Chapter 8

HONORS AND REMINISCENCES

Introduction

Arnold M. Zack*

We are delighted to have all of you here, and we are delighted to have some of the former recipients of the honorary life membership with us. Bill Wirtz is here and we are going to have John Dunlop coming tomorrow. (We should also give credit to the fact that although Alan Gold from Canada is not here, we are at least meeting in the Gold Room, so we are grateful for that.)

Before we begin our Fireside Chat, I want to present honorary life membership certificates to two of our former members, George Shultz and Clark Kerr.

Shall we start with you George? The inscription on his certificate reads:

> From early membership in the Academy you applied your dispute settlement skills nationally as U.S. Secretary of Labor, Director of the Office of Management and Budget, U.S. Secretary of the Treasury, and Assistant to the President. You then employed them internationally as U.S. Secretary of State. After a long career of service to education, industry, labor-management relations, and public service, we welcome you back to our ranks. The Board of Governors is proud to confer upon you honorary life membership in the National Academy of Arbitrators.

The inscription on Clark Kerr's certificate reads:

> Throughout a 60-year career in teaching, university administration, and planning the future of America's education, and after a 50-year career as an effective advocate and practitioner of labor-management relations, you have provided wisdom, thoughtful analysis, and valuable guidance to many disciples in all fields you have mastered. For those contributions and for your decades of loyal membership in the Acad-

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emy, its Board of Governors is proud to confer upon you honorary life membership.

JAMES L. STERN*

My privilege of introducing George Shultz is a most pleasant one. You have the summary of his employment history in academia, business, and government, so I intend only to supplement that with information from his arbitral past not included in that vita, along with a few thoughts of my own.

George joined the National Academy in 1962 while on the faculty of the University of Chicago. One of his references was our esteemed member, Alex Elson, who recalls that George was a very good square dancer whose do-se-dos and swing-your-partner were performed with great verve.

George's middle initial, "P," stands for Pratt (the last name of his mother's uncle), but I want to use it to illustrate several of his personal characteristics. First of all, he is perspicacious, defined in the dictionary as "acuteness of perception or understanding, or to see through." He demonstrated this in an amusing fashion in the mid-1960s when he served as Executive Director of the Armour Automation Fund Committee. Clark Kerr, the chairman of the committee, specialized in accomplishing multiple tasks en route from California to committee meetings in Chicago even though this might delay his arrival at the committee meeting. George solved this by ignoring the travel plans Clark sent earlier and innocently checking with Clark's secretary at the last minute to ascertain the plane Clark would actually be on. Then, George would meet him at the airport, deliver him to the meeting on time, and use the ride in to cover the problems that Clark would face that day. I was very impressed with George's perception of Clark's planning process and how George integrated this into his own plans.

In addition to perspicacity, the "P" also stands for planning, a characteristic of George's that has stood him well over his career. For example, upon his appointment as Secretary of Labor, he created a policy planning staff. As Secretary of State, George

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repeatedly emphasized the need to keep long-run goals in mind while putting out the daily fires.

George's presidential address to the Industrial Relations Research Association in 1978 further illustrates his ability to put the spotlight on problems that require long-run attention. Almost 30 years ago, he identified as the principal issues in the industrial relations field in which we work: race and employment, prosperity without inflation, the issues created by the wide diversity of interests in our society, and the need to continually evaluate both government and private programs. What he said then has withstood the test of time.

Possibly his most important personal characteristic (even though it doesn't start with a "P") is George's integrity. Arbitrators, in particular, value honesty and integrity in their colleagues. George's reputation for honesty has been recognized by Presidents of this country. The press and the public generally have repeatedly confirmed their belief in his integrity—a remarkable feat when one considers the fallout from Watergate and the Iran-Contra affair.

Finally, it would be less than honest of me to remain silent about one decision of George's with which I am in disagreement. This is the fact that he has been a steadfast Republican throughout his career. However, his open-mindedness is demonstrated by his willingness to participate today in a "Fireside Chat"—a communication procedure pioneered by the great Democratic President Franklin Roosevelt.

On behalf of your many friends in the Academy and our President, Arnie Zack, and Program Chair, Ed Krinsky, I want to express our thanks to you for joining us for this Fireside Chat.

Fireside Chat
Seeking Resolution: From Labor Relations to International Diplomacy

George P. Shultz*

Thank you. First of all, it is a pleasure to get this certificate along with Clark Kerr because I learned a great deal from Clark, including the importance of having a sense of humor about certain

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traumatic events. I remember when Clark was unceremoniously released as president of the University of California. He said, "I left the job the same way I entered it—fired with enthusiasm." Seeing Bill Wirtz here reminds me of when I followed Bill as Secretary of Labor. Nobody, Republican or Democrat, could have been as helpful to an incoming secretary as Bill was. He spent countless hours informing me of problems in the department; he provided facilities and staff to help me off to a quick start as Secretary of Labor.

There was one aspect of it that even Bill could not have anticipated. I do not know, Bill, whether I ever told you this story, but when my appointment was announced in Washington, I decided to remain there to begin recruiting the best people I could find. Whenever I asked who was the best management guy, everyone told me it was Jim Hodgson at Lockheed, but that I could never get him to join us in Washington. Nevertheless, I pursued Jim, and lo and behold, he agreed to join us. Then, of course, I was working with Arnie Weber at the Armour Automation Fund Committee, and he was a "natural" as Assistant Secretary for Manpower. We were determined to find someone actually from the labor movement, not a labor lawyer, not an economist, but someone who had negotiated contracts and stood for election. We landed Bill Usery. Next, we recruited Libby Koontz as head of the Women's Bureau, and Geoffrey Moore as head of the Bureau of Labor Statistics. He was a favorite of Arthur Burns and was then with the National Bureau of Economic Research. Nixon noticed all of this was accomplished relatively quickly, so he asked me to accompany the new appointees to his headquarters at the Pierre Hotel. He wanted to introduce them at a ceremony and, to show the administration was making progress, announce it to the press. So we did that. At the press conference, I began with Jim Hodgson. I told about his glorious background and turned the podium over to him. They asked him a few questions, and he answered them well. Then, someone in the back of the room held up his hand and asked a question I had never asked, "Mr. Hodgson, are you a Republican or a Democrat?" Hodgson says, "I'm a Democrat." The next one was Arnie Weber. Arnie, as you know, has a lot of wit and charm. He fields these questions right and left. Then, the same reporter raised his hand and asked, "Mr. Weber, are you a Republican or a Democrat?" "I'm a Democrat." Well, Libby Koontz was next. I knew she was a Democrat and so was Usery, so that left Geoffrey Moore. I thought, "Well, thank God I've got Geoffrey Moore!"—Arthur

Burns' chosen man. Geoffrey Moore, who is a very judicious statistician, was asked the question, and he thought about it. You could see he was mulling it over. Finally, he said, "I guess you would have to say I'm an Independent." I could have killed him.

The next day my phone rang off the hook, all the Republicans on the Senate Labor Committee complaining. I said, "Look, I recruited these guys. I cleared them with the White House Personnel Office. I was told to clear every name with the senior ranking Republican on the Labor Committee, and I did that. Senator Javitz approved them all." "Senator Javitz, he's no Republican. You can't clear stuff with him." Anyway, all of these people hit the ball very well, as you perhaps remember. Six months later, the people who had denounced my decision were saying, "Gee, we like your Democrats. Why don't you get them to be Republicans."

As for becoming Budget Director and Treasury Secretary, it just happened, as far as I was concerned. I was asked. I hated to leave the Department of Labor because I knew the programs well; as you have suggested, any of us would, having worked in that field. It was small enough to get your arms around, and it gave you a chance to learn about things you could not learn about unless you are there in a cabinet position: the Washington Press Corps and the Congress, how to work with them. Those are special things, and I learned a fair amount. But, I also was trained as an economist, so work on the budget was very challenging to me. While I was Secretary of the Treasury, the tax system and the international monetary system were completely rearranged, I think for the better, although it has received much criticism. It was an exciting time for me. In the Treasury, unlike Labor and the Budget, I found myself very much in the international arena. Particularly now, but even then, the interactions of currencies and trade force you to think globally. And you see a lot of your counterparts around the world, so it started me traveling internationally as well.

There is no special rationale to it, but I would say this: I have benefited from the skills and insights that you practically inhale as a result of being involved in negotiations, mediation, and arbitration work. Although my experience was particularly in the labor relations and industrial relations field, I would imagine that commercial arbitration would have many of the same characteristics. If you have your eyes halfway open, you learn a great deal about how people "tick," how negotiations are structured, what the balance is, what you can do as a person, and what you must do by way of

arranging the forces at play. All are important aspects that carry over into negotiations generally. During my time as Secretary of State, I frequently reflected on the things I learned from all of you in the course of my involvement with labor relations. I remember a phrase of George Taylor's: "It's all right to be a prima donna as long as you can sing. It's the prima donnas who can't sing that are the problem." And that is so true.

Q: All of us are curious about your switch to the international scene and the people you have met. Would you like to begin by telling us a little bit about your encounters with some of the great Russians?

A: The negotiations with the Soviets were a central part of my work as Secretary of State. There are personal aspects to negotiations that cannot be overestimated, but one can fall into a trap if one thinks too much of them. Let me recount a couple of instances where I think personal interaction helped a great deal.

The first Soviet foreign minister I dealt with was Gromyko. He was very tough, a rather forbidding character, who had been at it a long time. It was difficult to get much of a reaction from him. This took place after Gorbachev had come to power. Perhaps you may remember that one of the first things Gorbachev did was to decide that heavy drinking was too pervasive in the Soviet Union and that he should cut down on the use of vodka. Gromyko and I were seated next to each other at a dinner during lengthy negotiations in Vienna. He speaks English. He started to tell me about the Gorbachev campaign, so I listened for a while, and then I said, "You know we tried that in the United States, prohibition, and it didn't work out very well. But I can see that you have a problem; we have a problem. But," I said, "you have to watch out when they start telling jokes about you. Here's a joke that I understand is going around in the Soviet Union: Two guys are standing in line at the vodka store wanting to buy a bottle or two. Half an hour goes by, an hour goes by; they are still in line an hour and a half later. One of them finally says, 'I'm disgusted with this. I'm going over to the Kremlin to shoot Gorbachev.' So he leaves. Half an hour later he comes back; his buddy is still in line and asks, 'Well, did you shoot him?' He says, 'Hell no, the line up there is a lot longer than this one.'" Gromyko never cracked a smile.

In the summer of 1985, not long after Gorbachev came into power, there was a new foreign minister of the Soviet Union. His name was Eduard Shevardnadze. Within a week of coming into

office, it was obvious that he did not know very much about the details of foreign affairs or arms control. There was an important international meeting in Helsinki having to do with the Helsinki Accords. It had a human rights twist to it. We heard that not only was Shevardnadze going to be there, but so was his wife. It was unusual for Soviets to bring their wives to these meetings. We thought that was a sign of a real human being. He was from Georgia, and Georgians have a reputation of being more gregarious. My wife and I had a short discussion about it. We agreed: we have a lot of problems with the Soviet Union; this Cold War was really cold. Nevertheless, the new foreign minister was bringing his wife; so, perhaps we ought to get to know these people as human beings. Maybe it would not do any good, but it could not do any harm. We made an effort to get to know them at Helsinki. And then, when he came to Washington shortly thereafter, much to the dismay of many in Washington, we invited him to our home with two or three other Soviets. We had an informal dinner; I barbecued a steak—all the stuff that Americans do—and he enjoyed it. We talked and I asked him how he happened to become foreign minister and how long he had known Gorbachev. He talked about it quite freely. So we got to know each other.

We had a rather tense moment in our relationship when I was in Moscow to negotiate. Our routine was to go to Helsinki and spend a day there to get our internal time clocks adjusted before we went into heavy negotiations. We would fly to Moscow early in the morning and begin negotiations about 10 a.m. The Soviets would host a big semisocial lunch with their wives in attendance. There might be a hundred people there. Official things were said, but it had a different air to it. There were always toasts. Bear in mind this was a very tense moment. Nevertheless, I decided, to the distress of my Soviet expert, to try a light touch. Knowing Shevardnadze was from Georgia, I obtained a tape recording of a famous torch singer singing "Georgia on My Mind," in a sultry, sexy voice. With the help of three of our Russian-speaking aids, we translated it and practiced singing it in Russian. I found the sheet music with the words in Russian and gave them to Shevardnadze and his wife. At the lunch, I spoke about Georgia, and then I sang, "Georgia, Georgia." It was sensational! And it helped us in our negotiations, which were about as tense a negotiation as you can imagine.

In the case of an American journalist named Nicholas Daniloff, Shevardnadze and I had a very, very delicate negotiation. We finally

resolved it, of course, within the framework of our respective instructions. The resolution stated that the Soviets would release Daniloff, and a day would pass before our release of a Soviet spy. We wanted, to the extent we could, to disconnect the two events. In other words, it was not a trade. Then another prominent Soviet dissident named Orlov would depart the Soviet Union. We had been trying to get him released for a long time. There were eight other Soviets we wanted, mostly Refuseniks. Shevardnadze told me, "I can't deliver them, and I can't make an absolute promise, but I will work hard on it." So I accepted that. When we finally agreed on the release, we just shook hands and Daniloff was released. Then I discovered this had been previously cleared with the President, with the Attorney General, and with the FBI. Everybody had signed onto my instructions. I was returning to Washington, and I find that there is a big "cafuffle" in the U.S. government. It seemed that the Justice agencies wanted to renege on the deal to release the Soviet. I went to the President and said, "Mr. President, your credibility and mine are at stake because we made this agreement and Shevardnadze trusted me just as I am trusting him to work on these names. You cannot do business this way." Ed Meese was brought in, and I must say, he went right to work, and we kept our bargain. Even though I knew the Soviets knew all the ins and outs involved, I do not think we could have worked that deal if we had not had a certain mutual confidence. By the same token, over a period of the next six months, one by one, each of the persons on my list was released. The toughest problem was Armand Hammer. He was the head of Occidental Petroleum who was constantly attempting to interfere with negotiations. The Soviets liked him, and we have seen why lately. They would release someone to him, and he would put the person on his airplane. He would be a big hero and claim the credit, but I knew what was really happening. So in one way or another, they did things like that, but all the people on the list were released.

During the Carter administration one of the things that the Soviets did that outraged people was the invasion of Afghanistan. One of our objectives was to force them to evacuate. From the standpoint of the Cold War, that would be a tremendous accomplishment because it would have been the first time ever that the Soviet Union left a territory it had invaded. (It had what we called the "Brezhnev Doctrine," which was, "What's ours is ours; what's yours is up for grabs.") It was not only important in

Afghanistan, but it was important in Poland, Hungary, and everywhere.

One day in 1987, Shevardnadze and I met in Washington, and Afghanistan was on our agenda. There were five or six people on each side, and we were going to discuss it. Shevardnadze said to me, "Could I see you privately for a few minutes before we start this meeting?" We went into my back office, each of us with only our interpreter, and he said, "I want you to know that we in the Soviet Union have made a decision to leave Afghanistan. It is a firm decision. It will happen." That was quite a statement he made to me. Gorbachev had signed on, and our military commanders had signed on, so our problem was how to disentangle ourselves. We returned to our meeting, and it was the same old stuff: The Soviets made the same old arguments, and we made the same old arguments. Shevardnadze and I just sat there, and I looked over at him once or twice, and the meeting ended. Afterward I told the President what Shevardnadze had told me. The President said, "Do you believe him?" I said, "I believe him absolutely. I don't think he would have leveled with me if it were not true." Now this is not about how they retreated from Afghanistan. But it is to say that if you have a decent personal relationship, certain events happen that would not otherwise happen and that makes solutions a little easier. We did reach an agreement between ourselves, between the Pakistanis and the Kabul regime (which we did not recognize), with the Soviets and ourselves as guarantors. At the weird signing ceremony in Geneva under U.N. auspices, four people came into the room from opposite corners. We each signed the documents, they were passed around, and we left. Nobody shook hands. Nobody met each other. Nothing. But there was an agreement; they had their fig leaf, and they left. That's one story, but there are many others.

Q: I would like to know your theory on the collapse of the Soviet Union. What caused the collapse?

A: I think what basically caused the collapse of the Soviet Union was the bankruptcy of the system. It is fascinating to read the early documents of George Kennan and those who worked on the strategy called "containment" during the Truman administration. They were very explicit. They said that we must hold our ground as democracies and maintain our defense capabilities in order to contain the Soviets because sooner or later, and it will probably take awhile, they will have to look inside, and they are not going to

like what they see. I think that the inner contradictions that Marx wrote about were more applicable to the communist system than to the capitalist system, as it turned out. But I do not think that the result we have seen would have occurred if we had not implemented the containment doctrine so completely, and if we had not been able to produce, certainly not perfect societies, but societies that functioned a great deal better than their society. That became more and more evident. I believe the confrontation of the Cold War was real, and it was necessary to face them down. But in the end, it was the awful nature of their system, first and foremost, on the level of human rights, and how human beings are treated that was responsible for the collapse.

Q: In 1981, you had already served a tour of duty as Secretary of Labor and were to become Secretary of State. That was the year of the air traffic controllers' strike. From your vantage point then, what was your assessment of the performance of the participants, including the nation's labor leaders.

A: I thought that President Reagan's handling of that strike was perhaps the most important foreign policy move that he made because, without getting into details, every country has air traffic controllers, and every leader knows how sensitive those positions are. The people who are in that job, collectively, have society by the throat, so nobody wants to mess with them. I think that is a fair statement around the world. You see the impact of it. When they struck, people said to Reagan, "Mr. President, this is a very complicated matter, there is this angle, and there is that angle. And you have to think about the unions, and you have to think about the system and so on." And he said, "It is not complicated, it is simple. As U.S. government employees, they took an oath not to strike, and they struck. They are out of a job." Very simple. Now he was fortunate that he had a very lively Secretary of Transportation named Drew Lewis who was a good operator. In one way or another, they kept the system going, they trained people, they made it work, and they made it stick. From my standpoint as Secretary of State, the President's decision reverberated all over the world because they said, you know, this is one tough "s— of a b—." It may have been unwise to take on the air traffic controllers, but they deserved it. And he did it, and he won. That is the main thing: to win. When he came under pressure, he did not fold. And that made an impression in China. It made an impression in the

Soviet Union. It made an impression everywhere. Personally, I think that is the kind of person you need to be President, someone who can deal with tough issues.

Q: This is related to the first question, and that is, it was regarded as a wonder that a person such as Gorbachev, who is a reasonable, relatively open person, could develop in that system. Do you have any comments on that?

A: I was surprised, too. He was so different from the others that I had seen in and around that job. He was just, in a way, out of character, and just how he made his way through it all, I do not know. He is very bright, very resilient, very tough, but much more broad-minded than any of his predecessors. He apparently was a favorite of Andropov. Andropov, you remember, was the head of the KGB who eventually became General Secretary. I went to the Brezhnev funeral, and afterward, we had a lengthy meeting with Andropov. I came away from that meeting with a sense of foreboding. I felt he was an evil man, but he was powerful—a giant of a man—and he would be skillful. Everybody did not have that impression, but I certainly did. And, apparently, he was the sponsor of Gorbachev.

Now when Andropov died, Gorbachev was not appointed to succeed him, apparently because people were not quite ready. It may be that some of the difference was showing through. At any rate, they appointed another member of the old guard who did not live very long. Then, finally, Gorbachev was appointed. Incidentally, in 1984 or thereabouts, Reagan was asked why he had not met with the Soviet leader. He said, "They keep dying on me." By that time he had had three.

But when Gorbachev came along, it was different. I remember our first meeting. Funerals are great places to meet people. You have the opportunity to meet the new leader. It was the day of the funeral, and he postponed our meeting twice, so it did not come about until the evening after the long day of the funeral and meeting many delegations one after the other. Apparently, he had postponed it so he would have more time, and we spent about an hour and a half with him on that day. When I came away, I said, "This is a very different man. He will be more adroit and less predictable, but he has a much greater understanding of what is going on in the world. Therefore, he will have a greater understanding of the differences between what is happening in the world and what is happening in the Soviet Union." Over time I realized that Shevardnadze also knew what was wrong. He knew the system,

and he knew the conditions of the country because he had risen through those ranks. Their predecessors never really had much of a clue. They lived in a little cocoon. They went from Moscow to their dachas. They had special stores. They had their vacation spots. They did not have any way of mingling or knowing what was really taking place. I felt that Gorbachev did, and we would have a chance for something different with him. That turned out to be the case, but he certainly was different. Thank God he was because I think he was a historic figure. He played an important role in dealing with tough situations such as Afghanistan, and then in the end, Poland, Czechoslovakia, and the Berlin Wall.

Q: You have spoken and written extensively about how your labor relations skills, mediation, and arbitration have carried over into the international sphere. Could you be specific and talk about some of the processes, methods, or techniques that you used, that you think are transferable in other kinds of negotiations.

A: First of all, I think you learn in negotiations about the importance of strength. Show me a management that will not take a strike, and I will show you a management that cannot run its shop. Show me a union that would not strike under any circumstances, and I will show you a union that will not accomplish very much. That does not mean that conflict has to rule, but it does mean that it has a role. The capacity of the parties to mount some strength is a necessary component to negotiations. Now, in our negotiations with the Soviets, in the early part of the 1980s, we could not get anywhere, and it would have been a mistake, I think, to mount broad negotiations because we had allowed our military capability and our willpower to atrophy. The Soviets knew it, and they were ready to take advantage of it. We were starting to rebuild. Actually, what was called the "Reagan build-up" started under Jimmy Carter. We had to rebuild our strength, and the Strategic Defense Initiative turned out to be a negotiating lever of tremendous importance. So I think you can see the importance at all levels of having strong cards and, at the same time, having the willingness to negotiate and try to reach an agreement. So it has always seemed to me that strength and negotiations go together. It is a fundamental principle.

In fact, if you look carefully at the Presidential Seal, you will notice that it represents this principle. The centerpiece is an eagle, and in one claw it holds arrows and in the other claw an olive branch. If you look at the renderings of the Seal in the early days when the British were burning the White House and so forth, you

will notice that the eagle is always looking at the arrows. At the end of World War II, Harry Truman noticed the Seal in the White House Diplomatic Reception Room and decided to change it. He wrote an executive order and persuaded the Congress to go along with it. It said that henceforth in any official rendering of the President's Seal, the eagle will always be looking at the olive branch to show that the United States will always seek peace. But the eagle will always hold onto the arrows to show that the United States understands that if you are going to be successful in seeking peace, you must be strong.

Another concept that I have always felt invaluable is one that few appreciate. If you observe a negotiation, whether it involves the auto industry or arms control, important things happen at the table, but I think it is important to recognize that what happens there is simply the tip of the iceberg. The real negotiations are going on in the constituencies and are sometimes reflected at the main table, but often are transpiring elsewhere. So recognizing the importance of constituencies, from your own standpoint as the negotiator, it is important to remain in control, so you know that you have support. In other words, you must not just have the President's support, but you must work with the whole group, while at the same time observing the other side and trying to discover what you can about his constituency and what is happening within it.

Maybe the coldest point in the Cold War was when we deployed ballistic missiles in Germany with nuclear warheads that could penetrate the Soviet Union. They were absolutely wild about that. So, in 1985, when we went to Geneva to negotiate with Gromyko for the resumption of arms control negotiations, we had been through a traumatic, tense period. Developing my instructions was a wild process within the U.S. government, and not only within the Executive branch. In the end, you must have the Congress with you, and if you do not recognize that fact, you are not being sensible about it. The Congress was a broad, complicated constituency that we managed to bring on board, but when it came to going to the negotiations, all of the professionals who organized meetings with the Soviets said, "Only the Secretary of State and a couple of other people should go to Geneva." I said, "Absolutely not. We are going to have the Office of the Secretary of Defense represented. We are going to have the Joint Chiefs of Staff represented. We are going to have the CIA represented. We are going to have a big delegation." And they said, "The Soviets will think that you do not speak for the President." And I said, "Well, I am not going to have all these

people in the room, but as we pull and haul through this negotiation, they are going to know about it. They are going to be on board." And that is the way it turned out.

Then we went to Reykjavik. That negotiation was conducted with Gorbachev, Reagan, Shevardnadze, and me in this little room, and Soviet and U.S. delegations in another room upstairs. A fellow by the name of Akhromeyev, who was the top marshal or equivalent to our chairman of the Joint Chiefs of Staff, was also there. So our people spoke with him and got to know him. They were impressed with him. At the end of the day, it was agreed that each side would appoint a group of people who would work that night to firm up and codify what was agreed to. We appointed Paul Nitze to head our delegation, and we speculated about who would head their delegation. Those of us who had not spent our lives negotiating with the Soviets said, "Well, probably it will be Akhromeyev." The specialists all said, "Never. The military top guys are never in these negotiations. It will be handled by the people in the Foreign Ministry." But that evening, there was Akhromeyev. He was not only present, he was in charge. The other people did not say a word. He was completely dominant. Furthermore, when they reached a stalemate at about 2:30 in the morning, Akhromeyev said, "I'd like to adjourn for three-quarters of an hour." He went off and came back with some different positions. We felt that this was a man of consequence who was decisive, who could go back and have his instructions changed, and so we eventually made breathtaking accomplishments at Reykjavik in terms of Soviet concessions to us and changes in positions.

Subsequently, when we had negotiations and as we were completing the arms control treaties, we were always interested in who was going to be on the Soviet delegation. When we saw Akhromeyev's name on the list, even though he was not leading it, we said, "Well, they are serious this time. They will cut the mustard. We have a decision maker here, a person who carries weight and who, if he agrees, means their military agrees." So, I think, another important part of any negotiation is recognizing that the people at the negotiating table are the tip of the iceberg and that there is a negotiation going on within each side. That is where most of the work is being done.

Q: In your distinguished career what would you consider to be your most important achievement?

A: I have had the privilege of serving in some key posts, and much of what I look back on in the Labor Department worked. Of course, in a way, I hated to leave the Labor Department. I loved what we

were doing there, but I suppose I would have to say that the turnaround in our relationship with the Soviet Union was the biggest event. Not that I did it, but I had a hand in it. We went from the extreme of the Cold War to it being all over but for the shouting when we left office. That was satisfying.

But I suppose the most compelling moment, and I am referring only to my time in public life, not about my children and my grandchildren of whom there are 12, was when I worked very hard on the problems of emigration from the Soviet Union and we stressed the basic human right to emigrate from a country and return again. It is a basic human right. It is in the Helsinki Accords. It is in the Universal Declaration of Human Rights. It is something that we worked very hard on with the Soviets. And it was particularly traumatic with the so-called Refuseniks. I met with them when I went to Moscow. There was a dramatic seder at one point when I was in Moscow. Everyone there took their chances because they knew that there probably would be retribution. A woman named Ida Nudel was particularly courageous. Shcharansky was another famous person whom we helped escape, but Ida had a sister with whom I met whenever I visited Israel. By the time you got through meeting with her and with Shcharansky's wife, you have been through the wringer, let me tell you. At any rate, I worked hard on that case, and one day, my phone rang in my office at the State Department. On the other end a voice said, "This is Ida Nudel. I'm home. I'm in Jerusalem." It was a thrilling moment. So when I think of things that really mean something to me, it turns out to be some example like that, where something good happened to someone.

Q: So much of what we do in the labor-management field as arbitrators and mediators involves communication. Indeed, in our roles as mediators, at least I have found that frequently I serve as a translator. So much of what you've described involved establishing human relationships and building productive relationships. What is it like to do that important job through an interpreter where there are not only different cultures but different languages involved? Have you any interesting war stories about the roles of interpreters in that process?

A: Obviously, interpreters are very important when you have different languages, and there is a lot of variation among interpreters and how good they are. It absolutely is not the case that just because someone speaks both languages they know how to interpret. There is an art to it. The person in charge for the State Department, a wonderful person named Stephanie Van

Reigersburg, at my request once wrote out a list of 10 rules of the road for interpreters. I happened to be in Korea at the time, and we did not have a decent interpreter. Someone was doing the job, but I knew they did not know how to interpret even though they were fluent in both languages. I did a number of things that improved it just from my own knowledge of how you go about it, based on Stephanie's rules.

When you are in a large meeting, like our Soviet negotiations, usually you have two interpreters because they have to spell each other. On each side, you also have note takers who are fluent in the other language so they are not taking down what the interpreter says; they are taking it down as they heard it. It is a big effort. It is also clearly understood in such meetings that if one side or the other thinks that an interpretation is not correct, they will stop to clarify the matter. Then there will be a little discussion because you know how important it is to get it straight. But there is also the process of real communication, of conversation.

I learned this when I started with Gromyko. Even though he spoke English, he insisted on speaking Russian. He was quite an actor, and he had great expressions. He would talk for 25 to 30 minutes, then there would be an interpretation. There was no way that you could connect his body language with what he said, so you really could not have a conversation. When Shevardnadze entered upon the scene (I mentioned to you that we had met for the first time in Helsinki) we had a meeting scheduled, and it was in our quarters. After initial introductions, I said to him, "I've got an idea for you that will save everyone a lot of time. You know in these meetings we have always had consecutive translation, and it is hard to converse with anyone that way. Furthermore, it takes twice as long. So we have a setup in our embassy with microphones and a place at the end for the interpreters. We can have simultaneous translation. We each have an earphone. The interpreter hears from the microphone what is said, translates it, and you hear it. It's practically simultaneous." And I said, "Furthermore, I can see you talk with your hands to a certain extent. I will understand you better." He said, "Fine." (I thought Dobrynin, who was there, would pass out because he did not think that Shevardnadze should have agreed to that. There should have been more bargaining.) Anyway, we went back, and I said, "Now anytime anybody has a question—because it's simultaneous, and it goes fast—anytime you have a question or you want to get something, just put up your hand. We will stop and then there will be careful translation. And then we will

proceed again when you are comfortable." So we did it, and it worked out, I thought, just fine. We got through in four hours of conversation. So I said to Shevardnadze, "How'd you like it?" He said, "Great! We got eight hours' work done in four." So that was that. But it made a big difference. You have to have very good interpreters to do that, and of course, the ancillary support structure of note takers and so on, so you are sure that you have got it right.

Anyway, you have hit on a very important point. There are many ways to get at the problem. I would say it is also very important, whether you are in a business negotiation or a governmental one, to have your own interpreter. Do not rely on another person's interpreter. If you do, you will be completely their prisoner.

Q: George, one area which we have not touched on, which is prominent in your latest book, is the relationship between the State Department and the National Security Council, the problems you encountered and how you attempted to resolve them. I realize at this hour we are drawing to a close here. You may want to make closing remarks as well as answer our question. Is there anything you wish to tell us about this difficult job of running a massive department yet at the same time working for the President?

A: I feel that the cabinet officer is working for the President, as you say, and one must remember that. And, to a degree, the President ought to regard his cabinet as his staff and particularly rely on the various departments to be the operational part of government. The people who are in the White House, whether White House staff or National Security Council staff, are aides. They are not operators. If they become operators, they can get into very serious trouble because they are not accountable: they do not testify, they do not have to be confirmed. They are bright young men and women, and they can run off and do things that they should not do. That is what caused the President problems in what became known as the Iran-Contra mess. But it can work well, and in my time when Colin Powell was the National Security Advisor, it worked beautifully. He said, "I am head of the staff to the National Security Council." The National Security Council consists of the President, the Vice President, and the Secretary of State. The Director of the CIA is there as an advisor. He or she is not a member of the National Security Council. People do not realize that. Powell was tremendously able, and everyone trusted him. He dealt fairly, and he carried out that function extremely well. So I do not think that the system is defective if it is used correctly. I have

seen it used poorly and I have seen it used correctly. It is very important to get a big person in there, who, to a degree, has that attribute made famous in the Eisenhower administration when Ike said he wanted people around the White House with a passion for anonymity. If they have that and they can see their role as it should be, then, I think, you are not going to have so much trouble. And, obviously, you have to have a National Security Council staff that has real capability because there is a big coordination job to do, and the President must have people right there next to him who are there all the time. His cabinet officers are not. I guess that is what I have to say about the National Security Council.

Let me conclude where I started when I agreed to come here. I thought about this being the group that I started with, in a way. I aspired to become a member and finally did. I have felt all through my career that I was so lucky to have somehow stumbled into the area of labor relations, industrial relations, arbitration, mediation, negotiation—whatever you want to call it—against the framework of a discipline. In my case, it was economics. Many of you are lawyers, I know, but I always thought I was very lucky because of all the insights it gave me into things that I did subsequently. And, I must say, I worry a little now that I do not know a great deal about all that is occurring in academic institutions. I know some. I know Stanford where I spend much of my time. Also, I have a sense that young people now do not have the same kind of exposure that those of us who came through this process had, and so they are missing something. At any rate, in my case, I am very fortunate to have had it. I have learned a great deal from members of this group. Let me take this occasion to say thank you.