

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

DAVID M. SCHOONOVER

Interviewed by: Charles Stuart Kennedy

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INTERVIEW

Q: Today is 9th of February 2004. This is the interview with David M. Schoonover. This is being done on behalf of the Association for Diplomatic Studies and Training, and I'm Charles Stuart Kennedy. First of all, you go by David?

SCHOONOVER: David or Dave, either one.

Q: And what does the "M" stand for?

SCHOONOVER: "M" stands for Marion.

Q: Schoonover. What does that mean?

SCHOONOVER: Schoonover is a Dutch origin name that's been Americanized over the years. The first settlers who lived in the United States or in America, I should say, not United States then, would have been called the Van Schoonhovens. They came from a little village named Schoonhoven, Netherlands.

Q: When and where were you born?

SCHOONOVER: I was born in the southern part of Illinois on May 24, 1936.

Q: Let's talk first about your father's side and your mother's side. What do you know about your father's side of the family?

SCHOONOVER: As matter of fact, I've been doing some research on the family tree over the past year or two and probably know a lot more now than before I started the project. I'd probably not have known even the names of anyone but maybe my grandparents and a few of the great-grandparents before, but I'm trying to track down the family tree. On my father's side, as I said, at least the family name came from the Netherlands, and they came into America in the mid 1600's and settled in the Hudson River Valley. Other members of my father's family came from various parts of Western Europe. Most of them passed through the Netherlands. At that time, I understand, it was the most tolerant and stable place in Europe. These immigrants settled in New Amsterdam and the Hudson Valley, both parts of the Dutch colony of New Netherlands. Some of their descendents went from the Hudson Valley to the Delaware River Valley and then on to Illinois. My father's side of the family migrated eventually in the mid-1800's from the east coast out to Illinois. Most of them were farmers--that's what my father was--and I grew up on a farm near Alma in southern Illinois.

Q: What sort of a farm was it?

SCHOONOVER: It was a small general-purpose farm. We're talking about a farm back about the middle of the last century or even the first part of the last century, so just an all-purpose farm. We had corn, soybeans, cattle, hogs, chickens, a little bit of everything, not too much of anything.

Q: How far did he go in education?

SCHOONOVER: My father went through the seventh grade before he had to drop out of school and go to work on the farm.

Q: Was this your grandfather's farm, too?

SCHOONOVER: No, but my grandfather also was a farmer in Illinois. And his father farmed, also. When my father was about 20 years old he left Illinois and went to Montana and worked on a ranch there. He went into the army in World War I, and worked in a logging camp in Washington State. Somewhere along the way in Montana he met my mother, who also was from Illinois originally. They wed and settled on a homestead in Central Montana. After trying to live on the homestead for four or five years, during which time the crops were hit by drought most years, they finally gave up and came back to Illinois. As soon as he saved enough to make a purchase, my father bought his own 40-acre farm in Illinois.

Q: On your mother's side, again, what was her family background?

SCHOONOVER: She was a minister's daughter. On the whole, I guess, her family came from the British Isles—England, Scotland, Wales, and Ireland--and largely settled in the William Penn Colony in Pennsylvania in the late 1600's and early 1700's. Her family name, Williams, is Welsh. Other branches of her family settled in the Massachusetts, New Jersey, and Virginia colonies, and one branch settled in Montreal, first coming to Illinois in the 1700's when it was a French territory. Some of my mother's ancestry is not well known, and, at least according to family traditions, probably was Cherokee. The different branches of the family eventually ended up in southern Illinois in the early to mid 1800's.

Q: Did you have brothers and sisters?

SCHOONOVER: One brother and one sister. I have one brother living. My sister passed on.

Q: Are they older than you? Were you the baby of the family?

SCHOONOVER: That's right.

Q: What was life like? You were born in 1936. Up to World War II you were a kid, but did you get a feeling from the family? Did they ever talk about what the depression was like?

SCHOONOVER: Oh, yes. It was still a fairly recent topic for most of my family. I don't know that they talked about it an awful lot, but I think I probably was aware of it from their actions, such as being very frugal and careful about things.

Q: Was the farm near a major town or city or was it pretty much a small town atmosphere?

SCHOONOVER: It was a small town atmosphere. The farm where I grew up was about 75 miles east of St. Louis, Missouri, so that would be the largest city. Despite its proximity, I don't think I was ever in St. Louis until I was in high school, so it wasn't a place where we went all the time. No, it was very much a small town community.

Q: What was life like at home, was it pretty much work on the farm, and is this when you were home?

SCHOONOVER: Yes. On the farm at that day and age there were always a lot of farm chores and seasonal work activities. As I said, it was a diversified all-purpose sort of small farm, so one would get a little bit of everything. As a kid, of course, I supposed I fed the cattle sometimes, milked cows, fed the hogs and the chickens, gathered eggs, and probably hoed the garden, picked fruit and flowers, helped put up hay in the field, shucked corn, and a lot of other jobs.

Q: School. Elementary schools. What sort of schools did you have?

SCHOONOVER: My first school was a one-room country schoolhouse. The number of children in the school varied from a low of three or four one year to probably a dozen or more. I went to that same school for most of my elementary schooling. It was finally closed down, and I went to another one-room elementary school, which was slightly larger, for the last year.

Q: How did you find a one-room schoolhouse, teaching several grades. How did it work?

SCHOONOVER: I didn't have anything to compare it with. That was the only school I knew! I think one adjusted OK. I suppose I must have listened in with one ear to students reciting their lessons up front, but somehow managed to study my own at the same time.

What else could I add for you since you are trying to get the flavor of the times then? The house I grew up in did not have electricity, did not have a telephone, and did not have running water. We got water from the well with a bucket. We began to acquire these conveniences when I was about high school age. I think the telephone was the first thing that we had, and then we moved to a different house that had electricity. Running water didn't come until later. I think I had already moved away to college before my parents had running water, too.

Q: I assume you had outdoor plumbing and all that.

SCHOONOVER: That's right.

Q: At home, did you sit around and talk about what's happening and what you were doing in the evening? It would be the dinner, or supper I guess we call it, that was the family occasion?

SCHOONOVER: Yes. No television then. We did listen to radio sometimes, if we wanted to have entertainment. I think on Tuesday night, if I remember right, it was Fibber McGee, Bob Hope and Red Skelton in that order. That was an entertainment night, and maybe there were some other such nights, as well. Yes, as there was no TV, nor

computers, I guess there were more opportunities for talking than we have now. Also, we played a lot of games for family fun.

Q: How about reading. Were you much of a reader as a kid?

SCHOONOVER: Yes. I worked my way through most of the school library. I think I would bring home a book almost every night, and take it back the next day.

Q: Were there any subjects in school that you were particularly interested in? Talking about elementary school.

SCHOONOVER: Well, if we are trying to evolve a little bit toward how did I ever get involved in Foreign Service work, I suppose geography, and I suppose that might have been the most interesting. Somehow or other I think my mother, particularly, always liked to steer me toward things involving knowledge about other countries and geography. We'd do little games on what's the capital of some country or state, various things that would stimulate my interest in other places in the world.

Q: By the time we got into World War II you were beginning to be six, seven, eight, nine. Was World War II something of interest? How did you find that?

SCHOONOVER: Well, as you mentioned, when the war began I was about five years old, so I don't think that in the beginning, at least, that I was really conscious of it. I kind of remember it, but on the other hand, for me at that time, it wasn't something that I comprehended very well. I probably became more aware of it later on toward the end of the war, particularly when my brother went into military service. I think he joined, and didn't end up in the Army, but in the Navy Air Force. But anyway, he went into the military service toward the latter part of the war, so I probably became more conscious of it then, having a brother in the military. But regarding the war itself and all of the implications and ramifications and so forth, I don't think I was old enough to really think much about it. It was more just a personal matter.

Q: Where did your family fit in the political spectrum? Were they Republican, Democrat, or did they have much interest in...?

SCHOONOVER: You can sort of judge almost by location. Illinois was a state that tended to split itself with Chicago and nearby areas mostly voting Democrat, and most of downstate voting Republican. This is not 100%... but it tended to be that way, so I would suppose that most of the time they probably leaned more toward the Republicans because that was where almost everyone was in that part of the state.

Q: During elections one would always say, yes, Chicago has voted so-and-so, and we haven't yet heard from downstate. You stayed more or less on the same farm during the whole time?

SCHOONOVER: Yes, until I went into high school it was a small little farm at the end of a dirt road. My parents were farming with horses in those years. I think they bought their first tractor when I was probably at least halfway through elementary school. It really was a small, but diverse farm. I didn't mention that my father also had some orchards. We also raised daffodils for Easter flower sales. One did everything one could to make a little bit of money in various ways. When I went to high school, my parents had begun to try to expand their farming operation a bit. They rented another farm with a different house and moved away from the one where I had grown up and began buying a little land and the farm grew some. When I was in college they purchased and moved to another place and expanded a bit more. By the time I was in college it was a substantially expanded farm operation, but still hardly a large farm.

Q: Did you find that being a farming family tended to isolate you from others? You had to go back to the farm and work. You weren't part of the kids in the small town where you were wandering around the streets at night, evening or something.

SCHOONOVER: It's probably a different kind of life. I didn't know any other, so I didn't realize it was all that different probably. But yes, you had to be pretty self-reliant socially, I guess. You had your family around you and you weren't with many other people most of the time except for visiting relatives and occasionally a few close family friends. Alma, the closest town when I was young, was about three miles away. I had family there, also, and so some of my cousins and I would get together, back and forth between town and the farm, but most of the time was just spent, you might say, communing with nature and each other.

Q: ...and feeding the chickens and slopping the hogs. Where did you go to high school?

SCHOONOVER: Kinmundy was the name of the small town where I went to high school.

Q: What was high school like?

SCHOONOVER: Well, not a large one by today's standard. My class graduated 29 students, as I recall. The high school, in total, probably had only about 150 students, although it was a combined high school/elementary school, so there were other younger students around.

Q: By the time you got to high school, were there any subjects or activities that particularly attracted you?

SCHOONOVER: I continued to have an interest in other countries, but in terms of a particular topic, I don't know. I enjoyed school generally. It wasn't something I dreaded. I was interested in most topics. I liked English and literature, and I generally enjoyed science. One didn't have a lot of choices in school. Basically there was a set curriculum, and with luck you might have one or two choices each year, at least during the last couple of years. So, I found it generally interesting.

At the time, I wasn't really thinking of doing anything else other than farming. You grow up on a farm, that's your world. I had nothing else in mind. I think at the end of high school, my mother persuaded me to take a competitive test for getting a college scholarship, which I hadn't really been thinking about, but, OK, I'll go take the test. So I got the scholarship. So then, well, what is one going to do? I guess I had to go to college then, right? So, I still remember this, the summer before school started my older brother loaded me into his pickup truck and hauled me to the University of Illinois, and we drove around campus looking for job opportunities, and picking up information about admittance to college. It wasn't quite as competitive in those days; one didn't have to get school applications in a year in advance and apply to many schools. So I enrolled in college, found a job, and off I went. But really, until high school was over, I hadn't given any thought about doing anything other than just staying on the farm and farming.

Q: You went to the University of Illinois. You were there from when to when?

SCHOONOVER: I did my undergraduate work at the University of Illinois at Urbana-Champaign from 1953 to 1957, then worked for about a year, and decided I'd continue on through a master's degree, so I ended up with a masters there in 1960.

Q: During the '50's, how did you find the Urbana campus?

SCHOONOVER: For me, of course, it was big. It was my first time away from home. I think at that time, although I don't recall precisely, it may have had close to 20,000 students, a pretty good size. So, coming from a very rural background and small schools and towns, it was a big place to me. It required a bit of adjustment that first semester.

Q: Was Urbana the agricultural side of Illinois' university system, or was it pretty much a straight-forward academic institution?

SCHOONOVER: Straight-forward academic. Urbana is the main campus of the University of Illinois, although they have branches in Chicago and now in several other places, as well. I think more than a hundred years ago the university started out as an agricultural and engineering school. It was a land grant university, so agriculture was the primary focus early on, but by the 1950's it was a good all-around school, and continued to have a strong agriculture program, also.

Q: What type of subjects were you concentrating on?

SCHOONOVER: I was still thinking about farming at that point, so I studied agronomy and animal science and basic agricultural courses, which tended to be more on the applied side, and also some basic courses in chemistry, biology, and related sciences. It wasn't really until I was in my last year in college that I started thinking that maybe going back to that little farm isn't such a good idea after all, and that's when I began to think about options. I worked for a year and earned a little money and then went on to get a masters degree in agricultural economics.

Q: What type of job did you have?

SCHOONOVER: I had worked my way through college, mainly working in a supermarket stocking shelves, sacking groceries, running the cash register as they did in those days, and whatever else was involved. So when I graduated, management in the company said, how about being a store manager trainee? That sounded like a fine opportunity. I temporarily managed some of the smaller stores in the area, and helped out in others. I don't know whether I planned to make it permanent employment, but it was an easy transition while I sorted out my interests. I actually interviewed a number of agribusiness firms, but I think somewhere in the back of my mind I probably had decided that I probably would go back to school again.

Q: Any particular group? Were you working for a chain?

SCHOONOVER: At that time it was a small local chain, which subsequently was bought out by larger one. They had about a dozen stores in the Urbana-Champaign area.

Q: Where did you go for your masters? Still at the University?

SCHOONOVER: I went back to the University of Illinois, right, and did a masters in Agricultural Economics. In the middle of it, I did six months National Guard/Army active duty, and then had to write a thesis at the end of the program, so I think I ended up at Illinois, as I said, in 1960. I still was undecided about what I was going to do for a career, so while in the Army I had applied for business school, an MBA program, at a couple of places, Stanford being one of them. I spent some time in California when I was in the Army and had visited the University of California, but I was accepted at Stanford, and I studied in an MBA program there until finally the time came when I said, hmmm, probably time to go to work. So, I spent one year in the MBA program, but didn't finish it. I went to work for the government in Washington and that's how ultimately I ended up in the Foreign Service.

Q: Both at Illinois and at Stanford, did Foreign Affairs cross your radar at all?

SCHOONOVER: I would say at Illinois it really didn't because my mind was still on going back to farming. It may have begun just a bit when I was in the masters program. I took a couple of courses in international trade as part of the program, so I was just beginning to consider it. I think it was something that was buried way back in my mind from the early days of being interested in geography and foreign lands, but I hadn't figured out how to bring it together. I think it started forming a little more when I was in graduate school, and especially when I got into the MBA program. I started trying to figure out, I guess, how I could end up in international work, and, perhaps as luck would have it, I ended up in a job that gave me an opportunity to get involved with international work.

Q: How did you get into Washington? Where did you go when you came to Washington, and how did you get there as far as getting the job?

SCHOONOVER: During my year at Stanford, I interviewed for government employment in Washington, and received an offer. I'll try to move along to the job itself.

Q: Sure. No problem.

SCHOONOVER: I went to work for the government in Washington in 1961.

Q: Was agriculture your thing?

SCHOONOVER: Yes.

Q: Did you find yourself working in any particular slot of agriculture?

SCHOONOVER: I ended up in foreign agricultural work, and the fact that I had an opportunity to get into that is probably what prompted me to cut short my MBA program. I suddenly saw an opportunity to get involved in foreign agricultural work, and thought, really what am I doing studying for an MBA when I need to get to work. So, I think the fact that that opportunity came up was really what brought me to Washington and I stayed with foreign agricultural work for my whole career.

Q: When someone's working in foreign agricultural work, what does this mean?

SCHOONOVER: Well, in the earlier years, I was not in the Foreign Service. A lot of the foreign agricultural work was as an analyst in Washington. I spent a long time in Washington analyzing crops and trade and related information; making estimates of grain crops and what the likely trade implications were going to be; and analyzing agricultural developments in foreign countries. As it happened, I became involved early on in analyzing developments primarily in the Soviet Union, but generally in the Soviet Union, Eastern Europe, and China. So most of my analytical work was concentrated on what was going on in the Communist countries at that time.

Q: We're talking about the Cold War, very much so. As you were doing this, were you looking at what aspects of the Soviet Union, looking at its agricultural system as a weakness or a trade opportunity?

SCHOONOVER: In the beginning, most of the analytical work was not so much looking at the trade opportunity, it was more just keeping track of what was going on there. That changed fairly soon, though, because even going back as far as 1963, the Soviet Union suddenly bought some grain from the United States. This stimulated more interest in what was going on in their agriculture, and also in the likely trade and economic implications of their agricultural shortfalls. My first overseas experience was not in the Foreign Service as such. The Foreign Agricultural Service of USDA joined the Foreign Service under the 1980 Foreign Service Act. However, the Foreign Agricultural Service assigned

people overseas prior to that as agricultural attaches. Employees sometimes would go on details or temporary assignments, and then back to regular Washington jobs. Some people already in the early days would stay out for years and years, but other people would just be picked up to do an assignment--a tour-- and then back to Washington again. That's what happened to me after the '63 grain purchase that I mentioned. In 1964, I went on a detail with Foreign Agricultural Service to Moscow. So my first overseas tour back in the mid '60's for about three and a half years was in Moscow on detail with the Foreign Agricultural Service.

Q: This was Khrushchev's period, wasn't it?

SCHOONOVER: It is interesting to recall. On the way to the airport, leaving for Moscow, news came on the car radio that Khrushchev had been kicked out. On arriving in Moscow, they were just taking his pictures down. The very first *Pravda* I read had the pictures of Brezhnev and Kosygin on the front page. So, it was a time of change. It was an interesting time to first experience the situation there.

Q: Prior to going to Moscow, what was your impression of Soviet agriculture that you were getting from reports?

SCHOONOVER: Well, my impression was that the state of collective farm system was a pretty inefficient system that lacked incentives for the farmers. At the same time it seemed to be something that had found a way to provide a low level equilibrium, you might say, for everyone. In other words, it was feeding the people. They had not, in those first couple of years, been buying grain on the world markets. So, It seemed to be managing, but at kind of a low, inefficient level. Then this first grain purchase in '63 started raising questions about what's going on, how do we explain this?

Q: Were you looking at the Soviet Union when Khrushchev came up with his Virgin Lands Program?

SCHOONOVER: He had carried that out before I went to Washington. It was still a topic of interest, yes. That program was carried out in the '50's, and we were still analyzing what was going on. I think somewhere buried in my collection of little pins that I picked up during my first tour in the Soviet Union is one that says I'm one of the helpers of the tenth anniversary harvest in the new lands. I seem to remember making one trip there, right after my assignment to Moscow, and somebody stuck one of those little pins in my lapel. But the beginning of it was 10 years earlier. So, they were just beginning to really analyze what the implications of the new lands were going to be.

Q: When you got there, were you the agricultural attaché?

SCHOONOVER: No, I was an assistant in the office at that time. It wasn't a big office, just my boss and me, and a secretary. The Agricultural Attache, my first overseas boss, was Brice Meeker. Both then and later, I tried to emulate the example he showed me.

Q: You were there from about '60...

SCHOONOVER: I went in the fall of '64 and stayed until the end of '67.

Q: Who was the Ambassador when you got there?

SCHOONOVER: When I arrived the Ambassador was Foy Kohler, and during my assignment there, the Ambassador there became Llewellyn Thompson. From an historic perspective, I personally find it very interesting to have had the opportunity to serve with those two Ambassadors.

Q: They were really top grade authorities on the Soviet Union. How did you find the Embassy when you got there? First place, were you married at the time?

SCHOONOVER: Yes, I was. And how did I find the Embassy? Well, interestingly, the Embassy that I served in at that time was the same Embassy that I served in again when I went back about twenty-five years later, and I found the building very much the same. It was located on the Sadovoye, or Garden Ring Road. I suppose it was compartmentalized a bit. As a young and inexperienced person at the time and working in the agricultural office, I probably wasn't very aware of what some of the other people were doing at the Embassy at the time. I think we socialized with a lot of the other young people in the Embassy, so we kind of stayed on the grapevine on some things, but in terms of the broader thinking in the Embassy about what was going on, I probably wasn't tuned in that well. I know I didn't read all of the traffic out of the Embassy at that point. The agricultural section and the economic section worked pretty closely together, and we shared information, but that's probably as far as my sharing went. At that time they did not have the residential compound that was built later in Moscow, so we all lived in different diplomatic compounds around the city, which had been assigned by the Soviet authorities. The one where my wife and I lived was on Donskaya Street, and I think it was given up later on. I think six American families or individuals resided in the apartments in our building. It was a diplomatic compound with Soviet militia guards at the gates--or gate, I should say, as only one was open. We had a number of people from Eastern Europe, I recall, in the compound.

Q: Did you study any Russian before going out?

SCHOONOVER: Yes, I think I studied Russian for about a half year, so I had enough to be able to communicate OK. I wouldn't say I was really fluent, but it was certainly enough to be able to carry on a conversation whenever there was an opportunity to speak with a Russian.

Q: How did your wife like living in Moscow?

SCHOONOVER: I think interesting, but a little bit difficult, too. Carolyn was 21 when we went to Moscow. She did not work at the Embassy. At that time, very few jobs were available for women at the Embassy. Anyway, she was shut up in a compound away from

the Embassy, with not many Americans or English-speaking people around. One could get together with people who lived in other compounds, but still I think it was probably a difficult experience.

Q: In the Embassy was there an opportunity to work with your colleagues mainly in the economic section or...

SCHOONOVER: Mainly. As far as joint work, yes. We mainly worked with colleagues in the economic section. We would compare notes now and then with some of the other people. We were probably the main travelers in the embassy. We in the agricultural office tried to travel as much we could, particularly during the crop growing seasons. We obtained almost no information about grain and other crop conditions from the Soviet authorities. And those were the days before satellite coverage. There was almost no way to assess agricultural conditions, except to travel and try to make those determinations from first-hand observations. Sometimes, we were able to observe things also of interest to others in the Embassy, so we would give debriefings on our trips. Much of the country was closed to foreign travel, but enough was open to enable us to learn a lot about the agricultural situation. We traveled by car periodically in the Central Chernozem and North Caucasus regions of Russia, and in Ukraine and Moldavia, now Moldova. Also, we were able to travel by car to several cities closer to Moscow or Leningrad, now St. Petersburg, and in Byelorussia, now Belarus. We flew to Central Asia, and could hire a car for travel in the Fergana Valley of Uzbekistan and Kyrgyzstan. Occasionally, we traveled eastward from Moscow by train to places on the Volga or in Siberia, but our planned trips to these areas often were denied.

Q: This is Tape 2, Side 1 with David Schoonover. Were you were harassed? Were they just watching you, or were they trying to run you off the road or other things?

SCHOONOVER: Generally, in the agricultural office, we weren't harassed other than just having people following us around all the time. Sometimes two or three cars of security people would follow us on trips. If we stopped to eat lunch along the road, Soviet security people literally would walk up and down the road by us while we ate; once they even climbed trees to observe us. Sometimes, though, we were stopped by the militia and had documents checked, or were re-routed. Generally, it wasn't a severe harassment. I think on one or two occasions we were hauled into the militia office to shake us up a bit. They would try to get us to fill out a report that we had been doing something wrong, and we would always say no, we're not going to fill out the report, and they'd send us on our way, usually. There was just enough of this kind of harassment to keep us on our toes. The other people who traveled from the Embassy were usually out of the defense office, and they often were harassed, and more seriously. The Soviets just wanted us in the agricultural office to know that they were watching us. There were a few incidents, not to me, but to one or two of my successors, when there was perhaps more serious harassment. I'm a little fuzzy on the details now, but they were not only hauled in by the local militia, but also accused of something in the press.

Q: How about where you'd stay overnight. Wouldn't this be a problem?

SCHOONOVER: There were hotels in those days. If your travel was approved, you usually didn't have a problem getting a hotel room. If they didn't want you to go, well, sometimes the hotels were all booked up. They were satisfactory, but Soviet style hotels usually.

Q: Huge hotels and small rooms?

SCHOONOVER: Yes, but sometimes big rooms. In some of the provincial towns where we would stay, for example, Kursk and Oryol, I think these hotels had been built for Soviet officials, and sometimes accommodations were pretty nice by Soviet standards. They didn't look like the kind we tend to stay in nowadays, but they were pretty nice.

Q: Did you find yourselves alone at meals, could you meet other people or were you pretty well isolated?

SCHOONOVER: In general, they would try to have us sit by ourselves, but they generally didn't try to put us in separate rooms. So, typically, we would go into a restaurant, find a table, and sit down. Since the restaurants were very crowded, this often led to our best opportunities to speak with other people. Often there weren't any free tables, and, in those days, Soviets didn't have private tables. If there was an empty seat at your table, someone joined you. So, people either joined us or we would join them, and that often was our main way of getting to talk with people when we were traveling. I guess more nights than not we would spend an evening chatting with people.

Q: In the first place, what was your impression of the agricultural methods that you were seeing?

SCHOONOVER: We mainly were observing the grain fields, of course, on this travel and not the livestock. We might see some livestock at a distance, but we weren't seeing it up close. I make this distinction because the grain fields often appeared quite good. We did see some problems. Sometimes we'd see where they put fertilizer on and clearly hadn't set the spreader uniformly, so we'd see strips of green and strips of yellow throughout the field. We would see some instances of machinery sitting around not being cared for. We'd see some problems, but in general, the grain was pretty good. I think if one went to their livestock facilities, things looked pretty primitive in general in those days. But just driving through the pretty Ukrainian or North Caucasus countryside looking at grain fields, agriculture looked rather pretty.

Q: They have one of the best soils in the world.

SCHOONOVER: Very rich soil, yes. Both places. The Kuban region in the North Caucasus has just wonderful black soil, rather flat but very suited to agriculture, to grain farming.

Q: I'm told that one of the major problems with Soviet agriculture in that period was its distribution system, that they lost up to a third of the grain because of storage, mice, rottage, that sort of thing. Were we watching this?

SCHOONOVER: I'm sure that's true, that they lost a lot, and not only grain. One would see a lot of almost anything that they were hauling along the roads, scattered along the roadside where it had fallen out of truck beds. That is just one part of the distribution system. I'm sure there was a lot of loss that way. You raised a good point. When one is talking about some of the other types of agriculture, particularly more perishable products, such as fruits and vegetables, there was a tremendous amount of loss. That's one thing that really struck me. The handling of perishable products was atrocious, and we would see people just throwing tomatoes or something soft and perishable. We would also see fruits and vegetables just sitting and rotting. Once they reached the market, they looked terrible in most cases, even when they left the farm in good condition. If one went to the free market and bought from private individuals, one could get good produce, but if one went into any of the state operated stores, it looked terrible. This is a good example of the lack of responsibility and incentives in the collectivized or State-run system, compared with the private system. I think they had some of the same problems with grain. Grain's not as perishable, though, as these sorts of products. I'm sure they had problems with mice and rats in the grain bin, and they had problems with people not paying careful attention and losing it from the trucks while hauling it. Still, I think that grain probably went to use closer to the original amounts and condition than these more perishable products, where the losses must have been—we're not even talking 50%, I think it must have been--more than 50% loss from the time they came from the fields to when they actually ended up with the consumer.

Q: Back in the Embassy when we were putting this together, by this time we were looking upon the Soviet Union as being a market for our goods. Were you finding that we were just maybe just....

SCHOONOVER: Maybe just in an early stage of trying to assess that. After the grain purchase in '63, they didn't buy any more grain from us for nearly another 10 years. It wasn't until '72 maybe, but anyway in the early '70's that they bought again. So, we were still mainly just trying to keep track of what was going on, and just beginning to wonder are they going to come back into the market again? We weren't really promoting grain sales during that period. We were just monitoring the situation at that point. In terms of agricultural trade promotions, which were a very big part of my Foreign Service career later on, there was very little of that in that early assignment in Moscow. I think we assisted with two or three agricultural exhibitions during the three-plus years that I was there. They were fairly small efforts. I recall taking part in a poultry show in Kiev and an agricultural machinery and inputs show in Moscow. Some agricultural commodity people, just a very few, came to those events, but these were pretty small efforts compared to the sort of agricultural trade promotion that we got involved in later on.

Q: Did you have an opportunity to take a look at the irrigation systems and the environmental effects on the Aral and Caspian Seas? I understand that it was an absolute disaster. Was that something you were looking at?

SCHOONOVER: We were trying to assess what their production and trade was going to be for all of the major traded commodities, so while I put the primary emphasis on grain, it's true we were also looking at cotton, and we were looking at sunflower seeds, and any other commodities that might conceivably enter into trade or might run into a shortage and, therefore, lead to some trade. Yes, we visited Central Asia maybe twice a year to try to learn about what was going on in cotton production. With regard to the major environmental disasters around the Aral Sea, I don't think that we got very deeply into any assessment of that nor did we even get to travel close to the Sea. Even though we often were in the cotton areas, I was never anywhere near the Aral Sea. In fact, I never did see the Aral Sea, even in my later tour. But we did visit the cotton regions trying to make some assessment of what their cotton production was going to be. In contrast to grain, it's a little harder to make such an assessment for cotton or, at least, I didn't have the experience, and I think it's a little harder anyway. I couldn't just drive through cotton fields and come up with a very good forecast of the cotton crop. But we tried, and we also tried to meet with local officials in the cotton regions to patch together some kind of forecast of what was going to happen.

Q: Were you allowed to go and visit Collective Farm Number 382 or something like that?

SCHOONOVER: Yes. We did that. I don't know what is quite the right word to put on that because it could be quite an ordeal sometimes. Those were the days when you were greeted with excessive hospitality and so, a visit to a collective farm usually turned into quite an ordeal. I developed, or tried to develop, an ability to deal with far too many toasts and far too much hospitality.

Q: It is a Slavic tradition, too. It's not just too much liquor and also too much food, too.

SCHOONOVER: Oh, huge table, yes. I can think of some other experiences, if you would let me just jump around.

Q: Yes, sure. Yes, do it.

SCHOONOVER: ...too much food when handling some official delegations later on where they would be entertained at one place for maybe an early lunch and by mid-afternoon stop at another place for another meal, and then by evening at another place for another meal, and so you're right, not only too much drink but too much food to a point where no one wanted to see any more food!

Q: At the same time you were doing this, I was in Yugoslavia, and I can remember being taken with great pride through a slaughterhouse, which I'd never been to before, and I had no desire to go again. At the very end, all the products were laid out there cooked. My appetite was not very strong at that point, but I had to partake.

SCHOONOVER: I've been through quite a few of those slaughterhouse tours, and eating the sausage at the end. You really don't want to watch the sausage being made.

Q: Where Khrushchev had been to the Garth farm and other places during his time, was there any effort during this initial tour when you were in Moscow, the Soviets farmers coming over and taking a look at what we were doing and looking at our methods?

SCHOONOVER: In terms of farmer to farmer, people to people exchanges, there really wasn't much of that going on. I think Khrushchev's visits to Iowa maybe added a thawing effect for a few years, but remember, Khrushchev was kicked out in '64, and relations took a chill again. In terms of overall relationships, that's when we became involved in Vietnam, and the chill grew deeper and deeper. So, during most of the period when I was there, we went from chill to deep chill. However, we managed to carry on a few scientific exchanges in agriculture during that period because, I presume, the Soviets deemed that on the whole it was in their interest at least as much or more than ours. So we managed to keep a few things going. We probably exchanged four or five delegations from each country each year, they sending maybe four or five to the United States, and we having four or five scientists or delegations in the Soviet Union. I'm sure it varied. Some of this is a little fuzzy now in terms of what we had, but I think I can still recall that delegations like plant seed collectors were always deemed to be a fairly valuable undertaking from our perspective, because we were always interested in adding to our plant germ plasm collections, our pool of plant resources. There were some other areas, too, but I recall that one in particular.

Q: While you were there, were you running agricultural fairs at all?

SCHOONOVER: As I mentioned earlier, there were a couple of exhibitions, two or three, that we participated in during my time, but that was it. We participated in at least one in Moscow and one in Kiev when I was there.

Q: Did you deal with the Ministry of Agriculture, for example?

SCHOONOVER: Let me back up concerning your previous question. I remember there were fairs or exhibitions that were put on in those days by USIS, and there was a major agricultural fair, which I think took place after I left. When I was there it was really a time of chill in our relationship. Now, dealing with the Ministry of Agriculture. We were very restricted in those days. We were definitely assigned the Foreign Affairs unit in the Ministry of Agriculture, and we knew three or four people in that unit, and the head of the unit, his deputy and one or two other people. If we really had an urgent issue of some type or, I guess, on occasion just as matter of trying to stay in touch with them, we would pay a call at the Ministry of Agriculture, but they never brought in any of the other departments as I recall during my three plus years there. I don't think I ever had the opportunity to meet with any of the other departments in the Ministry of Agriculture. I was present at meetings with the Minister of Agriculture on a couple of occasions. Perhaps the most memorable was when Ambassador Averell Harriman visited Moscow,

and I was assigned to be the note taker at his meeting with the Minister. Those were still heady experiences when I was a young officer at the Embassy.

Q: Did you have the feeling that the people you were meeting in the Ministry of Agriculture there were apparatchik as opposed to farmers who 'd come up with specific knowledge?

SCHOONOVER: Oh, very much so. These were bureaucrats of the highest order.

Q: Probably had never gotten their hands dirty. At our embassy, on the academic side, did you have any contact with our station there, the CIA? Somebody there must have been looking at crops, too, or not. Did you get any feel for this?

SCHOONOVER: I think that actually we were the primary unit that was doing that and serving all parties. I'm not sure that in my early days there I had even identified very well who was who. Maybe on a few occasions, yes, but I think we were the main office, and we were serving all parties. We would debrief, if anybody wanted to know about our crop travels and estimates. Sometimes I would travel with people from other sections, from the political section and perhaps sometimes I was traveling with someone from the Agency. I won't speculate about any other methods they may have used to obtain information about the agricultural situation.

Q: I'm just thinking that the agricultural... When you're looking at the Soviet Union, probably almost next to the production of tanks and missiles, in other words military stuff, the other really big item was agriculture. Could the Soviets feed themselves? Could they use grain as an export item far more than automobiles? Consumer items really were pretty far down the line, so it was at least my impression that heavy equipment for turning out things, but military equipment and agriculture were really a major, major elements of interest to our side. Did you find that this was something that the Russian Embassy took very seriously about what you were finding out and looking at?

SCHOONOVER: Yes, I'd say so. I'd say people were quite interested in what we were finding out, and I think we would generally do a debriefing with some people in the Embassy and share our reports with other sections in the Embassy. I know that at least Ambassador Thompson read our reports because I remember when I was working there alone one day he sent one back and said you've got a typo on page two if you want to correct that before you send it out. So, I know he was reading our reports. I should add that we also did regular surveys of the food stores and farm markets, and I know that these reports were used by other agencies to gauge inflationary tendencies in the economy.

Q: During this period of time '64 to '67, what about demonstrations against the Embassy? You must have been doing something that got them mad or something like that.

SCHOONOVER: Yes. As I recall, in '67 those were the principal demonstrations. That was a period of Arab-Israeli conflict.

Q: Yes, in June, the June war.

SCHOONOVER: I'm trying to recall. I think we had two demonstrations. I can't recall the number for sure. I do remember there would be some of the Arab students. Usually they would mobilize students at Patrice Lumumba University or at one of the universities, but I think that one in particular had a lot of foreign students in it. Who else was in the demonstrations I don't know, but reportedly they were student demonstration, and they would march on the Embassy. There may have been two or three that year. I don't remember demonstrations in any of the other years, but definitely in '67. At least one of them got rather violent. Some cars in front of the embassy were burned, and there were some rocks thrown at the embassy. I think there were one or two of the Soviet police who were injured in the demonstrations.

Q: What did you all do, just sort of stay inside?

SCHOONOVER: If it took place during working hours yes, we just hunkered down and stayed away from the windows, the standard guidance, then went about our business. I think I probably was busy writing my next report while the demonstration went on outside. Probably, not concentrating on it very well!

Q: How did you find the Soviet press as far as information? Was it only Pravda and Izvestia, and the farmers' journal of the Ukraine. I don't know what they had, but did you find that this was a significant source of information or not?

SCHOONOVER: It was. I don't think it was intended to be, but it was. You had to piece it together. One very seldom found nice overviews or analytical reports, so basically we set up a system to sort of sieve and gather little tidbits of information out of it, see which ones had more significance, and put them all in a system somehow. It wasn't computerized in those days, but we had filing systems and we tried to pull it all together. If you read that oblast X had met its grain procurement plan, then it went into your system. That would be a fairly significant bit of information. Often the information was even less significant than that, but we tried to keep it all together, and for a series of years, and examined how many oblasts had recorded meeting their plan this year, compared with other years.

Q: The Oblast was the equivalent of...

SCHOONOVER: A province. Yes. So, there were what—I've forgotten the number now—but there were something like 70 oblasts or similar units in the Russian republic, so that would give you some idea. There might have been around 25 or so in Ukraine in those days. So, to give a rough idea, we were keeping track of maybe a hundred little reporting units as well as the minor republics. Most of the minor republics did not contribute a great deal to the grain crop. It was mostly Russia and Ukraine—and also Kazakhstan. So, with a system we compared one year to the next, which ones were meeting their targets or which ones were X percent toward meeting their target by such

and such a date, and we could begin to get some kind of a picture of what was happening that year. It provided some confirmation of the field observations that we had made earlier on. It was all part of the picture.

Q: How many other embassies? I think Canadian, Australian, Argentinean, other ones. Did your colleagues have the same interests or not?

SCHOONOVER: We did. We consulted with colleagues to a certain extent. Some were more interested than others. The Canadians, I think, for obvious reasons were much more interested in what was going on than most of the others because they had also sold some grain and, in fact, they made a grain sale or two after the one we had done in '63. So, they were still quite interested in what was going on. Some of the others were interested, but probably not as directly as the Canadians. I'm sure we consulted with our colleagues from the British embassy, and the German embassy, and the Japanese embassy and several others.

Q: Were we working the other way? Did you get any feel, did the Soviets ever consult you about what was happened with American agriculture, or was that not of interest?

SCHOONOVER: It was of some interest. There were a couple of people in their system, whose assignment it was to keep track of American agriculture. Maybe there were more than that with this assignment, but there were a couple who publicly were assigned to keep track of American agriculture and would generally be working on a book or monograph about American agriculture and who would call on us some of the time. Generally, they were in a couple of institutes affiliated with the Ministry of Agriculture. The number may have expanded later on, but that was it in terms of who would call on us, and even they wouldn't call on us very much. They would try to participate in one of the exchanges each year, so they would have one of their American experts coming to the United States and I think they had subscriptions to many of our publications. They didn't consult a lot in those days. I think there was danger to them of being seen as hobnobbing too much with Americans even though they were assigned to keep track of America. It was so great that most good bureaucrats in those days didn't want to take the risk of somehow inviting suspicion about what they were doing.

Q: I take it that during that time there were more contacts in the ballet, music, painting and all that.

SCHOONOVER: I think that's right. There were a lot of cultural exchanges going on at that time. We had limited scientific exchanges in agriculture as I mentioned, but I seem to remember there were quite a few activities going on in cultural exchanges.

Q: Did you get any feel for agricultural schools, training in the Soviet Union

SCHOONOVER: What kind of feel might I have had? It tended to be geared toward applied technical training. The quality I don't know. At a very technical level some of it was good. If it involved getting beyond that, sometimes they were still locked into some

ideological positions that didn't allow them to really expand their research. They were supposed to believe such and such was so, and one didn't really want to push the envelope or discover that that wasn't really the way things worked. I suspect there were scientists, involved with more of the premier institutions, who were attempting to do some good research, but probably had to keep a low profile, went about their business, and really didn't bring it much to light.

Q: It reminds me that I think it was during the Stalin period particularly back in the '30's when you had Lysenko, I think, who was basically was a biologist or agronomist or something that was saying you could train anybody to be anything, environment was everything. Did that Lysenkoism come into your orbit at all?

SCHOONOVER: Our impression, yes, was that the political or ideological influence of Lysenko was still having an effect in the mid-'60's when we were there, and it was still stifling a lot of genuine creative research.

Q: It was supposedly, as I recall, a scientific thing, but it was very political. It meant that you could change just about anything if you had the right teaching and the right environment.

SCHOONOVER: Yes. I'm beginning to forget the details of this, but I do recall that some of their beliefs about change had more to do with environmental influences, as opposed to genes and the transmission of characteristics through genetic heritage.

Q: That raises holy hell with real research. If you only think right, the genes will change into a proper socialized form.

SCHOONOVER: I think the genuine scientists really had to keep a low profile, and probably a lot of research simply wasn't done that might have been done otherwise during that period. From our little spot in the agricultural office in the Embassy, other than reading things in the newspapers, we weren't able to monitor that very well. We'd do our courtesy call on Timiryazev Agricultural Academy, but we'd get a real programmed visit, and one isn't going to learn much of anything.

Q: What was happening in the field of American agriculture, because today we're modifying everything, but I think of Henry Wallace and his families. There was a lot of work on hybrid corn and developing strains of grain that were resistant or good for this or good for that. This was a well-developed industry in the United States at this point, wasn't it?

SCHOONOVER: Yes. Hybrid corn had come in quite a few years earlier in the United States. Good crop breeding work was going on in the United States. I think there was some crop breeding work going on in the Soviet Union, too. Sometimes you'd find a way of doing something and you figure out how you're going to package it so that it meets all of the ideological requirements. Some crop breeding work was pretty good.

Q: Were you at all concerned, in your perspective, about picking up modified hybrid corn from the United States, sort of taking our research and putting it into the Soviet stock or not?

SCHOONOVER: That was a concern particularly, I know, of the American equipment manufacturers, and concerning their participation in trade shows and exhibitions. They were quite concerned about exhibiting their equipment. Generally what happened is that the equipment remained behind, or at least one sample, until it was copied while it was there. Next thing you knew, the Soviets were trying to manufacture something that was almost identical, but they never did any business with the American firm. In terms of crops, I suppose there was a bit of concern, but I don't think at that time it was considered such a major issue. I think simply their ability to take these breeding materials and copy them successfully and make them work in their environment, and generate additional production through their system was not great. I think the feeling was that the odds that the Soviets could pull it off were so slim that it wasn't a major worry.

Q: Did you get any feel for some of the political strains that were going on there, particularly the various ethnic groups in that culture? Were these apparent, the differences between the Great Russians, and the Ukrainians, and the Turkic 'stans, and the Azerbaijanis?

SCHOONOVER: Back in the mid-'60's it wasn't really apparent to me. It was such a police state, with such suppression, such controls. One wasn't going to observe the tensions, even though they may have existed, but people weren't going to show it because if they stood out, their head was lopped off. It wasn't going to happen. So, I don't think we were so aware at the time. The Soviet Union was portrayed as one big happy family, and we might not have believed it, but we couldn't see many of the indications to the contrary.

Q: How about cultural life? Were you able to get out and do things in Moscow?

SCHOONOVER: Yes. It was a good experience that way. In those days you could get tickets to the Bolshoi Ballet and the theater and various other events. So yes, we tried to take advantage of those and go to the ballet and to the theater. The theater was more of a challenge if your Russian wasn't really top notch. The problem is, everyone else laughs, and you wonder what it is they're laughing at! Maybe after going enough, I managed pretty well to get the gist of things. I tried to go to quite a few cultural events, and that was really nice.

Q: How did you find the core, sort of the FSO group there because at that time in the midst of the Cold War, and Moscow was kind of the Mecca of up and coming bright, young Foreign Service Officers. Did you find this?

SCHOONOVER: I don't know what yardstick I had at the time. I think there were some bright, young Foreign Service Officers at that point, but I've met a lot of bright, young people ever since. In fact, I see no end to meeting bright, young people, so yes. In general

I was impressed with the quality of people with whom I was working. I don't recall forming really negative opinions about anyone. Some probably were brighter than others, but I'd say in general I was impressed with the professionalism and dedication of the people with whom I was working.

Q: I think this is probably a good place to stop. I'll pick this up next time. In '67 where did you go?

SCHOONOVER: In 1967 at the end of the year, I came back to the United States and went into the Economic Research Service of the U.S. Department of Agriculture (USDA) and spent the next 10 years or more working there in the United States.

Q: OK, we'll pick it up then and we'll talk about '67 to about '77, and we'll talk about what you were doing in economic research.

SCHOONOVER: From Moscow, I returned to work in the Economic Research Service of USDA. I worked in the one of the foreign divisions, again analyzing agricultural developments in foreign countries. My particular area again was the Soviet Union and East European region. I worked first as an analyst on Eastern Europe, and had an opportunity in the fall of 1968 to travel for nearly a month in Hungary, Romania, Yugoslavia, and Bulgaria to make contacts and become more familiar with their situation. I also had planned a trip to Czechoslovakia, but on the day in August when I booked my tickets for travel, the Prague airport was closed, except to Soviet military aircraft. Bad timing—I never did make it to Prague. Eventually, I moved into a job in charge of the research for those areas, and also added China and other Communist countries at some point along the way, so we were covering all the communist or centrally planned countries.

Q: What were your interests? From your work perspective, what were your interests?

SCHOONOVER: I think probably the biggest interest was what was going to happen with grain imports to that part of the world. I remember analyzing developments that suggested potential grain imports, but if you think back to that period, there was still surprise at the Soviet grain purchases from the U.S. in '72. It happened to take place the year that I was away in full time training at school, so I missed out on that event. But anyway, their purchases rocked the boat in our grain markets, and together with other developments, there resulted a period of shortage in some of our agricultural commodities in the early '70's. Consequently, there was rather a keen interest in what the Soviet Union was going to do with regard to future grain imports from the United States. They had not been importing from us, generally speaking, up to that point. There were some grain purchases back in the '60's, but it was essentially a one-time thing. There was this long 10-year period where there hadn't been any grain imports, and then all of a sudden they came back into the U.S. market, and we had some shortages, prices went up, and a lot of people were in an uproar. Some people called the sales to the Soviet Union "The Great Grain Robbery". I think it was simply because of the surprise and the apparent effects that occurred in the U.S. economy. After that, there was keen interest in

what was going to happen the next year—and in the future. And so, my first project after coming back from school was to try to do some projections of Soviet grain imports in the years ahead.

Q: Where were you going to school, by the way? What were you doing?

SCHOONOVER: I had a year off. It was one of those nice things that sometimes occur in the course of a long career. I attended Michigan State, doing a PhD program in effect, one that I really never finished up. In that one year, however, I managed successfully to get through the course work and prelims. I was working on agricultural policy, international agricultural development and trade, and international trade policy. I should note also that during the years in Washington with USDA, and particularly with the Economic Research Service, I had the opportunity to contribute a number of articles on Soviet agriculture and trade for books and Congressional reports. I was especially pleased with an article on Soviet agricultural policies that was published in a Joint Economic Committee report in the late '70's, and I believe the article still provides one of the best concise accounts of those policies.

Q: When you started in '67, where were you getting your information on their agriculture? How good were the sources?

SCHOONOVER: At that point most of the countries we were researching, both the Soviet Union and Eastern Europe, had been publishing statistical books for a few years. So we did have statistics in terms of basic data for some previous years. It was more a matter of interpreting what they were publishing. Now, with regard to current developments we generally didn't have statistics. We had to work with whatever sources were available. We had agricultural attaches in Moscow still and in some parts of Eastern Europe. We were getting some reports from them. We actually were reading newspapers from most of the countries. We received the papers in our office in Washington. We also had press translations from the Foreign Broadcast Information Service. All in all, we worked with a variety of sources. With the weather information that was collected and made available to us so we could analyze weather effects on the crops. Sometimes we would try to do travel into the region ourselves, in addition to having the attache reports. This helped our attaches cover their territory, and it was good for Washington researchers to get into the region and get a little on the ground feel for what was going on.

Q: I can't remember if we discussed it last time, but during the '60's when Khrushchev was going at his great virgin lands opening which, I guess, turned out to be a real fiasco, but how did Russia look by '67, were you seeing there were signs that they might have been having problems?

SCHOONOVER: OK, back to '67. The signs about what came along later before the collapse of the USSR were not so clear. The main thing that you would have observed then was simply the inefficiencies of their system, but on a gross level they were taking care of themselves back in '67. It wasn't until in the '70's that they seemed to be unable to provide enough grain for themselves, and went into the world grain market to

supplement their supplies. Their standard of living back in the '60's was low. They did not have a plentiful variety of food commodities. They did have people lining up whenever there was a supply of something that wasn't usually available. They were getting by, though, at a certain accustomed level in the '60's. In the '70's they couldn't sustain the kind of growth and consumption that they were having, and they had to turn elsewhere to supplement that. Later, of course, the strains on their system became even greater.

I want to comment about the virgin lands. Were they a failure? Were they not a failure? It will probably be debated a long time. It all depends on how you look at it, I guess. I think they did a lot of damage there in terms of erosion and ecological effects, but they did produce a lot of grain there, and with the right practices, a lot of the area probably could be sustainable. Some of it probably isn't, but with the right moisture conservation practices, much of it is. Actually they are still producing grain there today. I think it's like a lot of things they did at that period, they rushed into it with no concern about the environmental consequences, and it really wasn't the right way to go about it, and yet there is continued production out in the region.

Q: Were you seeing any improvement or response on the part of the Soviets particularly getting the grain to the market? I've heard figures up to a third of the grain just didn't get there because of poor storage, poor transport, whatever.

SCHOONOVER: Their system was notorious for losses. Some things were much worse than grain. There were problems with grain too, but if you looked at fresh fruits and vegetables, you'd be absolutely appalled. You'd see the way they handled things. They would just pick up something perishable and fragile and throw it or stack it somewhere and pay no attention to it and things would be crushed or would rot. I can easily think of 50% losses of a product that was good when it was harvested on the farm, and by the time it got to consumers it would be rotten. Tomatoes or something that was really perishable, just wouldn't survive the handling. Grain was something else. There were losses in grain, I'm sure, in storage and transport, and there was probably some grain diverted off, you might say. They may not have been genuine losses. It's just that it may not have been used on the State's account. The product probably ended up slipping through the system. But that isn't a genuine loss. That helped them survive.

Q: It gets to the consumer one way or the other way.

SCHOONOVER: We spent a long time trying to sort out their grain statistics. For many years, the U.S. Government, generally carried a separate set of grain statistics from the official one published by the Soviets simply because they didn't believe the Soviet statistics and knew there were problems accounting for what happened to all that grain in the official statistics. Part of the research that I was doing back in the early to mid '70's was sorting out the grain statistics. We came up with a series where we could start from the Soviet statistics and work backwards through a grain balance to determine how much they actually used. We figured that there was a little above average genuine loss, but the bulk of the difference was in the way they measured grain. They used a so-called bunker

weight of grain, which did not really consider grain dried to a uniform standard before they measured it, so this led to a considerable overstatement of production. How much, we'll probably never know exactly. I'm sure every place had its own style of doing this somehow, so that no one will ever know precisely a true standardized measure of Soviet grain production. But we tried to figure out production by doing grain balances and then compared production and use every year and the typical difference. Then we would take weather conditions in individual years through the regions and try to estimate how much moisture there likely would be in that grain so that we could make an adjustment between the Soviet statistic and what our statistics were. In the end we came up with a set of statistics that was based on the official Soviet statistics, not just a subjective estimate. In the early years in the U.S. Government, there were some totally independent estimates. Such independent estimates made me a little nervous, because they can be subjective and get totally out of line after a while. Too many things get factored into the process. But we went back and we worked from the official Soviet data, and we had something like a 10 to 15% difference, on the average, between their production data and ours because of weather conditions plus we allowed for some additional substantial losses between harvest and usage. I can't remember the precise percentages now, but anyway, the difference was quite substantial.

Q: Up to '72 approximately, all of a sudden they came on the market. Our interest was really on Soviet strength and as a potential enemy. It was not a force within the world market or anything else.

SCHOONOVER: We had been following changes in Soviet grain production primarily to determine just the effect on the Soviet economy and internal developments. Then all of a sudden when they came into the grain market, and it had an effect on the American economy, it became important to try to follow what was happening and project what was going to happen to see how we were going to relate to each other in the grain trade business and what kind of effects there were going to be.

Q: We had Australia, Argentina and Canada who were the other big producers. Were you working on them, too?

SCHOONOVER: There were people in the research area who were working on those countries, so we had a pretty good fix on what the prospects of production were going to be in those countries. Statistics were much better, much more available on those countries generally than they were on the Soviet Union.

Q: What about Eastern Europe per se, not the Soviet Union, but the rest of Europe. Was there much grain production in those areas?

SCHOONOVER: We had the same sort of interest in what was going on in Eastern Europe at that time. Both the Soviet Union and the countries of Eastern Europe in the '70's were developing their livestock economies. So we had research projects going on the grain-livestock economy or the feed-livestock economy for several of the countries in Eastern Europe as well as on the Soviet Union. Eastern European countries also expanded

their imports of grain at that time. The size and the variability of imports were not as great as for the Soviet Union, but developments in Eastern Europe were of interest. Certainly our greatest interest was the Soviet Union, which had such great variability and uncertainty. There was growth and some variability in Eastern European countries, too, so we were looking at them, also.

Q: Was anybody up to the time when the Soviets entered into the market, was anyone that you were dealing with saying hey, you know these guys may run out of...not run out of...grain but might have a real shortfall. This could really have an impact. Was there anybody seeing that, or was this kind of disguised.

SCHOONOVER: Like a lot of things, you can see something coming down the road, but you don't know when it's going to happen. It's like the collapse of the Soviet Union, jumping ahead, you don't know when it will happen. I think one's kidding oneself if you say we knew precisely when these things were going to happen. We had launched some studies to project what was going to happen in the grain trade, because we understood the potential of significant developments. I mentioned I took off for one year in the early '70's, and the Soviet imports happened the year I was away. I don't think I could have known it would happen that year.

Q: Not on your watch!

SCHOONOVER: That's right! One of those fortuitous things depending on how you want to look at it. Anyway, it had happened. When I got back to work there had been the purchase, but we generally still didn't know what was going to happen after that. The Soviets came in and they made a purchase. It had an effect. So everyone's sitting there the next year saying what is going to happen in the future? Are they going to come back in again? Is it going to be big? Is it going to be minor? So that's when we really got serious. I think the research project of my own that I'm the most proud of is the one that I did then on the Soviet feed-livestock economy. It projected large and growing grain imports by the Soviet Union over the years ahead, and that's certainly what happened. That was the project where we worked-out the way to measure their grain starting from Soviet statistics and coming up with an adjusted statistic for our use. Previous efforts like ours had been hampered by the sentiment that we really don't know their actual production, so how can we do a serious research study? We overcame this situation with our work on the grain estimates and tried to put it all together in grain balances. We came up with estimates of how much grain they were using and how much was going into livestock feed, and how the projections of consumption in their plans was going to effect their grain import needs. We looked at what they were going to need and what they were likely to produce themselves and what it meant in terms of grain imports. One couldn't predict an individual year in advance because of the weather factor, which caused their grain production to go up and down, but one could predict generally this growing gap that they were going to have in grain supplies and the implications for trade.

Q: You must have found, having served in the Soviet Union, and seen the beast up close coming back, this must have been very helpful for you to work on this thing because if

you economists who...it's all academic. They haven't been there, and there's a tendency to get overly academic and not understand the problems of an economy such as the Soviets and how it operates.

SCHOONOVER: I certainly think so. It might be hard for me to put into precise words how that affected my analysis, but living in a country and seeing how it really works, especially an economy so different from our own, can make a big difference in one's analysis. It helped to better understand how they were trying to operate and to have an understanding of the inefficiencies in their system, and also to understand a bit about the thinking that went into their plans and what these plans meant in terms of how they likely would act. I think it all played an important part in my analysis and certainly stimulated my interest as well in the project that I was doing. It was something I could relate to. Yes, it made a big difference. That early tour in the Soviet Union made a big difference in the work that I did during the later research part of my career.

Q: What was the relation of your research economic unit and the CIA. The CIA has always been the big analyzer of the Soviet Union. How much were they into the agricultural field?

SCHOONOVER: After the Soviet Union went into the grain import world, and after we had done what I thought was a pretty good assessment of the Soviet situation and pretty good projections about the future, we did work together quite a bit. We kept up good conversations. Sometimes we differed. We got into arguments sometimes about who was right over the analysis and projections, but we had a dialogue, a regular conversation about what was going on there and I think it helped produce better results in both offices. I would say that in earlier years there wasn't such a close relationship, but when the Soviet Union went into the grain market, and after we did our studies and our projections, we had a pretty good dialogue.

Q: Was there a unit to your knowledge within the CIA looking at Soviet agriculture?

SCHOONOVER: Certainly. It had to be part of their overall analysis of the Soviet economy, and certainly agriculture was one important element.

Q: Prior to their entering the market, there wasn't much exchange between...there were two people doing essentially the same thing but not much communication?

SCHOONOVER: I don't know now whether I would have said it that way or not. I just think that when not much exciting is going on, there's not much to talk about, so one doesn't really spend a lot of time communicating. All of a sudden there's an issue that's in the public's eye, and really becomes important, and the policy makers' focus is on it, and all of a sudden you spend a lot more time communicating with each other.

Q: In '72 until you left, from your perspective, the potential Soviet demand for grain became a particularly hot item, didn't it?

SCHOONOVER: Right. It turned out just the way that we were projecting it. Their imports increased and there was uncertainty every year about what their crop was going to be and just how much the grain imports were going to be, so we spent quite a lot of time on that. At that point I was managing research on all of the communist countries, but personally I was still spending quite a bit of time on just the Soviet grain production and trade forecast.

Q: If I recall, weren't the Soviets trying to play this thing as any good merchant would, as close to the chest as they could so they could get the best price before announcing how much they wanted, in other words pretending they probably wouldn't need as much so they wouldn't have to pay as much, and they weren't as hungry for the stuff or not?

SCHOONOVER: Any grain trader, I guess, doesn't want to play his hand till after he's done his activity in the market, so we had to work out a compromise on some of that. The department had... I should say the U.S. government had... concluded a grain agreement with the Soviet Union, and we had an understanding on consultations on grain and certain specified levels that they could take up to certain amounts and if was going to be more than that, we needed to consult. So, basically we had consultations on a regular basis on how much their needs were likely to be and how much our supplies were likely to be, and if we got outside of those parameters, why we needed to consult again. It gave them a certain amount of freedom in terms of individual purchases in the market, but it also put certain parameters on the amounts, and we made the amounts public. If it were going to be different from that, then we needed to consult again. I think that was a good arrangement.

Actually, quite a few things happened during that period in the Department to make more information available. The U.S. concluded an Agricultural Cooperation Agreement with the Soviet Union, really an expansion of our earlier program of agricultural scientific exchanges, which included provisions for an exchange of statistical and economic information. This agreement never really gave us Soviet grain forecasts, but it provided a lot of data on a more-timely basis than was available before, which helped us in our forecasts. About this time, certain units in the government also began to develop the use of remote sensing to help monitor crop conditions, which was particularly helpful when travel opportunities were denied to our staff. Also, the Department of Agriculture set up public reporting on grain trade and if there were any purchases bigger than certain specified amounts, press releases went out. Now this is for the whole world, not only the Soviet Union, but obviously, it was designed to catch the big uncertain buyers like the Soviet Union. There were weekly reports summarizing everything as well. That was one thing that worked. Regular reporting about grain trade simply hadn't been there before. There were statistics before, but they were well after the fact, and one didn't have nearly as much detail coming out promptly on the grain trade. Then we had the grain understanding with the Soviet Union and, I might add, one came along with China, too. We had a grain understanding there, too. A lot of things happened to try to get information out so that all the players in the market and all the policy makers and all the people in the economy would know what was going on with grain trade, and there wouldn't be a big surprise.

Q: In '77 what happened? Or was it '77? When did you move out of this ???

SCHOONOVER: At the beginning of 1978 I moved out of the research management job in the Economic Research Service and went back into the Foreign Agriculture Service (FAS). I should mention, that during the '70's, my unit in the Economic Research Service and the commodity area of the Foreign Agricultural Service, particularly the grain division, had been working very closely anyway. Our research unit had created the model, so to speak. We'd done the projections, made forecasts, and had set up a system for monitoring developments in the Soviet grain economy, and then we worked together with the FAS grain division on the analysis and reporting of current developments. We had a U.S. S. R. grain task force, for example, that was set up that included both the grain division of the Foreign Agricultural Service, our unit in the Economic Research Service, and some other interested parties. Staff from the USDA transportation or domestic commodity program units or other interested units would take part in the task force, and we'd meet on a regular basis and monitor the current situation, and make forecasts and projections for the current years. Occasionally maybe someone from the CIA would sit in. I happened to be looking at some of the old reports the other day as I was cleaning out some files, and we did a pretty good job, actually, in the '70's, getting an early forecast of what their imports were likely to be in a situation that was changing dramatically. I thought our work was pretty good. We went from a few million tons of trade in the beginning to forecasts of 30 and 40 million tons of imports later in the '70's, and the Soviets actually were buying at those levels from the world, maybe about half of that from the United States. In the late '70's, the Soviets even imported above 40 million tons from world markets. So it was a very drastic change.

Q: Was China at all a factor?

SCHOONOVER: China was in and out of the market again, sort of like what the Soviets had done. They were becoming a factor because when they came in, they made fairly big purchases. Not as much as the Soviet Union. The Soviet Union was still the big uncertain factor in the market, but the Chinese were becoming an element, too. Well, that's a digression. In '78 I switched back into the Foreign Agricultural Service itself for about six years or so still in Washington before finally having an opportunity to join the Foreign Service officially and heading back overseas again.

Q: What were you doing in FAS?

SCHOONOVER: My very first job back in the Foreign Agricultural Service was to organize a small Secretariat on exchanges with the Soviet Union and Eastern Europe. That job lasted probably less than a year. To some extent, the portfolio remained with me in the next job, which was heading a unit in the trade policy area of FAS covering all of the communist or centrally planned economies. In the Secretariat, we set up a number of exchanges, particularly with the Soviet Union. The Agricultural Cooperation Agreement in 1973 with the USSR probably was stimulated by their new role in grain trade. This agreement greatly expanded the number scientists and delegations exchanged, but the key

new feature was the provision also for exchange of data and information. We had already had scientific exchanges in earlier years with the Soviet Union. That had been going on as far back as when I was in Moscow in the '60's. So we not only had a grain understanding, we also had an agricultural agreement and they set up two working groups, one for the scientific part and the other for economic research and information. With respect to the second part, our primary objective was to obtain better and more-timely statistics and information about Soviet agriculture. Under that agreement we met at least once a year and came up with plans for exchanges and lists of information to be exchanged. I had been a participant in the agreement activities for three or four years, and in '78 I went to FAS to head up the unit that was coordinating the agreement.

Q: In a way were we interested in trying to help the Soviets have a better agricultural system or in a way...this is a potential enemy, let them wallow in their own problems.

SCHOONOVER: I think we looked at it in terms of what we could get out of it. In any kind of a relationship like that, there has to be some sort of a mutual benefit, and sure, some of the areas of exchange there had the potential for the Soviets to get something out of them. Actually, in both areas, I suppose. I think the Soviets probably viewed the science part more importantly so that they could work with our researchers and perhaps learn something that would be of benefit to them. But even in the economic part there was some potential for them to learn about what was going on, how we were handling economic questions. On the economic and information side, we saw opportunity to get information about Soviet agriculture and their economy and better statistics. We did get some regional grain statistics from their Central Statistical Administration that helped us in our forecasting models. On the science side we saw some benefit, too. Our plant collectors visited the USSR and collected germ plasm. Some of our livestock specialists also were able to collect some material. Overall I think that we viewed the agreement as something we could gain from at least as well as the Soviets.

Q; Did you find in your Soviet connections was there any interest in indications that Soviets were seeing that the collective farm system really wasn't working very well, or was that so politically important that there wasn't going to be much of a change?

SCHOONOVER: During this period I don't think there was anything going on that fundamentally changed the system. There was a lot going on in terms of trying to make fixes, trying to reorganize things to make it work better, but it wasn't what you'd call an uprooting of the system and fundamentally changing it. Yes, they were aware of some lack of efficiencies, and they were looking for fixes, but none of the leaders in that period really wanted to throw out the system they had and come up with something different.

Q: When did you move to serve overseas again

SCHOONOVER: Let me just briefly sum up where we were. I went into a trade policy unit after the Secretariat, and that sort of expanded my horizons. We went through a few governmental reorganizations, and all of a sudden I was in charge of trade policy at the staff level for Asia, Africa and Eastern Europe, which included the Soviet Union. And

then I was working more on trade policy with Japan than I was working with the Soviet Union, although that was still part of the portfolio.

Q: Let's talk about trade policy with Japan because this is a rather neuralgic subject, wasn't it?

SCHOONOVER: It was an interesting period there, too. We're up to the beginning of the 1980's, and the Japanese market had been, or still was, rather closed to some of our agricultural exports. We had some fairly serious trade negotiations with Japan during that period. The one that I recall most was the beef and citrus talks. We already had a good market in Japan at that point for grains and certain agricultural products, but they kept other agricultural markets closed to us, and those were the ones where we were having the particular focus at the time. I think our projections were that Japan would be a good market also for many other products, and it turned out that we now have a good market, but they didn't want our other products at the time. We had vigorous negotiations on access to the Japanese market for U.S. beef and citrus. As best I recall, we concluded an agreement for expanded access just the week that I finally left and went into the Foreign Service again. So, that was an exciting time.

Q: What were the Japanese doing, throwing up standards and qualifications, some bureaucratic things or was it something else?

SCHOONOVER: As I recall—some of the details are a little fuzzy now, I have to be honest—as I recall it was rather blatant, quantitative restrictions at that point. They really had not yet agreed just to open up markets, and in the previous multilateral negotiations we had reached the stage where they had agreed to expand the levels of access, but they had not yet agreed just to take off those quantitative restrictions. And so basically, we were just negotiating the levels where they would set those restrictions. Later on, in subsequent trade policy negotiations that were after I went back overseas, we came to agreements where countries were no longer going to put on those restrictions, and then all of a sudden we got into so-called SPS or sanitary-phytosanitary restrictions. Countries would say, well, we can't let something in because of a certain disease or regulation. But in the early '80's we weren't heavily into that yet. Countries simply had put on blatant quantitative limits, and it was more a matter of negotiating what you could sell.

Q: When did you move out of this and into the FAS mode?

SCHOONOVER: In 1980 the Foreign Agricultural Service joined *the* Foreign Service. There was a Foreign Service active before, and FAS had had people overseas, but they were separate from the Foreign Service. In 1980 we became part of the Foreign Service, and those people in FAS who were designated to be Foreign Service Officers, were included. This included those people in FAS who were serving overseas or who had had recent assignments and who chose to join immediately. Unfortunately for me, my overseas experience had been more than 10 years earlier, and I wasn't able to grandfather-in in 1980. There I sat kind of wanting to be back in the Foreign Service, but I wasn't able to grandfather-in, so as it happened, FAS decided in '84 to have a one-time

opening for a few. There were a few other old-timers like me, I guess, and to us they said OK, we'll let you have a try, take the Foreign Service exam, and if you pass the Foreign Service exam, you can join the Foreign Service if you want to. So, in early 1984, I took the Foreign Service exam and got back into the Foreign Service again. And then as it happened, an opening became available in China. I had been working on China also. We left some of that out, but actually I got fairly heavily involved in work in China during my years with FAS in Washington.

Q: What sort of things were you dealing with in China?

SCHOONOVER: I'm going to back up just a little bit if that's OK, and I'm sorry, we're kind of rambling.

Q: That's no problem. No problem.

SCHOONOVER: When I joined FAS in '78, the then Secretary of Agriculture Bob Bergland decided to make two big foreign trips that year. The first one he did in the spring was to the Soviet Union and Eastern Europe, and since I had the background on the area, I was assigned to help organize that trip and be the person who did most of the briefings and note taking on the trip as part of the delegation. Then in the fall of '78, our relations with China were just developing. We had not established formal diplomatic relations, but it was decided in our government, I guess, that agriculture should be one of the first areas where we would make official contacts. So, our Secretary of Agriculture made the trip to China in November of that year and, being where I was at the time, again I was the one who did most of the briefings and also went along on the trip to China. It was a rather large delegation, with important roles for a great many people, but I was the staff person who was writing most of the briefing papers and handing him little briefing notes, and taking notes at meetings. That was the downside of being included. I had to write notes on all those meetings on both of those trips. Agriculture Secretary Bergland's trip to China was one of the early ones from the U.S. Government.

Q: This is Tape 3, Side 1 with David Schoonover.

SCHOONOVER: We were just talking about China and Secretary of Agriculture Bergland's trip there in November 1978, and the opportunity I had to go along on the trip. On the trip, we did a kind of unofficial agricultural agreement. We didn't have diplomatic relations yet. Into the trip we wrote down what we had discussed on agriculture; that is, the American delegation wrote it down, and the Chinese Minister of Agriculture read it over, and he didn't sign anything, but he sort of nodded his head and that was our unofficial understanding. It wasn't an official agreement of any kind. It couldn't be at that point. But soon after we did establish diplomatic relations, at the beginning of 1979, and so then we began to formalize the agricultural understanding and a number of other agreements. And so, getting scientific exchanges and a lot of other activities started became the follow up to the trip. Then the Chinese also did some grain importing. Not quite on the magnitude of what the Soviet Union was doing, but again, they were an uncertain element in the market. I can't remember the exact year when they were

concluded, but in the early 1980's we had an understanding on grain consultations with the Chinese. They were in place when I went on my assignment later to China. After the establishment of diplomatic relations, we negotiated our first trade agreement with China, and also a maritime agreement, which had implications for our grain trade. So our involvement with China in that period was considerable. As a USDA staff officer on Chinese affairs, I was quite active in the inter-agency process on the first trade agreement with China and the maritime agreement and other issues that would affect agricultural trade.

Q: While you were on this short trip into China, were you getting any feel for Chinese agriculture? You had some experience with the Soviet thing. Were you seeing any difference?

SCHOONOVER: It was a fascinating trip into China. Certainly you notice differences because it's a totally different kind of agriculture in China, and even if agriculture was organized into big farms, the actual way they farmed was tiny little plots, the way they had always done in Asia. So, it was something totally different from what I observed in the Soviet Union. In China we saw the farmer working in tiny plots of rice or other crops, and working not with giant tractors as in the Soviet Union, but perhaps still using hand labor or, at best, a little hand tractor.

Q: *One of those little things that looks like a lawnmower or something like that.*

SCHOONOVER: Right. I probably would be dishonest with you if I said I could come up with a great assessment of what was going on in Chinese agriculture from that kind of a horseback tour. We spent 10 days or so in China and we were in three or four locations. We were in Beijing, but we were also in Shanghai and Guangzhou, and also we traveled into inner China to Chengdu in Sichuan Province. We had a lot of meetings, a lot of discussions and some negotiations in Beijing as well, so on that kind of a visit you can't make a very detailed analytic assessment, but you come away with some very interesting impressions.

Q: You came away with an impression at that point that...

SCHOONOVER: My single biggest impression was the contrast in systems. The Soviet Union was a country of shortages where people queued up when anything became available. In China, one didn't see those queues. There may have been shortages, and in my assignment tour there later on I think I saw some of them, but basically one had the impression that everybody was living OK at their level of development. We have to keep in mind the level where they were in economic growth, but people were getting by OK in terms of their food situation. You saw an abundance of food in markets. That was the impression I had. That kind of impression has to be analyzed the more you learn about it, but you came away with the feeling that China is different. It's not a place where the markets are bare and people are lining up to get things. It was markedly different from the Soviet Union.

Q: This set you on the road towards a Chinese specialty?

SCHOONOVER: Somehow or other, I guess my experience during that period lined me up so that when an assignment to China became available, I was selected to head up the Agricultural Office at our Embassy in Beijing. I was not the first one from USDA assigned there. I think I was the fifth. The first officer was assigned already when we had a liaison office, but we didn't have full diplomatic relations, or an embassy. But anyway, I was selected and went into a year's language training in '84.

Q: How old were you at the time?

SCHOONOVER: Hmm... Let me think about that. I would have been 48 years old, I guess.

Q: Somebody who's been through the wringer a number of times. You don't get better as you get older on something like this. Tackling Chinese at the age of 48!

SCHOONOVER: Well, Chinese was my qualifying language for the Foreign Service, so I had to get my two-two at the Foreign Service Institute, and I did. One year gave me a two-two in Chinese. Russian was my first foreign language, but Chinese was my second, and it was the one I used to qualify for the Foreign Service. Actually it was kind of fun in a way. It was a lot of work, but I enjoyed my year in Chinese as a matter of fact. The year's training gave me enough to just get by. Chinese is an interesting language. As a spoken language it is rather basic sort.. It's not a complicated language if you don't get too worried about the tonal system, but other than that it's probably one of the easiest languages around. It doesn't have all those conjugations and different endings. It's a very simple language. But then again, reading it without an alphabet is a lot more complicated, and writing is nearly impossible unless one starts studying as a child. We did not really study writing except for one or two lessons to see how they did the strokes, but we did not really learn to write Chinese. One has to start as a child writing Chinese characters every day. Anyway, that was fun for a year. So in '85...

Q: You were in Beijing, I assume. From when to when, '85

SCHOONOVER: From '85 to '89, four years. I went unaccompanied, but my family joined me the second year. My son, Brian, returned to the U.S. after a year to attend college, and my daughter, Kathryn, stayed in Beijing for two years. She completed her last year of high school in Beijing by taking correspondence courses through the University of Nebraska-Lincoln. At that time USDA had two offices in China. We had the main office at the Embassy in Beijing and we established an Agricultural Trade Office in Guangzhou. My Guangzhou Agricultural Trade Office colleague and I were both in language training together. He opened the office there at the same time that I went to Beijing. There were other people with me in Beijing. I was Agricultural Counselor. Also there was an attaché, a secretary, and an Agricultural Trade Officer in Beijing, as well. Also three or four Chinese staff generally worked in our office. Only after my tour was USDA able to open an office in Shanghai.

Q: Who was the Ambassador at the time?

SCHOONOVER: Arthur Hummel for the first few months.

Q: Who was the Ambassador most of the time?

SCHOONOVER: Most of the time that I was in Beijing Winston Lord was the Ambassador. He was there, I guess, for three years or more out of the four that I was there. Then right before I left Jim Lilly became Ambassador.

Q: Actually, I've interviewed all three. How interested were...Let's take Winston Lord, was he interested in the agricultural side of things?

SCHOONOVER: How interested were they in the agricultural side of things? Well, It is difficult to make a general comment, I guess, because each one was different. Perhaps my comments will pertain most particularly to Winston Lord, because he was Ambassador there for the longest period during my tour. I think they were all concerned that the agricultural side be covered well, and that they be informed about anything unusual that was likely to happen. The grain trade, for example, was an important part of our relationship. Agricultural exchanges were part of our relationship. I think they were all interested in those things. They had a lot of other things on their plate. As long as things were going well, I don't know that they spent a lot of time on agriculture. I found them there to consult with and talk with about things whenever there was a need to do that, and likewise I was there for them to find out about things whenever they did have a particular interest. Agriculture was not a dominant element, but certainly it was a part of their portfolio, and when there was a need, we discussed it. Jim Lilly, the last of my Ambassadors in Beijing, showed a particular interest in our agricultural activities when he arrived. He participated in a mini-conference, which our office organized, bringing together our people not only from Beijing, but also from Guangzhou, and Shenyang, where we had placed someone from USDA on a temporary detail. Also, we had a Chinese foreign national, so to speak, who was working for us in Shenyang, in addition to the Chinese staffs in Beijing and Guangzhou. The Chinese in our offices weren't true foreign nationals, as we termed them then—there is new terminology today, I am sure--but generally they were assigned under an arrangement with the diplomatic arm of the Chinese Government.

Q: Chinese we hired ?...

SCHOONOVER: A contract, or more accurately, a contract with the Chinese organization, and then its employee worked for us. That was how it worked in those days. You had a contract with the Diplomatic Service Bureau, and they assigned people. We had a little bit of discretion in saying well, we really don't want that person anymore or we would like to keep that person. So we had some discretion.

Q: When did you arrive? in "85?

SCHOONOVER: I went to Beijing in the summer of '85 after one full year of language training.

Q: Things were changing. How about agriculture? What were you seeing there?

SCHOONOVER: This was a very interesting period to be in Beijing, because in the early '80's the Chinese decided to go back to private household farming. Things still were being worked out. It doesn't mean that they had said OK, this is your land permanently forever and ever, you just go farm it and don't bother us. There was still a lot of government involvement and yet, they had basically told the farmers that you have these plots for a certain period of time, do what you want with them with what's available. I mean, there was still some state planning involved in all of this, and state quotas to be met on commodities sold and controls on inputs purchased. So, it was a mixed planned private system, but it was different from what they had before. They had done away with the communes and the more centralized kind of farming at that point, and one could see the difference from the statistics. One can see the one-time jump in production of most things when they made the change back to the individual household farming. So that was really new in '85. It had just taken place in the previous couple of years, and it was an extremely interesting time to be there and see the development of the new system and how they were still wrestling with it and considering how to change the marketing system. There were always some schemes on how to change the sales quota system and the purchase prices, for example. It was a situation in flux, but extremely interesting.

Q: How open did you find your Chinese connections both as official and at the farm level? Did you get to travel around a lot and did you have good relations with the Ministry of Agriculture or whatever it was called?

SCHOONOVER: My previous experience overseas had been about 20 years earlier in the Soviet Union where we had very little contact with anyone, and where travel plans had to be submitted in advance and approved. I found China a pleasant change. Not that there weren't some controls, but the Chinese had a different way of doing it. First of all, we did have a lot of contacts with agricultural officials in China and other ministries and provincial officials. I guess it was difficult to have really good personal relations with Chinese. Not impossible, but difficult. There was still a security system that watched the gates to our apartments and residences and kept track of everyone, but on an official basis we could make contacts within the bureaucracy quite well. There were no clear limitations on that. We could have social events and we could have meetings. So it was a lot easier than I recalled from about 20 years earlier in the Soviet Union. With respect to travel, we didn't have to submit travel notes and get travel approved in advance. We could decide to go on a trip and just go. We could travel freely to the other big cities if we had an American Consulate or contact there. There wasn't any reason at all we couldn't go. Now the Chinese had their way of controlling things, though, and basically they handled it like this. We couldn't book onward travel to our next travel destination after the first stopping point. They didn't have a computerized system for their air and rail traffic, and the roads were atrocious so we couldn't hop in our car and drive most places.

So we could only book our tickets to the first point. If we were planning a trip and wanted to go to four or five places and then come back again, the only way we could do that was to have someone in each of those places help us. Well, who was going to help? We had to call on the Foreign Affairs Bureau or whatever it may have been called in that particular province, or at least the Foreign Affairs Department of the Agriculture Bureau, or someone, to arrange for our tickets to move on to the next place or even to get back to Beijing. Also, we had to request their help to set up meetings or other arrangements for us. So, unless we were traveling purely as tourists and wanted to take our chances on being able to get return tickets after our arrival, we had to call on someone in their Foreign Affairs Departments to help out, except when there was an American consulate in that city. So, Chinese authorities knew exactly where we were going and when we were traveling and with whom we were going to meet. They had their ways of controlling what we were doing, and occasionally they would say, sorry, we're too busy right now, or we are not able to arrange that ticket, and once in a while we'd have to cancel out a trip simply because we didn't get any cooperation from them. But they did it their way. It was different from the Soviet way, which was pretty heavy handed, whereas the Chinese way was much more with kid gloves. Still, they knew exactly where we were going and what we were doing.

Q: Did you feel that they were terribly concerned about what you would see, or was this sort of the vague reasons of the local officials for being unable to assist you?

SCHOONOVER: Generally, I felt this was the discretion of the local officials. I didn't sense as much concern as the Soviets had shown. The Soviets would definitely limit one's travel in regions where they were having agricultural problems. If they were having a drought in the Virgin Lands, for example, we weren't going to get approval for travel out there. China was a different kind of agriculture, a different country. As far as observing agricultural and food conditions, I don't think there were a lot of restrictions. More frequently, we encountered problems in being able to travel when there was a political situation, such as an ethnic disturbance, in a province. If such a disturbance erupted in Xinjiang, one of their western provinces and a Muslim area, or in Tibet, for example, then we probably weren't going to get approval to travel there. Those were specialized situations. We might not get approval to travel to areas like that. Tibet perhaps was a special case. There were frequent disturbances there between the Chinese and the Tibetan population. It was difficult to get there in any event, as there weren't direct flights from Beijing. As a consequence, more often than not we found it impossible to visit Tibet. I made one personal trip there, accompanied by my son, Brian. We stayed for a week, and traveled from Lhasa to Xigatse and back, and, as my Chinese staff had not accompanied me, I held one meeting in Chinese with the agricultural officials of Tibet. There is no doubt in my mind, but that a trip to Tibet is one of those very special travel opportunities, and I'm glad to have had that opportunity. But as far as the basic Chinese parts of the country, I seldom ran into refusals. Once in a while, I think they simply just didn't want to be bothered or were overloaded with work and once in a while they'd say no, we cannot arrange that, but most of the time that didn't happen.

Q: Was there much interest in China in American agriculture, technical exchange and how we do things? And the other way around during this time?

SCHOONOVER: We had set up exchanges with China also, starting from that November '78 trip with Secretary Bergland. They had developed over the years, and we had several agricultural scientific exchanges during my tour. I think there was some interest on the part of the Chinese in things we were doing, and we had an interest in what they were doing, too. We also had an interest, certainly, in collecting plant germ plasm and materials in China.

Q: What is plant germ plasm?

SCHOONOVER: It's simply collecting the seeds or whatever will reproduce that plant so we can save it. The U.S. has a national collection and storage center. I've lost track of where we're doing it nowadays, but we're trying to preserve here in the United States viable stocks or reserves of as many as possible of the plant resources in the world, especially if they would seem to have any value for us in the future. So, for example, the germ plasm went into plant breeding programs. I think we're still doing that. This was in the days before genetic engineering, of course.

Q: There's always been the concern that we might develop things to such a point that the basic plant stock is essentially lost, and we find we've gone down maybe the wrong path or something, and all of a sudden you can't sort of go back and start over again. Isn't that part of the...

SCHOONOVER: Right. Right. You need to keep the original ancestor of a lot of things, and from that you can often develop improved plants or rice, or whatever. I was a little bit facetious there. No matter how you go about doing it, you still need to have those basic stocks to start with.

Q: I would think the Chinese with their interest in that sort of thing would have been quite cooperative and interested in dealing with us, wouldn't you think?

SCHOONOVER: The Chinese had interest. I've probably forgotten some of the things that were their priorities, but for example, I think they had an interest in some of our processing procedures and how we went about upgrading livestock feeds, and also the genetics for livestock, because they were just on the brink of developing a livestock industry. Now, they had rice production, they had individual little farms, households with a few head of livestock, but they were just on the brink of trying to upgrade their whole stock of hogs and other types of livestock in the countryside. I think there was a particular interest in that area. In this regard, I will elaborate more on one of our scientific exchanges. Not only were the Chinese interested in some of our scientific work, but we made, I think, one of the first acquisitions of certain hog breeding stock from China, and brought it to the United States. The Chinese had not released these hogs from the country before, but we were able to work out this acquisition. They were very prolific breeders,

so we thought they would be a very good genetic resource for the U.S. hog breeding work.

Q: In this '85 to '89 period, were there any particular issues which concerned you?

SCHOONOVER: We had a fairly normal and growing agricultural relationship, still in an early stage of development, during that period. We had started the scientific exchanges. We were developing our trade in grain and in some other agricultural products, such as cotton and oil seeds. It was kind of erratic, but growing a bit. We set up consultations on grain trade with China just as we had had with the Soviet Union. It was a pretty good period to be there. I would say that simply basic reporting, just trying to understand Chinese agriculture, was a priority then, as was very basic market development type work, as we called it, which generally consisted of training and demonstration projects in the grain and oil seed use area. We also were working to develop the market for U.S. forest products in China. These were sort of the priorities of the time. Later on, subsequent to my tour there, of course, we began getting into trade policy type disputes with China, but my tour preceded most of that. We were not doing a lot of arguing with China about trade access, nor the other way around, about excessive Chinese exports to the United States. It was a fairly tranquil time with China. I don't want to overstate it. We had already had a few disputes over textiles, I think, even before I went to China. So that goes back a ways. And we were frustrated by some of China's phytosanitary procedures that we believed unnecessarily impeded trade. But I would say it was a pretty normal time where we were doing basic reporting and basic market development, and not dealing with a lot of disputes. We were doing our grain consultations regularly with China at that point, and they seemed to be going along reasonably well.

Q: There's always, agricultural attachés always have, there is a political element to it in some countries particularly the Soviet Union or other places where you're looking for poorer supplies of foods, in other words, equivalent to our food why it's going to happen or our political developments which arise within the agricultural sector or something like that, but I take it that the Chinese system didn't really have the shortage problem in areas that could lead to civil unrest.

SCHOONOVER: I didn't sense when I was there the civic unrest potential as one felt it in the Soviet Union. There had definitely been some places where there had been food riots in the Soviet Union, and I didn't sense that in China. One always wonders-- it's a big country and a lot of people, and one wonders if one has a true feel of what is going on. I saw some very serious poverty situations there. I think my best opportunities for seeing those situations was through the World Food Program, and related international agencies. You probably have heard about the World Food Program (WFP). They were providing food assistance from international donors to China. Food included grains and vegetable oil, primarily, and some other items. At that time, the United States was providing these foods to the WFP, as were other international donors, but the U.S. was not directly providing assistance to China. But as the United States was one of the multilateral donors to the WFP, and the WFP made donations to China, we were providing assistance indirectly by this means. The WFP would set up a mission about

annually to come to China with donor representatives to visit and assess some of the projects they were doing. Most of their projects at that time were food for work, where they would donate to a particular region to provide support for a specific project, maybe irrigation development or improved water supplies, or something like that. The laborers, the people working on those projects, would get paid with the food donations. When the donors would come in, even though the United States was not a direct donor to China, but simply a multi-lateral donor to the WFP, I would usually join the donor delegation and travel with them. So, two or three times I visited a series of WFP projects. The Chinese took us to some places where the poverty was very extreme. They did not hide the fact that there were still in rural China some very serious food shortages and income impoverished regions. In some places there were times when people had very little to eat. I'm thinking of one particular region that we visited where I think they served us a meal that was made almost entirely of sweet potatoes. They raised sweet potatoes, and dried them, ground them up and made them into flour to make bread out of them, and perhaps they also had fresh ones to eat as well. But anyway, I recall another situation where one family that we met said they weren't sure whether they could send their children to school the next year because it would cost them, I've forgotten the numbers now, but it sounded like some ridiculously small number, the equivalent of a few dollars, but they simply didn't have it. They didn't have that much money to send their children to school. So, through this I did have the opportunity to see some really serious poverty still in rural areas in China. There were other places, which were nearly rich. You could see where the new household farming system had prospered and people had built nice new houses around the edges of the cities. They were vegetable farming or raising poultry and supplying the cities. These farmers had nice housing, and were really, really doing well. Then we'd get out into some of the mountainous and poverty areas, and we could see there was really a lot of inequality among rural people within China.

Q: You were there in '89. Of course, went in '89 because of Tianamen. This was very important. Did you leave before or during or after?

SCHOONOVER: I left after the Tiananmen incidents. I had a wonderful assignment in China, but left on a down note. I spent four years there. I made many, many contacts. We had regular contacts with relatively senior people, some of the vice-ministers of agriculture and commerce, and occasionally even the minister, and there were many others with whom we had regular social contacts as well as official contacts. In the provinces we had good contacts... I want to put a footnote in here—I managed to visit every province in China before I left there--and with some of the individual provinces I had quite good contacts. I just had a really good experience for most of my tour. I left in August 1989 and, as you know, the Tianamen demonstrations occurred in May that year and the crackdown took place at the beginning of June of '89.

Q: You were at the embassy. How were you reacting, the embassy reacting to this as it started? Did you see it as sort of a minor thing and it sort of grew? How concerned were we?

SCHOONOVER: I think there was a lot of interest and concern about what was going on. At the Embassy, it caught us at one of those transition points as sometimes happens. Ambassador Winston Lord had just departed China before the main demonstrations and Ambassador James Lilly came in after they had begun. He was new there. He had not even had the opportunity to do all the official calls to introduce himself. And then the demonstrations developed to the point where the Chinese quashed them with military might. When they quashed them, the Ambassador had not had the opportunity to make all of his official calls on officials. And so, through no fault of his own, he was in an awkward situation concerning our representation to the Chinese. So we were operating with the Embassy staff, but without the normal effectiveness of an ambassador with good ties into the top leadership. And it wasn't his fault that he didn't have them, it's just that he had just arrived and hadn't been able to make those ties. So, I would say that was a bit of a problem for us at the Embassy at that point. Not that it necessarily would have changed anything that the Chinese did. They made their decision, and what they felt they had to do was what they did. They brought in the military and quashed the Tiananmen demonstrations. But I felt that I left China on a down note. By the way, during the Tiananmen crackdown was the only time that I ever missed a plane in China. I was on a trip to Chongqing, and not in Beijing on June 3--the night of the Tianamen crackdown when the Chinese put down the demonstrations and slaughtered so many people. I was on my way to the airport, accompanied by my local Chinese Foreign Affairs host, and he told me there was one more thing we wanted to show me. So we stopped for one more visit, and when we got to the airport, they said, oh, the plane just left. I had no idea at that point that the crackdown was about to commence. I was not aware, of course, of what was going on in Beijing. Since I missed the plane, I got back into the hotel and turned on the television and I heard a Chinese leader making a statement, I don't recall whom right now, and although my Chinese wasn't good enough to get the full statement, I could tell something was in the air, that something was going on there.

[tape change to Tape 2, Side B]

Later I wondered whether my Foreign Affairs contact had been told, don't let him fly back to Beijing. I don't know whether there actually was an airplane or not, the airport was very quiet, but to repeat, that's the one time I missed my plane in China. Anyway, the next morning in Chongqing, we still didn't know what had happened. It was a beautiful Sunday morning as I recall, the sun was shining and everything was peaceful there, and I wandered around the markets. I planned to try to get on the same flight that afternoon that I originally had planned to board the previous day. When I went out to the airport, there were a couple of other foreigners, and we exchanged little bits of information, and I began to understand that something serious had happened overnight, but we didn't know exactly what. Of course, there wasn't anything about it in the news where I was. Our plane did actually fly later that afternoon. I remember getting back into Beijing about dark, I guess, that evening, and my brave Chinese driver came out to meet me at the airport. We drove back toward the city past row after row of tanks and personnel carriers—personnel carriers, mainly as I recall—lining the highway from the airport. And when we got into the city, in the middle of intersections we began to see burned-out wreckages of cars and buses that had been burnt out during the disturbances.

And then we began to hear rifle fire here and there, because there was still quite a bit of activity in the city. This quashing of the students had unleashed a reaction on the part of Chinese somewhere. I don't know exactly who had the rifles or how. One never could figure out exactly what was going on, but anyway, there was still quite a lot of activity going on in the city that evening. But the significant thing for me was that they did let me return to Beijing that evening.

Q: Were you there long enough that communication with Ministry of Agriculture things kind of dried up for a while?

SCHOONOVER: For a while, everything just dried up. We did not have contact with the Chinese. I mean the typical contacts. I'm sure we were trying to maintain top-level contact, but down below, not only did the Chinese shut down, but we shut down, too. We just waited for a while to see what was going to happen. There was about a week when it was really unclear what was going to happen next. After that first night there were a lot of other continuing incidents. There was gunfire around the city for several days. From my apartment window I watched a truck being set on fire out in the intersection. The Chinese authorities changed all the guards at the Embassy. The friendly Chinese who had been guarding us suddenly disappeared, and there were a bunch of new young soldiers, very nervous soldiers, carrying loaded weapons, I'm sure. They were posted all around the embassy and all through the diplomatic neighborhood, and truckloads of them would ride up and down the streets. We weren't quite sure what was going to happen next. And, of course, we had lots of people trying to leave. Americans were told to leave China and we were trying to assist with the evacuation of Americans out of China. I remember spending an evening or two on the telephone—everyone got into the act at this point--trying to reach Americans anywhere I could reach them in China to tell them to leave. One night I even ran the Embassy switchboard... I was the embassy phone operator for the all night shift. And a lot of interesting things happen when one is doing that, as I discovered.

Q: What sort of things?

SCHOONOVER: People calling in about the whereabouts of their loved ones, or, for example, Americans in China who had just had a death in their party, perhaps a relative, and they were trying to figure out what to do. And even Senators calling in the midst of the Tiananmen crisis and wanting to get visas for some contact of theirs in China. There were a lot of things that the Agricultural Counselor normally didn't have to deal with. But anyway, it was an interesting evening, and especially during the middle of the night.

I was thinking back to the Tiananmen crackdown, which happened right before I left, and I think I did not mention one or two things that probably would be interesting. You may have picked this up in other interviews. As I mentioned, Ambassador Lilly had just arrived a couple of weeks before... Actually, we were already into the demonstrations in Tiananmen Square when he came in as Ambassador, and the military put-down of those demonstrations happened just a couple of weeks after he arrived. As I said, he hadn't had a chance to complete his calls. I don't recall for sure whether or not he had presented his

credentials, but he certainly hadn't had a chance to meet all of the prominent officials. He hadn't had a chance even to have an Embassy-wide staff meeting. Everything happened so fast after he arrived. So he called his first Embassy-wide staff meeting a couple of days after the Tiananmen crackdown, and when we were all gathered he said there would be a voluntary evacuation of dependents. That's how he began his first staff meeting with the Embassy community. At that moment gunfire broke out all around in the vicinity, and for about five minutes it was so loud that he couldn't continue his presentation. We just sat there and listened to the gunfire for about five minutes, and when it finally died down, he said there would be a mandatory evacuation of dependents. So, his decision was made in that five-minute space during the middle of the staff meeting. We found out later more about that firing. The Chinese military had gone down the main street through Beijing, and had fired on buildings, including our Embassy residential compounds. There were a large number of apartments that had bullet holes inside the rooms. It's fortunate that the Ambassador was holding the staff meeting because someone might have been shot otherwise. But there were a lot of our apartments that were shot up by the military.

Q: How was this viewed when people look ??? Was this just being nasty or was there a reason for this?

SCHOONOVER: I think there was a message. They went down the street and shot not only at our compound, but at other buildings too, so they were trying to silence snipers and simply to terrify the remaining rebellious population. However, the fact that diplomatic embassy compounds also were shot at makes me think there was a message being conveyed also. But I'll leave that to my political colleagues to try and sort out for you someday. It was done by military from outside of Beijing, as people learned later. They probably didn't have sensitivity to what was diplomatic and what wasn't, so I suppose the point can be debated. As best I recall, they entered the diplomatic compound or, at least... I've kind of forgotten now... I know they attempted to enter it. I think they were in the compound but not inside our buildings.

Q: When you left there in let's say, August of '89, it's probably a good place to stop, but where did you go?

SCHOONOVER: I had an onward assignment by then. But let me add a comment about the period after Tiananmen. That was a strange period. I took advantage of the very slow time in China, and visited Mongolia. I think I did the first agricultural report from Mongolia. So, that was something just a little novel.

Q: What did you find in Mongolia? What sort of agriculture did they have?

SCHOONOVER: Grassland. Not much crop agriculture. It's almost entirely a livestock economy. I had a most vivid impression of how few fruits and vegetables they ate. They live almost entirely on livestock products, maybe supplemented by a bit of grain. I visited the principal market in Ulaanbaatar, and there were only three or four vegetable sellers and very puny offerings at that. That's all there was in the way of vegetable products. You just didn't see vegetables anywhere. I visited a family in their yurt on the grasslands

one day, and we had a meal that consisted entirely of mare's milk products. If I remember right, we had a kind of dry curd cheese, a soft curd cheese to go along with it, and kumiss from fermented mare's milk to drink with it. We didn't even have bread with the meal. So, one of the primary impressions I had of Mongolia was how much their food supply was based just on their grassland economy. What other impression could I give of that period? They had not come out of their centrally planned Communist society at that time. It happened only a year or so after I was there. I think I attended the last big national day celebration with all of the typical Soviet-type people on parade and officials in the stands. I happened to be there for Naadam, the Mongolian national day, and it was an interesting time to be there. I watched the wrestlers and archers and, of course, the horseback riders, and the horse races that were part of the celebration. It was very colorful. But the official ceremonies were very Soviet. I also remember the statue of Stalin standing tall in Ulaanbaatar at that time. But those things all disappeared about a year after I was there, so I experienced the tail end of the old system in Mongolia.

Q: Just to put at the end here, in '89 where did you go?

SCHOONOVER: In '89 I came back to Washington for an update on my Russian language, and then at the beginning of 1990 I went to Moscow to be the Agricultural Counselor at the U.S. Embassy there.

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

Q: Today is the first of February 2005. You were in Moscow from 1990 to when?

SCHOONOVER: I was in Moscow from 1990 until the middle of 1994. I wonder if I could back up just a bit to relate a few more things about events or activities in China that will help give a better picture of life and work there. I'm sorry if this is a little disjointed.

(Transcriptionist's note: Cross talk, which disabled ability to decipher. Mr. Kennedy was agreeing to reversion to discussion on China.)

SCHOONOVER: One of the things I wanted to mention was that in agriculture we worked with agricultural associations a great deal on market development projects. I particularly wanted to mention this on China because these were very big activities at the time that I was there, and I hadn't made sufficient mention of that. I'm talking about organizations like U.S. Wheat Associates and American Soybean Association and U.S. Feed Grains Council (which is now called U.S. Grains Council) and a number of other organizations involved in livestock genetics and other products, including forest products. Our involvement with these organizations really is a very important part of the USDA FAS work. We called them cooperators, in short, because it was a three-way cooperative activity between these private organizations, and USDA, which provided part of the funding for their activities, and also the foreign entity, the third country, which agreed on cooperative projects with these organizations. It's kind of typical that when a country goes into a state of economic growth and development, coming out of a steadier pre-development period and then going into rapid development, that's an opportune time for

the activities of at least some of these organizations. That was happening in China at the time. Obviously, their appeal was that they had something to offer to the country. It was an appeal to us because we saw it as assisting with the development of the market for U.S. agricultural commodities. But the other countries also saw something in these organizations. Generally it was a form of technical assistance.

With that background, I can relate that we were quite active with several of these organizations in China at the time I was there. For example, the wheat cooperator had a model wheat flour mill in Beijing where they provided equipment and training programs and also a demonstration bakery, and in Guangzhou they established a training school for bread baking. The U.S. Feed Grains Council, as it was called at the time, had a model demonstration feed mill for mixed (or compound) feed, in Nanjing, where they basically constructed the mill, provided the equipment, provided training programs, the whole works. It was quite a large project. The American Soybean Association had feeding projects with hogs and poultry and even in aquaculture, for example, demonstrating the benefits of higher protein rations and improved feed formulas. And, the U.S. Feed Grains Council also had some of these livestock feeding demonstration projects. There were other organizations, for example, some of the livestock genetic organizations--there were more than one, so I refer to them generically here--which also had activities. The National Forest Products Association constructed a couple of demonstration wooden houses, and conducted a number of activities attempting to bring Chinese standards on wood products in line with U.S. standards. Several organizations held international conferences in China. All of this actually was an important part of USDA program there. We in the Embassy office weren't really doing these programs, but we were reviewing their plans, providing oversight to their activities, often visiting their projects and taking part in some of their functions, and providing representation for them. Often we would host an event for them, because we were able to invite senior officials from the ministry or province with which they were working. We also would participate in their conferences and events, likewise, getting more senior focus and involvement in their project. I wanted to mention this because it really was an important part of our activities at the time.

In some more developed countries, the Embassy Agricultural Office often carries out its own market development projects. These might be food store or restaurant promotions for U.S. food products, or some other types of activities. We did a food promotion with the Great Wall Hotel in Beijing, probably the first restaurant and hotel promotion there. At the time that I arrived, doing that kind of food promotion really didn't have much meaning. There weren't many modern hotels in the country, no market in which to promote. In Beijing there were two or three modern hotels, actually I think the third one opened right after I arrived there, and a couple in Guangzhou, and that was it. During my four years there, it changed greatly. By the time I left, there were, I'm sure, more than 50 scattered around China. Up until the Tiananmen incident, they had been promoting tourism and the development of these hotels so there was a limited, but growing, market. Food promotions at these hotels were not the most important part of our market development work, though, obviously. The basic agricultural commodities were the main part of our market development work.

Q: Going back and staying with China. First place, I'm not sure we talked about rice. When you think of rice and China they go together and they were a big rice producer. Did rice make any sense or were they self sufficient in rice, or were they going to be an exporter and a rival?

SCHOONOVER: They were exporting some rice. At that time, we were not viewing China as a market for rice. I'm not sure we have ever have viewed it that way. Several of the other countries in Asia have been viewed as markets for U.S. rice, certainly, but China was more a competitor in the rice field. China exported a little and might, on occasion, have imported a little bit, but it was not big in foreign trade rice. Basically, they ate what they produced, so you might say they were self sufficient in rice. On the other hand, there was potential for selling to the Chinese market commodities like wheat and grains to feed livestock. In fact, at that time we were selling quite a bit of wheat and smaller amounts of some of the other commodities. So, we saw a potential there in those areas.

Q: Soy?

SCHOONOVER: Yes. China, of course, is really the place of origin of the soybean--in northeast China. They produce soybeans of their own, but it was only in northeast China where there was much soybean production. We saw the potential for them to expand their livestock production and improve their feeding efficiency by having soybeans, and particularly the protein meal from soybeans, available elsewhere in China. So we saw potential there, also.

Q: Well, then, we move to...

(Transcriptionist's note: Cross-talk, unable to decipher.)

SCHOONOVER: I'm going to add one or two other things--trying to get it out of my system--and then we'll move on. I wanted to mention something to point out the value of having people on the ground in a country as opposed to trying to handle all our relations from a distance. I think I mentioned the grain consultations that we carried out with China. These grain consultations were important for setting up some parameters. We were informed of their expectations of how much grain they were going to need, and we informed them of our expectations about our supplies and when there would be a requirement to hold additional consultations. Some of our officials would come from the United States to head up these consultations. Once, I think there were consultations in Guangzhou--we'd hop around to different places, depending on where the Chinese wanted to hold them. We had a total rupture in these talks. Whether or not there was planning on the Chinese part for the talks to rupture, I'm not certain. I think there was an element of misunderstanding involved, and maybe something else, but misunderstanding certainly played a role. The Chinese delegation broke off in the middle of the talks, left the table and stormed out of the room, and would not take up the talks again. We had scheduled to host a dinner for them that evening. I don't think I have ever been to a

cooler dinner than the one we hosted that evening. Neither head of the delegation would speak to the other head of the delegation.

Q: What was the issue?

SCHOONOVER: Well, I can't remember now precisely the issue itself, and maybe it is no longer of any importance whatsoever. Probably a misunderstanding occurred in the discussions, perhaps over the authority of the U.S. delegation to conclude an agreement, although maybe the Chinese also were trying to make a statement of dissatisfaction over something that had been proposed. But certainly, the misunderstanding accentuated the issue, and events sort of spiraled out of control. Well, anyway, we could not bring the consultations back together again, and without completing them there could have been a threat to the continuation of our grain trade. Our delegations might have returned to Washington and possibly in discussions with the White House and maybe State Department and others, there might have been a decision not to let the Chinese engage in our market or to impose some restraints until the consultations could be concluded. I'm only speculating, of course, about what might have happened. Whether or not that would have been the case, I don't know exactly. But anyway, our mission in the Agricultural Office at the Embassy was to somehow break through this misunderstanding and complete the consultations before our delegation arrived back in Washington. Because when they arrived, they would be expected to make their report and issue a press announcement about what happened at the consultations. In fact, we were able to do that. We were able to work out satisfactory mutual apologies and compromises and then go ahead and hold the consultations and work out what the trade parameters would be. We had a limited amount of time to do that after we returned to Beijing and it put a bit of pressure on us. I can't remember the precise details except that we had to sequence the discussions somehow between the Chinese officials and Washington, and my assistant and I both operated the phones, one making sure one was tied up while the other one carried out the discussions at one end and vice versa so we could get the sequencing and the communications right. But this is one of those little illustrations, I think. Sometimes having people there who know the people in the other governments and trade organizations can allow one to do things that simply can't be done from a distance.

Q: Sometimes you can have these delegations come in, and they have a certain outlook. You're trying to put this back together again. Was there a level of the Chinese, too, sort of at your level, you might say a professional level, and say OK, we've got a mess, let's put it back together.

SCHOONOVER: Sometimes that's the way to do it. In this particular case we went about it in a little bit of a different way. I recall that I went to the number two person in the Ministry of Commerce, which was the domestic user of most grain in the country, and discussed the whole situation with him. He was a rather close contact. I wouldn't have gone if he had been a distant official, but he was someone with whom I felt I could just talk it over on a personal level. I said OK, I'm asking your advice how we go about putting it back together again, and he recommended a course of action that included a discussion with the head of the grain trade organization who had been the senior party at

the other consultations. And so ...it was simply a matter of choosing the right words that gave the appropriate apology, but without offering more than was needed for the situation. And we were able to work it out. There are other cases where what you suggested is exactly the way you have to go. You find someone at a senior staff level who can work it out for you, and I have incidences of that in some other cases, but in this case, we kind of solved it from the top down.

Q: You said you had a couple.

SCHOONOVER: Those are a few of our activities in China that I didn't want to omit. I hope I have given an overall perspective on the work in China. I think I mentioned at the beginning of our discussion on China that trade policy issues were not at the forefront during my four years there the way they were less than a decade later. Our trade relationship with China became such that in just a few years my successors there were spending all of their time involved with various trade policy issues. We had quite a full plate, though, even though trade policy issues were not at the forefront. I mentioned the reporting and the related travel we did in support of the reporting, the market development work, representation activities, the grain consultations, and scientific exchanges. I didn't mention our work with regulatory agencies. That involved work with the quarantine officials, and also some of the standards setting officials. We were doing work with forest products organizations as well as agricultural, and we had a couple of model houses and our organizations, at that time, were promoting use of timber in certain house construction activities and trying to get compatible standards established. We were working with standard setting and regulatory agencies in the forest products area as well as in agriculture and the food industry.

We were trying to carry out a program of activities not only in Beijing but in each major province, as well, where we were trying to maintain a certain profile at the time. Perhaps we worked with a lesser intensity in the provinces than with Beijing, but an effort was necessary because each province at that time was kind of a fiefdom of its own. The national government and parties set certain standards and parameters for people to operate in, but I can tell you that each provincial governor thought that it was his territory to make decisions about and not someone else's. So, he or she--in most cases he—ran the province the way they saw fit and just stayed in tune with certain national guidelines. But it meant we had to have good contacts in the provincial governments, as well, to carry out many of our activities. So, it made for quite a busy profile even without the trade policy work that came along later.

So, I'll leave China with that. Summing up, as I said last time, it actually was a great and exciting tour in China. I was able to visit all the provinces, meet a lot of people, and conduct a lot of business. I was sorry about the negative situation right at the end, but anyway, that's part of history. As the time came to say farewells, some of my contacts both official and personal braved the official disapproval of contacts with foreigners, which followed Tiananmen, and bade me farewell. The Chinese people and officials were having to go through political re-indoctrination at the time. I accidentally stumbled into one session in a hotel in Beijing, when I was looking for one of their reception rooms. On

my very last trip outside of Beijing to Shanghai, my contact there invited me to dinner the day I arrived, telling me that it had to be that evening, because the next morning he had to attend his political indoctrination. The farewell hosted by the Minister of Agriculture, provided one of the first opportunities for the Ambassador to meet with senior officials after Tiananmen. So, in one sense, the ending was a beginning. Now, on to Moscow.

Q: You were in Moscow again from '90 to '94?

SCHOONOVER: '90 to '94, yes. Four and a half years on that tour. The previous time had been about three and a half, so altogether about eight years of my life were spent in Moscow. It was interesting to go back after about 25 years. I went alone to Moscow on my second tour, although my children, Brian and Kathryn, who then were in college, each came to visit about once each year, and we were able to do some interesting personal travel together.

Q: You went back and you were there to see the demise of the Soviet Union, weren't you?

SCHOONOVER: Absolutely.

Q: Would you talk a bit about what was the situation when you got there in 1990.

SCHOONOVER: I found it changed in terms of the social and political dimension and very similar in terms of the physical dimension. Going back to Moscow in 1990, frankly, it looked about the same as it had back in 1967 when I left there the previous time. However, it was a much more open environment. Gorbachev had been in power for about five years, as I recall, at the beginning of 1990, and people would talk with us; people were talking and discussing with each other. I'd been there only a month or so and there was a huge demonstration. There were people marching through the streets of Moscow. You never would have seen anything like that in the earlier years. In earlier years, it was a very tightly controlled police state, and there was no doubt about it. People were scared to death to talk to foreigners back in the '60's. It was very different when I went back in 1990.

Q: But it was still the Soviet Union.

SCHOONOVER: And Gorbachev was still the General Secretary of the Communist Party, and that's how he was the dominant official at the beginning of 1990. That changed drastically during the four and a half years that I was there.

Q: What was the title of your job?

SCHOONOVER: I was the Agricultural Counselor, the head of the Agricultural Office at the Embassy. Actually, they upgraded it to Minister Counselor, I guess, while I was there. So, I was the Minister Counselor for Agricultural Affairs.

Q: Who were the Ambassador and the DCM then?

SCHOONOVER: OK. We had three different ambassadors while I was there, and also three DCM's. Jack Matlock was the Ambassador when I first arrived, and then after about a year and half, Bob Strauss was Ambassador, and the last year that I was there Tom Pickering was Ambassador. Jim Collins was the DCM for the longest period of my stay.

Q: When you arrived, what was foremost on your plate agricultural-wise?

SCHOONOVER: That's quite interesting because it changed so dramatically in the course of the year. When I arrived it was pretty much still a reporting post, with the largest amount of our time spent reporting and analyzing the activities that were taking place. I remember making a crop observation trip in the Ukraine and North Caucasus in the spring of '90, much as I had done 25 years earlier. We were tailed by Soviet internal security workers, just as in the old days. I had to point them out to the young staffer from my office accompanying me, who was unaware the Soviets were still practicing tailing. Some things hadn't changed. By the way, our office soon became extremely busy, so that was my last crop observation trip, although my staff still made a few more before we had to stop completely. Besides reporting, we had an active exchanges program assigned to our office. Visitor support is always a task at an Embassy, and if I have neglected to mention this work previously, I should note that Senator Leahy, then head of the Senate Agricultural Committee, visited Moscow in '90, and I escorted him on his meetings to Moscow, and on to Leningrad, and then Minsk and Gomel in the Byelorussian republic (now Belarus). We had some market development activities, similar to the ones I described in China. We didn't have any big demonstrations projects like model feed or flour mills, but we had a lot of activities. There were a couple of big activities jointly with the Commerce Department. I remember that first year working with some of their agri-business officials on agri-business activities. For example, there was an agricultural equipment and supplies show. Our office was involved peripherally with that show. USDA is not directly involved with promoting sales of farm equipment and some other farm supplies. That's more the task of the Commerce Department, but at the same time, because we had the agricultural contacts and the knowledge in the field, my Commercial Counselor friend at the Embassy would call on us.

Q: Who was that?

SCHOONOVER: Jim... you'll forgive me if I can't think of his last name at this moment. I had several different Commerce colleagues while I was there, and I would probably have to go back, and check my records, which unfortunately are boxed up at the moment. But anyway, we worked together on several of these types of projects. I remember that USDA and Commerce jointly hosted a large group of Soviet food industry officials at a conference in Washington that year. I guess in my own assessment at the time I was feeling that working with agriculture officials in the Soviet Union, and improving our relationships with them would be to our advantage in the Agricultural Office, as well, and it would provide us with contacts. But this is the sort of thing that we were doing that first year, and it included accompanying several teams of U.S. government and private sector officials on travel and visits in the Soviet Union. Later in

the year it was decided that we would initiate a credit guarantee program for the Soviet Union for the purchase of agriculture commodities. It had been quite a few years since we had an active credit guarantee program with the Soviet Union. As best I recall, that was about late 1990, toward the end of the year. And so we had quite a lot of interest in that program, and that was about the point in the beginning of '91 when things really started changing. I can't recall exactly when Gorbachev became President as opposed to General Secretary. I believe it was March 1990. But it was during this period of '90, '91 that Gorbachev was no longer just the General Secretary of the Communist Party but also held the position of President, which had been created for him. The republics began asserting themselves much more during this period. The nationalistic feelings of people were quite obvious already in the spring of '90 in Estonia, when I made a trip there. As early as the beginning of 1991 Lithuania had demonstrations in Vilnius, including the incident when Soviet military put down the demonstrations at the TV tower in Vilnius. A lot was going on, not only in Lithuania and the Baltics, but in other republics, too. Yeltsin was beginning to rise to the forefront.

Q: He was mayor, wasn't he, of Moscow?

SCHOONOVER: He had been Mayor, earlier, and then his position among the Soviet leadership had slipped. Then the elections for Presidency of the Russian Republic took place in June of '91, and Yeltsin became the Russian President. A lot of political ferment and changes were going on during this period, and the republics were beginning to individually assert their independence, and Gorbachev was resisting. There was a lot of discussion about working out new charters for the relationship between the republics and the union. '91 was a very turbulent year, of course, in the political relationship between Gorbachev and the "Center", and the individual republics. I remember one trip I made to Georgia to participate in a conference either late in '90 or early in '91. Outside the conference site, a huge number of Georgians were demonstrating for independence and filling the main street of Tbilisi. For me, '91 was a fascinating, but extremely busy year.

Q: This is Tape 4, Side 1 with David Schoonover.

SCHOONOVER: So much happened in that period in the Soviet Union. It seems almost impossible now to remember exactly what day everything happened. There were things happening every day. One just got up each day and wondered what major development would take place today, and pretty soon became blasé to the sorts of things, which in most places would happen once in a tour. It was absolutely fascinating, but after a while I was almost on overload. It really got started after the '90/'91 winter, as I recall, except for the Baltic incidents...there was an incident in Lithuania and also one in Latvia. I recall coming back to the United States on leave in March '91, perhaps on R&R. I had been there over a year. And life had been fairly predictable up to that point. While I was back in the United States, I turned on the TV one day, and heard there had been a fire at the Embassy in Moscow, and that's how I learned about the fire. Again, just like Tiananmen, I was away from the capital at the time that it happened. But it was very fortunate. We had been going through fire drills, I recall, while I was there. Everyone got out of the embassy. No deaths. They said there were a few smoke inhalation problems

with the last few people who got out. I'll put this in for fire drills: If we had not been doing those drills, I expect the fire would have been much more catastrophic. Well, anyway, I got back from leave, and we were all working in one big room on sawhorses. On my trip back I carried in a little laptop computer for our office to work with, and a few files, and that's how our office got started again. The entire embassy worked out of one big common room on the residential compound, and got operations up and running again and eventually, of course, everything started coming back together again. After the common room, our office worked out of my townhouse for a while. We weren't able to relocate the Agricultural Office back in the regular Embassy building till the end of my tour there. We moved our office into one of the hotels; for most of my tour in Moscow, we worked out of the Penta Hotel. That was one tour when I lived at the Embassy and commuted to work away from the Embassy, as opposed to the other way around.

My life got real busy that year. It was one of the busiest years I remember. Our Under Secretary of Agriculture—his name was Dick Crowder-- that particular year was very much focused on what was going on in the Soviet Union. And he organized many, many visits. I think once I figured out he spent about two months of that year visiting in my territory.

Q: You don't want Under Secretaries on your turf.

SCHOONOVER: I had the Secretary also before the year was over but the Under Secretary alone, I think, was there for something like five or six separate trips because each one might be one or two weeks. So add them all up--about two months of his visits. But it did make the time busy and fascinating, I'll say that for it. It was still Soviet Union in 1991. Remember, the flag didn't come down on the Kremlin till Christmas of that year. I think one of the Under Secretary's first visits was to Lithuania. That was about April, and he had decided not to come in through Moscow but go through Poland. We met him at the border between Poland and the Soviet Union in Belarus, in what would be the country of Belarus. We drove from there to Vilnius, and met with the president of Lithuania. The Lithuanians said they were independent, of course, and Gorbachev and the Soviet Union didn't recognize them as independent, so Lithuania was in kind of an uncertain category at the time. It was fascinating to be there right then. We visited not so long after the incidents that had taken place there. The parliament building in Lithuania was barricaded. All sorts of things were plastered around the perimeter, such as, "Soviets Go Home" and those kinds of slogans. There were tanks, Soviet tanks, not Lithuanian tanks, lurking around behind buildings and in various places in the city, so it was a kind of dicey situation at the time. But it was an initial outreach by the United States to Lithuania, although we didn't get around to recognizing the independence of Lithuania until later.

Q: But remember, we didn't really unrecognize them.

SCHOONOVER: That's right. You're right. We never recognized them as part of the Soviet Union, so it was sort of a peculiar situation. But we didn't formally, I guess, get around to reaffirming their sovereignty and sending in an Ambassador until later.

Q: ...sending in an Ambassador?

SCHOONOVER: Right, Right. But it was a fascinating time to be there. That was April '91, and it was just the beginning. In May the Under Secretary came again for a visit. He wanted to visit not just Moscow, but in particular to go to Ukraine and meet with leaders there. Also, we wanted to go out to a couple of the Russian provinces and just take a look at the situation there. Again, as was his want, usually I didn't know about his visit until a few days beforehand. Sometimes I had maybe five days notice or so to organize a visit. At that time, the Soviet Ministry of Agriculture, which had been functioning rather well in 1990, was beginning to become dysfunctional. They weren't always able to do the support work that they normally would do for an Embassy. So, for this visit, I phoned Ukrainian officials and worked it out myself. About one day ahead of his arrival, I hopped on an airplane and went down and finished up the details with the Ukrainian officials rather than working with Soviet Ministry of Agriculture officials. It kept us hopping around to work during that period. In the past it had been so centralized and we had to work through the Soviet Ministry of Agriculture, and all of a sudden it couldn't work that way or didn't work very well, and we had to do it ourselves. Fundamentally, this was good. In most countries, that's the way it works, but we weren't accustomed to doing that in the Soviet Union, and generally we were just beginning to develop the necessary relationships. I had made a couple of trips to Ukraine and established a few good contacts, fortunately. We were moving from a very centralized situation to something that was much more decentralized.

Q: What was our interest from an agricultural point of view?

SCHOONOVER: Well, we had rather large agricultural credit guarantee programs with the Soviet Union, and we were looking at the needs for agriculture commodities. There also had been so many reports about food shortages, and because supplies had dried up in stores, he also was assessing the food shortage situation. I think it was near the beginning of the recognition that things were disintegrating. I talk about hosting the Under Secretary of Agriculture, but most of the delegations also included someone from the White House staff, someone from State, and someone perhaps from other agencies. So it was usually an interagency group that came. I think there was a recognition that things were coming unstuck and we needed to get discussions going with officials in places other than just Moscow. But a key objective was to size up the food situation, to try to make some sort of an estimate...some kind of projection of the kind of programs we had to get going there, whether it would be food aid programs or technical assistance or additional credit or whatever, so that we could be a player there in the appropriate way. By the way, the Lithuanian visit was only the Under Secretary of Agriculture. The visits to Russia, Ukraine, and other republics, as I said, usually included people from the White House staff, and other departments and agencies. This was a period, of course, of such drastic and rapid change and such uncertainly trying to stay abreast of what was going on, that people in Washington I think wanted to have the kind of feel best attained by having someone actually coming in from Washington as opposed to relying solely on reports from the Embassy.

Q: It was an exciting time. When did this happen, I don't know what the Russian term for it...

SCHOONOVER: Decollectivization?

Q: Decollectivization or at least the attempt to? Was that allowed to spring up?

SCHOONOVER: I won't say that they had done away with collective farms or state farms, but they were allowing private farms. So there was a beginning of establishment of private farms. I do recall in one of the early visits we were able to set up meetings with the head of the private farmers organization and also a meeting with private entrepreneurs throughout the agri-business community and give a flavor to our Washington visitors of what was going on in that sphere. It really was a time of crosscurrents. The private farms were allowed, but they certainly were not officially encouraged in any way. A lot of the prerequisites for successful private farming were not in place, and they were having difficulty to be able to buy supplies and goods. Their land holding status was uncertain, and just a great many things were uncertain for them. This all perhaps fit into the technical assistance area that came along later. As I mentioned, the USDA Under Secretary and his delegations were sizing up the food situation and the overall situation and assessing what programs the U.S. Government might offer. I think that agriculture was viewed as one of the key areas where the U.S. could start offering a program. We already had the credit guarantee program for the Soviet Union. We had not yet had food aid or very much in the way of technical assistance, but it was the period when we were looking at those programs, and they came along very soon afterwards. Before long we were heavily involved in all kinds of programs.

But again, that year, we had the visit I told you about in May to Ukraine, and a few months later the Under Secretary was back again with another delegation, and we went to Central Asia and Armenia, as well as some other places in Russia. And because things were disintegrating, we began to want to have contacts with the republic officials. And I can't place it exactly in time now, perhaps late in '91, but I remember we had a meeting in Moscow at some point where we met with the Agricultural Ministries and Grains Ministries or supply officials of all the republics, or all that would send representatives anyway. We were talking not only to Soviet national officials, but we were meeting with all the individual republics, beginning to get their own assessments of their needs, beginning to look ahead towards the time when we might be dealing with each other.

Now, the Soviet Union hadn't collapsed yet. It was in August of 1991 that there was the so-called *coup* when a certain group in the Soviet leadership decided to put Gorbachev under house arrest, you might say, and to take over the country. And we had tanks in the streets of Moscow in August that year, which, as you know, did not succeed and, in hind sight, probably was the thing that triggered the actual timing of the collapse of the Soviet Union. It was happening, but probably no one could have made it happen more quickly than just that coup attempt. That particular incident really set it off, and the Soviet Union did finally collapse that year. That's when Ambassador Bob Strauss came in. I recall that

particular day he arrived right as the coup was collapsing. There was a lot of activity around the Embassy, lots of demonstrations. I was riding the Metro from our office at the hotel back to the Embassy when I heard people talking on the Metro that the coup had collapsed. I got to the Embassy, and Ambassador Strauss had just arrived from the airport at that time. It was exactly at the time that the coup collapsed when he arrived.

I think one of the very first public events he attended was when Gorbachev was brought back and Gorbachev addressed the people, and the Ambassador stood side by side with Gorbachev, sort of saying we're back with you again, you know.

Q: When the coup happened, the first couple of days when Gorbachev was under house arrest down in Yalta, I guess, or Crimea or somewhere, was there concern that, oh my God, we're going to go back to Stalinist times or something?

SCHOONOVER: Well, for a few days there, yes. Yes. These were clearly hardliners who had attempted to take over the Soviet Union. No one knew exactly where we were heading and yes, I think there were concerns that the opening up of the society that Gorbachev had permitted would be brought to an end. Everything was going back down under clamps again. I think there was concern for just a few days. Of course, we gave a lot of moral support, shall I say, to Yeltsin during that period.

Q: Was contact with Soviet officials in your area of responsibility, was that sort of stopped or cut off or were you going out and trying to find out what they was doing?

SCHOONOVER: During the period of the coup?

Q: Yes During and then after.

SCHOONOVER: During the period of the coup, it was pretty chaotic. It only lasted a few days. I don't recall having a lot of meetings with agricultural people precisely during those two or three days. We did continue to have contacts, certainly, with officials, but I think everybody, including Soviet officials themselves, kind of hunkered down for a few days. I don't think they didn't want any contact. They just didn't know which way the wind was blowing. One of my better contacts was not in the ministries, but headed the Agricultural Committee of the Supreme Soviet. In '90 I had gone to stay for a few days with him on his farm in East Siberia, so we had established a close relationship. I can't recall having any meetings with him that week, but he was often a good contact for staying abreast of what was going on. And another was the assistant to the Deputy Prime Minister for Agriculture. They had an Agricultural Minister, but they also had a Deputy Prime Minister, who was over the Agricultural Ministry, as well as related ministries, such as those involved with agricultural equipment, procuring farm products and so forth. So he had the whole area under his jurisdiction. As it happened I knew his assistant, sort of his personal secretary. This maybe shows the advantage of some of the exchanges and of being involved for a long period of time. This assistant in an earlier incarnation had been involved with the exchanges back in the '70's, and he was sort of an old friend already when I arrived in Moscow. When I really had to have help putting a program together for a delegation or setting up meetings with senior officials--and the Agriculture

Ministry at that point clearly was incapable of doing it--he was the one I usually called on to get help. After the coup, an interim government was established, headed by Ivan Silayev, who had been Prime Minister for Russia, and who now in effect became the Prime Minister for the Soviet Union. There were only five key officials heading the work of this interim government, and food and agriculture fell under Yuri Luzhkov, who later went on to become Mayor of Moscow. One of Under Secretary Crowder's visits came at this time, and I remember spending a weekend calling Silayev's appointments secretary both at office and at home, trying to set up the appointment. As best I recall, we met eventually with Luzhkov, but not Silayev. It is hard to imagine the work load these five people must have had trying to manage the affairs for the entire Soviet Union, which was collapsing around them.

Q: When you got there in 1990 and made your calls, I assume you started getting out into the field. How much progress or lack therefore had you seen on the ground and in collective farms and other agricultural distribution systems in the time between the 1960's when you were there and the 1990's when you came back?

SCHOONOVER: Well, some of their activities and their plans had changed, but the system was pretty much, I think, like it had been. I mean, there had been a lot of shuffling around of people on the deck of the Titanic, so to speak, but I think the situation was still basically the same. I don't think the collective and state farm system was ever destined to function very well in terms of the more complex aspects of agriculture. They did pretty well in terms of basic crop production, basic grain production, as long as the planners could keep them supplied with equipment and fertilizers and they produced some pretty good fields of grain. Actually, I've seen some beautiful fields of grain in the Soviet Union. So as long as the operation wasn't too complex, they could do pretty well with it. When they started trying to get involved with livestock production, which involves some fairly careful programs of feeding and disease control and overall good management with people being responsible for those livestock at all the required hours, they just weren't able to handle that very well. The system did not have the responsibility built into it that we would believe necessary to have successful programs for livestock production. And they were having a hard time getting any kind of measures of efficiency that we would consider acceptable. But again, like I said, I saw some beautiful fields of grain in the Soviet Union.

Q: Of course, they've got that wonderful soil and that grain. Isn't there a certain type of soil named after...

SCHOONOVER: Chernozem.

Q: Black soil.

SCHOONOVER: Right. In the Ukraine, and Kuban, as they called it, in the North Caucasus and in the central black soil region. Some wonderful black soil, and I saw some wonderful crops there. But I did not see a great deal of progress when it comes right down to it, over that period of time. Yields went up. Yields went up because they used a

lot more fertilizer. One could see almost a direct correlation between the increasing amounts of fertilizer they were putting on, and they were applying huge amounts, and the yields of grain.

Q: Speaking of fertilizer, did you get involved in that disaster, I guess, of cotton down around the Aral Sea and all that? How was that going?

SCHOONOVER: I had visited cotton regions in Central Asia, but around the Aral Sea I had never had an opportunity to visit there. As I recall, it was a closed region, and it was impossible to get in there.

Q: Did you run across this thing...we were talking about the Soviet era now,about this almost complete disregard of environmental concerns because production was everything.

SCHOONOVER: Right. And I think that's the way it was. Sometimes they would get results, but they were just ruining the resources in getting those results. I mean, if you force everything to its maximum until there isn't anything to force anymore, and I think they were doing that in some areas, you sometimes get results at the expense of the resource base. The example that you cited about the Aral Sea was one. They were talking about diverting Siberian rivers to try to bring more water into that region. And who knows what environmental consequences that might have had if they actually had been able to pull that off. But there were some rather wild schemes going. But yes, a lot of the irrigation projects in Central Asia, I'm sure, had long-term disastrous consequences for the region.

Q: From our perspective...your perspective... as Agricultural Minister-Counselor then, were we concerned in doing something in this '90, '94 period and doing something about the environmental damage from an agricultural point of view or was this something we were reporting on and just feeling well, the more they ruin things, the better the market for our stuff is?

SCHOONOVER: I wouldn't say that. The work of the Agricultural Counselor typically was not so much on environmental matters. We had a Science Counselor and a Science officer in the Embassy, who generally had more responsibility for reporting on relations in the environmental area. The Agricultural Office was more involved with trade and less with technical assistance programs. That's just the way the U.S. bureaucracy divides up its functions. However, in the case of Russia, when the Soviet Union finally did collapse at the end of 1991, the U.S. Agriculture Department, using its appropriated funds, did undertake technical assistance activities with Russia through our office at the Embassy, and we ended up with some rather extensive programs. I don't recall any of our projects precisely on the environmental consequences around the Aral Sea. That's a major disaster. I wouldn't begin to say how one goes about correcting that disaster once you've created it. But in terms of generally trying to be of assistance with technical assistance programs, our office did get quite heavily involved in the first post-Soviet years. And that's really more of an exception to the rule than the standard Agricultural Office

activity, because in most countries, the Department of Agriculture, through the Embassy Agricultural Office, is involved primarily with agricultural trade promotion.

Maybe I should wrap up '91, and then jump on ahead, to Russia primarily. The attempted coup was in August. In October U.S. Agriculture Secretary Ed Madigan brought a large delegation of government and private sector agribusiness officials to the Soviet Union. At that point, the Soviet ministries were practically non-functional, but we managed to put together a program that included visits also to Ukraine, as well as Russia. I believe the situation then was entirely too chaotic to conduct very successful meetings, although it always pays to get in on the ground floor, and perhaps the visit was useful for providing a better perspective to the Americans on the delegation. As ministry staff could no longer assist as well as before, we found ourselves calling directly for senior appointments. One of my assistants soon was on a first-name basis with Gorbachev's appointment secretary, calling him not only at the office, but also at his dacha—a heady experience, I would think, for a first-tour officer. By December the Soviet Union had collapsed. The flag went down on the Kremlin, as I recall, on Christmas, and we were engaged in relations with Russia, then, at that point. We had a lot of things that had to be worked out. We had continued to have a credit guarantee program with the Soviet Union. I particularly remember the last credit guarantee agreement we concluded with the Soviet Union. USDA had wanted to change a few words in one of the agreement provisions, but owing to a communications problem, we didn't get this information until after the agreement was signed. As I recall, the Ambassador and a Soviet Minister or Deputy Prime Minister had signed the agreement, and when I returned to the office I received the message to change it. Those are the kinds of things that can spoil the end of the day, or disrupt a quiet evening. I had to call in a few chits from Soviet acquaintances, especially as the change appeared to be slightly less favorable to their interests, but in the course of about four hours, we were able to substitute a page in the agreement with the revised language, with the concurrence of the Deputy Prime Minister, and all old copies were destroyed. One doesn't want to have this kind of misunderstanding too often.

Anyway, we had this agreement that had been announced shortly before the Soviet Union collapsed, and all of a sudden we didn't have a Soviet Union to deal with. It was for substantial amounts, as I recall. We're talking about a billion dollars worth of trade, or something like that, and we didn't have a country to deal with. So, that was one occasion where we invited all of the republic representatives to get together and, as I recall now, almost all of them signed the agreement. We made up an agreement that simply carried-over the Soviet agreement to the republics. We had to allocate it, and I think they were able to work amongst themselves and come up with some way of allocating the amounts. I've forgotten a few of the details at this point, but I recall that we were successful in making the transfer to them. Ukraine decided to opt out which left a strange situation because they weren't going to get their share unless they signed on. I recall that I made a trip to Ukraine and met with their Grain Minister and Deputy Prime Minister and explained the situation more carefully that they weren't going to be getting U.S. grain on credit unless they decided to sign the same agreement with all of the others. The situation lasted a few months, but eventually they decided to join in, too. So there was a period for a few months where all of the former Soviet Union republics, but Ukraine, were party to

this grain credit agreement, and Ukraine was left out. I should note that the Baltic Republics already were on a separate track, and not party to this agreement. Anyway, there were a lot of things like that to work out in those early days.

Not long after that, USDA began some Food Aid programs with Russia and the former republics of the Soviet Union. They had gone into default on the credit programs. There was a period when payments were sort of erratic, and then payments just stopped. They simply couldn't keep them up. And we went into a different mode—food aid. The first food aid had already begun at the very end of 1991, just about the same time as the Soviet Union collapsed. But this was something the Defense Department had carried out, and it was meal equivalents, I forget what they called...

Q: MRE's. Meals Ready to Eat.

SCHOONOVER: MRE's. That's it. MRE's.

Q: That's what your military...and we use for refugees instead of canned food that are used to sustain people under different circumstances.

SCHOONOVER: Right, right. That program was the beginning. That was the first food aid, but, of course, that was a pittance compared to what we got into later. It made a lot of publicity, but it was small amounts. But in '92, and I can't remember exactly when, USDA started up food aid programs for Russia and the other republics. As best I recall now, the first programs were in the spring of '92, and mostly were directed through non-governmental organizations (NGO's). Larger government-to-government programs, I believe, came along later. I know that by '93 we were engaged large-scale both in government-to-government and NGO programs. I frankly hadn't even briefed on USDA food aid programs in 1990 when I was going to the Soviet Union. That's how far that was from my mind. I didn't even go by the food aid office. And suddenly, we were involved in programs that added up to...if you counted all of the former Soviet Union, I think to over a billion and a half dollars of food aid, maybe a billion dollars for Russia alone. And our largest food aid programs in the world were going on in my territory. About that point I wished I had stopped by our food aid office for a briefing to learn more background on some of the programs. But I soon became aware! So, we had a number of programs. We had some out-and-out grants, and we also had some that were sales for their currency, and some were sales for at low interest rates with long payback terms. Not quite grants, but almost. Anyway, they fell into a number of different categories depending upon the commodity and the country. I think we had programs for each of the republics, but we had huge amounts going to Russia. A lot of the food aid was given through private voluntary organizations (PVO's), or non-governmental organizations (NGO's). And so not all of the aid was government to government. I can't remember the breakdowns now, but the largest amount was through the government, but certainly in terms of the complexity and numbers of programs, the NGO programs were probably more dominant and involved a lot more elements to them. Many of the NGO programs, again, differed in how they distributed the food. Some of them provided humanitarian foods through food distribution centers, but there were other techniques, as well.

Q: We talked about this in your previous tour. One of big problems in the Soviet Union was distribution. It's got a rich soil, a lot of stuff comes, but getting to the market, as you pointed out, wasn't well done. What about this? Our money. I think we would be very concerned about is the stuff being distributed.

SCHOONOVER: We were. We were, and at the same time we were trying to handle such a huge amount that I would say we probably couldn't scrutinize it as carefully always as we might have liked. We were concerned about how it was being distributed, and made our best efforts. When trying to handle a huge amount in a short period of time, we gave it the best scrutiny we could, but there was a limited amount of time and resources to spend on it. One could design a more perfect formula if there were more time to deal with it. Food aid went through a number of channels and procedures, so there wasn't any single way of handling it. It went through a whole variety of means of distribution. In that sense, if one of them failed, at least you didn't have all your eggs in one basket. The NGO's, for example, some of them would operate individual food distribution centers, and they would work through local authorities trying to come up with lists of needy citizens. And they would check off lists. I've visited some of those centers. I think they did the best job that they could under the circumstances. You couldn't be everywhere in a huge country like that, but there were a great many of them involved working in different assigned regions of the country. So, a great deal of the country was covered in one way or another. If, for example, you have a food distribution center in Yekaterinburg, that's the Urals region, it doesn't necessarily mean that all of the people in the Urals region were getting access to it. You do the best you can, and some areas get left out.

Q: We weren't alone in this. Western Europe was making contributions, too. Or not?

SCHOONOVER: They did. They did get into it eventually. I believe that they were a little slower off the mark than we were with any substantial programs. They were watching us I think before they decided on a large-scale involvement. I mentioned direct food distribution as one of the means of handling food aid. The Russian government set up a Humanitarian Commission, so from the government level, another way that we handled food was to make it available to the Humanitarian Commission, and then they became responsible for the actual distribution. That's probably one of the areas where I said if we'd had more time to study the system, we might have been able to do a better job. But anyway, we worked with the only government unit that was available in terms of direct humanitarian distribution, and perhaps they did the best they could. But keep in mind, they were just created suddenly and out of nowhere, and they probably didn't have the experience or know-how to handle it real well, and they were dealing with the politics of the aid that existed among different provinces and organizations. So, how well they did...that book probably is still waiting to be written.

Q: Of course, we'd done this what, in the 1920's, hadn't we? Under Hoover, I think. He wasn't President. He was in charge of helping feed the famine in the Ukraine, wasn't it?

SCHOONOVER: Right, right. But the 1990's were 70 years later. There was no one around who knew the drill from then ...

Q: When you do something like this, in a way its something I'm sure that's certainly been forgotten by Americans what we did. Do you think there was much credit given to us within the Soviet population or not?

SCHOONOVER: Yes, I think there were a lot of people who were aware of our assistance and were grateful. I think there were a lot of people also who were disgruntled because they would hear about the programs, but didn't see them personally.

I think food aid has mixed effects. A lot of people benefit from it, and they're grateful. Some of these elderly people, you never hear from them, but they're grateful in their hearts that they have received the aid. There are other people who hear about the programs all the time but never see anything of it, and they're disgruntled. And there were others, including opponents of the programs, who tried to use it for political advantage. We had other ways of handling much of the assistance. For the bulk of the aid, the huge amounts of grain needed just to keep the mills and bakeries operating in the country, it wasn't a question of little individual food distribution points or working with the Humanitarian Commission. Here we worked with the Grain Minister of the Russian Federation and simply made grants or long term credits or other programs directly available through the Grain Ministry to provide grain. So, in this case, we were back to something more like the central distribution system that had operated in the past. That Minister didn't change, at least initially. He was the same person, who had been the Russian Grain Minister in the Soviet Union, and he knew the drill, and he knew how to get it to the mill. So, we worked with him. I'm probably talking too long.

Q: No, no, no. This is very, very important.

SCHOONOVER: Some things are just occurring to me as we talk about it. There were still two or three other ways that we handled commodities. I've talked about directly supplying the Grain Ministry, I've talked about the Humanitarian Commission, and I've talked about the distribution by NGO's. I remember in the case of butter, we had some surplus butter that was made available to Russia and it was monetized. I believe one shipment of butter went to the Humanitarian Commission, but in another instance, I think it was the old Soviet (now, Russian) foreign trade organization that had the nominal responsibility for it. They, in effect, said you handle it. So, basically our office had to contact different organizations in the distribution system and sell the butter to the organizations, nominally approved by the trade organization, which had proved relatively ineffective in actually handling the butter itself. We basically had to do it. So, we were marketing butter. Now, this was a different type of food aid. In this case it was actually being sold, perhaps at prices that were not so high, but it was being sold, and the funds then were to go into an overall fund for rural assistance programs in Russia. We can get into that when we get into technical assistance programs. Finally, we had one batch of commodities that was sold on the newly forming private commodity exchanges because we were trying to promote the development of markets. I won't say that was entirely

successful, but it was an attempt. When there isn't experience with private markets, I think there can be a lot of sort of, I hate to use the word collusion, but it's a different situation. They were not used to competing with each other on prices. And so, I would say it was probably not an entirely successful experiment, but that was tried once with some of the food assistance. I probably left out something. We were trying many different ways to handle the food assistance.

Q: Did you find good coordination or problems with the non-governmental organizations? Were they able to say OK, we'll take care of the Urals, you take care of the Caucasus or things of this nature, or did they double up?

SCHOONOVER: The NGO's were basically American NGO's who then went in and worked with Russian organizations, perhaps Russian NGO's, which were just forming. The initial negotiations with the American NGO's were handled out of Washington, rather than out of our office in Moscow. So, I was not really involved in that. I think there was some guidance, at least, in the selection process, an attempt to ensure the different regions of the country were covered. I don't know whether the NGO's among themselves did the dividing up or whether it was a more competitive process. But, for example, an attempt was made to ensure that someone would be working in the Volga region, someone in the Urals, someone in the Far East, someone around Moscow, and I've only been talking about Russia. Similar things were going on in the Ukraine and western republics, the Caucasus, and Central Asia.

Q: When you were doing this, all these republics were brand new. Was there a withdrawal process of our embassy in Moscow or something happening in Turkestan or something like that? It had to be a process rather than all of a sudden...

SCHOONOVER: A process. It was. At first, we only had one embassy, leaving out the Baltics. I didn't have anything more to do with the Baltics after '91, so from the beginning of '92 I had three fewer countries to worry about. Apart from that, the only other republic, that is, country that had an embassy ready to go immediately was Ukraine, because we had had a Consulate General in Kiev, and they already had a site there, and they were ready to pick up and begin operations immediately. I don't remember when the first U.S. Ambassador actually arrived, but we had a presence there. In the other republics, now countries, we had no presence. As I recall, we had fly-in set-up embassies, and this took place in the early spring of '92. One week we would set up embassies in all of the Central Asian republics, or all of the Transcaucasus republics, or in Belarus or Moldova. Anyway, by the time we reached mid-'92, I think we did have embassies operating in all of the countries, sometimes from very temporary quarters. I remember going out to Minsk with our Economic Counselor at the time, helping a little bit to set up the embassy in Belarus. We took a fax machine out and rented a hotel room, and that was sort of the initial spot on the ground. And then a group came in from Washington, from the U.S., and actually did the full thing, but we had the first little operating presence from out of Minsk. As I recall, he went on to be our ambassador there later on, but anyway that's a separate story.

Our Agricultural Office at the Embassy in Moscow was still responsible for all of the countries initially, except for the Baltics. Now, this worked in various ways. First of all, Russia alone was big enough to cover. There certainly were enough programs in Russia, what with our largest food aid programs, and then technical assistance programs as well, plus all of the usual things that an Agricultural Office does. I certainly didn't need any other countries besides Russia. Russia was enough. But initially we had no one else responsible for the other countries, so I tried to visit some of them, but it was impossible to visit all of them. Several times, officials from these other countries would visit our Agricultural Office at the hotel to bring their business before us. I remember once having two Ministers waiting in line to meet with us. I think by now most of the other countries have been split off one way or another for coverage by Agricultural Offices in other embassies. I'm not sure whether or not USDA has anyone in Ukraine right now. I know for a while they had a separate Agricultural Attaché in Ukraine, and I believe that is still the case. I know when I was in Moscow I recommended an Attache in Ukraine and also an Attache responsible for Central Asia, either in Almaty (then capital of Kazakhstan) or Tashkent in Uzbekistan. They did not achieve that coverage while I was in Moscow. I was still responsible for all that territory during my tour. I think USDA covers Central Asia out of Turkey now, but I'm not sure. I believe that our office in Moscow still is responsible for Armenia, Georgia, and Belarus, as well as Russia. During my tour in Moscow, most of our Ambassadors and Embassies in the other new countries welcomed our involvement and urged us to spend more time than we were able on their country. After the collapse of the Soviet Union, I never made it to some of the countries, period. I usually tried to cover the bigger ones regularly or others whenever we had a major issue. I think the only one, I recall, that was really turf conscious was Ukraine. One U.S. Ambassador in Ukraine said he didn't want anyone assigned to Moscow responsible for Ukraine, and told us not to visit there. After he left, our next Ambassador in Kiev welcomed us again, but for a while we had a turf issue. These things happen, you know, in the U.S. Government, and that did happen to me in one case, and for a year or so I didn't visit Ukraine. During this time whenever I had to conduct business with Ukraine, I either had to do it by telephone or through the U.S. Economic Counselor in Kiev or however I could best work it out. Then I went back to visiting again. I tried to get to Ukraine about every three or four months, I guess. That clearly was one of the major countries beside Russia.

Q: That was the bread basket.

SCHOONOVER: Right. And again, we began having a lot of programs there. It was just a slightly smaller version of what we were doing in Russia. But at least by that time I had developed enough contacts when I really had to do something, I got on the telephone and since they also spoke Russian, I could do it. That's a little side note, by the way. When I went to Moscow in the beginning of 1990, there were no Foreign Nationals at the Embassy in Moscow. You may recall they had been withdrawn a few years earlier and...

Q: That was the Marine Sergeant?

SCHOONOVER: Right, right. That was before my tour. But anyway, there were none in 1990 when we arrived. Russia was one country where one, indeed, needed the four rating in language. You needed Russian to do your business because there was no one to help you. The Embassy had brought in some contractors, some Americans, who did service work at the Embassy, but when it came to having meetings with Russians or other republic officials, or just any business that had to be conducted, basically one needed Russian. There was a brief period, I guess, when we had some foreign affairs staff at the Ministry of Agriculture who spoke a bit of English, and we could do some English language business, but that was a limited part of our activities and most of the time we had to get on the telephone anyway. When things began changing so rapidly, we didn't have time to get around to pay visits to everyone. We had to be able to grab the phone and call an official in this ministry or that ministry or the quarantine bureau or wherever, and do our business, and we had to do it on the telephone. If we didn't have enough Russian to do our business on the telephone in Russian, we could not be effective. So, that's probably the only tour where it was shown so dramatically. In most of the other countries we could operate through interpreters at meetings. It was very helpful to have the language, but it wasn't 100% essential. But it was 100% essential in Moscow at that time. About '92 we began reacquiring foreign staff, not full Foreign Nationals at first, but just through contracts with one of the Russian organizations. I can't remember precisely when it began. I know in our case what it meant was our office acquired a driver. Again, we had had no drivers, either. We not only had to speak the language, but if we wanted to deliver an envelope to the Ministry of Agriculture or elsewhere, we went out, got in the car, drove to the ministry and hand delivered it ourselves. There was no one to run any errands for us. So, I remember that through a contract about '92 or '93, we acquired a driver who could run some of those errands for us. He also could go out to the airport to meet visitors or take them back. It was a tremendous relief to have someone who could do these things for us instead of having to do everything ourselves. Then eventually this began to change. By the time I left in mid '94, I think we were contracting directly with foreign staff, and were considering hiring them again as Foreign Nationals. I know by then we were establishing a much more permanent arrangement with the Russian staff in our office. And in Kiev we had hired a Foreign National. But our arrangements were still evolving during the last year that I was there.

Q: This is probably a good place to stop, David. And you want to put at the end we're still talking about after the fall of the Soviet Union and the work you had done. You want to mention any of the things you want to talk about next time?

SCHOONOVER: Well, we can finish off Russia and some of the programs we were carrying on there. From Russia I went on to Korea and a couple of years back in the department, and then I retired.

Q: So we'll finish this off next time.

SCHOONOVER: Let's try and do that.

Q: Great!

Q: Today is the 8th of March, 2005. David, you were in Russia from when to when this term?

SCHOONOVER: This term was from the beginning of 1990 until the middle of 1994, so I experienced about two years of the Soviet Union and two and a half years of Russia. Apart from Russia, I also managed to spend time in all the other republics or newly independent states, except Moldova, Azerbaijan and Tajikistan, and I had been in Moldova and Azerbaijan during my first tour, but somehow I never made it to Tajikistan.

Q: I don't know how much we covered the last time here.

SCHOONOVER: We pretty much finished the Soviet period, and covered some of our work during the post-Soviet period. I had a couple of thoughts about our programs, and I wonder, maybe, if I could begin with them.

Q: Absolutely.

SCHOONOVER: Perhaps these thoughts apply a little more generally than any specific tour, but I think I can relate them to the Soviet and Russia experience. I'd like to mention the role of exchanges and study programs for people in our assigned countries, and how important they were to our work. I think it's worth focusing on them a bit because I haven't really brought them up in any of the specific discussions so far. We made use of the International Visitors Program that USIS was handling at the time, and soon after I began my second round of overseas experiences, we also had a USDA-administered program. We called it, for short, the Cochran Program because it was Senator Cochran who fostered the legislation for it. I think the official title, at least at the beginning, was The Middle Income Country Program. It enabled us to do study tours, training programs, and exchanges for countries that had "fallen between the slats". They weren't rich enough yet to do their own programs in the United States, and they weren't poor enough to qualify for some of the AID related programs.

Q: Was this an agricultural focused program, or was this broader?

SCHOONOVER: Well, the International Visitors Program, as I mentioned, was a broad one for which everyone in the Embassy competed. The Cochran Program was an agricultural-focused program, but broadly interpreted. It was not focused solely on technical training, but enabled us to provide broader developmental experience for the countries. It was pretty broad. We could do technical training, but we also could get into institution building activities. Also, the program could be used just for an orientation experience for those who had never had the opportunity to be in the United States or see a marketing economy functioning, for example. And also, it could be oriented toward market promotion and development. It was broad in its application, but it was only for agriculture. The program was administered entirely by the U.S. Department of Agriculture. These programs were extremely valuable. Let me give you just a couple of examples. I'll drop back to China. One of the first times that I used the International

Visitors Program, we sent someone from the Rural Development Research Center in China, a very senior official, to the United States for about a month, and he had the opportunity to meet with policy officials in Washington and meet with policy research type officials in the universities in the United States. That proved to be extremely valuable later on. That particular research center was basically the research arm of the Communist Party in China on rural affairs, and it developed policy recommendations for the Chinese leadership in agriculture. The visit gave us tremendous access to the policy staff level people in China, and opportunities to get first hand explanations of the policy paths they were pursuing. It was an extremely valuable contact for us. And that was just one example. There were a number of others, and each one differs. When we began the Cochran Program while I was in China, in the beginning, it was only for Guangdong Province and perhaps a couple of neighboring provinces in South China. When I moved on to Moscow, and when the Soviet Union collapsed, we made great use of the Cochran Program to send people to the United States. It was an opportunity to provide some training, some exposure, some experience, and also a great way to develop or strengthen contacts. I can't remember the precise numbers, but I think at its peak, we may have been sending about a hundred Russians a year to the United States under the program, and substantial numbers from the other former Soviet countries as well. I was involved with some of those. I remember going to Kiev, and participating with the Cochran Program training officer to select people from Ukraine.

Q: There in Russian and Greater Russia and former Soviet Union, there in the period when you were there in the '90's, what sorts of things were the focus? You had these large collective farms, which had not been overly successful. I'm told one of the problems had been getting the crop. We've discussed this before. Of getting the produce distributed. Getting it out to the folks who eat it or want to sell it.

SCHOONOVER: The focus, I would say, as we moved from Soviet Union to Russia, was primarily on institution building. This does relate to what you're talking about, because a lot of the problems were related to the institutions, and as we carried out these programs in the early years, the first couple of years of the Russian Federation, we were primarily interested in institution building for our technical development and training focus. We had many programs, not all of them carried out through the Cochran Program. I cited that as one example, but we had also legislation that provided for funding for the Department for the Emerging Markets Program. Some of these titles get changed over the years, so I should talk generically about the programs and not dwell too much on specific titles. There were a number of programs that served the purpose of providing some funding for carrying out technical training and development activities. Some of them brought Russians and other former Soviet countries' personnel to the United States. Others were for carrying out training and activities in Russia and in these other countries themselves. To give an example of an activity that relates to what you were talking about, we had one program for trying to establish wholesale markets for agricultural products in Russia. And we had people from USDA's Agricultural Marketing Service, as well as other agencies and universities, who were trying to advise, to help, in the establishment of wholesale produce markets in Moscow and in some of the other regions. I primarily focused on Moscow, but with the idea that it possibly would provide an example for

some other regions. We had people who spent quite a few months there, perhaps half a year, working with Russians. That was one example. We had others, for example, trying to set up commodity exchanges. These are instances that relate to the marketing of products and to attempts to improve the way products went from the farm to the consumer. We were attempting to help them create a totally different system from the way it had been before, when the collective and state farms simply were assigned everything, and there was very little incentive built in. Consequently, there was very little incentive to do a good job in taking care of the produce. It was a different ball game in the new Russia. There was an attempt to establish markets. I'll acknowledge that the way a lot of the things turned out had a quite Russian twist to them, and a different twist probably from what we envisioned. Nonetheless, it was in a different system than what had existed before we were involved with them. Markets are just one area. We also were working with them on things like land legislation, for example, trying to give them a basis for making adjustments in the way they were dealing with their land and to give them the legal and technical background to do it. In this particular program we took people to the United States, and gave them training there, but also brought some people into Russia and other former Soviet countries to share experience. At the micro-level, we also had placed a couple of American farm families in a rural area an hour or two from St. Petersburg to help private farmers get established. I visited them on a couple of occasions—in particular I remember celebrating with them the completion of their harvest—but also tried to bring some of their concerns to the ears of higher officials. There were too many projects to try and deal with all of them, but I might mention a few interesting vignettes from my involvement in these technical assistance activities. One involved a former U.S. Agriculture Secretary who at the request of USDA brought a small delegation to the former Soviet Union about a year after its collapse to develop some technical assistance activities, particularly in the areas of food processing and marketing. In a short period of time he was scheduled to visit not only Moscow, but also Novosibirsk in Siberia, Kazakhstan, and Belarus. In view of the difficulties we were experiencing with public air travel at the time, it was decided that we should charter a plane for the visit. We ended up with a plane from one of the oblasts or provinces, which had been equipped for aerial agricultural photography and a small crew, for whom we developed a genuine affection. The banking system at that time was undependable, and the ruble was going through a period of rapid depreciation, so one of my assistants was required to carry a grocery bag filled probably with several millions of rubles to the airplane leasing company. And during the trip, we encountered some sticky issues with airport service fees, particularly in the other newly independent states, which required substantial additional amounts of cash, although the other countries usually wanted dollars, and not rubles. Another vignette concerns my trip to Armenia to review USDA's program there to assist with the development of agricultural extension services. I think this was January '93, when Armenia was experiencing severe energy shortages, and most homes and offices were getting by with the minimum of electricity and heat. My plane from Moscow finally boarded about midnight, and a number of passengers carried cans of fuel onto the plane. Then the attendant, who was wearing clearly visible revolvers, asked people to reseat themselves to better balance the plane, as we were overloaded. We survived the journey, but arrived about three or four A.M., and my contact there, having been told that the flight had been cancelled, had gone. From the dark airport, and carrying

the pouches that I was delivering to the Embassy, I caught a ride with one of the free-lance taxis waiting outside, who promptly told me that Yerevan was dangerous by night, and that he himself would not ride with a stranger as I was doing. As I was staying in private quarters and not at a hotel, I had to seek a place for the night, and ended up bedding down on a sofa at the barely-heated apartments of Doctors Without Borders, one of the non-governmental organizations helping Armenians with some serious medical issues. I'm still grateful to the organization. This is the kind of experience that leaves a deep impression, and I was happy when dawn came, and I proceeded to find the Embassy. I had some similar questionable experiences flying into Almaty late at night and proceeding on my own to take cars to find hotels. In hindsight, I might not do again what I did then, but one sort of became accustomed to living an adventurous life. While speaking about visiting former Soviet countries other than Russia, I also will mention a trip to the Kyrgyz Republic to negotiate an agreement for a joint council on agricultural development, which would use some of the monetized funds from our food assistance. This trip was much less adventurous, although on our nighttime drive between Bishkek and Almaty we were stopped and searched at checkpoints, whether for drugs, weapons, or what I don't recall now.

On technical assistance, we also were working through a number of U.S. non-governmental organizations, NGO's, providing some funding, and they in turn were working with a number of the Russians who were involved in land legislation. We carried out these training programs in many different ways, both directly as I said, either bringing Russians to the U.S., or bringing Americans to Russia and the other countries, and also by providing funding to Non-Governmental Organizations who in turn carried out a number of the programs. There were an immense number of programs going on to provide technical assistance in agriculture. The market development associations, or Cooperators, that I mentioned earlier in China, also were carrying-out programs, which provided a great deal of technical assistance in upgrading use of grains for food and feed, and for improving efficiency in livestock feeding and production.

Q: Did you still have the feeling at this point that Russia/Soviet Union the economy is essentially collapsing, but getting ready to revive in a new form? This was very much a very difficult transitional stage, or was that a way to characterize it?

SCHOONOVER: This was a fascinating period. As far as the first part, the collapse of the Soviet Union, no one could have predicted precisely what was going to happen, I think. Certain things happened that triggered the actual collapse. You could see the problems. You could see the failures of the centrally planned system, the way they were trying to carry out things, but certain things had to happen, and the attempted coup in August of 1991 and related developments led to the actual date of the collapse of the Soviet Union. The ferment that went on then in trying to establish new systems was tremendous, and it was very difficult to try and comprehend everything that was going on. There were so many factions and schisms, and movements and activities. In an established country, one works with the government, one has knowledge of certain groups in society and culture, and one has a pretty good feel for what is going on in the country. You can keep up contacts with a set number of people whom you know. In the

early year or two of Russia, I'd say that was pretty hard to do. We did the best we could, we had our contacts, but the government contacts often weren't necessarily all that good in being able to tell us what was going on. We tried to stay in touch with different research centers, different groups in society, business contacts and so forth. We did stay in touch with the government, both the legislature and the executive organs, and with farm organizations and different people, but it was a very fluid time during that period. We tried both through our direct programs and through the NGO programs to identify those people who looked like they would be influencing policy in the years ahead. Sometimes that was successful and sometimes it wasn't. I can give you one example, and I'll go back to the exchange programs and how one of these activities was successful for us, in the very early months of Russia. We sent a Cochran Program team to the United States from the Agrarian Reform Institute, which was working on land reform issues and land legislation. About a month after they came back, the head of the team became the Minister of Agriculture of the Russian Federation. So, this made a tremendous contact for us to have picked him out in advance, not knowing that this was in the offing. I doubt that he knew it himself at the time, but it gave us tremendous access to higher levels in the Ministry of Agriculture. I should mention one other thing that just occurred to me, concerning the way we were working with them during the early post-Soviet years. We had a U.S. policy advisor assigned directly in the Ministry of Agriculture on the Minister's staff. He was not from the U.S. Government, but from a U.S. university, and financed by the U.S. Government. He was there for about a year, I believe, I can't remember precisely, working with the Russians in those early years. He tried to be a sounding board and to give some advice and recommendations, and reactions to proposed policies. A policy advisor in a position like that has mixed results, I would say. The Minister, obviously, is not going to turn to the American advisor all the time for his advice, but I think he did sometimes. I think he had a staff person who worked quite well with our policy advisor, and they had a good relationship. And that person in turn could influence the Minister. But in that kind of a situation, I don't think the Minister wants to be seen as always turning to the American policy advisor, and particularly in Russia, it was quite a new experience. But just the fact that we were able to do that showed how drastically things had changed from just a year or so earlier. By the way, we also placed a policy advisor in the Ministry of Agriculture in Kazakhstan.

Q: One of the problems with the Soviet Economy—and perhaps you had to go through it—but it was the opportunity for people who were well connected and all, the so-called Oligarchs or something, people who were essentially able to grab hold of great industrial combines and all that and turn it to profit. They became instant billionaires. They're working this out as a system now. How about in the agricultural field? Was this happening, too?

SCHOONOVER: When I left Moscow I would say agricultural reform was still in its early stage, even though I spent two and a half years there after the collapse of the Soviet Union. The names changed and some things changed, but the collective and state farms were to a large extent still there. Now, the rules of the game had changed some, and they were called something else. But it takes much longer than what Americans like to think it does to change institutions that are entrenched as they were. So, this is a way of

answering your question, I think. I don't think that the changes that might have permitted reform had really taken place in agriculture in the farms themselves. They had some land legislation, I recall, but they had not actually gone so far as to just say privatize the land and turn it over to people. In one sense, that would have been parallel to the Oligarchs taking over the industrial economy. They had not permitted that to happen to the land. Farms were still very much the same, although now, perhaps, they were called Joint Stock Companies or something like there, but it was very much still the collective or state farms that were occupying most of the land. There was a growing development of private farms, which were largely occupying the land on the fringes, land on the margins, and occasionally they were getting a farm that was so bad that it was dissolved and turned over to private farming. On the whole, the collective and state farms and their people were still in place.

Q: Of course, in a way, the trend everywhere, has been to large farms anyway. Into the agro-business and the small farmer in the United States is a diminishing breed, and in Europe all their tremendous efforts are to keep the small farmers, but basically these people are not there, and they're going and it's turned over to large businesses. But these are much more efficient businesses than one thinks of the collective farm.

SCHOONOVER: One of the differences one observed immediately is that there may have been farms in the United States and in Russia that were approximately the same size--there were Russian farms that were much bigger, too—but the operations were different. The American farm of perhaps a thousand or a few thousand acres was probably run by one farmer, perhaps assisted by his sons, or perhaps he might have had one hired worker, but basically it was still a family farm, even though quite large. That same farm in Russia might have had 500 people working on it. It was a very labor inefficient operation. The Russians still had to go through the transition of moving the surplus labor off of their farms. Surplus by our standards, but, of course, by their standards if it were all moved immediately, why the whole thing would collapse. They wouldn't have enough labor to get things done. One has to upgrade the level of technology, the efficiency of the operation, to be able to do that. The Russian and American enterprises were very different types of farms. One was a very inefficient operation and the other was a very efficient operation.

Q: What about companies like International Harvester or McCormick or Caterpillar and all? Were they finding a market for their farm equipment?

SCHOONOVER: There were some farm equipment shows and exhibitions. There were approaches by American equipment companies first to the Soviets, and later to the Russians. I might add, by the way, that this is more the Commerce Department's sphere of marketing responsibility to assist American firms in their promotion of agricultural technology. But we helped out, too. There were some attempts to sell equipment, but I believe right at that point in the years of transition from the Soviet Union to the new Russia, there was not that much opportunity for U.S. farm equipment firms, owing in part to Russian capital shortages. I'm not sure what has developed in subsequent years since I left Moscow. This was a period of much turmoil--the rules were changing, and no one

knew what the rules were--and it was very hard to work with organizations, which didn't know if they were even going to exist tomorrow. So, it was not a good period for building a stable marketing relationship.

Q: One of your big jobs is to estimate what the grain production is. How about statistics?

SCHOONOVER: There was a brief period where there weren't many statistics because the Soviet statistical system collapsed and the Russian and other systems hadn't settled into place yet very well. But after a year or so Russian statistics started coming out and I would say the quantity of statistical information was as great and/or greater than it had been before. It just took a short period of adjustment to move from the Soviet system to the Russian reporting system. There was a lot of statistical information available, certainly, by the time that I left Moscow in 1994. I should underscore that the most important focus of my stay in Moscow during the first half of the '90's was food aid and the technical assistance programs. By technical assistance I'm speaking in a very broad sense, not telling a farmer how to produce a crop, but institution building, establishment of markets, working on land legislation and assistance of this nature. So, food aid and technical assistance were by far the dominant elements of my work during that period. Reporting was still important, as were trade development and promotion, policy representation, and scientific exchanges--a lot of things were still important, but the dominant focus was food aid and technical assistance.

Q: How did the Food Aid program... I mean this was apparently a temporary program. Russia is a food producing country.

SCHOONOVER: It wasn't very clear during that period how long food aid was going to last, and how long U.S. funding would last to keep providing food assistance. But during that period a tremendous amount of food assistance was provided. I believe food aid did phase out after I left, but it was extremely important during those first years of Russia and the other newly independent states.

Q: This is Tape 5, Side 1 with David Schoonover

SCHOONOVER: We were talking about the food assistance that was going into Russia during the first couple of years of the Russian Federation after the fall of the Soviet Union. And, as I recall, around a billion dollars annually of food assistance went to Russia, and very significant amounts to the other countries, but in total to them, perhaps not quite that much. If I recall right, there were maybe six or seven hundred million dollars worth going into the other countries, also. As we discussed previously, a number of programs were used to move this food assistance. As a government representative we were directly responsible for some of it. Some of it was moved by sales or grants. When I say sales, generally I mean long-term loans. Also there were outright grants to the governmental authorities. Food products were made available to the Humanitarian Commission or to trade organizations, essentially with our direct oversight on how they were distributed. Others were made available to U.S. non-governmental organizations, and they, in turn, carried out the food assistance program. Some of these were direct

distribution programs to poor people through relief centers. Other donations, at the other end of the spectrum, were monetized food assistance, where food aid was sold to organizations in the country, but then the funds were used for humanitarian purposes. As a consequence of this monetization, I found myself in a somewhat strange position as an Agricultural Minister-Counselor of overseeing the funding of diverse humanitarian projects. For example, the Humanitarian Commission sold a butter donation and acquired funds. To use these funds, the Health and Welfare Ministry developed lists of proposed projects, such as assistance to hospitals and various sorts of organizations that were working on medical assistance. I remember a project to manufacture artificial arms and limbs, for example. We would have a long list of projects, which we had to review and approve. There also were other organizations carrying out monetization projects. We created a joint council, of which I was a member, for Russian agricultural and rural development, I can't remember the exact name, to fund projects using some of these Russian-held funds. Members of the council included both U.S. and Russian Governmental and non-governmental organization members. I would say the council was a unique undertaking. It was rather difficult to identify and place Russian non-governmental organizations on the council, as they were in early stages of development, but we did have 2-3 representatives, including a representative of the Russian Orthodox Church. This council of about a dozen members, in total, reviewed various rural development project proposals for use of these funds. One interesting side note, I recall that the Russian First Deputy Minister of Agriculture and I jointly interviewed applicants and decided on the Executive Secretary for the council. That sort of confidence building came in handy a few years later, when he came to Washington as the Minister, and he and I had to work out the final details on an agreement. But, let me not jump ahead. A tremendous amount of activities were going on during my tour. They were extremely busy times.

Q: I would have thought that it also would be awkward for dealing with your Soviet/Russian counterparts. Here's a proud country and all of a sudden it's getting food aid and all this sort of thing from a country that had been its #1 perceived enemy. Did you find this difficult dealing with the diplomacy of doing this sort of thing?

SCHOONOVER: You know, reactions to the food aid varied a lot. I think still there in the system there were officials, who resented it very much. There were others who were very glad to see us, very glad to receive that assistance. There were individual people who really appreciated the food aid. For example, elderly people, who were receiving food assistance through some of these distribution centers, really appreciated the aid. There were others, and you would see articles in the newspapers, who very much resented the food aid. The reactions were very mixed.

Q: By the time you left...you left in what, '90...?

SCHOONOVER: Summer of '94.

Q: '94. Did you see a new Russia emerging?

SCHOONOVER: Ah, yes. There were a lot of things that still had to happen, but it was a very different place by the summer of '94 in contrast to what I saw when I arrived there in the beginning of 1990. There was a blossoming of private entrepreneurship that one could just see on the streets of Moscow. One could see newly opened shops that looked very modern, very different from the old Soviet stores. One could feel it in discussions with people and officials who were thinking differently from the Soviet officials with whom I dealt in the early years. On the other hand, there were some old timers who still wanted to turn the clock back, too. So the changes weren't uniform by any means, but Moscow had a very different feel when I left in the summer of '94 than when I arrived. Many of the changes did not come without problems. As you recall, in 1993, Yeltsin encountered serious differences with his Vice President Rutskoy and parliament chief Khasbulatov. The opposition entrenched themselves in the Russian White House, just across the street from the Embassy compound, and Yeltsin used tanks to blast them out of the building. The sounds of the tanks firing, and images of smoke and fire rising from the White House, are still vivid in my mind. There had been rowdy demonstrations in Moscow, and near the Embassy streets sealed off by Russian militia. On a Sunday afternoon in early October I went to my office at the hotel, and when I returned, there was a strange emptiness on the street. A guard let me in the compound—I noted that the Russian militia were on the inside, which was a great departure from normal--and told me quickly about the fighting that had taken place there that afternoon. There was sporadic shooting still in the vicinity of the compound, apparently instigated by those favoring the opposition. That evening, demonstrators attempted to storm the Moscow radio tower, and people were killed. Our Embassy staff evacuated the street-side buildings, and huddled in the gymnasium below ground level. As I recall, the standoff at the White House lasted a day, and the next morning, we heard the sounds of the tanks firing, and a lot of shooting. One of our Marines was hit, but otherwise our Embassy staff was safe, but on the outside, a number of people were killed, including some Americans. As you know, the opposition gave up and emerged from the burning White House, but some think that Yeltsin's image was damaged somewhat by his handling of the incident.

Q: In '94 you moved over to Korea, is that right?

SCHOONOVER: I did come back and went into Korean language training actually. I'm trying to remember a few vignettes of those Russian years if you will permit me before I go on to Korea just to show some of the changes and also some of the interesting things that were happening. Here's one little vignette that shows how the security situation had changed. The Soviet Union for a foreign diplomat generally was a very safe place. You were watched very carefully. Nothing was going to happen to you unless it was intended to happen. The new Russia was a very different place regarding security. Security really fell apart, and foreigners began to be targeted. We had people in our office, for example, who were robbed on the train between St. Petersburg and Moscow, robbed at gunpoint, and visitors from USDA who were robbed at knifepoint in their hotel. And here's another interesting experience. I had visitors from Washington. As was usual, we arranged to go out to dinner together, so I made reservation at a little gypsy-type Russian restaurant. As was the practice we had to put a deposit down. At noon I went to the restaurant and left money as a deposit. At the end of the day, we all loaded up in the van and went to the

restaurant. When we arrived and people were crowding around, there were police in front of it, and doors were locked. We were standing there trying to decide what to do, since we'd spent our money for dinner, and we had to figure out how we were going to deal with this. I chatted with one of the police officers to find out what had happened. There had been a shooting. As we were debating what to do, they opened the doors of the restaurant and invited people to come in. We went in, and the person who usually met us at the door—I had been there before a few times—greeted us and then he sat down in a chair and never got up the whole evening. He just sort of sat there in a state of shock, it appeared. But the evening went on, the food was served and the gypsies sang, and we had a rather pleasant evening. It was a couple of days later that I read in the newspaper about the incident at that particular restaurant and found out a few more of the details. A couple of gangs who were bringing cars in from Western Europe and laundering them somehow or other...

Q: Stolen cars, you mean.

SCHOONOVER: Stolen cars, right. A couple of gangs, I guess one from the Moscow area and one from the south somewhere had met there that afternoon to negotiate some of their differences. In the process of negotiating the differences, a gunfight broke out and a couple of people were killed. It was a rather violent, but all too typical way that business differences were settled in the new Russia at that point. Unfortunately, this was not at all uncommon. There were people who threw grenades into offices and gunfire at intersections, and people began referring to it as the new wild West, and it very much was. I remember our office driver at the hotel. Well, one morning our driver said there was a little bit of activity at the hotel last night. He said the rival mafia groups-- everyone in crime was referred to as mafia, and mafia covered a lot of different things actually-- were arguing over whose territory it was to get the money from that particular hotel. So there was a gunfight in the parking lot at the hotel where we had our office. This was kind of typical of the new Russia, unfortunately. There was very much disintegration of the old stability and security that were known under the Soviets. It was not at all uncommon to experience crime and be a target of crime during that period. Occasionally I frequented a little Georgian restaurant in Moscow, and once met one of my Russian contacts, who lived near the restaurant, as I was on my way there. He expressed surprise, saying that he was afraid to go to a mafia-run place like that. Whether or not he was right about the mafia, I don't know, but the food was good, and the price was right. There were a number of unfortunate things during that time. Life got better for some people, life maybe was on the same level for some, and life got worse for some people. One saw lots of old people, as the old social security system broke down, lined up along streets trying to sell their possessions to get enough money to live on.

I'm trying to remember more things to give a little more human flavor about life overseas, particularly in Moscow, because when you are living overseas at a post like that, you are there for the work. And yet you also experience something different, and enjoy--or at least understand--and participate in the culture and what it has to offer. And I think once you lose sight of that as part of the total experience, there would be little reason to be there. I think a couple of pleasant little things that I can recall are very

interesting little experiences. Once early on in my Moscow stay I was acquainted with the head of the Agricultural Committee of the Supreme Soviet--their legislature at the time--and he came from a farm in Eastern Siberia in the province of Krasnoyarsk Kray. He invited me to spend some time with him on the farm, just to have more time to chat together and see what it was actually like, so I took him up on it. It was the first summer I was there, and I went to his farm to see agriculture in Siberia. He met me at the airplane, and we went to his farm, and I spent two or three days just living with him and his family on his farm, walking around the farm kicking clods as we might say and talking about the cows and about the crops and just enjoying that experience. And that for me was an interesting experience to be in the middle of Siberia just talking with a farmer, so to speak. But he was a very influential farmer. I don't know if he had a lot of formal education, but he had a lot of personal intelligence, a smart person.

On numerous occasions, I had the experience of dealing with some of the old-time hardliners, who probably would have preferred to see the Soviet system continue, and also to meet some of the new entrepreneurs who were figuring out how to manipulate the system to their advantage, and occasionally I would meet them in social settings. A couple of occasions stand out in particular. One of my official acquaintances invited me to his birthday—50th or 55th, I think—and retirement celebration. He had worked long and advanced to a high level under the old system. I was the only non-Russian in attendance. I spent the evening listening to his old comrades bemoaning the dissolution of the Soviet Union, wishing and scheming for its return, and speculating on who could bring it back again. I was definitely the misfit that evening. But a year or so later, I attended a celebration of some of the new entrepreneurs celebrating the completion of voucher sales for transfer of state-owned property to private hands. This group was celebrating their newly acquired wealth. Again, I was the only non-Russian in attendance. And again, I was like a visitor from another planet.

One sometimes has a medical issue during a posting, and during the Soviet days, most Embassy people in need of an operation or serious treatment would be evacuated. Our policy toward this changed, though, in the new Russia. A year or so before I left Moscow, I broke a blood vessel in my nose that required surgery, and I had the experience of going to the Kremlin Hospital in the forest at the outskirts of Moscow, accompanied only by a Russian doctor, for laser surgery on my nose.

Let me mention a few things about experiences with my children during their visits. Brian and Kathryn were in their early 20's. With Brian, I enjoyed several trips in Russia—St. Petersburg, areas around Moscow, including Tolstoy's home at Yasnaya Polyana, and Siberia. Kathryn and I visited St. Petersburg and also traveled several times to Central Asia, visiting Samarkand, Bukhara, Merv, and other sights in Uzbekistan and Turkmenistan. Much of the Central Asian travel had to be worked out on the spot. These trips were cultural experiences for all of us. I best remember, though, one trip in particular. It was right after the fall of the Soviet Union, the beginning of January '92. Brian and Kathryn both were in Moscow, and one of Brian's friends came. I had a friend who had a son and daughter also, in their 20's, and they came to visit, having never been in Russia before. I had a party of about five young people in their 20's, and apart from

Moscow and the Bolshoi and all, I set up a travel tour. We didn't have to work through Intourist anymore after the collapse of the Soviet Union. I was acquainted with a small private tour organization and I worked with them. It was from about New Year's up to Russian Christmas, which is about the same time as Twelfth Night in early January. And we went north of Moscow overnight by train for quite a few hours to the province, or oblast, of Vologda, which is quite north, although not as far as Murmansk and Arkhangelsk. And just the experience of traveling through the snow and seeing it fall in Vologda, going through the snow to some of the local monasteries, going sleigh riding and sledding down hills like kids again and going to the Russian Christmas Eve services, were all unforgettable experiences. The atmosphere was almost overwhelming. At the church service, when they heard we foreigners were there, naturally we had to get up and speak to them. So I found myself at midnight in front of the Russian Orthodox Church trying to make a speech in Russian about how glad we were to be there with them. And I discovered that although I knew quite a bit of Russian, I had a gap in my language abilities with respect to religious terminology. But anyway, it was a tremendous experience and especially for the young people, I think.

Q: Oh, yes.

SCHOONOVER: I could probably go on and on, but the main thing I must mention is that I met my wife, Barbara Griffiths, during the tour in Moscow. She was the Minister-Counselor for Economic Affairs at the Embassy during my last year there, so we were on the Country Team together. I don't know how often there is a Country Team romance, especially between two sections that work closely together—and sometimes don't see eye-to-eye with each other. But in this case, cooperation pleasantly exceeded all my expectations.

Q: What you can do, David, when you get this, you'll get the rough transcript, and if you think of any other experiences, you can add them in.

SCHOONOVER: I think there are too many... I'll take that into account, and perhaps I will if I think of something good. But frankly, there was just too much. It was a period that had so many things packed into it. I had a lifetime of experiences in about four and a half years. One could write a book, or many books, if one were so inclined and could remember everything that happened. It was a fascinating experience. I think by the end of it, I was probably totally burned out because I was just burning the candle at both ends for quite a period of time. And as we said earlier, summer of '94, back to Washington for the year of Korean language training.

Q: How old were you by the time you went into Korean?

SCHOONOVER: OK. I was 58. I had my 59th birthday while I was in Korean.

Q: Korean is one of the most complex languages to learn, and by the time one passes 30, everything is downhill vis a vis language learning. So here you are 58, 59. How does it take?

SCHOONOVER: I'm going to give you a mixed answer on that. I did reasonably well on the Korean. I achieved my two-two, which is what was required on the Korean language test, two for reading, two for speaking. That's sort of what is expected, and not everybody who was in the language class attained that because, as you said, it is a very difficult language. Some people don't make it to the two-two in one year, they have to go on for another year. But, what I found once I arrived in Korea was that most of the officials with whom I dealt spoke English, and we had such a competent foreign national staff in our office at the Embassy, and they would assist. And I found I didn't use my Korean very much. So, I spoke my best Korean on my last day of language training, and it went downhill again after that, and at this point in time, I don't remember much Korean. I still remember quite a bit of Russian and some Chinese, but my Korean has pretty much disappeared.

Q: What was the situation. You were in Korea from when to when?

SCHOONOVER: I was in Korea from the summer of '95 until '97. Just two years. It was actually a curtailed tour. Barbara and I went there together. We both were assigned to Seoul, Korea. She was the Economic Minister-Counselor, and I was the Agricultural Minister-Counselor. Barbara curtailed her tour because of her assignment as Deputy Assistant Secretary of State in Washington. So after about a year and a half there, she came back to Washington. And so, I decided that I also would curtail. I stayed in Seoul for about six months after she left, or maybe a little longer than that, and finished up two years. But I asked for the curtailment not because I wasn't enjoying Korea but simply because of wanting to rejoin my wife. I must say, I enjoyed the assignment in Korea. Again, it was different from my previous assignments. My primary focus in Korea was trade policy issues. The Embassy Agricultural Office in each country always has the same job description more or less. All the same things are listed in it. If you just read the bureaucratic language, you probably wouldn't be able to tell one country from another. But the actual job differs tremendously from one country to the other. Maybe the job is similar in some countries, but in the ones where I was stationed, each job was quite different. Korea is a country that grows on one. When I first arrived, I found Seoul rather drab, compared with many Asian cities. It was largely destroyed during the Korean War, and rebuilt. The traffic was terribly congested, and sometimes there was a lot of pollution. But when we eventually began traveling into the countryside, and into more remote mountainous areas, I discovered there are many places of great charm and atmosphere. One doesn't easily get away, though, from the traffic congestion. I have been on travel outings on the weekend, and discovered on Sunday evening that one could have stop and start traffic returning to Seoul starting almost at the opposite end of the country. Eventually, we found a lot of interesting places in Seoul, as well, although some of the temples and villages in the more remote areas still were my favorite places to visit. Korea was our first posting where we experienced the benefits of a U.S. military commissary and post exchange system. There still was a large U.S. military presence there, and many Embassy employees lived in a section of housing on the base at the south edge of Seoul. Barbara and I lived in a compound in the heart of the city within walking distance of the Embassy, and also Kyongbok Palace, the National Museum, and other attractions. I have

to make special mention of the Korean staff in our offices. They were the greatest workers I had known on any of my assignments, and really nice people with whom to work.

Q: What were you doing? What was the situation there?

SCHOONOVER: In past trade negotiations, and during the Uruguay Round of Trade Negotiations in particular, we had concluded a number of trade agreements with Korea and/or Korea had granted a number of trade concessions to the United States in agriculture. Basically, we were enforcing these trade agreements or trade concessions to make sure that something wasn't put in place that would offset the concession or make it null and void. That was one of our primary tasks. Another one concerned the multilateral sanitary and phytosanitary agreement, which also had been concluded in the Uruguay Round. This agreement basically said that countries weren't supposed to obstruct trade unless there were legitimate sanitary or phytosanitary reasons why trade shouldn't take place. Apart from those science-based reasons, countries weren't supposed to put sanitary or phytosanitary trade barriers into place. And we also were enforcing, or attempting to enforce, that agreement as it pertained to our trade with Korea. Korea had become a very important market for United States agricultural products. In area or population, Korea is not as large as Russia or China, but Korea at that time was a bigger market for U.S. agricultural products than either Russia or China. They were important markets, too, but Korea was very important. At the time that I was there it was either the third or fourth largest single country market for U.S. agricultural products. If one counted all of the European Union as one market, I think Korea was in fourth or fifth place. The United States exported to Korea a couple of billion dollars worth of agricultural products or more every year. So, enforcing these trade agreements was a very important part of the work. Now, there were other jobs there, too. We carried on some exchanges, and we did reporting, and a lot of market development activity. We had an Agricultural Trade Office located outside the Embassy, in addition to the Agricultural Office at the Embassy, which was focused entirely on working with trade organizations and carrying out trade promotion activities. It really was part of our operations, and fell under my umbrella of responsibility, but it was in a separate location and headed by the Agricultural Trade Officer. Another USDA agency, the Animal-Plant Health Inspection Service, also had an officer co-located with the Agricultural Trade Office. But trade policy was *the* single most important thing.

One example of a very important area was a bilateral beef trade agreement. And, well, my memory is a little fuzzy now, but I think our agreement on Korean beef imports also was included in the Uruguay Round. Australia and New Zealand also exported beef to Korea and were parties to agreements on Korean beef imports. I carried out regular quarterly consultations on the beef agreement. We would monitor trade very carefully to make sure measures were not being put into place that would cause problems with the beef trade or with trade in other agricultural products. Such obstacles might include technical measures, regulations related to food additives, and phytosanitary regulations, as well as more direct restrictions. We watched these Korean regulations and procedures very carefully in our office. We tried to determine whether measures were being put into

place on products where we had received trade concessions, and we tried to assess what impact any measures might have on trade. It was our job to analyze whether any changes in phytosanitary regulations or procedures were in fact going into place because of legitimate concerns, or whether they were applied as trade protection.

Q: You say “phytosanitary”. Could you spell that out?

SCHOONOVER: Phytosanitary means measures pertaining to plant diseases or pests, or plant health, generally. For example, if a pest or disease occurred, or allegedly occurred, in the United States on a particular fruit, and Korea put a quarantine ban on the fruit because of the pest, that action would be an example of a phytosanitary measure. Korea wouldn't import the product because of the possibility of being infected by that pest or disease. Sanitary and phytosanitary measures were defined more broadly to mean measures pertaining to plant, animal and human health. We would encourage meetings of our animal and plant health officials, basically our quarantine service and their quarantine service, and have regular discussions because it is much better for the quarantine service scientists to be the ones who review the changes in procedures or regulations. We tried to set up regular meetings between our quarantine officials. They then could discuss and evaluate what was being implemented and make a better judgment about whether it was legitimate or whether it really had no basis. If there was not sufficient scientific basis, then we could have a trade complaint. Sometimes we had the basis for a complaint, and sometimes the measures were taken for legitimate concerns. But these were the sorts of things that we were watching very closely.

Q: Was there the issue that really got going in Europe about the genetically modified organisms, GMO's, or whatever they're called...

SCHOONOVER: Well, I'm happy to say at the time I was in Korea that had not become a big issue. I only recall discussing it late in my stay there. That was just about the time that it was becoming a big issue in Europe, but it had not become a significant issue in Korea. I'm not sure what may be happening now, but I think GMO's have become issues in other places, and countries have come down on different sides of the questions. Some of them may have interests similar to ours, and others have interests opposite ours on these questions. But that was not one of the major concerns at the time. But you're on to something. As I went on to future assignments, GMO's were certainly an issue.

Q: What was your impression of Korean agriculture at the time?

SCHOONOVER: Well, it was changing. It was trying to adjust to keep a viable agricultural system of viable farmers. There were changes going on, but it was still rooted in very small farms that were having a hard time being viable without going through some changes, some adaptations. But the political sentiment in Korea was that rice programs can't be changed fundamentally, rice farms must be maintained, and the rice market can't be opened. That was one area where they essentially had not opened up yet when I was there, although I recall we did do our first little rice promotion in Korea. It was one of our market promotions. But the rice market had generally not opened up yet,

except for very small amounts of imports. Basically, they were trying to preserve the small rice farms. Unfortunately, they had problems doing that even without raising the question of imports or free markets in rice. They needed to modify their system somehow to preserve the sort of agriculture that they were intending to preserve. We ran through some economic calculations which showed that given the size of the rice farms, even at extremely high rice prices which were something like five times world prices, incomes from rice farming really were not adequate to retain people on the farms. These prices vary because world prices vary, so comparisons are somewhat arbitrary, but very roughly, prices paid to farmers in Korea for rice were five times world rice prices. The income might maintain someone who was in the latter years of farming, and they might phase into retirement, but it certainly wasn't an incentive for young people to stay with farming. Even farmers in their middle years looking ahead for a long period of time, could see a very meager and bleak existence if they depended entirely on rice. And so one of the things happening was that farmers were seeing the opportunity to convert their rice farms into greenhouse cultures, generally raising vegetables, maybe tomatoes, strawberries or flowers. And one would travel through the rice patties of Korea and see plastic greenhouses sprouting up everywhere in the rice patties. This was certainly an attempt by the farmers to try to make more money and to survive on their farms.

Q: It's interesting. I was there during the mid '70's, and the willingness of then the dictator Park Chung Hee to make sure that the rice farmers were viable. It meant the price of rice was higher than in many other countries. It was a cornerstone of his policy, but that was the time that the Korean national income was about \$1,000. Of course, tremendous things had happened. You were seeing one policy, which had really worked quite well. It kept the people on the farm.

SCHOONOVER: It worked a while and kept the people on the farm, but then they were stuck with it. They had all these people on the farm, and they had farms that were two hectares or less, and there's a limit to how much you can keep pushing up the price. It got up to five times the world level, and there still wasn't enough income for the farmers to continue to be there. So they had to find other ways, and the greenhouse culture seemed to be the dominant way. Expansion of livestock and poultry production was another way. The question of opening their markets to international trade was a difficult one. Obviously, with that situation they couldn't just throw open markets to international trade and keep the same policies that they had. Now, one could design policies that would allow that to happen and allow everybody to transition to markets, that's a different question. For example, they could have gone into some kind of deficiency payment system and as they already were paying their farmers these huge amounts above world prices, they could simply have made direct payments to them. In this way, they could open markets, make direct payments to the farmers, and let the market determine what was going to happen. In a way, it was happening anyway. Farmers were moving out of rice and moving into greenhouse production. A more active role by the government in promoting this transition might have accelerated some things, but basically it was going on in any event. Rice was a hot potato for the senior officials in the Ministry of Agriculture and government, generally.

Q: You left there when, in...

SCHOONOVER: OK. I spent two years in Korea and left there in the summer of '97. Before leaving Korea, I should make some mention of North Korea. We were not traveling in the North from the Embassy in Seoul, but U.S. and international contact with North Korea had begun in a couple of respects. Firstly, there were visits to their energy facilities, related to our concerns about their ability to produce nuclear weapons. Secondly, serious food shortages had begun in North Korea, and during my tour in Seoul the United States provided food assistance. A major channel for food assistance was through the World Food Program (WFP), which established a small presence in Pyongyang, and I maintained some communications with WFP officials about the food situation, and shared some of our information with them. Our Agricultural Office at the Embassy prepared some reports on the North Korean food situation, which I think made a better assessment than was available anywhere else. The tensions between North and South still were very evident during my tour and one only had to drive a short distance north from Seoul or visit the DMZ, which I did finally before I departed, to be strongly reminded of the continuing confrontation.

I think we can dispense with the rest of my work career pretty quickly. In 1997 I headed back to Washington, which is always a bit of an adjustment, particularly when one has been away for so long. I had not worked in Washington since the summer of '84 when I went into Chinese language training. And so, I had been head of an office at an Embassy overseas or in language training all this time until 1997. Well, I returned to Washington and spent the first year on a detail assignment with the U.S. Trade Representative's Office. I would say if I had done that about twenty years earlier in my career it would have been a fascinating and extremely good assignment. But I was used to exercising a lot more personal decision making as the head of my own office, so the work at USTR was not particularly satisfying. I was trying to readjust to a Washington assignment, and there were no senior jobs available. I was in the agricultural office at USTR. I worked on some of the Asia Pacific Economic Cooperation (APEC) negotiations, on some bilateral trade issues, and a few other things, such as the biotechnology issues. At the end of the one-year assignment at USTR, I went back to the USDA for a year. My primary responsibility was to be the senior staff person for the negotiations on a Free Trade Area of the Americas (FTAA). Negotiations were taking place in Miami that year, so every month or two, I went on a trip to Miami. And then...

Q: What were some of the issues that you dealt with?

SCHOONOVER: Free Trade Area of the Americas negotiations. Well, this was at an early phase of the negotiations, and we were trying to set the parameters for the talks in agriculture. We were trying to come up with general principles and language. In the early talks, one meeting would focus on one aspect, such as export subsidies, and the next meeting would focus on some other aspect of trade. At the end of the year, we were preparing one overall draft with a lot of bracketed language to be looked at by all of the countries. No single country had agreed on all the language in the draft, but we were trying to get everything out onto the table in a single document for everybody to look at.

And so, one negotiating session we might talk about export subsidies and the positions of the countries on export subsidies and what kind of language would go into the draft agreement on export subsidies. There are a surprisingly large number of issues on export subsidies when one starts digging into them in depth. One option is for countries in the agreement to ban them. But what do you do when third countries are exporting into the agreement area using subsidies? For example, what if the European Union is subsidizing exports into some countries of the FTAA, providing an unfair advantage to their exports if FTAA member countries have prohibited use of export subsidies themselves. So, there are a lot of issues to be negotiated. Another area is the rules on tariff quotas, which had set certain tariff levels for a given quantity, and other tariffs for additional quantities. What is your basic negotiating structure? Do you start out negotiating tariffs down or start with some other kind of base and negotiate up? How do you go about negotiating the rules, if any, on sanitary-phytosanitary measures? Are they any different than multi-lateral rules? There were a lot of very preliminary discussions with the other countries of the Americas to come up with some sort of common views that could then be used to create a draft document and begin actual negotiations. And that's where I left the process.

As it happened, in the summer of 1999, Barbara was confirmed as Ambassador to Iceland. I was far enough along in my career after 38 years that I said, hmmm, I believe I will just retire and go along. So I did. We were there until the summer of 2002. So my last three years of overseas experience were not as an employee, but as a spouse, accompanying my wife in Iceland.

Q: Let me just...

(Transcriptionist's note: Start Tape 5, Side 2. Extended pickup did not include Mr. Kennedy's question or start of Mr. Schoonover's response.)

SCHOONOVER: I really enjoyed my three years in Iceland. It has spectacular, but stark, nature, and the people are very friendly. We had a few incidents during our stay there, and over the years there have been demonstrations at the NATO base—there are always a few things like that. But on the whole, Icelanders are very friendly to Americans. Iceland is a very nice place to live and it has a very high and cultured standard of living. But Iceland is not a big country in terms of population. The Embassy was not very large, nor the staff. The residence certainly was not large. At the residence, we had a grand total of two employees: one housekeeper and one chef. And so, I would say my experience was delightful. I accompanied Barbara on many of her trips and attended many different sorts of diplomatic functions, which were not solely business, but included various cultural events. As the sole male among the spouses, I guess I caused the Iceland Foreign Ministry to change from events for wives to events for spouses. We also attended a lot of functions at the NATO base, which is operated primarily by the U.S. And so I enjoyed myself for about three years and enjoyed the opportunity to travel around Iceland and get acquainted with some of the people there.

Q: Any agricultural interests there?

SCHOONOVER: Not very many. Iceland has some agriculture, but in terms of field crop production, it has very little. It has some greenhouse agriculture, and most of the other branches of farming, such as dairying, sheep, and horses depend primarily on grasslands and hay production. Fishing is really the big thing. Iceland has a number of protectionist policies, and has tried to preserve some elements of agriculture, but the population was small, and it did import a lot of products, including quite a few products already from the United States. Consequently, Iceland would hardly be a primary target in trade negotiations. We probably were more concerned about European Union efforts to persuade Icelanders to adopt their standards, rather than ones compatible with ours, which might have disrupted some of our trade. Anyway, I was no longer the person who was responsible for these things. That was the task of the Economic Officer at the Embassy. Iceland's standard of living had changed tremendously over the previous decade or so. It had gone from being a poor country to one that suddenly was on the same standard of living as we were.

Q: What caused that jump?

SCHOONOVER: Well, I guess they moved from a purely fishing and agrarian economy to a much greater involvement in technology. They have a very educated population. They had done away with illiteracy, advancing to a very high level of education and had moved into some high technology areas. I think they had done pretty well with their fish exports in the previous few years before that, and combined with high technology, medical research, high literacy, and a number of other things, they found themselves suddenly with a high standard of living, good incomes, good availability of products. Barbara could do a better job of explaining it than I could. They did import a number of food products. As I mentioned earlier, I think one of the main trade issues was to try and dissuade Icelanders from applying European Union standards, but instead apply standards that would be more conducive to imports of American food products. Even though Iceland was not part of the European Union, it had an economic relationship with the European Union, and the Europeans were trying to persuade the Icelanders to adopt their standards on most things. And in the case of food product imports, this could have meant that the American products would no longer have met that particular standard. And it might be something as simple as labeling. It might have something to do with a particular food additive or various other things. But one way or the other it might have kept American products out of the market. I think as far as agriculture and food were concerned, the number one task of the Embassy was to persuade the Icelanders to keep a more open mind on the standards of food imports coming into the country. Certainly, Icelanders basically wanted to continue to enjoy products from the United States as well as from Europe, so I think our efforts were fairly successful.

Q: OK. David, I think this is a good place to stop, then.

SCHOONOVER: All right. In closing, I would like to comment that I worked with very able staff in my offices at each of the Embassies. Although I have not mentioned them all by name, I was very impressed by their abilities, and could not have done the job without them. Also, as you probably gathered from some of my comments, I met many very

interesting people in each of the countries where I was assigned. I haven't tried to single them out individually, but they remain in my memories, as do their countries. My time in the Foreign Service was a great experience for me, and if I were picking a career today, I would do it all over again. I have a list of other countries where I would have liked to serve also, but I wouldn't leave out any of the countries where I did serve. Each one was a great experience.

Q: We'll stop at this point. Thanks very much.

SCHOONOVER: Thanks very much. And thanks for this opportunity!

End of interview