

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

**AMBASSADOR ROCKWELL A. SCHNABEL**

*Interviewed by: Charles Stuart Kennedy*  
*Initial interview date: October 17, 1990*  
*Copyright 1998 ADST*

**TABLE OF CONTENTS**

Background

Born in Amsterdam, The Netherlands  
To U.S. - 1957  
Trinity College  
U.S. Citizen - 1962-1963  
Investment banker in Los Angeles  
1984 Olympics

Political activities

Bankers for Nixon in California 1968

Department of State

Consultant 1985

Helsinki, Finland

Ambassador 1986-1989  
Secretary Shultz and Foreign Minister Shevardnadze  
Finland's position vis-à-vis Soviet Union  
Shirley Temple Black  
Cooperation with State Department  
Finland's neutrality  
Technology transfer issue  
Paris Agreement implementation  
Relations with Soviets  
Personal relationship with Finnish Government  
Comments on Finns  
Comments on embassy staff

**INTERVIEW**

[This transcript was not edited by Ambassador Schnabel]

*Q: Mr. Ambassador, I wonder if you could give me a little about your background.*

SCHNABEL: Okay. Born in Amsterdam, The Netherlands, in '36. Stayed there until age 20. Came over to the United States in 1957 and moved to the West Coast. Part of my mother's family had American connections and relatives in the United States, living in California for four, five, six generations, and so I ended up there. Had had schooling in Europe, and up until that point attended Trinity College. Did not graduate. Went to the United States basically for a two-year visit, but decided to stay. And once I decided to stay, I joined the Air National Guard, because at that time we still had the service requirement. And became a U.S. citizen, gosh, I don't know exactly but probably around '62 or '63, in that area. I then, after basic training, entered the investment banking business fairly early on, I guess, at about age 23. Stayed in that business, oh, for the next twenty-two or -three years, until about 1983, at which time I had become the president of an investment bank in Los Angeles, where I had been working for, oh, basically eighteen or nineteen years. In other words, I'd been with two different firms by that time. Ended up being president and the controlling shareholder of that company, and we sold the company to Kemper Insurance at that time. Within the year after that, I left and started my own investment company and, at the same time, joined the Los Angeles organizing committee for the 1984 Olympics. And spent a good deal of my time in '84 working on the 1984 Olympics.

*Q: It's considered by many to be the most successful Olympics.*

SCHNABEL: Yes, it was great. I knew the gentleman that ran the Olympics, Mr. Uberoff, who invited me to come in. And so it was a very interesting and a very productive experience.

During the time that I was working, I had been involved in a number of campaigns, starting back with some of the California senatorial campaigns. And then, at the national level, had started at the Nixon level, back, I guess, in '68, and organized the Bankers for Nixon in the State of California and all that sort of thing. And pursued that somewhat, throughout the period, really, starting at that time. Pursued that through the Ford days and the Reagan days.

Had, throughout that time, been active in those areas, but was also interested in doing something in the Foreign Service because of my background. My background being, literally, having been born and raised in Europe and feeling that I could contribute something in that area because of that, but also because what I had done in the investment banking business was to a large extent international investment banking. So I felt that because of my personal background and my business background internationally, that I could contribute.

And I approached basically the Reagan administration people, and out of that came several job offers at the State Department. And the one that I thought would be a very interesting one was the ambassadorship to Finland.

That's kind of how it happened. Even at the Nixon time, I had been talked to about jobs during that administration, but simply felt that the timing was not right.

So I joined then, officially, I guess, the State Department in 1985, sort of middle '85, as a consultant. You know, you go through that sort of a training period. And was confirmed at the end of '85 and went, the beginning of '86, to Finland. Stayed there for three years.

Had gotten to know Mr. Bush as a vice president because of his involvement with Finland. He was a good friend of the president of Finland. And, because of that, I had gotten to know him, strictly on business matters relating to bilateral issues. And, of course, I was very interested in his potential presidency, and had gotten somewhat involved through his campaign people--to the extent that I was legally able to do that, of course--and joined several organizations that were supportive of the Bush presidency. And then basically got to know some of the players in the Bush administration. One of them being the secretary of commerce, who is in place here today. And he invited me to come in and join him in this department. So that's kind of the long and the short of it.

*Q: Well, now, first, what particularly attracted you? You say you had several offers to Finland.*

SCHNABEL: Well, the logical thing, I guess, in my case, would have been to go to The Netherlands, because I had a background there, and a language capability, and some knowledge of the country. However, at that time Secretary Shultz felt that maybe I was too close to that country to be sent there.

*Q: I think this really, throughout the two centuries, has not proved to be a particularly fruitful thing, sending somebody back to the country... We've done this for two hundred years, and as a sort of a diplomatic historian, it hasn't worked out too well.*

SCHNABEL: Well, it could well be that because of that he felt very strongly that that was not a reason to be going there. And I accepted that, of course.

Well, subsequent to that, I asked if I could be considered for a Nordic country ambassadorship, and Finland then came up. I studied Finland even before I accepted the job, frankly, because I wanted to know something about it. Then my wife and I decided to go, and it turned out that Finland, of course, because of the timing, was very, very interesting.

*Q: Yes, because of the East-West dialogue that was being focused on Finland.*

SCHNABEL: The first meeting, at the 10th anniversary of the CSCE conference, the Helsinki Conference, I think it was 1984, wasn't it, or am I mixing that up?

*Q: I'm not sure of the exact date.*

SCHNABEL: In any event, George Shultz came to Finland, and I believe that that was the reason he came to Finland, because of that 10th anniversary. That was the first time that he met Shevardnadze, which was right in the U.S. Embassy, of course. And subsequent to that, George Shultz came to Helsinki, oh, seven or eight different times while I was there, on his way to Moscow. And subsequent to those visits, of course, President Reagan came, on his way to Moscow, and spent three or four days in Helsinki.

So the feeling was that the wealth of knowledge that the Finns had about the Soviets, because of their very special relationship, was useful to the American side, and it was also a good stopping off point and a good place to, in effect, gather the forces and get prepared for these meetings. Be it at the Foreign Ministry level or at the...

*Q: Presidential.*

SCHNABEL: Right, now presidential level. So we had a great deal of exposure to it. And historically I think it's very interesting what happened, literally from 1985 to today, between the Soviet Union and the United States, when that was really kind of the beginning, I guess, of the thawing out and the original meeting between George Shultz and Shevardnadze was there in '84, as I mentioned.

So it turned out to be a very interesting post because of that. It also turned out to be very interesting because of the way the Finns are in general. I think they're very good friends and supporters of the United States.

They have a very unique position in where they are located, of course, with a very long border with the Soviets. They have fought the Soviets and the Russians many, many, many times, and of course were under Swedish rule for seven or eight hundred years, and then were really under some control of the Czarist regime in the 19th Century. And then really because they put up a tremendous battle during the Second World War with the Soviets, that was something that Stalin, in particular, respected. I think that that had a good deal to do with the fact that the country of Finland remained independent as a neutral country, even though, of course, they have a very close security agreement with the Soviets.

*Q: Well, before we get to your actual work in Finland, I wonder if you could just give me an idea of your impression about the preparation that you had, not only for Finland, but to be an ambassador and all this.*

SCHNABEL: Okay. I took about, I would say, off and on, six months, which was also the period it took to go through all the hearing processes and all that sort of thing, and the

confirmation hearings and so on. I think that the preparation was, in general, good. I think a great deal had to do with your own initiative. I think there wasn't necessarily at that time a school that one went through, if you will, even though we did have a week thing that was run by the present ambassador to Czechoslovakia.

*Q: Shirley Temple Black.*

SCHNABEL: Shirley Temple, who did a great job. And it sort of acquainted people with some of the processes. But I think, in general, to get into the job, a great deal had to do with your relationship with the desk officer, frankly, who sort of steered you through the process of getting to know people. A lot of it is self-study, I think. And I believe that those people that are politicals, that weren't brought up with the background and the experience, that they are expected to be of a clear mind and are expected to recognize what is needed to get the job done. And therefore, when you arrive, you are supposed to go out there and learn whatever there is to be learned. So the briefing process, even though I felt was not necessarily terribly well organized, but it was very available though. So it was really up to yourself, together with the desk officer and, of course, the head of the bureau, to get organized and to learn about the job.

*Q: Did you have any preconceptions? Because in some of these interviews I've had, people who have been political appointees have come with a certain antipathy towards, you might say, the process, the Foreign Service, or even government. And others understand what it's all about and get in. Did you have any feeling about this when you came in?*

SCHNABEL: No, I found that there was a good deal of cooperation in the State Department that most everybody was very available and very willing and anxious to help. No, I never found, even when I was at post... That doesn't mean that there aren't moments of frustration, of course. I have them today, too, because the process is an incredibly complex process. But I did not have a problem with the bureaucracy, and I found the people to be very helpful, very knowledgeable, and whenever you had a question, the question would be answered.

But, again, if I had to say anything, there isn't, or wasn't at that time, a formal process through which people were taken, other than the Shirley Temple Black course.

*Q: Which is the week course.*

SCHNABEL: The week course, which was certainly helpful. But, beyond that, a good deal was left up to your own devices.

*Q: When you went out, did you have any particular sort of instructions: Now we want the Finns to do this, or You're to do this, or did you just sort of go out with a fairly...?*

SCHNABEL: I had fairly clear instructions from the secretary of state. And of course when we arrived, I think it was 90 days that you put together a country plan. I don't even recall its official name for it.

*Q: I think it is a country plan.*

SCHNABEL: I think it is, yes, that you are supposed to put together so you could come back to the secretary and say this is what I see and this is what I think needs to be done. Yes, I think that I had a relatively good understanding of the American foreign policy in general, and I had a relatively good understanding of the foreign policy toward Finland, what it was that we were attempting to do and try to accomplish. And once I got in place, we adjusted certain things and maybe set some goals for ourselves that were then cleared with the State Department. And that way we arrived at the yearly plans. But I had a fair understanding of what it was that we were looking for.

*Q: Well, obviously this is an unclassified interview, and certainly in the case of Finland I don't think this is a particular problem, but what were after? I mean, when you went out there, what did you feel that should be done with Finland as far as relations between Finland and the United States?*

SCHNABEL: Well, we were very aware of the neutrality issue, of course, of Finland. We were very aware of the importance of Finland to the Soviet Union, and their accessibility and their special relationship. So we felt there was a good deal of information to be obtained being in Finland, that we had very good contacts with the Finns. I mean, we had a very good dialogue. I think that we were interested in exploring if you have a neutral country, that that country could be leaning one way or another. And we felt that maybe that neutral country had in the past been leaning, officially in any case, to the East. And maybe one of our thoughts was if there was a way to get them to lean a little bit more toward the West that that would be a viable goal. And I actually believe that the timing was such that that in effect happened. I mean, history was there; the time was appropriate for that. And I also think that we were concerned about Finland as a potential throughput place, if that's the right word, a place where American, particularly Western, technology could be put through to the Soviet Union, again because of their very special relationship. So we had a concern about that, because they were dealing, as a neutral country, with the West. And of course, as a neutral country, they were dealing to a large extent with the Soviet Union. We were very concerned about the possibility about technology transfer leakage.

*Q: In other words, at the time there would be leakage. In other words, things--either knowledge or equipment--that we didn't want the Soviets to have.*

SCHNABEL: Right. We were concerned about that, like we would have been with any neutral country of course, but because of the special relationship Finland had, we were probably slightly more concerned.

One of the first meetings I had in Finland after I arrived, as a matter of fact, was with the head of a company that was building a certain piece of equipment that we felt would very definitely come under the controlled group of products. And we were very concerned to have that technology go to the Soviet side.

As it turned out, we spent two years or so on putting together an agreement with Finland which gave Finland the Five K privileges. Which in effect gave them the same privileges, if you will, and understandings, that we have with our Co-Com partners. So, in effect, in 1988, I believe it was, we signed an agreement with Finland, which was an agreement where Finland agreed to apply the same sort of controls over technology that the Co-Com countries had.

*Q: Co-Com countries being the...*

SCHNABEL: The Co-Com countries were our allies basically in Western Europe, and also Canada and Japan. But they were part of an agreement, the Paris Agreement, that in effect states that there won't be a transfer of technology to the East of a certain controlled list. Now at the moment we're going through the process of decontrolling many of these items, as you know.

*Q: Yes, I know.*

SCHNABEL: And there's been a lot of talk about it.

*Q: But it's a different world.*

SCHNABEL: Yes, exactly. But the Finns, though, interestingly enough, saw fairly early on in the process, even though at that time we weren't really, things were changing of course already in 1987 and '86, but they saw, apparently, very good reason that they should be allied with the West in this area of technology, because if they were not, that they would lose out and become terribly isolated. Because technology, of course, was in the West and not in the East, to a large extent.

*Q: Did you find your long experience as an investment banker, which was certainly involved in this, gave you certain skills, particularly in dealing with what amounts to a commercial set of agreements?*

SCHNABEL: Yes, I felt it did. I felt it did. I was very keen. And I suppose if you had to ask me what was the most important thing that was accomplished while I was in Finland, it was that agreement. And I felt that because of my ability to deal with, to negotiate with, heads of companies, but also with the financial people and the technical people, that that helped a great deal. I made it a point in Finland to become very close fairly quickly to the business community. And I think the Finns would acknowledge that as something that probably in the past had not been quite at the same level, because we had different people,

obviously, with different interests prior to that. Very, very good people but with different interests. And I think that it helped in the negotiation of the agreement.

Conversely, there were many people involved in that agreement, including in the State Department itself, of course, and in the Pentagon, that were very instrumental. And I think it was a good agreement for both countries. I think the Finns were very strict in administering the agreement. There was a case, as a matter of fact, where somebody broke some of the rules, the regulations, and that person ended up in jail. They made a very important point of that. And as a matter of fact I've heard it said here in town that that particular agreement was the forerunner of other agreements similar to that with other neutral countries. Now because of the total change in the world today, that agreement is of less importance than it was then at that time, of course. But it certainly helped the business climate between Finland, which is a small country, of course, and the United States a great deal. And we had the military and we had the State Department people come out to Finland, and I think there have been some bonds built because of that. Also from a business standpoint. And the Finns have become quite substantial investors in the United States in the last three, four, five years--for all sorts of reasons--but I think the fact that we in effect were dealing closer and were trusting each other more also enabled them to open up more to the United States.

*Q: I don't know the country, only from what I've read about it. Finland lost, but they kind of won, the Winter War with the Soviet Union in 1939. They lost a good solid hunk of the Karelian Isthmus, which is sort of the heartland of Finland but it's under Soviet occupation now. How did we view Finland? Was this a country that was neutral but really wouldn't like to be neutral, would really like to be in the West? Or, because of its politics and all, was it really sympathetic to the Soviet Union?*

SCHNABEL: I think that the Finns, after that war, which was the second one in so many years... The Continuation War was the one in 1940. Actually, you had two different wars, separate wars two different years. I don't think that the word "sympathetic" could be used, even though, of course, there was a Communist Party in Finland, so there were people that indeed...

But there were also many people, many people, and I mean the majority of people, that accepted the deal with the Soviet Union that they cut, in 1948 I believe it was, the security agreement, simply because they saw it as a necessity to survive. And they recognized that if they did not make such an agreement that they would not be a neutral country. So they lived up to the rules and the understandings for a long time, for security reasons but also for pure self interest--and that is, for business reasons.

Because for many, many, many years, the Finns were one of the very few countries that had a very privileged trade agreement with the Soviets, that only in the last year or two, because of the major changes, is beginning to kind of come unraveled. But prior to that the Finns were selling large amounts of products into the Soviet Union, which went through a trade account where they in effect received oil in return. And when the price of

oil was going up, of course, the more they could sell them and so on, it was a very profitable and good deal for them. So, from the security standpoint, they recognized that, sitting next to their large neighbor, they had to do something.

So, "sympathetic," I think, is not the word. I think the Finns are very independent, deep in their hearts have been pro-American right along, are entrepreneurial people, and really wouldn't have lived under a Communist regime very happily.

They had a Communist Party, a Communist Party that for the last, oh, ten years or so has been declining and today is no longer a real viable thing at all of course.

But it was already coming undone when I was there. I remember giving a speech somewhere that was a little bit aggressive on the potential bankruptcy of Communism, actually, in 1987 or '88 thereabouts. And that was maybe at that time still a little bit too far ahead of the game, but their Communist Party was falling apart at that time already. I mean, even before the Soviets really literally gave up on the concept.

*Q: How were your relations, and how did you operate with the Finnish government on the various issues?*

SCHNABEL: I had very open, very direct, relationships with everybody from the president on down. I made it a point to get to know President Mauno Koivisto relatively well. He was a very, very bright politician, with a banker's background which helped me a little bit. But we would get together for luncheons. I couldn't say that it was a personal friendship relationship, but I think a relationship that developed into one of a good deal of respect. He had met Vice President Bush, who had come to Finland at some point before I was there, and I think there was a liking between those two gentlemen. When Secretary Shultz came through, or any of the other cabinet members, he always very much enjoyed that. So my relationship there was a good one.

With the ministers I was pretty much across the board very open and available. They were always available it seemed. Now of course I'm sure that that's true with most American ambassadors wherever they are. But in my case, of course, I saw mostly the trade minister and the minister of finance. They were really the ones that I was closest to. They were relatively young, they had business backgrounds, so, again, I was able to talk to them relatively easily. Whereas, maybe the minister of defense was somebody that I had a lesser relationship with. Even though the generals, the people that were running the armed forces, I was quite close to on a personal basis.

*Q: Was there a feeling, for example, of sort of hands off their military, don't try to sell them F-16s and this sort of thing, I mean, just not to rock the boat?*

SCHNABEL: Yes, well, in the beginning there was no question that that probably was so. At one point, knowing that they had to replace their older Swedish and Soviet equipment at some point (I think it was the mid-90s that it's coming up, 1994 or something like that),

we did have an attempt to sell them the F-20, the Northrop aircraft, which of course didn't sell anywhere else so the Finns weren't interested in that. However, they started to show a potential interest in the F-16, which obviously you've seen or read about or something.

*Q: Well, actually, I just dragged the F-16 out. I know we're selling it in Europe.*

SCHNABEL: Everybody of course knew that the replacement of those aircraft was coming up, that was in the press and so on and so forth, so we did try. And I remember being quite involved, just before I left, probably in the last nine months or so, in getting an agreement. It was not a very formal agreement, but an understanding between the Department of Defense here and the Finnish government and the Department of Defense in Finland, that they in effect would be allowed to buy certain types of aircraft from us, and the technology level. And because of that agreement that we signed with them, the Five K agreement, and the better understanding and the better relationship, we then ("we" meaning the Pentagon) allowed them to also acquire high technology aircraft--up to a certain point. And as a matter of fact, we are in the process, as I understand it, at the moment to actively sell that aircraft to them. And we're talking about a pretty good-size order, an order that could at least run up to between five hundred million and a billion dollars. And just recently, during the summit in Helsinki, I went over with Secretary Mosbacher to sit down with both the trade ministers, to let them know...

*Q: We're talking about September of 1990.*

SCHNABEL: Right, right. I went over specifically with the secretary of commerce and had recommended to him that it would probably be good... At the suggestion, by the way, of the American ambassador in place right now. But I could totally understand what he was talking about, that it would be a good idea for a high-level American to be seen to be interested in the sale of this American product to the Finnish armed forces.

Those meetings took place, and I had the good fortune of returning with the president on that trip. So I literally went over for these meetings and turned right around and came back again. And I, in effect, briefed the president on it, mentioned that one of the reasons I had gone over with the secretary (who happened to be going to the Soviet Union anyway, so it was a very good coincidence), but that one of the things was that it was important that the Finns recognize that we in the United States government were very keen on that. Because the competition, being primarily the French... The French, of course, are working this all the way to the top. They're constantly there and they're constantly helping their private sector to make these kinds of sales. We had been less involved in this particular one, so I think the fact that the secretary of commerce showed up at that meeting was very...

*Q: Well, this is very interesting, because I know I speak as a long-time veteran, and one of the great complaints is that at the embassies we can't differentiate between the General Dynamics F-16 and a Northrop F-20 or what have you, or whatever kind of tanks or something. Which means that often we end up by canceling each other out. Whereas, the*

*French or the British will go in, concentrate on one weapons system, and just put all the pressure on that.*

SCHNABEL: Yes, they're very good at it. And not only on weapons systems, by the way. The French, in particular, every time there was a major sale involved, whether it was a paper mill or whether it was an automobile plant or whatever, the government got involved.

Now in your days in the State Department this was probably not done. The United States government people didn't get involved in trade issues. I know for a fact that Deputy Secretary Eagleburger has a cable out to all of our ambassadors to be involved in trade. Vitally important for American ambassadors to be seen to promote the United States' exports. That's part of their job, they ought to be out there doing it. I do not recall ever getting a cable from George Shultz saying that, even though, in discussions, in general, of course, we were expected to do that. But it is relatively new, I think.

*Q: I think it is. But the other thing was there was always the canceling out thing. That if you tried to do it, there would be screams and yells from somebody, who might not have even been a competitor. But if they made a fuss, that if you were trying to sell buses, somebody who was turning out a bus which was really only for the Phoenix area or something like that, they'd say, "What are you doing? We might sell our bus there." And you ended up in conflict. I think this sounds like a much more healthy way to go about it.*

SCHNABEL: I think so, too. And I think it is incumbent upon us. And it's happening more and more. I know that the vice president of the United States has gotten involved in sales of telecommunications equipment, for instance, in the Far East. The secretary of commerce is out there doing it constantly, because he's very aware that the mission here, of course, in this department, is exports. So, to me, it was very logical, and I was very, very happy to see that that was becoming a part of official policy in the United States. Because other countries are doing it, and we ought to be doing it too because we're competing with them.

*Q: We're a little late.*

SCHNABEL: Yes. Yes, we are.

*Q: Were there any issues, either political or economic, that you found particularly difficult in your relations with the Finns? I mean, trying to explain either American politics, or the system, or UN votes, or our foreign policy relations.*

SCHNABEL: There were some UN votes that we didn't like. I recall the Finnish vote on Grenada. That was a vote in which the Finns, I believe, abstained. We did not agree with that, of course, and we went out and made that point very clear. I must say, during the time that I was there, other than that, I don't believe there was anything that we took issue with. Even the attack on Libya. The Finns were very low key on that.

*Q: This was a bombing raid in retribution for the Libyan's bombing of a disco in West Berlin.*

SCHNABEL: Right, exactly. In 1986. That's right. And we went in there and of course bombed some major targets in Libya. The Finns reaction--very low key. The Finns literally made it very clear that neutral meant neutral, and they very seldom took strong positions on issues. So we may have not liked what they did, because we felt that they should take stronger positions on things, but we didn't really have major conflicts. And the occasional UN vote, we did deliver demarches on those, but they were very few and far between.

And I would say again, and it's fairly clear in my mind, that during that period of time that there was a fairly open, even in the press, statements that were quite pro-American. They were delighted to see President Reagan come there. It was a big, big, big, big thing. George Shultz coming there a number of times was a big thing for them, because they were being recognized as a nation and as an individual, independent country by those visits, of course. So we had very few problems of any magnitude.

In the trade area we pressed them very hard and are continuing to do so on the agricultural supports. Because Finland is very big on subsidizing their farming because of their very unique position in the world, with the temperatures, where they are, and it's a very good-sized country. The country is really occupied to the north by small farmers, and without the subsidies they basically can't exist. And they're afraid that these area would become depopulated. So that's an issue, if you will.

The technology transfer was an issue. On the other hand, we've worked them out. We made it very clear early on that, for instance, these particular items that they were building for the Soviets, which were deep-sea vessels, submersibles, that we very much opposed the delivery of those vessels to the Soviet Union in that technology. And they, in effect...I don't know whether acquiescing is the right word, but we, in effect, arrived at an agreement there that the technology wouldn't be transferred. And that then became part of the subsequent agreement that we put together.

But they recognized that they needed to do it, they needed to be working with us, because otherwise they may become excluded from the world of trade. And they recognized that their future would be with the West as opposed to where it had been, because of course they saw the economic problems within the Soviet Union. And they recognized they had to turn West, not only because we had the technology, but also because that's where the economic growth was. They're very aware of their own nationalist...

*Q: How did they play their role as sort of a junction between the East and West?*

SCHNABEL: I think they were aware of the fact that it was probably internationally played up more by us than they thought it was in reality the case. I think that we thought

that Finland probably had a great deal of information. And they had a fair deal of information.

I think the Finns themselves are the type of people that didn't overbill the case. They're very down-to-earth and realistic people. As I said, tough and independent, but not a country or a people that tend to oversell themselves by any means. If anything, undersell themselves. So they themselves didn't push that so much.

I think that we felt that because of their location, because of their good trade relations, and of course also because of the fact that they had been dealing in the Soviet Union... Many of the companies in Finland had offices in Moscow, while American companies, for instance, would not. So they had had people on the ground. They had people all around the country building things for the Soviets and so on, so they came back with input.

And, yes, that input was helpful. The fact that the president of Finland was close to the Soviet leadership, was on a good basis, spoke the language, understood what was going on, I think, made them a source of information that was very good to us. But they themselves didn't really build it up. They're not very good salesmen, really, and they don't try to be, I don't think.

*Q: It's probably refreshing.*

SCHNABEL: In a way, yes, yes.

*Q: How well did you find yourself served by the embassy? You'd run a banking firm and all this, and you were used to running things. You came and here was another operation, how did you find it? I'm talking about the staff of the embassy and how it operated and all.*

SCHNABEL: I felt, on the whole, the staff... [TAPE ENDED]

...I met him, of course, through the State Department, and I talked to maybe ten different people who... He is presently the consul general, has moved from there to Canada, and he's in, I think, Montreal. Very good.

The people were very good. The military, I would say, was first rate. Commerce people were okay. Economics people were okay. The agency was good. It's a matter of people, of course, but they worked, I thought, quite well as a team.

We had some problems. Unfortunately, the Finns are a somewhat isolated, insulated people, and they're not very tolerant of minorities. And we had some incidents with the military. We had the Marine Corps, of course, and that was... Nothing of any major consequence, but we had some difficulties there. So I think that the African-American part of the... times that they were not terribly happy because of that.

The Finns are very much...they say we have a little country here, very unique, very unique language, the climate, and they're not really inviting people from outside.

*Q: Well, Mr. Ambassador, I know you've been very busy, and I'll wrap this up now.*

SCHNABEL: Okay, great. Enjoyed it.

*End of interview*