

AMBASSADOR CARL C. CUNDIFF

Interviewed by: Raymond Ewing

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Q: Carl, you entered the Foreign Service in 1966, I believe. I would like you to tell me a little bit about how you got into the Foreign Service and what was your preparation for it? So, if you could tell us a little bit about where you went to school and where you are from and why the world of foreign affairs was of interest to you.

CUNDIFF: I came into the Foreign Service, Ray, I think, largely because of my experience as a teenager when my father worked for AID in the Middle East in Jordan when I was about 16 years of age. Being associated with AID, I was in a community where there were a lot of Foreign Service officers from the embassy around and I was impressed by some of them. And got the idea that the Foreign Service would be a legitimate career alternative.

Q: Where was your father actually in...?

CUNDIFF: Amman, Jordan.

Q: How long did you spend in Jordan?

CUNDIFF: I was there a very brief period of time because I was mostly in school in Switzerland-only in Jordan during the holidays. And that was disrupted by a "coup d'état" which took place in Iraq in the summer of 1958, which meant that my step-mother and I were evacuated from Jordan and eventually my father was transferred back to the States.

Q: Were you with him for some other Foreign Service assignments ojust the one?

CUNDIFF: No. But I had been with him on a number of militarassignments. He was a career military officer.

Q: And those were in Europe also?

CUNDIFF: Japan and various military posts in the United States.

Q: And then where did you go to college?

CUNDIFF: I went to undergraduate school at the University of the South in Sewanee, Tennessee and did my junior year abroad in Paris, however, with the Sweet Briar Program.

Q: So between some earlier schooling in Switzerland and your junior year abroad, your French was pretty good.

CUNDIFF: It was very good for someone going into college. I had quite an advantage in French for example. And studying junior year abroad reinforced that.

Q: Did you go on after your undergraduate degree immediately to graduate school or did you have to go into the Army?

CUNDIFF: I went immediately to graduate school. I went to the Fletcher School of Law and Diplomacy at Tufts University in Medford, Massachusetts.

Q: And I see that you have a Ph.D. from Fletcher. Were you able to complete that in one period or did you have to go back later to get that?

CUNDIFF: No. I completed the Ph.D. program as quickly as you could do it at that time. I did two years of course work at Fletcher. My third year was abroad doing research for my Ph.D. thesis at the American University of Beirut in Lebanon.

Q: And your thesis was on Lebanese Industrial Development, I believe?

CUNDIFF: That is correct.

Q: And at some point, when you were at Fletcher, you took the Foreign Service examination? Or had you done that already when you were an undergraduate?

CUNDIFF: I took the exam for the first time when I completed my undergraduate studies. I failed to pass it because it was a day when I had the flu and I failed to pass by about one or two points. I took it a year later at Fletcher and I passed on the positive side by one or two points.

Q: You didn't have the flu that day! So you...it seems to me that in this period, the mid-sixties, as there has been later and earlier too, a feeling in the State Department and the Foreign Service examination process that we were not getting enough economic officers, those with economic background. You have a strong one by that time with your graduate studies. In the entry process was that emphasized at all or not particularly?

CUNDIFF: I don't remember in the oral examination which took place in a hotel room near Boston Commons, I don't remember that there were any economic questions in the oral examination. I do remember that after I was accepted in the Foreign Service, I received a second letter saying that I had been put into the economic specialization and if that was okay with me, they would go ahead and do that. I did not reply and that is what happened.

Q: And then when did you actually get your degree from Fletcher? That was 1966?

CUNDIFF: Well, I received two Master's Degrees from Fletcher. My Ph.D. degree I received after my first assignment which was in Singapore. I submitted my Ph.D. thesis just before I went into the Foreign Service and it was returned to me about a year later. I amended it as necessary in Singapore on my kitchen table and resubmitted it and received my degree in June of 1968, just before I left for my second Foreign Service assignment in Saigon.

Q: Your first assignment in Singapore immediately followed the orientation A-100 course? Or did you have some additional assignment or training in Washington before your first post?

CUNDIFF: No. I went immediately from the A-100 training course to Singapore. I thought it would be a two year assignment but the opportunity came along to volunteer for Vietnam and I volunteered to go to Vietnam. So, my Singapore assignment was only for about nineteen months.

Q: What sort of work were you doing in Singapore?

CUNDIFF: Initially I did commercial work in the economic and commercial section. Then shortly after that I went into the consular section where they had a shortage. And I spent almost a year in consular affairs. And after that I spent a few months in the political section doing labor work.

Q: And then you volunteered for Vietnam? Was that a real volunteer or were you sort of coerced? Did you have a choice at that time?

CUNDIFF: There was a lot of pressure on people to go to Vietnam and since I wasn't married at the time, I felt that I would probably end up being sent to Vietnam at some point anyway. I was, I guess you might say, anxious to get on with it and I also had friends of mine who were already serving in Saigon. And I wanted to join them if possible.

Q: So you went there in 1968. It was an interesting and busy time there. Did you go with any Vietnamese language or any other special training? Was this a direct transfer from Singapore to Vietnam?

CUNDIFF: I was transferred initially back from Singapore to Washington for training. I took two types of training. Initially I was tested for language skills. I did not test high enough to be put in the long-term Vietnamese language training program. So, I completed a counter-insurgency training program and after doing that I went directly to Saigon.

Q: You were assigned to what...the embassy in Saigon or did you go into one of the CORDS provincial programs?

CUNDIFF: I was trained for the CORDS provincial programs. But I was interested in serving in the economic section because of my background and I was able to get assigned to that section upon my arrival in Saigon. So I spent my eighteen months in Saigon working on economic issues.

Q: Now was this a combined AID-embassy economic section?

CUNDIFF: It was a combined embassy-AID economic section located at USAID headquarters in Saigon.

Q: What kind of things did you do there? And how long were you in Vietnam?

CUNDIFF: I was there for a total of a year and a half and I specialized in taxation. The collection of customs duties and the collection of income taxes. The object of the exercise was to participate with a group of economists who were working on various models for trying to keep down the rate of inflation during the war.

Q: Was your role and that of the others primarily analytical to try to understand what was happening? Or were you advisors? Or was it some combination of the two?

CUNDIFF: Well, I would say, there were two parts to the economic stabilization program. One was to analyze the situation to find out what was going on. Secondly, the object was to use that information to shape our policies and to shape those of the Vietnamese to the extent possible. One of the critical policy questions was how much did we need to provide to the government of Vietnam in the way of commodity import financing so that they could absorb the purchasing power of the economy and keep down price increases.

Q: Remind me sort of, the state of the war in this period-this year and a half. Was it coming close to Saigon?

CUNDIFF: It was close. It was actually in Saigon in a sense. I arrived in June of 1968 which as you may recall was right after what we call, "Mini-Tet," which was an offensive by the other side in May and before that, at the end of January or early February, there had been the big Tet Offensive when the embassy compound had been occupied. And a large part of the city was fought over. When I arrived in Saigon, the city was essentially secure, but there were rockets landing on the city and coming in from the swamps across the river primarily. But that was not a major problem. Terrorism continued while I was there. USAID headquarters was grenaded while I was out actually making an economic demarche in Saigon. So, I went out the entrance to AID and when I came back 25 minutes later there were signs of a grenade attack.

Q: So there was a feeling you must have had of insecurity about or at least concern about personal security as well as the other broader issues that you were dealing with.

CUNDIFF: I would say there was a feeling of insecurity but not the same sort of insecurity that the soldiers would have who were in an actual combat zone.

Q: I am sure you had good relations with the Vietnamese tax authorities and economic policy officials. Did they have a sense of hope or was there a feeling of despair or discouragement during this period?

CUNDIFF: I don't remember whether there was hope or discouragement. My impression in general was that people were simply going about their lives as they could under difficult circumstances. And the war just seemed to be part of life. I don't recall that anybody anticipated that it would be over soon but I guess nobody thought it would go on forever either. It seemed like a very long-term commitment on their part and ours. And I worked fairly closely with some young Vietnamese economists in the Central Bank and their moral certainly seemed to be high.

Q: Were they trained in France or the United States or...?

CUNDIFF: In this case they were trained in the United States. Anthat is probably why we got to know each other a little bit.

Q: Did you use French quite a bit or was it English?

CUNDIFF: No. English largely dealing with the Vietnamese. Some French occasionally with older Vietnamese civil servants. And then I used my rudimentary Vietnamese on the streets and in restaurants and with taxi drivers and that sort of thing.

Q: Who was the head of the joint section in the period that you werthere? Do you remember?

CUNDIFF: Well, there were a couple of heads of it...it changed. There was somebody by the name of Chuck Cooper who was there for a while. Then there was Bill Sharpe who was head of it for awhile.

Q: These were mostly people from AID?

CUNDIFF: These were people from AID. However, there was one State Department person at one period of time who was there. I'm sorry I can't remember his name now.

Q: But there were several other State Department officers iaddition to you in the...?

CUNDIFF: Yes. There were indeed. I would say that there were probably more AID officers but there were a number from the State Department.

Q: Did you do much outside of the capital in terms of travel anworking with the provinces and people in the provinces?

CUNDIFF: I personally only made two trips outside the capital. One to the Delta to look at the situation there. I went to Canto for a very brief trip. And went to Da Lat, north of Saigon up into the mountainous area in what we called "Three Corps" at the time.

Q: You say you were there...? CUNDIFF: Nineteen months, I think. Eighteen months.

Q: That was kind of the length of your assignment as it was set from the beginning. Was there pressure on you to extend or come back after home leave for another tour?

CUNDIFF: No. There was no pressure at that time. Later, when I went to my third assignment in Paris, however, I was put on notice to come back to Vietnam to be part of one of the peace-keeping efforts that was going on at that point monitoring the peace process. But as it turned out, I did not have to go back.

Q: Because the situation probably, in Vietnam changed. We pulled out, or...

CUNDIFF: No. I think the reason I didn't have to go back on an urgent basis from Paris was, as it turned out, they had enough officers to do the job they had in mind.

Q: You moved directly from Saigon to Paris in 1969? Or did you have something else in Washington or elsewhere in between?

CUNDIFF: No. I arrived in Paris...I think it was late January or early February of 1970 after having Christmas at home.

Q: Your assignment to Paris was what?

CUNDIFF: That was with the U.S. Mission to the Organization for Economic Cooperation and Development, the OECD, which is an international economic organization of the industrial countries headquartered in Paris.

Q: Which started out in the Marshall Plan period. I've been reading the book by Richard Bissell, I think, and how he helped put together the European Payments Union and they were certainly involved in the early period in European integration. And many of the habits of European cooperation in receiving and disbursing and coordinating Marshall Plan assistance. Much later, by the time you got there, that was all in the past. But what sort of work were you doing in the Mission to the OECD?

CUNDIFF: I had essentially two types of assignments actually. One, for the economic counselor who was a State Department person. I attended a committee which reviewed the economy of each of the OECD member countries on a periodic basis and made economic policy recommendations. That was a fairly time demanding responsibility because there were a number of countries in the OECD and their economies are being reviewed all the time.

I also back-stopped the visits to the OECD by senior economists from Washington, mainly the chairman and the other members of the Council of Economic Advisors.

Q: You say you had two bosses. Under the economic counselor, you did the economic policy review.

CUNDIFF: Largely macroeconomic policy review of the OECD countries.

Q: Who was your other boss?

CUNDIFF: My other boss was one of the treasury representatives in the U.S. Mission in the OECD. Under that person I sat on what is called the "Invisibles Committee," which is a committee which is involved in monitoring the process of liberalization of foreign exchange practices among the industrial countries.

Q: By this time, the early 1970s, the work of that committee was presumably much less than it had been earlier when there were lots of controls and regulations.

CUNDIFF: That is correct. The work...there was probably less work to be done than there had been right after World War II when there were more comprehensive foreign exchange controls. But the fact is that even when I was in Paris in the early 1970s many of the members of the OECD still had restrictions on capital movements. And largely outward capital movements. And there were also restrictions in the services areas in regards to various services transactions such as: insurance, purchase and sale of real estate, film rights, intellectual property in general and this sort of thing.

Q: Was this true particularly in the less advanced OECD countries? Or were there some kinds of restrictions in just about every case?

CUNDIFF: There were some restrictions in just about every case. For example, in Canada, a very developed country there were restrictions concerning films and magazines-culturally related transactions. And in France there were restrictions concerning property in particular. And also a lot of property restrictions in a good many of the European countries.

Q: Let's come back to the other hat or other activities in the macroeconomic policy review and you say that this was almost continuous. Because at that time there was twenty odd OECD countries or even more.

CUNDIFF: I think about twenty-one.

Q: How much response did you feel there was in general to the recommendations or to the process of interaction that took place at the OECD. Did countries listen to advice or was it in some cases sort of preemptory in the sense that they knew they were going to be criticized or asked questions and therefore made adjustments or promised they would make adjustments?

CUNDIFF: I think it is a little bit of a combination of what you described. I think that countries were very seldom surprised by the analysis and recommendations from the OECD because generally speaking, the OECD staff would have already visited the countries - and spoken with the economists that they needed to see. And they would probably be making recommendations that would not come as a surprise to most professional economists. However, some of these recommendations obviously have political implications. And I think countries generally tend to be a little bit circumspect in regard to accepting advice coming from outside the country.

Q: One of your roles, I suppose, as a representative of the United States on the committee was not only to understand and participate in economic analysis - although a lot of that was probably done at least in the initial stages by the OECD secretariat or staff. But to kind of give a kind of political understanding and maybe interpretation that were being considered. And I assume you worked with other American embassies as well as agencies in Washington.

CUNDIFF: That is correct. We would share the Secretariat's work, its analysis and recommendations with Washington in advance of meetings. We would also share that in advance with our embassies in the countries concerned. And then we would take the reactions from the embassy and Washington and use that in our own intervention during the review of the Secretariat's work. Essentially you are correct. We would try to address the key policy concerns. Often this had to do with whether the country should be taking a more restricted fiscal policy or a more restrictive monetary policy or to the contrary and be a little more expansionist. And this...if you look at it in broad terms, the idea was to try to help countries orchestrate their growth and their economic progress in a way that would be beneficial to the whole global economy.

Q: Which part of the U.S. government in Washington did you particularly work with in this area? Was it the State Department, or Treasury?

CUNDIFF: Well, the three agencies. The State Department obviously, all the time. The office in the State Department was the European Bureau that was responsible for our relations with the OECD and with the European Economic Community. And then also close relations with the Council of Economic Advisors-the President's Council of Economic Advisors. And with the international monetary side of the Treasury Department. Also to some extent with the Federal Reserve Board in Washington, DC - the international side of that.

Q: You mentioned that you also worked with or for Treasury representatives at the U.S. Mission OECD in the "Invisible's Committee" area. Did Treasury have permanent people assigned to the Mission - or are these people that came from Washington?

CUNDIFF: The Treasury had, when I was there, two permanent anfairly senior and experienced Treasury officials.

Q: Who were, as you say, quite experienced and had other assignmentin Europe?

CUNDIFF: That is correct.

Q: Carl, as you know, I came at least once...maybe more than once to Paris to the economic review when you were there. I look back on that as a very rich experience personally because it gave me a chance to interact with Italian government representatives. And I think I was also there in connection with when I was in Switzerland and to be able to hear and participate and get to know the issues and the people was really a very valuable experience. So I'm not sure I would want to do that work every week - or every day. But it certainly helped me in my responsibilities in the embassy in Rome. I thank you for whatever you did to make sure that people from the embassies could actually come and participate.

CUNDIFF: Well, that made it a richer experience for me as well. When embassies like yours in Rome were able to send an experienced officer to attend because even though people like myself had read the analysis by the Secretariat and had our instructions perhaps from Washington on individual countries, the fact remains that none of us could be as aware of what was going on say with the Italian economy as say someone like yourself who was in Rome.

Q: And Paris in the early 1970s was a good place to live and be?

CUNDIFF: Excellent place to live and be.

Q: You really had three overseas foreign service assignments isuccession at the start of your career for a total of about...

CUNDIFF: Seven years.

Q: ...seven years which is somewhat unusual. I usually tell people that ask that you usually have two assignments and then you go back to Washington. But in your case it was three. One of which was Vietnam and even in that period after Vietnam one could do something else. What did you do after you left Paris?

CUNDIFF: I went for a year of further economic training at the John F. Kennedy School at Harvard University. And I took a program which was essentially in the Economics Department rather than at the JFK School. I took macroeconomics, microeconomics, quantitative methods. I also did a little bit more work in my specialty of development economics and international trade and international development.

Q: You were sent by the State Department for this year at Harvard. You were able then to, even though you had a strong background at Fletcher and maybe elsewhere, you were able to take courses to complement what you had done before. Some of which probably would have helped you in Paris.

CUNDIFF: That is correct. When I was in Paris I realized that I didn't have as strong a background in quantitative methods that I needed to feel confident as an economist, despite my studies at Fletcher. So I went for a year at Harvard to make myself more professionally capable.

Q: One of the great things about the Kennedy School of Government and Harvard University, in general for the State Department, in advanced economic training in this period that you were there, and I was there three or four years earlier, is that the great flexibility and freedom that one had to do what really made sense to them and not to be fit into a narrow straight-jacket of course requirements. I think things have changed a bit over the years but I really appreciated that. I was, as I said, there just a few years before you.

CUNDIFF: I couldn't agree with you more there. There was tremendous amount of flexibility I thought on the part of the JFK School itself. And it allowed me to choose the courses I wanted to choose, which essentially were very rigorous academic courses in the Economics Department, which I think were perhaps more demanding than the courses I would have had, had I taken specialized courses in the John F. Kennedy School itself. I did take one or two specialized courses there, but largely it was in the Economics Department.

Q: And the courses you took with your background were probably slightly different than the courses I took with perhaps not as strong a prior background. So it really...although I remember mine as being rigorous and demanding and certainly...

CUNDIFF: They were pretty rigorous and demanding. It was a full year.

Q: So then you came back to the Department after you finished the year in Cambridge. This would have been 1974. What was your assignment then, Carl?

CUNDIFF: I went into the Economic Bureau into what was called the Office of Monetary Affairs. And I was responsible there as I recall for working closely with the Treasury Department on international financial policy affecting largely the international monetary fund. And I was also involved in working, again, on OECD related issues. You may recall that we went through a period of some international financial turmoil as a result of the oil embargo which drove up eventually...the OPEC organization raised the price of oil which had financial ramifications and macroeconomic implications. And our office was very much involved in working on those issues for a number of years.

Q: The whole question of petrodollar recycling and to what extent it was taking place and where flows were going?

CUNDIFF: One of the major issues at the time was how to provide sufficient financial liquidity to economies that were essentially paying a substantially larger proportion of their earnings simply to import petroleum.

Q: You mentioned that you especially worked on matters relating to the international monetary fund. Were you especially interested in developing countries or more concerned with the international financial system?

CUNDIFF: There were two types of issues at the time. The systemic issues that we dealt with in the IMF related to trying to find ways to allow all countries in general to be able to borrow more from the IMF to meet their foreign exchange requirements so they wouldn't have to depress their economies unduly. And there we worked with the Treasury Department on a specific proposal for liberalizing a particular window at the IMF called the Compensatory Financing Facility. That was one major project. Another aspect of the work was, I think you would say, more involved with developed countries. We were working closely with Treasury to provide financing - either international or bilateral American financing to economies facing particularly critical balance of payments crisis at the time. I don't remember the details but the kinds of economies we were dealing with were certainly fairly developed. Italy comes to mind. France. Maybe the United Kingdom. Mexico I believe was even mentioned...some of the developing countries too. But I think it was largely on the industrial side. And that was all because of the impact of higher oil prices. In some cases, these problems for these countries actually passed over time but at the point I was looking at them they were considered to be fairly serious economic issues.

Q: I guess it was the Ford Administration and then perhaps the beginning of the Carter Administration. Was there generally in the kinds of things you were working on and the issues you were dealing with a unanimity or common point of view between the Department of State and Treasury? Or were we coming at it from very divergent points of views or perspectives?

CUNDIFF: I really don't feel competent to characterize the relationships at that time at the higher levels. At the level I was working at from the technical side we had good relations with Treasury. I think at higher levels there was considerable policy debate about which way to go on certain matters. I don't think that the issues, even there, were differences on general directions. I think there were more differences on modalities. How much to liberalize this or that facility, how generous or what have you to be with the financial terms that we might offer or the international financial institutions might offer. It was an exciting period. These issues were debated at very senior levels.

Q: And from your perspective as basically the working level in the Office of Monetary Affairs, you had a sense that the State Department was very interested in these important international subjects and was playing a significant role in policy formulation?

CUNDIFF: I think so. I think that is a fair statement. They became important issues at the time because of the magnitude of the oil and petroleum issue...the price of petroleum, the supply of petroleum. And the financial ramifications of that. Financial issues of course lead on to concrete economic problems as well. Economies facing a financial crisis have to cut back on expenditures; it is going to result in unemployment. It can have major political impact. So there was a lot of high level concern and coordination.

Q: Did you work at all with the private banking community - the financial community - in the United States? Or was it primarily interagency and with the International Monetary Fund in Washington?

CUNDIFF: It was largely interagency in nature. Direct relations with the IMF were usually through the Treasury Department, State having less direct discussion with the IMF. It is usually Treasury with the IMF. Our discussions were largely with Treasury and with the Federal Reserve Board. And with the OMB (Office of Management and Budget).

Q: Would you go to meetings at the IMF occasionally?

CUNDIFF: Very occasionally, but not on a regular basis, no. Certainly not. To be frank about it, I can't remember a meeting at the IMF. World Bank, yes.

Q: Were you working on matters relating to the World Bank during that period as well or mostly with what you've already mentioned?

CUNDIFF: Only with regard to the general issues of petrodollar financing not with regard to development projects.

Q: Did you think...let's see...the sharp increase in oil prices I guess took place just before you came into the office in early 1974 if I remember correctly. Did you feel that the period you were there that this problem had been...was being dealt with appropriately through this sort of bundle of responses and mechanisms.

CUNDIFF: I think so yes. As I recall there was a very comprehensive approach to the issues. I was working on the financial side but we had other parts of the Economic Bureau working on the energy side for example. The energy office in the Bureau of Economic and Business Affairs was very active at that time. Just as our office was. In fact, I would say that Finance and Energy were the two-perhaps among the two most interesting issues going on.

Q: Because that was about the period when the International Energy Agency was formulated and established in Paris.

CUNDIFF: Exactly.

Q: So that there was an effort to have emergency sharing arrangements in place to deal with future crisis either interruptions of supply or sharp price increases.

CUNDIFF: Right. I think that is a normal part of the Foreign Affairs process. A crisis comes along and governments are obliged to devise mechanisms to avoid being surprised and damaged in the future should such occasions come up again.

Q: You mentioned that some of your work in the Office of Monetary Affairs involved the OECD in addition to the IMF. Were we using the OECD effectively during this period for coordination among the industrial and developed countries?

CUNDIFF: I think so. I think the advantage of the OECD as an organization of industrial countries is that it provides a forum where governments can meet and coordinate their positions together.

Q: Did you go to Paris some in that period or pretty much stayed in Washington?

CUNDIFF: No, I went to Paris quite a bit in the context of the North-South dialogue. At that time you may recall that there was a movement afoot particularly in the developing world to change the nature of the International Economic System. There was a dialogue engaged in Paris and it went on for some time which had many components to it. One was the energy component. Another was the financial component. And that was the one I was involved in.

Q: My recollection of that dialogue, and I was not involved myself was that we were basically willing to engage in a dialogue but we weren't willing to change very much. Was that true of the area you were involved with in the financial side?

CUNDIFF: I would say that there was a lot of caution on the part of the industrial nations. I think that the general feeling on the industrial country side was that the international financial institutions developed at Breton Woods - the World Bank and the IMF - were basically sound institutions that perhaps there was some scope for change but not substantial change.

I think it is fair to say that there was a certain ideology strongly held by some of the developing countries that the international financial institutions should be changed substantially. And to be frank about it, to their benefit.

Q: Was it a committee that you went to Paris to participate in that involved both OECD countries and developing countries?

CUNDIFF: That is correct. It was part of the North-South dialogue. One of the components was a committee being composed as you say of developed and developing countries and it was in that context that we discussed the current institutional arrangements and possible future changes.

Q: Did that group committee have co-chairs? Or under whose auspices did it meet?

CUNDIFF: I can't remember. I think it was co-chaired.

Q: Or perhaps rotating co-chairs.

CUNDIFF: But I don't remember. I think that there was probably a chairman on the developed countries side and a chairman on the developing countries side but I don't...but my memory does not serve me on the exact form of those discussions.

Q: Well it is 1996 now. I wonder if some form of that North-South dialogue is still taking place? It went on for many years.

CUNDIFF: I think it is sort of an on-going dialogue in a sense that it moves from forum to forum and changes its character from time to time. But the essential element of it is how do you work cooperatively between the more developed countries and those that are still at a lower level of income.

Q: And you worked together in many different ways obviously. Through different institutions and as many facets. Carl, you were in the Office of Monetary Affairs for about three years.

CUNDIFF: That is correct.

Q: Pretty much working on this same set of issues throughout that time?

CUNDIFF: That is correct.

Q: And from there, where? Overseas?

CUNDIFF: No. I transferred to another three year assignment in the Department. This time with the Africa Bureau. I became the Director of the Economic Policy Staff in the Bureau of African Affairs.

Q: Now this was your first exposure or experience with Africa?

CUNDIFF: That is correct.

Q: Had you traveled in Africa at all from Paris or elsewhere?

CUNDIFF: No. I had not been to Africa. I went into the job because of my economic background. The Africa Bureau apparently felt that they needed to have a strong economic officer in charge of their regional economic office and I was fortunate enough to be chosen.

Q: This was a central office...a regional office for the entire continent of Africa. What sort of issues did you get involved with as opposed to the desk officers in the various geographic divisions in the Bureau? I imagine you worked on problems to do for example with South Africa. How did you do...what did you do as opposed to the South African desk officer?

CUNDIFF: In the case of South Africa, I coordinated a study of economic sanctions at some point...I don't remember which year. It was under the Carter Administration. You may recall there was considerable debate at the time about economic sanctions. We looked at that from the point of view of the impact of sanctions, for example, on the U.S. economy. As well as from the point of view of the impact on South Africa itself. I don't recall any distinct line of responsibility differences between our office and the desk. The desk by and large at that time in the Africa Bureau did not have a lot of economic expertise. This differed according to desk. There were some country directorates that had very capable experienced, economic officers and others that frankly had so much work on the political side that they were very happy to have an office within the Bureau that specialized on economic policy issues.

Q: And you got involved in rescue and large aid programs for certain countries? And I supposed that involved not only working with the geographic desk but also with AID?

CUNDIFF: That was the...I would say the principal focus of my effort over the three years. Namely to work on AID packages for different crisis countries. I worked on Zaire, for example, during two periods of crisis and went to Paris and to Brussels on a couple of trips where we coordinated with other AID donors, namely Belgium and France. I also worked on developing AID packages for Zambia and the Sudan and perhaps for a couple of other places in Africa that were experiencing severe economic problems.

The work that I did concerned coordination with USAID practically every day and I was looking at the allocation of AID resources to Africa. And advising our Assistant Secretary of State and his principal deputies about what were the best ways to go about helping various countries in Africa.

Q: Who was the Assistant Secretary of State in that period?

CUNDIFF: During that entire period it was Dick Moose.

Q: And you reported to him directly? Or through one of the Deputy Assistant Secretaries?

CUNDIFF: I reported to him through one of the Deputy Assistant Secretaries. At one time it was an AID officer by the name of Vern Johnson and at another time it was a political appointee, Carol Lancaster.

Q: Who has a very strong background in African economic matters and has been, I think, recently, in a very senior position at AID. I don't know if she still is.

CUNDIFF: That is correct. And she has also been a professor at Georgetown School of Foreign Service Studies.

Q: You had a staff working for you. How large was this office at this time?

CUNDIFF: In addition to myself as I recall, there were three or four other officers and one or two secretaries in that office. It was a small office compared to the four regional directorates in the Africa Bureau.

Q: Did you get involved in export promotion, commercial services or working with the Department of Commerce?

CUNDIFF: We did. We were involved with the Department of Commerce in trying to be helpful to U.S. business interests in Africa. Both with regard to encouraging U.S. exports, helping facilitate exports, and also with regard to helping to encourage investment opportunities as well.

Q: But your personal main focus during much of the period was the AID packages for crisis countries and day to day coordination work in Washington?

CUNDIFF: That is correct. I would say that 75-80% of my time was focused on various forms of bilateral U.S. assistance which could be in the form of security assistance, in the form of development assistance. In many cases also food aid - PL-480. The amounts of money involved were sometimes quite substantial.

Q: Did you have a chance to travel some in Africa during this period? Or mostly to Paris and Brussels and places like that...London?

CUNDIFF: I made one initial orientation trip to Africa where I visited Mali, Ivory Coast, Nigeria and Kenya and Zaire. And then I made one trip to Paris and two trips to Brussels.

Q: During the period that you were in this office, in the Bureau of African Affairs, was it your sense or the general sense that things were going downhill rapidly? Or was there some hope about individual economies in Africa? Would you have any general observations about how things on the economic side seemed to be progressing?

CUNDIFF: My impression is that at the time there was a general sense of optimism about the future of Africa economically and politically. This was a period, you may recall, politically when we were working on bringing about independence in Zimbabwe for example. Bringing about majority rule, rather, in Zimbabwe and bringing about change eventually in South Africa and Namibia. It was a period when I think a lot of the political focus was on Southern Africa. But it was also a period when, as you may recall, Nigeria was a democracy and Shehu Shagari was the president. I would say that there was quite a bit of optimism in general about Africa. Not unreal optimism but generally a fairly positive view.

Q: And even the AID packages for the difficult situations in Sudan, Zambia, Zaire were seen as trying to consolidate and trying to deal with very real problems but not situations of despair or chaos or disillusion or collapse.

CUNDIFF: I think that is fairly fair to say. There had been just before I came into this office you may recall in the early 1970s a major food crisis in the Sahel. It had gotten a lot of coverage on television. I think there was a large public interest in bringing humanitarian assistance to countries that were faced with climatic crisis...such as in the dry areas of Africa.

Q: Come back to South Africa again for a moment. You said you coordinated and participated in a study of sanctions. At that point there really weren't significant economic sanctions - or were there? Certainly not as there were later on.

CUNDIFF: I forget the details of that period to be frank with you. I'm not sure at what stage we were with regard to that topic. My memory fails me.

Q: So, you finished this assignment as you say, it was a three year assignment, in 1980. Then you went abroad again, I think. What was your next assignment?

CUNDIFF: I went to Lagos, Nigeria, as Economic Counselor.

Q: And when you got there, Nigeria was still a functioning democracy?

CUNDIFF: It was a functioning democracy. In fact the day I arrived, Vice President Mondale as I recall was visiting Nigeria. And the first week on the job was taken up to help support a very large U.S. delegation that was accompanying the Vice President for an official visit to Nigeria.

Q: That I am sure was very demanding, on the other hand it probably gave you entree and opportunity to do things and meet people it might have taken a year to do.

CUNDIFF: That is correct. It was an intensive, rapid orientation and it did give me an opportunity to become involved with the issues and essentially a good deal of my assignment in Nigeria was taken with follow-up to that visit. Because later there was a follow-up visit by the Vice President of Nigeria to Washington as well. And we had to monitor, if you will, the progress of engagements that had been taken on both sides to have closer economic cooperation.

Q: This was a period in Nigeria, not too long after OPEC and the oil price increases, when the oil sector was booming and flourishing?

CUNDIFF: When I was in Nigeria initially, oil prices were high and Nigeria was earning substantial amounts of foreign exchange. I forget the exact figures but I think they were earning something on the order of \$2 billion dollars a month in foreign exchange earnings from petroleum. But after I had been there, I think it was about a year, the bottom fell out of the petroleum market and prices went down very rapidly and quite substantially and eventually to the point where I think Nigeria was earning perhaps something close to 600-700 million dollars in foreign exchange per month. So there was an incredibly rapid decline in foreign exchange earnings that had a major impact on Nigeria.

Q: Because they had made commitments and undertaken investment anticipating continuing that high rate of foreign exchange?

CUNDIFF: Yes. They had undertaken very large development projects, particularly in the agricultural area. But also elsewhere in the economy there were a lot of construction projects going forward. There were a lot of road projects, the building of public buildings, bridges, large river valley development projects and in general just the very expansive economy which was abruptly affected by a substantial change in the financial outlook.

Q: I have always been struck by the preponderance of Nigeria in U.S. trade with Africa, largely in the petroleum sector. To what extent were you, as economic counselor, involved with American companies? Were they undertaking a lot of the investment involved with these projects that you mentioned? Or was it primarily European involvement?

CUNDIFF: I would say that the U.S. oil companies had a very substantial role in the Nigeria petroleum sector. But, Shell Oil Company was there and as I recall was perhaps the largest of the large in terms of its petroleum operations, having been there before independence. Shell was the largest company. But we had a couple of American companies with very substantial operations including Texaco and Mobil Oil but also others.

Q: And you said, in part as a result of the Vice President's visit, we were involved in a number of joint projects or programs working together in that period. So there really was a very strong and close interchange between Nigeria and the United States on the economic side.

CUNDIFF: There was an effort, I think, on both sides to expand the economic relationship beyond petroleum. There was an effort to encourage investments in other areas and a general desire to expand opportunities. I think American companies in particular were anxious, if you will, to have more business with Nigeria. Nigeria was a prosperous, developing country with great potential because of its oil earnings. And I think the feeling was that we ought to be expanding our relationship beyond just petroleum into other parts of the business relationship.

Q: Was that resisted either by Nigerians or British or other Western Europeans who perhaps had been there ahead of us...or ahead of our companies?

CUNDIFF: I think that there was a friendly rivalry going on, as there always is in the business world between companies competing for contracts. A lot of the business in Nigeria then, and probably still, takes the form of contracts with the government.

Q: I see here that you monitored a major fertilizer project supported by the U.S. Export-Import Bank. That was sort of an example of trying to get beyond the petroleum sector. What sort of project was that?

CUNDIFF: I can't remember all the details of that. But I think it wasn't totally outside of petroleum. It was a project using petroleum to create fertilizers. And at this point I can't remember the details of that project but at that time it kept me fairly busy trying to take care of the interest of the U.S. Export-Import bank in working on the project, because it was a financial engagement by the Export-Import Bank.

I was also involved with trying to take care of the interest of the Overseas Private Investment Corporation-OPIC. And there we were dealing with a case of a project which had run into difficulty and where there were financial claims involved and we were trying to reach a satisfactory settlement of that issue. Again, it took quite a bit of time and effort to work with the Nigerian authorities on that project.

Q: Was there a commercial attaché^{1/2} of the Foreign Commercial Service in the embassy in Lagos in that period?

CUNDIFF: Yes, there was. And in fact the commercial side of the embassy's operation expanded while I was there. And we increased the rank of the commercial representative. He became a commercial counselor. The person happened to be a Foreign Service officer but there was a major effort to expand the commercial section, if you will, of the embassy. That was a period when you may recall we separated out the commercial function from the Foreign Service at the State Department and established the Foreign Commercial Service at the Department of Commerce. That took place on my watch in Lagos.

Q: And that was a separate section from the Economic Section that you headed up?

CUNDIFF: Yes. And when I arrived in Lagos, those functions as I recall, were initially or had been together in the same office. But when I arrived we were in the process of separating out the two functions.

Q: Who was the ambassador in Lagos when you were there?

CUNDIFF: My first year, the ambassador was Steve Low. The next year, the ambassador was Tom Pickering.

Q: Two great figures of the modern Foreign Service.

CUNDIFF: Yes. And I worked quite closely with both of them during that period. The economic side of the relationship with Nigeria was, I think it is fair to say, very important.

Q: You were there when the election of 1980 took place in the United States. On the economic side did that make much impact when Ronald Reagan succeeded Jimmy Carter?

CUNDIFF: No.

Q: It certainly had no particular effect on the work you did.

CUNDIFF: Not particularly. I don't recall any particular effect at that time.

Q: I've never served in Nigeria but I've always had the sense that, from visits and from what I've heard, of sharp cleavages, if you will, between different parts of this very large nation and over ethnic differences, religious differences. And this is more I suppose on the political side but is that something that you ran into on the economic side as well that you were aware of?

CUNDIFF: I'm not sure I understand your question.

Q: The differences between the North, the East, the West...were they competing for the projects, for investment by U.S. firms?

CUNDIFF: I don't think that economically there was a major relationship between business activities and internal regional and ethnic differences within Nigeria. The fact is that the very large bulk of U.S. investment was in petroleum and that investment is in the southern part of the country either along the coast or offshore. A good deal of it is in the eastern sector of Nigeria but I can't really say that there was a big interrelationship there between ethnic rivalry, if you will, and business operations.

Q: At that time we had a consulate, I suppose, in the North in Kano or Kaduna. Was there any other consulate in the south central part of Nigeria?

CUNDIFF: At that time we had a small USIA operation still functioning in Kano. I think it was a USIA library and cultural center in Kano. In Kaduna we had also a cultural center as I recall but we had the consulate general in Kaduna. We had no other operations outside Lagos other than that. At that time Abuja was being or had been declared "the new national capital of Nigeria," and we were beginning to talk about how we would establish an embassy in Abuja at some point.

Q: But at that time, there was no great pressure for the embassy to establish a presence in Abuja?

CUNDIFF: There may have been some initial pressure but I don't recall myself that it was something that we envisaged having to do instantly.

Q: The economic ministries and the Central Bank were all in Lagos still?

CUNDIFF: Yes. And I think it was envisaged that the economic and commercial institutions would probably continue to be based in Lagos despite the establishment of the official capital in Abuja. Possibly, the Ministry of Finance might have to be in Abuja at some point. Other Ministries would have to have their headquarters in Abuja but I'm not so sure that the Central Bank, for example, was going to have to move to Abuja.

Q: Is there anything else that we should cover in your two years in Nigeria?

CUNDIFF: I don't think so.

Q: What was your next assignment, Carl?

CUNDIFF: I went as deputy chief of mission to the American embassy in Abidjan, Ivory Coast.

Q: Who was your ambassador there?

CUNDIFF: The first year my ambassador was Nancy Rawls and the following three years my ambassador was Bob Miller.

Q: And this gave you a chance to use your French, again. You have been head of the Economic Policy Staff in the African Bureau and economic counselor in Lagos, both of which were supervisory positions but of small sections in terms of staff in both cases. Embassy Abidjan is a pretty large mission. What did you see as your primary function/responsibility there?

CUNDIFF: Well, I think that my primary role there was to be the principal manager of the mission under the overall management and direction of the ambassador. This meant in a sense that my function was to support the ambassador's objectives and to interpret his requirements to the directors of the other agencies located in the mission in Abidjan. And to work with them and work with the ambassador to make sure the operation was smoothly functioning.

Q: The agencies in Abidjan are of course concerned with Ivory Coast, an important country in West Africa. But I also think in the period you were there they had regional responsibilities to some extent. It is kind of a regional center for Francophone West Africa. How did you deal with those agencies that really weren't all that interested in what was going on in Abidjan - were more interested in a broader region? Was that a problem sometimes?

CUNDIFF: I think that is one of the challenges that managers at a post like Abidjan always face. That is to say that you have some people who are working in the mission who are focused on the bilateral mission's objectives and working with the local/host government in that regard.

And then you have other members of your larger mission whose function may not be to relate at all to the Ivory Coast or the Côte d'Ivoire and whose major function is to travel in the area and support their agencies' objectives in other countries in the area. In the case of Abidjan the principal example is AID. While I was in Abidjan, AID had minimal contact and activities with the Ivory Coast because the Ivory Coast was considered to be a fairly high income country by African standards at the time. And we had very, very minimal support through AID...hardly any as I recall.

And at the same time we had a very large AID presence but the AID presence was focused on supporting AID missions throughout West Africa. So you had agricultural experts and educational experts and health experts who spent a good deal of their time traveling outside of Ivory Coast-whose families remained in Ivory Coast as part of our mission. But these officials really had responsibilities throughout the area.

Q: Did that create some community, some morale problems sometimes? You didn't have maybe as many people to be on the school board or play soft ball or whatever people do as part of an American embassy community as you might in another post in Africa.

CUNDIFF: I think that presents for management, in a post like that, it presents a challenge to keep morale high by having activities where everybody feels like part of the official family. And when I was in Abidjan working with Ambassador Rawls and later with Ambassador Miller for three years...especially Ambassador Miller and his wife and my wife, we all worked very hard to create an atmosphere where everybody felt that their work was appreciated and where there were opportunities for social engagements with each other. I would have to say that we were fairly successful at that.

Q: Before we come to U.S. relations with Côte d'Ivoire, I would like to ask you if you were involved or the embassy was involved in the African Development Board or any other regional organizations that had their headquarters in Abidjan?

CUNDIFF: We were involved as a U.S. mission in working with the U.S. Executive Director to the African Development Bank and Fund. Essentially our support, as I recall, was more of administrative support because the U.S. Executive Director to the African Development is a Treasury Department official. His or her responsibilities are really not under those of the ambassador per se. But we had a cooperative relationship and the U.S. executive director of the African Development Bank and Fund was invited to our Country Team meetings. And certainly he was made to feel a complete member of the official "American Family." We had very close and productive relations but still the functions were quite different.

Q: Turning to the government of Côte d'Ivoire, under the direction of the ambassador you, besides supervising and coordinating the agencies probably also supervised the political-economic as well as counselor and administrative functions. Were you involved yourself directly in contacts at high levels in the government or in reporting? Or was that pretty much done by others?

CUNDIFF: I was involved in a quite a bit of the high level contact work. The first year I was there, I served quite often as chargé d'affaires. Ambassador Rawls had a medical problem that required her to return to the United States periodically so I served as chargé d'affaires fairly often. In that context I had direct contact with the Minister of Foreign Affairs, and with other ministers in the government. And when I was deputy chief of mission under Ambassador Miller, I continued to have substantial contact with high level officials and ministers. Not as often perhaps as I had under Ambassador Rawls. But again, I served as chargé d'affaires during periods when Ambassador Miller was on vacation or on consultations in Washington and so on. So I had a lot of high level contact on a regular basis.

In terms of economic and political reporting, I supervised the economic and political sections. In that regard I was responsible for those functions.

Q: Côte d'Ivoire, as we have said, is a hub of communications in the region. Was the government, was the embassy interested and involved with other regional issues of interest and concern? Of course the war had not yet started in Liberia. I don't know if there were any sort of regional issues that you particularly got involved with during the period you were there?

CUNDIFF: Not that I recall. The issues of a political nature were largely the standard diplomatic dialogue with the host government of the Ivory Coast.

Q: And the head of government, the head of state was Houphouët-Boigny. He had been there for a long time. He was called the "Old Man" or I don't know what he was called...

CUNDIFF: That is right.

Q: Did you have contact with him?

CUNDIFF: I had contact with him upon occasion, largely of course when I was serving as chargé d'affaires; from time to time I had to make demarches directly to the President.

Q: But probably more with the Minister of Foreign Affairs?

CUNDIFF: Correct.

Q: Were there elections and political parties in this period?

CUNDIFF: At that period there was essentially the one dominant party of the President, which had been around a long, long time, the PDCI. This was a political party that went back to the period of obtaining independence from France.

Q: Speaking of France, in Francophone West Africa or Africa I guess we always have to ask about the interaction with the French embassy, with the French business community that was sizable. How did you assess that at the time you were there? Was there room for the United States to do things, and opportunity?

CUNDIFF: Well, there was certainly room for the United States to do things and the opportunity. At the time, Phillips Petroleum, for example, had a very large investment in the development of an offshore petroleum platform not too far from Abidjan. And there were other U.S. companies involved. Mobil Oil was involved in a small refining project. And there were some other U.S. businesses. Citibank was there. And Morgan Guaranty Bank was there. And Chase Manhattan Bank was there.

But, the fact remained that the French were in a very strong commercial position. Many commercial investments had been made in earlier years and those were still being managed and expanded by the French. But, I would say in some ways, the French presence was declining gradually. In response I think to declining economic opportunities in the Ivory Coast. That was a period when coffee and cocoa prices were no longer so strong and Ivory Coast was in the midst of an economic crisis that frankly went on as I recall for some time thereafter.

Q: It was the same period that the neighboring country of Ghana was going through a very difficult economic situation for some of the same reasons but other reasons as well. And then I am sure there was also the fact that coffee and cocoa prices were largely set internationally - supply and demand and increased supply from new producers and so on. But I'm sure that internally or domestically there was always debate about reducing your prices and whether the government should subsidize growers and that probably caused a lot of political controversy.

CUNDIFF: That is correct. The internal pricing of cocoa and coffee prices was a major issue. And traditionally Ivory Coast had a very centralized government control and purchasing operation where the small farmers, particularly on the cocoa side but also coffee, would sell their produce to a government controlled agency. Which in turn would be involved with the processing of the coffee and the export of the coffee and cocoa.

Q: Was the embassy much interested in what was happening in either Liberia or Ghana, both immediately neighboring countries?

CUNDIFF: Yes. Interested but not seized in what I would say was an active way because Liberia for example had some very severe difficulties as I recall. Samuel Doe had come to power during that time. We had an embassy in Monrovia which was dealing with him and with that government. And just as we had your embassy in Accra dealing with Rawlings and his government. So I would say that we were keeping an eye on the area-neighboring countries but not actively engaged if you will in any other way.

Q: Because later on in the case of Liberia there were refugees. There was perhaps assistance going to Charles Taylor and others through Côte d'Ivoire and I think the embassy in Abidjan got quite involved in issues related to Liberia but that came later.

CUNDIFF: That was later. During my time there I made a personal trip into Liberia to the iron ore operation in Northern Liberia. Across the border and the river there and into upper Liberia. But that was strictly a personal trip.

Q: Was there any U.S. mining activity going on in Côte d'Ivoire during that period?

CUNDIFF: None that I recall. The oil exploration and development was substantial.

Q: Was most of the oil offshore?

CUNDIFF: Yes. In fact, to my knowledge, all offshore.

Q: The embassy building was new, or was it old?

CUNDIFF: Old.

Q: It was old but built for us. A nice building I suppose.

CUNDIFF: Not really. It was a very small rented building in downtown Abidjan. It was small in comparison to our requirements. We did not feel comfortable with it from a security point of view because it was right on the street and we did not have a compound around it with a large fence and that sort of thing that you might have in a lot of newer embassies.

Q: Is it the building that we still have as far as you know?

CUNDIFF: To my knowledge we are still in that same building.

Q: Was security a major concern at the time you were there? Other than the general concern about terrorism and threats emanated from our experience in places like Tehran and Beirut and the Middle East?

CUNDIFF: Well, that was a period as you know, because of developments in the Middle East, embassies worldwide were concerned with security. And Abidjan, like all other embassies, was taking measures to make our situation more secure. We did not, we didn't feel any threat from within the Ivory Coast or really from within the region. Our concern was more with spill-over possibly from the Middle East.

Q: Was there a large Lebanese community in Abidjan?

CUNDIFF: Yes. And growing as a result of the instability and problems in Lebanon. There were many Lebanese families in Ivory Coast and they kept in close contact with their family members in Lebanon. There was very substantial travel between Abidjan and Lebanon. As I recall Middle East Airways provided service between the two.

Q: You mentioned earlier that you did your Ph.D. research in Beirut, in Lebanon. Have you kept in touch with matters relating to Lebanon over the years or with Lebanese in a place like Abidjan? Did that sort of give you entree or something at least to talk about?

CUNDIFF: Yes, it gave me something to talk about and some entree you might say. But I think speaking French well was as helpful to me as anything else in meeting Lebanese in Ivory Coast.

Q: We talked a little bit before about your assignment to Lagos, about Abuja, the new capital in Nigeria, which was just then being conceived and getting underway. Côte d'Ivoire has another capital, too, Yamoussoukro?

CUNDIFF: Yes.

Q: I don't know exactly at the time you were there what its status was and did you need to go there frequently?

CUNDIFF: I'm a little vague on what the status was at the time. While I was there I think it was declared the capital of Ivory Coast as an honor to Houphouet-Boigny, the President, since it is his home town. President Houphouet-Boigny had built a number of facilities at Yamoussoukro already including a large palace for himself and a large party headquarters and a very nice luxury hotel. And as well, a number of educational institutions with a focus on science and technology and teaching. But he also was in the process of building a large basilica in Yamoussoukro which I later visited when I came back to Ivory Coast.

Q: At the time you were there, when you were the chargé d'affaires and did meet with the President...you usually did that in Abidjan or did you go to Yamoussoukro?

CUNDIFF: In my case it was always in Abidjan. The President's office was downtown and his home, his residence, was usually where he received diplomats and that was close to where I lived and many of the other diplomats lived as well.

Q: Which was near that big hotel, I think also.

CUNDIFF: That is correct. Near the Hilton Hotel d'Ivoire. In Cocody, which is a part of Abidjan, by the hotel.

Q: Is there anything else about the assignment to Abidjan that we haven't covered that you would like to?

CUNDIFF: I don't think so.

Q: After Abidjan in 1986, you came back to the State Department. What job did you come to then?

CUNDIFF: I went back into the Bureau of Economic and Business Affairs and I was the Director of the Office of Food Policy and Programs, working very closely with the U.S. Department of Agriculture, Office of the Special U.S. Trade Representative and with USAID on a number of international food policy issues and again working somewhat on issues related to the relocation of PL-480 food aid. Most of my time was taken up as that period by policy issues surrounding the subsidization of U.S. grains.

Q: Subsidization of U.S. grains for...

CUNDIFF: For exports.

Q: Exports. Okay.

CUNDIFF: The European community was subsidizing its grain and the United States was trying to take action to counter that.

Q: We tried to talk the European community out of subsidizing exports to no avail I guess.

CUNDIFF: That is correct.

Q: And so we instituted our own program...

CUNDIFF: Our own program of agricultural export subsidies to take care of American agricultural interests.

Q: These were grain exports to the developing world or all export markets?

CUNDIFF: In most cases we were talking about grain exports to developing countries such as North Africa.

Q: Which Europeans probably thought of as one of their markets that they shouldn't have to share with the United States.

CUNDIFF: I'm not sure what they were thinking but they certainly have substantial commercial interests there.

Carl, in the Food Policy office, you obviously mentioned several other agencies that you worked with on export subsidies and food aid issues. Was the Economic Bureau carrying quite a bit of weight? Were the other agencies interested in our recommendations in this area that you were involved with? To what extent were other agencies receptive to the views that we had about agricultural export subsidies, about how food aid should be allocated by country? Was your office and the Economic Bureau playing a significant role in the interagency framework?

CUNDIFF: I think the relationship was cooperative and we were playing what I think was a helpful role. My recollection of the period is that we didn't have any fundamental differences between agencies about these matters, including the Export Enhancement Program. Essentially it was a matter of degree. Not a question of the general direction of policy but only a question of degree. Issues would come up with regard to the impact of subsidies on other countries' exports. You mentioned that Canada also exports grains and Australia exports grains. And obviously we wanted to be sure that while we were countering the subsidy program of the European community we were not doing damage to some of our other commercial partners.

Q: And you needed to work also, I suppose, with other parts of the State Department - the geographic bureaus and perhaps in some cases our embassies in particular countries. Was that difficult? Or generally did they allow you to exercise your judgement without a lot of advice and critiquing from elsewhere?

CUNDIFF: Well, again I would say it was a cooperative process where we basically arrived at a State Department position as a result of consultations within the Department, between the Economic Bureau and the regional bureaus. Nobody was excluded from that process.

Q: Ok. That was from 1986-88. And in 1988 you had another overseaassignment. Where was that and how did that come about?

CUNDIFF: I went out as U.S. ambassador to the Republic of Niger (Africa-going back to West Africa for the third time).

Q: And had you been to Niger before from Abidjan?

CUNDIFF: I had not been to Niger before.

Q: You were nominated by, let's see...who would it have been?

CUNDIFF: President Reagan.

Q: And confirmed by the Senate.

CUNDIFF: Correct.

Q: Did you have any difficulty with the Senate Foreign Relation Committee?

CUNDIFF: Not personally. A number of us were held up for reasons that I don't remember and probably never fully understood at the time. They were not related to me. They were of some other nature but there was a delay and eventually we were approved. One day at midnight, just before one of its periodic recesses.

Q: So when did you actually arrive "in country," late in 1988?

CUNDIFF: As I recall, we arrived in August 1988 in Niamey. And wstayed for three years.

Q: Niamey is in the Sahel. It is, I suppose, a semi-deserenvironment. What sort of city is it?

CUNDIFF: It is as you described. It is a city in a very arid region-the Sahel. It is essentially a very modest city consisting of fairly low buildings usually yellow or brown in color and I would say it is a fairly modest city.

Q: Roughly how large is the capital and how large is Niger when yowere there?

CUNDIFF: Niger itself is the 6th largest country in Africa, geographically. I can't remember what scale that comes to in comparison to parts of the United States. But it is a fairly large country.

Q: Population?

CUNDIFF: Population-I can't remember precisely what the population was at the time but it was about seven to eight million. And Niamey itself probably had maybe a half million people.

Q: And it is fairly sparsely populated given the geographic size othe country.

CUNDIFF: Very sparsely populated. People largely live in the agricultural area, in small towns and in small villages and cities and the countryside trying to make a living in dry-land agriculture.

Q: And what sort of government did Niger have at the time when yowent?

CUNDIFF: When I arrived it was a government with a single political party and with a military officer as president.

Q: Niger is part of the former French colonial area of Africa so I assume the French influence as was the case in Côte d'Ivoire was quite strong still.

CUNDIFF: The French influence, I would say, was somewhat strong but not really as strong as in the Ivory Coast in the sense that...maybe the right word is not so much "French influence" as French presence. There were considerably fewer French people in Niamey because there were not really any large commercial opportunities. So the French community is relatively small and therefore the presence is not all that visible. There are French companies but I would not say that you get the impression of as much French presence as I did when I was in Abidjan which is a richer country and a commercial and financial center for West Africa.

Q: Niger is largely Muslim?

CUNDIFF: Yes. Muslim.

Q: And is a member of the Islamic Conference Organization, is that what it is called?

CUNDIFF: As I recall that is what it is called.

Q: Well, let's turn to the United States embassy that you were the chief of mission for. What did that consist of and, in general, what were United States interests in Niger at the time that you went?

CUNDIFF: Well, I think that the interest of the United States in Niger at the time was largely in the realm of promoting economic development and providing humanitarian assistance. There was not, to be frank, much to do in the way of promoting U.S. commercial interests because of the very poor economy and the poor prospects for trade and investment-very modest prospects for trade and investment. We had a very large AID mission; we had a fairly large Peace Corps mission. And I would say the focus of our presence was largely on economic development and humanitarian assistance.

Q: What sort of sectors was AID involved with...mainly with the agriculture area?

CUNDIFF: Agriculture and health.

Q: Family planning?

CUNDIFF: I don't remember the details of that. I'm sure we were. But the focus was on protection of the health of women and children and I think, in general, basic health facilities for the population.

Q: And in the agriculture area-we were involved in what? Fertilizer supply, or...?

CUNDIFF: No. I think it was more largely to do with technical assistance to the Ministry of Agriculture in order to increase its capabilities to provide assistance to the farmers. A lot of the focus was, of course, on dry-land agriculture and grains - trying to promote better cropping methods and better seeds. And, to some extent, better use of fertilizer. But it was largely a technical assistance effort.

Q: And I'm sure that the World Bank and a number of other donors were active in Niger in the time you were there.

CUNDIFF: Absolutely. Other donors were involved in agriculture and the World Bank played a major role. Plus there is also an international agricultural research institute located near to Niamey as well.

Q: Did that institute-you say it was international-did it try to do things affecting the Sahel area in general or West Africa?

CUNDIFF: West Africa, the Sahel area. But in those international agriculture research stations those results are shared world wide. It is just that they happen to be located in different climate zones and different agriculture zones.

Q: Was the U.S. government or American citizens involved with that?

CUNDIFF: Yes. There were American agricultural scientists associated with that institute. And we also financed it indirectly through our work with the World Bank.

Q: You mentioned we also were involved in providing humanitarian assistance related to the Sahel situation which had existed for some years before you got there.

CUNDIFF: Humanitarian assistance essentially was in the agriculture area taking the form of emergency food supplies when there were crop failures in Niger which do occur periodically. There was no crisis while I was there on the same level of magnitude as occurred in the early 1970s but there was a periodic need for assistance. There was also a need for assistance, strangely enough, due to flash floods. Extreme short, heavy rains washed away crops sometimes.

Q: Were refugees coming into Niger from elsewhere or was this primarily from within the country itself?

CUNDIFF: Primarily within the country. Not a major refugee problem. In fact, very little refugee problem at all.

Q: How about Peace Corps? You said it was a fairly sizeable presence of Peace Corps volunteers. They were working in similar sectors - agriculture and health?

CUNDIFF: Agriculture and health exactly. Also on the agricultural side involved in environmental projects working, for example, on the planting of trees and efforts to essentially protect the vegetation.

Q: We've talked about AID and Peace Corps. Were we involved at all on the military assistance side?

CUNDIFF: We were. We had a small military assistance program which was the remnant of a larger program which had been active a few years before. The origin of that of course is the fact that Niger borders on Libya and the United States wanted to have a close relationship with the Nigerian military and try to help that small army maintain itself.

Q: Niger also borders on Chad. Was that another aspect of our military assistance-a concern about the situation in Chad?

CUNDIFF: I think of less concern.

Q: The embassy itself was probably fairly small-a very large AID presence and Peace Corps staff. Were there actually U.S. military personnel there?

CUNDIFF: Yes. On the embassy staff we had a major who was in charge of the Office of Military Cooperation and a senior sergeant.

Q: And then we had a political officer or two or three?

CUNDIFF: Yes.

Q: And an economic officer or two?

CUNDIFF: One. The economic officer also did consular work.

Q: But consular work was probably fairly limited because there weren't very many American citizens other than those part of...

CUNDIFF: Most of the American citizens were in the official mission if you include Peace Corps in that. And also, however, there were a couple of hundred American missionaries; because it is a poor country it has attracted the interest of missionary groups.

Q: Were there also representatives of non-government organizations-American based NGO's?

CUNDIFF: Working under contract for AID we had CARE, and there was the African Development Foundation and some other AID contractors. So we had a fairly substantial presence...focused as I said, on development assistance and humanitarian assistance. And you are right. The consular workload was not heavy because not many Nigerians can afford to travel. So we didn't have that much of a request for travel visas.

Q: And the ones that you did get were probably to a considerable extent government officials.

CUNDIFF: Or financed by scholarships paid for by perhaps AID or by the USIA. We had a public affairs officer with a small staff. We had a cultural center which was located at that time in downtown Niamey.

Q: In terms of your own responsibility, I assume since it was a fairly isolated post in the interior of Africa - that the morale of the mission community and families was pretty important. You and your wife probably spent quite a bit of time in that area encouraging people to feel comfortable, dealing with issues and problems that came up.

CUNDIFF: We spent a lot of time in that area and I think very successfully. That is my personal assessment of it. We entertained as often as we could, all members of the official community. Invited into our house all the visiting AID experts who came through. And we entertained Nigerian officials quite substantially in our home and we traveled. My wife and I traveled throughout Niger and wherever we traveled we visited the Peace Corps volunteers. We usually took them some food if we had some to take at that time. We would have dinner with them in their respective villages or cities and it was a very, shall I say, personally very satisfying assignment from that perspective.

Q: A place like that is very "hands on." You get out into the dust on the roads.

CUNDIFF: Absolutely. You travel for miles in a very arid climate in terrain that looks something like maybe parts of Arizona, New Mexico, Nevada, Utah - that sort of thing.

Q: Only more so.

CUNDIFF: Even more so. Right.

Q: And the residence that is provided for the ambassador waadequate for all of these purposes that you have been describing?

CUNDIFF: We made it adequate. It was not a large house perhaps by some peoples standards. But it was quite large enough for us and, because it is dry there, you can usually entertain outdoors without worrying about rain for most of the year. So we had opportunity to entertain on the lawn and the terrace behind the house. It is a very attractive residence overlooking the Niger River. And people were always very pleased to be invited.

Q: And you felt that morale was good in the community and thmission?

CUNDIFF: Yes, I think it was.

Q: And that was obviously important.

CUNDIFF: I think it was. We had a very active community. There was a lot of attention on soft ball games, sports and so on. We opened up the tennis courts at the residence for people to play on. Our swimming pool was available for people to use. We just had a very active, participatory community.

Q: One of my regrets of my time in Ghana, which overlapped to some extent with yours, was that while I played softball and like softball a lot, it took us awhile to get organized internationally and the only two tournaments we went to were in nearby Lomé^{1/2} in Togo and Ouagadougou. But we never got to Niamey. But my successor twice removed has just written to me recently saying that he has just come back from Niamey where they won. The Accra team won the softball tournament which I think was over Columbus Day weekend in October.

CUNDIFF: It is a tradition. It is the WAIST (the West African International Softball Tournament). It has a lot to do with morale in that part of the world for us.

Q: Tell me about what some of your political objectives were with the government. Were you at that time trying to encourage elections, political parties, opening up of the political system or were we primarily looking for Niger to play a role internationally in the United Nations and perhaps in other areas as well?

CUNDIFF: I would say that the democratization process was becoming more important during the time that I was there. A lot of that was going on under its own momentum without benefit of any foreign advice particularly. As you may recall, there were national conferences being called in a number of West African countries. Niamey, Niger rather, began to want to have a National Conference. There was one just as I was getting ready to leave Niamey at the end of my assignment. But the process of moving from a single party to multiple party elections, that process was entrained as I left Niger. Obviously it was something that we were in favor of, but we did not have to be really involved in the encouraging process which was already well underway of its own momentum.

Q: Where would you give credit for that momentum? Was it strictly within the country? Or were they looking at examples elsewhere? Were they getting advice or encouragement from France or...?

CUNDIFF: I think the encouragement for the democratization process was going on in a number of other African countries at the time. I think the examples were really coming from Africa and from other countries which they were looking closely at. And I think there was a general desire to democratize and that process was well launched. And we were involved in helping out in certain ways with small assistance projects. We had earlier sent-before I had arrived there even - we had provided financing for an American constitutional expert to visit Niger and to help them with one of their constitutions at that particular time. So the process was well launched and I think the USIA visitor program also probably played some positive role because people were able to visit the United States and look at our elections and look at our process and our way of government and so on. In effect we were having an influence through our rather substantial technical assistance projects which had brought many Nigerians to the United States where they became familiar inevitably with our particular system.

Q: So our impact was positive and perhaps in ways that we can't be sure about but we can't take credit for...

CUNDIFF: No. I don't think so. I think that what you were seeing perhaps is the payoff of a long period of international relations and contact through cultural programs, through the USIA visitor program, and through the AID scholarships and other supports. Even through the military assistance training program which brought officers to the United States for training.

But I don't think you can, as you say, point to any particular event as being determining. I think the process at that time, of democratization was moving forward on its own. It was supported by students, by labor unions, supported by civil servants, perhaps less so by military officers inevitably. But there was a big momentum for democratization.

Q: Was security a major consideration, a major issue?

CUNDIFF: Security was of two concerns. One, I was in Niger during the war with Iraq, the Gulf War. And I was concerned about protecting the American community from any spillover from what was going on in Iraq. And the other form of security concern had to do with domestic instability because there were clashes that occurred as part of the democratization process. You had students and the unions demonstrating and you had the police clashing, at least one time I remember, with the students and the unions. There was that sort of thing. So you had instability in the city of Niamey related to domestic politics.

Q: I know neighboring Mali has had a problem in the northern part of the country over the years with...is it the Tuaregs? Is that a problem also in Niger?

CUNDIFF: The Tuaregs are one of the eight ethnic groups as I recall in Niger. You know the largest ethnic group is the Hausa. The next largest is probably the Zarma and then the Fulani and so on and smaller groups. But the Tuaregs are a very important part of the population in the northern part of the country...the drier part in the Sahara Desert and in the south, even up to Niamey itself. Throughout the country now many of them have come out of the desert and gone to the cities to metropolitan areas. Yes, the Tuaregs because of their nomadic, traditional life have difficulties sometimes dealing with sedentary societies. And there were, while I was there, there were some acts - illegal acts - by Tuareg groups on police stations. And in turn the military went chasing these people across the desert and inflicted damage on them. So there were, from our perspective, concerns about human rights violations and abuses of power by authorities in their response to the problems with the Tuaregs.

Q: Some elements?

CUNDIFF: Some elements, yes. And this is complicated by the fact that Tuaregs are present also in Libya and Algeria and in Northern Mali.

Q: Was there activity by the Libyans in Niger? While they have a common boundary/border, it is obviously right in the middle of the Sahara Desert so it is not a very populated area in either country.

CUNDIFF: Well, I couldn't address what Libya's exact activities are; the visible presence of Libya is the embassy. They have an embassy. In fact they built a brand new embassy in Niamey while I was there. While I was there they had an accredited ambassador to Niger and they invited to Libya the head of state of Niger as well as other neighboring heads of state. So there was an exchange of Libyan officials and Nigerian officials and I think that there was always some concern about the fact that many young Tuareg men had gone up into Libya seeking employment and had been influenced perhaps by their stay in Libya. And then later they would come back to Niger and that would present sometimes a question for the local authorities.

Q: Besides Libya, France and the United States, did a number oother countries have resident embassies in Niamey?

CUNDIFF: The diplomatic community in Niamey was small. The foreign aid organizations were quite present - the United Nations, the World Bank, the Food and Agricultural Organization and a number of UN related agencies were there. On the bilateral side, we had France, and the United States. From Western Europe, we had Germany and Belgium with active embassies. We had a number of Muslim, or Islamic country ambassadors there. Especially from North Africa - Algeria, Tunisia, Libya. Also Egypt. Saudi Arabia had a charg   d'affaires. Pakistan had a charg   d'affaires.

Q: And I suppose some eastern countries, the Soviet Union?

CUNDIFF: Russia. The Soviet Union was represented by an ambassandoand a small embassy.

Q: How about China?

CUNDIFF: China was also represented. When I was there it was thPeople's Republic of China represented by an ambassador and a staff.

Q: And Japan?

CUNDIFF: Japan was represented by an ambassador in Abidjan. They had no office in Niger. The Japanese ambassador would periodically visit as would the ambassadors of most of the other developed countries but they would usually come from Abidjan.

Q: I seem to recall the name of a person from Niger who has been mentioned as a possible candidate to replace Boutros Boutros-Ghali as United Nations Secretary General. Somebody that is connected with the Islamic Conference Organization.

CUNDIFF: That is right.

Q: Was this the person who was maybe Foreign Minister when you were there?

CUNDIFF: No. That person is Algabid. While I was in Niger, he was located most of the time in Saudi Arabia because he was the executive director of the Organization of Islamic States.

Q: That is obviously a very significant position I would think within the Islamic world.

CUNDIFF: Yes. He had formerly been a minister in several governments in Niger, including at one time, maybe even briefly, Prime Minister.

Q: Does Niger see itself as trying to play a significant role in the world? I mean it had obviously got a lot of problems of its own but perhaps can make a contribution. They are in the United Nations and all these other organizations. Do they participate in UN Peace keeping or other activities like that?

CUNDIFF: Yes. Niger has participated in the Gulf War for example. They sent a small contingent to Saudi Arabia. And they have most recently, this is since I've been there of course, offered to I think participate in the ECOWAS military activity in Liberia. So they do periodically participate in peacekeeping efforts. They have to find some external financial support in order to make that possible. They do not have a large military and therefore they can't really send very large contingents. But usually they send a regiment. They are active in the United Nations and other international organizations. But I think Niger's role is limited by its limited financial resources.

Q: Did you persuade them to send a unit to Saudi Arabia at the time of the Gulf War to participate in the coalition?

CUNDIFF: I wish I could take credit for that but the truth of the matter is Niger offered to do that, I think, largely as a result of consultations with Saudi Arabia. The French ambassador and I were informed of Niger's intentions and, of course, the Nigerians indicated a desire for as much support as possible. But in the end, as I recall, they worked out arrangements with Saudi Arabia - details of which I don't know. They were responding essentially to a longstanding friendship with Saudi Arabia. As I said, the Saudi's had always maintained a diplomatic presence in Niger, plus they had given some assistance to Niger from time to time in helping building of mosques and that sort of thing.

Q: People sometimes, who are trying to reduce expenditures or perhaps reduce the United States presence or role in the world are critical of having an embassy or a lot of programs in a place like Niger. How would you, looking back, assess overall the role of the American embassy - having a resident United States ambassador and some of these other programs? Do you feel that they are making a contribution and contributing to the United States interests and objectives?

CUNDIFF: Well, I think that from my perspective, it is useful to have an ambassador in even a relatively, what shall I say, relatively small mission such as Niamey. I think that an ambassador's presence gives an overall sense of cohesion and identification-central identification to the U.S. presence. It is the ambassador, if you will, who personifies the pulling together of the entire U.S. presence - whatever that might be. Having an ambassador is very important to the host country, a small country like Niger or small, economically at least.

I think they put a lot of emphasis on having an ambassador with whom they can have an official dialogue when there is any issue at stake. Whether it be a vote in the United Nations or activities such as we had in the Gulf War or whatever. It is important to have that ambassador around as a person that they can have a dialogue with. I also think that the ambassador's presence perhaps is an ideal way of pulling together different agencies of the U.S. government so that you have coordination of AID and the military assistance if there is any, Peace Corps if there is any, information and cultural programs of the USIA and so on. That is sort of a general response reflecting, I guess, my own particular bias.

It is true that you could provide this ambassadorial dialogue with a country through a regional presence. You could have an American ambassador, for example, in Abidjan also accredited in Niamey as many of our Western friends do have. We also talked about the Japanese ambassador coming up for a visit from Abidjan to Niamey. You could have that kind of arrangement but in my personal opinion, I think you inevitably dilute the bilateral relationship because an ambassador in Abidjan who also has responsibilities for the American embassy or presence in Niamey is going to be stretched pretty thin. And inevitably, I think, the bilateral relationship will become less close.

Q: Will be stretched thin and also won't have the ease of access and contact that one develops on a very regular basis where see the president or whoever not just when you need to deal with a problem or when you happen to visit. But you see him at functions and events and people come to know you and have confidence in you. Certainly the regional ambassadors I've seen from other countries work hard at it but it they don't see to be or can't be as effective as somebody who is present on the scene.

CUNDIFF: I think that is right. And I think also one has to take into account the fact that the United States is a global power, maybe arguably the only one right now. And if you are going to be a global power and a global leader it is probably in your interest to try to have a direct bilateral diplomatic presence at the ambassadorial level just about everywhere in the world. You do not, I would argue, need to have necessarily a large supporting staff for such an ambassador.

And I think one can argue that the United States presence can perhaps be diminished in lots of posts including one such as Niamey given the changes that have occurred in our own interests and in the way world events have developed. And to give you an example of that today, we no longer have a military assistance cooperation program in Niamey. We are in the process of closing the AID mission. We maintain a USIA presence and we maintain a strong Peace Corps presence but frankly, even since I've left Niamey; it hasn't been that long ago...1991 - five years later...there have been reasons why these reductions in our presence have taken place that have to do with more recent developments which I won't go into in our bilateral relationship. But the fact is that we have substantially diminished our presence since I was there. And diplomatic dialogue continues. But we have an ambassador. And I think that in my judgement is important.

Q: A person accredited to that government with that title makes big difference...

CUNDIFF: Yes.

Q: ...in terms of your ability to conduct that dialogue and communicate effectively.

CUNDIFF: That is correct.

Q: Okay. It sounds like you enjoyed your assignment there and have several things to be proud of. Is there anything else we should say about the three years you were there until you finished your term in 1991? Pretty well covers it?

CUNDIFF: I think so, yes.

Q: You came back to the State Department and what did you do then?

CUNDIFF: I went back into the Bureau of Economic and Commercial Affairs-my third assignment in EB. This time I was a special negotiator for transportation affairs. It is a senior level position working very closely with the Deputy Assistant Secretary for Transportation Affairs. My responsibilities there were to supervise three offices dealing with aviation negotiations, aviation policy other than aviation negotiations, the maritime and land transport policies. And I spent a good deal of my time focusing, however, on bilateral civil aviation negotiations with France, Japan, Netherlands, Israel, Austria, Belgium, Ireland, Switzerland, the Czech Republic and Thailand.

Q: And these were negotiations involving access and routes. Of course this was a time of deregulation of the U.S. aviation industry. That obviously made a difference because you were mainly dealing with state owned airlines in most of these other countries.

CUNDIFF: In many instances.

Q: Or single carriers.

CUNDIFF: Yes. That's right. In many instances.

Q: So would your delegation actually have representatives of several different American airlines?

CUNDIFF: The composition of our delegations to these negotiations actually changed during that four year period. I might say that the government team has remained the same. Which is to say that the State Department and the U.S. Department of Transportation constitute the core elements of our negotiating team. The State Department has the lead negotiating authority but the Department of Transportation provides critical expertise and senior level participation.

We also have lawyers, sometimes from both the State Department and Department of Transportation. Always a lawyer on the delegations. And we are accompanied to these negotiations by the U.S. private aviation sector. When I first started negotiating we had four representatives of private aviation. These were association representatives. And we had the Air Transport Association. We had NACA, which is the National Air Carriers Association. We had a representative of the AFL-CIO which in this case was a representative of the Airline Pilots Association. And my memory is failing me...there was another association representation, I think.

Q: But the carriers were not directly...

CUNDIFF: Oh...the Airports Council International. The Association of U.S. Airports would be present. So we had unions, airports and carriers - both large carriers and small carriers including charter carriers as well passenger carriers.

Q: I assume the most difficult and important negotiation you were involved with was probably with Japan. Would United Airlines or Northwest actually be observing, be present?

CUNDIFF: Yes. And I was going to say that things changed while I was there in that position. We always had carriers present if we were having a negotiation simply dealing with one carrier's problems. And in fact with Japan, I was the leader of our negotiations, our discussions with Japan over a route problem with Northwest Airlines. And when I did negotiate with Japan, Northwest Airlines was behind me in the room and able to give me advice and counsel as appropriate from time to time. Later on at some point a decision was made to broaden even further the participation in these negotiations of U.S. carriers and eventually I think during the last year or two I was in the job we had carriers, in addition to their association representatives, carrier representatives, directly in the room with us - such as American Airlines, Northwest Airlines, Continental Airlines, United Airlines and so on. So we conducted negotiations with quite a group of observers and, if you will, advisors, from the private sector.

Q: I think we are pretty well at the end. I don't know if there is anything further we should say about this activity. It went on for several years and I'm sure there were lots of interesting wrinkles in the individual negotiations but for this purpose maybe this is a good point to stop.

CUNDIFF: I would say that in that position, one of my great pleasures was not only working with U.S. private aviation in negotiations but also I was involved within APEC - the Asian Pacific Economic Cooperation Forum - in setting up and establishing and expanding the transportation working group of that organization. And that was quite satisfying.

End of interview