Chamizal dispute. This was a

major bilateral accomplishment of Ambassador Mann.

There was also the question of trying to solve the problem of salinity of the Rio Grande River; how much of the river which was basically polluted with salt from irrigation upstream and what the content of the river would be when it came to Mexico. In an unorthodox approach, Ambassador Mann would go into Texas or into Colorado and talk with people on the U.S. side who were involved to explain what we were trying to do. It was a little unorthodox but it worked.

Q: When you were with Thomas Mann, you were with him for almost two years?

PRYCE: Actually it turned out I was with him for almost five years. It was getting to the point when I left Mann and I took Russian and went to Moscow, the inspectors told me that even though obviously I got very good reports, I had been in a staff job about as long as one should be. That I had been involved with one person longer than one should be. I knew that but I felt it was worth it. I was doing very satisfying work and it was a high level person that I was with. I figured that if I miss a promotion or two, in terms of experience it was worth it. It sounds corny but in terms of dedication I was doing a job that I enjoyed doing.

Q: When you moved to his office, you were there what, about two years, a year-and-a-half?

PRYCE: Right.

Q: What was your impression of the embassy? It's I think our largest embassy and it probably was at that time too. How was it administered? How was the spirit there?

PRYCE: Of course it was smaller then by far than it is now but it was growing. I think we had about twelve consulates. I think we had very good officers. It functioned well. There was again a unique situation where there was a fairly large CIA station because the Soviets were there, so there was a lot of activity there. Again the relationship was somewhat unique. Because of his service in Washington Ambassador Mann knew Allan Dulles and so before he went to Mexico he went to Dulles and said "I know you have a very good station chief there who has been there a long time, and is well known and a lot of activity, I would hate to have to move him. On the other hand, I would want your personal assurance that there would be nothing that goes on there that I don't know about and that the station chief will keep me completely apprised of everything that they are doing and there would be no back channel." Dulles said, "That's right. I'll do that." When Mann got there the station chief came to him and said, "I guess you've talked with my boss." They had a relationship which was a very good one which ambassadors have not always had. There have been attempts at times for the Agency to hold back on things and sometimes not find out about things until there is trouble, but this was a positive relationship. There again I was fortunate that Mann insisted that his special assistant, my predecessor and me, be privy to the conversations that he had with the station chief so I

learned a lot there in terms of how things operate. I was surprised by some of the things and not by others but that was one relationship that I think was well run.

Ambassador Mann at times had no compunction about asking the station chief to see some Mexican that it was not convenient for Mann, the U.S. ambassador, to be seen talking to. If you are going to be seeing Jose, the minister of whatever it was, let him know that I want to do this, that and that and that's it. He had the confidence that the message would be properly conveyed and when he'd see that person another time it would be clear that the message had been conveyed. It was a good relationship.

Q: I take it that in Mexico, the Mexicans one knew we had a large establishment and many of these people were, what it is, announced or declared I think the term is.

PRYCE: It was a cooperative relationship.

Q: That they weren't working within the Mexican business to play games inside Mexico but Mexico being a major capital, particularly a lot of Soviets, Cubans and others there, this is where their point of interest was.

PRYCE: That's right.

Q: From your point of view, from sort of the embassy's viewpoint, or Mann's at all, was their any concern at that time about the fact that you had a one party system in Mexico, the PRI? From our point of view or was it something we were comfortable with?

PRYCE: It was something that we had to live with. I mean it was a fact of life. I remember back then and when I went back to Mexico from '78 to '81 as political counselor, the embassy had contacts with all the parties.

Q: I never served in Mexico but my impression is at different times at least, the Foreign Ministry has a designated office that can thumb its nose at the gringos to the north and it is where kind of the leftists are put, and this is one place where Mexico likes to exercise its independent muscle.

PRYCE: I'm trying to think the two times that I was in Mexico, there were people in the Foreign Office who were usually knowledgeable, very professional. Sure there was a sense of resentment but there was also I think a willingness to cooperate, certainly the foreign ministers. Manuel Te Oseno was the foreign minister when I was there this first time. He was a grand gentleman and a person who felt that the relationship was important. There is a famous saying that poor Mexico, so far from God and so near to the United States. There is a history of course. There is the war, the Mexican American War when Mexico lost a third of its territory. It is sort of bittersweet. There is resentment but there also great admiration and the Foreign Office I think reflected the body politic as a whole. Yes, there were problems and yes, there was some resentment but there was also I think good personal camaraderie certainly with the ambassador and certainly with other

people in the embassy.

Q: You were there at the time, or immediately thereafter, when the Bay of Pigs things fell apart. There has always been this affinity between Cuba and Castro and Mexico, how did that play out?

PRYCE: Well that was difficult. There was the special relationship that you are talking about. Because they were the only country I think that did not break relations with Castro. The way the Mexicans tried to play it to us was that you need a messenger, you need someone in the hemisphere that deals with Castro and we can send messages, we can be helpful. Of course we didn't see it that way and said we don't need any messages, we don't need this. But they wanted to be independent and this was one of the expressions of their independence that it was one nation that they did not break relations. That was a signal of their desire not to be publicly seen as being beholden to the colossus in the north.

Q: Did you find within the Mexican community with whom you were dealing a certain enjoyment over the fact that we were very discomfited about the Bay of Pigs failure?

PRYCE: No, well certainly you got opinions from across the gamut. There were people who said gee whiz, if you're going to do something like that why didn't you succeed? There were other people saying you should never do something like that and it's a good thing that you didn't succeed and it just shows the disrespect of the gringos for Latin America. There wasn't a solidified opinion. It depended upon the point of view of the individuals that you talked to.

Q: What was your impression at this time of sort of the ruling class of Mexico?

PRYCE: That's interesting because I remember you asked about the PRI earlier. Mexico during my first tour there was certainly one of the least democratic countries in the hemisphere. They had the trappings of democracy. They had a single party rule which was all powerful. The president selected his successor and the president was all powerful during his reign. You changed presidents every six years so you had an evolving strong government but it was certainly a one party dictatorial rule. The party had been in power longer than any other party except the Communist Party in the Soviet Union and then of course later on it became the party that had been in power longer than any party.

We were uncomfortable with that, certainly, and we certainly encouraged the opposition parties recognizing that they had little effect. There was a Mexican-U.S. parliamentary meeting and we always had people from the opposition. Of course we had Democrats and Republicans and we always made sure that the Mexicans had people from the PAN which was the principal opposition party but there were a number of opposition parties. This was true in '61 and it certainly was even more true in '78 to '81 when I was there as political counselor. There was an active opposition at that point. The PRI stole the elections and they made sure they won almost every time. That finally has changed. We

were never comfortable. We always recognized that it was a one party system with all the bad side effects. Looking at it objectively, it did give Mexico a certain stability that it might not otherwise have had but the U.S. embassy's interest was always to encourage the opposition.

Q: Were we concerned at that point about Soviet/Communist penetration in Mexico?

PRYCE: Very, very much so. Absolutely. Well, no, not penetration of Mexico. The Soviets and the Mexicans had a deal that the Soviet embassy could be the focal point for their espionage and subversive activities throughout the hemisphere but they would leave Mexico alone, and they did. The Soviets were very careful never to try to subvert Mexico itself. It was sort of a live and let live and so they used their embassy as a base for operations all over the hemisphere but left Mexico alone.

Q: When did you go back?

PRYCE: I went back to Mexico in 1968 as political counselor.

Q: No, when did you go back to Washington?

PRYCE: I went to Washington when Mann went to Washington. He was called back to be assistant secretary in December of 1963.

Q: It must have been one of the first appointments of the...

PRYCE: He was the first appointment, the first international one anyway that President Johnson made. I remember we all had about ten days notice and we all went back to Washington.

Q: How did the assassination of President Kennedy play out in Mexico?

PRYCE: It was a deeply felt event. There was great sadness. President Kennedy was greatly loved and he made a tremendous impact during his visit. I think everyone, including everybody in the embassy, was deeply shocked and very much bothered by his death. I can remember that when news of his death came, I was in the Foreign Office delivering a note that the ambassador had sent over with the latest information we had. I was delivering it to the special assistant to the foreign minister giving him the latest update when I got a call from our embassy saying that he had died. I passed that message on and there was great consternation, great sadness. Kennedy was very much admired, I'd say loved, by the Mexicans.

Q: There was some connection with Oswald...

PRYCE: That's right. Oswald had visited Mexico and the Mexicans cooperated with us very much in the whole investigation of what Oswald was doing. He had visited the

Cuban embassy and he had been to Cuba. There was a whole series of investigations which the Mexicans cooperated with, greatly I think.

Q: You were in Washington from the end of '63 until when?

PRYCE: I was in Washington really from the end of '63 until the summer of '64. I went off then to language training.

Q: During this period you were again the special assistant.

PRYCE: I was then the special assistant. First when Mann was assistant secretary for Inter-American Affairs and then he was made undersecretary for Economic Affairs. I guess probably the most interesting event during that time was when he still was involved in Latin American affairs and President Johnson tended to look to him or Jack Vaughn who replaced him as assistant secretary. The most controversial event during that time was our intervention in the Dominican Republic. I remember that he was criticized. I felt strongly and still do that what we did was in the U.S. interests, that it certainly was an intervention. We had 20,000 troops involved in the country.

One of the things I learned there is when you're dealing with other agencies you have to understand their language. We can talk a little more about how things developed in the Dominican Republic. We wanted, as you remember, a reason to intervene. We were afraid that Camano would become a second Castro. We were looking for a reason. We were going to send troops in to separate the Camano forces from the government forces and sort of try to maintain a certain peace.

I remember that at a high level meeting at the State Department where I think it was Undersecretary Ball. The military were saying we want to open a line of communications from point A to point B which would go through the center of the city. It would separate the forces and we would be able to go back and forth. It really wasn't understood exactly what a line of communication was. It was perceived that you have a telephone line a couple blocks wide. What the military had in mind was I think five miles on each side, a completely secure corridor and of course it took a huge intervention to do that. As you remember then there was a long negotiation. Ellsworth Bunker went down. The net result from that intervention, which it clearly was, was democracy in the Dominican Republic. I think that it was well justified although it was strongly criticized at the time.

One last thing, I remember that when it was decided to send U.S. troops in, Lyndon Johnson took direct personal charge. I think they were going to send five thousand, and he said maybe you ought to send ten. From 9:00 at night to 7:00 the next morning, the number of troops they were sending was quadrupled. Then again I think looking back on it, it was the correct thing to do. Our military boys felt that if you are going to do something you do it with massive force and you are more successful. Dessert Storm was the epitome of the example of how to do that. Well Johnson did the same thing in the Dominican Republic.

Q: Was Mann involved in it?

PRYCE: Yes he was. He was the undersecretary for Economic Affairs but on this he was also the sort of senior person in the Department involved in Latin American Affairs. He worked closely with Jack Vaughn and later with Ellsworth Bunker but he was the author and basically the person that was involved in the policy.

Q: We'll end it here but let me put down that we've talked about the intervention in the Dominican Republic in 1964 but the question I did not ask there is that you at one point said we were looking for an excuse to intervene there because of the concern that Camano might turn into another Castro. Could you talk about what you observed and what you were getting from the Department about events in the Dominican Republic prior to our actual intervention and the feeling towards that intervention within the Department when we talk next?

Today is the fifth of February, 1998. Bill, I had mentioned on the tape, we've talked about the situation in the Dominican Republic but what was the feeling about doing so?

PRYCE: The feeling was that we wanted to be sure that the movement led by Camano, about whom there were conflicting reports, if he came out on top, he could be a person who would not install a totalitarian regime which would be unfriendly to us. As I remember it now there was a great deal of work trying to find out, get a better feel for what kind of a person he was.

I think President Johnson had the idea of sending a large group of FBI agents there who really were not all that trained. Johnson sort of said, well I don't know if the CIA has given me the right information or if the State Department has given me the right information and J. Edgar, who I think was still around, I'll get some more guys down there. He sent a great number of FBI people, some of whom were very capable but I think also a number of whom were pressed into service that they were not completely qualified for. There was a great thirst for knowledge as to what kind of a regime was going to evolve. There was a feeling that we really did not want to be confronted with another Castro.

Q: Tapley Bennett was the ambassador?

PRYCE: Tap Bennett was the ambassador and I think Tap felt that there was a good reason for us to sort of separate the forces because there was a danger, because of the situation, to U.S. citizens. This was the stated reason for our first intervention because we needed to have people in there to help protect American citizens. Many felt, and it is not without some reason, that that was only one of the reasons. That was *a* reason but there were other reasons that we wanted to have people in there to try to help stabilize the regime and to not have Camano in power.

Q: Tap Bennett was our man there. What were you gathering? You were a fairly junior officer looking at this. What were you were hearing from the old lions up in the various floors of the Department talking about Tap Bennett? Was he considered...

PRYCE: He was considered a thorough professional. I'm remembering now that there was somebody, and it was the press I think, saying that he was overreacting. I think there were people in the press saying that Bennett was overreacting and asking for U.S. intervention before it might have been necessary. We had naval vessels sort of beyond the horizon ready to move in if it was thought necessary, and Bennett thought it was necessary. There were people in the Department, not Ball, not Mann, and not Kennedy Crockett who was the office director in charge of Dominican Affairs. He was a very able and very active person who was in and out of the undersecretary's office regularly along with Jack Vaughn. Those who didn't think that we should go in were critical of Bennett saying he's asking or suggesting for intervention sooner than it need be done. But the cables as I remember them, increasingly pointed towards the need for the U.S. to become involved.

Q: Were you feeling here that the Vietnam War was being fought to a certain extent over the Dominican Republic both in the press and within the Department?

PRYCE: Not so much within the Department but definitely within the press and within some areas of the Congress. I remember my old friend Pat Holk, who at that time must have been the senior staff person on the Senate Foreign Relations Committee, had serious doubts as to whether our intervention was necessary and even after the fact was not convinced. I remember he came down and had a special authorization to see some of the cable traffic in an effort to let him know why the decision was made. My recollection, and you'd have to ask Pat about this, is that after having looked at some of this cable traffic he understood better why we took the decision that we did.

I remember that the senior officials were very conscious that we were going to be accused of intervention, and clearly it was intervention, there is no doubt about it. I remember the feeling, which I shared, was that yes this was an intervention in support of democracy. What evolved out of it, the negotiations that Ambassador Ellsworth Bunker held in trying to bring a peaceful resolution, which there was as you remember a peaceful resolution. A lot of the OAS came in. There was an OAS deputy commander. It was the last, I think, OAS sanctioned intervention and people who didn't like it said we're going to fix this so this doesn't happen again.

Obviously I believed in what we were doing at that time. I remember that we had evolved from that intervention a democratic process where you had an increasingly strengthened civilian rule. We had to get involved a couple of times to make sure that elections were respected. Sometimes the United States had to intervene or had to use pressure after there were free elections to ensure that there were further free elections and that the results were respected. The last election I think that the Dominican Republic just had was a real reflection of an honest election where the opposition won and you have a fairly strong

democracy there now.

Q: When the decision was made to put our troops in, what was sort of the attitude in the Department? Were you all sitting around with your fingers crossed?

PRYCE: I think that's interesting because the decision was made at about 9:00 or 10:00 at night that we would put our troops in basically to separate the forces, is what it amounted to, and to establish a peaceful situation. The decision was made to put in a certain number of troops and President Johnson became personally involved in not only the decision but in the implementation. In conjunction with his military commander who kept saying, "Well yes, maybe 5,000 is enough, maybe we ought to have 10,000 or maybe we ought to have a few more. We've got the 82nd but maybe we ought to get the 101st." I don't remember the details but I do remember that we found in the morning that there were about twice as many troops there as we thought were going to be there the night before. Johnson decided if I'm going to put them in, I'm going to put them all in, so we had a larger contingent.

I remember a high level meeting in George Ball's office where we were trying to decide what we should do. I think we had forces in two separate areas and the government forces and the Camano forces were somewhat separated but they might not have stayed that way. Someone in the military said they felt that they could operate better if they had a line of communication between their two forces, force A and force B. It might have been between the 82nd and the marines, I think maybe that was it. So people said, yes that makes sense. There was not really an understanding of what was meant by a line of communication. Once the civilians said yes, establish a line of communication, what was meant by that was not running a line in, it was clearing a swath, I think either five or ten miles wide on each side of that line protected by security. In essence, we cut a strip, I can't remember if it was five or ten miles wide, between the two opposing forces. This turned out to be a good effective thing to do but the policy makers were not really... (end side 1)

It pays to understand fully what the military nomenclature means in practical terms.

Q: As this intervention developed were there any problems that were cropping up? Were you finding that moving in directions you hadn't... I mean the people that you were serving...

PRYCE: No, I don't think so. I think it went quite well. As I remember one of the key factors was Ellsworth Bunker's negotiating ability and his ability to bring the two sides together and to work with the OAS. I remember the deputy commander of the OAS force was a Brazilian and was very able. I think there were others. It was a multi-nation force but of course the United States accounted for the bulk of it. It was done through the OAS.

Q: Were there all sorts of flurries of people going from ARA and elsewhere to monitor, take the pulse and find out what was happening there?

PRYCE: My recollection is not. There was pretty good confidence in the people on the ground, in Ambassador Bennett. I think the embassy was augmented and as I said they sent a whole slew of FBI people down there.

Q: As this went on were you getting a changed picture do you think? Were people getting a different picture of the Dominican situation?

PRYCE: My recollection is that the situation calmed down largely as a result of our being there. There were minor problems with troops getting involved in small skirmishes that they might not have, but as I remember there were no major flare-ups. Things went fairly smoothly. There was a great deal of criticism in parts of the Congress and in the press at the action being taken but I think the people involved in the State Department, in the Pentagon, and in the White House were convinced in their own minds that what we were doing was the right thing to do.

Q: Were you still with Mann doing that when we pulled the troops out?

PRYCE: No, I had left. I had gone into Soviet language training and had gone to the Soviet Union.

Q: Let's move to Soviet language training shall we then?

PRYCE: Sure.

Q: What prompted you to opt out of this Latin American...

PRYCE: I had always had an interest in Soviet affairs and I figured that the Soviet Union was the other power. I had wanted for some time to have a second area of expertise. I think the conventional wisdom on this was you ought to have two geographical areas of expertise and you ought to have at least one, if not two, functional capabilities. I had a strong economic background in college and graduate school and I was most interested in political work. I always felt that you needed to have an understanding of economics to do political work so I was interested in political work but I also was interested in the Soviet Union. The Soviets at that point were very active in Latin America and I felt that this was a good combination, being involved both in the Soviet Union and in Latin America.

I wanted to go to Eastern Europe. The Soviet Union was my first choice but I would have taken Poland or Czechoslovakia. It was pretty competitive as I remember. I was delighted that, however the process worked, I was selected to go to Soviet language training.

Q: You're talking about Russian language training?

PRYCE: Russian, yes.

Q: How was the Russian language course set up in those days?

PRYCE: It was over at FSI, the old FSI. It was rudimentary. One of the things I remember is that the food was so bad that the State of Virginia actually closed the kitchen at one point. But the language training was good. It was a small class. I think most of us in the class knew where we were going and what we were going to do with the language. It was hard work and we spent ten months in training. We had an excellent linguist, a good instructor.

Q: You were taking Russian from when to when?

PRYCE: From the fall of '65 to the summer of '66.

Q: Did you know where you were going to go?

PRYCE: Yes.

Q: What were you going to do?

PRYCE: I knew that I was going to Moscow and I knew that my first job would be as a publications procurement officer. I don't remember when I knew that. You trained to a slot. Not everyone in the class knew where they were going but I think most of us did. At least three of us were going to Moscow at the same time, another junior officer, myself and a USIS officer.

Q: You got to Moscow in '66?

PRYCE: I got to Moscow in the summer of '66.

Q: You were there until when?

PRYCE: I was there until the summer of '68. My first year was as the publications procurement officer which was a wonderful job.

Q: I understand it got you all over the place.

PRYCE: It got you all over the place.

Q: Can you explain what the publications procurement officer did?

PRYCE: I would go around and buy books that were supposed to be available easily, either through exchanges or on the open market, to satisfy the needs of various government agencies back in Washington. The Library of Congress had an exchange with the Lenin Libraries but they were never getting the books that they needed so basically you would go out and buy them in bookstores. There were a whole series of government

agencies that were interested in these books. You would go around and make the rounds of the stores in Moscow and then in various other cities buying everything from physical abstracts to modern poetry. I remember that one of the hardest books to get and what everybody wanted quickly was, for example, when they would come out with an edition of Voznesensky, the poet, or Yevtushenko.

Q: Yes, they weren't completely in bed with the regime.

PRYCE: That's right. They were somewhat independent and slightly avant-garde. Everybody wanted to read the book as soon as they could and find out how many copies there were. You actually made sort of, how shall I say it, friendly acquaintanceships with the people at the bookstores who for example often had quotas to meet. You would go around at the end of the month, you knew that you had a number of books that people would be interested in, and buy at the end of the month to help them fill their quota. It also helped them have a friendly attitude so that when, for example, the Yevtushenko book came in they would save a copy or two for you because there was a tremendous demand.

As I say it was a challenge, it was hard work. You went out, you bought these books, you came back, you were visiting other cities, you wrapped them up, took them back and put them in the basement of the embassy. Once every two weeks or so you would go down and sort out the books that you had bought and decide who needed them. It was interesting because you didn't have much time so you had to go in and look at the titles, make a quick judgment as to whether it would be interesting for someone. For example you might get a book that looked like a very interesting treatise on physics but it might just be a textbook. You didn't have that much time so you'd say well it's probably interesting so I'll buy three copies. I can remember being down there sorting out books and saying gee whiz, I wish I had bought more copies of this or why did I buy ten copies of this and who can I send it to?

It really opened up the country because you had to try to get around and go to various cities. One of the interesting things was it was difficult to get to travel because there were three different way that the Soviet government would keep people from traveling. One, you had to send a formal diplomatic note two full working days ahead of time requesting permission to travel. We always said we didn't need permission so we would send a note informing them of our intention to travel but they could call back and say we are sorry but you can't go to this or that city. That was one way to block us. The second way is that you had to get airplane tickets to get to these places and sometimes they would say we're sorry but there are no tickets. You also needed a hotel room and sometimes there were no hotel rooms. Then there were a number of times when the city was closed and I can remember that there was a phrase that you heard so often which was the city of Kiev is closed for reasons of a temporary nature. It might be there were troop movements, tanks were going through or whatever it was.

I can also remember that there were times when you visited one of these cities, let's say

Kazan. You'd get there and you'd get to four or five bookstores and word would get out, the Amerikanski are here and all of a sudden the stores would close. I can remember there were all kinds of reasons why these bookstores were closed. Zakrit was the Russian for closed and one of the reasons was zakrit chot, that means it was closed for audit, or zakrit savital [inaudible] (*Russian word*) which means that it was closed for sanitary day, it was their day to mop the floors. There was a little game of cat and mouse situation.

Q: I assume you would go on these, as was our practice, always with somebody else?

PRYCE: That's right, you always traveled with somebody else. We were harassed at times, yes. You would be followed, often closely and sometimes not. It was interesting. One of the things that a young book clerk would sometimes joke about was they would say "stovash druiip," who's your friend, the person behind you. Some of these guys were so ham handed, some of these KGB agents, they would be reading books upside down watching what you were doing. They made attempts at seduction. They were difficult at times and it was sometimes difficult but you never were, at least I was never physically abused. Some of the military attachés at times were. You were followed and sometimes had a difficult time.

Q: What was your impression outside of Moscow of the Soviet Union?

PRYCE: For one thing it was and in many ways still is, in many parts of the Soviet Union underdeveloped and there was a thin veneer of sophistication both economic and cultural. The Soviets tried to keep people from seeing what was really happening in the countryside. They had an Intourist system of special hotels, special trains, special everything which insulated the country from foreigners. They didn't want the foreigners to understand what conditions were really like and they didn't want their own people to interact with foreigners.

The system often broke down in small towns. For example there were never enough restaurants to go around so in those days you didn't have a table to yourself. You would go into a restaurant and you'd sit down and if there were places at the table someone unknown to you might come down and sit down because they needed a seat. Often with us they would come over and put a little American flag at your table so that nobody would come and sit with you. We often just sort of left that flag and sat at some other table. You got to know people for a temporary period of time.

I would say that the Russians, the Moldavians, almost the Latvians and Lithuanians and the Gurdezies all were fairly friendly people. The people themselves had a great admiration for the United States. We tried was to get to know any Soviets which was very, very difficult. We tried to do was we tried to get to know our counterparts at the Foreign Office. I learned that you could never invite one person from any office because they would never come. They always had to come in pairs. For example in the Foreign Ministry it had to be two people from the exact same office. You couldn't invite someone from the Americas section.

In fact when I moved out of the book buying business and into the political section I was responsible for U.S. bilateral relations which meant I was the low man on the totem pole. I was the low man on the totem pole but I also handled the Middle East and Latin America. If you invited somebody from the Americas section and somebody from the Middle East section they wouldn't come. You had to invite two people from the same section and one person would come and talk and the other person would sit in the corner and just watch. It wasn't always the same person; sometimes they would switch. It was really a repressive regime.

I had a friend that was obviously passed on to me by the ambassador's former aide whose job it was to keep tabs on me. I was his subject. I knew who he was and I knew he was a KGB agent reporting. He had some cover job and he could get plane tickets when other people couldn't. He would invite you to his house once in a while. I'm not sure it was his house or some house set up for him. It was again a cat and mouse game but you could get individual impressions of Soviets especially when you traveled because they couldn't control always. You could often sit on a plane with somebody temporarily where you could get a real conversation and the feeling of the Soviets.

Q: What was the interest of the Soviet citizen that you talked to in the United States?

PRYCE: One, they were very, very interested in what our economy was like. They obviously had been given a lot of propaganda. They were wondering what a capitalist economy did with poor people. They were always interested in what happened to minorities. They were also interested in music, culture and in the ability to have free thought and discussion; there was a great deal of interest in that. There was also as I say really a positive attitude toward the United States. I remember at one point, I think it was in Yerevan or maybe Baku...

Q: You're talking down in the Caucasus?

PRYCE: Yes, in the Caucasus. ...being taken to a museum of World War II and the guide made of special point of saying "Won't you please come back to the back part of the museum. There is a little area that shows a siege." And he says "Look at that truck, it's a Studebaker." They remembered Lend-Lease where the United States had supplies they had given to the Soviet Union during World War II.

Q: When you were down in the Caucasus or in the Kyrgyz or Kazakhs or other places, were you picking up any reflections of it's them and us with us being the Kazakhs and them being the Russians?

PRYCE: Oh yes, very definitely, very clearly. That's one of the things that we were trying to observe. Most of the top positions in all of the governments were held by Russians and that was resented by the local populace. There was very clearly the feeling that it was them and us. In the Baltic republics, Latvians and Lithuanians, but also certainly in the

Caucasus and to a lesser degree in the Ukraine, Belorussia and in the far east, you really had people who to them the Soviet Union, and Moscow, was a distant place and almost a foreign country.

Q: Did you find that you were treating the Baltic countries, Latvia, Lithuania and Estonia, differently because we've never really recognized the Soviet occupation of those? Was there a different approach even at your level?

PRYCE: Not really, no. There was a recognition that many of the people in those republics resented, more than most, Soviet domination. People would tell you frankly, "I have to speak Russian and I have to work with the Soviet bureaucracy or I won't get anywhere." There was a resentment again that most of the senior officials in those countries were Russian as opposed to Lithuanians, Latvians or Estonians.

Q: When you arrived in the Soviet Union our ambassador was Llewellyn Thompson, is that right?

PRYCE: No, I think when I arrived it was Foy Kohler.

Q: What were you picking up as sort of the junior officer and brand new there, what our attitude towards what the situation was in the Soviet Union at that time and the threat of the Soviet Union? What was the feel of what it was going to do?

PRYCE: I think there was a feeling, certainly with Ambassador Kohler who was only there for about six months, that the Soviet Union was a dangerous power. It was still seeking to expand its hegemony and we needed to know as much as we could about what it was doing. I remember the difference, Ambassador Thompson replaced Ambassador Kohler, and this was his second tour. I think that he had a viewpoint that Soviet society was developing to a point in which it was eventually becoming, I wouldn't say more democratic but certainly it was becoming closer to a democracy than it had before. There would be a gradual evolution within the communist system which would force it to become less despotic. There would eventually be an increase in the level of cooperation between the two countries.

Q: When you arrived I guess in the summer of '66, who was the top dog? Was Khrushchev still there?

PRYCE: No, it was Brezhnev.

Q: This was very early Brezhnev.

PRYCE: Right.

Q: What were you getting within the embassy of what type of person was Brezhnev?

PRYCE: Brezhnev was a conservative, not very imaginative, skillful politician who had no interest in much changes. Khrushchev at one point remember had really tried to open up the country. Brezhnev was not interested in opening up the country. He was not interested in allowing much intellectual interchange. He was pretty stoic, repressive.

Q: What was the feeling towards the threat? Did we consider that things were on a sort of a hair trigger?

PRYCE: My recollection is that we thought it was an animosity but, no, I don't remember us believing that there was a hair trigger situation. There was a constant worry about what might happen because of the tremendous ability to mutually self self-destruct. There was a feeling that there was no way that we were going to change the Soviet approach and so we had to defend against it. We had to try to find out as much as we could about intentions. If there were openings, if there were weaknesses, that the Soviets were to be taken advantage of. But there was not a feeling that they were about to have.

Q: I'm probably over-exaggerating this but I have the feeling that during the time of Kissinger it was basically with Nixon in charge of foreign policy, there was a feeling at least at that level that the Soviets were maybe going to dominate over the long run. We had had problems with Vietnam and all and we had lost a certain amount of confidence. That might not have been true but this is the impression that I have. At the time we are talking about, we are involved in Vietnam but it is not the be-all and end-all. Were we feeling that we could outlast the Soviets at that point?

PRYCE: Yes. I think that in the embassy we felt, certainly I think Ambassador Thompson felt, that we had to be ready for a confrontation, we had to be strong, but that there was probably not going to be a confrontation and that in the end that we would survive; not only survive but our system would prevail. I think Ambassador Thompson thought it was a question of time. He would not have been surprised by subsequent developments.

Q: Because we are talking about a little more than 20 years later, the Soviet system imploded on itself because of internal problems. Were we seeing any of that?

PRYCE: Not really. Probably Ambassador Thompson saw it more than anybody. I remember having a talk with him as I was leaving and he was saying that he thought the two systems would come closer together and that there would be a better understanding. He felt that in the long run there would not be a confrontation if we kept strong. I think he felt that the Soviet Union would have to change.

Q: You were there in October 1967 which is known as the October War, the Six Day War, and things got kind of harried at one point where it looked like the Soviets might be giving massive troop supplies to particularly their Syrian allies, and the Egyptians too at that point. How did this particular period, it was only a short time but do you recall anything?

PRYCE: There was a lot of tension, a lot of tension. Clearly we were on opposite sides on a conflict and there was worry about escalation. There was worry about the Soviets' involvement. We certainly didn't want to have a confrontation but my recollection, and as I say I haven't really focused on it in 30 years, was that although a confrontation was possible, neither we nor the Soviets wanted it.

Q: Were there any high level, presidential, vice presidential, senatorial visits or something that you got involved in during this time?

PRYCE: There weren't many visits in that time but one that was the most interesting was not-yet President Nixon. He came to the Soviet Union and he was looking for advantage in the elections. The Soviets I think did not want him to become elected and they froze him out. As a result he had time on his hands and he came to the embassy at work time where he gave a brilliant exposition of his thoughts on foreign affairs. You saw the good side of Nixon, the able side of Nixon. We were very fortunate to get his candid first-hand thoughts about where the country might go because the Soviets wouldn't see him.

Q: This is one of the sort of enigmas. Really there is a great deal of respect for Nixon as I do these interviews, in foreign affairs. He really had a first class mind. He really thought these things through and yet he couldn't stand the Foreign Service in a way or at least he was very suspicious and yet the Foreign Service of all organization had...

PRYCE: That's right. I think many presidents have not a distrust but a lack of full confidence in the Foreign Service. Presidents are often interested most in the loyalty and they are not sure whether objectivity will help. If you had to pick between objectivity and loyalty, I'm not sure how you would pick, as it shouldn't be. Obviously in the Foreign Service you should be objective. There was I think a respect for the Foreign Service. There was respect for Nixon's ability.

One other thing was later on in the opening of China where he had the courage and the political ability to make that move. This is just an aside but I remember when I first came into the Foreign Service and Walter Robertson was the assistant secretary for East Asian and Pacific Affairs, you felt you were putting your career in jeopardy when you expressed an opinion that maybe we ought to be thinking about dealing with the communist government in China. That was absolutely not acceptable to the policy levels at the State Department. Obviously people did talk about it and obviously people did make recommendations but you did it with some peril.

Q: Did you get a feel for the Soviet, maybe East Bloc corps of our officers because it was competitive? Did you get a feel for the type of person they were?

PRYCE: Well, able, very able. I am trying to think back. There was a little bit of a Soviet club which frankly I was not a part of; I did not spend the bulk of my career in Soviet Affairs. A group of Soviet complete experts and people like Malcolm Toon and Jack Matlock. They spent the great bulk of their career on the Soviet Union so there was a

great deal of knowledge; it was respect. I think that there was also a little bit of feeling that it was a closed circle.

Q: With your experience in the higher reaches of diplomacy as an aide to Tom Mann, if you mentioned the Dominican Republic thing to the other officers did their eyes glaze over?

PRYCE: No, no. Obviously there was a high interest in the Soviet Union but it was not to ignore other things that were happening. No. There were people who were interested in Vietnam, people were interested in the Dominican Republic. There were broad gauged people and there were people who were sort of Soviet internal specialists who would tend to stick with the Soviet Union but there were many very able people. I can think of Kurt Kamman for example, now our ambassador to Colombia who was deputy head of INR. He had been in Cuba, was not really a Sovietologist but he was an expert in Russia. There were a number of broad gauged people like Bill Brown who later became head of our interest section in China and I think ambassador to Israel. There were a series of people who had broad interests. But there was also the sort of club of people like Bill Lewis, Mac Toon, who were Soviet experts. I later worked on Soviet affairs where I ran the educational cultural exchange programs for students and I again had a great deal of respect for the people that were involved in Soviet affairs.

Q: While you were there was there any feeling about the Soviet intellectual group, intelligentsia? Did they seem to play a part, somewhat comparable to that by the intelligentsia in France and all? Were they seen as a target for us?

PRYCE: Very, very definitely. As a matter of fact they were our principal targets because they were the kind of people that you could get to know. I was mentioning to you this KGB agent that was my contact. He knew what we were interested in. We gave him nothing but he would get tickets to plays that were avant-garde where they would push the envelope, as you would say. There was a Soviet intelligentsia who were very unhappy with the Soviet Union, very unhappy with the repressive controls. There was samizdat, which was a self-produced press with people running off mimeographs at night.

One of the things Joan and I did was we invited every week as many Soviets as we could. We started out with locals in the embassy and then we moved to intellectuals, we moved to artists. We got to know a lot of the Soviet artists who were only interested really in expanding their understanding of art. When they would come to your house, they'd pay their price which was to go around the next day to the police station and give a complete dump to the KGB as to what they had seen or heard at your house.

When I left the Soviet Union, we gave a big party for all of the Soviets that we'd gotten to know, I guess about 60 people in this very small room. There was a lot of noise and a fair amount of food and drink. A number of people opened up at this very last party figuring that the microphones couldn't catch the people talking about how much they admired the United States. A couple of them were saying what they had to go through to maintain the

contact they had with us. I remember one guy saying, “You know they were always asking me what I was doing and I told them I was coming to this American residence because I was interested in what was going on and I was a loyal Soviet. I knew that I would not betray my country and that there is no reason why I shouldn’t go and I have no reason not to go so I kept going and I have nothing to apologize.” But he said they asked him every time.

The Soviets were always trying to find out if you were making anti-Soviet remarks; if you said anything that was derogatory toward the Soviet Union or obviously if anything you said would be a weakness. But there were a number of Soviet intelligentsia who seriously questioned the regime and were unhappy with it. It was understood that they would like to see a more democratic regime.

Q: Were you under personal or official instructions to be careful when you were getting together with people not to use this as a time to sort of attack the Soviet system? What was your approach?

PRYCE: Your approach exactly was to be careful. You basically explained the U.S. system and you were trying to get attitudes, elicit attitudes of your colleagues about the Soviet system or about the United States. You were careful not to take the lead and criticize because what you were interested in was to listen. You might encourage them to criticize or to just ask how they felt.

Q: You left there in ‘68, what was your feeling about whether the Soviet Union and Soviet-American relations? You had seen the monster, you had seen the elephant, what did you think about it?

PRYCE: I thought that obviously, one, it was still the other power. I remember feeling that it was a very challenging experience. It was very difficult because you really couldn’t penetrate very deeply into society. It was very difficult to do your job and to understand and interpret what was going on because it was so restrictive. A lot of the reporting that we did was out of the press. We would put interpretations on it but it was really hard to get good intelligence from your Soviet contacts. I think to answer your question more directly, it was a feeling that this is our major adversary and we want to continue to understand as much as we can about it. I was surprised, I must admit as most people were, with the implosion of the Soviet Union. I thought that was going to be 30 years away. I thought it would happen but never so quickly.

Q: There is a tendency particularly by our military and others who painted the Soviets as being ten feet tall and in later years and all, did your look at the Soviet system, as you were saying a lot of things didn’t work.

PRYCE: Oh yes, very definitely.

Q: I always think, I was in Yugoslavia at the same time and I always think of lift nerodi,

which is the elevator that doesn't work which was usually always in any hotel. It didn't work very well and the Soviet Union was much worse than Yugoslavia. Did this have an effect on you?

PRYCE: Certainly, certainly. As I started to say, you understood more closely that a great many parts of the Soviet Union were really underdeveloped countries especially for example in the Caucasus or in some ways in the Ukraine. The Soviets spent a lot of money on their military and they spent a lot of money on creating a veneer but the average citizen lived very badly and the system didn't work very well.

One of the things that I felt very strongly about - I'll jump ahead to when I ran the educational cultural exchange program - the Soviet intelligentsia would come over here and I always felt and still feel that this is one of the reasons that the Soviet Union imploded was the exchange system. I can remember people coming over here and saying, [inaudible] (Russian phrase), we have this too, when they knew damn well they didn't and we knew damn well they didn't. The comparison was tremendous in terms of the standard of living and the stage of economic development in the two countries. Having lived there you knew, at least you felt, I was always a little skeptical of some of the intelligence estimates as to how powerful the Soviet Union was because you knew the system didn't work very well.

Q: You left the Soviet Union in '68, where did you go?

PRYCE: I went to Panama.

Q: This is kind of a shock isn't it?

PRYCE: Well no, no. Actually it wasn't a shock because I wanted to combine Soviet Union and Latin America so it was a big difference but it wasn't a shock. It was an interesting job. I was assigned to the political section in Panama as the number two and it turned out to be a very, very interesting assignment.

Q: You were there from '68 to when?

PRYCE: I was there from '68 to '71. I'll tell you an interesting sort of aside where I sort of learned to read between the lines. Once I had been assigned to Panama, I got a very nice letter from the ambassador. I had written the ambassador, I had written the administrative counselor, and I had written to the political counselor, my boss. I had done all the things that we did in those days and not everybody does now. I remember explaining my travel plans how I hoped to take a certain amount of leave and do one thing or another. I got this very nice letter back from the ambassador saying we're glad to see hear that you are coming. He said, "I know you're planning to get here in October but you would be interested to know that there is going to be a change of government starting September first and there will be a number of social functions. This might be an interesting time for you to be here." It was very nicely put in his letter. What it said was if

you know what's good for you buddy, change your travel plans, cut your leave short, and get here by the first of September which I did. It turned out to be fascinating because I arrived just in time for the inauguration of Arnulfo Arias.

I remember wanting very badly not to be involved in the Panama Canal Zone. I wanted to live in Panama. There is a tremendous attraction. You had all these big bases and the Panama Canal Company had all kinds of attractions but both my wife and I were determined that we wanted very much to be centered on Panama. When we arrived it turned out that we could get no hotel rooms in Panama so we had to stay in the Panama Canal Zone in the old Tivoli Hotel. It was a nice hotel but I was getting off, I thought, to the wrong start because the government had half the rooms and the [inaudible] Party had the half.

As it turned out this was a real stroke of luck because about 11 days after Arnulfo Arias took over, he was overthrown by a coup engineered by Omar Torrijos. As often happened in those days when there was a major change in government, all the opposition, where did they go? Right into the Canal Zone. Where did they stay? At the Tivoli Hotel. I was the inside man and sort of the person that was talking every day with the opposition so it turned out to be very, very interesting.

Q: You went there in '68, could you first talk about our ambassador, how he operated and the view from there of the situation before the coup?

PRYCE: Ambassador Adair was very able, professional ambassador. He had good contacts on both sides. We were not surprised, as I remember, by the results of the elections and there was some worry as to what the relations were going to be with Arnulfo Arias. I think Sherry was the opponent and I know that the conclusion was that we can get along with whoever wins. In those days we were involved in some activities that we are no longer involved in. The intelligence agencies were involved in helping out in one way or another. I remember on this we were evenhanded and we were willing to work with either one. We felt the U.S. interests would be served with either one.

Q: To understand the situation, at that time we were hyper sensitive. You had Castro in Cuba doing his thing and you had this country and one of our most vital communication links ran right through the middle of the country. It is one of these things where we get away, we couldn't tolerate a really opposition type government.

PRYCE: A truly unfriendly government.

Q: Yes.

PRYCE: We were not faced with that choice. We felt that whoever won, we would be able to work with. Arnulfo Arias was an immensely popular person. I think he was elected president at least three times and he was thrown out three times. This was about the third time and he lasted about 12 days. The reason he was thrown out is because he

made the mistake of pushing too hard in those days against the national guard. There was a modus vivendi between the civilian government and the equivalent of the military where the national guard was run by military people who paid allegiance, at least lip allegiance, to civilian government but they ran their own operation.

The heard of the guard was a man named Viarino who had been there for about ten or 12 years and rightfully said "I am going to step aside. It is time for somebody new to become the head of the guard." Arias I guess reached down into the national guard hierarchy and tried to appoint people friendly to him, ignoring the guard hierarchy. He tried to stack the guard with officers friendly to him. This was not acceptable to the guards and they pulled a coup and threw him out.

Q: What was the role of the guard?

PRYCE: Basically the role was domestic tranquility.

Q: Some societies in Latin America, Central America particularly, there is a lot of fighting and it was a difficult society. What was the Panama society at that time?

PRYCE: It was an oligarchy. There was a political, economic, social elite that basically had run the country. They were of different parties but it was really a society that had the form of democracy but not the substance of democracy. There were great inequities in income. There was a great deal of corruption and there was poor education, poor health. It was a society that then wealthy people lived very well off and not so wealthy really didn't.

Q: Outside of just keeping the canal going, as the political officer what were you particularly interested in?

PRYCE: You were interested in what the relationships were, in the beginning, between the civilian and the military. You were interested in what the political forces were doing in terms of working with the military who manned the country. You were also interested in pushing for democracy, for human rights, for trying to get the best deals you could for U.S. business. It was a standard, I would say, political situation where you wanted to find out what was going on and you wanted to affect what you could in terms of helping the society be more democratic. We were also very interested in what attitude could be towards the new Panama Canal Treaty.

Q: What was the status of the Panama Canal when you arrived?

PRYCE: When I arrived the Panama Canal Company was a very, very influential force. It was the principal employer. There was sort of a benevolent colony. There was a very conservative general attitude among the people who worked in the Panama Canal, many of whom became good friends but it was sort of like a small Southern town in terms of the social edge. Clearly U.S. employees ran the canal, ran every aspect of it.

They were conservative in attitude but it was really a complete socialist operation literally from cradle to grave. There was a gorgeous hospital, a very, very excellent hospital and there was a government mortuary that buried you or cremated you if you wanted to. There was a U.S. court system. There was a U.S. naval district. Basically we had the right to act as if we were sovereign and we certainly did. There was a strain. I guess the biggest single unifying factor among all segments of the Panamanian population was resentment at the status of U.S.-Panamanian relations in the form of the canal because we basically had a strip of land ten miles wide in the middle of the country.

Q: Was there the feeling at the embassy, particularly when you first arrived, that this isn't going to last and that somehow or another some accommodation has to be made?

PRYCE: Yes, there definitely was. We had been working on a revision of the treaty in one manner or another for some period of time. I think there was definitely a feeling that there had to be a change but the question was when and how? How could we manage it in a way that would enable us to continue to use the canal?

Q: Did you and your fellow officers see that the canal could be managed by Panamanians?

PRYCE: Yes.

Q: Was the Suez Canal nationalization sort of something that you kind of thought about?

PRYCE: There was a feeling that very definitely the Panamanians could manage it. I'll give you one example. During the time that I was there the FAA, who ran the airport, turned over the management of the airport to the Panamanians and they ran it perfectly well. There was a feeling on the part of the ambassador and everyone else that if the Panamanians were given the proper training, there is no question that they can man it. If they can run the aviation system, they can run the canal. I would say that on the part of the canal management, there was a recognition that they really should bring along management and that they should train Panamanians to eventually get higher and higher but it was a very slow process and there was great resistance. There was sort of a club of people who frankly had a very good meal and wanted to keep it. The top rung of the elite of the U.S. employees, were the pilots. There was a feeling among the pilots that no Panamanian could ever really be a good pilot because they just wouldn't have the training, wouldn't have the dedication and couldn't handle it. Of course these pilots were making \$80,000 to \$90,000 and this was 30 years ago. It was big, big money.

The commission very wisely had a program which started out saying we are going to break this monopoly of having just U.S. people and we are going to have Panamanians trained. You had to be ship captain before you could become a pilot. It's a very difficult job but the Canal Commission did start a training program and they actually sent people to Naval Maritime Academy, four years, and sent them to sea to train all this time so that

they could then train to be pilots, two people at a time.

That was one example of a far sighted policy on the part of the commission but there was great resistance and [inaudible] to have a promotion; would you promote an American or would you promote a Panamanian? When I first got there all of the positions of senior management were U.S. Over a period of time they had to get more and more Panamanians and of course now I would say 95 percent of the Panama Canal Company is Panamanian including many people in senior management. There was a recognition, I think more on the part of the embassy but also among thinking people in the Panama Canal Commission itself, that we should train Panamanians and that they could run it.

Q: Did you feel a bit like a civil rights activist in a small Southern town in the 1950s in the United States? Was there a problem sort of how embassy people were viewed by most of the canal people?

PRYCE: No, I don't think so. I think you had to build trust and confidence among the people in the canal that you had U.S. interests and also their interests at heart in terms of better working relationships with Panamanians. There was a little bit of a feeling among some people in the canal organization that the people in the embassy didn't understand how complicated it was to run the canal. How it really was going to take 50 or 100 years before Panamanians could assume a more active role in running the canal. But no, I certainly didn't feel like somebody campaigning to get more Panamanian involvement. I think there was a recognition that this was going to be in our long-term best interest and so there were often discussions about how we could help make the transition better.

I think the big worry then, and frankly now, is not whether Panama will have the technical capability of running the canal but whether they will be able to insulate the canal. This is always a worry which we had back then. And we had later when I helped negotiate the Panama Canal Treaty, and later as deputy chief of mission in Panama, my second tour there. Would the Panamanians be able to insulate the management operation of the canal from the political system of corruption that the government had itself? Would they spend the money needed to maintain the canal or would they succumb to the temptation of turning it into a cash cow and milking what you could out of it and not spending money on maintenance? That was, and is, my biggest preoccupation. It looks like now the Panamanians recognize that money needs to be spent both in training on personnel and in maintenance of the facility to keep it as a long-term economic asset.

Q: One of the dynamics from casual reading about what has happened there seems to have been over the years the U.S. high school there when students sometimes would do something which would outrage Panamanians. Was that a problem while you were there?

PRYCE: It wasn't really, no. It had been. Of course there were Panamanian students who basically burned the flag which had caused the riots way back long before we got there. The interesting thing about the high school there is that many Panamanians went to the high school. In fact it was considered one of the best, if not the best, educational

institution and so the Panamanian elite often tried to get their children to be enrolled and so useful friendships and relationships were developed there.

Q: Did most of the elite in Panama send their children to schools in the United States, colleges and all?

PRYCE: Yes, very definitely. There is a little bit of a love-hate relationship, but a great admiration for the United States and certainly a great many Panamanian elites sent their children to school in the States.

Q: Was there an effort on the part of our embassy to reach down and get to the children who were not part of the elite?

PRYCE: Yes, there very, very definitely was. As a matter of fact the peace scholarship program which frankly was started as a counterfoil to a university in the Soviet Union, was a program which was very, very effective. I am sorry that it is no longer funded like it was because the Soviet Union is not the danger. I think the benefits that you get from having good scholarship programs are tremendous. Both in my first tour there from '68 to '71 and later when I was there from '82 to '86 as deputy chief of mission, we worked very hard at pushing scholarship programs that got leaders who would not otherwise go, to go the United States. We had a network of trying to get priests, business leaders and labor union leaders to recommend able young people who could go to the United States on scholarships. We had a first rate scholarship program.

Q: What was the relationship of our military at this time, '68 to '71, because we had training camps and all?

PRYCE: I think that there was a tendency, naturally, to have direct relations with the Panamanian military and to give the military perhaps greater political strength than the embassy would like to see but it was never conscious. The policy of the military leadership in the canal area, and the Panama Canal leadership, was always in concert with the ambassador to try to emphasize civilian run in the military, civilian influence, but there was a great affinity. That's where the money was. That's where the power and influence was.

Q: You said you had been there a relatively short period of time...

PRYCE: It must have been less than a month.

Q: Was that expected and how did you all, the embassy...

PRYCE: It wasn't expected although it was a worry. People knew that Arnulfo had been thrown out at least twice before and that he was pushing the envelope. There was a wonder whether relationships were going to be so strained that he would be thrown out again but I don't think anyone expected him to get thrown out so quickly. We supported

him for a reasonable period of time and tried to help see if he could reestablish himself but there was no way that was going to happen. When the national guard took over, it was an authoritarian regime but it was not despotic. I don't know if that is a distinction but not a difference but it was not despotic. It was clearly an authoritarian regime which we had to deal with.

I remember in the beginning we of course broke relations. I remember establishing contacts, the first official contacts. I was perhaps the number two or perhaps the acting head of the political section and my counterpart or the person I dealt with was the head of the U.S. desk in the Panamanian Foreign Ministry. There were practical things that had to be done. We had to go on with day-to-day life and we had to arrange customs, we had to arrange for buying things. I was the contact person so that we had a relationship which was not official but which was practical, finally expanded to a re-establishment of relations. It was an interesting time.

Q: The embassy as such had been through this before.

PRYCE: Yes.

Q: The name escapes me now, the head of, the guy who died in the crash later on?

PRYCE: Omar Torrijos.

Q: What was our estimate of him at that time?

PRYCE: It depended on who you talked to but I think there was a feeling that he was effective. He was highly popular. He was not anti-U.S. He was very pro-Panamanian and he was a good politician. In the beginning there was a duel between Torrijos and Martinez. Flores Martinez was the number two person. He was a much more direct, much more our kind of guy in the sense that he was a more honest, a more professional military or police official. There ended up being a power struggle between Torrijos and Martinez and Martinez ended up on a plane to the United States. For a while he was pumping gas at a gas station in Miami. Torrijos was charismatic and able, and he ran an authoritarian but not a despotic regime for quite a few years.

Q: Did you find that as we established relations, was there any problem? Did we sort of pick up where we had been?

PRYCE: There were strains but there was a recognition that we needed to get on with the work. There had to be contacts and there had to be relations. We found ways to do that even though there was not official recognition. The embassy and the officials never had to depart and so we operated under a limbo area in which they respected our diplomatic status. It wasn't business as usual but we managed.

Q: Was the temperature raised on the nationalist point of view as far as the canal and all

during this time?

PRYCE: Yes, sure. It was viewed as a diversion any time the United States exercised sovereignty. People would come into the canal area and they would get thrown into U.S. jail. I remember one of the biggest resentments that even the people who were very, very friendly to the United States would say, "You know I have to get a Panama Canal drivers license to get from one part of my country to the other" because we did not recognize the Panamanian drivers license. You had to go down to the U.S. magistrate, to the court or whatever it was, and get a Canal Zone license. To use the bridge, to cross over from the eastern part of Panama...

Q: I would have thought this would be something where the embassy could play a role and say, come on fellows?

PRYCE: We did play a role but believe me there was a regime in place that was used to doing things...

Q: You're talking about the...

PRYCE: I'm talking about the Panama Canal Commission and Company. The U.S. had the right to act as if it were sovereign and it did. The first time I was there the preeminent person was not the CINC commander-in-chief but the governor who had all the resources. He had a huge house. He had money coming from the Panama Canal revenues. He was able to dispense contracts. In many ways he did a lot of positive things. For example they helped get dairies started in Panama that could supply milk so you wouldn't have to bring it from the States. There was a lot of really foresighted positive attitudes on the part of the management of the Panama Canal Commission and Company.

Q: Did you sense any change when the Nixon administration came in towards what we were trying to do in Panama? He would have come in in '69, or was this not on the radar at all?

PRYCE: No, it was on the radar but I'm trying to remember. Bob Anderson I think had been appointed at one point to try to develop a new tactic towards negotiations. It's funny I'd have to go back and refresh my memory but I don't remember a feeling that there was a great change. I don't think there was.

I think there was the Rockefeller Commission which Nixon sent all over Latin America fairly early on in his administration. I remember that Rockefeller wasn't very happy with our ambassador, Ambassador Adair, because Rockefeller had sort of again this distrust of the Foreign Service. He was going to have this independent commission and he didn't want the embassy involved. He wanted to go call on the president without the ambassador. The ambassador I think worked it, probably through the president, having the president say to Rockefeller, "I'd really like to have the ambassador here when I talk to you." Rockefeller didn't like that.

Q: I know that because I had that very same thing. I think it was in Brazil where he did do this. He wanted to go around and not talk to the embassy. You left there in '71...

PRYCE: I left there in '71 and went to Guatemala.

Q: I thought we might close at this point here and we'll pick up Guatemala next time. Before we leave, during the time you were there were there any particular problems?

PRYCE: Very, very definitely. The thing I remember most was the coup against Torrijos. Torrijos had left the country and had gone up to Mexico to cajole and to relax, and his deputy or one of his deputies a fellow named Sanhuer who was our kind of guy, our kind of military person, had basically taken over the guards and said "I'm in charge." He called up Torrijos and said, "Omar, you're a great guy but you're out, don't come back. We'll send you 5,000 a month to stay away."

Torrijos decided he was going to try and come back. He was given 5,000 bucks by one of the Panamanian oligarch elite, Nandu Alleta, who was in Mexico at the time. He borrowed the money, got down and rented a plane and came down to Salvador. He got support from the Salvadorans where he had gone to the military academy to give him a plane to come back into Panama.

I can remember very clearly that we had a new ambassador, Ambassador Bob Sayre, who was trying to manage what our relationship should be in this coup. We frankly may have known about the coup, that is the Panama Canal intelligence may have known but the embassy did not know and we may have encouraged the coup. It was investigated but it never came out. My suspicion is that we may have authorized it in a manner, or encouraged it, or at least winked. You had this coup take place. You had a friendly towards the U.S. man in charge and I remember that the Panama Canal was saying we would like to give permission for some national guard officers friendly to the new people who were capable leaders who had been exiled by Torrijos in Miami to come back in. Ambassador Sayre was cautious. I remember advising him very strongly that if there was no problem of these guys coming back in, then why don't they land in Panama? Why should we allow them to land in the canal area as opposed to landing at the national airport?

This is where Foreign Service reporting really came through. We got a call from Ron Garrett, who is now the deputy U.S. representative to the OAS. He was at the consulate in David which is where Torrijos would have to land. He called up and said, "Bill, I can't figure out what is happening but something is up here. There is a lot of activity at the airport and there is a lot of activity at the national guard headquarters. It isn't all over. I can't find out what it is but something is up." This enabled us to go to the ambassador and say, "It really isn't over. Let's stay out of this completely and not in any way be friendly to the new government."

What had happened is that Noriega was the captain in charge of the guard unit in David and Noriega was telling Sanhuer down in Panama City, “Don’t worry I’m with you. Everything is fine.” He is telling Omar Torrijos, “You’re my true commander. Come on in, everything is safe.” He had Torrijos’s future in his hand. It was like the old cowboy movies, I’ll never forget this, where the plane was coming in late and there were no lights on the field. They lined up trucks to delineate the landing strip. Torrijos came in and Noriega said “I’m with you buddy.”

Torrijos then came down in a triumphant tour. The guys that were backing Sanhuer, it took them about 18 hours to figure out that Torrijos was going to be back in power so they threw Sanhuer in the slammer and said, “You know Torrijos, we were always with you. We were just waiting for the right moment to throw this guy in the slammer.” It was pretty good reporting enabling us to know that something else was happening. This let us to stay out of it and to have a much better relationship with Torrijos once he was back in power and to try to influence him in positive ways.

Torrijos was a tremendously popular person. I guess I should say what kind of person was Torrijos. He was an authoritarian ruler but he improved the education and health services in Panama quite a bit. He did much more for them than the previous regime had. He was an immensely popular person. We obviously pushed him to hold elections and to step aside but he was an effective despotic leader.

Q: If I recall, somebody else who was dealing with him said he spent an awful lot of time down by the beach in his hammock and you’d go down and see him there.

PRYCE: Yes, that’s right. He was a great relaxer. He liked his liquor and he liked his women. He also spent a lot of time touring. He got strength from dealing with people, touring individual villages, trying to improve their economic conditions and paying attention to the needs of the people. He was effective.

Q: Had he had any American training?

PRYCE: Yes, sure. He had been to a number of U.S. military training.

Q: Was there any concern about the School of the Americas that you were getting reflected at this time because later on the School of the Americas developed at least in the press a rather bad name that we were training torturers?

PRYCE: I think that is false, I really do. My recollection of it is that it never taught torture. It may not have been as strong in terms of teaching civilian control of the military as it might have. They developed courses to do this later on but it was basically a military training school. They never trained in torture.

Q: To me that sounds kind of false but it sounds like young reporters who were coming out of the investigatory school of reporting who sort of despise the military of any kind at

all.

PRYCE: I never saw any substance for that.

Q: Bill why don't we stop at this point and we'll pick it up next time in 1971 when you're off to Guatemala.

PRYCE: Right.

Q: Bill we are going to Guatemala in 1971. You were there from 1971 until when?

PRYCE: To 1974.

Q: What was your job going to Guatemala?

PRYCE: I went there as political counselor.

Q: Was this something you asked for or did you know about it?

PRYCE: It was an opportunity that came and I was delighted to take it. It's a little interesting story. I was not the proper rank for the job. I had known Ambassador Davis from...

Q: This is Nat Davis?

PRYCE: This is Nat Davis, right. As you might remember things were kind of tough in Guatemala at that time. The previous ambassador had been assassinated.

Q: That was?

PRYCE: John Gordon Mein. John Gordon Mein had been assassinated, two Mill Grow people had been assassinated and a very close friend of mine, Sean Holly, had been kidnapped and held hostage for about six weeks and finally got out. It was a dicey time and the person who had been selected for the job at the last minute declined so there was an open job. I was offered the opportunity and I grabbed it. I was delighted to go.

Q: I have to ask though, there is personnel and then there is your wife. How did this...

PRYCE: I think what happened in all honesty is that the person who didn't go, didn't go because his wife said "This is it, we're not going," so he didn't go. Joan said, "If this is what you want to do we'll do it." But I was apprehensive. I wasn't worried, for one thing at that point there was this macho culture in Guatemala and they didn't bother the family; they didn't attack women and children so I wasn't worried there.

I remember going into the Foreign Service Protective Association and asking about

accidental life insurance wanting to sign up for it. There was a very nice and, at least to me, imperious lady who was in charge of the operation. I was asking questions about the small print in the contract as to whether it paid off in terms of riots, insurrections, and I was asking if it was involved in individual attacks. She didn't know where I was going but I was wondering whether it was applicable or not. This lady said, "Young man, we paid off on Ambassador Mein if that's what you're asking." "As a matter of fact that's exactly what I'm asking. Where do I sign?" I remember it was \$93 or \$97 for \$100,000 worth. I signed it and I remember sending a copy to my father-in-law who took a dim view of this saying "If [inaudible] work out, it will help the children."

We went off and I really didn't worry about Joan and the children. It was a very interesting tour but it was dicey. At one point it was the only time in my life where I carried a weapon and was authorized. It was not an easy time in that sense but it was fascinating in terms of the work.

Q: Let's talk first before you went out, you're going to go out as political counselor and I assume you kind of read your way into the job back in Washington. What were you getting from the desk? What was wanted from Guatemala?

PRYCE: We wanted to know what the level of political violence truly was; how many people were being assassinated on each side? Was there a possibility of our helping to bring about some kind of accommodation? Also, how could we legitimately help the elected government keep as much public order as possible in a democratic way, which was not easy.

Q: You got there when, in mid-'71?

PRYCE: We got there in mid-'71, in July of '71 just in time for the 4th of July reception.

Q: How would you describe the situation in Guatemala at the time you arrived?

PRYCE: It was a very, very tense situation. The place was full of armed camps on both sides. Every political faction had their own bodyguards. Every political faction had been involved in deaths on each side. There probably wasn't a family in Guatemala that hadn't been involved in a death in the family.

Q: Could you describe why there were armed camps?

PRYCE: Because there was a bitter dispute between the left and the right for control of the political process. The president who was elected on a law and order platform, President Arana, had solved the terrorist problem in Zacapa. Depending on your point of view, from the conservatives he was known as the lion of Zacapa...

Q: Zacapa is what?

PRYCE: Zacapa was the province in Guatemala where the greatest political violence had taken place and Arana had been a military commander who basically brought law and order to the area. He was either known as the lion of Zacapa to his supporters, or the jackal of Zacapa to the opposition many of whom were zapped. There had been violence on each side and just a bitter political dispute which went on. There was hatred. As you know it took another 20 years to finally be able to settle this situation and it was just impossible to eliminate the terrible animosity.

Q: From our perspective, this is still high Nixon, high Kissinger period, was this seen as an east-west thing or was this sort of a red and blue type...

PRYCE: It was a democratic society but an imperfect democratic society. The government was democratically elected and the previous government had been a more leftist oriented government and we had actually thought that the liberal party would win. They didn't. The conservative party, that's not their name, but the conservative party won and there were ideological differences, I think that is the question. There definitely were ideological differences but each side had a defensive mechanism and in some cases offensive mechanism in terms of just plain killings.

Q: It can be effective. I'm thinking about, you are coming out and we're talking about Kissinger and Nixon who were seeing so many things in, you are either on the side of the Soviet Union or you are on the side of the United States and here is a left-right thing but it doesn't sound like it's really a communist thing.

PRYCE: No, no. Some of the guerrillas were definitely Marxist socialist oriented. I never felt that they were directly controlled from the Soviet Union. Although they were getting money from Cuba, they were getting support from the Soviet bloc. They weren't directly run by the Soviet bloc but there was an ideological difference and there was definitely support from the socialist camps.

Q: Again coming back to the time you were there, any support from Cuba I would have thought would have sent off warning bells in Washington.

PRYCE: There had been warning bells ever since the Jacobo Arbenz regime. What we were trying to do was to foment and to support a stronger democracy. One of the things that we worked very hard at in the political section and in the embassy as a whole, was to try to have fair and free election in it must have been 1973. We had worked with the electoral tribunal, we had gotten to be friends with all the people who were in the electoral mechanism, and we had cultivated contacts with all the various political parties pushing very hard for free elections. We were told of course that there were going to be free elections, that they wanted to broaden the base and to have elections which would be accepted by the body politic and by the international community.

What happened, I can remember and I'm jumping ahead, was election night we were down, we encircled the town and were covering the elections right up to the very last

point. I had a wonderful group of colleagues in the section, people who have gone on to very many interesting and varied things. Chuck Brayshaw was there who is now the chargé in Mexico City. We had Ray Burghardt who later went on to be head of the NSC and DCM in China and who is now consul general in Shanghai. It was a wonderful group of people. The elections were very well covered, each party, and we were trying to figure out how it was going to happen in the end.

On election night we were down with the party in power who thought they were going to win, watching the returns. As returns came in it became more and more evident the party in power was not going to win. All of a sudden the electronic communications started to be turned off and you couldn't get the election results. There was great embarrassment among our friends and we knew early on that the election had been stolen. We did what we could to try to correct that imbalance. Rios Montt was the candidate we had close contact with, as we did with Laugerud Garcia, basically was robbed of the election. He later decided not to make an issue of it and he took golden exile in Spain. It was one of those areas where we did what we could but we were not able to turn around the fraudulent election.

Q: This of course was before something that has become more standardized in trouble spots where we have international observers and all that.

PRYCE: That's right.

Q: We were probably the only honest broker around.

PRYCE: As I remember it there weren't many others. We had the place covered like a tent but there weren't that many international observers. There were some but there certainly was no OAS mission as you had in Nicaragua or in Haiti. There were very few international observers; the UN wasn't there. There were individual NGO groups but we were probably the single most effective one.

Q: Were you getting anything from the National Security Council or from Congress or something, particularly I'm thinking about the more rightish wing of the Republican Party?

PRYCE: It's interesting but we were not. Basically there was general agreement that what we wanted was free elections. We were aware that there was an historical tendency of the government to bring things in their favor and we were trying to make the elections as open as possible. It was a policy that was supported across the board. At this point, I think I should make clear, any party who had a chance of winning would have been amenable to U.S. interests. There were obviously different points of view. One group was more conservative than the other but we could have had a healthy relationship with whoever won so there was no pressure to try to influence how things came out. Early on, this is back as I say in the early '70s, our policy was we want free and fair elections and we will take our chances with whoever wins.

Q: I take it you are also pretty much off the radar screen of the National Security Council and others?

PRYCE: That's right. There were individual senators who visited us but we were not high profile at that point.

Q: Were there guerrillas sitting up in the hills who we were concerned about?

PRYCE: Actually at that point the major problems were in the city. We were in a situation, I told you, where it was an armed camp. The embassy provided security protection for all the principal officers; it wasn't just the ambassador and the DCM. Everyone was taken to work with an armed guard with a follow vehicle. We had something like 60 or 70 Guatemalan security people. We had an organized system where you could go to work one of three times and you varied routes. It was a dicey situation. If you were going to go out at night you were supposed to call up and get a security accompaniment. There were times when you couldn't do that, I mean I couldn't do that. I felt if you appear at a meeting with political people, especially people who were not in the government, and they knew you had security people, you would lose trust and confidence. You just had to take your chances and we did that a number of times. It was as I say an armed camp.

I'll give you just a vignette. In our house I had a number of lunches and sometimes dinners. Sometimes we would have what we called mixed salad where we would have people who were political opponents now, but they were close friends from school and they really wanted a chance to talk to each other. We were neutral ground, but they all came armed. Often they would come in and it was almost like the old west, they would say, "Where do I put my gun?" We had guns up on the mantle of the fireplace and it was kind of bad for the kids so we actually bought a piece of furniture that had about 20 little drawers in it so that there would be a place for the weapons when people came in. There were times when it was near full. When you had a party like this you had to see to the care and feeding of your guests, but you also had to see to the care and feeding at a little different level of all the bodyguards. You might have 25 people outside waiting around and you'd have to give them sandwiches and cokes and things. It was a tense time.

Q: Did you have problems with any of the groups or were they all willing to see you and really sort of eager, or how did it work?

PRYCE: We were able to see all of the groups and I think actually we helped keep people alive in the opposition who were defeated. I won't say they lost it. We had a fair amount of influence, the ambassador, the DCM, myself and others. I remember that once the election returns came in people came to our embassy saying "Can't you guys fix this?" Of course we couldn't but we did go to the government and say it would be a terrible mistake if anything happens to these people. One of them was the mayor who was assassinated later on, Fuentes Moore, who was one of the leaders in the opposition - it will hurt our

relationship. I think that had an effect in helping to keep those people alive, at least for a while. We were able to go to Mario Sandoval who was the *bête noir* of the right wing telling him we really hope that nothing happens to these people who have not been elected because it will hurt U.S. Guatemalan relations tremendously. They did stay alive for at least a couple of years.

Q: What were American interests in Guatemala at that time?

PRYCE: There is the standard interest which is that we had an interest in trying to promote democracy there. At this point there were still a number of dictatorships all over Latin America. We were trying to strengthen the democratic base. We also had the business interests there that we were trying to promote in terms of U.S. investment. We were very interested in Guatemala's votes in the UN. We were interested in cooperation in the OAS and we were also interested in improving, if we could, the labor and human rights situation.

Q: What were our business interests?

PRYCE: The USAID program at that time was very imaginative. We were trying to expand in fruits and melons; we were trying to expand agricultural production. We had, I think, banana interests there. It probably was the United Fruit Company who had a large plantation there. We had potential oil exploration. We had a number of Americans who were involved in the agricultural production, coffee, some bananas, sugar, and some mining. It was fairly broad in economic interests.

Q: Did the United Fruit Company have a disproportionate influence there or not when you were there?

PRYCE: They didn't. I think they had had at one point but I think they had a more progressive point of view at that time. They didn't have the influence they once had. We also had good relationships with the labor unions who were, we thought, largely responsible labor unions and that the communists who at one point had been very influential in the unions had really lost influence. I'm thinking now we had a tire manufacturing company; Goodyear I think had a big operation. I think we were also involved in pharmaceuticals and to a small degree in petrochemicals. It was a broad interest.

Q: Nat Davis, a well known figure in the Foreign Service and at one point director general of the Foreign Service, was our ambassador wasn't he?

PRYCE: Yes, he was.

Q: He was in Chile when all hell broke loose there. How did he operate?

PRYCE: When I got there he had already been nominated, or it was clear that he was a

front runner to be considered as ambassador to Chile. He again operated across the board. He had had close relationships with the more liberal party, Mendez Montenegro, who was in power during most of his tenure. I think the embassy had generally considered that the more liberal party would win the elections but they did not so we were very careful with the conservative MLN who did win the elections. Ambassador Davis very carefully balanced our relationships to maintain a positive relationship with the government in power and at the same time maintain our relationship with the opposition party.

Q: What about the Guatemalan military? I assume we had attachés there. Were they part of the equation?

PRYCE: They certainly were. They were an influential force. As I say President Arana had been the commander of the armed forces and the president who took office after President Arana was Laugerud Garcia who had been chief of staff of the military. He turned out to be an intelligent leader and a person who tried I think to be evenhanded and correct in both his political posture and in his views with us and with others. There was definitely a strong military influence on the government, on the government people. These elections took place not too much before I left but there was a definite military influence.

Q: Did our attachés have good contacts there?

PRYCE: They did, and to the best of my knowledge our attachés were faithful to U.S. policy of in effect trying to keep the military out of politics and also trying to dampen the sometimes tendency of the military to become more involved than they might. They tried to inculcate the military with professionalism with limited success at times. But this certainly was the policy and I don't think that there was secret backtracking on that. We had a very effective mil group commander, Colonel Muninger, who died in a line-of-duty helicopter accident working with the Guatemala military. We also had a very effective defense attaché.

Q: What about Cuban influence at this point, how did we see that?

PRYCE: I am trying to think back. I don't think we saw that as a major problem. It must not have been. I'd have to refresh my memory but it was not as I recollect. The Guatemalan government had no relationship with the Cuban government and there was fairly little Cuban influence with the exception of money that I think the Cubans were funneling to some of these insurgent groups.

Q: At this particular point in time, I have the impression that the various Central American governments and Mexico were all pursuing sort of their own policy and there was no looking at this as a whole which later became much more important as events in Nicaragua developed. Was this true?

PRYCE: I would say that's right. Eventually Nicaragua and El Salvador as they

developed, put a much greater focus because there were armed insurgents who were trying to overthrow elected democracies, especially in Salvador, and there was a problem. I'm getting my time frames mixed up but I'm remembering later on when Ambassador Bowdler was assistant secretary we were trying to get the Nicaraguans to get Somoza to leave and accept a democratic successor. At one point we thought there was a chance of doing that but Somoza kept hearing from his personal buddies in the Congress and elsewhere that there was no need for him to leave. It was very difficult for the State Department to have an effective policy of getting Somoza out when the government was speaking with two voices. But that was later on.

At this time I don't think there was not a worry on the U.S. government as there was later in terms of what was happening in El Salvador. The conflict had not broiled up at that point. In Nicaragua we were again - I remember Ambassador Bob White at that time I think was DCM in Nicaragua - worrying very much about how we can try to foment democracy and there were others in the State Department, in every country where we were trying to strengthen the support for democracy. But there was not that overall focus on Central America that came later.

Q: When did Davis leave?

PRYCE: He must have left in late '71 or early '72 and then Bill Bowdler became ambassador. He came from El Salvador to Guatemala and he was a very, very effective ambassador. I think he was ambassador for two years. I remember one of the things he did was he thoroughly covered the country. He went to every province and he again, I think, was very much in control of our policy which was an embassy wide policy of trying to promote democracy, trying to promote stability, and at the same time also working on economic development.

Q: Tell me, this election which was annulled you might say...

PRYCE: Yes. Ambassador Bowdler had left by that time. He had been called back to be deputy assistant secretary of State for Central American Affairs and Frank Meloy was our ambassador during the electoral period.

Q: How did things develop from the embassy perspective and policy and all of that? Here we had been promoting democracy and then you have this election and all of a sudden the electricity went off when the returns were going the wrong way for the government in power.

PRYCE: There was consternation and we made some representations that this was not healthy but in the end we accepted what happened. I remember sending a cable - it was one of the few that I kept - because I felt that my job was to let everyone know that the elections were being stolen. As you remember you had to get permission from the Department to send cables to all the other posts. The ambassador was happy to have us send the cable to Washington on the morning after the elections when it was clear that

they were being stolen. It was basically announcing to one and all that there was a robbery taking place and that the elections were being stolen so that Washington was very much aware of what was happening. As I said we made representations but we did not go in and say we are going to break relations or we are going to cut off your aid. In essence we accepted the results.

Q: When did the quasi election take place?

PRYCE: It must have taken place in early 1974.

Q: This was shortly before you left?

PRYCE: It was about six months before I left. It was contested but then we were a little stuck because the candidate who didn't win fairly quickly accepted the results. It was a little difficult for us to be a little more catholic than the pope. As it was happening we were in there saying don't let this happen, and there was some talk about whether Fuentes Moore would accept the results or whether he would try to rally support even to the point of trying to get support from the military.

You basically had two military candidates; you had Laugerud Garcia and his chief of staff and Rios Montt who was one of the senior generals running against each other. At that point very frankly, Fuentes Moore's loyalty to the military was greater than his loyalty to democracy in the sense that he felt that the country would be torn apart. To give him his due he probably felt that the earlier real civil strife would erupt again and it had gone down so he basically did not want to rip the country apart again and he accepted the results. Once that happened it was difficult for us to be more catholic than the pope in a sense. We accepted the results which were accepted by the opposition party.

Q: You had mentioned that we put a great deal of effort into making sure that people didn't get shot and that sort of thing. Why would this be happening?

PRYCE: Well, because there were still these great mistrusts. There was a segment of the MLN which did not really believe in democracy and felt that as long as these insurgents...

Q: MLN being to the right?

PRYCE: The right. MLN is the Momento Liberation Nacional. It was not the liberal party which was Partido Liberal which was more to the left but not extreme left and not controlled by the communists. There were elements, goons, in the right wing parties who simply felt that their opponents would ruin the country were they to take power. They believed that these people were completely controlled by the communists, the Soviet Union and Cuba, and that they had to be eliminated. There was this temptation to take violence in their hands. There was a tradition of violence in Guatemala and people acted on those sentiments at times, much to our consternation.

Q: What sort of things were you getting back from Washington after the election, anything in particular?

PRYCE: Basically in the end we were getting back, the opposition is accepting results so who are we not to accept them. We then went ahead and tried to stem the flow of violence as much as possible and to work with the people who were elected.

Q: Did you have any problem as chief of the political section or the embassy as a whole with the junior officers who usually tend to feel these things strongest the first time they have been up against this sort of thing?

PRYCE: I don't think I had a problem, no, because we were all of one mind. We were working very hard to try to make democracy work and we did have our say. In essence we effectively let Washington know what was happening and made our recommendations. I guess in that day and time in the service as a whole, there really was more discipline. You had your opportunity, and certainly we were not constrained on our reporting. We were able to report things as we saw them and to have Washington know how things were developing. My colleague, among others, was Don Johnson who later went on to be ambassador to Mongolia and who is now deeply involved working to solve the attempts to bring peace to Northern Ireland; he is working for Senator Mitchell now. I think all of us were in it together in trying to get the word out, and we got the word out. We were frustrated that we didn't make a little stronger representation but the ambassador reported. He made his views known and Washington was not about to make a major issue of this at this point and we kept it that way.

Q: What were you getting from the political opposition in the country? Were they coming to you?

PRYCE: They were. As I said in the beginning they were coming to us and saying, "Gee whiz this is not right. Can't you do something about it?" We said we would see what can be done. Then they were coming and saying, "We're really worried about our personal safety." We told them we would do what we could to help them, and we did. One of those things where I think the U.S. government may have made a difference, at least for a while, was in terms of helping to keep some of the opposition leaders alive. Eventually several of them were killed.

Q: You left there in '74, where to?

PRYCE: I came back to Washington to take charge of the educational and cultural exchange program with the Soviet Union.

Q: That's sort of a jump isn't it?

PRYCE: It was. It was an interesting jump. I had been asked to extend by the ambassador and had extended. We got involved in a power play. The Bureau of Educational and

Cultural Affairs had gotten the ability to run the Soviet exchange program. It had always been run out of the Bureau of European Affairs. CU, as it was then, had gotten a new mandate and they wanted someone who had Soviet experience. Of course I had spent several years in the Soviet Union. They wanted someone that was fairly aggressive, which I guess I have the reputation of being, and who spoke out for what they thought ought to be done and would cover the area. So CU wanted me for this job. The ambassador had already said, "He can't go. I need him in the transition period." In the end Washington prevailed and I went to the job. It turned out to be one of the most interesting jobs in my career.

Q: You did this from '74 until when?

PRYCE: From '74 to '76.

Q: The Ford administration was coming in just about this time. When you arrived there did you see any switch or any change that was discernible between our relations with the Soviet Union then with a new president? Kissinger of course remained as Secretary of State and I assume was kind of running things but was there any shifting of gears or anything like that?

PRYCE: Not perceptibly, no. It was a fascinating time. What I remember in terms of the education and cultural exchange program with the Soviet Union is we were constantly pushing to expand the program. It was a struggle between us and our Soviet counterparts. We were trying to get as many liberal arts scholars as possible into various universities to understand the culture and what was going on inside the Soviet Union. The Soviets were trying to get as many engineers and scientists as they could in their programs to go around and visit to sort of see if they, in effect, could learn the technological secrets from our businesses. It was a constant sort of battle of allowing people to have visas or not allowing them. You would arrange these programs and at the last minute you weren't sure whether you could go because you wouldn't get the visas or they would have people coming over and we would say no you can't come because you don't get the visas.

They were constantly trying to put KGB people into their delegations and we were not trying to put intelligence people in ours. It was a struggle to see how broadly we could expand the exchanges. There were people in the United States who felt these exchanges were bad and that we were simply giving the Soviets the opportunity to come and spy on us.

Our feeling, mine and my boss's, was that we could only win in these exchanges. Every person we get over to the United States sees what happens here, goes back and has questions for him or herself in terms of what's happening in the Soviet Union. They could see that our society wasn't what it was painted to be in the Soviet Union and they could see that it was much healthier and much better for the people that were involved. We also were trying to get people over into the Soviet Union, largely in the academic field. Obviously they attended universities, they dialogued with their colleagues, and people got

a better idea of what is going on in the United States. My philosophy and that of my superiors was the more exchanges we can get the better off we are and we're not going to have our real state secrets purloined by the Soviets coming over. It was an interesting time.

We had all kinds of problems. For example we were trying to get young Soviet leaders; we were trying to get the people who were going to affect what happened in the Soviet Union.

Q: You wanted to get the young Gorbachevs.

PRYCE: That's right. That's exactly right. We found that sometimes in order to get the young Gorbachevs you had to first invite their bosses.

Q: Of course.

PRYCE: Of course. It was kind of interesting because people would say at times, "Why are you inviting this hack," an apparatchik. "Clearly you will never convince them, you will never change their mind." We'd say, "Look, we understand that but we've gone over there and we can't get Kulakoff until with give Zbrinski his chance to come to the States," because they all wanted to come. We also tried to get them around as much as we could into the States. We would get them into cities outside the standard New York, Washington, San Francisco and get them out into the countryside, get them on to farms. I must say it was fun.

Q: Can you think of stories about any particular cases of how things were?

PRYCE: I can't think of anything that would be useful to report here.

Q: I was wondering, the artistic thing sort of took place in [inaudible].

PRYCE: They did, they did and they were also very effective. The Soviets love jazz and they also like rock music. We were very much trying to expand the number of cultural events we had but that was a question of money. When I was there we didn't have the money that it once had to be able to send the National Symphony or send some of our top large orchestras over there.

I was not involved in the large orchestral visits to the Soviet Union because we didn't have the money for that in my time. We did get the Bolshoi over and there again it was a huge negotiation. It was a question of wanting them to come, getting them to bring some of their top dancers, having performances in New York and in Washington. You were constantly trying to get the top Soviet people and to get top people from the United States to go into the Soviet Union.

I remember that we were going to do an art exchange basically between the National

Gallery and the Hermitage in Leningrad. It was amazing to me to see how political the negotiations were. There is great competition among U.S. museums to get works from other museums that are famous. You sort of trade off. I remember the director of the Hermitage came on this visit to the United States to work out a deal with Carter Brown, I think it was, the director of the National Museum. They would bargain, "I'll give you a Rembrandt for a Van Gogh," or something. The poor Hermitage guy didn't want to let go of any of his valuable paintings because he's always worried that something is going to happen to them, they are going to sink or one thing or another. The deputy minister of culture would make basically political deals. He would say, "Well I know we don't want to get rid of that. I'll give you a Rembrandt for two Van Goghs." It was amazing to me to see how negotiations were political. Armand Hammer was very much involved. It was a Getty museum that had a great deal of money involved. I was only involved in facilitating this but to see these people work out how they would trade off their big works was fascinating.

Q: Did you have any problems with defections?

PRYCE: I don't think so, no. Of course when I said we were trying to hold down the number of KGB people that came from the Soviet Union, there always was somebody on their delegation whose job was to make sure that there were no defections. I think there might have been people who were inspired to defect at a future date because of their visit but no, we didn't have any people defect while they were on an officially supported mission.

Q: Did you find yourself under pressure or monitoring by the Defense Department or whatever was the equivalent to the National Science Foundation looking at it and saying, "You know that place that sounds innocent in Plattsburg, New York," or something "that this guy wants to go to is really where we have our laser..."

PRYCE: We did run across that sometimes and sometimes when there was a legitimate worry, we said, "Fine, so they don't go to Plattsburg." Sometimes there were overzealous people in other parts of the government who didn't want to allow a visa because someone could be a hard-liner or someone could cause a problem. We would say, "Look, we are going to be careful of where they get to go," and of course we were with them. I mean they didn't get off on their own. There were people who didn't want to, as I said earlier, allow some Soviets, say too many engineers. The FBI might say, "Why are we having all these engineers?" We'd say, "Look, it is a bargaining process. We've got three engineers for two scholars of political history in the 1930s and it's a tradeoff."

Q: And of course there really was an imbalance. No reputable aggressive American technician, scientist, particularly wanted to go to the Soviet Union.

PRYCE: Exactly because we had nothing to learn so that's right.

Q: It wasn't just a political game, there were the facts of life.

PRYCE: That's right. We didn't have much to gain because our scientific and business level was so much higher than theirs.

Q: And the places where scientists might want to go were obviously out of bounds because they were all military.

PRYCE: That's right, they were all military. We're not going to get into their rocket operations and we didn't expect to. The danger there was that our society was more open and there might be someone learning how to make better turbines. We had a whole economic defense program to not give our technology to the Soviets.

Q: COCOM and all that.

PRYCE: COCOM, exactly, which had a basis which I certainly agreed with. When there were cases where we could lose something, we certainly agreed that we shouldn't let the Soviets in.

Q: How did you find the hinterland of the United States, how receptive were they to these programs?

PRYCE: They were very receptive and very effective. Some of the most effective people were farmers who were so proud of what they were doing and glad to show off how our agricultural system worked. People would invite Soviets into their homes. It was very effective entertainment. There was a whole volunteer system. I came away from that experience with a firm conviction that in exchanges the United States wins like mad.

Right now I am trying to convince some of my friends and colleagues on Cuba who take a more conservative view than I do, that whatever you feel in terms of economic embargoes maybe we want to keep that for symbolic purposes. I don't think unilateral economic embargoes work, but please let's continue and let's expand our exchange programs. The more the Cuban apparatchiks learn about what is going on in the United States and the more the United States people get into Cuba, the sooner that society will implode like the Soviet Union did. I have no doubt in my mind that the educational and cultural exchange program with the Soviet Union helped bring about its implosion.

Q: You did this until '76?

PRYCE: '76.

Q: Then what happened?

PRYCE: Then I went to the National War College.

Q: You were there from '76 to '77?

PRYCE: Right.

Q: How did you find the experience there?

PRYCE: I found it very stimulating as I knew it would be. I found that it was a sort of charge your batteries and it served that purpose very well. We were busy but it was not eight-to-eight hours. You had time to read, time to exchange views with your colleagues, many of whom were military. You had a chance to listen to stimulating speakers who really would dialogue with you. It was a very positive view.

Q: Were you seeing any reflection of the concerns of our military for what had happened after Vietnam?

PRYCE: Very much so.

Q: Essentially we had gotten out of Vietnam about '72 or so but the collapse of South Vietnam was '75.

PRYCE: That's right. There was a great deal, and I saw that. I admired the ability to look inward. There were a number of people who wanted to see what went wrong, sort of an introspective approach to what we were doing in Vietnam. Many of the military officers there were deeply involved and I won't say scarred, but affected by what turned out to be an unsuccessful policy. In many ways part of it was unsuccessful executions and there was a soul searching and a question again of, did we tell it like it was? It was a combination of were our tactics right, was our reporting correct, how did we handle it, what should we have done different? There was a great deal of introspection in positive ways.

Q: This is something that concerns me. I had been in Vietnam at one time before the collapse in '69 to '70, but in all my talks with almost 500 people, many of whom had served in Vietnam, there doesn't seem to have been any process in our really looking at this within the State Department. Scholars do all the time but the State Department seemed to say, "Well we lost that one, let's go on and forget about it," almost. I found that we are not a very introspective organization which is unfortunate.

PRYCE: I think it is unfortunate and I think part of that, very frankly, has to do with resources. Our whole system does not allow for enough training. The military spends far, far much more time in training.

Q: Because they are waiting for a war.

PRYCE: And they are practicing. They are waiting for a war but they build in much more training time for their people and they also have more time for introspection. We don't have the extra slots. We don't have the training slots and we struggle to do things like

sending our people to the War College. We send them to the Senior Seminar so we are doing a much better job at training. I think the new Foreign Affairs Training Center is a wonderful thing and I think we owe George Shultz a real debt of gratitude for that. But the State Department doesn't have the budget for this sort of thing so I think that is part of it. It may also be a question that as you say, OK, we lost that one and let's move on and win the next one.

Q: Because I just don't think, we are sort of an a-historical organization which is what we are trying to remedy here.

PRYCE: Right, well I think this is helpful.

Q: Over a period of time I hope we can use what we are gathering from these interviews into the learning process. Why don't we stop at this point and we'll pick it up next time in '77, whither?

PRYCE: When I went to work for Ellsworth Bunker.

Q: So we'll pick up with you going to Ellsworth Bunker in 1977. We just finished the War College.

Today is the 16th of June, 1998. Bill, how did you get this job with Ellsworth Bunker and what was the job?

PRYCE: The job was special assistant which meant do whatever Ambassador Bunker wanted to get done. I guess I got the job because somebody recommended me. The person who was in the job had known people who knew me. He wanted to get somebody that he thought understood Latin America, would get along with Ambassador Bunker, and would be able to do the things that needed to be done. He was leaving for a good assignment but he felt a great loyalty and affinity to Bunker so he was looking around.

Now that I look back on it, it was partly the old boy network in the sense of somebody was looking and saying, "Pryce is coming out of the War College. This is a job that he would find interesting and we think Bunker would..." So I interviewed for it basically. Somebody said to me, "We think that you might be a good person for the job." I could see that the Canal Treaties were a very important part of our diplomacy at that point and so I was eager for the job and I had known Ambassador Bunker for a period of time. I had known of him when I was special assistant to Tom Mann and Bunker was the ambassador to the OAS. I was interested in the job and somebody said "Why don't you interview for it?" so I did. We seemed to hit it off pretty well and Bunker decided that I was the person.

Q: You did this from when to when?

PRYCE: I did this from 1977 to 1978, basically the final negotiations of the Canal Treaty and then the successful working to get the treaties through Congress.

Q: Can you give some background, since this is for history? When you talk about the Canal Treaties, what was this and where was it when you arrived?

PRYCE: As you know there had been a number of attempts to re-negotiate the Panama Canal Treaties. These were treaties which I think were well conceived when they were drafted but they basically gave the United States the right to act as if it were sovereign over Panama. As the years went by the Panamanians became increasingly dissatisfied with this relationship. We had basically a strip for all intents and purposes, of U.S. territory ten miles wide running through the middle of Panama. We had a U.S. court system, a U.S. naval district. We had as I said the right to act as if we were sovereign so it was a benevolent colony in one sense and it was a cradle to grave operation. Very interestingly it was populated by people who were by and large quite conservative.

Q: You're talking about Americans?

PRYCE: I'm talking about Americans. In the old Canal Zone, Americans who ran the canal very, very well also lived in a society where it was cradle to grave. Literally you were birthed in a gorgeous hospital and there was a government crematoria and graveyard. The government cut everybody's lawn, the government did everything. The canal was very, very well run but the Panamanians had very little to do with it. Over a period of years the Canal Company had very wisely increased Panamanian participation in the management. As you probably know today the canal is 90 percent run by Panamanians and we'll be ready to turn it over at the end of the century.

The new treaties came about because of constant dissatisfaction on the part of the Panamanians to the point where you really could have had military insurrection, riots; you could have had guerilla warfare. If there was one single theme that united all Panamanians from the poorest to the richest, it was a great anger, dissatisfaction, with the arrangement that the old treaties had established. People would say for example, "I'm so worried, I have to get a Canal Zone license in order to drive across the bridge to go from the eastern part of Panama City to the western part of the country." If your licensed expired and you were stopped while you were going across the Bridge of the Americas you were in trouble. I give that as just a little bit of the flavor. Of course we also dominated the economic scene. I must say things ran well, the canal ran well. I think we were a good employer but the relationship had to be changed.

There had been a number of attempts to arrive at a new set of treaties which would change the relationship and which would provide for the eventual turnover of the canal area to Panama. Bob Anderson, former secretary of the navy, had been a negotiator. There had been a series of negotiations which had not prospered. Finally, Ellsworth Bunker was heading a team which had worked on the treaties for several years. It was decided that to try to bring a final push to this, we had to have someone with a little sharper elbows but to keep the sagacity and the wisdom of Bunker. They brought in Sol Linowitz as a co-negotiator, as a partner. The two of them basically for the final six months had a full

court press to arrive at treaties which lasted.

The way they were negotiated, the first thing to get out of the way to lay the base was a status of forces agreement. With this you would understand what, during the interim period, would be the status of our military people and the rights we would have to be able to defend the canal. At this point there was still a worry that the canal could be militarily vulnerable.

Once that was done there was a question of how the territory would go over and then finally a question of the duration of the treaty, and how long it would last before there was eventual turnover. Finally there was a second treaty, the Neutrality Treaty, which basically guaranteed that the canal would be open to ships of all nations in perpetuity and that if there were a danger in this, that we would have the right to keep the canal open. The Neutrality Treaty, which is very little spoken of, was the real reason that we were able to successfully negotiate the treaties; we had the right to operate the canal for another 23 years, and the right to ensure that it was kept open forever.

Q: Where were the various players on this from your perspective when you came on, the Pentagon, the NSC, and I can't think, was Interior involved?

PRYCE: No, there were a number. The two primary players were of course the Pentagon and the State Department. One of the most effective people on the negotiating team was a lieutenant general who had been assigned as one of the treaty negotiators. He was tough as nails. Once he was convinced that the essential military necessities and objectives were being met, he was able to argue with his compatriots who trusted him, as they trusted Bunker, to be reasonable in terms of what we could expect in terms of the amount of territory that we would keep; when we turn over various building; when we would turn over Fort Davis which is beautiful living quarters; when we would turn over firing ranges; when we would turn over various pieces of real estate which were very useful to the United States; and how much we could expect in terms of protecting the ability of the U.S. military to move freely throughout Panama if necessary.

Q: Who was the lieutenant general?

PRYCE: Lieutenant General Welborn Dolvin who was a very valuable member of the Bunker team. The principal negotiating problems were between the Pentagon and the State Department. There was in the end, of course, White House involvement. President Carter got involved when he needed to be. There was involvement at the very end with other countries, advisors, who were trying to help bridge some of the difficult gaps of delicate political questions.

There were little things like who is going to run the mail service? The United States had run the mail and it actually had the most efficient mail service. Many Panamanians used U.S. mail and would come in and get boxes in the canal area. There was no longer going to be a U.S. post office. There were the military post offices but the Canal Company was

no longer going to run a postal system. This was an area of great interest to the Panamanian ambassador to the United States. There were a great many sticking points along the way and I guess to put it in a nutshell, when the final treaties were negotiated neither side was fully satisfied.

Q: Which is where you are supposed to be.

PRYCE: Which is where you are supposed to come out. We had what we needed, and we still have what we needed. What will become more evident when the year 2000 comes around is that we have the right to keep the canal open if necessary. This was part of the ratification process, the question of if there were a problem, would the United States be able to be first in line in terms of ships going through the canal and would our warships be able to go through? These were questions which were worked out with the DeConcini amendment. It was quite a battle and as you know the Panama Canal Treaty passed by one vote. I think there may have been more votes had they been necessary but it was a cliff hanger.

Q: Bringing up the votes, normally when you have a treaty of this thing, it has been sort of ever since the fiasco of the League of Nations, there has usually been some representation of the Senate on the treaty. Was there any Senate representation?

PRYCE: There was no Senate representation on the negotiating team but the appropriate Senate committees were very, very closely informed on the process in the negotiations. There was a decided effort to bring influential members of the Congress down - not only from the Senate but from the House - to see how the negotiations were going; to see firsthand what was being negotiated and once the treaties were negotiated, to come down and see how they would be implemented.

Very frankly the treaties never would have passed if it had not been for what I considered to be the patriotism of Howard Baker. Jimmy Carter was president but Jimmy Carter didn't have the votes. It was Howard Baker who provided the votes which gave the margin for the passage of the Panama Canal Treaty. He clearly saw that this was in the U.S. national interest and acted accordingly and brought the votes along.

Q: Could you talk about, again from your perspective, how Ambassador Ellsworth Bunker operated during the time that you were watching him? He is sort of renowned as a negotiator.

PRYCE: One of the things that you saw in Ellsworth Bunker was absolute integrity and that you could trust him. He was a tough negotiator. He could be very, very stern, difficult, but his word was his bond and he never tried to deceive. He built a relationship of trust and confidence with his fellow negotiators. He then used it on occasion when times became very difficult and when either we felt that the Panamanians were being unreasonable or the Panamanians felt that we were being unreasonable. He could draw on this reservoir of good will and say, "Look, on the question of notification of our intent to

drive a convoy across Panamanian territory, how much notice do we have to give? Do we need three days notice or can we do it in three hours?" That's an apocryphal example but he was able to overcome the distrust that the Panamanians had about the U.S. presence built over a period of 60 years.

One of his fundamental principals was to build a relationship of trust and also to never say something that wasn't accurate. He often didn't say anything and there were times when he was inscrutable. He held the very high respect of the Panamanians and of people within the U.S. government who at times questioned whether our interests were being properly defended. He was also flexible. When he saw that a certain course of action wasn't going to be successful, he would sit back and say "Let's think of something else. How can we solve this problem in a different way?" As I say, he had the respect of his own team, of people within the U.S. government, and of the Panamanians.

Q: How about Sol Linowitz? Here you've got the stern New Englander and then you've got the political Jewish operator, Sol Linowitz who was greatly respected but a completely different type of person.

PRYCE: That's right and it was a brilliant move. Linowitz was more active. Bunker was very able but he was I think in his early 80s and he didn't have the verve for constant, I don't want to say infighting, but the constant maneuvering within the U.S. government. Sol Linowitz was a master at this and had a zest for it. Both highly intelligent men and both highly respectful. Linowitz was the kind of person who would get in there and cut a deal and often it was cut a deal with the military. Sometimes he was pushing a little harder to get the military to accept something that was less than they would have liked to have had in terms of prerequisites.

One of the questions was a small little thing like how many people on the Panama Canal Commission were going to have diplomatic immunity? I think we ended up with 20. The reason was simply to keep perks that had been useful. You could make the rationalization that these people needed to not worry about their personal safety or they needed to be able to go downtown without getting a parking meter. There was a question of what number of U.S. Panama Canal officials would have diplomatic immunity and I think we ended up with 20. But that was a negotiation. The Panamanians would say why do you need more than five? There was the director, the deputy director, five key people. Linowitz would get in there and say, "Look, you guys don't need this."

Ambassador Bunker was sort of above that and yet Linowitz never made a move, that was also interesting, without consulting Bunker. He wouldn't always consult him on how he was going to approach a particular confrontation or negotiation within the U.S. government but he made sure that Ambassador Bunker agreed to the overall goals.

I must say that there were times when Ambassador Bunker would appear in these negotiations to be not completely following everything that was happening. It would be 11:00 at night and he would be sitting there rocking on his chair and people would

wonder if he was dozing off. I remember one late night where there was a negotiation and they were having a hell of a time, the temperature was rising. They were looking for a way out of a relatively small issue but which had become important. All of a sudden Bunker, though it looked like he was dozing he had been listening very carefully and at the right moment he just sort of said, "Well I wonder, I wonder, if perhaps having heard this and having heard that, perhaps we might find a different approach if we did such and so." They all sort of looked over and said, "Where has he been? Well, maybe so." They'd say, "Maybe we can do that." He would say, "Why don't you all work on it and we'll see what we come up with at nine in the morning" and he left and they worked it out. That is sort of a characteristic that Bunker had that endeared him to everybody and they say he was sharp as a tack, not quite as energetic. Linowitz provided the street smarts, the savvy, and the energy to push individual things through.

Q: You are pointing to one of the things, particularly in the American government, that is so true. When we negotiate a treaty, often the real negotiations take place within the government between the Pentagon, the White House, the Senate, the State Department, Treasury, what have you. This is often the most difficult type of negotiation to come up with a solid position and this is before we present it to the other party.

PRYCE: Right.

Q: What about the Panamanians? I mean here is a very small country negotiating for its birth right and I would think this would be a place where they would be calling in sort of American lawyers and the equivalent or something.

PRYCE: Not really, no. One of the things is the Panamanian human capital is very, very high. They had people who had graduated from top U.S. universities - Harvard, Yale Law School - and were as sharp as could be. They had very, very able negotiators. They did have I think some consultants to make sure from their own point of view that the statistics and the figures that the U.S. was coming up with were correct. In terms of for example the Panama Canal Company itself, there were a great many Panamanians who were at the middle levels in management so they had a pretty good idea of what was needed.

There were arguments about the level of compensation. The one big question was the term of the treaty and then there were individual negotiations as to when various pieces of territory would revert. In other words would you give back valuable real estate on a schedule; would you turn over housing units which were valuable on a schedule; and what would that schedule be? So there was a lot of nitty gritty that was involved.

Then of course there was, what would be the rights of U.S. service people? On which crimes would they be subject to Panamanian jurisdiction or U.S. jurisdiction? For example, for capital crimes Panama reserved the right to try people in their courts; but they put into the agreements that of course Panama could turn them over to the U.S. and have the U.S. try them -- acknowledging that in many instances this would be the way that it would be done, but still maintaining the right to try people for capital crimes.

If a Panamanian were arrested by U.S. authorities, what would be the relationship between the Panamanian authorities and the U.S. authorities and how long could we keep somebody without turning them over to the Panamanian authorities? Or how long could they keep somebody without turning them over to us? Which crimes will be covered? There were a whole series of individual negotiations which we worked out very satisfactorily but it took a period of time to do it.

Q: Where was ARA on this? Were they sort of pleased that this thing was finally coming around to get rid of this pimple that had been bothering us for years?

PRYCE: Very, very definitely, ARA was completely onboard. The negotiators had the support of the assistant secretary and they had the support of the person that we had to go to most often and that was the undersecretary, Warren Christopher at that point. Linowitz went to him often. Linowitz kept all the Department people very much informed. He was sort of the more active of the two although Bunker provided the leavening and the seasoning and the respect.

Q: Of course Warren Christopher was a lawyer par excellence which also was very handy for this particular type of thing.

PRYCE: Right.

Q: What was your role in this outside of getting the treaty, putting it together?

PRYCE: My role was a combination of making Ambassador Bunker's wishes known. Ambler Moss, who later on went on to become U.S. ambassador to Panama who was the special assistant to Sol Linowitz, and I shared a very small office together and made sure that each of our bosses knew what the other one was doing. Part of the process was making sure that the two co-negotiators knew what each other was doing. Part of it was dealing at the staff level with the Pentagon, with the Hill, with the Bureau of Congressional Relations in the Department, all of whom needed to be kept apprised of what was happening.

I remember more about the fight to get the treaties passed. After the treaties were signed there was the question of educating the public. Ambassador Bunker went on a number of speaking tours, the White House had a great number of briefings for various interest groups to explain to them what the various provisions of the treaties were, and basically to garner support. There was a huge educational campaign.

Q: I interviewed Gale McGee some time ago on his role in this. What was our reading from your perspective of where the opposition was coming from and where the support was coming from in the United States?

PRYCE: The opposition was coming basically from people who felt that, I guess the

apocryphal quote was, “We stole it fair and square and we’ve got to keep it.” There were legitimate worries about whether we were going to be harming our national defense.

Another great part of the effort to get the treaties passed was to know that the Joint Chiefs of Staff were completely onboard. They had done their analysis. They had done an independent analysis and they were convinced that the treaties made it easier to defend the canal and also that the canal was not the vital strategic part of our overall defense that it once had been. We didn’t need it quite as badly as we once had. The provisions of the treaty meant that we could defend it and we would be much better able to defend it under this new system. All of the top military were fully onboard in support of the treaty. They often went out and spoke to let people know that, yes we have not sold the national patrimony and that this treaty will properly defend U.S. business and strategic interests.

Many senators wanted to support the treaties and were convinced that they were right but they said, “You know in my home constituency there are many people who object to it.” The people who objected were the people who felt that we should not give up the absolute control that we had. They felt that if we hung tough that there wouldn’t be riots, there wouldn’t be guerrilla warfare, there wouldn’t be this gross dissatisfaction which I think the U.S. government felt, I certainly felt. I lived in Panama for three years; I worked there from ‘68 to ‘71 and I knew that the level of resentment and dissatisfaction was very, very high. We were never going to have a proper relationship with Panama. It was also a thorn in the side of our relationship with the rest of the hemisphere. People honestly felt that we should not give up the absolute control that we had, felt that our national security interests would be in danger if we were to do so.

Q: Did this straddle the Democratic-Republican...

PRYCE: It straddled. I think there were probably more Republicans. I think there was probably more Republican worry about the treaties and more Republican opposition to the treaties than there was Democratic but there were opponents on both sides.

Q: Ronald Reagan was sort of getting himself ready to run for president at that time. Was he involved in it?

PRYCE: It’s funny, I didn’t research this but I remember that because we had great respect for Ronald Reagan, we were hoping that he would come out in favor of the treaties. What he did is for a long time he made no comment. In the end he did not support the treaties as I remember but I don’t think he actively opposed either. We were involved in a debate at the University of North Carolina perhaps at Chapel Hill where he was one of the people at that point who had questions about the treaty. We had Admiral Zumwalt who was in favor, maybe Howard Baker. Governor Reagan was not a proponent of the treaty but I think he did not work zealously against it either.

Q: To put this in perspective, times were sort of ripe for this because from the military point of view our major projection of force was in aircraft carrier groups.

PRYCE: And they wouldn't fit through the canal anyway.

Q: It used to be our battleships were all measured. They couldn't be wider than so much in order that they could go through the canal so we could switch our fleet from one side to the other and that had changed. If a carrier can't go through with its supporting ships...

PRYCE: You had to have a two ocean navy.

Q: You had to have a two ocean navy so in a way the times had taken over from that. Did you get involved in the support effort with the Congress?

PRYCE: Yes I did, very much so.

Q: What were you doing?

PRYCE: One, trying to determine where the support was, trying to determine which senators would like to have people speak in their areas. It was an educational campaign and you had to be very careful because you were not allowed to lobby. The question was a combination of helping to write speeches for Ambassador Bunker, deciding where he would be most effective in speaking, deciding where other people who supported the treaties would be most effective in speaking throughout the country to try to raise the level of knowledge about what the issues on the treaties were. Very frankly, to explain why they were good but also to take on the questions of people who doubted that they were good for the country.

Then it was a combination of working with senate staff. We worked through the Bureau of Congressional Relations. It was a question of preparing briefings for the White House. Bob Pastor was the special assistant to the National Security Council who helped set up the meetings for various discuss groups. President Carter would often come in and say a few words on why he thought the treaties were good to groups of people who were visiting at the White House. It was a concerted campaign of education and I was very much involved in that.

Q: What was the feeling before the final vote came?

PRYCE: The feeling was that we think we are going to win. In the actual final vote I think that we had the votes, that the votes were there. There were several reluctant congressmen who really didn't want to vote for the treaty but they voted because it was necessary to pass it. I'm trying to remember now, it was Senator Ted Kennedy and somebody else dragging somebody out of a phone booth trying to get them back on the floor to say, "Come on you son of a gun, you've got to stand up and be counted." It was a very close vote and we really weren't sure but we thought we had the votes and we did.

Q: What did we think about the Panamanian government at the time that this was going on? What was the Panamanian government?

PRYCE: Basically Torrijos was a very popular non-democratically elected president. He wasn't even the president at that point, I think Demetrio Lakas was. He was immensely popular. The Canal Treaties were subject to a plebiscite in Panama and it may have been that only someone with the degree of popularity that Torrijos had could have gotten them ratified. They were ratified by a wide margin in their plebiscite but the (end side one)

Q: This was the era of military rule and all, was there concern that Panama was fated to be one of these countries and that this was going to be a problem and that it would cause problems for us in the future?

PRYCE: No, I think that we felt that Panama was moving towards a more democratic system of government; that Torrijos did represent the will of the Panamanian people and his government was in a position to properly ratify the treaty via plebiscite. There were ambivalent feelings about Torrijos. Some people felt that he was soft on communism. Certainly we never felt that; that is, Ambassador Bunker or ARA never felt that. He was a populist president who did many good things for Panama. He improved their education system, improved their health system. On the other side of the coin, though, he was intolerant to the exile people; he was not the epitome of democracy.

Q: Did the Cuban factor play at all in this?

PRYCE: Not really, no. There was a recognition that Cuba was a danger still at that point but the Cuban factor was not significant.

Q: The treaty was approved when?

PRYCE: '77.

Q: So then what did you do?

PRYCE: I went on to be the political counselor in Mexico City. There was a question of whether I was go as deputy chief of mission to Guatemala or as political counselor to Mexico City. In those days the discipline was greater than it is now. The official word was that both posts were equally important. I tended towards wanting to go to Guatemala because I had known the ambassador. I had worked with him and he wanted me to be his DCM and I looked forward to working there.

At the same time they needed a seasoned, well qualified person to be political counselor in Mexico City. We had a political ambassador who had been unsatisfied with his embassy. He had fired a number of people and he was out to basically hire his own team. My name came up as a potential candidate for political counselor. I interviewed Ambassador Luce and his special assistant and got along very well with him. He decided

that I was the person he that he wanted and the Department told me, "This is in the best interest in the Foreign Service and it doesn't really matter to you whether you go to Mexico or Guatemala." I wasn't completely convinced because I thought Guatemala might be a better assignment but I accepted without much question and said, "Fine, if that's where you think I should go, that's where I'll go." I went to Mexico City and had a very, very positive tour. I enjoyed it and found that it was productive and useful.

Q: You were there from '77 to when?

PRYCE: I was there from '78 to '81.

Q: What was the political situation in Mexico from '78 to '81?

PRYCE: There were obviously strains. There are always strains in our bilateral relationship because we have so many individual interests along with sharing 2,000 miles of border. We had problems that we didn't talk all that much about publicly. We had human rights problems that we were trying to get the Mexicans to be more responsible on. We had border problems with the treatment of Mexican citizens in the United States. We had the whole gamut of Cuban problems; Mexico was sort of a protector or a special conduit to Castro. We had Mexico being involved in supporting the opposition in Salvador providing a place of refuge in Mexico City for the dissidents. We were trying to promote in legitimate ways the growth of democracy, more respect for the opposition parties which of course were completely dominated by the PRI. There again it was an interesting time which I enjoyed very, very much.

Q: Can we talk first about Ambassador Luce and a little about his background? He was sort of controversial.

PRYCE: He was controversial. He was a former governor of Wisconsin and I found him a very likable, intelligent and effective ambassador given his limitations. His principal limitation was that he couldn't speak Spanish and he wouldn't try. He had a Jesuit educational background and in fact I think he may have thought about being a priest at one point. Whatever it was, he studied Spanish intellectually. He didn't want to speak it if he didn't speak it correctly so he didn't speak it. I kept trying to tell him, "Mr. Ambassador you just get out there and try, it would be great."

He was very wise politically. He cultivated a close and very positive relationship with the foreign minister. He used his staff, I guess partly because he picked it. He accepted and looked for the advice that the political section gave him and I think he did the same thing for the economic section. He was a good administrator. He basically let you do your job and encouraged you in it and was knowledgeable. I found him to be a good ambassador. I must say of the political ambassadors that I've been involved with, someone who has been a politician is more likely to be a successful non-career ambassador.

Q: Yes, because they are both political environments.

PRYCE: That's right, they are both political environments. He of course had the U.S. president's ear. He could go to the president if he needed to, and the Mexicans appreciated that. He was, I thought, an effective ambassador.

Q: You mentioned his good relations with the foreign minister. I've never served in Mexico but I understand that the foreign affairs side of Mexican politics is usually where they put sort of the anti-Americans so that they can tweak our nose over Cuba or something like that. The foreign affairs apparatus tends to be more kind of left wing.

PRYCE: No question about it. You had Muñoz Ledo who was at the UN causing all sorts of problems. I had all kinds of problems with people like the office director and the equivalent of deputy assistant secretary in the Mexican foreign office who were constantly saying they were going to cooperate with us but at the last minute, fee-e-say, what do you know, the vote went the wrong way; the vote went against what the U.S. thought it ought to be. Certainly Mexico was a leader in the third world in the Group of 77 and there were many times when I think they had a deal frankly, I'm sure of it, with the Cubans and with the Soviets. They'd say, "OK we'll let you have your principal base." They had a huge Soviet embassy and the Cubans were operating out of Mexico all over Latin America but the deal was they left Mexico alone.

Basically the Mexican government was pretty conservative but people don't recognize the fact that they talked liberal and their international foreign policy was liberal. They were the one nation in the whole hemisphere that never broke relations with Castro so it was a problem for us. They would cooperate when they could but, yes, they took a decided leftist point of view.

Q: I would have thought that in a way, you talk about the implicit deal with the Soviet Union and Cuba, you know don't mess around; in a way we almost had an implicit deal. We didn't play up the fact that they were always voting the wrong way because in everything else, the relations were really very close. We were dealing on all sorts of things - treasury, FBI and what have you, across border things - and so in a way this was sort of your problem but in a way you were almost peripheral to the real relations on that.

PRYCE: The question there was we couldn't change. We had to deal with the fact and to try to keep close tabs on what was happening for example with the UN votes or what was happening in the international fora to try to make sure that we didn't get surprised. A lot of the day-to-day operations that we were involved with, I remember as the political counselor I had an unofficial role of trying to help coordinate the narcotics activity. We had a large narcotics operation there. We had a coordinator who was very effective, McBry, but I also helped him quite a bit in trying to smooth things over. One of the things I remember is that way back, this is 1978-81, one of the principal bones of contention between our DEA people and the Mexicans...

Q: DEA is the Drug Enforcement Agency.

PRYCE: Yes. It was just as it is today, can our people carry weapons and can our people be involved in law enforcement? We wanted our agents to be able to carry weapons and the Mexicans were absolutely adamant that no, our people did not have a law enforcement function in Mexico. It is obviously a bone of contention right now and it's nothing new, it has been a bone of contention for 15 years or more, 20 years.

Q: I would have thought that there could have been some problems with our relations given the Carter administration with its strong emphasis on human rights which included a democracy. In a way it was much less tolerant of other countries which had their own ways of governing which did not seem to fit into what we would consider democratically...

PRYCE: That's true, there were problems.

Q: Can you talk about that while you were there?

PRYCE: I can tell you that, for example, we worked very hard at writing an objective human rights report. Of course an objective human rights report was one that was not looked upon with kindness by the Mexicans because we pointed out the problems there with human rights. Now in those days we tended to do it more quietly. We tended to go beat on the Mexicans not in the press but by quiet diplomacy both at the political counselor level and at the ambassadorial level pointing out problems, suggesting where improvements could be made. When our human rights reports would come out, we would say where the problems were and the Mexicans would always be very unhappy. I know we tried to soften the, I won't say to sugar coat the pill but to explain ahead of time what our human rights reports were going to say without using them as threat because it doesn't work. One thing you don't want to do with Mexicans is you don't want to be heavy handed. But they knew that we wanted to be able to point to improvements in the Mexican human rights situation and so by putting it in a positive way you had some effect but there were definite tensions.

Mexico had a very effective apparatus. I served in Mexico twice and my first time there, there were several times when the Mexicans were confronted with an insurgency which was dangerous to them. At one point they wanted to make sure they got the rebel band and the leaders so they went in and wiped out a little pueblo and just leveled the place. It was absolute brutal elimination. They got their man but they also got everybody else in the small community. They could be ruthless. The Mexican government could be very, very authoritarian.

I think that you will see really only today is there a real change in the question of Mexican democracy. I remember I used to give lectures to visiting Americans, or talks, reminding them that the PRI had been in power longer than any other party in the entire world with the sole exception of the Communist Party in the Soviet Union. But things have changed

now.

It is very interesting President Zedillo who with great frankness was up here not too long ago and the conversation that I was privy to he was saying, "You know the recent election in July was a free election and a fair election." He said, "Now my election was a free and honest election." He didn't say it was fair, and it wasn't. He talked about looking for a broader base of stability now which was not based on one party hegemony. In those days clearly Mexico was not a democracy and I think that even on our list we listed it in a gray area; not a dictatorship but clearly not a democracy either.

Q: As political counselor were you reaching out to the PAN and other areas?

PRYCE: Oh absolutely. We had a structured and organized work program which meant that we visited with all the opposition parties. We had them over to the house; we had lunches with them. Sometimes the PRI didn't like it. They always had to say, "We understand and we agree that you should see everybody." Of course they had a token opposition and they wanted it to be that way. We would have congressional delegations come down. You would always have the opposition there and have them participating in discussions but they were pretty helpless because there was complete control by the PRI. We reached out to all the parties of the left and of the right.

The PAN was probably the most effective party. It was basically their equivalent of the Christian Democratic Party. It is still one of the most viable opposition parties. There were also other leftist parties and other splinter parties. There was a military type party and there were five or six parties that we maintained open contact with. We also kept contact with the university. I knew the rector and used to go out and see him every so often. We would have breakfast with students. We were very close to student leaders.

Q: There had been a horrible massacre of students during the Olympics.

PRYCE: I think it was '68.

Q: I think it was '68. How were we seeing the students at that time because traditionally in Latin American countries the students are a force unto themselves and are usually quite leftist, the professors are leftist and all, and then they change when they graduate? Were we seeing change?

PRYCE: Yes. We had contacts with the student leaders who were often leftists. Even back in my first tour in Mexico in '61-'63 the ambassador was invited to a graduation party by the principal head of one of the leading student groups. Again it was partly because it was interesting to him, this student leader, but it was also interesting to the ambassador. It was through the embassy's workings that this happened, but we were always interested in what students were doing.

In my first tour, I don't remember if we talked about this before, I took a course at night

at the national university. I was really a little bit scared about it at first and would wear sort of scruffy old clothes and go out there. It turned out that I had no problems. I had some heated arguments but no animosity and they treated me with respect. But it was a hotbed of leftism, no question about it. I was doing that on my own as a junior officer and I enjoyed it. The embassy consistently had people who reached out.

Q: Were we seeing a north-south split somewhat, or maybe it's not quite the term, but a Mexico City versus the north split in Mexico as far outlook and all?

PRYCE: Not so much. You had the Monterrey business oriented, more conservative group, which was more productive and it was the engine of growth. There was the feeling on the part of the people, the northerners, that they were providing the economic growth of Mexico and were doing all the hard work, and these guys down in Mexico City were not hard working and were frittering life away. There was this sort of tension between the two groups but certainly the Monterrey industrial group was all part of the political process and they made their peace with the party and they worked within the party. There wasn't the political split, there was a cultural attitude split in terms of being a conservative business oriented group in Monterrey.

Q: Were you able to reach out to I think it was the man who god knows how many years was the head of the union...

PRYCE: Sure, Fidel Velázquez.

Q: He died, didn't he?

PRYCE: He died just recently.

Q: He was the head of what?

PRYCE: He was the head of the CTM and he was a labor leader.

Q: CTM being?

PRYCE: The Confederation of Mexican Workers. He was a labor tsar and he ran that place with an iron hand. Nobody did anything without Fidel. I think he was in one sense a patriot. He tried to do what he thought was best for the country. He got his people taken care of. He was hand in glove with the government and often if he thought it was for the good of the country, he would get his people to accept fewer raises. To put it this way they would hold the line on wages in order to provide a growth pattern for their long-term stability. He definitely was very much a part of the apparatus. We knew him. Our labor attaché didn't see him every day but he could go and see him. We had an AFL-CIO. There was a regional office in Mexico City. We always had relationships with labor, yes.

Q: Where was the economy at this point? Mexico has gone through sort of a boom-bust

thing and I'm just wondering where it was.

PRYCE: It was not at a bust situation. Oil prices were good, the economy was doing pretty well. They were trying not to become too oil dependent but they were not all that successful because they did depend very heavily on the revenues from the oil.

Q: This was during the time of OPEC.

PRYCE: Right, it was Mexico...

Q: We were really concerned...

PRYCE: We were really concerned but Mexico of course was not part of OPEC. They were simply getting a free ride. I remember one of the things that Warren Christopher, then secretary, negotiated was a gas agreement with Mexico at that point which was very advantageous both to them and to us. One of the problems we had then, which we've had since, is corruption. Certainly Lopez Portillo's regime had some of the corruption problems that other regimes have had especially in the last years of the regime.

Q: Lopez Portillo was the president during your time?

PRYCE: Yes, he was.

Q: How was he viewed by the embassy, by you?

PRYCE: He was viewed as a very intelligent person, someone we had to get along with. I think that there were worries that he wasn't pursuing the best economic policies that could be pursued. He was not viewed as basically unfriendly to the United States.

Q: Were there any repercussions to sort of the Carter turnaround? He had made getting along with the Soviet Union sort of a part of his agenda and then you had the Soviet invasion of Afghanistan where we switched completely. This must have caused some disruption for you all, didn't it?

PRYCE: Actually I guess we were able to rationalize it and it wasn't all that great a problem. It is funny you are thinking back to areas that caused problems. One of the greatest stress moments that I remember was when President Carter came to visit Mexico. He was tired and he came directly from the airport to a brief meeting with the president. Then he went to a luncheon at which I was at the bottom end of the list but because of friendship with people in the Foreign Office we had been invited. We were sitting way out in the boonies. The president began making this friendly joke about his honeymoon in Mexico City. All of a sudden you started to see where he was leading talking about how he had a hotel right near the zócalo and he kept going back and forth a little more often and that he had some little problems. He basically was describing his Montezuma's revenge.

Q: Which is diarrhea.

PRYCE: Yes, that he experienced on his honeymoon. Everyone was just sort of cringing. I remember looking at the people I was with saying, "Oh, he isn't going to do this. He is going to do this!" and he did. Aside from that it was a successful visit.

Q: Did you get involved in the gathering of support after Iran seized our embassy in '79 and trying to get hostages out because essentially Mexico was in foreign affairs of the left at that point but how did that work out?

PRYCE: I'm trying to remember now but basically I think our objective - and I'm a little hazy on this - was to sort of keep Mexico neutral. I think they basically did stay neutral. They didn't want a role in that fight. They were not actively supportive of us but they were also not actively critical; that's my recollection.

Q: What about the Olympics? Did that come up? After the invasion of Afghanistan, we boycotted the 1980 Olympics in Moscow?

PRYCE: They thought that we took the wrong tack but it was not a major irritant as I recall.

Q: Were there any sort of major problems other than the normally sort of leftist view and things?

PRYCE: No, there were not major problems. Of course one of our jobs was to analyze what the stability was going to be; where Mexico was going to be going; how long pre-hegemony would last? People were saying would it last longer or not? There were people who felt back then that things were going to fall apart. I remember our section doing an analysis that held up very well in hindsight. We basically, it seems obvious now, said that at least for two more terms the party will be able to hold together; that there is at least a ten year period when we can count on the Mexican political system to become weaker but to stay intact. I remember that was one of the big projects that we did. Relations were not that acrimonious and you could make very good close personal friends with Mexicans.

Q: What about with your junior officers? I can't remember I might be putting the Gavin administration together with the Luce administration but I somehow think that there was word in the corridors that Luce had sort of his palace guard in the front office as did Gavin later on which made it very difficult for those who were not part of the court, you might say.

PRYCE: I think that's right. I think that did happen. When I came to Mexico I think there had been a palace guard and I think there had been problems with the whole Luce family.

Q: Mrs. Luce's fights with her husband were renowned I think.

PRYCE: Well, not so much but I think there was a question of a relationship with the staff and there was a tendency to not reach out. I guess there was dissatisfaction. I guess you forget those things now but I know that Luce was looking for a new team and he had somehow decided that I was part of the new team. I remember part of the palace guard or Bob Dunn who was his special assistant and had sort of run things, had come to the conclusion that OK we're going to do this differently. They had a new DCM.

Q: Who was that?

PRYCE: John Ferch. And we'll try to do things differently. I found I guess a different atmosphere. Luce was always available whenever I wanted to see him and in terms of usually clearing important cables Ferch was readily accessible. Dunn was much more open and would let us know what the ambassador was doing if he went on trips. I guess that we were able to establish a relationship which was very, very useful and very pleasant. As I say, things were better. Gavin...

Q: He was later under the Reagan administration.

PRYCE: I was there for the first six months. When Luce left Gavin came down and again the sort of palace guard relationship didn't develop until after I left. I was there for about six months and had a very good relationship with Gavin. I respected him and the fact he spoke beautiful Spanish...

Q: His mother was Mexican I think.

PRYCE: He did a very good job. He had a problem with the press; he really didn't like the press. I think this stemmed back from unfortunate experiences he had with the U.S. press who he felt had not treated him fairly in his movie days. He was very clear about defending U.S. interests. I had no problem and I enjoyed working with him. I guess somehow he developed into a sort of palace guard operation and I'm sorry to hear that. I did hear that that had happened.

Q: For the researcher, you had better explain that when we are talking about palace guard, what are we talking about?

PRYCE: We are talking about an ambassador who has maybe a special assistant and one or two other people in whom he confides and with whom he does most of his business. There is not a great deal of communication between the ambassador and the embassy as a whole. You had this sort of situation with Jim Baker as secretary of State. You had a group of maybe 10 to 15 people that he dealt with very closely and the assistant secretaries often did not have access to Jim Baker. I guess that at one point perhaps the counselors at the embassy did not have access to Gavin; I don't know because that happened after I left but certainly that wasn't the case for the six months that I spent with

him.

Q: How about with your junior officers, was it easy to find work for them to do?

PRYCE: Oh yes, it certainly was. We had a wonderful group of junior officers. Each of the officers had various areas that they covered. Some were developing contacts with opposition parties, with people in the Foreign Office, at the university, or developing contacts with the press. There were a myriad of people that you could get to know that would give you a basis for the judgments that you are making in your political reporting cables. It was a fairly open society. You could get to know people if you reached out. We had some very good junior officers who rotated to the section and many of them have gone on to very responsible positions. That was one of the joys frankly for me being able to work with junior officers and help them develop, help them to learn to write, help them in working on their contacts. It wasn't a difficult time.

I served in the Soviet Union where getting to know people was very, very difficult but here I think there were problems with a large embassy. The political section didn't have them because it was interesting good work. We had a huge consular section where there was a visa mill and it could become debilitating after a while because it was grinding work and it wasn't all that interesting. What made it interesting for junior officers was what they did on their off time. We encouraged people to do voluntary reporting and we also rotated people. We had a slot in the political section for a rotational officer who always came from the consular section and it worked out very well.

Q: What about the myriad of relationships with states and other departments and all between Mexico and the United States? In a way I think that would sort of get under your skin.

PRYCE: Sure, there was a lot [inaudible] fighting, as I say direct channels. This was a problem for the Department although it was less of a problem because when Luce was there we had sort of a Mexican tsar in Dick Kruger who Jimmy Carter appointed as his special coordinator for Mexico. Carter wanted all U.S. departments to report to Kruger. That was useful for Kruger and that was useful for the ambassador. During that period of time there was less individual relationships between various U.S. departments. But the Mexicans were masters at going directly to the sources of power; they always had been. They would not go just to the State Department, they would go to the Interior Department. Their agriculture people would go to Agriculture. They had friends on the Hill and they still do. They know us very, very well and they are very able. Sure, there was a certain amount of coordination but there was much less in the period that I was there the second time around because of the Kruger relationship in Washington and because Ambassador Luce had of course President Carter's support. At least ostensibly everyone tried to coordinate and didn't try to do things independently.

Q: You're talking about some countries understand that it's as important to have good ties with Congress as with the Department of State and I take it the Mexicans could play

this to a pretty...

PRYCE: They certainly could. After I had come back from Mexico and I was working as special assistant to Tom Mann, there was a new Mexican inauguration. The Mexicans sent to every senior level official in the entire U.S. government invitations to come to the Mexican inauguration, including to the Supreme Court. They sent an invitation with a paid hotel reservation and a round-trip ticket on the Mexican airlines. I remember the office of one Supreme Court justice called up, he probably thought he shouldn't but he wondered if he could accept this. We said that if you were on the U.S. delegation to go to the inauguration, fine. This is just one little example of how they covered the waterfront in terms of establishing independent relationship with the Congress, with the Supreme Court, and with all other various cabinet areas.

Q: Did immigration, migrant workers and all, intrude on your...

PRYCE: It certainly did and I was very good friends with the head of the Immigration and Naturalization Service there. It was very useful both in terms of all the determinations involving visas and in getting people in that you wanted in but also he was our conduit to the border patrol. There were constant problems; problems of what happened on the border. I remember going up and visiting with INS along the border, going on helicopter rides at night to see the problems of really literally hundreds and in some points thousands of people trying to sneak across the border at night. I visited the INS detention centers. It was a major irritant in our relationship, certainly, and that was one of the things that the political section was very much involved in.

Q: There was no real solution to it, was there?

PRYCE: No, there wasn't. In those days we had this anti-narcotics effort and one of the big things we had was a little air force down there. Basically it was INM putting big money into supporting the Mexican air force which was spraying crops. Basically it was crop dusting to try and get rid of marijuana mostly. It was a difficult, difficult task and there were coordination problems as there are today. I mentioned earlier that we had the question of could U.S. people carry weapons and how much do we tell Mexicans because we were worried about sources and worried about people being in danger. We did have in many cases good cooperation with the Mexican Department of Government. In those days there had been a constant attempt to cooperate on anti-narcotic activities which has been also a constant problem with corruption.

Q: What was the role of the Mexican army because it always has struck me that in every other Latin American country the army is always a big factor but outside of problems of corruption and all the army never seems to...

PRYCE: No, you are right and that this is a perception. I always felt that what it amounted to was that the Mexican army played a much more important role than many people understood but the government came to an understanding with them. What people

don't realize is that Mexico's first civilian president I think was an Allemande and he came in 1946. Up until about 1940 the PRI party had four elements; it had the popular, the agriculture, the labor and it had the military. The military was only separated from the political apparatus in the '40s and the Mexican president was a general for the first 40 years.

I'll tell you a little story told to me later on in the Tlatelolco riot. This was told to me by someone I think who was in a position to know. There was a time there when the civilian government was not in charge.

Q: You're talking about when?

PRYCE: I'm going back now, this is 1968; I was not there. It was during the Tlatelolco riot when anywhere from 200 to 5,000 people were killed. The stories I think were grossly exaggerated but what happened when there were these riots and there were great difficulties, was the president wanted things taken care of. The defense minister said, "We'll take care of it." The military told the civilian government, "We'll talk care of this." Then for 24 hours they didn't answer their phone calls and the civilian government didn't know what was happening. What was happening was the rioters were being quelled and basically the Mexican military took over, handled the situation in their own way and then saluted and said, "Here it is sir, it is all taken care of." That was in 1968. It wasn't a coup but it was the military acting independently.

Q: Did we have good relations through our attachés during the time you were there?

PRYCE: We had good but formal relationships. The Mexicans were very diffident about having close relationships with our military. We were constantly working at it and individually I think we had the best attachés who made good inroads and there certainly was an interest in Washington in having good relations with the Mexican military. We had people in their National Defense College and people down in the naval school in Topeka. The Mexicans did not want a really close relationship because of the history. If there were an enemy to defend against, it would be us. I think that we had effective attachés who had good personal relationships but we were held at a certain distance. We didn't really know what was going on in the Mexican military.

Q: The election of '80 in the United States was sort of one of these watersheds where Carter had earlier come in on a very liberal platform and then you had Ronald Reagan who came in in '81 with sort of a very conservative point of view. How did this...

PRYCE: Reagan was such a wonderful charmer and great communicator. I remember that he had a very good personal relationship with his Mexican counterpart. I think they met before the inauguration up on the border. I remember that the Mexicans gave him a horse and we were trying to figure out what the hell are we going to do with this horse, it isn't legal yet. The Mexicans adapted and there was always sort of a special relationship. There really was not a great deal of difficulty in making the adjustment.

Q: This wasn't where sort of the leftist element in the university went out storming around or anything like that?

PRYCE: No, I don't think so.

Q: I think it was handy that of course Reagan came from California and there was always that close relationship with Texas and California.

PRYCE: Reagan had a very positive attitude towards Mexico and as I say he reached out very early in the administration and the Mexicans reciprocated.

Q: Were there any sort of issues that you could see might change from Carter to Reagan, or not?

PRYCE: No, I think that our relationships with Mexico really were pretty nonpartisan or bipartisan and that the problems we confronted didn't change. Our basic attitudes towards trying to solve those problems didn't change; the problems of narcotics, the problems of investment climate; the problems with migration; the problems of dealing with them in the UN. All these problems and all these opportunities didn't change much and our policy didn't change and theirs didn't.

Q: In 1981 you are ready to go off somewhere, what happened?

PRYCE: I was being considered as a DCM. Tom Boyatt had wanted me as his DCM in Colombia and I was anxious to go. It looked like that's where I was going to be going from Mexico. It turned out that for some reason Tom Enders, the assistant secretary, felt that he would rather have Alec Watson, who was the chargé in Bolivia, go to Colombia and to have me go to Bolivia. I was happy to go to Bolivia. Alec didn't want to leave Bolivia for personal reasons and because he was doing a wonderful job there, but Tom Enders, for whatever reasons, decided that he would... Boyatt fought it to a certain degree because he wanted me but it didn't work out that way. I think in the end I had a very wonderful year in Bolivia as chargé for a good period of the time and then as the deputy to Ambassador Dick Corr. Alec Watson went off to Colombia and on to bigger and better things from there.

Q: I'm interviewing him now too and I've interviewed Tom Boyatt. You were in La Paz from when to when?

PRYCE: I guess I was in La Paz from August of 1981 to probably about August of 1982.

Q: When you arrived there who was ambassador?

PRYCE: When I arrived there was no ambassador. Alec Watson was the chargé. There had been a narcotics ridden government with Garcia Meza and our relations with Bolivia

were at a nadir. Alec had been doing a wonderful job of maintaining the situation. Our goal was to create an atmosphere where we could have a new ambassador because we thought that the Bolivian government was making progress in fighting narcotics and was reasonably democratic in its approach. Although it was a military government and it was not elected, they were moving in the right direction and the rampant corruption, narcotics involvement, and repression of the Garcia Meza regime was leaving.

When I got there, there was a triumvirate but I remember Alec was very imaginative guy, wonderful person. We only had two days together but he gave me one of the best briefings on all things Bolivian that I could have possibly have had. He also managed to have me meet the foreign minister even though the official word then was we were to have no relationships with the government. He had arranged a lunch with the foreign minister and lo and behold all the members of the ruling triumvirate just happened to show up so I got a chance to meet them and to know them. I was there only about a week when there was another coup and one of those three became the president with whom I established a good relationship for about six months. The help that Alec gave me was absolutely wonderful.

I remember that the office director was adamant that we did not want to have any relationship with...

Q: You're talking about the office director in Washington?

PRYCE: The director of Andean Affairs felt very strongly that we could not have any contact whatsoever with the government. But if you wanted to get things done you needed to have contact and Alec had forged ways of doing this. We of course also had to be responsive to direction from Washington, which we were. We had Gordon Sumner come down on a special mission to check what the situation was like.

Q: Who was he?

PRYCE: Gordon Sumner had been the director of the Inter-American Defense College. He was a respected conservative general who was involved in political military affairs. He carried a lot of weight with the more conservative elements in the Congress. He visited us very shortly after I had taken over. I had him stay at the house and I got him to meet people that were involved with the Bolivian situation. He came back saying, "Well things aren't as bad as I thought they might be." We had the office director as part of that visit.

Q: Who was the office director?

PRYCE: The office director was Sam Lewis; an excellent officer but with a very decided point of view. It was a real challenge to try to create this atmosphere which we were finally able to do where the Department said, "Yes, it is time to try to have a new ambassador." Ed Corr had been selected as the new ambassador and was able to come

down six months after we were there.

The Bolivians are wonderful people and the challenges were largely in terms of trying to help devise an anti-narcotics theme. It's funny how things don't change that much. One of the programs we had going there was a crop substitution program: alternate the crops, trying to measure the progress they made in destroying cocaine areas to what our targets were and measuring our money out; should we give money to the army, under what conditions, how much?

Q: Did you find that our policy towards Bolivia was at all influenced by Jeane Kirkpatrick who was our ambassador to the United Nations and also a cabinet member? She had gained Ronald Reagan's attention by saying, "We really should look more to military or other rulers who at least are on our side in the East-West conflict," and all that in Latin America. Did you have the feeling that that set the tone at all?

PRYCE: Not really although certainly she was a factor. I think we were trying to move towards a non-military ruler, but we felt that you had to deal with the people that were running the country. Our biggest issue was were they dominated by narcotics? The answer was they were not. They really were making some sincere efforts to try to curb the narcotics traffic which had been blatantly wild under the previous regime. We were also reaching out to the various political parties pushing towards the day when there would be new elections which happened after I left. Ed Corr did a good job and we helped them to have the political climate changed so that there were free elections.

Q: What about some of the factors? I always think of the Bolivians as having the strong factor of the miners coming with a couple sticks of dynamite in their belt...

PRYCE: Juan Lechin who was the Bolivian mining leader was a fiery, leftist, charismatic individual. We got to know him. We worked with him. I think he was not basically anti-American. One of our objectives was to have an economic development program. We had a large AID mission which would effectively work towards more open markets. Even in those days we were trying to get a greater stability, more open markets, a less controlled economy which would provide the incentive for economic growth in Bolivia. This of course is eventually what happened.

In Bolivia Pas Estenssoro led the revolution in 1952. It changed the map of the country and it basically broke the back of the landed aristocracy and changed the whole land tenure system. It installed a largely populist, socialist type government which didn't work. It gave Bolivia a series of not very successful economic growth patterns. When he came back and was elected a second time, he took a conservative attitude of monetary fiscal restraint and laid the basis for Bolivia's economic progress.

One thing worth noting is that back in 1952 there were people who said to President Eisenhower, this revolution is going to bring in another Castro. Eisenhower made a judgment perhaps influenced partly by his brother Milton saying "Look, this is a genuine

social revolution. The communists are not in charge, the Bolivians are in charge and we are going to leave them alone. We are not going to try to throw these guys out. It is not a second Castro.” That was a courageous decision to take back then and a wise decision that a lot of people have forgotten about. I only learned about it when I was studying about Bolivia before I went down there. That was one of the basic decisions that Eisenhower took. When Pas Estenssoro came back he basically had changed his tune, found out that the populism didn’t work and laid the basis for a solid economic progress.

Q: What about dealing with the drug problem, were we working with crop substitution or something?

PRYCE: We were. We were working with crop substitution and with crop eradication. We were trying to set goals as I mentioned with considerable aid in both economic and military. It was basically trying to reduce the supply with only marginal success. It’s a tremendous problem. The same problems then were is it supply or is it demand? How do you measure where the problems are? The Bolivians cooperated with us; the government cooperated with us.

I remember going out into the boonies and talking to individual peasants trying to get a feel for what the cocoa farmers or the farmers in the cocoa areas were feeling. Most of them really didn’t want to be involved in growing cocoa. They understood the dangers inherent in cocaine production and they understand the damage that was being done in the United States but they also wanted to make a living. I remember them telling us that, “Look we would rather be growing other crops if we had a market for them.” It is a problem that we are still faced with today.

Q: Did we have any particular issues with Bolivia other than sort of the crop business?

PRYCE: I think our main issue, as I remember it, was narcotics. We had a very cooperative relationship with them in terms of voting in the UN. We were able to get them to vote with us on a number of issues where it was very useful. I think we had some problems in terms of our aid loads. A lot of it was agricultural support and there were the usual problems. Our biggest single objective was to try to decrease the amount of cocaine that was going from Bolivia to Colombia.

Q: Was violence a factor?

PRYCE: It was a factor though certainly not like in Colombia, no. It certainly was not a factor like it was earlier in Guatemala in terms of political violence. There was some violence but it was not a major problem except in the actual areas where the....

Q: It didn’t seem to go as septic as it did in Colombia.

PRYCE: No, no. I began to say, speaking of violence, you remember back in your life at times when you felt danger. I spent three-and-a-half years in the navy and I was involved

in a collision at sea and I never felt the danger that I felt at one point in an anti-narcotics operation. In order to provide moral support to the head of the Bolivian anti-narcotics unit, we were involved in a raid during the time of a congressional staff visit to Bolivia. We had taken these people down to where the narcotics were being grown. It was to Santa Cruz which is the airport. We said, "Okay, we'll have part of the congressional delegation with staff people and we'll go out and visit the crop substitution. We discovered a still - basically a place where cocaine was manufactured - and we're going to show you how we knock these things down." They always run when you have people that go in on them. This is a ragtag bunch of people. I remember being in this helicopter with people with submachine guns hanging on the outside of the helicopter. We would take off. They were so excited that they had found this place and they found it quickly enough that the narcotics spies would not be able to tip them off. We swoop in on this place and instead of running they started shooting at us. I'll never forget it. There is nothing you can do. You are coming down, you feel very vulnerable when these shots come whizzing by. Thank god they only shot about four or five times and then they did what they were supposed to do, they ran. I must say that was not in my job description. It is one of those experiences that I'll never forget. In spite of what Winston Churchill says, it was not an exhilarating experience to be shot at.

Q: What did he say, that it's such an exhilarating thing if they shoot at you and missed?

PRYCE: Right. I don't remember the exhilaration. They were shooting at us and missing but I remember the apprehension.

Q: Ambassador Corr, what was his first name?

PRYCE: Ed.

Q: Ed Corr came in. What was his background?

PRYCE: Ed was career Foreign Service Officer. I served together with him in Mexico many years ago. He had been ambassador in Peru and he had been deputy chief of mission in Ecuador. He was deputy to Mathea Falco in the anti-narcotics unit and I can't remember if that was before Bolivia or after Bolivia. He was a political officer, and had been in the Peace Corps. He was an outstanding officer. I guess later he went on to be ambassador to Salvador. He was a first class career officer.

Q: He came in and obviously you were no longer chargé?

PRYCE: Right.

Q: Was there any particular change when he came in?

PRYCE: Not really, no. It was easier for him to deal as an ambassador than it had been for me to deal as a chargé. It is always a mistake when you don't have an ambassador. No

matter how good the chargé or the person acting may be, if they don't have the full power and the full representation that an ambassador has representing the president, you don't have quite the entree. Ed of course did have and was able to be more effective in terms of dealing with the problems that we had with the Bolivian government. He is a very effective officer.

Q: You are pointing out one of the absurdities in our profession and that is when relations are bad or we are trying to make a point, we withdraw the ambassador which thereby decreases our influence rather than that's when really you should have your top right man or woman there. It would be better to say we will fly our flag upside down or something like that to make the point but not to move down one notch.

PRYCE: I think that's right.

Q: You left shortly thereafter.

PRYCE: That's right. I then went as deputy chief of mission to Panama which was a step up. Ed said, "I hate to see you go but it's a bigger more important job and they need you there."

Q: This was going back to what you had created?

PRYCE: That's right, it was.

Q: You went to Panama when?

PRYCE: In 1982 as deputy chief of mission working with Ambassador Ted Briggs.

Q: We'll pick it up at that point next time.

Today is the 16th of October, 1998. Bill we've got you off to Panama as deputy chief of mission. Who was your ambassador there?

PRYCE: My ambassador there was Everett Briggs.

Q: Can you talk a little bit about how he operated and what his view was at this particular time?

PRYCE: We were trying to get democratic elections. Ambassador Briggs knew Panama. He had been deputy assistant secretary I think for several years before that. He was bilingual in the language. He conceived his mission as trying to help build democracy. You had a number of elections that were not models of democracy. He was trying to establish a base where you would have free democratic elections.

There was also a question of the relationship with the canal area and the bases. We of course had the right to stay in the bases for another 20 odd years. We wanted to maintain as close a cooperation with the Panamanians as we could both in terms of the military bases and in terms of the operating of the Panama Canal. He wanted to encourage the Panama Canal Commission to increase the training and education of the Panamanians who worked for the Panama Canal Company so that they could occupy positions of greater responsibilities in the organization. The Panama Canal Commission always had a lot of Panamanian employees but it had relatively few at the higher levels.

Q: How were you used?

PRYCE: I supposed you could put it in a business sense that I was the chief operating officer. Basically the ambassador had left to me the running of the embassy in terms of pulling together the work of a large embassy. We had to bring in different elements and he looked to me to bring them all together. The Customs people and the DEA people weren't cooperating with each other to the extent of pulling operations that the one or the other did not know about. There was a problem encouraging the flow of information because each of those two elements was proprietary and each was somewhat worried about the safety of their people. There was a tendency to squirrel knowledge. One of the things that I did was ensure to the appropriate extent possible, that the knowledge on narcotics was shared.

There was quite a bit of relationship with the canal area, with the commander-in-chief of the Southern Command, and with the Panama Canal Commission. I worked at the staff level with the deputy chief of staff at the military command along with the Canal Commission to move forward on implementing the canal treaty and also on trying to figure out a strategy for what we were going to do in the year 2000; how we would see Panama evolving and our relationship later. The ambassador had a very clear idea of the policy. He held a staff meeting every week and he made clear where he thought we ought to be going and kept us apprised of what was going on in the relations, but the day-to-day operations he left to me.

Q: You were there from '82 until when?

PRYCE: I was there from '82 to '86. I was there the whole time that Ambassador Briggs was there and then I served for Ambassador Art Davis perhaps six months.

Q: How would you describe the political and economic situation in Panama when you arrived?

PRYCE: As I recall it was pretty good. Of course Panama has the advantage of having a dollar currency. They use the dollar as their currency so there is a degree of stability. There were income inequities, market disruptions and there was a great dependency upon the canal area but by and large the economic situation wasn't that bad.

Q: What about politically?

PRYCE: Politically there was a problem. Torrijos had been the dictator for a great deal of time. You had elections but they really weren't open elections. You had an election going up when Ambassador Briggs and I arrived. It was an election which was very hard to call. I remember it was a very close election and there was great fraud on both sides. We really felt that it was very difficult to call because the government "won" but the validity of some of the government votes was held in question and the validity of some of the opposition votes was open to serious question. It was somewhat controversial but we figured in the embassy that it was a close election, the government probably won. There were a great many people who thought the government did not win. We felt that you couldn't really tell and that we should accept the government's claim of victory, which we did.

Q: What were the differences between the parties?

PRYCE: There was the government party, the party of Torrijos, and Nicky Barletta, a fine public servant, was the candidate but I don't think he was really completely in control. There was civilian-military balance where the Panamanian military still had a great deal of control and influence over the body politic. Another of our very strong efforts was to try to build up the civilian power as it related to the military. La Guardia Nacional had a long tradition of manipulating elections behind the scenes and it was recognized as being a very powerful part of the body politic.

Q: You are sitting down there in Panama and they've got their own government and own military, how do you influence it to strengthen the non-military side?

PRYCE: One of the things that you do (and this is a temptation) is that you try not to go directly to the military to get what you want. I mean you try to get our military not to go directly to the military to get things that they want. You try to get them to go through the civilian government. That's not always easy because sometimes there are problems that can be solved at a military to military level but sometimes there are problems that really should not be solved military to military. There are political implications.

Q: How well plugged in was the Panamanian government to what was happening in the United States? I think of Somoza who could call on his fellow West Point graduates to help him. Many of the Central American countries have learned how to manipulate our own political process and I was wondering about the Panamanians.

PRYCE: The Panamanians didn't do that as much as some others. I can remember, I think I may have mentioned earlier where we made real efforts to try to get Towe-te-ta Senefra to leave. Any time you'd were able to convince him that his time was gone and that he ought to leave under his own conditions and set up elections where you would have a chance to have a democratic government succeed him, probably one that was somewhat

not to his disliking, he wouldn't go. Every time he would get ready to go he would talk with a couple of infamous members of congress who would say, 'You don't need to go.' He would listen to that and stay to his disadvantage.

Getting back more directly to Panama, the Panamanians did understand how the U.S. Congress worked and how they could influence U.S. opinion but they didn't operate as effectively I would say frankly, as their lobbying effort was not as good as the Mexicans.

Q: Were the Panamanians because of American control over the canal and I mean, help get Panama out of Colombia and all, were they a different breed of cat than most of the other Central Americans?

PRYCE: Yes. Actually there was sort of a bittersweet, or a love-hate relationship between the Panamanians and the United States. There was great admiration for the United States, great appreciation on many Panamanians. Certainly most of the Panamanian elites spoke English and many had been to school in the States. There was a great admiration for the U.S. At the same time there was a deep seated feeling that we had abused our position. Under the old Panama Canal Treaties we could act as if we were sovereign and to have a piece of territory in the middle of their country assigned to another country was anathema. So there was this resentment of this tremendous U.S. presence and influence in power in the country that bothered the Panamanians. It was very easy to make personal friends and you could get to know them quite well.

Q: This was two years early into the Reagan administration.

PRYCE: Right.

Q: The Reagan administration was very much focused on what was happening in Nicaragua and El Salvador, were you getting any repercussions from this at all?

PRYCE: Oh yes, very much so. Noriega was the power behind the throne. He was Torrijos's G-2 and he had built himself a kind of power under Torrijos. Although for the first period I was there he was not the head of the guard, he really was influential. Later he engineered the departure of the head of the guard, Donne Perez, guessing that he would be good presidential timber and that he would get the nomination from the government party. The guy resigned and of course once he resigned from the guard he lost all his power and all his connections and then they would say, "Oh, gee whiz, look what happened? There is no political support for this guy." The guard said, "We're going to back you but there is nobody who wants you so what can you do? You'll have to be sidelined." They were going to look for another candidate so Noriega was there in the catbird seat.

One of the difficulties we had in terms of dealing with the Panamanians was with Marcos, the former ruler of the Philippines. He was sick and I think he was in Hawaii and about to be arrested by the FBI or by somebody. He was a close personal friend of President Reagan and we were trying to get a place for Marcos to go other than the United States

because he befriended us over a period of years. He now had fled the Philippines, escaped prosecution of corruption one way or another and he was sick and he needed a place to go. We were looking all over the world for a place that would take Marcos.

Word came that perhaps Panama would take him. I was the chargé at the time and I get this message saying, "We understand that Panama might be willing to take Marcos and we would like to see that happen. Would you see what you can do?" I remember getting a telephone call from a very high official at the State Department saying, "Pryce, I don't know you too well but I want to let you know," he gave me a message about Marcos and that "this message has the interest of highest authority and so we would like you to do what you can." The message was can you get them to take Marcos.

At that point we had a civilian government which was in many ways the front for Noriega. We went to the civilian government and said, "We would appreciate it if you could take Marcos." I knew the president quite well and he said, "For you I will do it." He was doing it for the United States, not for me personally. "It's not that difficult and I'll be glad to take him because I know this is a difficult thing." I sent back a cable saying the president has agreed to accept Marcos.

About three days later he called back and said, "I'm very sorry." There was a huge uproar and everybody was saying, how can you accept this reprobate, this no-good SOB? Everybody knows we're doing it because the United States wants us to do it. We took the Shah out of Iran and we had all kinds of problems with it when he came here. He said, "My hands are tied. I simply can't. I have to go back on my promise. I can't take him." I reported that back.

There was then great pressure to see what we could do and someone came up with the idea of, "Well look, you know where the real power is. Why don't we go to Noriega and see if he won't say yes?" I remember it was really sort of a moment of truth saying "I don't think this is right. I don't think we should do this." I can remember sending a cable back knowing what higher authority wanted it, saying this is exactly the wrong thing to do. We might be successful but we have been working for the last two years to try to diminish the power and influence of Noriega and we are trying to blow up the civilians and this will be exactly playing into his hands. If we are going to do exactly what our policy says we shouldn't do, we will owe Noriega, we will build him up and we absolutely should not do it. I sent off a fairly short message thinking I've had a good career. I sent it back into the depths of Washington slugging it for people that I would never even write to, people at the NSC.

I remember getting up the next day, this happened about 3:00 at night and I tried to call Jack Calvin who was the head of the Southern Command and couldn't get him. I forget he was out doing one thing or another. I remember going to him first thing the next morning, "This is what's happened, this is what they want to do. I know that this isn't our policy, I want to send a [inaudible] because [inaudible] argued the point but more ostensibly and [inaudible] and that I would like you to clear off on it." I remember

[inaudible] who I think was one of the best military commanders we ever had saying “You’re right and you make a good case. I’m glad you sent it out in a cable but more important, I’ll make a call to ‘my people’ and explain that we agree that the military’s view is that we should not go military to military. We should not go to Noriega,” and we didn’t.

It turned out a lot of people in Washington were very happy with it. Here I thought it was going to end my career. Nobody wanted to try to go through Noriega. This enabled us to send a special mission down. Ray Burkhart our colleague then at the NSC came down and he negotiated out a possible acceptance of Marcos with the civilian government. It never came to pass but it was an interesting experience in terms of trying to balance off the civilian-military relationship both in the Panamanian government and within our own. I must say that the fact that you have an upstanding broad-minded military commander is very, very helpful. Jack Calvin is now recognized for his sagacity and broad-mindedness.

Q: What happened, for the record? Torrijos was the head of the national guard and the power behind...

PRYCE: Torrijos was the head of the national guard and he was clearly the maximum leader but he was killed.

Q: About when was this?

PRYCE: He was killed I think before I got there. He flew into a mountain. There was no question that Torrijos was the maximum leader of the country and had he wanted to, I think he could have won an election. He was quite a popular person. In my opinion, he did real good things. Panama had been for years a real oligarchy. They had the forms of democracy but not the substance. They had a very poor medical system, health system and Torrijos made both of those better. Of course he was arbitrary. His government was corrupt but he was not that corrupt personally. He didn’t get rich; he maybe got comfortable but he didn’t get rich. He recognized that it was time for him to have a civilian government and he was moving in that direction before he was killed. He was involved in an airplane accident.

The guard as an institution went on. Later on when I was no longer in Panama they had a sham election with Noriega and he stole it. The election, it must have been in ‘84, was close but there was a lot of fraud on both sides. The next election you had Arnulfo Arias running against the government candidate and the election basically was just called off and annulled. It was a phony election.

Q: Torrijos, when he was killed, was Noriega almost automatically... I mean had he built up a power base?

PRYCE: He had a power base but I think there were two interim commanders before he took over. They had a hierarchy and what Torrijos did was appoint Noriega as head of the

G-2. I think we talked about that with my first tour in Panama where when Torrijos left the country and was trying to come back, they pulled a coup against him and Noriega backed him and he could have gone either way. As a reward, he was made the head of the intelligence service and he built up his own network, sort of a J. Edgar Hoover type having something on a lot of people. He was a skillful manipulator so he had a strong power position within the guard but he was not the commander as soon as Torrijos died. He moved up and didn't become the commander I think until about three or four years later.

Q: Were we keeping an eye on him?

PRYCE: Oh yes.

Q: How did we see him in this early period?

PRYCE: We saw him as a powerful person who could help us. We were interested in help that he could provide with the Contras. Of course Noriega was playing us both sides against the middle. He was cooperating with us to a certain degree and he was of course cooperating with Torrijos and playing both sides. There was a great deal of cooperation between the two militaries. There were meetings I think every month on all the local problems that we had with the two militaries living side-by-side because we had all the goodies, all the equipment and all the background support and the Panamanians had very, very little. We were operating as unequals in a number of areas of joint cooperation.

Q: Watching what the Cubans were doing, I imagine you had a fairly large station there?

PRYCE: We did.

Q: Was that basically directed towards Cuban influence?

PRYCE: Yes, and Soviet, and through them [inaudible] but as did I think every station that I was involved in and [inaudible] knew anything about had as one of their primary targets trying to turn, or convert, or to hook a Soviet or a Russian or maybe not necessarily a Russian but a member of the Soviet Union. They were prime targets and the Cubans were, I wouldn't say far behind but they were behind. They were also a target that they had as an intelligence target trying to get more accurate information as to what was going on in Cuba and possibly get someone who was involved in the Soviet Union to give us inside information.

Q: Were we aware that Noriega was playing almost a double game?

PRYCE: We certainly were but one of the problems was that Noriega was very skilled at playing this game. For example in the field of narcotics, as it turned out he was involved at high levels with some real Colombian ringleaders; but at the street level he was cooperating with our DEA and Customs people and helping us make arrests, helping us

arrest other third country nationals who were going through Panama. We were appreciative.

One of the things that infuriated him was that at one point it was the attorney general and another point it was the head of the DEA sent congratulatory letters to Noriega for his great activity. He had a conniption fit, a triple conniption fit. You see about this letter in the papers. When Noriega got a letter, or whatever he got, he would immediately publish it saying, "See the United States thinks I'm good. They think I'm OK and I've got this letter." It would be drafted by someone clearly down the pipe saying, "Dear General Noriega: We're so appreciative that you've helped our squad ZX train on anti-narcotics. You've been the mentor of a joint narcotics operation which has stopped three boats," or whatever. Sometimes it was we wanted to thank you for close cooperation on a number of matters of mutual interest. You gave this information that we needed. Most of his activities were unsavory and certainly the few areas of cooperation didn't balance at all and as we found later, he was involved in some of the bigger operations.

Q: What about the Sandinistas and all? How was the conflict in El Salvador and Nicaragua reflected there because certainly the president had a fix on Nicaragua so this was big stuff.

PRYCE: Oh, it certainly was. One of the things you'll remember there was the Kissinger Commission; Panama was the first country to be visited by the Kissinger Commission. There was a real worry about the Cuban communist influence in the area. One of the positive things that came out of this Kissinger Commission report was the scholarships for educational and cultural exchange to match the scholarships that the Soviets were putting out. We had a program in Panama much larger than otherwise would have happened, I think they were called the peace talks. There was a huge amount of money appropriated and people were selected very effectively.

The Panamanian elite had a strong proclivity towards the United States and many of them had been there; the poor people hadn't. These scholarships were two year technical type scholarships for people to go to small liberal arts colleges or small technical schools, community colleges, for a couple years in the States. They learned a tremendous amount and came back with a very positive attitude and relationship with the United States. That's one of the plusses that came out of President Reagan's preoccupation with what he considered to be possible Soviet takeover, possible communist takeover, of Central America. I frankly never felt that it was as dangerous as the president did but there was a problem and he provided very good leadership in helping to solve it.

Q: What would happen when a visitor would come to Panama? You have Noriega sort of hovering out in the background and you have a rather weak president.

PRYCE: That's right. What would happen is that we would often have to convince the congressman not to see Noriega. They knew where the power was because congressmen are very good at that and they would want to go see him. We would always try to talk

them out of it and usually be successful saying, "Look, Mr. Senator, we would like to have you call and we know it would be interesting but you are going to build him up and we are trying to put him down because we want a democratic force." We were not going to put our body across the tracks. The congressman would muster up all kinds of reasonable arguments as to why he should see this person but we were usually able to talk him out of it. And of course Noriega was happy to see these people.

Q: How about the Southern Command? I would have thought this would have been very difficult and all as far as relations go. In other words, normally a military command tries to have as good relations as they possibly can have particularly when you're sitting on somebody else's territory and at the same time we didn't want to over-encourage Noriega. Was this a problem?

PRYCE: Not so much, no because relationships that our military had were partly defense and partly civic action. There had been a number of Panamanians who had moved on to the old army base so I don't think there was a real problem.

Q: For years we had been hearing about the canal zonians or whatever you call them, about how they were the last American colonial people and all and they wouldn't budge and were set in their ways and all this. Here we were we were about seven or eight years into the Panama Canal agreement and all and things were moving towards the year 2000, how did you find dealing with this problem?

PRYCE: It's interesting. That's one of the things that I worked hard at and was fairly successful trying to look at it from their point of view, from the zonians point of view, and at the same time explaining why we couldn't agree with them at times. The canal area people over a period of time became much more sophisticated, much more recognizing of the fact that if they wanted the canal to function then they should bring more Panamanians into the management of the canal. They should accept the fact that a few years from now the canal is going to be Panamanian. We can try to give them the technical ability and inculcate the Panamanians with the sense of ownership - not ownership for profit but the stewardship of the canal which had done good things for Panama and for the people who worked for the canal.

It was probably the best employer in the country in terms of decent wages, great hospitalization, a very good dental plan. For the people from the United States who lived in Panama it really was. A lot of them were very conservative and the military were not. The military stood out as being liberal in comparison with the old rural Southern cultural occasional wellspring. They were from a very conservative point of view and the military would come out in tripartite discussions as being very rational, very reasonable, very moderate as opposed to the civilians. But they came around quite a bit themselves too. There were a lot of very able intelligent people working with the canal and where you got this was at more of the lower levels than it was in the higher levels.

Q: Were there any operations that you were aware of being run out of the NSC, the CIA,

or elsewhere against Nicaragua and El Salvador? Was this a problem for you at all?

PRYCE: Yes. It was a complicated situation. The Panamanians did not want to be seen as being the lackey of the U.S. government; that was one of the things that was very prominent in everything they did. We had to try to bend over backwards not to be overpowering and also not to give the appearance of being overpowering. It was complicated. Of course we had been doing this trying to promote the peace process. The Contadora talks went on for years.

Q: This was a Central American initiative to try to find...

PRYCE: To try to find a solution to Nicaragua basically. We worked with them and the Mexicans were involved. It was called the Contadora Group because they first met on the island of Contadora which was right off the capital city of Panama. The United States was not a member of the Contadora Group so when there were meetings we would hang around trying to help people come to the right conclusions, try to find out where they were going. We worked closely with them. Harris Stadman, the head of the group, had worked on it for quite a while. He was a former congressman involved all around the country and in all Central American countries trying to move this process forward. It was a long period of time.

The bipartisan approach of our foreign policy and of course trying to promote democracy, and really it was Republican, it was Democratic and certainly it was implemented by career Foreign Service. They were working very hard to try to do this (and we talked about this in Panama) over the whole hemisphere. It was a constant effort, not always successful, and sometimes pursued with greater strength than at other times. There was a constant attempt to reduce the influence of the military, to reduce the possibility of coups, to push for democratic elections, to push for human rights, and we see the success that we've had.

Q: In fact more or less at this time in a way particularly in the southern continent, things were really moving along very nicely in this regard. I mean one by one the military governments were dropping out and the civilian rule was coming back.

PRYCE: Right. Of course it never stays quite done. You've got Fujimori who is a civilian government but he is not the most democratic.

Q: He's in Peru.

PRYCE: Yes. But you do have now the idea of a coup is not something that is talked about every other day. People in most Latin American countries don't think about a coup d'etat, a coup de nestalo, as a method, not legitimate but as a call for a change in government. It is just sort of beyond the pale now. That is progress which has been made by the U.S. largely with the help of others over a period of time.

Q: Was there a feeling of, I won't say euphoria but certainly a feeling of accomplishment in the ARA hands about watching this. You've had your problems but basically we are kind of on a roll and things are moving?

PRYCE: I think very definitely and I think the fact that you had eventually a democratic election in Nicaragua. It took six or eight years of working towards it before we finally got there but people did work over a long period of time. I think it was a culminating of effects and it was also a culmination of what's happening in the area as a whole.

You also have another trend which is the lessening of corruption. There certainly is a lot of corruption in Panama. There has been a lot of corruption in every country that I've served in, and there's corruption in the United States. It's part of the fact that humans run governments so there is corruption but there is far less than there used to be and it is far less accepted. Now you've had presidents thrown out for corruption. You had Fernando Collar in Brazil. They were not thrown out by the military but by a combination of the congress and the supreme court. You had the president of Venezuela who was basically put under house arrest for corruption. You had the president of Guatemala who was forced to flee the country when he pulled a coup claiming that congress was corrupt and congress said, "Stand aside, we're going to go after you for corruption. You are more corrupt than anybody." They had the goods on him and he left. Again partly because of popular pressure that was put on them not only by the United States but by businessmen, by members of the military establishment in Guatemala. This has changed the whole ante so that you now have got a pretty solid base for elections.

Q: Was the embassy keeping a moderate monitoring role on the Schools of the Americas where we were training Latin America forces, because this is a focus of much attention over the years? Could you explain what it was?

PRYCE: The School of the Americas was a U.S. sponsored school to train at various levels - at the enlisted level and at the officer level - Latin American military somewhat in our image and to train them to be more effective. Really it was to fight terrorism and to fight communism but it was also to help build up a democratic base. I used to go over fairly often and give speeches. Of course, I didn't see every curriculum, but I never saw curriculum designed to countenance human rights violations, or to countenance military involvement with them and I don't really think those attitudes were taught.

There were some people who went there that came out of a military mold that said it is our sacred duty and honor to run the [inaudible] get rich enough but that really can't be attributed to, any democratic [inaudible] can't be attributed to the Schools of the Americas. They never were taught torture. They never were taught you've got to have stability over democracy. There were people who went there that got that way. It's like saying that Michael Milken went to Wharton, and therefore Wharton is the nesting place of the perfect financier.

In my own opinion, and some people agree, it wasn't a bad thing to have the School of

the Americas go to the United States. I think it was a good thing. Basically you gave everybody a better taste of what the United States is, of what democracy is about, and you pulled some of the venom out of some of the people who disliked the United States. I'm trying to think, the School of the Americas is now at Fort Benning and therefore they are getting a first class military education.

Q: And it's away from that quasi colonial cage in which the Panamanian one had.

PRYCE: That's right.

Q: Were we at all concerned about communist, Cuban, Soviet insurrection forces or insurgencies in Panama?

PRYCE: No, we were not. The insurgency forces were minimal. The problems you had would be the government itself would instigate problems. We knew the Soviets and the Cubans were very active working in commercial and diplomatic circles but I don't recall, and certainly I do not feel that there was a broad subversive movement controlled by Cuba or the Soviet Union. There were a lot of leftists, sure, and you'd watch where they'd go, what they were writing, and what they said but I don't buy on with a conspiracy theory.

Q: During this time were there ever any concerns about the safety of the canal either being blown up or shut down?

PRYCE: There were people that worried, and there were precautions to be taken. The feeling was that the biggest danger to the canal was from your own people. I mean putting a monkey wrench down in the inner workings, or start a fire when nobody else was up in the morning. This did not happen.

Q: Were there any problems that caused concern at the embassy about Americans, either visitors, zonians or anything, getting into trouble in Panama?

PRYCE: Oh yes.

Q: Could you tell about any particular bad cases?

PRYCE: I guess you forget unpleasant occurrences. We had difficult problems. We had problems where part of it would be where U.S. military police would take jurisdiction over Panamanians in the canal area. We had the right to do that under certain limited circumstances but they sort of broadened a little bit or they would take action and not inform their Panamanian colleagues and so there were problems. I'm trying to remember specific instances. Frankly I'll have to refresh my memory, I'll have to go down and look. There were instances and it was largely on the part of sort of U.S. military police. They were told not to but it was sort of on-the-spot U.S. military police or canal police exercising undue force or undue involvement in police efforts.

Q: Did you have any high level visits like George Bush, the vice president, or anything of that nature when you were there?

PRYCE: It wasn't quite of that nature but we did have the Kissinger Commission which believe me, Henry can make more mess. Actually he was in a very good mood when he came and he had a big commission with him with a lot of high powered people. I remember he had Jeane Kirkpatrick, he had Fall who was the head of Boston University, John Silber, Nick Brady. It was a cast of very popular, well educated figures and all of them visited Panama.

This is very useful just to get it down because otherwise if you wait for the people who write it, it won't get written. Vice President Bush came down. There wasn't any problem; it went very, very well.

Q: Did he see Noriega?

PRYCE: He didn't call on Noriega but he saw him with the civilians in, I think it was in an airport operation and Noriega did not have a separate meeting with him, no. They tried and we said no.

Q: By the time you left there in '86, what was your impression about whither Panama and American relations and all of that?

PRYCE: I thought that U.S.-Panamanian relations were vastly improved. I think that almost anybody you'd ask would agree with that statement. They were vastly improved after the passage of the Panama Canal Treaties. The tremendous venom that the bittersweet love-hate relationship had was largely dissipated because there was the projection that we would be eventually leaving. Relations on a personal basis and on an official basis were much smoother than when I got there because you had this period of time where people had recognized that the balance was changing and that the Panamanians were going to run the country and run the canal.

That's one of the other interesting things. It was always amazing to me that people would say, "The Panamanians can't run this canal, it's very complicated," yet they took over in about a year-and-a-half a very complicated air traffic control system that was run by the FAA. They had no problem running it. They knew how to run all the machines and they did it right, did it correctly. It required a greater level of technical sophistication by far than running the canal did and they did just fine.

Q: I think most of us who were around at the time always think of the Suez Canal pilots. The British, when the Suez crisis came in '56 said Egyptians can't run the canal and of course they ran it very, very well. I'm always very, very suspicious about this idea that we're just so far ahead and all. It is sort of a trade union type attitude.

PRYCE: Yes. And of course the fact that the canal isn't all that much different today than it was then. It is different but not that much.

Q: You left there in '86...

PRYCE: I left Panama in '86 to go back to become the deputy U.S. representative to the OAS.

Q: You were in the OAS from '86 to when?

PRYCE: I was in the OAS from '86 to '89.

Q: Who was..?

PRYCE: My boss was Richard McCormack. He was the protégé of Jesse Helms. He had been an assistant secretary for economic affairs and had not distinguished himself.

Q: According to people I've talked to he bombed.

PRYCE: Yes, he did but he had a hell of a job. He wasn't trained for it and he had George Shultz for his boss. I mean, the poor guy. I would be intimidated. I don't think I would take the job. I had a degree with distinction in economics and I didn't work that much in the economics sphere and I would be very tenuous about taking this assistant secretary of Economic Affairs and George Shultz was the secretary.

Q: Because George Shultz was...

PRYCE: He had been secretary of the Treasury. He had been director of the Bureau of the Budget. He had a razor sharp mind but he was far too much involved in all the financial economic...

Q: He basically had been teaching legal economics and all that at the University of Chicago.

PRYCE: That's right.

Q: How did you get the job?

PRYCE: I was up for an assignment and McCormack was looking for somebody. For whatever reason he didn't think the people who were being proposed to him were good. The way I got the job was that Ambassador Bob Sayre knew me and he knew McCormack. I had worked with him my first tour and I had served with when he was a desk officer to Mexico and I was aide to Ambassador Mann. He was working temporarily in the OAS mission and he thought that the two of us would work well together and that I ought to be put forth as a candidate. It was not the highest on my preference but it was a

good, interesting job. I probably wanted to be ambassador to Spain at that point but anyway, the more I heard about it I thought I'd like to try it and that's what happened. The personnel system just wanted the job filled.

McCormack had turned down 12 people, probably all of them highly competent and qualified. I don't know what his problem was. He liked my record I guess, so he arranged for us to meet. I think it might have been during Vice President Bush's visit to the inauguration in Costa Rica that I flew up and had dinner with McCormack. After a three hour dinner he said, "Well, if you want it you've got the job." I knew that he worked with Jesse Helms. I said, "You know, I know you worked with Senator Helms and the one thing I want you to know is that I was a proponent of the Panama Canal Treaty. Not only was I a proponent but I was a negotiator and I'm not ashamed of what we did. I think we did a very good job and you ought to know that." He said, "That's all right. It sort of cleared the air quite a bit.

Ambassador McCormack did a much better job at the OAS than he did as the assistant secretary for Economic Affairs because he was basically a political person. His Spanish wasn't all that good but he could communicate and most of the other ambassadors spoke English anyway. He didn't get along too well with other government agencies.

Q: For the historical point of view could you explain what you mean when you say that he was a protégé of Jesse Helms?

PRYCE: Jesse Helms was the ranking minority member of the Senate Foreign Relations Committee. He was a person who had very conservative views and had very negative views about the State Department in many ways. He had about him (this was about in '86 or so) a number of people on his staff who were I guess you would say narrow minded if you don't agree with them, who felt very strongly along narrow political lines and were not open to much discussion. Of course Helms was always very, very powerful and able to ratchet all kinds of letters against the administration. Later on it became very clear that if Senator Helms did not want you to become an ambassador, you did not become an ambassador because he wouldn't confirm you. It happened not too long ago that he refused to hold hearings saying, "We don't need any ambassadors so I'm not holding hearings."

Q: Had you done any corridor checking on Richard McCormack to find out if this would be a man you could work with or not?

PRYCE: I really hadn't. I am able to work with a lot of different kinds of people and I figured that I would probably get along all right with him. I knew where he was coming from. I knew that he had come out of the right wing of the Republican political spectrum but Bob Sayre and others said this will be a good fit. He wants a career Foreign Service officer, he wants someone that understands the issues and will tell him what he thinks, and so on and so forth.

I remember one of the things that was difficult was that the assistant secretary for Inter-American Affairs was Elliott Abrams. He was also in a conservative mode and people thought these two conservative people would get along very well but they didn't and they didn't to a flaw. I give McCormack credit because he said, "I don't get along with Abrams and we need him. Our relationship was one of mutual interest and benefit so why don't you handle the relationship with ARA and I will do the job with the OAS and we'll have better communications."

Of course it didn't work out that way but there were times when people in the bureau would say, "McCormack has this screwy idea on one thing or another, and we want you to help fix it." I'd always say, "Look, you have to remember I am his deputy and if there is something you don't want him to be involved in or don't want him to know about, don't tell me because my first loyalty obviously is to the country but I have a loyalty to my boss also. You have to work with him if you have disagreements. You can't just try to bypass him by telling me well this is what we plan to do and isn't that OK? It's not a question of yes, it's OK and I know it is OK but I have to convince him because he is the boss." But it worked out. He didn't speak Spanish all that well and there were times when that wasn't helpful but he was hardworking and I think he was well liked among the Latin American ambassadors.

Q: I would have thought this would have been a problem above being well liked because coming out of particularly this right wing mold when we were pretty close to the height of confrontation over Nicaragua. I'm not sure whether by this time we were mining the ports, we were doing a lot of things where we would go in and sort of against world will or certainly Latin American will, I would have thought that he would have been considered sort of the devil or something.

PRYCE: Well no, because he wasn't concerned with things.

Q: No, but he was representing a force that was not appreciated in Latin America on this thing.

PRYCE: That's true.

Q: Did that cause problems?

PRYCE: Yes it did. We had to smooth things over at times.

Q: Did you find yourself at times having to talk, let's say down at the second level at OAS of people saying, "You've got to understand where this man is coming from politically and what we are doing, and let's try to get along however."

PRYCE: Yes, it was never explicit but there were times when we'd sit down and say, "Look, we understand where the ambassador is coming from and this is where we are coming from. Don't you agree that his position isn't what it ought to be?" We'd always

work it out and say, "You have to understand that we don't make our own position, that it comes from on high. Sometimes we can interpret and sometimes we can look for changes and make recommendations and see where we come out." We did that a number of times. That's the other thing. I think that Ambassador McCormack knew when you were working at a different level and if he agreed with the objectives, which he did, he was happy to have you do it; "If I can't do it and someone else can do it, that's fine." I admired him for that. I don't know if he was that way with everybody but he certainly was that way with me, and I in turn with some of the other staff, and so it worked out.

Q: There were some real ideologues on some of Helms staff. One of the ladies there went off and married one of the junta....

PRYCE: In Honduras, Debbie DeMoss, no, she's a friend. Again we differ fundamentally on some political concepts but we were able to maintain a friendship which we have to this day. She came to Honduras and married a senior officer in the Honduran armed forces, someone who we thought was a very good officer. She was a very strong individual and very talented. She was bilingual (I think she taught herself), smart as a whip, aggressive and speaking for Helms. She had contacts all over the place. She would frustrate the hell out of people.

Q: I was wondering how that played where you were? Did you find, particularly the staff but Helms putting his overhand...

PRYCE: What happened there, again Ambassador Briggs knew Debbie DeMoss and he got along pretty well with her. I guess as part of maintaining a dialog with the senator's staff which was a smart thing to do, she would come by and he would see her and give her an interview. She would see him and other people in the embassy. Ideally we want to say you can't see all these high level people in the government or in the opposition but with her we failed to say no. If she liked you she would say, "What shall I say or how shall I approach this problem?" You could then tell her and she would often listen. She was a very intelligent person.

Q: How did she get along or did she have any influence on McCormack?

PRYCE: I don't think so. I don't think there was any relationship that I know of.

Q: How did you find Elliott Abrams?

PRYCE: Smart, very smart. He could be difficult but I got along with him quite well. I certainly respected his brain. I thought he was pretty able.

Q: I was just wondering, there were the North hearings and all and Abrams got involved. I would have thought that this would have in a way so involved the ARA bureau that you could almost kind of write your own ticket back then.

PRYCE: I respected Abrams. He was smart, aggressive, and I guess I was a little bit insulated from him. We did our thing at the OAS and he left us alone. He was an ally in the sense that one of the things that we did while we were at the OAS was to try to lay the base for covering elections. There is a whole election unit in the OAS now. It was started back in the [inaudible] in the U.S. mission to the OAS trying to get a better budget for monitoring elections which we finally got. In the end it was the budget that the OAS got to lay up the groundwork for the Sandinista elections which enabled us to set the base to get people from all over the world in and finally get the elections...

Q: It really broke the back of our main concern there.

PRYCE: Yes and Abrams was part of that. Abrams was very supportive on this.

Q: This is tape six, side one with Bill Pryce. We've been concentrating on Central America, particularly Nicaragua, but the OAS had overall responsibility for relations with all Latin America countries. Were there any other areas that were of particular concern to us?

PRYCE: Oh yes. The Bolivian dispute with its neighbor Chile on access to the sea was a perennial problem and we tried to mediate. We tried unsuccessfully at the OAS to get the OAS to move against Noriega. Deputy secretary Larry Eagleburger came over to a number of meetings. We only operated unilaterally against Panama when we failed in our attempt to have a multilateral action. I hate to admit it but I was there at the OAS when we were unsuccessful in trying to get the OAS to move against Noriega. Simply that was intervention and we couldn't do it.

It is very interesting to see how the OAS had progressed over a period of years and what they were willing to accept. At one point every time you tried to talk about human rights, they'd say that's intervention and we can't talk about that. It is a sovereign right of every country to operate independently and with no strings from abroad. Finally it began to be such a hot issue that the OAS decided that you could have people come in and look at human rights situations because this is so important that it needed to be done and it wasn't intervention because we say it isn't intervention.

You gradually got a greater and greater involvement in looking at human rights factors and finally you moved into the election area in countries like Mexico. My goodness you can't have this international organization screwing around with our sovereign right to govern ourselves and to do whatever we want as we best see fit. You've got the OAS now where the OAS has election observers everywhere, in almost every country. That was one of the things that Ambassador McCormack and I worked on while we were at the OAS laying the groundwork to build it up as an organization which provides the international monitoring where we can't do it ourselves and where you really need some kind of helpful outside force.

Q: My unqualified look at the OAS was at least before it was kind of often a rest spot for

elderly ambassadors. It wasn't a very powerful place.

PRYCE: No, it wasn't.

Q: It was very nice living to be an ambassador without an awful lot of the responsibility and it sounds like we were trying to prod them into being activists when normally the type of person that would go there, the less....

PRYCE: The don't bother me. I like to go home on Friday afternoons...

Q: Did you find that you were kind of saying, come on fellows let's get with it?

PRYCE: Yes, we did. We were activists. We were very active. We were involved in elections, in border disputes, in anti-narcotics. We worked very hard to foster the growth of SECAP which is the OAS anti-drug unit which has done quite well. It has done a number of good practical things.

Q: Was the OAS when you arrived there, not because of you but because of our action, a different OAS than when you left. You arrived in '86 and you left in...

PRYCE: It was. Where the OAS really made the difference was as election observer in Nicaragua. They were competent, they were pretty well trained, they had some funds, they had the equipment. When the UN and others came in, the OAS had been there and said we have this organization, we have this branch up every 50 miles, or every 35 miles. They would show the other people where the electoral precincts were and tell them what the problems they were going to face would be, like lack of documentation, or pure lack of physical places to put the polls, or access, or one thing or another. The OAS knew what to get their temporary observers to look for and so that's one area where the OAS had done themselves proud and it lifted the spirits of the career people who worked there.

Q: Many of the seeds for this or infrastructure was built during the time that you were there?

PRYCE: Yes. You gave me the soft ball. I don't want to claim credit for it but we did work very hard on that and that's one of the things, and part of it was getting money. You see the problem today in paying our assessments when we were on the one hand over there infighting the best we could to get our assessment reduced, to get the percentage the U.S. paid to the OAS smaller and at the same time we're arguing back with the U.S. government that whatever it is, we've got to pay it. We did pay a disproportionate share depending if you measure things on the basis of [inaudible], but if you measure on gross national product, maybe we weren't so far out of line. The fact of the matter is that we were able to get money for specific election supporting activities and that has made a tremendous difference.

The cultural side to OAS which is good but that's part of what we participated in and it's

a good forum for discussing a number of these international problems. To me it's OK as an economic social development vehicle but I frankly think that bilateral economic relations, bilateral U.S. aid relations, are better than multilateral. I mean you get more influence over how it comes out.

Q: How about the Bolivian desire for access to the sea?

PRYCE: We were always trying to figure out some kind of a formula that would recognize Bolivia's legitimate aspiration to the sea but not give them a port carved out of Chile's territory. I can't remember the details now but I do remember telling a senior officer from ARA who got involved in this, a friend, "Stay out of this. You don't know what you are doing and we'll do the best that can be done and we'll hand it over to you. You can take credit for it or be shamed by it or whatever it is but don't get in the middle." I can't remember the details but it was precisely on the access to the sea situation where I guess we had avoided one more crisis. We didn't solve the problem and the problem is still not solved.

Q: Ecuador and Peru?

PRYCE: Ecuador and Peru, no we can't claim credit for that one. I mean the OAS can claim it now but it didn't happen on my watch. Panama was not successful. Panama happened on my watch but I was out at the NSC at that point. We'll get to that next time.

Q: What about some of the things that were happening in Nicaragua before while you were there. There were times when we were refusing to accept the jurisdiction of the International Court and all of that, about mining I think of Nicaraguan harbors. Was that during your watch?

PRYCE: I don't think so. I was involved in mining operations in Honduras again getting money from the U.S. government to take the mines out that we wouldn't admit that we put in and at the same time telling the Hondurans we've fought a great campaign together to get democracy in Central America. You guys were the bread basket and the place where the troops were trained and you get a lot of credit but you also have to pay part of the price. These mines that are in there were put in there to defend you and we didn't put them in, the Sandinistas put them in, but we paid for them. It was a question of wanting to press on the U.S. government and the U.S. military that we've got to provide support. The Hondurans will pull these mines out. If you teach them how to do it they will do it but we've got to supply the basic infrastructure because of where it is. They can't afford it.

Q: Were you feeling some of the operations of the NSC or were people calling up...

PRYCE: No, I guess I was there after the height of the Iran-Contra affair and I was back in Washington but there wasn't that much and it was before that. When I was there the NSC didn't get into operations situations nearly as much.

Q: They'd been burned by that time.

PRYCE: I guess maybe that's it or maybe they were told to stay out.

Q: You left in '89 and went where?

PRYCE: I left in '89 and went from being deputy U.S. representative to the OAS to being deputy head of the National Security Council Directorate for Inter-American Affairs.

Q: OK, we'll pick that up in '89.

PRYCE: One of the problems in working with the OAS was that it didn't have a lot of prestige. In order to make it effective you had to try to build up what the OAS could do within the Department, within ARA, and certainly within the seventh floor; but in order for us to have any leverage - especially when we weren't paying all our bills - we had to have top level participation at the OAS general assembly, for example.

One of the things Ambassador McCormack and I were successful with - I was the inside fighter on it - was in getting the secretary to go to the OAS meetings. It wasn't the same if the deputy went no matter how good the deputy was. I got Shultz to go and I got Baker to go. That's one of the problems with President Clinton, he never went anywhere in Latin America for four years and he never did give the OAS the due that it was and Secretary Albright isn't either. That's one of the things that was important as I say, to get the attention of the seventh floor when you could and to get them to personally participate because then you could always go back to them. They had been through some of these disputes, they knew what the basis was, and they would help you in trying to get them solved.

Q: Just a quick question, was there much of a difference when the Bush administration came in? You were there for a limited period of time.

PRYCE: Yes, I would say that there was. I would say that there was a difference in the sense that Bush was a very structured person and very familiar with foreign affairs. He used the National Security Council much more than his predecessor did and certainly much more than his successor did in terms of making sure that all points of view were vetted and that you knew where the president was coming from and he'd solve matters of disputes. There was a greater organization under Bush than there had been under Reagan.

Q: Bush had spent a bit of time on Latin America too didn't he?

PRYCE: He had spent a bit of time on Latin America. He had been at the UN and one of his sons married a Mexican so he had a better flavor for things Latin. Bush was a diplomat. He was a master at getting along with people and he struck up friendships with a number of Latin American leaders which turned out to be very useful.

Q: Okay, so we'll pick this up the next time when you go to the NSC in 1989.

Today is the 4th of February 1999. Bill you went to the National Security Council and were there from '89 to when?

PRYCE: To '92.

Q: So this was Bush.

PRYCE: Right. I went there carrying two hats for a temporary period. I was still the acting U.S. representative to the Organization of American States and at the same time I was also director for Latin America at the National Security Council doing a little bit of both because there was a plenary meeting of the OAS in May or June of that year and I was the person who had the continuity. Bernie Aronson had come in. Jim Baker and Larry Eagleburger were in place. I was still sort of managing the office at the OAS.

Q: Who was our ambassador under Bush? Was he named?

PRYCE: It was Luigi Einaudi who had not yet come on the scene. Dick McCormack had been our ambassador and he had left so I was the acting ambassador then Einaudi came in.

Q: Let's take the OAS side first. Were there any issues that came up? You had Panama that came up. Did that come up on your watch?

PRYCE: It came on my watch, yes. One of the principal problems we had in the OAS was trying to handle the Panama situation and very frankly we were not able to do that. We tried very hard to work on a multilateral solution but there was reluctance on the part of the OAS to take any multilateral action. I think Mexico, from the historical perspective, was particularly reluctant to have any collective action taken to try to help solve the dictatorship problem with Noriega. We worked very hard and I know Larry Eagleburger was very active in the meetings we had to try to get a successful resolution to this problem but we were not able to do it.

Q: Was it almost within the psyche or the structure of the OAS that seems to make it not a very effective organization at least particularly in dealing with specific problems?

PRYCE: I don't think it's so much the structure but as you say it's the psyche. It's the same problem you have with any multilateral organization, less so now with the UN and less so now with the OAS. There is just a great reluctance to have an international organization be involved with affairs which involve what was considered at that point to be intervention. Countries were just very, very reluctant to take action against any government no matter how heinous because they were always worried that maybe my

government will be next. They were never quite sure as to where their own position would be and so they didn't want to have action taken in Haiti, or in Panama, or wherever because they were worried about whether events in their own country might come to a point where you might have multilateral action to try to promote democracy.

I think I mentioned very briefly how the OAS has progressed. At one point you couldn't talk about human rights in the OAS because that was considered intervention. Finally there was an evolution over a period of time which we worked very hard promoting and I think we were successful at it - I had a little bit to do with that - where they were able to say that human rights is so important that you can be involved in the human rights situation in a particular country and it's not intervention because we say it is not. The OAS defined human rights as so important so that meddling in somebody's human rights affairs is not intervention.

It has now progressed one step further where we've gotten to the point where - Luigi Einaudi was involved in this later on when I went to the NSC - working on Chile we have gotten a resolution where we would have automatic action if there were a threat to democracy. We finally got the OAS in simplistic terms to say not only is human rights so important that if we get involved in trying to promote it, it is not intervention, democracy is so important; ensuring democracy is one of the ultimate goals of the OAS. Therefore if we intervene or if we take collective action involving a country's internal affairs in terms of democracy, that's not intervention either because democracy is so important. We simply define it in such a way that you can take collective action.

Having said that, there is a great deal of progress but nevertheless there is also a great deal of reluctance to have the 31 member organization take meaningful action. It is a constant struggle. You see that in the UN today in terms of Iraq and you see it in NATO in terms of Bosnia. It's a combination of a psyche and an institutional problem. Not so much the institution of the organization but the reluctance of governments to take collective action involving the internal affairs of other countries. They are simply worried about being involved.

Q: I think too another factor that is coming in more and more is world television. Things are often driven by watching today in Kosovo and Yugoslavia people getting slaughtered. It becomes hard to ignore these things. It is almost driven by where the cameras are.

PRYCE: There is something to that.

Q: What about during particularly this later point where you were dealing with the OAS but you were still with the NSC when Bush was in, what about Mexico? It always seems like Mexico and Latin American affairs is the odd man out and in its foreign affairs it is almost visceral disapproval of what the United States is doing.

PRYCE: That's right and that of course comes from a very understandable historical context. Top people in the Mexican foreign office used to say to me, "Bill, you know we

understand what that red stripe down the side of the pants of the Marines comes from on their uniform. It comes out of the campaign,” what they consider the U.S. war of aggression against Mexico. Given that historical perspective and given that we tend to forget that Mexico during the war lost a third of its territory.

Q: I think today is an anniversary, I'm not sure what anniversary, of the Gadsden purchase. I saw it on the calendar.

PRYCE: It could very well be. This extremely traumatic experience that Mexico had where as I say they talk about for example, Los Angeles, Santa Rosa, San Antonio, all these cities were Mexican cities. So Los Angeles, Houston, San Francisco...

Q: Not Houston..

PRYCE: Not Houston.

Q: But it has Mexican overtones.

PRYCE: Certainly San Antonio, Albuquerque - Albuquerque is an Indian name - but certainly Santa Fe.

Q: Albuquerque is named after I think either a Portuguese or Spanish explorer.

PRYCE: OK, so there's Albuquerque, Santa Fe, all this was Mexican territory. The intellectual Mexicans have never forgotten it. This is a historical perspective. Mexico has always been worrying about what the United States might do in multilateral action and also a feeling that for example in the OAS because the United States was a dominant force and that we could use the OAS to do our own will. The experience for example in the Dominican Republic where basically...

Q: This was '64 or '65.

PRYCE: This was '65 where we had an OAS force which had a Brazilian general as the deputy commander but it was really a U.S. sponsored, supported and mainly supply and force which went into the Dominican Republic; I think for good reasons. In fact I'm very proud of the fact that in that period of time that we did go in and I was involved with Tom Mann in making the decision to do that. We basically brought democracy out of a dictatorship in the Dominican Republic and they've had a series of elections which has shown a continuing democracy. But there was a military force led by the United States and I think the Mexicans were adamant that that would never happen again. Any attempt to create a Latin American peace keeping force always floundered because of a fear that the United States would use it as a means for achieving U.S. objectives and which the Mexicans simply didn't trust. So yes, you are right that there has always been a great reluctance to have the OAS do anything in the political area using force.

Q: Let's talk about what the situation was like in Panama and how it was dealt with both from the point of view of the NSC and from the OAS because you were essentially shuttling back and forth between the two.

PRYCE: At that point we had not been able to get OAS action against Noriega and we were then really working on a bilateral basis seeing what we could do to try to help basically get Noriega out. We worked with the elected president, Arturo Delvalle who was nominally the president who was in hiding for a period of time. There were a number of very brave Panamanians who were in effect doing political guerrilla action against Noriega. There were strikes, there were marches, there were all sorts of things that didn't quite work. There was also a question of U.S. military intervention.

Q: This is obviously an unclassified interview but I think we had been there so long that the CIA would have had a pretty heavy thumb in there.

PRYCE: Yes, I would say that in one form or another we were involved in trying to help the local opposition be effective. I don't think it is any secret about the fact that we were trying to help the democratic forces.

Q: As I recall there was a proposal or a visit or something by some dissident officers or somebody...

PRYCE: I guess we move out of the OAS and come back into the NSC.

Q: Let's finish with the OAS.

PRYCE: Basically the OAS really in the end was not willing to take strong effective action.

Q: Did the OAS see that there was a problem?

PRYCE: Yes, very definitely the OAS saw that there was a problem. Frankly I think at one point we mentioned that we really wanted to solve this problem in a multilateral way. The not too subtle message was that this is very important to democracy and to the United States and if we can't solve it through the OAS, we are going to solve it some other way. The way we put it was it would be a terrible shame for the OAS to miss this opportunity to support democracy. Well, the OAS did miss that opportunity. We tried everything we could. We tried to get multilateral action and when we couldn't get that we eventually ended up with unilateral action.

Q: Was it implicit when you were talking to the OAS people either by a wink, a nod, or overtly by saying we can't do this because we can't get together but we know you are going to come in there and do something?

PRYCE: Yes, that's right, you are correct. There were people who said this is not

something that we can do and in the tacit, not approval but the tacit saying, yes we understand that something has to be done and I think a recognition that the United States was going to do something in defense of democracy if we had to. We didn't want to do it that way. There was a feeling on a number of people's part, especially individually, personally, people would tell me "Look, Bill, we know this is what you are saying. We know that this is unofficial, personal that the United States is going to have to take action and we will understand that." This other delegate would say, "I will do whatever I can to have us look the other way and not criticize you but we can not be involved in an OAS action."

Q: How did you view the efforts of the official, in other words the Noriega representation to the OAS at that time before action? Were they doing much?

PRYCE: Yes, they were doing everything they could. They were going to the Mexicans, they were going to the people and saying, "Let us handle our own problems. Don't allow the United States to interfere in the internal affairs of our country." They were making all the usual arguments and they were working on it, yes.

Q: Let's move to the NSC dealing with that. When you arrived at the NSC did you arrive just as the Bush NSC was being put together?

PRYCE: No, I arrived in May of '89. Ambassador Ted Briggs, at that point ambassador to Honduras, had been appointed as the senior director for Latin America and I was appointed as his deputy. He hadn't arrived yet so for the first month or so that's when I was carrying two hats. Ambassador Briggs then came into the job and I worked with him for I guess three or four months until he was named as ambassador to Portugal. He left and I became senior director.

Probably my first major involvement in the NSC was the Panama action. Over a period of months, we at that point had determined that this problem was not going to be handled through the OAS and we were going to have to do it ourselves. Frankly what we were hoping was that Noriega would provoke a situation where we could use our force to intervene in a way which would help democracy, help basically bring in Na who had been elected into office. We were basically looking for opportunities hoping that Noriega would take improper action, and that never happened. He was smart enough to avoid any kind of confrontation.

One of the things we did for example was to exert our treaty rights to send our military vehicles up and down from one place to another in Panama. There might have been a confrontation but there wasn't because Noriega simply didn't want to have a confrontation. We were at the same time working with the civilian elements trying to help them create a situation where Noriega would be perhaps even removed by his own people. It didn't happen as you know.

There was a time when we were asked by some Panamanian officers to intervene when

we did not. We weren't sure if it was a provocation and what we did was provide these officers with what they had asked for in terms of blocking egress for Noriega's troops to come in. They basically took over the general headquarters and they asked us to block in effect reinforcements from Noriega to come in and confront the rebels. We did that; we set up a block so that Noriega couldn't bring reinforcements in and basically take these rebels to prison. They relented for a minute and Noriega [inaudible].

Some people felt that this was a time when we should have been more active. I think we took the right decision. Based on the information that we had, we were not sure where these people were coming from and what their position would be so we did not take any clear action to support them. We did give them what they asked for and they made a fatal mistake in letting Noriega get out and called to a phone. They could have [inaudible] if they had wanted to, they could have kept him [inaudible] but they didn't.

I guess I'm putting it generally in a way, but we were looking for a fight and finally I think the actions that the Panamanian government took in terms of taking a U.S. navy ensign as I remember, and his wife, maltreating them, basically abusing them, that was one of the things that made us clear at the time to take action. There were other factors. We finally, over this period of time felt that it was time to oust him and we did. I'm reluctant to say now, we always said we never baited him but in light of hindsight we did have a military operation which basically neutralized the guard and [inaudible] to assume the presidency, basically we supported it.

Q: In the first place you've got George Bush as president who had been to see Noriega a number of times and he knew the problems. Here was a man who didn't have to be brought up to speed on this. How about Brent Scowcroft, the head of the NSC, had he been involved with this?

PRYCE: He certainly was very much involved with this. I'm not sure if he knew Noriega personally but he was very much involved and knew the situation, knew the characters, knew what we had done. He and Bob Gates were both deeply involved in the whole situation.

Q: What was your role?

PRYCE: Basically my role was recommending to Bob Gates and General Scowcroft what we should be doing there. What we were doing was trying to provoke Noriega into taking action that we could respond to. We were, as I say, looking for a fight.

Q: Was the ensign and his wife, using the families, were they part of trailing our [inaudible]?

PRYCE: No, no, no. Among the things that we were doing as I mentioned to you, we were running our light armored vehicles up and down the highway in effect hoping that someone would try to stop us and they never did. I think there was also a feeling that if

Noriega were to be foolish enough to appear in the canal area, that we would in effect try to grab him but he again was smart enough never to appear. I think that we had made the decision that Noriega had to go and were looking for the best circumstances in which to get him out.

Q: What about your relations in the NSC with our ambassador? Who was our ambassador and how did the embassy fit into this?

PRYCE: There were very close relationships. Before I had gone to the OAS I had been the deputy chief of mission in our mission in Panama and I had known the U.S. ambassador there, Arthur Davis, and had a very close relationship with him. We also sent down during these difficult times a very seasoned professional Foreign Service officer, John Bushnell, who was sort of a super chargé or super deputy chief of mission, to help Ambassador Davis during that period of time. Once the arrival of U.S. forces took place Ambassador Bushnell worked very closely with Ambassador Davis in terms of our subsequent actions. Of course you'll remember one of the things that we were trying to do then was to find Noriega. We had very great difficulty doing that. We were working with the Southern Command, with Max Thurman who had the nickname Mad Max. He wasn't mad at all; he was extremely competent.

Q: At least looking at it from outside, I was immediately struck by the fact that there was no attempt apparently - and I'd like you to correct this - in the planning to take care of the embassy and the embassy was sort of left...

PRYCE: Oh no, that's not accurate. There was a plan to take care of the embassy. I'll tell you one of the interesting things that happened, a difference of opinion was whether we knew there was going to be a confrontation, the question was trying to evacuate. The embassy had been drawn down and we had some problems with the CINC.

At that time I think the previous CINC had been General Warner who was reluctant to have the overflow of military dependents who lived in Panama leave, for human reasons because it just wasn't convenient and nobody wanted to go. People thought they would be safe. The embassy was pushing very hard, and we were in Washington also, to get all the military dependents out of downtown Panama. General Warner, is a friend but we differed on this one very sharply. I remember when Senator McCain came down for a visit to Panama as part of a congressional group, he also felt that the CINC was making a big mistake in not getting U.S. dependents out quicker.

I think the embassy felt, and there was some reason, that they were not as high a priority. I guess the military priority was to basically establish control over the entire area and to make sure that Noriega's people were neutral. There were people protecting the embassy but I think not in as great of number as the people in the embassy would have liked. I think they were protected.

Q: What was the NSC role? I mean the ensign and his wife had been abused...

PRYCE: And there also had been several military personnel who had basically run a roadblock in going by the Parson Generale, Noriega's headquarters. They had gone down into that section of town and had been stopped by Noriega's police. I don't know if they panicked or what but they decided to run a roadblock and the Panamanians fired at them. That was one of the provocations also.

I must say that in this, I was very much involved in the question of, is now the time to act? What I can remember very clearly is the meeting that General Scowcroft sent me to. He felt that I was the person to go to a meeting with the top military people over in Dick Cheney's office with Dick Cheney, Colin Powell, and I forget who was there from State but it was to sort of review the situation and to make recommendations. I remember one of the things that I was saying was if we need to go, we can go. Use this as a reason. I think the abuse of the lieutenant's wife was one of the things that really made President Bush feel that this was intolerable, now was the time to move.

We wanted to move anyway but there was also this question of needless violence by the Panamanians and basically shooting our people in the back. I can remember making the point that if we want to use this as a reason we can do that, but we have to recognize that it's not unexpected that if somebody runs a roadblock, that you shoot at them. Our position was that they didn't have to, that they could have stopped them down the road but this was a roadblock right in front of central headquarters and I felt that this was not an unreasonable act on the part of the Panamanians.

It was not a very popular point of view. Dick Cheney didn't like that point of view. I think Colin Powell I remember very much so, his supporting me saying, "Yes, Bill has got a point here," pointing out that in the Pentagon not very many days or weeks before that someone had gone through a Pentagon checkpoint and I don't know if they were demented or not but they wouldn't stop and they were shot. You know the sentry was doing his duty. The guard was doing his duty. Again it was not unreasonable from a military or from a protection point of view to have somebody shoot people who had run a roadblock. But of course we put the best face on it and said this was unnecessary violence and we used that as a reason to do what we felt needed to be done and this was the time to do it.

Q: Often this is the, I won't say the devil's advocate role of the Foreign Service, but often we are put in the position of trying to see it from both world opinion and the other side and it's not always popular with people.

PRYCE: No, I wasn't popular with the Pentagon that morning I'll tell you that but I think that Brent Scowcroft was happy that I made the points that I made. It was really for "higher authority" to make the final decision and all I wanted to be sure of is that if we want to use this as a reason to go in, we can certainly do that, we can make the case but we should recognize among ourselves that shooting somebody who is running a roadblock is not an unreasonable action.

Q: How did it work? Was that just one and the navy couple's abuse, were they kind of lumped together?

PRYCE: There had been other provocations. There had been other people who had been shot at and there had been incursions over in living areas in the canal area. There had been abuses against Panamanian democrats. President Arturo Delvalle was in hiding. At one point he was in hiding at the U.S. embassy. He was moving around to various places. We felt that we needed to restore democracy but it was a question of how and when.

The final decision of course was made by the president and I can remember at that point that I think we knew obviously a few days ahead of time. We had a very detailed military plan. We had been planning on this military action for months. Of course I was very much involved in it. How we could do it best; what was the best rationale; what's the cover. There wasn't anything to cover but what's the best reason and really not in terms of the tactics but also in terms of advising, leave the tactics up to obviously the military but in terms of not to forget what the overall action should be. Even when it went down there was the question of how do you take out radio towers and do you worry about collateral civilian damage. I was very much involved in all of this and had very close contacts with the general officers and the civilians at the Pentagon, the CIA, the State Department.

Q: This must have been a very difficult thing because our military really hadn't been trained in this. Here we are going into a city essentially where the people were really our friends. These weren't some strangers like Iraqis who were sort of a faceless mob. This is a very difficult thing to put some people with lots of ammunition and danger in the middle of a friendly population.

PRYCE: And they did very, very well. There was very, very little civilian casualties. To the extent that we could, the figures on military casualties were I think grossly exaggerated by anti-U.S. elements. In the end my best guess was that in actual fact there were probably about 300 people who were actually killed in the guard and the civilians in this operation. Some people said it was up to a couple thousand but that was grossly inflated and I don't think it happened, but it was a difficult time.

Q: Noriega is certainly not dumb and there must have been a point earlier on maybe, where he realized that this was a pistol that was cocked and they were going to do this and in the long run he wasn't going to win this one.

PRYCE: Well, he thought that he could. I remember in an earlier time I think this was back earlier and I really should refresh my memory on it but Mike Kozak, deputy assistant secretary for Latin American Affairs went down and sort of met with Noriega on the tarmac trying to figure out a way that we could get him to leave. We were perfectly willing to grant him asylum and get him a place to go. We tried very hard to tell Noriega you've got to go inevitably and we would like to see you go under circumstances which gives you some dignity and we'll help you find a place to go to. We tried very hard to get

him out and he didn't see that he would have to go one way or another. We couldn't pull it off though we did try.

Q: Was our embassy in contact with his high commission and all?

PRYCE: Yes, sure.

Q: Sort of were the messages coming, look everyone knows the shoe is going to drop at some point?

PRYCE: We were very definitely trying to get him to leave and to understand that one way or another he was going to have to leave.

Q: What about his circle of national guard?

PRYCE: We worked with them and very frankly we also worked with encouraging someone to replace him, a more democratic officer. There were people that we had talked with and that we had contact with as possible replacements for Noriega, but that didn't work either. Noriega had a very good intelligence network. He was by trade an intelligence officer; that's how he got where he was. Those others were not successful but we did try.

Q: Was the Cuban connection involved in this at all?

PRYCE: Not really. It was not a major [inaudible] no. I mean Noriega played both ends against the middle on that both in terms of Cuba and in terms of Nicaragua. Of course we had a relationship with him over this period of time. He was a power and through elements in the embassy we were in contact with him. Certainly when I was the deputy chief of mission I knew him. I knew him, I wouldn't say well but fairly well. I went to meetings with him. We had relationships. It wasn't for a lack of contacts, and the embassy continued this with him. The ambassador, the chief of mission and CINC-South, the military commander, all knew Noriega and all had dealings with him.

Q: What about during the incursion, invasion, communications being as good as they are at this period, what was it '90 or '89?

PRYCE: It was in '90, but I think the invasion or the incursion, the military action was in December of 1989.

Q: Was there a lot of control from the White House saying go left, go right, or something?

PRYCE: No. There was control in terms of how far to go but in terms of the military action itself, no. It was, here is your objective, you meet it. Where you land at the airport, you land at both airports, you move in from the canal area and you neutralize the central

airport, you have paratroopers in there. All that, there was a general awareness at the time, it was a very highly compartmentalized and a highly classified operation. I was certainly aware of the general parameters but I didn't know the specific details, and I didn't want to know the specific military details.

Q: This had been going on for a long time and we kind of knew something. Was the media kind of keeping a death watch on what was happening, did you find that?

PRYCE: My recollection is that the media was not a real problem. They knew, they could see that we were taking provocative action down there because of this question of running our military vehicles up and down there. They knew that we felt very strongly that Noriega had to go but there wasn't this sort of was it going to be today or tomorrow or that sort of thing.

Q: I would think almost that there would be a [inaudible] reporter that would sit at the airport waiting for the 82nd airborne to take off no matter where or when or how.

PRYCE: Somehow I think Noriega didn't know but he could have in a way because there were people aware that the 82nd had called their people back for an action. I think probably once they were in the air people figured out, it probably was around the air force base that they took off from and they probably held back a little bit because once you're involved in something like that you don't want to jeopardize the lives of the soldiers that were involved in the operation, which was a very successful operation I should say.

Q: One incident that one can't help remembering was the so-called boom box Papal Nuncio. Could you explain what that was and how that developed?

PRYCE: This was an area where we had a little bit of difference of opinion I must say. We were trying like hell to catch Noriega if we could. There is some question there as to if there were some mixed signals and whether we might have had a chance to catch him and didn't. It is hard to say but whatever the facts were, and we were looking for him, he slipped us a couple of times.

Finally he was able to slip his way into the Papal Nuncio's house and he was there for some period of time. We were then involved in negotiations trying to get him out. These were long, protracted negotiations basically with the Vatican and the Panamanians. Again I was very much involved. I was sort of the point man at the NSC in terms of our advice on what we should do, how we should negotiate with Rome to try to basically get them to turn Noriega over. One tactic that Max thought was really great was to basically get these boom boxes....

Q: Boom boxes being loud...

PRYCE: Boom boxes being very loud speakers. The idea was to play very loud, unpleasant music to try to wear down Noriega and to try to wear him out. Of course it

wasn't Noriega who was getting worn out it was the Papal Nuncio. Basically our advice was to knock this off. They finally did knock it off but it was not a brilliant idea from my point of view. I remember civilian authority prevailed and knocked off the boom box operation but that was Max's idea of making it unpleasant for him, to get him out.

Q: What about dealing with the Vatican on this?

PRYCE: We dealt at very high levels with the Vatican trying to work out terms and conditions under which Noriega would leave.

Q: There is this tradition of asylum in Latin America...

PRYCE: That's right.

Q: And we get caught up in this sometimes too.

PRYCE: Right. There was never any question that we were not going to go in and grab him and so what we had to do was to convince the Vatican, Rome, that it was to their advantage to encourage him to leave; of course this is eventually what happened. There were long negotiations that kind of convinced the Papal Nuncio and his superiors in Rome that this was something that should happen and it eventually did.

Q: Was Noriega forced out or did he come out willingly?

PRYCE: He wasn't forced out but basically he was encouraged out.

Q: Was it a forgone conclusion when he came out that he would eventually be indicted?

PRYCE: Yes, I think so. Everybody was aware that when he left the Papal Nuncio's house that he was going to the United States.

Q: Were there any problems from the NSC part of restoring democratic government in Panama? Were you all involved?

PRYCE: We were involved. Sure there were problems including trying to bring the economy back. One of the things that we had to do to try to get Noriega, there were a whole series of economic sanctions against Panama. The democratic opposition was saying, "This is hurting us but we agree with it. We are suffering but we want to suffer because we hope this will help bring Noriega down." That was part of our tactic to encourage the opposition including opposition in the guards to get rid of Noriega. We had been doing this for six months or even longer probably in terms of trading and putting every kind of restriction that we could on Noriega.

The economy had suffered tremendously and one of our problems there was trying to bring the economy back. One of my principal jobs after the military action was to work to

get a very large economic assistance package for both Nicaragua and Panama. We worked very hard with Congress, the State Department and others to get this legislation through. I have a little note from George Bush in pen saying thanks Bill for helping getting this legislation. It went far towards both restoring the economy of Panama and helping Nicaragua recover from years of Sandinista rule. It was one of the areas that we worked on quite a bit.

One of the first things that I was involved with was the question of whether President Bush should go to Costa Rica. He had been invited by Oscar Arias who was a liberal and often critical of the United States; but he was the president of a democratic country, Costa Rica, that basically had a reputation of being the oldest Latin American democracy in the hemisphere. They wanted to celebrate 100 years of democratic rule and they wanted us to come.

The question was should the president go or not? Some people felt that this would be perhaps not an officious time for the president to make his first trip to Latin America. I felt very strongly that the president should go and that if he did go it would be a success and it would look bad if he didn't go. There were people in the White House on the more conservative side who felt that he should not go. I convinced General Scowcroft, I don't know how much convincing he needed but he accepted my recommendation that the president should go. The president did go and it was a successful visit. That was the president's first foray into Latin America which worked out very well.

Q: How did the various leaders who were in Costa Rica respond? Was this just after the Panamanian thing?

PRYCE: I think it was before. I should have gone back and reviewed.

Q: That's all right because you can change it. In a way wasn't democracy at that time sort of on a roll?

PRYCE: Yes, definitely. To me there was no question that even though there might be criticism... I really should look at the date. It may have been after Panama but I know it was one of the first questions where I had to weigh in with a strong recommendation that the president should go and there were other people fairly high up, especially on the domestic side, at the White House who thought he should not go. But General Scowcroft recommended that he should go and the president almost always accepted General Scowcroft's recommendations. I think Secretary Baker also thought that the president should go. It turned out to be a very successful trip.

I can give you a little anecdote about this. The president is a fairly good tennis player and he and Baker were club champions. Somebody got the idea that they ought to have a friendly tennis match in Costa Rica with the president and Secretary Baker and their opponents would be President Menem who fancied himself as quite a good tennis player.

Q: You mean the president of Argentina?

PRYCE: The president of Argentina and the president of Ecuador who had a good chop shot and who was also quite a good tennis player. We set up this match. Bernie Aronson, the assistant secretary of State for Latin American Affairs and I were there. We had a very close useful working relationship. He was sort of the outside man. I felt, along with General Scowcroft, that the NSC's role was to stay out of the press, stay out of the background and work on the inside, so I did. I worked very closely with Bernie, and with the Pentagon, the CIA, the Department of Justice on problems.

Anyway on this trip Bernie and I were the two senior officials directly involved in Latin America and we were at the tennis match. Basically we were the ball boys and what happened was that Baker and President Bush were quite good so the first match was devastating, either 6-0 or 6-1 and they said "Let's switch sides." "No, no, no," says Menem and the Ecuadorian, "We'll try another match and we'll see how it goes." They had another match and again it [inaudible]. The president is very competitive and it was very hard for them to get an edge. At the end of the third set and it was like three-zip. At that point the Ecuadorian president twisted his ankle, fell and they had to stop the match. They switched around and got a very good player to come in with Menem and had another shot at winning. We kept trying to say, "Let's break it up. Let's have Bush and Menem play the Ecuadorian and Baker." They didn't want to switch. In the end they did switch and the new combination...

Q: I can just see the diplomats, you all are thinking, for god sakes throw a set.

PRYCE: "Mr. President, miss a few, miss a few. Come on Baker, you know better."

Q: You push that competitive button and off it goes.

PRYCE: Off it went, but it worked out very well.

Q: You mentioned some problems on the conservative side of the White House. Latin America has always been sort of the playground of the conservative Republicans in a way going back for some time. The Bush administration was not of that ilk but there was still a Republican administration. Did you find that it was difficult to deal say with Senator Helms and particularly his staff, but others who were of like mind?

PRYCE: Oh yes, dealing with Senator Helms was always problematic but I think we did it very well. General Scowcroft did it very well. There were other senators. General Scowcroft played a wonderful role and was very, very effective. He of course with Baker teamed up beautifully. They had a very close personal relationship. Again General Scowcroft never tried to get between Baker and the president. Baker had a meeting with the president every week for an hour even if there was no subject; he just had his own time and Brent always made sure that he had that time.

I was [inaudible] on terms of advice inside the White House and the only time that it happened was the question in the very beginning of whether the president should go to Costa Rica and the other area where there was a difference was whether the president should go to Rio for the World Environmental Conference. We had been bargaining back and forth but we were afraid that it was going to be a conference which would end up in an atmosphere which was not conducive to what the U.S. was trying to do in terms of protecting the environment. The president of Brazil who was later forced out for corruption of course wanted the president to go. We thought that you can't have this worldwide conference with all these leaders and not have the president go.

But there were people who were reluctant to have the president go. John Sununu the chief of staff was one of them. (I had very good relations with him.) He was afraid, protecting the president's interest, that we were going to get blind-sided by what some people refer to as a pre-hype, that the environmentalists were going to push us into positions or make it difficult for us to not be able to achieve anything and it would be embarrassing. We finally got the president to go. Castro was going to be there and all kinds of people were going to be there. We had to work hard. Brent Scowcroft was always of the mind that the president should go but it was nip and tuck and Bill Riley, the head of the EPA, had to push very hard against sometimes a hostile atmosphere. [inaudible] helped very much that the president has to go to this thing, and he did go. That was sort of a policy which we had to resolve.

Q: How about Nicaragua? Were things pretty much set by the time that you came in?

PRYCE: No, not at all. Nicaragua was an area where we were very much involved. Frankly I personally was working with Bernie Aronson on that. We had few disagreements and the disagreements that we had nobody ever knew about. When we disagreed we disagreed in private. Sometimes we had some strong discussions. He's a little more open and vocal but people who know me know that I can be pretty tough and pretty firm. We agreed on most everything, sometimes not on tactics, but we had a very good working relationship. On Nicaragua which is I think a real success story, one of the administration's biggest successes, it didn't just happen. You know the whole history of the Contras and all.

Q: If you could just sort of explain where it was sort of when you came and on.

PRYCE: It was a question at that point whether there would be elections and what our role in the election should be. Also of course the Contras were still involved. We were now looking for a free election. We had to convince Senator Helms and group that we should give money through the NED, the National Endowment for Democracy, to Nicaragua even though in so doing we were going to be giving the government much more money than we were going to be giving Violetta Chamorro. The whole period there where, I won't go into the details but chargé Jack Leonard basically helped very much in terms of helping the Nicaraguans come together on a candidate. The opposition candidate to the Sandinistas, to Daniel Ortega, was Violetta Chamorro, the widow of a great

freedom fighter who had been assassinated in Nicaragua.

We were confronted with this election process. Will there be free elections and does she have a chance of winning? Almost everybody thought that Violetta was going to lose and that Ortega was going to win. I must say that I was one of the very few that felt that, yes, there was a good chance that Mrs. Chamorro could win. What we had to do was one, always make the Sandinistas feel that they were going to win because if they hadn't thought they were going to win they would have canceled the elections, and on the other hand we had to do everything we could to help Violetta win.

Q: Could you explain what the National Endowment for Democracy is?

PRYCE: The National Endowment for Democracy is a U.S. congressionally funded institution which basically tries to support democracy throughout the world. It is sort of like the U.S. answer to the Ebert Foundation of Germany and the various other...

Q: Mostly on the Socialist side?

PRYCE: It is mostly on the Socialist side but also the Christian Democrats have them, various foundations. This was the idea that because U.S. political parties did not have the tradition of giving money for use in other parties overseas, this was a U.S. government funding of the parties' international arm so that some of the money went to the IRI, International Republican Institute, and some went to NDI, the National Democratic Institute. Both the Republican party and the Democratic party got official funds to help them in their activities to promote democracy. There is also money that goes to a business institute which the U.S. Chamber supports, an organization which has programs for democracy, and money is also given to labor. U.S. official funds are given to help support democracy in these four areas.

Here there was money available through these institutions to help them try to establish electoral advisors, try to provide support for better communications, for classes on how you vote. There were a number of institutional things which lay a better base for free democratic elections. You couldn't support individual parties and that was one big disadvantage but you could...

Q: It also gave in a way a better grounding in democracy if you spread it around instead of for one party.

PRYCE: That's right. That's one of the areas where I think other people did give.

Q: Did the Carter Center and President Carter play a role in this at all?

PRYCE: They certainly did. I must say I think I'm proudest of what the Foreign Service accomplished in terms of helping to have free elections take place. The third part of the program was to get everybody, their uncle, brother, sister, as many international

institutions as we possibly could do, to go in and observe the elections so you had the place covered. We also worked through the OAS. That was one of OAS's finest hours and I worked with this also, in getting U.S. government extra funding for the democracy unit of the OAS so they could go down and lay the base for having free elections. The OAS had jeeps down there, they had little outposts in various sections. They were spreading education. They were going to monitor the elections, they were going to help with the advice on how you do balloting, how you educate people in how to vote, and actually just be physically present in about 20 different places in Nicaragua. Then there was real competition with the UN and we basically said let's put them both in there.

As the elections grew closer we had all kinds of international organizations sending people down there but they were all using the OAS infrastructure. They were the firstest with the mostest, and that was one of the other things that really helped. What it did was it gave the Nicaraguans a feeling that they had a chance, that if they exercised their right to vote it would count and it wasn't futile. They could go ahead and take the chance and get out there and vote. They always worry, people who don't know how to vote or what to do, but by encouraging a great mass of international observers there, it created a better climate.

Among the international observers was the Carter Center. They were there very heavily involved and basically once the elections were over and it was clear that Ortega had lost President Carter very effectively said, "You lost fair and square. You can win again another election but you said you would accept this result, and we really need you to accept this result." President Carter played a role in helping ensure that Ortega accepted this position.

Q: How did you play this game of trying to convince the Sandinistas that they were going to win? I would think it would be sort of a misinformation in a way that we weren't used to doing.

PRYCE: It wasn't easy but there were professionals in the embassy and they knew how to do this. Jack Hunter was chargé at the time. You didn't put out newscasts that Violetta was going to win and you didn't talk around. Instead of saying, "By god we are going to win," what you'd say was, "It's a tough election but we've got a chance. There is a chance but it is very difficult with the government having all the advantages. It won't be easy but there is a chance." The Sandinistas are not objective and they felt that they had run a fairly decent program despite the fact the place was an economic shambles. They thought they would win.

Q: I would think that you would almost want to discourage polling people and all of that.

PRYCE: We didn't pay for any polls. Often in an election you go out and you project you are bound to win even though you are not sure you will, but we didn't do that.

Q: You were at least making sure our resources didn't go into these projection type

things.

PRYCE: Yes.

Q: Was there a point when you were beginning to take a look at this and say I really think it is going to go the right way?

PRYCE: I guess our attitude was we are not sure how it is going to go and we've got to do everything we can to help it go the right way. As I say the positive things we did was to keep CIA money out, get as much NED money in, get as many international observers as possible. They may have given Violetta's people some advice. They may have encouraged them to work together. They may have encouraged the various political factions to play down their political differences. I remember I think the vice president was a professional politician who thought he knew a lot more than Violetta did and had to accept the fact that he wasn't the candidate. I'm sure he felt that, what was it, Seward thought he was better than Lincoln?

Q: Yes.

PRYCE: It was that sort of thing but we had to help play him down and say, "Look you guys here is your chance to win and all work together." We probably did some of that.

Q: Was there any point during the election, at the time of actual voting and all, that there was concern that particularly the Sandinistas might say the hell with this or had your sort of international apparatus been in there that it was almost impossible for them to do it?

PRYCE: Of course a lot of the international apparatus again felt that Ortega was going to win.

Q: And many were sympathetic.

PRYCE: Exactly.

Q: Particularly the socialist Swedes.

PRYCE: The Finns, some of the French. Our tactic was we don't care who the hell they are but get them in there. Even if they are absolutely pro-Ortega people, they also have a certain sense of integrity and they want to be there and want to see what is going to happen. In fact some of them were thinking that the United States was going to try to do things improper to affect the elections, which we knew we weren't going to do.

I was pretty sure that Violetta was going to win when we heard the first news reports on election day that the number of people voting was large. People were all dressed up and wanted to vote. Again it is sort of a delicate area, you don't want to give the Sandinistas the idea that they aren't going to win but you also want to encourage the idea that these

are going to be free elections and your vote will count so go out there and vote. Of course the Sandinistas felt sure that if they get out and vote, they'll vote for us. We were pretty convinced that we hoped they'd get out there and they'd vote for Violetta which is what happened. I felt that when it became known that we were going to have a free election, I felt very sure that she would win.

I can remember it was the one time in my life being over in President Bush's private little office, not the oval office, but a private office where he had the dog in there. I went in there and had drafted up a statement made on Violetta's victory.

Q: As you analyze this afterwards, why didn't this Ortega group win?

PRYCE: Well because they were in an economic disaster. They had mis-run the economy and they were authoritarian. People were aware that all the top echelon of the prime minister's party had taken all the best houses in town and they were living very well. It was kind of like the old communist apparatchik; they had the gold watches and the trip to Paris but the proletariat had nothing. There were a lot of abuses by the Sandinista regime and it was a dictatorship. They were oppressive and they were inefficient so the economy was in a shambles. There was a depression in terms of the political system and people wanted democracy. People just didn't want them in because they basically screwed up, that's why and their system didn't work.

Q: I know you are under some time constraints so we might stop at this point and I'll put here we have covered your NSC time and covering into the OAS we have covered Panama, and Nicaragua. Were there other issues that you were dealing with during this NSC time from '89 to '92 that we should talk about the next time?

PRYCE: We probably should talk about Haiti, and Mexico and the question of what we did about the culmination of NAFTA, and the question of the kidnapping of the doctor who was involved with the death of the DEA agent in Mexico. Then we could talk about the Enterprise of the Americas, President Bush's economic program.

Q: And anything else in the Caribbean too.

This is tape seven, side one with Bill Pryce. Today is the 17th of March, 1999, St. Patrick's Day. Bill we were discussing off-mike something that goes back a ways. There has been a recent report on events in Guatemala in which people up through and including the president of the United States had acknowledged that we were partly to blame for supporting suppression of the opposition and over 200,000 people were apparently killed. You mentioned that you wanted to say a little something. Could you give both the date and the circumstances and then this will be inserted elsewhere.

PRYCE: What I think made me think about it was this report by the president about activities in Guatemala and also Ambassador Pete Vaky's very timely, candid, well written, and appropriate memo about activities there.

Q: He was the DCM...

PRYCE: He was the DCM in Guatemala I think in the late '60s perhaps at a time when this battle was going on. It reminded me of my time there and I thought I would put it in a little bit of perspective.

Q: You were there when?

PRYCE: I was there from 1971 to 1974 when the Arana administration had taken over. It was an administration which was conservative and I think there was involvement with security people. At one point early on in my career, I must have been there about a month, I came across some very disconcerting information in a conversation that I was invited to by the chief of security with the Guatemalan chief of security who had been fired. He wanted to unburden his soul to our chief of security and did so. The information was germane and relevant and told things as they were.

There was a memorandum of conversation done after some discussion within the embassy because there were different points of view. There were people in the embassy who felt that the security forces were not doing things improperly, and there were others who felt that they were. This was a piece of evidence showing that there was involvement of the government in unsavory acts. After some discussion within the embassy, the ambassador sent this information forward perhaps to the unhappiness of some elements in the embassy but nevertheless it was sent to Washington and it is part of the record somewhere.

The Foreign Service did report unsavory information when it may not have been to everyone's liking. I'm thinking also later on in terms of cable traffic with the next ambassador. We did in sensitive cables not only report about atrocities and killings perpetrated by government security forces, but also our judgment that these activities were not unknown at the very highest levels of the government. I just thought it was good to put that in there so that people know that we did, at various stages, certainly the memo I mentioned was nothing compared with Ambassador Vaky's but there was I think consistent reporting by the Foreign Service on what these activities were.

Q: I heard this from somebody I was interviewing who was serving at Mexico at one point -I'm not sure if it was during your time in Guatemala - talking from the other side of the border about the refugees from Guatemala who came into southern Mexico because of the campaign of beans or bullets.

PRYCE: That was later under Rios Montt. He won the elections in 1974 and was robbed of them. I was very surprised at his later activities when he took over as the non-elected chief of government and his government did this. I think it was beans or bullets and the bullets included a lot of bullets for people that were not involved in combat. We tend to forget, one of the things that the political section did at that time was to try to keep track

of the number of people who were killed and to try to make our best judgment as to who was responsible for the killings. Believe me it was not all the government. There were a great many people who were killed by the guerrillas.

This was back in '71 to '74 and it was a very dangerous time for the embassy. For example everyone in the embassy was required to go to and from work with armed guards. There were follow cars for the entire embassy. There was a security program set in place where you could go in at various times in the morning and go home at various times in the evening. It was one of the few times that I ever got home fairly early because the last security car left at some early hour like 6:15 or something.

It was a time of literally warfare and there were a lot of deaths and atrocities on both sides. It was a very mean time and we did our best to try to dampen the battle. I must say that at that time we also used our influence. I personally, and with the authority of the ambassador, would go to the people that we knew in the MLN and tell them that if anything for example would happen to the mayor, Manuel Colom Argueta, who was a friend and who used to come to the house, he was a liberal, he was not a communist and we let it be known that it would really damage U.S. relations to the country and our relations with the political parties very greatly if anything were to happen to Mayor Colom. At least for a time nothing did happen to him and I think frankly that the U.S. embassy's intervention made a difference there.

I should also mention that when the elections were held in 1974 and they were stolen by the government, the opposition Rios Montt won and the Christian Democrats were supporting him. The Christian Democrat leaders were in my house the next day saying, "What can you do to help us?" We did what we could in terms of trying to let it be known that we certainly expected that there would be no high level people assassinated. This didn't work. Eventually some of the very people who were in the house were assassinated but one of the ones who wasn't was a man who was head of the international section of the Christian Democratic Party, Serrano, who later went on to be president of Guatemala. I think that the U.S. government had probably some influence in improving the odds that he would survive to become president.

At that time we did a great many things to try to help dampen the warfare and the brutal tactics throughout the government and we, at some risk, met with members of the opposition and let people know we were doing that. We had day-to-day contact with all factions of the opposition and did our best to try to promote democracy.

Q: Okay, this will be inserted in the proper place. We are back to 1989 to 1992. We have already talked about other topics but while you were at the NSC, let's talk about Haiti. In a way here you are basically in sort of a Latin American thing and I would imagine that Haiti would sort of be one of those places that nobody wanted to claim in a way within the government.

PRYCE: Haiti is one of the poorest countries in Latin America and has very little

institutional strength and a fragile democracy. We had been trying for years to bring about honest elections. The elections which were held in Haiti, the elections in which Aristide won, the U.S. government sent an electoral team of which I was part of, to go down and observe the elections. We had done everything we could to get other organizations to send electoral observers. The OAS sent a very good efficient team which had cut its teeth on the elections in Nicaragua. They were very proud of what they did in Nicaragua and were very effective in laying the groundwork to make sure the elections were honest in Haiti.

I remember two Congressman were members of our presidential electoral observation team and we came to the conclusion that Aristide had won fair and square by 67% of the vote. We actually thought that Bazin, who got something like 12% of the vote, probably would have been a better president but at that very moment we congratulated Aristide. We also went to see Bazin and said we hoped that he would cooperate with the government. It was the spirit of true democracy and it was a fair fight. He had lost and he might have another chance at a future time but the best thing he could do for the country would be to support the legitimately elected leader in Haiti.

What we also did was to push very hard within the White House to have President Bush receive Aristide unofficially as quickly as possible as a symbol of our respecting the democratic results and also in the hopes of influencing Aristide [inaudible] pass of responsible government and to try to get him to take actions which would help the Haitian economy. There were people who felt the president should not see Aristide because he was of dubious background and dubious ideology and it would be seen as helping a leftist. The president clearly made the decision that it was right for him to see Aristide before Aristide took office so it wouldn't have to be a state visit. He later on had state visits but it was early support for the democratically elected government of Haiti.

There were tremendous problems in terms of the illegal immigrants, and in terms of how we could stem that flow and at the same time save lives. We did what we could. As you probably know there were the refugee camps in Cuba, in Guantanamo. When Aristide was thrown out we pressured the government. We had economic sanctions which didn't work perfectly. Economic sanctions almost never work but in Haiti we were in a position to make them work more than others. People wanted those sanctions just like they wanted the economic sanctions we applied to Noriega but it was a difficult time and they did work in the end. As you know eventually Aristide came back with more help than economic sanctions.

Q: What were you getting about Aristide? Sort of what was your thrust within this discussion?

PRYCE: There was a feeling that he was erratic, not dependable. There were some questions as to whether he himself or at least some of this people were involved in atrocities. In the sense of atrocities we're talking murders. We were very, very chary of Aristide but, again, we tried to influence him as best as we could to take a middle road

and to support economic development. He claimed to be friends of businessmen and to be trying to support policies which would stimulate economic growth. For a while there was a little bit but Haiti is such a poor country. It was a very difficult time and we never were ultimately successful in that period in reviving the economy.

Q: Were you there when Bush talked to Aristide?

PRYCE: Yes.

Q: How did it go?

PRYCE: Bush was an excellent diplomat and it went very well. It was a good conversation. Aristide was on his best behavior. President Bush made all the right noises. He very skillfully put forth what our policy was, our desire to cooperate, our hope that there would be economic development, our respect for democracy, our congratulations for him having won by such a large margin and our hope to work with him in the future. It was I think a very successful meeting.

Q: Turning to Mexico, the time you were there was the time that NAFTA, the North American Free Trade Agreement, was very much being debated? There was a lot of domestic opposition in the United States: unions, you had Ross Perot who was a serious presidential candidate at the time more or less basing his campaign on being anti, opening it to Mexico.

PRYCE: Right. Well maybe it is probably worth taking a little time to talk about the Enterprise for the Americas which grew into NAFTA. I should give you an idea how this presidential initiative - which has been followed by the Clinton administration, the same policy - came about. It came about basically when President Bush had a meeting with four presidents involving an anti-narcotics summit in Colombia. The presidents of Colombia, Bolivia, Argentina, and Venezuela met with President Bush and told him very candidly what they as Latin Americans felt would be the best U.S. policy in terms of trying to help development in the economic sphere. They talked about wanting trade, the often heard trade not aid though they wanted aid also, and to help their economies. They also talked about the stultifying effect of the huge debt burden that many of them had.

President Bush came back from that conference and told a very small group of people, "These are the things I've heard. I would like a program which will meet these needs and which will be the basis for my policy to Latin America. I don't want word out as to what I'm going to do." He talked to General Scowcroft, Jim Baker and Secretary of Treasury Brady and said, "You guys get together and figure out a new plan for me." We did this. It was done in the White House, in very high levels of the Treasury, and in very high levels of State. State was not centrally involved but at least at the Baker level they were informed.

We worked very hard for a couple of months on coming up with a program and we finally

came up with the Enterprise for the Americas. I helped draft the Enterprise for the Americas. Jim Cicconi the president's scheduler and deputy chief of staff and I basically named it the Enterprise for the Americas one afternoon in his office. It was a program which involved debt reduction, the Brady Plan. It involved increased investments, pushing very hard for a hemispheric trade policy. Those were the same pillars upon which President Clinton's policy was made.

We had hoped very frankly that the Enterprise for the Americas would continue on through the next administration; that's more than anyone can expect. A new president from the opposite party is not going to keep the name that was coined by President Bush. Still, that was the genesis of the free trade agreement with the Americas. In his speech announcing the Enterprise for the Americas President Bush called for a free trade area from Anchorage to Tierra del Fuego. I remember helping to write the speech and that is the basis for our present policy towards Latin America.

I give you that as background. We then get into the question of negotiating the NAFTA agreement. This was the first agreement under our attempt to expand free trade. We knew that we wanted to have a free trade agreement with Mexico and we began working on it and made real progress. There was a question of whether we should include Canada. We already had a free trade agreement with Canada and we felt that it would be good to have all three but we didn't want to hold up progress. The Canadians were a little slow in trying to decide whether they wanted to be involved in it or not. In the end we decided that yes, we could have all three, it made a lot of sense to do that and I think it was a very good thing that was being done. Most of the negotiations were with the Mexicans because we had already gone through most of the negotiations with Canada and we had a pretty good base.

On NAFTA, it was a toughly negotiated agreement and as you can imagine negotiators on both sides were very skillful. Karla Hills is one of the best in the business and she had a very good staff. Minister Aspe was on the other side. His chief negotiator was Emile Blanco who is now the minister of Trade and Commerce. There was a huge amount of work done on both sides. The embassy was brought in. There also had to be political input at the top, at the two presidential tops, to make sure that there was enough flexibility that they were able to get an agreement.

One of the things that I remember very clearly was Karla Hills saying that she wanted to get an agreement but she had to be sure that she negotiated a tough, tough agreement so that it would be salable to the U.S. Congress and to the U.S. public; in the end it was. As you know it was highly debated. There were very strong arguments on both sides. People who supported NAFTA perhaps I would say oversold it a little bit in terms of what NAFTA could do. The opponents of NAFTA drew all sorts of dire predictions of how this was going to hurt the U.S. economy; predictions which have not panned out. It was a long, hard, tough fight. President Bush had the tenacity to make sure that it was a good agreement and then sign it.

Q: Within the Security Council were you fighting a battle with some of your colleagues there on this?

PRYCE: On this, no, not really. Within the National Security Council of course General Scowcroft was our boss and he kept close tabs on how things were going. It was the Latin American Bureau and the Economic Bureau headed by Tim Deal, a fellow Foreign Service officer, who worked on NAFTA and who worked with USTR, Treasury and the State Department, and we were not at loggerheads. Actually we were on the path. It was a question of making sure that NAFTA had the priority that it needed because USTR was interested of course in the Uruguay Round, which we all were.

Q: That was really putting together the final World Trade Organization.

PRYCE: That's right, exactly. We were all for the Uruguay Round but we didn't want to lose NAFTA so we had to try to make sure that the resources were devoted to the NAFTA negotiations; and they were.

Q: I just finished reading an interesting book by James Blanchard who during the first Clinton administration was ambassador to Canada. He was talking about the Canadian bureaucracy. He said you could make agreements at the top with the political leadership in Canada but the Canadian bureaucracy - Trade, Foreign Affairs, and all - was so ingrained in fighting any battle that would do anything with the United States that it was very difficult to get the Canadians to move because the political leadership was not strong enough really to tell the bureaucracy what to do. Did you find a comparable thing on the other side with the Mexicans?

PRYCE: Not as much. The negotiators on both sides - the Mexicans and the U.S. - as I mentioned were very tough and wanted to make sure that their country's interests were well protected. There were difficulties in deciding how fast the tariffs would go down and how you trade off reductions. They were stiff negotiations and sometimes the negotiators needed to be encouraged to be a little more flexible. That did happen on the Mexican side and to a lesser degree on our side. I think the bureaucracy, although it was tough, did respond to political direction on both sides.

Q: Someone I was talking to recently, I mentioned this same point and he said there is a difference. In Canada the bureaucracy is very powerful whereas in Mexico the PRI, the ruling party, if somebody got in the way at the lower levels they would be squashed. I mean when the president made a decision things kind of happened.

PRYCE: I think that certainly the bureaucracy wanted an agreement. On the Mexican side it was not a question of not wanting an agreement or trying to thwart it, it was a fear that they were being outdone by our negotiators and that the agreement would somehow not endear it to Mexico. Nobody wanted to give an inch because they didn't want to be described as a vendi patrio, a person who sold out the interests of their country. It was difficult at times to get people to recognize that you have to make compromises; that's

what negotiation is about.

Q: When we moved to Mexico, you mentioned the other thing. Would you talk about the kidnapping? Could you give a background on this?

PRYCE: The background was that we had a brutal murder of Enrique Camarena, who was our DEA agent in...

Q: Drug...

PRYCE: DEA is the Drug Enforcement Agency. He was a very effective agent who was brutally murdered by Mexican narcotics traffickers. There was some question as to whether the government knew what he was doing and what he wasn't doing. He was tortured brutally at the time. We thought we had good information that there was a doctor who was involved basically in the torture in helping him to stay alive. Way later there was some question whether that was true or not; but whether it was true or not, there was no question that we all believed it was true. This was a heinous crime and we were unsuccessfully trying to bring to justice people who were involved in the Camarena case.

As part of this the doctor who was involved was brought illegally to the United States and the Mexicans were absolutely furious, understandably so. I think that this was a very sensitive issue and we certainly understood the intense feelings on the part of the DEA but this was an operation that was not condoned at the highest levels of the government.

Q: This had not come up to the NSC level?

PRYCE: No, it had not come to the NSC level. I'm not sure as I remember now how high it got in Justice. It was cloudy but it was clear that the U.S. government was involved and that this was unacceptable to the Mexicans and we apologized. What I remember on this was that there was some question within the U.S. government whether we should promise that we would not engage in this kind of practice again, that we would not kidnap people. There were different points of view in the U.S. government. There were people who felt that no, our law says basically that the U.S. courts don't care how a person is brought to them. If they get there by illegal means that doesn't mean that they can't be a part of a legal process.

Q: This case actually went to the Supreme Court I think.

PRYCE: I think it did.

Q: And it allowed the court to take action.

PRYCE: There were people who felt that no, we do not want to restrict our action and we do not want to say that we will not kidnap in the future. My position, very strongly, was that there is no way that we can have any kind of decent relationship with the government

of Mexico if in a letter from President Bush to President Salinas we don't say that we apologize for the kidnapping and that it won't happen again. In the end that is what was in the letter but there was considerable discussion. It is surprising.

Q: There had been of course the precedent of Eichmann in Israel. He had been essentially kidnapped from Argentina, I think it was, tried and executed. Sometimes it could be somebody say like a presidential assassin or something like that.

PRYCE: Right but here it was the situation that we could not have had a relationship with Mexico without saying we were not going to try to do this again.

Q: What was the feeling that you were getting about the Mexican justice system, particularly as it pertained to drugs at that time, '89 to '92?

PRYCE: I think that the respect for the rule of law is of course one of the precepts that we have tried to foster throughout the hemisphere and there is a problem in many countries and it was a problem in Mexico, and still is. There was a feeling which was shared really in private by many Mexicans who felt that they needed to have more independent courts. The court systems in Mexico were far from ideal, they still are. It was a real problem and it was recognized as such at that time.

Q: In '92 whither?

PRYCE: In '92 I was nominated by President Bush to be ambassador to Honduras. The nomination went forward to the Senate, hearings were postponed a number of times. I was a non-controversial nominee but basically I got caught in the last minute rush to adjournment and was never given a hearing. There was the old question of a senator wanting to hold up the hearings and asking for personal privilege. The name slips me right now but I remember being up before the hearing with Alec Watson and I forget who else was there. This was the final hearing and we had our families there. Senator Dodd came in at the last minute and said, "Folks, I'm sorry there has been a delay and you're not going to be able to have this hearing." We never did have it.

It was then a question of they would ratify the appointments at the very last day of the congressional session of people who were non-controversial. Senators objected and understandably so. Senator Sarbanes said, "These people are fine people but there is a process in the Senate that has to advise and consent and I don't want to ignore that process." We languished and I was unconfirmed.

I was then re-nominated by the Clinton administration. I must say there's always a worry of what is going to happen though it worked out just fine. There was a certain feeling of new people coming in who were saying this is a person who worked with Bush at the White House. Never mind that he was a career officer who had been seconded and who was a non-partisan person, which I certainly was, but there was some question. I must say that one of the things that helped was the fact that the new undersecretary for

administration was Brian Atwood who had known my work with the Panama Canal Treaty when he was the assistant secretary or deputy assistant secretary for Legislative Affairs in the Carter administration. He was able to say, "This is a career person and you'll do well by him," so I was subsequently nominated by President Clinton and went to Honduras.

Q: One always thinks of the two previous new administrations when Reagan took over after Carter, there was a story that there was blood in the corridors in ARA, not in other places, about nominations, and when Bush took over from Reagan it was not really a very friendly takeover as one Republican administration taking over from another. With Bush there was sort of a clean sweep and all. I was just wondering what was the feeling when Clinton took over from Bush, from your perspective?

PRYCE: I'm thinking back. There wasn't blood on the floor, no. I'm thinking back to when Bush took over. One of the things he did was he did not keep on President Reagan's political appointees; he wanted to have his own people. Of course he had been very much involved in foreign affairs. He had been an ambassador, he had been the U.S. representative to the United Nations, ambassador to China and had a lot of diplomatic experience so he wanted to have his own people. One of the things you'll remember Assistant Secretary Aronson, who had served one of the longest terms as assistant secretary, was a Democrat and he was a Democrat in a Republican administration. He stayed on for I guess six months so I think that made a difference in ARA. In my recollection there was not animosity, there certainly wasn't, on the part of Bernie Aronson who had come to respect the career Foreign Service and to work with it very effectively. He was a political appointee but he was one of the more effective assistant secretaries of State.

Q: You went out to Honduras when and how long were you there?

PRYCE: I went out to Honduras in July of 1993 and stayed until August of 1996.

Q: You had obviously been following Latin American affairs so when you went to Honduras in '93, what were you sort of carrying in your briefcase about how you felt relations were, U.S. interests, and what you wanted to accomplish?

PRYCE: Of course you have the standard interests that every ambassador wants to accomplish: you are hoping to establish a good relationship with the government; you're hoping you'll get support for us in areas where we needed it; you hope that you can promote economic development; you hope that you can advance the democratic process; and you hope that you can get Washington to pay attention to the country to which you are assigned.

I think that the one area that I felt where I could possibly make the most difference would be in helping the Honduran civilian government establish a hegemony over the military, to change the civil-military balance where for a period for historic reasons the military

had been inordinately influential in the circles of government. They operated sort of as a separate entity and they were not very responsive to the civilian mandates. That was one of the things that I tried, with the full backing of the State Department, to try to change. Frankly that's an area where we were quite successful. President Reina I think will go down in history as someone who did alter the basic relationship between the civilian and military to the advantage of the civilians. We were able to help him do that.

Q: Before you went out there, was Senator Helms at all a figure that you had to be concerned about regarding our Central American policy?

PRYCE: No, I don't think so. I think very frankly I had felt that the policy that Tom Enders and Elliott Abrams had followed in Latin America essentially worked. The policy was to support the Contras but to work for elections recognizing that the Contras were never going to win. They were never going to take over the government, but it was useful as a point of pressure to get the government to want to have honest elections. I knew people in Senator Helms' office. Though I worked very hard for the Panama Canal Treaties they accepted that I was a career officer who had democracy and economic development fully in mind. And that in the Nicaraguan elections, I had pushed very hard not to have the CIA involved. I think we talked about that, but they respected that, and I didn't have a problem with them.

Q: First what about the embassy, how did you find the embassy when you arrived?

PRYCE: I found an excellent embassy. It was well run. You had good people. We had a little bit of a situation where part of my job was to bring down the numbers in the embassy and that is always difficult. The embassy was I think probably at one point the largest embassy in the hemisphere because of our involvement as sort of a staging ground for AID programs and other programs helping people involved in Nicaragua and El Salvador. We had a huge AID program which we brought down and tried to keep the most essential element but that is always difficult. We had very good people.

Q: Could you talk about your relationship with the government?

PRYCE: I admired many of the people in the government. I was able to establish personal rapport with a lot of them. I was able to get to know both presidents. The first president turned out to be corrupt, clearly seen as such, but he was probably the best politician in the country.

Q: Who was this?

PRYCE: This is Callejas who was president when I came. I had a very good relationship with him. On his 50th birthday at his private place he had a party for 50 people. I was one of them and one of the few that stayed at his house. We had a good personal relationship and we were able to help use that to get things done in terms of helping U.S. business, in terms of making sure that we got the right support at the UN, in terms of trying to build

economic development, but there was not much in terms of civil-military relationship at that point. We had a very good relationship but we were also very cognizant of the fact that there was corruption in his government.

Q: When you arrived was there still the problem of almost disassembling the supply apparatus for the Contras because I would have thought this would have brought an awful lot of money in?

PRYCE: Well no, this had largely been done. There were sections in the embassy which I thought needed to be reduced and Washington certainly agreed with that so I made recommendations for reduction in various areas. It is hard. For one thing when you're down-sizing, I don't care whether it is a school system or a company or whatever it is, you have to be very careful about morale. I think that it worked out pretty well. There were problems in terms of reducing USAID, reducing the intelligence agencies, reducing the military attaché's office, reducing some of the administrative services people. I think we were able to maintain the services that we needed and to bring the embassy down to what was needed.

We had to bring down the size of the U.S. forces at our base at Comayagua. While I was there it was cut in half; the trick was to convince the commander of South-COM. People had been trying to bring that base down for years and there has always been resistance and it never happened. I remember a meeting at the NSC where it was decided that the U.S. presence at the Soto Cano military base would be reduced but it never came to pass. The way it was done was to make a rational case and convince the four star general, the commander of South-COM, that it was in our interest and in his interest to reduce the size of the base. We were successful in doing that and I admire Barry McCaffrey whom was the person that I worked with on it. We were able to cut the base in half. The reduction on the supply side for the Contras really had taken place before I got there so it was not a major problem. One of the problems was to maintain good relations with the Honduran military and at the same time get them to accept the fact that they needed a new role; that they should be proud to be a professional military, to accept a cutback in their traditional roles and in their traditional purposes, and to change the basic structure. This took a long time to do, but certainly President Reina was very courageous in making moves to restrict the power of the military. He also worked with the president of congress. I worked also closely with the president of congress who is now the president of the country, Carlos Flores. We worked with the church and with business. We worked with a number of people to basically, without interfering, let it be known behind the scenes that we very much thought that President Reina was doing the right thing.

The head of the military was selected by the military and the president really had not very much to say in how this worked out. Three recommendations were made by the military with their choice to the congress and the congress ratified the selection. The president was not in the process of selecting his commander in chief of the armed forces. President Reina set in motion a movement to change that; to have the head of the armed forces be a civilian position which could be filled by either a civilian or a military person and who

could be fired by the president. It was a fundamental change and this is something that I think President Reina will be recognized for.

We were behind the scenes I think very helpful in getting that to happen partly because the U.S. government was influential and partly also by having the military understand that we did respect them as professional military but that we felt that they needed to adapt with the times and to have them not fight the president; not fight him as hard as they otherwise would have fought him. Clearly there were many people in the military who did not want to change the system but we were able to help the president in getting it done.

Q: What was your feeling at the time, again we are talking about the '93 to '96 period, about the influence of the School of the Americas? We're talking about the American military training Latin American military which has come under a great deal of criticism but I was wondering what effects you had when you are talking about the military?

PRYCE: Frankly I always felt that the School of the Americas was a positive thing and that it became better as time went on. We never taught or encouraged in any way illegal tactics, torture, fratricide. As far as I knew the School of the Americas always emphasized democracy. It emphasized in earlier years efficiency in terms of being a professional military service. It always emphasized the need to be subject to civilian control but as these bad events in terms of military people being repressive, it became more and more evident that the School of the Americas took stronger steps to have human rights as part of their basic program. They never were taught against human rights as far as I know but they did emphasize in later years a positive recognition that you have to take human rights into consideration in everything you do.

I felt, and still feel, that the School of the Americas gets an unfair shot because people who graduated were in some cases people who did illegal actions when they were in positions of command. They didn't get that from the School of the Americas, they got that from their own institution and from the countries where they came from. They were never encouraged in that by the School of the Americas. It is almost like saying that the Wharton School is a school for crooks because Milken was a graduate and look at all the bad things he did.

Q: He was a stock market manipulator.

PRYCE: He was a stock market manipulator who went to jail for illegal activities. He didn't learn the ethics at the Wharton School. The Wharton School graduated thousands of ethical business people and I think that this is the situation at the School of the Americas.

Q: I would have thought that having graduates in the School of the Americas would have made it a little easier to talk about professionalism because you are talking about the world's major professional army and having people exposed to that...

PRYCE: I'm convinced of that. I must say that I think it was much better to have the School of the Americas to be at Fort Benning in the United States rather than to be in Panama. We tried to keep it in Panama. I was part of the process that tried to convince the Panamanians to let the school stay there but in all honesty that was our policy, I recommended against it. I executed it because I didn't feel that it was something that I had to resign over, but I felt that basically we were better off having the school moved.

We were forced to move to Fort Benning and I thought it was good for the United States and good for the other countries because the people who went to the school got a first class knowledge of what life was like in the United States which is very healthy. I think although there are people who later turned out to be repressive officers went to the School of the Americas, I don't think that they ever got repressive tendencies fortified at the School of the Americas. If anything I think they were diminished and the school was a positive influence all the way around.

Q: I would have thought that one of the major things you were doing, and you've already alluded to it, would be to watch coups. You're talking about Central America and when you think of it you think of changing governments, usually military dictatorships. This would be something you would be monitoring.

PRYCE: That is certainly true. I think the political development in Honduras had come to the point where a coup was not very likely. It would be unacceptable because not only the U.S. government, which was a key factor, but the business people would not have accepted a coup, the church would have been very much against the coup, and the body politic in general.

Q: Including I might add by this time - correct me if I am wrong - all of Latin America. Coups were no longer an accepted thing. You couldn't get away with it the way you used to.

PRYCE: That's right and the culture was such that you should not have a coup. It was not impossible. There was one possible coup that did not take place but by and large I think the atmosphere was such that coups were not acceptable. It doesn't mean that people didn't keep thinking about it, there were veteran coup plotters.

Q: What else do you do.

PRYCE: Yes, right. There was no coup. The perception was that this would be a very bad thing.

Q: What about economic relations?

PRYCE: We had very good economic relations. I think we made considerable strides in defending U.S. business and I spent a lot of time in working on helping U.S. business get contracts and contribute to the economic development of the country. I also got involved

behind the scenes in trying to help solve labor disputes.

Q: These would be disputes between American business and Honduran labor?

PRYCE: Right. I think that during my period there, I don't claim credit for it, but we were able to help in terms of the United Fruit Company, the Chiquita brands. I think they had a more enlightened labor policy and decided that they would invest more in Honduras, invest in the plantations and invest in a more modern labor approach in their relations. It was working out but I'm so sorry about the devastation. I hope that they will go back and reinvest.

Q: We are talking about Hurricane Mitch.

PRYCE: Hurricane Mitch which was devastating to the agriculture, specifically bananas. During my time the relations between the banana companies and the workers improved. We were able to also help improve the investment climate, the confidence that the companies had by getting the government to remove illegal squatters from company land. The companies were worried about their investments if they were not able to use this one area of land that they had bought for the purposes for which they bought it.

They were able to convince the government to take a highly unpopular move of moving squatters off land and to do it in a way that nobody got hurt. Of course part of the way that you do that is if you are going to move squatters off land, what you do is you come in with irresistible force, not in terms of repression but in terms of numbers, and let it be known, okay, we are going to move everyone out peaceably but there is no question that this is going to happen. That is a difficult decision to come to. The government did come to that decision and I think that helped the company to increase their investment.

There were also questions of trying to make sure that legitimate contracts were respected and we were able to be helpful in that area. We also worked very hard with USAID to try to get the government to take fiscal measures which were necessary but very unpopular. President Reina when he came into office, talked about things that ought to be done to improve the economy and as he gained experience in office I think he became more convinced of what the right economic path was. He took steps that laid the base for economic development.

The USAID program was diminishing as it was supposed to and Honduras became less dependent on US aid but also the local businesses had moved up. A lot of this happened before I got there but AID was very successful in helping Honduras diversify; not to depend on bananas and coffee for the great preponderance of their exports. We helped develop shrimp fields. We helped develop fresh fruits and vegetables as an additional export for Honduras which would enable them to diversify their economy.

Q: What about relations from your perspective with Belize, Guatemala, Nicaragua? Any problems there particularly at that time?

PRYCE: No. They were actually quite good. There were problems of jurisdiction with Nicaragua over fishing rights. Fishing rights cause problems between us and England, and Canada. There were problems and we always tried to work both with the military and I worked with Ambassador John Maisto, the U.S. ambassador in Nicaragua, to try to help dampen the problems that would come up. Sometimes fishing boats were shooting each other or more often one government or the other were seizing the fishing vessels; either Honduras seizing Nicaraguan vessels or Nicaragua seizing Honduran vessels. We tried to work it out in an amicable way. There were problems but there were not political problems. The presidents got along very, very well and I think with Belize it was also a good positive relationship.

Q: Were there any major issues that we haven't talked about?

PRYCE: I think we've covered most of them.

Q: You left there in '96 and did what?

PRYCE: I left in '96 and came back to Washington to basically retire. I had a very satisfying, interesting and fulfilling career and it was time to move on. I did so in October of '96.

Q: And you went to what?

PRYCE: I came here. What I did basically was I retired and I took a couple of months off to sort of recharge the batteries and spend more time with the family. I began to look around as to what I would do next. A very good opportunity came up to be the vice president and head of the Washington operations for the Council of the Americas. This is a business organization involved in trying to foster free trade, respect for the rule of the law, and better understanding between Latin America and the United States. That's where I ended up and I'm enjoying what I'm doing very, very much.

Q: One last question. You were in Honduras from '93 to '96 and the Clinton administration is in. You had been around the block a number of times with a bunch of administrations. What was your impression of what you were getting from the Department of State and the White House and all that, at least from your perspective sitting down in Honduras, of how it was managing its Latin America policy?

PRYCE: I think that the Summit of the Americas was done very, very well.

Q: This was done down in Miami wasn't it?

PRYCE: It was done in Miami. It was an initiative of the Clinton administration.

Q: Alec Watson I think had fought very hard to get this one.

PRYCE: I think he had and I think he had done very well. I think of course as we mentioned earlier what came out of the Summit of the Americas, and the Council of the Americas worked on that, we worked on it inside the Department, was to have it focused on trade and that the Free Trade Agreement of the Americas was the focal point of the interest at the Miami summit. That was President Clinton's decision and I think it was a very good one. I think it was very far seeing to try to build a hemispheric free trade area which we are now doing. It thought it was a very, very good initiative.

I think also that the president took a very courageous stand in getting the NAFTA ratified. I actually helped on that. I was called up along with Dean Hinton, our then ambassador in Panama, to run the rubber chicken circuit.

Q: You might explain what the rubber chicken circuit is.

PRYCE: The rubber chicken circuit is a road show basically designed to explain and educate various business communities - I guess it was in Philadelphia, Boston, New York - about the advantages of NAFTA and why it was good for the U.S. and to help engender support for NAFTA. The president led a very effective campaign to get approval of NAFTA. I'll give you a copy if I haven't of a report the Council just did on NAFTA at five years which shows conclusively that NAFTA has been a very good thing for the United States.

Q: Has it been a good thing for Mexico?

PRYCE: Yes it has. It has been a win-win situation. I think that Mexico would have taken a lot longer to come out of their 1995 peso crisis if it were not for NAFTA and Mexico would have been the more protectionist [inaudible] the United States if it hadn't been for NAFTA. It has been good for NAFTA. It has been good for Mexico, and good for Canada, and good for the United States. It is a triple win situation.

Q: Bill, I want to thank you very much. I appreciate this.

End of interview