

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

AMBASSADOR CHARLES COBB

Interviewed by: David Reuther
Initial interview date: March 2, 2022
Copyright 2023 ADST

PROLOGUE

I am indebted to David Reuther for his multitude of questions about my life and the possible motivations for my interests and efforts. I am concerned that many of my responses are too long and provide too much detail. Therefore I am including this prologue to better summarize many of the subjects we discussed.

I hope this prologue and oral history will help the reader better understand my role during the time international relations, diplomacy and national security were most important in my life. Further, I hope this oral history will provide some insight from David Reuther's questions of how my early life may have provided motivations for these interests and what skills and talents I might have acquired early in life to help me succeed in implementing better diplomacy.

In this prologue to my oral history, I have basically divided my hoped-for century of life into four quarters. In the first quarter of my century of life (ages 1-25), David and I discuss my early education in Fresno, higher education at Stanford and my service as an officer in the U.S. Navy. In this oral history, we gloss over the second quarter of my life (ages 26-50) when I was in business as an investment manager, financial executive, president of several real estate companies, COO [chief operating officer] and board of director of Penn Central and chair and CEO [chief executive officer] of Walt Disney Development and on the Disney board of directors and executive committee. We focus a high percentage of this oral history on the third quarter of my century (ages 51-75+) while I was assistant secretary and undersecretary of the U.S. Department of Commerce, an ambassador, chaired Florida FTAA [Free Trade Area of the Americas], developed Pan Am World Pass including its international alliance and various international business activities with Cobb Partners. I have also served on many international organization boards such as Wilson Center, Eisenhower Fellows, George and Barbara Bush Foundation, Stanford's Hoover Institution, Council of American Ambassadors, American Academy of Diplomacy and membership in the Council of Foreign Relations. Now, at eighty-seven, I am halfway through the fourth quarter of a century, with which we also briefly dealt.

For my first quarter of a century (years 1936-1961), David and I discussed:

- growing up in the agricultural environment of Fresno, California, and the international impact of these years on my family's relatively inefficient fig ranch that could not compete successfully with imports from Turkey and other Mediterranean countries (pages 1, 2, 71);
- how I remember the WWII air raids during school and the time spent sheltering under my school desk; how my father had extensive fire and security equipment to protect us and our neighborhood in the event of a military attack; and how our Japanese housekeeper, with whom we were very fond, was taken to a Japanese internment camp (pages 3, 4, 78);
- how my emphases in elementary and high school were primarily on athletics and organizing activities where I was captain, organizer and coach of my youth football team, president of my grammar school, captain of my high school football and track teams and other leadership experiences that clearly helped me later in business and in my diplomatic leadership challenges (pages 2, 3, 5, 6);
- how enrolling in the NROTC (Naval Reserve Officers Training Corps) at Stanford and having fantastic courses in Western civilization and collective security alliances such as NATO [North Atlantic Treaty Organization], etcetera, gave me my first in-depth study of international activities and national defense (pages 7-10, 14, 78);
- how my Stanford and Navy track career also provided the opportunity for international track competition in Canada, Japan, Finland, Norway, Sweden and other countries where I effectively became a citizen ambassador for the U.S. – Examples of this citizen ambassador role was being elected captain of the U.S. team in Japan at age twenty-two, having the opportunity to lead the team and carry the U.S. flag as the U.S. team marched into Tokyo's Olympic Stadium and meeting with high-level U.S. and Japanese officials (pages 5, 8-10, 13, 15-17, 78);
- how during college I led and organized various organizations, was president of my fraternity, captain of the track team, and at graduation became an officer in the U.S. Navy (pages 8, 9, 14, 78).

These were all incredible international experiences and leadership opportunities at a very young age that increased my leadership skills during the first quarter of my life and became extremely helpful in my later life experiences.

Our discussions highlighted for me how my international curiosity grew during my time at Stanford and in the Navy. I became obsessed about how the world worked and the importance of international relations and national defense. A lot of this was sparked by my western civilization studies and courses on national security and my time on the *USS Lexington* during the Formosa Strait crisis in 1958. While many individuals mature significantly during their last years of college and further develop their leadership skills, I believe I was blessed in making greater strides than most.

As mentioned above, this oral history does not spend too much time on the second quarter of my century (ages 26-51) and my domestic business career because there are

other sources and books on my business career such as the Urban Land Institute book, *Master-Planned Communities, Lessons From the Developments of Chuck Cobb*, and my two autobiographical books to my grandkids, *A Letter from a Grandfather on his Lessons Learned, Part I and II*. We only focus on the international activities of the second quarter of my life during my business career that include:

- as CEO of Arvida Corporation, we built hotels, master-planned communities and other real estate projects that included resorts in Bahamas and important hotel relationships in Europe (pages 21-30);
- as a group president at Kaiser/Aetna, I had the initial responsibility for Kaiser's expansion into Jamaica and Australia and made several negotiating trips there (20, 21, 39);
- as the chief operating officer of Penn Central, our companies General Cable had extensive experiences in Venezuela and Colombia, Sprague Electric sold capacitors and computer chips in Europe, and Marathon Manufacturing sold oil service equipment throughout the world (pages 21-26, 29);
- as the CEO of Disney Development and on the board of directors and executive committees of The Walt Disney Company, I had the responsibility for leading the team that selected Paris for EuroDisney (after ten previous trips to our initial first choice of Spain) and creating a new master plan for Walt Disney World (pages 26, 27, 30-32, 36).

In this oral history, we deal extensively with the third quarter of my century (ages 51-75) or from 1986 to 2011 because I was most active and intently involved with international relations, diplomacy and national defense. Below are the various subjects David and I discussed about my experiences:

- how as assistant secretary of trade development I negotiated with the French and British on Airbus, negotiated with the Japanese on computer chips, coal and Kansai Airport; how I helped in the creation of the U.S.-Canada Free Trade Agreement, led the President's Export Council and led a presidential trade mission to India for President Ronald Reagan (pages 31, 33-36, 40, 72);
- how as undersecretary for travel and tourism I was effectively President Reagan's U.S. minister of international travel and tourism, how I took the lead in getting USTTA [U.S. Travel and Tourism Association] Foreign Service officers included within the Commercial Foreign Service, how I assisted in getting the visa waiver program passed, my attendance at international meetings and how I helped my wife and her climbing team get into China for their climb of Mount Everest (pages 36, 38, 39);
- how as ambassador to Iceland and in my role working with the U.S. Navy, the priorities of NATO and the U.S. Navy in Iceland dramatically changed following the fall of the Berlin Wall, President George H. W. Bush and our NATO allies insisted the U.S. military presence in Europe be substantially reduced when it was believed USSR or Russia was no longer a military threat, which meant the Navy

and NATO no longer needed an additional airport in Iceland and caused other reductions in our antisubmarine warfare facilities in Iceland. Since the U.S. Embassy and I had been seeking a dramatic expansion of NATO assets in Iceland, this put the embassy and me into a substantially awkward position with Iceland's leadership because I had to lead a 180-degree change in U.S. requests. We also had an awkward dilemma regarding whaling. I am proud that we developed one of the first long-term strategic plans for U.S.-Icelandic relations following the fall of the Berlin Wall, which was unique in the State Department and was initially resisted by some in the U.S. Embassy. There were, of course, many other Icelandic experiences (pages 43, 47-58).

- how we created the Charles E. Cobb Award for Initiative and Success in Trade Development and Commercial Diplomacy within the State Department in conjunction with Secretary Larry Eagleburger (pages 63, 64, 69);
- how my role as chair of Florida FTAA, which was Florida's organization to make Miami the business, diplomacy and finance center of the Americas by having Miami the headquarters of the FTAA, led to my meeting with leaders of all thirty-four countries in the Western Hemisphere (pages 29, 64-66);
- about my ownership and creation of the Pan Am World Pass and Pan Am alliance of international air carriers, which initially was successful until we merged Pan Am with New Eastern Airlines (pages 59-63);
- my role as chair of University of Miami and its many international activities (pages 59, 61);
- how I supported my wife as U.S. ambassador to Jamaica (pages 72, 73, 75);
- being selected by President George W. Bush as a trustee of the Wilson Center and then chairing the committee that hired Jane Harman as its president, and chairing its investment committee (page 66, 67);
- serving as trustee on the Eisenhower Fellowships board and its executive committee, compensation committee and chairing its investment committee (pages 66, 67);
- serving on the board of American Academy of Diplomacy and its investment committee and being a lead motivator to make commercial advocacy a higher priority for the U.S., successful in getting the bill, "Championing American Business Through Diplomacy Act of 2019," passed and enacted by Congress and signed by the President that requires greater cooperation between the State and Commerce departments to advance commercial interest (page 70);
- serving as member of the Council of American Ambassadors Board of Trustees and member of its investment committee and active participant in many of its international missions including to the Balkans in 2023 (page 69);
- being an active member of Council on Foreign Relations where we have hosted two of its meetings at our home including in May 2023 with its then president, Richard Haass;

- serving on Board of Overseers of Stanford's Hoover Institution and serving on its finance committee (page 72);
- serving as a trustee of the George & Barbara Bush Foundation and creating a Cobb fellowship for international affairs at the Bush School at Texas A&M (page 70).

We did not discuss extensively my Cobb Partners business during my third quarter (ages 51-75) except for the small percentage of its business that related to international activities such as investments in Bahamas and Iceland, continued activities in Jamaica for my wife after her ambassadorship where she was the president of the American Friends of Jamaica, a possible hotel in Croatia, and extensive travel with my family. Every two years I take my family of thirteen on an international trip that has included Galapagos, Italy, Germany, France, Turkey, Greece, United Kingdom, Croatia, Jamaica, Iceland, Japan, China, Vietnam, Malaysia, Singapore, Slovenia, Israel, and Jordan. In addition, earlier my wife and I traveled with our two sons or by ourselves to Indonesia, Thailand, Cambodia, India, Russia, Poland, Kenya, Mozambique, South Africa, Morocco, Portugal, Spain, Belgium, Netherlands, Luxembourg, Denmark, Norway, Sweden, Finland, Estonia, Latvia, Lithuania, most of the 33 countries in the Americas, plus other countries throughout Africa, Europe, the Middle East and Asia (page 28).

Now that I'm halfway through my fourth quarter (age 75+), my focus is more on my grandkids, my church, my friends, our business interests and participating on many not-for-profit charity boards. One priority for me in my fourth quarter is the Cobb Family Emergency Response Fund I set up at my church, Plymouth Congregational Church, in Miami. This fund has a mission to help churches that have been directly affected by hurricanes, earthquakes or war. Our first response was to a church in Jamaica following a hurricane, then twice to churches in Haiti after they suffered an earthquake and then a hurricane. We also assisted churches in Florida's Panhandle and Port Charlotte following their hurricanes; a church in the Abacos, Bahamas; two churches in Poland that are assisting Ukrainian refugees; and a church in Antioch, Turkey hit by the 2023 devastating earthquake. In most cases we traveled to each church and kept in touch with them. There is also the charter school I started in partnership with the School of Education at the Catholic Barry University that serves low-income families in Miami Shores and the honorary doctorate they awarded me for this and other education leadership roles (pages 75-77).

During the last quarter of the century of my life, I have started to reduce some of my obligations. I am no longer a trustee of the Wilson Center but am on its Global Advisory Council, which takes less time and less financial obligation. I am still a trustee of the University of Miami, where we are in the process of establishing the permanent Ambassadors Sue and Chuck Cobb Chair of Diplomacy.

At Eisenhower Fellowships, I plan to resign as a trustee in 2024 but remain as a trustee emeritus. I still plan to be an active trustee at the George and Barbara Bush Foundation, Stanford's Hoover Institution, American Academy of Diplomacy, Council of American Ambassadors and the Council on Foreign Relations.

Over the years we have made significant contributions to the Reagan Library and to the George W. Bush Library and Museum in addition to the George and Barbara Bush Foundation. At the Reagan Library, I am honored to have a plaque placed on the Ambassador's Terrace, outside of the Air Force One Pavilion. Ambassadors who served under President Reagan and who make a financial contribution to the Library are honored with a plaque. Although I technically did not serve as an ambassador under Reagan, they included me in this honor since I was in his administration as assistant secretary and undersecretary of Commerce and later as an ambassador under George H. W. Bush.

In conclusion, I have greatly enjoyed spending a significant percentage of my time through all four quarters of my life (and spending many resources) on advancing responsible international policies that further U.S. interests and make the world a better place. I am delighted David Reuther has expertly drawn out from my background those things that have made international relations and diplomacy so important and satisfying in my life.

I have written this prologue to condense some of my long-winded answers to David's excellent questions and to provide a summary of my international interests and experiences.

INTERVIEW

Q: Today is the second of March. We're beginning our conversation with Ambassador Cobb for the Association of Diplomatic Studies and Training Oral history program.

Sir, let's start with your background. You were born in 1936, which was the middle of the Depression. Can you tell us something about your mother and father and what their background was and how they got to Fresno?

COBB: My father, Charles E. Cobb, Sr., was the grandson of a gentleman who came to California from the Midwest in a covered wagon in 1868. My great grandfather was Van Buren Cobb, which is where my and my father's middle names came from—Elvan. It came from Van Buren, which was his name. He was named after the eighth president of the United States, Martin Van Buren. My great grandfather was a farmer in the Midwest. He was, we think, a Southern sympathizer. He was in Kentucky and Indiana and had activities in both. He was on the losing side of the Civil War, so he put everything into a covered wagon and headed to California. He first went to the San Jose area and then he went to the San Joaquin Valley. There's a river that runs through the middle of California called the San Joaquin River, and he set up a farming operation on that San Joaquin River, close to the town of Fresno. His farm was between Fresno and a small community called Madera. Fresno had not yet been established. It was established three or four years later. He then became a very prominent agricultural person who had about seven kids. One of those was my grandfather, A. J. Cobb, who was also in agriculture, primarily in

the fig business. My grandfather along with his brother, Charles Cobb, who was a California senator, created what is today known as a Calimyrna fig. The fig came from Smyrna, Turkey, and they put the California name on it, so Calimyrna fig. Today you can still buy Calimyrna figs, but they're from Turkey. But it's a well-known brand name in the United States from my grandfather.

Q: Well, it sounds rather creative. Is fig native to the San Joaquin Valley?

COBB: I don't think so. The fig that was earlier in California was a black fig, which I think had been native. But the blonde fig, the Calimyrna fig, was an import from Turkey and was then a marketing creation of my grandfather.

My father was a Stanford graduate, class of 1930. It is pretty clear to me that he was dyslexic, even though we didn't know anything about that at the time. It later was pretty clear I was also dyslexic. He was an accountant, superb accountant, businessman, very quantitative. He obviously had great quantitative skills, which I may have inherited. One of my two sons is also very strong quantitatively and is dyslexic. And then, two of my grandsons are dyslexic. I don't know whether my grandfather was dyslexic. I never knew him well enough to make a judgment. So, anyway, that's my father's side.

Q: One would assume that dyslexia would be a handicap for an accountant.

COBB: No, not at all as a financial person. In my case, at Stanford they had an exception for engineering students. You didn't have to take a language requirement if you took advanced calculus. So, although I was not an engineering student I got As in advanced calculus so I wouldn't have to take a language requirement. Reading and foreign languages were always difficult for me. Until my son went to a special school, we did not know he, my dad or I were dyslexic. My grandsons also went to special schools for dyslexics, and they learned to read differently. They learned to read a lot with their hands. Their brains just work differently.

In any event, my mother was just the opposite. She was very smart in different ways. Her father was number one in his class at Chicago, graduated in the 1800s, University of Chicago. He then was a newspaper publisher in the small town of Hanford, California. My mom got her BA from Fresno State University and then became a schoolteacher and then later had a woman's store.

Q: On the paternal side, you go back to Kentucky and Tennessee. How about on your maternal side?

COBB: They were from Scotland. On my father's side we have pretty definitively traced our history to 1627 using DNA. My great-grandfather nine times back came to Plymouth from England seven years after the original Mayflower and was a key participant in Plymouth's building and then joined five other people from Plymouth and created the town of Scituate, Massachusetts, which is twenty miles north of Plymouth and maybe twenty to twenty-five miles south of Boston. In any event, they've been here for about

four hundred years—since the 1600s in Massachusetts. My mother's side of the family has been here maybe 150 years, something like that. But a long time. Father's side is English from Cork County and Mother's side is from Scotland.

So, as a youngster I grew up in an agricultural town of Fresno. Basic business was all agriculture. The lawyers did agriculture work. The architects did agriculture work. Almost everything was built around an agricultural economy. My family had figs, as I just mentioned.

Regarding my activities as a youth, I was always organizing things, always leading things. I remember in Cub Scouts I organized and actually created a Cub Scout meeting place at my house and then got my dad to be the leader. In the sixth grade I organized a football team. I was the coach, I was the quarterback, I was the organizer. And I arranged football games with two other elementary schools. I found parents to be the referees. In my sixth grade, I convinced the principal that we needed to have an election for school president, knowing that I might be elected the president. He agreed, and we created an election. I ran for president of my class and was elected.

Q: I'd like to go a little into the environment. Now, your father graduated from Stanford in 1930. In your recollection, how did the Depression impact Fresno and your father as an accountant?

COBB: Well, he couldn't get any work, but he was blessed, his father gave him three small properties on a pretty busy street. The three properties were a little small house—I'm guessing the house was 1,200 feet with two bedrooms. Next door was the little grocery store, more like a general store. It was also like 2,000 feet and then a service station. My father ran the service station, filled the gas, changed tires, and lubed cars. That was his source of income. My mother got pretty much free food from the deli as an offset for rent of the grocery store next door. We actually lived a relatively comfortable life. I remember my dad filing his income tax returns for when I went to Stanford and he never made more than \$6,000, which was probably a pretty good compensation back in the forties and the early fifties. So, in answer to your questions about the Depression, I don't know how to evaluate our family's lifestyle, but we had enough from running the service station and having the grocery store for us to get along okay.

Q: One of the remarkable things, of course, during the Depression is this is the time when Roosevelt was elected President, 1933 all the way up to the forties. Did your people have any particular feelings about the Roosevelt Administration?

COBB: Not that I remember other than my dad, while he was at Stanford, on victory night in 1928 he was at Hoover's house, which is now the president's house at Stanford. He probably had a Republican leaning; but I don't ever remember discussing politics with my dad or my mom at all. Since I think they were generally pro-business, they might not have been fans of Roosevelt.

Q: These are things that you might have remembered at the time, of course, World War II, which starts for the Europeans in September 1939, and for the Americans in December of '41. You would have been about five years old in 1941.

COBB: All I remember is first, we had a part-time Japanese helper whom we loved very much and she was sent to an internment camp. I loved her like a grandmother or an aunt. That was just devastating to me and the family. My dad wasn't called for military service—he was a little too old at the time. The IRS [Internal Revenue Service] hired him at some point because he was a CPA [certified public accountant]. They hired him and he had something to do with currency exchange or business dealings. He had some sort of an IRS responsibility and he had joined the Civil Defense. He had to go once a week to this Civil Defense training with a gun, with a military helmet and other things. I was very interested in that equipment and often inspected it in our closet. We were in San Francisco on the date Japan surrendered in '45. I was nine years old, and I remember that vividly. The sailors took over the cable cars and were spinning the cable cars around and sailors were drunk and falling. They were on the roofs of the cable cars and would fall off. Actually, I remember my parents finally felt they had to shelter me from all the drunkenness.

Q: Now, you would have been reading the newspapers or maybe you had Life magazine around. Were you following some of the events?

COBB: No, not until I was about eight in 1944. The war was from when I was four years old or five years old to nine years old. And I don't remember much except I remember believing the Japanese would bomb Fresno and I remember the end of the war.

Q: Did you have any relatives who were drafted?

COBB: Yes, but I didn't know what they did, and I only later talked to them about their war experience. But none of my relatives died that I knew of.

Q: Now, as you say, Fresno was primarily an agricultural area, so it doesn't sound like there were military training areas moved in or—

COBB: Yes, there were a few. One of our airports was converted to a military base. I was frequently afraid that for sure we were going to be invaded. In my mind it wasn't probable, it was for sure we were going to be invaded. I remember the fear of that and in school where we had air raid drills. We first had to get under our desks and then had special places to go if the bombing started.

Q: Now, shortly before the war ends President Roosevelt dies. How did the people around you respond?

COBB: I remember that. I was in school at the cafeteria. And that's all I remember. I remember him dying, how sad and concerned everybody was. But I don't remember the transition to Truman much at all.

Q: Now, as you said, by this time you're in elementary school. Was this a private school or—?

COBB: It was a public school, a training school for what is now Fresno State University. The Department of Education set up a K-6 elementary school, so we got a terrific education because we had a master teacher, who was a professor, for each class and we always had two or three student teachers. We really got terrific personal attention for a public school.

Q: Fair enough. Well, that's interesting. At that time did you have any particular teachers that you—?

COBB: No, I don't remember any of them, but I can remember organizing football and organizing to be president and writing our graduation song. I can almost sing it, "Now is the hour that we must say good-bye. Soon we are going off to junior high." I created that. My creative juices were in just trying to promote stuff.

So, then I went to a junior high school, a two-year public junior high school. And again, I don't remember any of my teachers. But I started to excel in athletics. Athletics became most important in my life.

Q: This was the Alexander Hamilton Junior High. What subjects began to be interesting to you?

COBB: Athletics. Athletics. I was one of the best basketball players in the school. Did not have a football team, but I was one of the fastest and so I got started in track. I would say I spent two hours a day every day in junior high school shooting basketball hoops. And I was the best shot. Then I went to a public senior high school for my freshman year. The school had about three thousand students and had one of the best basketball teams in the state. The athletic department organized a school-wide contest of basketball skills and I beat out all the top players in the school. I could shoot twenty-five free throws in a row and had the best record on passing, making baskets, etcetera.

Q: What was the name of the high school?

COBB: Fresno High School, which is still there in the same location. I can remember my teachers in high school. Mostly my math teachers, where I excelled in math. Not so much English, where I didn't excel.

Q: Let's turn to the sports basketball side for a minute. You would have been an active team player, so did the Fresno teams do well in fact?

COBB: Yes, but I quit basketball in my junior year because I was a better football player and a better track athlete. I was the captain of both the football and track teams. And I was one of the best high hurdlers in California. I still think I might have been an NFL

[National Football League] football player because I was fast and had good eye-hand coordination. I was a good end and I used to brag to my sons that I never touched a pass I didn't catch. In any event, I think I was pretty good, but I got talked out of football at Stanford. The track coach said, "Look, you're going to be one of America's best hurdlers and on the Olympic team, and you shouldn't get hurt playing football. You've got to concentrate on track."

Q: How did the football team do in high school?

COBB: The football team did not win the San Joaquin Valley championship, but it did well. I think we got to the finals and lost the championship.

Q: Now, you know, you're fourteen, fifteen years old in high school. Were you aware of sort of the popular music at the time or—?

COBB: No. In fact, I was square as it relates to dress, popular music, and other high school stuff. I had developed a lot of self-confidence. I wore sloppy clothes and felt I was a trendsetter. I never felt pressure to be cool, never smoked a cigarette. Of course, I never smoked marijuana and never did in college. I was just so into athletics that one might even call me antisocial.

Q: Now, you mentioned the—some of your organizing skills, but you were a self-starter in a lot of things. I think you mentioned once that you started your own lawn mowing business, which must have provided some personal spending money.

COBB: Yes. I also had a newspaper route before that. In fact, to start my lawn mowing business I went to the same families who I had been delivering newspapers, and I told them, "Look, I'm a reliable person. I've been delivering your newspapers. I'm not going to do newspapers anymore—I'm going to be in a higher valued lawn business." So, yeah, I was an emerging entrepreneur.

Q: And what did you spend your money on?

COBB: Athletics.

Q: Good shoes?

COBB: Yes.

Q: Now, one of the things that you mentioned before was during high school you joined firefighting teams.

COBB: Yeah. That was a summer job. A full-time summer job, and I did that for three summers in a row. It was more muscle building for football. It was hard labor, it was manual labor where we went out during the week and built fire bricks, mostly by hand

with a backhoe type of piece of equipment. And then, about once a week you'd fight a fire.

Q: Now, this is working for the government or working—?

COBB: Yes, working for the state of California, Division of Forestry. This is in the forest. This is not the national park; this was a state forest.

Q: Which was quite extensive or still is, actually.

COBB: It still is, yes. We had broad responsibility. And as you can see from the last few years, you know, it's a dangerous business.

Q: Absolutely.

COBB: Labor intensive. When you have a fire, you don't sleep for two or three days. It was hard work and it toughened me up, disciplined me.

Q: And it's a community project. That is to say it's you and a bunch of other people working together to build the fire breaks and what not?

COBB: Yes. The only thing I would say on that is most of the co-workers were older than I was and almost none of them had a college education. They were doing this because it was the only job they could get.

Q: While you were in high school political changes came and the Eisenhower-Stevenson race, campaign was in 1952, and you were a junior in high school. Did you pay any attention to—

COBB: Yes. I would say at this point I had determined I was a Republican—I was pro-business. I actually worried a little bit about the national budget at this time. I had a judgment about the importance of financial discipline. The country needed to be more financially disciplined. I personally was very financially disciplined. I expected my fellow workers to be financially disciplined, and I expected the government to be disciplined. Today, my biggest criticism of both political parties is the lack of financial discipline, the lack of worrying about our fiscal affairs and just kicking the can down the road. I'm anti kicking the can down the road. And I guess I developed that in high school, before college.

Q: Now, as you're coming up to your junior year in high school the Korean War was ending and in high school you must have been very aware of that circumstance.

COBB: Yes, but I'm embarrassed to say that during high school I was not as interested in the Korean War and other international issues as my grandkids were during high school. They are more knowledgeable than I was. I make sure they're more knowledgeable than I was at that time on the critical issues facing our country.

Q: Now, you graduate from high school in 1954 and you go on to Stanford. I assume that wasn't a difficult decision since that's where your father had gone.

COBB: Yes, it was not difficult at all. I only applied to Stanford and USC [University of Southern California] and Pomona College.

Q: And when you started at Stanford did you have to pick a major early on or—?

COBB: No. I would say the greatest impact on my early education was Western civilization at Stanford. So, for the first time I was getting a true comprehensive education. It was the first time I was really exposed to the great thinkers of the past and the great philosophers. During that time, I maybe reinforced my conservatism as it relates to political issues and for the first time—although I had been baptized as a Christian—I would say I became a better Christian. For the first time I understood what an important movement Christianity was and how it had influenced history.

Q: At Stanford was Western civ a one-year course for freshmen or—?

COBB: It was. It was all year during freshman year and it's a significant part of the first year's education.

Q: Right. And you had some other science requirements?

COBB: Yeah, some science, English, math, Navy ROTC [Reserve Officers' Training Corps] and other liberal arts classes. In my case, I took advanced calculus because I could avoid the foreign language requirement. I didn't pick economics until my junior year.

Q: And as you're moving to that decision do you recall any particular professors that would have excited you or you found their class quite interesting?

COBB: It wasn't economics professors. Again, it was Western civilization and history professors. If I had to pick the best course that I had it was not until my junior year. It was a course on collective security, like NATO [North Atlantic Treaty Organization]. NATO was half the course, and the other half was our other national security arrangements. That was the best course I had, so that had a real impact on my extracurricular reading and thinking and traveling.

Q: Travel?

COBB: Traveling, yeah. I wanted to go to Europe, and I then took personal trips to Europe and later had track trips to Europe. I really became sort of a student of Europe.

Q: Now, you had a stellar athletic career in high school. Did you pursue that at Stanford?

COBB: Yes. I would say my athletic career substantially improved at Stanford. By my freshman year, I was one of the best freshman high hurdlers in the nation; and by my sophomore year, I was more successful. I'd never been on an airplane before, until my sophomore year. My sophomore year I made my first trip to Los Angeles, to the LA Coliseum, the site of the '32 and '84 Olympics and 100,000 capacity. It was a track meet against USC. I won the hurdles that day and the *LA Times* did a feature on me as a new, rising star. So, now I'm really into this and I'm now a more prominent person on campus as a sophomore, with an even greater commitment to athletics.

Q: Now, at that same time I have the impression you got involved in fraternity life.

COBB: Yes. I got involved in fraternity life and later became a leader there. My first leadership role was social chairman, which is a very important role in most fraternities. And then I was elected president in my senior year, which was actually a paying job. You were paid because in our fraternity we had food and beverage activities and janitorial activity, so you're running a small business.

Q: What was the draw for fraternities? I mean, was this all the guys in track?

COBB: No, they weren't the guys in track, they were mostly the guys in football and other sports. About half the guys in the fraternity were athletes.

Q: And there was that athletic fellowship that the fraternity seemed to have?

COBB: Yes. In that sense our fraternity was maybe a little more disciplined than other fraternities because most of us were competing. A high percentage or half of us were competing at a very high level.

Q: Now, we're talking about Phi Delta Theta? And I mention this. In 1958 you came to Los Angeles for a competition and as you said, the coliseum was not available at that time and the competition was held at Occidental College.

COBB: Right. So I'll give you the background on that. The Los Angeles Dodgers had just moved from Brooklyn to Los Angeles.

Q: Broke my heart.

COBB: Yeah. The only place for the Los Angeles Dodgers to compete was in the LA Coliseum. So they converted the coliseum for Dodger baseball and they had to take the track out. Most of the championship races for Los Angeles at that time were in Occidental. And my coach, Payton Jordan, had been the coach at Occidental before, so he knew it well. We were in Los Angeles for the Stanford versus USC track meet. That day was very important to me because several things happened. The two previous high hurdles world record holders, Dick Attlessey and Jack Davis, had set world records in the high hurdles years earlier, and they also held the Stanford-USC record in the hurdles. I broke both of their Stanford versus USC records, and I broke the Stanford record that day

and had the fastest time in the world. This was in April or May. Later in the season the other better athletes did better than that, so I didn't end 1958 as the best in the world but was one of the top ten. But anyway, it was a big day for me and that's why I'm very fond of Occidental and all alumni and everybody connected with Occidental.

Q: Thank you very much for that shout out to my alma mater. In addition to your athletics at Stanford, you also signed up for the Navy ROTC.

COBB: Right.

Q: What year was that?

COBB: Well, you signed up at the very beginning as a freshman. You have to do four years of NROTC. So, over four years you go to class. It's actually a credit class, three-unit credit class, and you take navigation and all kinds of naval subjects like seamanship and leadership and all the things they take at the Naval Academy. Then after your junior year you go on a six-week tour. I went on a destroyer up the St. Lawrence Seaway to Montreal and back. That was a great experience.

Q: Now, where did—was the Navy ROTC the only one on campus?

COBB: No, there was an Army ROTC too. There were two. So, when you graduate and get your commission, you don't have to go anymore. You go right to the ship. In my case, I went right to the *USS Lexington*, like two weeks after my graduation.

Q: Why did you pick the Navy?

COBB: I really don't remember why. I did not have an affinity for Navy over other services. It's like, why did I pick Stanford? I don't really remember why.

Q: Well, you were saying that your first cruise was out of Norfolk.

COBB: Yeah.

Q: In Virginia. So, that would have meant that you were flown from the West Coast to the East Coast?

COBB: I think we did that commercially.

Q: And then, because you were saying your first flight was down to Los Angeles for a competition.

COBB: Yeah, that was my sophomore year. This is a year later. I'm a veteran of flying by then. Yeah, I had been to many U.S. cities and had been to Canada twice.

Q: Those were sports events?

COBB: Right, track events.

Q: (Indiscernible) you out. Well, here you graduated with a degree in economics or was it business?

COBB: Economics. Stanford only has a graduate business school.

Q: Ah. Yes. We'll get to that.

COBB: Today they allow some undergraduates to take some classes. They didn't even allow that because I wanted to take some business classes, but they wouldn't allow it. They didn't want to pollute the graduate program with undergraduates.

Q: (Laughs) Now, two weeks after you graduate you say you picked up your Navy commission and joined the USS Lexington, a very famous name for American aircraft carriers. What was your rank and what were your duties?

COBB: I was an ensign, and I was in the Combat Information Center, CIC. I was an emerging aircraft controller talking and doing the flight patterns and the intercepts with enemy aircraft.

Q: And what aircraft did this carrier carry?

COBB: We had both jets and some props, and I forget the designations.

Q: Probably the F-6 Panther. Anyway.

COBB: I think that's what it was.

Q: So, what was your first sailing then, Ensign Cobb?

COBB: Let me give you the background. My wife and I had set an engagement party for July or August 1958 and we had already bought the ring. So I got on the ship and about the third day they said because of the Lebanon crisis, President Eisenhower had decided to send the ship that was previously going to patrol the Formosa Straits and Quemoy-Matsu to Lebanon. I forget what that aircraft carrier was. Our ship, the *Lexington*, was going to patrol the Formosa Straits and Quemoy-Matsu instead, and I was going to leave within a week. I called Sue and said, "Here's the safe deposit number to get the ring. You're going to have an engagement party without me." Our ship left within a few days from San Diego to Hawaii and then we went to the Formosa Straits. There we were with war every other day. As you might remember, the Chinese bombed Quemoy-Matsu every other day. They wouldn't do it every day to show their peaceful lovingness.

Q: Well, as you're saying this was the second Quemoy crisis.

COBB: Right.

Q: That brought you to the Taiwan Straits.

COBB: Right.

Q: And so, what was the carrier's job?

COBB: Well, the carrier's job was to do normal training missions. The only thing that I did not approve of then, and I still kind of think it was a wrong decision, was that the Navy was so afraid the Lex was going to be the next target that we did night operations with no lights, and we lost six pilots trying to land at night. That was a decision made in Washington. I never had the chance to meet the captain, but I remember asking several of his senior officers about the blackouts on night landings. I was an ensign and I had not yet had a chance to go through the total schooling to do flight control. There was always an officer in CIC who was in charge of the CIC functions, so I would normally get the red-eye responsibility from midnight to 6 a.m. to be the officer in charge of CIC.

Q: Now, a carrier group is a fairly large group of ships.

COBB: Yes.

Q: Covering destroyers, and other ships?

COBB: It was about four or five ships.

Q: Do you recall who the captain was?

COBB: No. I had never met him either. And I also observed that I was in the Navy for two years and I don't think I ever saw an admiral. And then later, when I was an ambassador, I was in Norfolk once and I was briefed by twenty admirals from different NATO countries on Iceland's anti-submarine activities, and I commented how ironic it was that I was for two years a lowly ensign and then a lieutenant jg [junior grade] and I don't think I ever saw an admiral.

Q: Now, I have the impression that on this sailing you were able to stop in Japan.

COBB: In the middle of our six-month deployment, I received a letter stating, "You have been selected as one of America's best athletes to compete against the Japanese." So, I told my superior, "Look, I'd love to do this if I could, it'd be a chance of a lifetime." So, they took about a week of bureaucracy, and they finally concluded that I could accept this, but the only way they could do it was if there was a COD. You know what a COD is? It's a carrier onboard delivery airplane. So, it's a plane that has, I'm guessing, it has about fifteen seats and you are catapulted off the ship just like the other airplanes. The COD is built to be catapulted off the carrier and then later to land on the carrier with a

hook. It was really a great honor to be selected and then I'm very grateful the Navy figured out how to allow me to go and then deliver me on this COD. I'm guessing it cost \$50,000 per seat to deliver. I wasn't the only person on the COD. There were people with medical needs or other administrative people who were flying to Yokohama.

Q: Who met you in Yokohama and what were your circumstances there?

COBB: I know I was met then by somebody from the AAU—the Amateur Athletic Union. At the time they did all the international selection processes of the best athletes and they had the administrative people, so they're the ones who met me and then I joined up with the rest of the team. I was honored they then elected me captain of the U.S. team. One of my proudest moments was during the great opening ceremony as we marched into the Tokyo stadium, they asked me to carry the American flag. That really is, I guess, one of the biggest honors in my life, to represent our country and carry the American flag into these goodwill games. It was just thirteen years after the end of the war in 1958. And the animosity still was great and the tension was great. The competition was the U.S. all stars against the Japanese all stars. We competed in about eight meets over a three- to four-week program in the northern island of Hokkaido and down in the southern island of Fukuyama.

Q: (Indiscernible)

COBB: Right. And two or three other islands, and then the mainland in Kyoto and Tokyo and wherever. So, it was a great experience. It was my first experience as a diplomat because it was all about diplomacy.

Q: Mm-hm, mm-hm. And then you got back on the COD and came back to the ship?

COBB: Yeah. So, that was just a great, great experience. But you know, mostly it's the cultural difference between Japan then and now that is so dramatic. In addition, the economic condition was difficult as the price level of everything was so low compared to now. U.S.-Japan relations were very strained at times. When we would walk down the street in a lot of different cities and towns, the Japanese would move across the street. They did not want to confront us or say hello. Whether it was fear or hate, I'm not sure. In any event, it was a sensitive time, and it was a very educational time.

Q: Obviously not only because of the war experience, but then they were occupied for years.

COBB: Yes. While the occupation ended in 1952, six years earlier than our goodwill tour, it was still a very tense time. I think we still had over 200,000 military troops stationed in Japan and there were several protests during the '50s against this large U.S. military presence. General Douglas MacArthur had gone home a few years earlier, but all U.S. diplomats were encouraging more sports and cultural exchanges. I understand the New York Giants were the first U.S. athletes to compete in Japan, and I was told our U.S. track delegation was the second major sports group to compete with Japan since the war. For

that reason, the opening ceremony of the first international track meet in Tokyo was an important diplomatic event, and I was truly honored to be the captain and the U.S. flag bearer into the Olympic stadium.

Q: The Lexington left the West Coast in October and returned on December 19. You decided to get married (indiscernible)?

COBB: No, it left not in October, it left in June or July. The *Lexington* left San Diego within days after I got aboard. You said October? Are you reading something?

Q: I have a Google search that said it left on the seventh of August, but you would have joined the ship earlier.

COBB: That date in August might be when we left Hawaii and the U.S. because I think we left San Diego earlier than that. Anyway, we came back into the San Francisco Bay in December, under the Golden Gate Bridge, and that was really an impressive time.

Q: That's quite a sight, the bridge.

COBB: In the meantime, I meet my wife and then we got married as planned two months later in February 1959.

Q: Now, given your experience in Japan, the Navy reassigned you to its Olympic training program.

COBB: Yes.

Q: (Indiscernible) rest of your commitment.

COBB: Right. So the Naval officials in Washington said, "First, we would like you to be at the Stanford NROTC unit, and then we would like you to be at the Naval Academy." So pretty much all of '59 I was at Stanford; and then in early 1960, I was at the Naval Academy for three months.

Q: How did you get to Annapolis from the West Coast?

COBB: We drove. My wife and I drove, made six trips to and from, cross country. In 1960 we drove to Annapolis, in '61 was to New York for my job at Citibank between my two years at Stanford Business School, and in '62 it was for my job at Dodge & Cox. All in a '55 Volvo that ended up with 125,000 miles.

Q: It must have been a great experience to see the United States.

COBB: Yeah. Those six trips we took a different route each time. Have you ever done that?

Q: No. I spent most of my time in the national parks on the West Coast. Been to every one—camping out at every national park.

COBB: We've only been to about half of them.

Q: But driving coast to coast—because this would be before even the Eisenhower highways were finished.

COBB: Right. Which made it more enjoyable. We went from town to town.

Q: Now, what were your responsibilities at Annapolis?

COBB: They had me teach a couple of courses on leadership and doing some administrative work. But mostly I would be competing in Boston or Philadelphia or New York almost every weekend. I would leave on Thursday and go to the Millrose Games in New York, or the *Philadelphia Enquirer* games in Philadelphia or the *Boston Globe* games. I would compete in Madison Square Garden or wherever for indoor meets during the winter of '60.

Q: You're familiar with San Diego, Los Angeles, San Francisco. What was your impression of New York, Boston and Philadelphia?

COBB: Well this was my first real in-depth exposure to all of them. In my junior and senior years, I had competed in national track competitions in some of the cities, but very briefly. I had already competed in the Pennsylvania Penn relays in Philadelphia, and I had already been in and out of New York lots of times, so it wasn't my first visit; but it was the first time I'd really spent a lot of time and met with the press and with organizers and promoters and businesspeople to negotiate my deal. That was my third or fourth attempt at entrepreneurialism. The Navy picked up a lot of the costs, but I had to get support on some of the other costs.

Q: Well, now let's go over this a bit. What was the entrepreneurial aspect?

COBB: Well, negotiating expenses for every trip, whether it be airline or—

Q: So, the Navy didn't pick it up, the—

COBB: They picked up part of it. I was not the superstar, so I didn't get the penthouse. I got a regular room or whatever. So, yeah, it was the first chance to do some negotiating of things that were significant at the time.

Q: Now, in part this experience and this training was to prepare for the 1960 Olympics.

COBB: Right.

Q: And was that already in everybody—your mind and—

COBB: Oh, everybody's mind. In fact, that's the sole reason. In other words, there is a national law that says anybody in the military, if they're a world class athlete in whatever sport and if they have an excellent chance of being on the Olympic team and helping the Olympic team, they are to be provided some sort of an environment where they can train. That's a U.S. law. So, I made an application under that law.

Q: And was assured that you'd be on the team?

COBB: Oh, no. And I would say of all the athletes who were in the program, we only had about a thirty or forty percent chance of making the team. And of the ones I was training with, I would say I was the only one who made the team, even though I was the alternate on the team. The other three or four did not make it although they were great athletes. One was an army officer, and one was a naval officer. One was, I think, an enlisted person in the army. One of them was in the Secret Service. So, in my case, to make the Olympic games is a series of steps. Just to get to the Olympic trials you had to do certain things. In my case, I won the Armed Forces Championship at Quantico, Virginia, in 1960. So then I was qualified. My advantage was that the Olympic trials were at Stanford. There were 60,000 people there and a high percentage were rooting for me, but all I could do is get fourth. Three made the team and the fourth was an alternate.

Q: So, you were chosen to go to the summer Olympics.

COBB: I was chosen to be on the Olympic team for the next three or four months. If somebody got hurt, then I would take their place; or if their performance fell off, I would take their place. I traveled with the Olympic team and competed with them most of the summer. All three athletes ahead of me did well, so they then went to Rome. I did not go to Rome, but at the same time I got invited in with another group of athletes that was invited to Finland, Sweden and Norway. I went to the Nordic countries. Most of the time when I was in Norway and Sweden I competed against their Olympic athletes since the Olympics were over. But while I was in Finland, it was actually during the Olympics, so I was competing with good athletes who had also just missed competing in the Olympics.

I'll tell you one interesting story that says a little bit about the dynamics between the Russians and the Finns, which you probably know but I'll share it with you because it's so dramatic. In 1959, the year before we were in Helsinki, Khrushchev had come to San Francisco, and I remember wanting to see him. A million people turned out, so I never ended up seeing him. While we were in Helsinki, I was told he was going to be at the railroad station across the street. Our hotel was quite close. So, I said to my wife, "Let's go see Khrushchev." And at the train station, a public event, it was the president of Finland, the minister of foreign affairs, and about two other government officials from the president's office. Four people from the Finland government and three of us non-government people to meet Khrushchev. Now he'd been to Helsinki lots of times, but few wanted to see this bad person. So later I asked the people we were dining with at dinner, "Why wouldn't you want to see Khrushchev?" They said, "We hate that guy." The winter war of '39 was really a dramatic war.

Q: Yes. Now, you're in Europe as a backup to the team.

COBB: No, by the time I go to Europe it has already been decided that the three are going to compete. I am there basically as a U.S. diplomat again on a goodwill mission to compete with Finland's, Norway's, and Sweden's finest, for a series of meets in multiple cities in each country.

Q: As a representative of the U.S. military or—?

COBB: No, AAU, the U.S. Amateur Athletic Union.

Q: And how did you get around Europe then?

COBB: The organizers got us around. I don't remember how, but I do remember some of it was by train and some by bus. It was short trips. We flew between countries.

Q: Would you have come in at Paris and then get picked up, or did you come in at Copenhagen?

COBB: Well actually, I do remember how we got there. I got an allowance from AAU and I called the MATS, the Military Air Transport Service, to see if I could get a free ride from Andrews Airport. I forget where I flew from to get to Andrews, but my wife and I got a free ride over the Atlantic, and I think we ended up at an air force base near Madrid. And then I remember we found our way to Paris and Madrid then finally to Helsinki.

Q: Now, this was your first trip to Europe?

COBB: I think so, but I'm not sure of that. I think so. It was my first track trip to Europe.

Q: And you were beginning to see the countries and architecture that you studied in your Western civ course?

COBB: Yes.

Q: Now, 1960 your Navy enlistment ends and you're free for the next step. At that same time, though, November 1960 was an American presidential election where—which is Kennedy and Goldwater. Did that—

COBB: Yes. My wife was actually involved with Goldwater's campaign. (Laughs) And I remember the Goldwater-Nelson Rockefeller debate. I actually had a preference for Nelson Rockefeller. And my wife sort of preferred Goldwater because she got involved with some sort of an organization. If I recall correctly the Republican convention was in San Francisco in 1960, and we went to it. We were both very interested in that convention and we both had supported Goldwater against Johnson. Of course, he lost. No, wait a minute. No, no, no. Goldwater is '64. Sixty is Nixon-Kennedy.

Q: Yes. Sorry.

COBB: Yes, it's '64 that we were involved, yeah. We were not involved with any of the campaigns, but we did support Nixon in '60.

Q: Now, as you left the Navy, you took your—a graduate degree in business back at Stanford.

COBB: Yes.

Q: That already on your to-do list?

COBB: Well, a couple things. I was approached by the Oakland Raiders to try out. Wouldn't promise anything, but I was fast and if you look at the finals of the Olympic trials that summer I beat four people who were later in the NFL—a guy named Bernie Casey was a split end at the Rams, Jimmy Johnson was Rafer Johnson's brother who was a receiver with the Forty-Niners, and two other guys. All were in the finals, and I beat them all. So the Raiders approached me. I loved football so I was sort of torn. When I was accepted to Stanford, a very wise person and someone who I respected advised me to go back to Stanford business school. And then, maybe to jump ahead on that story and explain how it probably would have been a disaster to try out with the Oakland Raiders. I decided to play rugby at Stanford and was a first team rugby player. I'd never played rugby before, but I was fast and I was a good punter, so they put me as first string wing. We had one of the nation's best teams, but during the last game of the second year against USC, a guy hit me from the back, and I ruptured my kidney. We then discovered the kidney was way out of proportion because of a blockage, so I probably would not have had much of an NFL career even if I had made the team. In any event, I did not have a professional football career.

Q: So, you were better off in business school.

COBB: I was much better off in business school.

Q: And how was business school?

COBB: It was great. The first time I excelled academically. My reading deficiency did not bother me because it was in large part oral presentations and oral problem solving and quantitative problem solving. So, I really excelled. And I really enjoyed it. I enjoyed the academic setting, and I had some great professors.

Q: Who were some of the highlights at that time?

COBB: Well, there was a professor named Porterfield who was one of the top finance professionals in the U.S. and Professor Davis in marketing. The dean of the business school was the former CEO [chief executive officer] of Wells Fargo Bank. I also had a

top professor in leadership and group psychology who was just really terrific, and I learned so much about group dynamics and people dynamics and learned so much about motivation. Stanford Business School was a great academic environment, but it was also a very practical experience. I learned about strategic planning, how to organize and how to motivate people—things that have helped me in business and in the State Department and Commerce Department and non-profits.

Q: Now, if you had been in history or something like that you would have had to do a dissertation or a senior thing. Was there—

COBB: No, we had no dissertation, but I did what was equivalent to a dissertation. At the time, New York Stock Exchange commissions were very high. And several firms that were not members of the New York Stock Exchange were trading listed companies off the Exchange at a fraction of the commission. So if large investment institutions wanted to buy 100,000 shares of General Motors, they would pay a commission that was 10 percent of the cost on the New York Stock Exchange if they dealt with any of those over-the-counter firms. I thought this was a great invention and was something I want to get involved with after graduation. I prepared an outline of my dissertation and then I talked with the two firms that traded listed companies over the counter or off the Exchange—Harriman Ripley and Wheaton & Company. I went to these two companies and said, "Look, I'm thinking of doing this dissertation, but I need your help. I need statistics, etcetera. They both said, "Fine, we'll totally cooperate." They both did and helped me produce a great paper. Later they both offered me a job when I finished at Stanford—and I was tempted. But just about that time there was significant discussion at the New York Stock Exchange about getting rid of these fixed commissions, which was making them uncompetitive. So the world passed by my dissertation. It was cutting edge at the time, but within six months the dissertation was not worth anything.

Q: Well, this is the time in your chronology here that you start off on your experience in private business. And actually, I'd like to leave that until the next session, if you don't mind. We've been at it for an hour and a half or so. Okay with you?

COBB: Yeah, it's perfect with me. I'm exhausted.

Q: We are returning to our conversation with Ambassador Cobb. It is March fourth. Anyway, in our previous session you graduated from Stanford Business School and you were saying when you were writing your dissertation you were interviewing people for that project and you were offered jobs as a result of that, but you chose something different. Would you like to talk about those first few—

COBB: Yes. Good. One of the lessons I learned as part of this dissertation, as part of my study, was that New York Stock Exchange commissions were just distorting good investment management. I was concerned that stockbrokers had a strong financial incentive to churn an investor's portfolio. My conclusion was that fee-based investment

management was best for investors. I guess that in the 1960s maybe 90 percent of people got their investment management advice from a stockbroker and only 10 percent from an independent fee-based manager. Today, because of index funds and because of other things, I would say about 70 percent get their investment advice from a fee-based system and only about a quarter get their advice from a commission broker. That trend was so clear to me that I decided I wanted to be with an investment management firm or an investment counseling firm that gets paid only by management fees. I interviewed just in that area, and I got offers from a couple firms in San Francisco, and I got offers from a couple firms in New York. I didn't mention during my business school that I had spent the summer at Citibank in New York in its investment management, pension management department. I was really impressed with the importance of New York and Wall Street experience, but I liked the offer from this San Francisco firm, Dodge & Cox. It was a small firm at that time. I was the sixth professional employee. It had been started in the 1930s, so it was a thirty-five-year-old firm then, almost 100-year-old firm now, but I was its sixth employee. I'm guessing today it has thousands of employees managing many hundreds of billions of dollars. But it was a smaller firm then because fee-based professional investment management was just taking off and it was clear to me that it had a great future. In any event, as part of my agreement with Dodge & Cox I had two different four-month sessions in New York with their research correspondents. One was Brown Brothers Harriman, the other was Bank of New York, which is now Mellon Bank in New York. So, I had really terrific experience in research on various industries. I had a broad base of understanding in a lot of different industries. I also learned and had an understanding of how the capital markets worked, how Wall Street worked, etcetera. I mean, it was a terrific New York background.

And then, the next two years were spent in San Francisco managing the portfolios of wealthy people in primarily the San Francisco Bay area, but also some pension funds and labor union funds. So, it was good experience. Then the chief financial officer of Kaiser Aluminum approached me. At this point, companies are realizing they need an investor relations department because they have to talk to the investment world, they have to talk to security analysts. Kaiser didn't have anybody to do that, and they hired me as an assistant treasurer to talk to the security analysts and tell them what a good company Kaiser was—to talk the language of a security analyst. It was a big promotion. But right after I got there Kaiser got into the real estate business and one of their first projects, in partnership with another company, was they bought a 95,000-acre ranch in Southern California near Temecula. It was called the Vail Ranch and was on what is now Interstate 15, was 395 then, and we had basically 50,000 acres on the west side of I-15 and 50,000 acres on the east. The west side was contiguous to Camp Pendleton and the east side was a more rural area. I was still assistant treasurer and had the responsibility to put together all the financing for this. They then created a real estate company, and I became the chief financial officer of Kaiser's real estate company. I financed a couple more important businesses and was then promoted to be the president of the Southern California real estate activities. One was a shopping center in Orange County that is called The City. It's a regional shopping center, office building complex at the intersection of the Santa Ana and the Garden Grove freeways. If you can picture where that is, it is contiguous to Santa Ana, Orange, Anaheim. Right there, contiguous to all of them.

For two years, I basically lived in Southern California, Laguna Beach, '67 to '69.

Q: Now, let me ask, Disney itself had already put Disneyland—

COBB: Yeah, Disney was there. Disneyland was about a mile away, but I had no connection with Disney then. We took our kids there but had no connection.

We then formed a partnership with Aetna Life Insurance Company. It was then called Kaiser Aetna. I returned to Oakland and became a group president of about six or seven different businesses that included the 95,000-acre project I mentioned earlier that was called Rancho California, a community in Arizona called the McCormick Ranch and another project near Ventura and a number of different activities. That's what I was doing in '69 to '71.

Q: Now, may I ask, I noticed that you did some traveling for Kaiser.

COBB: Yes.

Q: You went to Australia.

COBB: Went to Australia and was there for about two weeks. Went to Canada a couple times and to Jamaica in 1967. But I guess those were the only international activities I had with Kaiser.

My international business activities were later when my company, Arvida, merged with Penn Central.

So a little bit of background. In 1970 the New York Central Railroad and the Pennsylvania Railroad merged—excuse me, they had merged a year or two earlier. In 1970 the world's largest ever bankruptcy of Penn Central occurred. All the managers were fired. Earlier Penn Central had purchased 59 percent interest in publicly held Arvida, which had been formed by Arthur Vining Davis, the founder of Alcoa. So it was somewhat ironic that here I was working for Kaiser Aluminum and now I get this offer.

So, what happened earlier? Everybody gets fired at Penn Central and all the subsidiaries of Penn Central, pretty much all the top management, and a liquidator is created by the Penn Central trustees. There's a person by the name of Victor Palmieri, who I had known, a Stanford graduate, Stanford Law School. He became the chairman of Arvida, and he commenced a national and international search for Arvida's president and CEO and hired Heidrick & Struggles as the search firm. They interviewed potential CEOs all over the country, and hired me, thirty-four years old, to be the CEO of Arvida. I was probably not seasoned enough, but I really did have experience building four or five new communities, so I knew the complicated process of building a new community, how you go through the master planning, how you then have to go to government for approvals, how you then have to deal with water and sewer and roads, schools and electricity, and all the elements

of building a total new town including the hiring of the most experienced employees and consulting firms. The properties that Arvida had clearly lent themselves to being major new towns or master-planned communities. The board of Arvida knew the developments were going to be long, complicated processes so they needed to create a management team because there was nobody at Arvida that had these talents. A consulting firm was kind of temporarily holding Arvida together. It was a beautiful opportunity to come into some well-located properties. Today the city of Boca Raton is really quite an important community and my company built about half of that town. Didn't exist before, just pretty much rural areas other than the Boca Raton Hotel, which we also owned.

West of Fort Lauderdale is the town of Weston. You might not have heard of Weston, but there were zero people there. It was a blank piece of property and today there are 70,000 residents and it's really one of the nicest, well-landscaped, beautiful communities in the nation. For a while Arvida was one of the most successful developers in the U.S. At Weston, 1,500 homes a year were sold there a couple years in a row. It was really a terrific place—so I'm really proud of that. Then we built Sawgrass in Ponte Vedra Beach. If you're a golfer, you're familiar with the Tournament Players Championship [TPC]. We owned half of what is today Sawgrass. Then Chase Manhattan Bank had foreclosed on the other half of what is Sawgrass today, so we bought it and entered into a partnership with the Tournament Players and Deane Beman, who was then the commissioner, and they built the TPC course in the middle of our property. I gave them the land for the TPC course and then we built all the real estate around it, a very profitable enterprise for us and for the TPC. TPC's corporate headquarters is at Sawgrass.

I think we talked about Longboat Key, which is another community we built near Sarasota. Then we built five or six communities in Atlanta and one in Southern California. It was really one of the most successful and at the time one of the first companies to build multiple master-planned communities. Several companies have done it since, but in the seventies no one had done it. We became a darling of the stock market.

Q: Because this is a very complicated procedure because you have to prepare the land first, get the sewers in, and you were saying different companies came in and built the housing.

COBB: Sometimes we would build high-rise housing, which lends itself to a corporate approach. But for the custom homes, we would have different home builders build different custom homes. In a couple cases we brought in some tract builders, but normally, if it was a tract building, we built it ourselves. We ended up building about a third of the homes and about two-thirds were done by other builders. Then we started to develop shopping centers and industrial parks. We had a brokerage company, we had an insurance company, so we were soup to nuts for the homebuilder. Then we had golf clubs we had to run. We had fifteen golf clubs. It was a very complicated business. When I joined we had three employees and we ended up with 6,000.

So halfway through the enterprise, Penn Central does a tender offer and buys the remaining stock in Arvida from the public. At that point, we went from a public company

to a subsidiary, 100 percent owned subsidiary of Penn Central. By this point, Penn Central is out of bankruptcy and Penn Central is a conglomerate with 100 different businesses, and we were one of them—well we were in five businesses, you know, brokerage, insurance, real estate, homebuilding, and industrial. That was about five of the hundred businesses of PCC [Penn Central Corporation].

Q: (Indiscernible) the responsibilities were on the financial side?

COBB: I was the CEO of Arvida at that point. When PCC bought 100 percent of us, they said, “We would like you now to be a group president in charge of the five businesses Arvida owns. Plus, we own Six Flags and we would like you to be in charge of that. We own these hotels, and we’d like you to be in charge of them. We also have these health spas, and we’d like you to be in charge of that.” It was called the Living Leisure Group of Penn Central. It was Arvida and Six Flags and these other businesses. That’s 1980. So, I’d been at Arvida for about nine years.

Q: Now, in being in charge of all these companies, does that mean you’re going to a lot of meetings?

COBB: I go to lots of them. And I’m on the board and I’m chairman of the board of some, but I’m not the CEO of any of them except Arvida. I’m the chairman of the board of most companies and I now need to move to New York to the corporate office. Sue, my wife, is now practicing law and stayed in Miami, so I came home to Miami a lot. I had a corporate jet. A year after being this group president, they say, “Look, we want you to be the chief operating officer of all hundred of these businesses.” So, now comes the international component of this. We are the largest cable operator in Venezuela. We own a company called General Cable, and General Cable is the second largest copper cable company in the U.S. next to Bell Labs. Bell Labs supplies AT&T and is almost a monopoly with 80 percent of the telephone wire. But General Cable was the second biggest, and we provided to the independent telephone companies in America and in Venezuela and in Colombia and in Canada and a couple European countries. But Venezuela was the biggest part, because General Cable in turn billed for a lot of other international companies. So, through this responsibility I made several trips to Venezuela because that was a significant part of our operations. We also had a semiconductor company called Sprague Electric, which had activities in Europe, so I made a couple of trips there. I don’t know if you’re interested in all the other hundred companies, but there was the largest jackup rig company, actually a company that President George Herbert Walker Bush was involved with called LeTourneau. LeTourneau was the largest company in the world in building the jackup rig, which is basically a big ship with four legs. It goes out and then it pumps the legs up and jacks the ship up to where it’s about fifty feet above water and does the drilling. George Herbert Walker Bush used LeTourneau also and I discussed that with him.

But the point is, I am really gaining a lot of managerial experience. I now see every kind of business. My earlier investment business experience helps me with this because I’m now kind of thrust into a lot of different businesses.

Q: Now, in your position are you also hiring or selecting—

COBB: Not so much at this point because my job as COO [chief operating officer] was mostly to oversee the operations and report and not to be running their business. In Penn Central we did not have a centralized human resource function hardly at all. All the subsidiaries had different pension plans, etcetera. After two plus years of this, in 1983, the board said, "This makes no sense to own a hundred different, unrelated businesses. We shouldn't have these hundred businesses. We should shrink down." The PCC board concluded the best business for the way the world was going would be energy and energy related. We owned Buckeye Pipeline, which is one of the big pipeline systems in the eastern United States, and we own this jackup rig company. We were also one of the largest propane companies in the west. So the board decided we were going to be just an energy company, an energy-related company and would sell everything else. The first thing is for me to sell Six Flags. I spent maybe four months and most of my time selling Six Flags, which we did at a pretty good price. They then said, "We think we should sell Arvida next. It's a good company that you built." At this point I was questioning whether I wanted to stay with PCC and continue to commute. My wife was still in Florida, my kids were in Florida, and I'm in New York commuting pretty much every weekend. I'm getting kind of tired of this. I said, "Here's what I'd like to do. Why don't we sell 75 percent of Arvida and Penn Central can continue to own 25 percent and I will continue to be the chairman of the board of Arvida, but I'll stay on the Penn Central board. I will be the chairman of two or three of these companies and lead the efforts to sell them. I'll give up being chief operating officer. I really don't enjoy trying to add value to these hundred businesses." Since PCC was going to shrink it to mainly its energy business, I thought I could add value helping to sell some of its companies.

We hired an investment banker who was confident it could sell the 75 percent to the public. Finally, one day they called me. Here's the exciting story. They call me on a Wednesday night at 5:00 and say, "We've been talking to Equitable Life Insurance Company, and Equitable wants to buy all of Arvida, wants to buy 100 percent of it. So your idea's out the window because we think we can get a better price selling to Equitable." They then tell me what the price was, and I said, "Well, why in the heck did you only call me at 5:00 tonight—only twenty-four hours before the board meeting?" And they said, "Since we're having the board meeting at 5:00 tomorrow night and because you're a board member, we have to give you twenty-four hours' notice. We're giving you very little time so you don't screw this up somehow because we know you would like to do a leveraged buyout. We know you'd like to own Arvida. So you better get on an airplane right now because at 8:00 tomorrow morning we're going to have an executive committee meeting to confirm selling to Equitable and then the full board meeting will be at 5:00."

I said, "Fine, I'll be there at 8:00." I only have about twelve hours to arrange what is called an LBO [leveraged buyout]. My first call was to KKR [Kohlberg, Kravis, Roberts & Co.] and Henry Kravis. There are only three or four LBO private equity firms at this time. This is 1983. I call Henry Kravis. I can't get ahold of him. I don't think Blackstone

or Carlyle existed in '83. Maybe they did, but I didn't know them. I called two other firms and couldn't contact anyone. Now it's 5:30 already, so my third or fourth call was to the Bass brothers [Sid, Edward, Robert and Lee Bass], who I knew from Stanford. Their top investment guy was Richard Rainwater. Richard said, "I'm interested, but I have a dinner tonight. I can meet you at 10:00 in Fort Worth. I'll meet you at 10:00 if you can get here." He said, "In fact, I'm running out right now, talk to one of my partners." This partner is Al Checchi, who later ran for governor of California and he was later the CEO of Northwest Airlines. He's a pretty prominent guy. I get on the phone with Checchi and Checchi said, "Chuck, don't come. It's a waste of time." He said, "The Bass brothers only buy low. They're value purchasers and you're asking them to pay more than Equitable and for sure Equitable's a dumb purchaser. They're probably paying too much." And I said, "No, they're not. They're getting a bargain," He said, "The Bass brothers need an exit strategy, which is probably to go public and there's not going to be that opportunity because Equitable is paying more than going public and you want to pay more than Equitable. It's just not worth coming." Okay, so then I call around. I didn't tell him that he almost talked me out of it, but at 7:00 I didn't have any other options. I chartered a plane at my cost and got two of my colleagues and we brought all the books and appraisals we had and met with Rainwater at 10:00 that night. Rainwater said, "It's 10:00 at night. I'm not looking at those numbers. But here's what I think we should do. Let's first discuss what the purchase price should be." And I said, "I think \$300 million for the equity was a little bit more than the number from the insurance company." And Rainwater said, "What I think we ought to do is a fifty-fifty deal. The Bass brothers will come up with 50 percent of the money and you come up with 50 percent, but we're going to need some hard non-refundable money for the down payment. I think we probably need \$4 million. That means \$2 million from you and \$2 million from us so we come in firm with that \$4 million of non-refundable money and then we'll try to finance the rest and we'll figure out what's going to happen next." And he said, "But fully understand, when we look at these numbers and if we don't like this deal, we will walk away from our \$2 million." I said, "I don't have \$2 million and my colleagues don't have \$2 million, even with their houses, and I would say in my bank I have only \$100,000. I mean, of liquid money I have \$100,000." So, he said, "Okay. I think we should do a total of \$2 million non-refundable, \$1 million from you and \$1 million from us. We will loan you \$1 million for your share of the non-refundable deposit, and you sign a personal guarantee. I'll put up your million, but you personally sign for a million." I said, "Look, my whole net worth might be a million at this point." We then go to his lawyer and at 2:00 in the morning we have a firm contract—\$300 million, \$2 million hard money and a Bass brothers check for \$2 million.

We get on the jet and fly to New York—no sleep, maybe an hour flying to New York, get into a hotel, shave, and show up at 8:00 for the executive committee meeting. I present the deal and the chairman says, "How in the hell did you do this? We just called you at 5:00 last night. We knew you would try to do something like this, but we never thought you could deliver a firm offer." And I said, "Look, that's your best deal. It's higher than Equitable." So they voted and the executive committee said no to my proposal. Chairman of the board Carl Lindner, from Cincinnati, financier, American Financial, he said, "I gave my word to Ben Holladay at Equitable Life Insurance, and I'm a man of my word;

and I can't accept a higher price deal. It's not honorable." And I said, "Carl, this is not your company. Penn Central's a public company. And I'm just telling you as a shareholder and a fiduciary board member, I think it's imperative we sell to the highest bidder." He said he'd be willing to discuss it at the full board meeting. About two hours later I go to my office—I still had my Penn Central office. The general counsel comes in and says, "We'd been talking about this board meeting with my outside lawyer, in fact, two outside lawyers, and we don't think you should come to the board meeting because you have a conflict of interest." And I said, "It's the board of directors and the chairman of the board who have conflict of interest. I have an offer that's a superior offer to Equitable, and I am coming to that board meeting, and I am going to voice my opinion that this is in the best interest of the Penn Central shareholders. We will also close quicker than Equitable. I have less due diligence, we know the properties, we can get financing quicker, we know what we're doing." The board met and I was there. And the board agreed that we were the best offer and gave us two weeks to come up with a \$20 million non-refundable down payment and then close soon after. In the next two weeks the Bass brothers helped us raise most of the money. I then went to Equitable Life Insurance Company and said, "What do you want to buy from us?" They said, "Well, we want your mortgage company." "Okay," I said, "Price for that is X." They said, "We want your hotel management company." I said, "Okay, the price for that is Y." They then asked for our commercial real estate in Boca Raton and in Weston and other places. In any event, that added up to about \$150 million, and it was about 20 percent of Arvida's assets. So I basically sold Equitable 20 percent of the assets for 50 percent of our price. So from day one we were in a good place. We then sold some other assets to reduce the price. We really put together a situation that was from the very beginning quite lucrative.

I moved out of New York and returned to Florida and seven months later a guy named Saul Steinberg made a run at Disney and he was going to split it up into three companies. He had partners in the movie business. He had a partner in the theme parks and a partner in Disney's other businesses. Disney's board hired Morgan Stanley to advise them. So, Morgan Stanley said, "You should consider having a white knight like the Bass brothers." One of Disney's biggest criticisms was they had not managed the Disney properties very well. For example, since they started in Orlando, there had been 50,000 hotel rooms all around Walt Disney World, and only 3,000 hotel rooms on Disney property. Arvida had the ability to build hotels and build real estate. Today there are 35,000 hotel rooms on Disney's property because of the skill that we brought in doing that. So, there was a merger between Arvida and Disney. I went on the board of Disney representing the Bass brothers and the Arvida management, and we sold it to Disney at a huge markup from what we had paid Penn Central. We then all had significant Disney stock, so we were all then pretty well off based on those twenty-four hours that I told you about before.

So, what do we do in Disney? First thing we did was a new master plan for Walt Disney World and we built the Grand Floridian Hotel, which was our first hotel and still is the best hotel at Walt Disney World. We then started several other modest cost hotels. Previous management had made some agreements with Tishman Construction Company to build two hotels adjacent to Walt Disney World in Lake Buena Vista, so we moved those hotels and they became the Dolphin and the Swan Hotel. I don't know if you've

been there and have seen the Dolphin and the Swan Hotels. They're both great hotels that are owned by Tishman but were on Disney's property. We had other successes that made a terrific impact on Disney World.

Project two was a site for a new Euro Disney. Disney was convinced it ought to be in Spain, so I made ten trips to Spain, mostly on the Barcelona coast. We could not find a great site. We needed about 5,000 acres and we needed it to be near rail and near major highways and clearly weather was important. Along the way I got exposed to what Charles de Gaulle had done in Paris in the early fifties. What Charles de Gaulle did, which was really brilliant, was he created sites for, I think, six new towns. He did this in the fifties, so my involvement is thirty years later. About three or four of these towns had been pretty much developed by the mid-'80s. But the Marne-la-Vallée community hadn't started yet. There was nothing there but farms, but there were three high-speed highway off-ramps and the RER (Reseau Express Regional) rapid transit went there. I said, "This is it." We then compared weather patterns; and yes, Paris is colder. But in the middle of winter, if I recall correctly, the average temperature in Paris is something like forty-eight or fifty Fahrenheit and the average temperature in Barcelona is only four or five degrees warmer but not that much warmer. Given the ease for Germans and Scandinavians to get to Paris, I was convinced and we finally persuaded all the market researchers that Paris was the better site. Then the hard part started. We had a handshake deal with the French, but now we had to deal with the bureaucracy and the protests, anti-Mickey Mouse protests, and the anti-American culture. That was really fun, but very challenging.

About that time we get an offer from a company to buy Arvida, which was still a portion of my responsibilities. I was on the board in charge of Disney real estate and Arvida real estate. I believed Arvida was an integral part of Disney, but Michael Eisner wanted to sell Arvida and wanted me to stay. At just about that time I was helping Vice President George Herbert Walker Bush in his campaign for president and I hosted a function for him in Orlando. I had met him once before. Jeb Bush had been a partner in one of the communities that Arvida owned, so I knew Jeb. Jeb had introduced me to his dad before. That night I was somewhat down because Disney wanted to sell Arvida. So I said to Vice President Bush that night, "If there was ever an opportunity, I would love to be part of the Reagan/Bush Administration." That night he called Mac Baldrige, Malcolm Baldrige, his buddy, the Secretary of Commerce. Mac said to Bush, "I'm just going to lose my assistant secretary of trade development." So, the vice president said to me, "You've got to come up and let me introduce you to Secretary Baldrige," which was the end of the Disney career.

Q: Going over this business history, one of the things I hear is the importance of personal knowledge of actors, and then the framework that the lawyers allow, if you will.

COBB: Because of dyslexia, I'm not sure I would have been a good lawyer, but in business issues I am a better lawyer than most lawyers by my logic training. And my creativity is better. I get along well with lawyers. In the end, they respect me.

Q: Now, once you decided on France in about 1985, I think it was, how long did it take to bring that to fruition?

COBB: The final deal was after I left in '87 but it was pretty much done when I left in '87. At that time it was pretty much all lawyers talking to lawyers and they were in the fifteenth draft. In other words, it took over two years of lawyering.

Q: Now, let me add a lighter side here. Both in your wife's book and your letter to the grandkids, you talk about around the world trip in about 1986. This sounds very adventuresome.

COBB: Yes. Our trip in 1986 had many interesting elements. We went scuba diving in Indonesia, saw the Taj Mahal in India, were spied upon in Moscow, plus many other exciting things. We ended up in Germany and bought a new Audi for my oldest son, Chris, who had just graduated from Tulane School of Architecture where he was student president.

We also took a trip with our sons in 1976. That year during Easter service the minister talked about the great cities of the world, Rome, Jerusalem and Athens and it really touched a chord with me. So in '76 we went to those three cities with our boys. They were born in '63 and '64 and were twelve and thirteen at the time. That still was the most impactful trip for them, particularly Jerusalem. My sons had been pushing for their kids—my grandkids—to see Jerusalem, so we took a family trip. All thirteen of us went to Jerusalem in the summer of 2022. Athens and Rome were also great. It really was the most impactful family trip we took with our sons.

The twenty-three-day trip around the world in '86 was very educational but not as impactful to my boys as the '76 trip. We also inspected several hotels during the 1976 trip because we were in the process of expanding the Boca Raton Resort and Club. You know the Boca Raton resort? You know the Beach Club?

Q: Yes.

COBB: We built the Beach Club, which was an outstanding hotel.

Q: Tell me more about the around the world trip, twenty-three countries.

COBB: The twenty-three-country trip was done in twenty-three days. It was a pretty impactful trip, but probably not as impactful on my sons as the '76 trip.

Q: Organizing a trip like that requires quite a bit of visa work before you even get started.

COBB: Yes.

Q: Which brings you in contact with either your travel agent or the embassies.

COBB: The planning would be a combination of us personally, other organizations and sometimes travel agents. As a family we have visited over sixty countries. Organized by ourselves. Of course, Sue and I have traveled without our family—often with other organizations where they do all the planning. I would guess I have personally visited almost one hundred countries. We're going to North Macedonia with the Counsel of American Ambassadors this summer, and we're going to be with the U.S. ambassador there, and then we're going to Iceland again this summer, London, and Portugal. We've had a lot of contact with embassies over the years, and also in business. I might go back to the early '80s when I was COO of Penn Central in Venezuela and Colombia. In the '70s, when I was with Arvida, I encouraged Governor Reubin Askew and then Governor Bob Graham to take European trips for economic development for Florida and I helped organize those trips and benefited from them. For example, the Arvida Park of Commerce benefitted. During my first trip with Governor Askew, we got Siemens to open up its North American headquarters in the Arvida Park of Commerce, our industrial park there in Boca Raton. And we got other smaller companies from these trips with the governors. I took at least four trips with Governor Askew, two with Governor Bob Graham, one trip with Governor Lawton Chiles, and one with Governor Rick Scott. So, lots of foreign travel with Florida governors.

Q: That's important because it helps you illustrate to them what the environment is, what the project could be because just sitting at your desk and reading a report doesn't have the flavor of—

COBB: It is very helpful to convince a foreign company to set up a facility in Florida with a visit from the governor and ten of Florida's biggest businesses. During those trips we usually met with the top ministers in each country and top businesspeople in each country and a couple of times we met with the presidents. And by the way, we're jumping ahead here a little bit, but Governor Jeb Bush asked me to chair Florida FTAA [Free Trade Area of the Americas]. Florida wanted the FTAA to have its headquarters or secretariat in Miami. Jeb Bush and I and our FTAA team met with all thirty-four heads of state or prime ministers in the Western Hemisphere. Some of those meetings were in Governor Bush's office in Tallahassee, some in Coral Gables, and about a third of them in their countries. If Jeb wasn't available for some of the trips, our team made the trips separately.

Q: And let's get to that—

COBB: OK. We will get to FTAA later.

Q: Chronological context. What we're on now is your entrance to the government service.

COBB: Let me first summarize my business career. First in the investment business. Second at a big company in their treasury department, then I was president of several real estate companies and then group president of Kaiser Aetna's many subsidiaries. Third

was CEO of Arvida. Fourth was COO of Penn Central. Fifth was CEO of Disney Development. Sixth was CEO of Pan Am. My leadership approach was similar at each one. I sat down with the team and said, "What's our vision? How are we going to accomplish it? And then, let's put it down in writing, call it a strategic plan or call it a vision plan or call it a long-range budget. And then, let's monitor it at least every six months." And that's what I did in each of those businesses and each of those subsidiaries that I was responsible for. And later in an embassy or an assistant secretary's job in Commerce or an undersecretary's job, I did the same thing. Now, in government few leaders had done it this way and in the State Department they had never done it before the late eighties. But it's so logical and so effective and so simple. And the reason why it's effective is that everybody gets to participate, everybody gets to participate in the goal, in the mission. I have them sign their part of the plan and agree to be responsible for their role in the mission. We then monitor it. Everybody's included, all the managers. Fortunately the State Department has now adopted this strategic planning approach. I guess the question is, how many managers have you had that did something that simple?

Q: Well actually, that pretty much describes my whole foreign service career as all of the various parts of the mission worked together to add their small part to the total whole. I mean, think of an embassy in London or something like that; it's massive. There's political officers and economic officers, but it's the house for the entire federal government which is working in cooperation with the host government on all these different things. And yeah, you have to have everybody in the room so that you're all doing the cooperative thing, you're all focused on moving the ball forward.

COBB: I forgot to mention Arvida had a partnership in the Bahamas. Penn Central had these three or four international subsidiaries. And Disney was really a significant experience for me with Spain and France but also had a little bit to do with Disney's business in Japan.

By '87, when I joined the Commerce Department as assistant secretary of trade development, I would rate my international experiences a seven on a scale of ten being the highest. I would rate my management and leadership at a ten. As assistant secretary of trade development in Commerce, I oversaw ten deputy assistant secretaries and 300 industry experts. Clearly that job required extensive management skills but also an understanding of many different international business issues. That unit has a new name now. It's assistant secretary of services and industries. The unit is basically the advocate of American business within Commerce and the U.S. government. This unit studied how a new trade agreement or a new amendment on a Congressional law would affect any given industry. I needed to frequently meet with the various industry advisory committees that each of the ten DAS [deputy assistant secretary] had. While my international experiences were only pretty good at that point primarily from representing the U.S. in track and my business travel experiences, I think my knowledge of different industries and my managerial part made me a successful assistant secretary of trade development.

Q: Well, let's frame that because there's an election in '84, Reagan gets a second term. You have worked with Vice President Bush and had knowledge, and so by '87 this

opportunity to join the Commerce Department comes up. I have the feeling working for the government is different.

COBB: Not necessarily. While most businesspeople would agree with you that the federal government is more bureaucratic than most corporations, I'm not so sure. I would say Disney was more bureaucratic than the government. Maybe my experiences were different. Is this the time to talk about how I ended up as assistant secretary of trade and development? Should I tell you about my three Senate confirmations or should I deal with my three Senate confirmations later?

Q: Yeah, let's touch that base.

COBB: Maybe it is better later when we talk about my second Commerce job because the point I want to make on my assistant secretary of trade and development responsibilities was I had three basic jobs. The first was managing the ten deputy assistant secretaries. The second was dealing with issues that had an important impact on our government such as semiconductors with Japan, which was one of the most important issues facing the country at that time. The third was the government-wide issue the U.S. faced with Airbus that was subsidizing its airplanes, which had given it an advantage over Boeing and McDonnell Douglas. Airbus has been a high priority with just about every administration.

With some responsibilities I felt I could use my leadership skills with very little interference. On others I had some assistant-type responsibilities, but I enjoyed them also. For example, I was effectively Clayton Yeutter's assistant while he was USTR [United States Trade Representative] as the Commerce Department representative. I was effectively his chief assistant on semiconductor arguments with Japan and with the Europeans on Airbus. I made six trips to Brussels with Clayton, meeting on Airbus issues. So, yes, that was very bureaucratic but fun. But along the way, I was at meetings with him and other USTR representatives at the White House and meetings at the National Security Council. I was usually sitting in one of the back chairs. Like I said, I thought the government was more efficient than Disney, so I need to compare this experience with Disney. Disney was totally organized by function, so here is someone in charge of transportation, another in charge of marketing, and another in charge of utilities, etcetera. They also had someone in charge of water, sewer, landscaping, security, someone in charge of every function. For me to build 1,000 to 2,000 hotel rooms, I had to deal with the person at Walt Disney in charge of sewer, and then I had to deal with the person in charge of security, and I had to deal with ten different people. Total bureaucracy. I couldn't develop without all these bureaucrats giving their approvals. I had to have meetings with twenty people, and they each had their point of view. I was further concerned that most of these people only worked nine to five. Disney was much more bureaucratic than the government from my point of view, from where I was. When I was undersecretary for Commerce, that was even a smaller job with total autonomy. That was one of the smallest government jobs I had in terms of people and power. I had twelve overseas offices and a relatively small budget. But I was totally independent, I was a total CEO. And then, as ambassador in Iceland, I clearly was a CEO. So, no, I was not frustrated by bureaucracy in the government.

Q: Well, let's talk about your start in Commerce. First thing you have to do is get clearances and vetting and Congressional approval. That must have been not as smooth as—

COBB: First let me explain about my Senate confirmation hearing for the assistant secretary of trade development position. One of the things we used to do in Arvida was build golf courses and resorts and run them for several years and then sell them to the members. We made it clear that when you purchased a home on the golf courses, we would probably sell the golf courses later. So, when you bought in Arvida you knew that. In any event, Boca West has four golf courses. In 1984 we merged with Disney, but I still had responsibility for Arvida. Our management team decided it was a good time to turn Boca West into an equity club, which is actually best for the members. Before the members own the course, they don't decide what the rules are to the course or prices or anything. So, at a very low price of \$10,000 each, we sold memberships. But at \$10,000 to own a portion of four golf courses, with all kinds of recreation facilities and swimming pools and meeting rooms and everything, it was a bargain. Ninety-nine percent of the residents approved the proposal but several people from New York sued us. They admitted the documents were clear that we had the approval of the sale, but they stated that when they purchased their home the real estate broker had told them they would never have to join the club and could always play golf as they did when they bought the unit, and that there was a degree of misrepresentation by possibly one of the sales agents. The few New Yorkers were just trying to leverage their situation. In any event, this disagreement gets to Senator Al D'Amato, New York senator. The senator never said a word about this when I met with him. Never said a word. Anyway, he put a hold on me, which he later said was because of this Boca West situation. And he was also on the banking committee. I don't know why, but the senator had one of his assistants do additional background research on me. At the time I was on a bank board, Southeast Bank, the largest bank in Florida. I was chair of the lending committee of Southeast Bank. So during the Senate hearing, he says, "Mr. Cobb, I see you're a very experienced member of Southeast Bank. You've been on the board for about twenty plus years." I said, "Yes." "I see you were chairman of the loan committee, and you were one of the leading directors." And I think I said, "Well, I guess I was." I forget what I said. He then said, "Well, are you aware that your bank got a warning from the Federal Reserve about drug control. Your bank violated the \$10,000 per person deposit without documentation four times and got a warning." I said, "No, I did not know that." He said, "Are you telling me you were a leading director of that bank, and you did not know of this warning?" I said, "No sir. I did not know this." He said, "I'm putting a hold on you for that and for your Boca West lawsuit until you can assure me that Southeast Bank changed its bylaws and make it required that the board of directors knows about every warning they get from the Federal Reserve, for whatever reason, and until you can tell me that Boca West acted responsibly." So, it takes me two months because I had to go to the Southeast board. The board of directors had to meet and change its bylaws. They could have said no, but fortunately they were friends of mine so they changed their bylaws and—for D'Amato, all for his own ego. So, this Republican causes me two months of trouble so he can show his New York voters he is a fighter and tell the world he is tough on drug controls.

So, then during my second Senate confirmation hearing to be undersecretary of Commerce, there was Democratic chairman Jay Rockefeller, who I knew, and Bob Graham, who was my senator, a Democrat. I think Bob Graham gave me the best recommendation any Democrat has ever given a Republican at a Senate confirmation. I mean, it was just a beautiful recommendation. And then Jay Rockefeller said, "Look, for the record, I know what Bob Graham is saying is true and Cobb should be confirmed." There's a Republican Virginia senator who had just been selected to be a senator. If you said his name I would remember it, but I have a good way of keeping his name out of my brain. He lost his Senate seat the next election in the late eighties. Who was he?

Q: I'd have to look it up.

COBB: In any event, he calls Bob Graham and says, "Look, you're pretty high on this guy Cobb, aren't you?" "Well, I am equally high on Mr. So-and-So, and I'm trying to get him a federal judgeship, and Senator Aiken, who's chairman of the Senate judicial committee, has a hold on him. If you can get Aiken to remove his hold, I will remove my hold on Cobb." This gets back to us and we called Kenny Duberstein, President Reagan's chief of staff, and he was so angry. He goes in to see President Reagan and Reagan then gets so angry at this Senator and calls him and says, "Senator, I know you're running for re-election. If you want support from the White House and me, you need to help me get my people in place. I'm trying to run this country. I don't need Republicans playing chicken games like you're playing." So, anyway, the senator removed the hold that day and I was unanimously confirmed by the Senate.

Q: So, how did it feel, like being a hostage?

COBB: Well, it was twice. Twice it was a Republican, D'Amato, on his making a name for himself as drug czar and this other guy trying to get his thing. Yeah, I was hostage twice. So, it gives you a flavor of how awful that is, these Senate confirmations.

So back to my early days at Commerce. I had to get together with the troops and put together a vision. Develop our collective priorities and timetable. I am told the ten deputy assistant secretaries was the largest number of deputy assistant secretaries in all of federal government at the time. I don't know if that exists today. In fact, during my confirmation, I was challenged by Senator William Proxmire, a graduate of Harvard Business School on why ten deputy assistant secretaries were necessary. I said, "Senator, that's for Congress to change if they want." But he said, "Wouldn't you agree that ten deputy assistant secretaries is too broad of control?" And I said, "Probably."

In any event, team building there was the toughest, but I really enjoyed my time and what I was doing. I think I made an impact.

Q: Now, you're saying that there were three major issues that you paid attention to. First was Airbus. What was that issue?

COBB: The issue is that we had definitive proof that \$15 billion, which was a lot of money in the eighties, of subsidies had been granted to Airbus by different government programs in each German, France, the UK and Spain. Their rhetoric was that Boeing had also benefited from some Defense contractors, but it was nowhere near \$15 billion. But they did have some evidence that Boeing had realized some commercial benefits from government. But we all agreed there should be no more financial subsidies from governments. But you know what's so ironic about that? Biden's chip bill and other bills are just flagrantly violating WTO [World Trade Organization] rules, flagrantly violating huge government subsidies. It's outrageous how the Biden Administration is saying it has to be American products and how it has to meet labor wages and has to meet this and this. This action by the U.S. is exactly what we were trying to change at Airbus because it is not free markets.

Q: Now, on the Airbus thing you were saying you're making frequent visits to Brussels.

COBB: Yes.

Q: Who were your interlocutors on the European side?

COBB: The minister of trade or equivalent for European Union, But I wasn't the negotiator. Clayton Yeutter, USTR, was the negotiator. I was sitting next to him as the expert with all the reports that my guys had done. USTR, as you probably know, has almost no research capabilities. It all comes from Commerce or Agriculture or State. As you know, they don't do much of their research at all.

Q: One of the other things that you mentioned is that you're involved in Kansai Airport construction in Japan.

COBB: Yes.

Q: What was the issue there?

COBB: So, Bechtel had made a proposal. Bechtel had built fifty airports but got turned down by Japan. They clearly got turned down because the Japanese company was not as experienced and didn't have as low of a bid. And there were some subsequent jobs where U.S. companies had not been picked.

Q: So, that's getting into market share.

COBB: Yes. It was more than market share. We were the best, we had the best skills and the most experience, and had the best price, but we didn't get the jobs. A third Japan thing I had was on coal. So again, we had Peabody Coal and others had made tenders for coal and been turned down. Japanese companies had much higher prices. They argued national security. So they gave these jobs to Japanese coal companies for national security purposes.

Q: But the issue was to convince them that the American provider—

COBB: No, we didn't have to convince them. It was obvious we were better.

Q: (Laughs)

COBB: It was a little bit like Trump's steel tariffs. It's a drummed-up national security argument. It makes no sense at all, in my judgment.

Q: The other thing you mentioned about Japan was _____ electronics. What was the issue there?

COBB: Semiconductors. This is from the other side. The Japanese semiconductors were probably better and lower priced. So in the U.S., IBM and others were switching to Japanese semiconductors. We finally reached a 20 percent agreement. I forget how the final agreement of 20 percent worked. I think the final agreement was that they would give us a 20 percent market share in their market or that they would limit their imports by 20 percent. I just remember we negotiated a 20 percent agreement.

Another interesting assignment I had as assistant secretary of trade was to lead a presidential trade mission to India. It included about fifteen presidents of the international division of AT&T, General Cable, electronic and semiconductor companies and other companies that sold high-tech equipment. We met with the prime minister and several other ministers, and I delivered a letter from President Reagan to the prime minister.

Q: Now, one of the, as you were saying, in Commerce you were promoted to undersecretary.

COBB: Yes. First I'd like to give you the story on Malcolm Baldrige's death in a rodeo accident. Remember that?

Q: Hmm, no.

COBB: Malcolm Baldrige died in a rodeo accident, so Reagan picked Bill Verity as secretary of Commerce. Verity is the former CEO of Armco Steel and a former president of the American Chamber of Commerce. He's really a terrific executive, but not perceived by some as a hardball player. The then undersecretary for ITA [International Trade Administration], gets promoted to be deputy secretary of Commerce. And I don't know exactly what happened, but he starts acting like he's secretary of Commerce. The deputy secretary was a very smart guy. He'd been the CEO of a couple big companies and then he was undersecretary of ITA. He was a very accomplished executive. But I think he thought Verity was going to be a figurehead, so he went cross purposes with Verity early on, like in a few weeks. Well—Verity fires him. I mean, right after—or he resigns, you don't always know. I don't know all of what happened, but he's out. So Verity comes to me and says, "How would you like to be undersecretary of ITA?" And I said, "I'd love that." He said, "Fine. I'm going to propose it to the president." And by this

point, Kenny Duberstein is Reagan's chief of staff, who is basically an expert of Congress and the Hill [Capitol Hill]. I've since gotten to know Kenny Duberstein pretty well, but I did not know him well at that time. I had met him relating to the earlier story when the Virginia senator tried to torpedo me. Any event, he and Secretary Verity get lobbied by the former senator from Missouri, Jack Danforth, who was chairman of the Commerce committee, who said, "My staff director of the Commerce Committee would really like to be undersecretary of ITA, and since a trade bill is coming up, it's going to need Senate votes so you need somebody with legislative power." So, I got turned down. Verity came back to me and said, "I'm really embarrassed. This other guy is being forced down on me. He doesn't have any international business experience like you, he doesn't have any trade experience like you, he doesn't have the leadership skills you have. He's a staffer. But the undersecretary of travel and tourism is going to open up. Would you like that?" And I said, "Well, that's somewhat of a less important job than I have now but with a higher title. I'll do it because I'm not sure I want to work for this new guy." Anyway, that's the story. It really was not a true promotion, just a higher title.

Q: But in moving to this new job, you had to go through the congressional business all over again.

COBB: All over. With a different committee.

Q: Different committee. And I believe there were some financial consequences for you in terms of some Disney stock you would have had to get—conflict of interest stuff?

COBB: No, I actually had to deal with the Disney stock when I was confirmed for assistant secretary. It just then became even more of an acute problem with Disney at the second job, but they concluded they already had me bound tight.

Q: Because this undersecretary for travel and tourism sounds like a pretty good fit for someone with Disney experience.

COBB: Yes.

Q: But the—one of the things that my research shows that that office in charge—is in charge of the visa waiver program, bringing in these—

COBB: That's a little exaggerated. I was the key advocate within Commerce to create the visa waiver program, but I think it was the State Department's decision. I was just an active advocate for it—a strong advocate. I collected congressional support because of the Travel and Tourism Caucus, and I got them helping me. But I did not make the decision. If I implied that, that's wrong because I was not the decision maker. But I was the most affected by the decision in government and I was the strongest advocate for it, and I wasn't a passive advocate, I was an active advocate.

Q: One of the other programs that may have come up at this time was an arrangement to have Foreign Commercial Office, Foreign Commercial Service officers join the Foreign Service.

COBB: That was solely my idea and I pushed it successfully. I considered it a real success. However, I did not convince my top officers who were enjoying their favorite locations for many years. For example, some of my officers in Paris, London and Rome had been there for as long as ten years. Under my proposal they had to now rotate and take the test. But the quality of the service, the quality of the participants for the future was the right thing to do. But to jump ahead, unfortunately, when Gingrich insisted that twenty-five agencies be collapsed, the United States Travel and Tourism Administration collapsed, and all those people lost their jobs and the United States became one of the few countries that did not have an international travel perspective.

Q: Now, how did this idea come to you?

COBB: I don't remember precisely, but I do remember that it was early on. I had worked closely with the Commerce Department Foreign Commercial Service, so I knew the career track these folks were on. I knew the discipline process. I knew the test they had to take. I knew the rotation process. And I was impressed with it. So, early on when I got there, I was almost shocked that our guys were in Paris, Germany, London and other places for many years.

Q: To join the Foreign Service you certainly would have discussed this with the State Department.

COBB: Oh, yeah. I had to work with them. I'd say I spent a quarter of my two years on this one subject because I thought it was so important.

Q: And was there just inertia or—

COBB: Inertia against. It was my pushing State, pushing Commerce. As I recall, it was slightly a different category from the Foreign Commercial Service. It was similar to what Agriculture had for its foreign service employees.

It was going to be like a fourth branch, and I was really proud of it. I think it was the right thing for the United States and I think it was the wrong thing to get rid of the whole agency. Our total unit had a budget of about twenty million a year. It was a blip. And it helps create exports and a positive balance of payments for our country. And for twenty million dollars—it was a horrible decision.

Q: Now, at the—one of the things that you did was you also were discussing tourist agreements around the world and you found yourself in the summer of '88 in Beijing.

COBB: Yes sir.

Q: Somewhat associated with your wife's own exploration.

COBB: The trip date to sign the travel and tourism agreement was changed to accommodate Sue's trip. The agreement was put together like June or July in 1988 and the discussion was when would we sign it and where.

Q: And so, you were in Beijing to finalize this agreement?

COBB: Right. Really only to sign it; it had already been finalized. There was very little negotiation.

Q: Do you want to go into the details of your wife's trip to Everest and what it took to convince the Chinese to go along with that?

COBB: Well, I'll be very brief. Wyoming Senators [Malcolm] Wallop and [Alan] Simpson and Congressman [Dick] Cheney were all pretty influential people within the Reagan Administration, and they convinced the State Department and the Defense Department, which was flying a helicopter to Lhasa, to allow Wyoming passengers to be on the plane carrying the helicopter. So the three Wyoming political leaders arranged for the Wyoming "Cowboys on Everest"—that's what they called themselves—to fly on the plane to Lhasa. It was for the hundredth-year celebration of the state of Wyoming. Eighty percent of the climbers were from Wyoming and the organizers were from Wyoming. My wife had been selected for the team even though she was not from Wyoming. The organizers were some of Cheney's and Simpson's best friends. They had a climbing school in Wyoming. If I recall correctly, I think some of those leaders' children actually had gone to the climbing school because they were all very close. So, the Cowboys on Everest got on the plane at Andrews Air Force Base, and they flew to Alaska and then they went to Guam—to Kadena Air Force Base, if I recall correctly. When in Guam, they sought landing instructions into Beijing and the Chinese said, "You can't bring civilian passengers into China."

Q: On a military aircraft.

COBB: That's right. They didn't want civilians on a military aircraft. I don't know where the Wyoming leaders thought they got approvals. So, fortunately I, as part of my meeting with various people, I met with the head of China's Civil Aviation Administration. I told him about the situation. After I talked with him and someone from your part of the U.S. embassy talked with him, he came back and said, "Well, maybe, maybe, maybe with a little bit of money." So, it turned out to be \$25,000. But they said, "We need it now." I said, "They're going to be here tomorrow. Can't they pay tomorrow?" "No, they can't land without \$25,000." So, I made a wire transfer from my bank account for \$25,000, which fortunately I got back."

So, have you done any more research to remember whether you were involved in that?

Q: I might have been in on the briefing, but what this story brings to my attention is how inexperienced the Chinese are with these kinds of ventures and how they probably had to get clearances from high levels. The initial negative response was probably pretty predictable. And particularly it's all compromised because it's a military, American military airplane that just was beyond the Chinese pale. So, you greased the right skids and talked to the right guys to overcome a very natural, inherited reluctance to do something new and different. They were very good at doing something for which there was a precedent.

COBB: Yeah. But just to clarify, the objective was to get the entire team to Lhasa. They were going to fly the U.S. military plane and the helicopter to Lhasa as was the team. That was the plan, so for \$25,000 they just got to Beijing and they had to figure out how to unload ten truckloads of stuff—three months of supplies and all their climbing gear and weather gear. All kinds of stuff. Next they had to try to hire ten trucks and drivers.

They had to unload the plane, put it in trucks, go through customs and immigration. It took them, I think, over a week to get to Lhasa. It really upset their timetable. So I only got a half a loaf for twenty-five grand.

Q: One of the other things on a very different side of your tourism responsibilities is you went to Jamaica in September of '88 to review the situation there after Hurricane Gilbert.

COBB: Right. After the hurricane, the decision was made that the United States needed to send a senior government official to commit cooperation. Somebody in the White House came up with the idea that tourism cooperation would be one of the things the Jamaicans might be most interested in, plus there was some hurricane relief money available. I was the President's representative, and so Ambassador Michael Sotirhos greeted us. He was then the U.S. ambassador, later the U.S. ambassador to Greece—unfortunately he's now dead—but he really became a good friend. So my wife and I stayed in the guest house of our eventual residence. We had excellent meetings with all the top Jamaican officials, and we toured all the hurricane damage by helicopter.

The other thing I might mention to you, during the Kaiser real estate days, Kaiser had major aluminum and bauxite operations in Jamaica. This is in 1966, '67, early on in my treasury responsibilities. I forgot to mention this international experience during my business career discussion. The president of Kaiser said, "Cobb, you should go investigate the possibility of Kaiser investing in real estate properties in Jamaica. The government really wants us to do something, wants to improve the economy and create jobs. Maybe it would be through real estate." So, I went and spent two weeks there. I forgot to tell you about that. I investigated how Kaiser might develop some of the real estate on its property. But my conclusion was it really didn't make sense and that was reaffirmed by others. What we did instead was start producing flowers for export. So it was major employment, like thousands of people. Kaiser had this property that leant itself to growing flowers. Before Sue became ambassador of Jamaica I had been there in '67

for Kaiser, then in '88 as undersecretary of Commerce, and then I'd been there in '92, before Sue got there in 2001 as ambassador.

Q: To wrap up your Commerce experience, as a manager looking at these two jobs that you had, how would you rate your Commerce or your colleagues and their job performance?

In trade development we had 500 highly educated, very talented executives. I'm guessing 20 percent had PhDs and were really good researchers on issues, semiconductors or chemicals or biomedicine. They were really top PhDs. They met the terms of their job, but my biggest disappointment was that many had other jobs. They were consultants or they taught school on the weekends or something. It seemed to me many had other employment, which I found disappointing. And they were Civil Servants, and they did everything they were asked to do; but it was really hard to motivate them to work sixty hours a week as my executives had done in business. It's possible they thought their skill level was so that they had to have these other jobs to make a competitive wage. I didn't see that as much in Travel and Tourism, or in the State Department. Twenty percent, maybe more, had outside jobs. In the State Department few Foreign Service officers had outside jobs, but I think some Civil Servants did.

I don't know if it's a wage thing. It's almost like they're exploiting their job. They're working forty hours and that's it.

Q: It is the fifth of March and we're returning to our conversation with Ambassador Cobb. We left you at the Department of Commerce in 1988.

COBB: Eighty-nine. I stayed on as undersecretary for Bush until about February maybe, I'm guessing, February or March.

Q: That's right because we just had a presidential election.

COBB: Right.

Q: Bush gets elected. You have the transition period where offices change. So, in that period when you've left Commerce, what did you decide—think your next step might be?

COBB: Well, I saw President-elect Bush sometime after the election in the November/December time period in Washington and he said, "I hope you're going to want to serve in my administration." And I said, "Yes." He said, "What would you like to do?" And I said, "I'd like to be ambassador to Canada. I've been involved with the Canada-U.S. Free Trade Agreement, and I know a lot of the issues. I'm a student of NATO. So I really would love to be ambassador to Canada." He said, "Write me a letter and explain why I should select you and send it to Chase Untermeyer." Chase was President Bush's presidential appointments director. So I wrote to the president

explaining basically what I said to him earlier and sent a copy to Untermeyer. About two weeks later Untermeyer called me and said, "We've reviewed your letter and let me tell you the good news. The President would like you to be one of his ambassadors. But let me give you the bad news—he has selected his college roommate, Ed Ney, to be the ambassador to Canada. Ed is a very accomplished guy and has a lot of experience in Canada and he just thinks that's a better choice." And I said, "Well, fine. What's the country, what is the President thinking about?" And he said, "Well, one possibility is Iceland," and I said, "Well, that would be interesting. Are any other countries a possibility?" He said, "Nigeria." And I said, "Why Nigeria?" And he said, "Well, it's a large embassy and you have a lot of managerial experience. Why don't you get back to me. Why don't you think about this. Why don't you do a little bit of research." And I said, "Okay." I talked to several people in those next two days. Everybody said Iceland is a terrific country and it's a member of NATO, and it has important relations with the U.S. So, I called Chase Untermeyer back, said "I would love to be the U.S. ambassador to Iceland."

Next starts the FBI [Federal Bureau of Investigation] search and, interestingly, although I had been through two previous ones, this one's different. They give it to a different FBI agent who I understand doesn't even look at the other stuff, and they go and talk to different people, different neighbors. Some neighbors had been approached in their previous investigations. Several of them got back to me, and I asked them, "What are the questions they asked?" They asked about my marriage, whether I was living within my financial means. They asked everybody that question and whether I had any drug usage. No questions about qualifications. I guess the whole thing is about your vulnerabilities. So, anyway, that finally gets done and I finally get nominated. The next step is the President announces his intention to nominate, so they wait for some more potential negative news. Hearing none, they then nominate, and that's when you start the process of meeting everybody on the Senate Committee on Foreign Relations. While I ran into a buzzsaw from Republicans my first two times, I ran into no buzzsaws this time. But another interesting thing came up.

One of my friends, who's become really a good friend, is Mel Sembler, who was the U.S. ambassador to Australia and then later, for George W., he was the ambassador to Italy, a very thoughtful person. One of the things you had to do during that process before the President announces his intention to nominate and then to nominate, is you fill out a form, a complicated form, asking why you are qualified and what your skills are and why you want to be a U.S. ambassador. Like me, Mel Sembler gave a lot of thought to this paper. So, a friend of Mel's—and I'm not going to say his name, but he later became ambassador to Spain—said "Mel, will you share with me what you wrote on that report?" Mel loaned it to him, and he copied four or five of the paragraphs for his Senate form. So, the senator from Maryland, Senator Paul Sarbanes, who was the senior member on the Senate Committee on Foreign Relations, goes on the warpath after this potential ambassador to Spain. He then goes after a multitude of George Herbert Walker Bush nominees. There was also a lady in the Caribbean who had weak experience. Senator Sarbanes had a field day attacking several nominees including the guy who plagiarized. When I came before the committee, he decided to dramatize how bad these other two

Bush nominees were compared to me and how I had a good background. So, I had a smooth hearing and he did most of the talking and told everybody on the committee, Republican and Democrat, "This is the kind of person we need as the United States ambassador. He's qualified and capable," blah-blah-blah. Anyway, I got a unanimous vote. That went really smoothly compared to the other two nominations where I was a pawn in their political games.

Before getting to post, I first had to go to Japan to make a speech for a real estate meeting, so I flew from the U.S. to Japan to Reykjavík. I did not come back to the United States.

Q: Now, would you have gone through other things like the ambassador's course?

COBB: Yes.

Q: Consultations with U.S. agencies?

COBB: Yes. I had consultations with every U.S. agency that had business in Iceland including Navy, CIA [Central Intelligence Agency], Treasury, Agriculture, Exim Bank and many more but mostly Navy.

I had an office next to the country team as part of the Nordic divisions in the State Department. I'm not sure of these dates, but what I'm sure of is I arrived in Iceland in September/October, and I got nominated in April. From April to September, I spent most of the time in the offices of the Icelandic country team and really got to know my country team there and got to know the whole Nordic team and spent a lot of time with the deputy assistant secretary for Northern Europe and the assistant secretary of state for Europe. I was a constant there. I would say I spent more time than most ambassadors. And one day a week I had language training. I've had few failures in life, but learning Icelandic was a big one. But what I learned from my instructor, who was really very good, was all the greetings and all of the namings, which are very complicated. Like, the president is Vigdis Finnbogadóttir. She is the daughter of Finnboga. So she is Finnbogadóttir. If you get the fundamentals of the language it becomes quite easy. I became quite proficient in greeting. But one of the things I said to several small groups was that a higher percentage of Icelanders spoke English than people in my hometown of Miami. I would say 80 percent of Icelanders spoke English and close to 60 percent of Miamians can speak English.

Q: Now, in preparation for taking up your duties, did you take State's ambassador's course?

COBB: Yes. For sure. I went every day for two weeks and I found it very productive. Then later, my wife was selected as the chairman of the ambassador's course during the George W. Bush Administration, particularly the second term when she no longer was the ambassador to Jamaica. Each session has a career ambassador and a former non-career ambassador. Shirley Temple Black was the non-career for many years and my wife

picked it up during the George W. Bush Administration. She did it a couple times while she was ambassador, and she did it for almost every one after she was ambassador to the second term of George W. We were both good students of the course and we both think the approach is good, but it should be twice as long, should be a month.

Q: What were the kinds of things they touched on? Because ambassadors are in charge of everything, admin, political reporting.

COBB: Right. We spent considerable time on each function. We spent a whole day at the Ops Center, and half days with each assistant secretary. In addition to that, I made three trips to Norfolk meeting with the leadership of anti-submarine warfare for the U.S. Navy and some meetings at the Pentagon. So, most of my training was Pentagon, Norfolk, mostly Norfolk, actually meeting with the Navy's top people and understanding their priorities. They had a long list of priorities. As the four-star admirals told me, we see Iceland as equivalent to about five aircraft carriers. It is an incredibly important asset. So they wanted to increase their anti-submarine warfare activities by manyfold. One of the things that was critical is they needed a separate airport. The weather patterns in Iceland are that when it's foggy in the south it's usually clear in the north. And when it's foggy in the north, it is usually clear in the south. So they needed another major airport in the north similar to Keflavik airport in the south. And it was a \$2 billion price tag. But more than that, there was a political hurdle of monumental proportions. That was my number one objective—to get that airport approved. We also needed some additional radar stations, and we needed permission for additional anti-submarine warfare, airplanes and P-3s. Most of my time was at Norfolk but also a lot in the State Department for these several months.

*Q: And the military side of things sounds like *The Hunt for Red October*.*

COBB: The warfare in anti-submarine operations is very interesting. I was told I had to see *Hunt for Red October*. That was part of my requirement. (Laughs) It's fascinating. I had to understand exactly what the U.S. does in anti-submarine warfare and how the buoys were set and how the whole intercept group worked and how we tracked the submarines.

To better understand my early challenge in Iceland, I'd like to jump ahead to November 11, 1989—about five weeks after I arrived and presented my credentials to the president, called on the dean of the diplomatic Corps and had my introductory meeting with all the cabinet officers and the press. Each time they'd ask, "What's your priority?" And I'd say, "For the security of Iceland we all feel Iceland needs another major airport in the north and we're prepared to help finance it." In my initial meetings with Icelanders, I shared that NATO and the U.S. were both convinced it was in Iceland's interest for an airport in the north. However we also were sensitive to the fact there were 6,000 Americans in Iceland, which is equivalent to about six million Icelanders being in the U.S. We all understood that many Icelanders didn't want any more Americans in their country. They didn't want any more sailors. Unfortunately, over the years some sailors had gotten in trouble. There were other kinds of diplomatic challenges, and to bring another airport to

Iceland that was controlled by NATO and the U.S. was just a big, sensitive problem but a critical thing for the U.S. and NATO.

Anyway, five weeks later, after the Berlin Wall falls, President Bush says, "We are decreasing NATO involvement by 50 percent in every country. Wherever we have Americans defending in NATO countries, we must reduce by 50 percent." That order didn't actually happen in November, but an order came out in December and then another in January and another in February and then another in March, and each time I would have to go back to the prime minister and the minister of defense and tell them the U.S. and NATO did not need the new airport. The next meeting I'd have to explain that we were not going to need the additional radar facilities. Later I'd have to explain that we were going to need to cut back on some of our security and that the Icelanders would need to pick up more of the cost of the Keflavik Airport. So each time I'm totally retracting. In the eyes of the Navy admirals, I am guessing, but I think in their minds, the level of importance of Iceland went from being worth five aircraft carriers to just one aircraft carrier.

Q: Now, the driving force in November, of course, is that the Berlin Wall falls.

COBB: Right.

Q: All political situations in Eastern Europe and the Soviet Union changes. Now, let's go back to your arrival at post. There's obviously a presentation of your credentials, meeting with your staff; how were those first days—how did those first days unfold?

COBB: I think it started well because, first starting with the staff, I used the same approach that I had used in business and I'd used at Commerce. I brought the team together jointly to prepare a strategic plan. I explained that the entire embassy team would be the main drivers of the planning process. While the early planning was on our anti-submarine priorities, over time the dynamics changed, and it became a different strategic plan; and we didn't finish the plan for over six months or until mid-'90. So to summarize, the President is inaugurated in January of '89 and I arrive in September/October of '89, so by mid-'90 we finished this strategic plan. And everybody participated. Did everybody participate enthusiastically? No. One of my officers was less than enthusiastic and left the Foreign Service after only one or two posts. He didn't appear to be interested in working hard because I don't think he was in Reykjavik for a career. I assume he saw it as a transition opportunity, and he saw the post in Iceland not as high pressure as some other posts. He didn't appreciate this guy Cobb coming in and making it a high-pressure job with an objective of making a significant difference. But the team generally was positive.

To change subjects, let me share an interesting thing that I did and that I also had done corporate-wise. My wife had made it pretty clear she did not want to have three or four dinners a month at the Ambassador's residence, which is normal for ambassadors. We ended up maybe having one a month. But instead, I had a lunch every day and so Mondays were always political. It was the responsibility of the political officer to arrange

for a member of parliament or other political person to come to that Monday's lunch. So in the three years I was there, I met every member of parliament for lunch who accepted our invitation. I would say four or five did not accept the invitation, didn't want to be in the U.S. embassy. Then on Tuesdays it was always the responsibility of the economic officer to arrange an economic, business-related lunch with both U.S. and Icelandic businesspeople. Wednesdays were always administrative, drug control, and other issues. Thursdays were public affairs outreach organized by the USIA [United States Information Agency] officer, so it was the USIA team. On Fridays there were no planned lunches. Through those four weekly luncheons, I ended up meeting most of the important people in Iceland. It also became an important responsibility of the senior officers to arrange the lunches.

Q: Now, in Iceland, how—you're obviously explaining an excellent, informal contact system, but when you presented your credentials, was that very formal—?

COBB: No, it was not as formal, it was low key. It was at the president's home and with the foreign minister there and four or five other people from the ministry of foreign affairs and four or five people from the U.S. embassy, and me and my family. There was no carriage like in Denmark where you go in and meet the king and queen. No. It was more low key. That was not a big, memorable day. In fact, I can't remember other than the pictures I have, the pictures reminding me of that day.

Q: Now, your ranking—

COBB: A bigger day was the swearing in on the seventh floor of the State Department when I had my classmate at Stanford, Supreme Court Justice Tony Kennedy, swear me in. Tony is a very smart historian. Do you know him, ever met him?

Q: No, never met him, but—

COBB: Justice Kennedy is an intellectual, a Stanford intellectual, and very smart guy, historian. He gave a presentation based on the history of citizen ambassadors. He explained how he studied this and knew how Jefferson and Adams and Franklin had all not been career ambassadors but had done a great job representing the U.S. He stated how these founders set a high standard for all non-career ambassadors. The implication was that his buddy, Chuck Cobb, was following in the steps of other great citizen ambassadors. So, that day was exciting and memorable. There were 400 of my best friends and others in the State Department. That was a big deal. Remind me when we go off record to tell you about my wife's swearing in, which is an interesting story, but that's on my wife. I want to tell you that off the record.

Q: We'll get to that.

Now, the highest-ranking Foreign Service officer at an embassy is generally the DCM [Deputy Chief of Mission].

COBB: Right, yeah, right.

Q: And I believe that was David Rogus.

COBB: Yes.

Q: And he was already there when you arrived.

COBB: Yes. And he was superb. He was superb until the last four months. He had already decided he wanted to retire and go into the mortgage banking business. And his wife was already in the mortgage banking business in Maryland, the Washington, DC area. His father died about the same time my dad had died—in the fall of '91. And so, he basically left me with about five months to go, six months to go. So, I was a little disappointed in him for leaving early. He said he wanted to get on with his life and he had family things to take care of with his dad and he was planning to resign anyway. I was disappointed with that. But he was a great partner and we got along great and it was a good fit. We decided he would be the sole person who talked to the country team officer, and I would be the sole person who talked to the assistant secretary and the deputy assistant secretary. We divided things up really well in terms of our communications with Washington.

Q: Did the (garbled audio) somebody and trained to replace him then?

COBB: Yes. I selected somebody who was also really good. She had been Jim Woolsey's chief-of-staff at CIA or FBI? She had been really top level. When I left, the President picked a good friend to be U.S. ambassador to Iceland. His name is Sig Rogich. I really worked hard for him. I introduced him to the president, prime minister and other ministers and selected his DCM. And I'll be damned, he encouraged her to quit after the first month. He encouraged her to quit the first month because—

Q: Quit you? Quit from the job of being DCM—

COBB: DCM to him. She quit Ambassador Rogich after being DCM for only a few weeks. I was disappointed because I hired her and in fact, I talked to him a couple times during his interview process. Another disappointment was that Sig also then quit shortly after. I announced in late '91 that I was leaving in early '92 and Sig was nominated by the president and he had a shorter time getting Senate confirmation because he had already been in the White House with all kinds of secret clearances. By July of '92 Jim Baker convinces Sig to leave as ambassador to join the 1992 campaign. Jim Baker had already left the State Department, gone back to be chief-of-staff. He had already left being secretary of state, and Larry Eagleburger was then secretary of state. Jim Baker becomes chairman of the campaign and he convinces, or he insists and has the president insist that Sig Rogich join the campaign. I had convinced Iceland leaders that being the U.S. ambassador to Iceland was an important position in U.S. government because Icelanders were so important. The prime minister asked me, "Why is Sig Rogich leaving to be a public relations person for the president's re-election? Why is he leaving such an

important job?" This was embarrassing to me. It's embarrassing for two reasons. One, he couldn't get along with his great DCM that I'd hired for him and second he left so soon after all my introductions.

Q: Actually, he left Iceland after, I think, three months of duty.

COBB: Rogich?

Q: Yeah. But the—your DCM, which you were favorably disposed to, was Janet Andres.

COBB: That's right. So, you have it there or you knew that or how did—did you know ahead of time?

Q: Yeah, I looked it up.

COBB: Yeah. Did you know her? She's very impressive.

Q: She had a very interesting career afterwards, if I understand in Europe.

COBB: Was she ever an ambassador?

Q: I didn't track that.

COBB: Yes, she was very good. But David Rogus was very good too.

Q: Anyway. Let's kind of go back to coming into the embassy. The embassy is the house for the federal—American federal government overseas, so you had several agencies there and whatnot. Were any of them particularly important?

COBB: Well, they were all important. All important. So, let's just look at our mission. So, our mission is, initially, a new airport, new radar, as I explained earlier. But within three months that's no longer a priority. The priority is to shrink. Initially Iceland's Conservative Party was not in government at the time. They believed in a strong military, believed in NATO, they believed in the new airport and our other priorities, but they were out of government. The prime minister at the time was from the Farmers Party—it's called the Progressive Party and are pro-agriculture, pro-subsidies for agriculture, pro-tariffs to protect its agriculture, etcetera. Work rules to support agriculture. The Conservatives were worried the United States was reducing its defense commitments. Iceland had no military on its own; and since joining NATO in 1949, had been pretty much counting on America for national defense.

In the next election, the Conservative Party won, and Davið Oddsson became the prime minister. By that time, I had assured the Iceland government that the United States was going to stay in Iceland with significant assets. We were only reducing because of the declining Russia threat. It wasn't until a decade after I left when Donald Rumsfeld, in George W.'s Administration, decided to leave entirely, militarily, which I think was a bad

decision. We already had \$5 billion of infrastructure there and we could have pulled back. Now the United States, hat in hand, is back to Icelanders saying, “The Russians are a threat again and their subs are a threat.” So, United States is paying dearly. We don’t have any facilities there. We walked away from I don’t know how many millions square feet of space and facilities. Everything we needed for maintenance of airplanes and everything else we needed for anti-submarine activities.

My most important non-State Department partner in Iceland was a two-star admiral, who was both the U.S. Navy and NATO commander at the base. The only correction I would make to your introduction is that while in most countries the ambassador is the senior person including military, in Iceland they report to the Defense Department with only a dotted line to the ambassador. Rear Admiral Tom Hall was my partner in everything that related to the Iceland government's military activities. I was the one who set up the meetings and was present at all military meetings. Dick Cheney, who was then the Secretary of Defense, didn't visit Iceland while I was there, but National Security Advisor [Brent] Scowcroft came twice and many other Defense officials including four-star admirals came along with other admirals.

Q: So Rear Admiral Hall was there at the time you were there.

COBB: Yes. He was my partner who I spoke about.

Q: Did you see him—

COBB: I’d see him every third—fourth day. First of all, we played tennis together once a week. We played basketball together once a month. And when he was in Reykjavík meeting on a military or defense matter, he would come by and brief me. We had a great relationship and a great friendship.

And then, I recommended him to be assistant secretary of defense for veterans’ affairs under George W., and Secretary Rumsfeld approved. He worked for Rumsfeld while Rumsfeld was dismantling the U.S. relationship in Iceland so he and I would communicate about our disagreement of Rumsfeld's commitment to this dismantling. He would say, “Look, I can’t do anything about this.” But he and I agreed that what Rumsfeld was doing was wrong. I talked with President Bush's national security advisor and said, “What the United States is doing in Iceland is wrong.” He said, “This is Rumsfeld’s thing and this is one of his options for shrinking NATO’s forces.” Prime Minister Oddsson met with President George W. Bush at a NATO conference, and he really complained. He said, “Ambassador Cobb has been helping me on this NATO base issue along with Admiral Hall and others. My request of you is that you don't close the base; but if that is impossible, I request the base not be closed until after I retire as prime minister next year.” According to Prime Minister Oddsson, President Bush told him that the NATO allies had agreed with Secretary Rumsfeld to close the base, but he committed to Oddsson that it would not close until after he left office.

So, whaling was the next big issue I faced. Iceland, along with Japan, and I'm not sure who else, wanted to increase whaling. Both are whaling nations. And furthermore, the fish that the minke whales eat are the food stock for cod, which is a very valuable product for Iceland. This smaller minke whale, who's only like twelve feet long, fifteen feet long, is reproducing now during the whaling moratorium and now there are twice as many or three times as many minke whales in the Atlantic. So, the Icelanders are really upset, and they're upset at the United States and they're upset at France and England. I would say I got more calls and complaints from Iceland's presidents, prime ministers and ministers of foreign affairs and others on our whaling position than anything else. Their basic position was that the U.S. was hypocritical in allowing Native Americans to kill large whales and at the same time not allow Icelanders to kill small minke whales that were in abundance and dramatically hurting their economy. I have to say, I had sympathy with their position and suggested they make a request to the whaling commission to do some scientific whaling of the minke whales to show how the minkes were eating the food stock of the codfish and they should make a commitment to not sale the whale meat because they were only whaling for scientific purposes. They rejected my suggestion with their normal statement of hypocrisy because U.S. natives were killing large, endangered whales while they just wanted to kill small minke whales.

Q: Yes. And Washington State has a couple of Indian tribes that are allowed to catch a whale.

COBB: Yes. And we won't let the Icelanders catch a little, teeny minke whale. In any event, I didn't have much sympathy for the United States. It was awkward. That was the only time it had been awkward to carry out U.S. policy when you didn't believe it.

Q: Now, one of the aspects of the embassy in terms of U.S. policy is the work of your public affairs people, who are there to explain to the local population what the policy is and whatnot. How did your public affairs—?

COBB: We had an excellent USIA office.

Q: Yes.

COBB: They only had a dotted line to me. But it went well. They were an integral part of my strategic planning and an integral part of our priorities and policies and objectives and timetable and follow through and help that we were tracking. We tracked footage in the newspapers and on television and other outlets. Of course, we didn't have social media in the early '90s. USIA had a good team there and I was very involved. I think I was helpful to them at times. I had a good rapport with them, and they were doing a good job.

Iceland also had a drug problem because it was a transshipment spot. Drugs were becoming a problem and the Icelanders blamed it on the U.S. Because the product was going to the United States and was being smuggled into Iceland and then exported from Iceland to the United States, it often got less scrutiny than in other countries. Drugs were a problem, and we worked hard on that. Whether we solved the problem, I'm not sure. I

forget what the final statistics were, but we tracked the numbers there again of how many people they caught and how many went to jail.

And trade was an important issue. The net result was that Iceland consumed more U.S. exports per capita than any other country in the world. It's a small base and a wealthy country, so you can argue maybe that wasn't a good statistic, but you know, we also worked hard in trade, and we made an impact.

Q: That's another thing in your notes that in '91, I think it was, you were looking at an aluminum issue with Iceland.

COBB: Yeah.

Q: Because they had the mineral or—

COBB: It was not about a mineral; it was about inexpensive electricity. Aluminum production is all about the cost of electricity. There was then already one aluminum plant in Iceland—a Swiss owned plant. Alumina, the basic material to aluminum, came from Jamaica or Australia. Bauxite, which also came from Jamaica and Australia, is a red dirt and goes through a chemical process. The end product is a white powder called alumina. So that alumina is shipped to Iceland. It arrives at a port and the plant is on the water, so it goes right into an aluminum plant. It shoots electricity through it and then it ends up in aluminum ingots. It doesn't even touch the Icelandic economy. It comes into a port right at the aluminum plant, and then is exported. Countries like Ghana, Norway and Iceland have the least expensive electricity and therefore are the most competitive aluminum producers. The Colombian River earlier had cheap electricity to produce aluminum. That's why the aluminum the U.S. needed during World War II was mostly produced in Oregon and Washington. Electricity is absolutely critical for cost-effective aluminum. So, yes I tried to get the U.S. producers to come to Iceland but failed. When I left as ambassador, I again tried to convince a couple of U.S. aluminum producers to go to Iceland but was unsuccessful in getting an American plant. Since then, a U.S. company has built a large aluminum plant in Iceland.

Q: Now, you mentioned the interaction with the diplomatic community. Who was there?

COBB: There were about eight ambassadors in residence and several small countries had ambassadors for the Nordic five, usually headquartered in Copenhagen. And they would show up once a month and we would usually get together. Annually about fifty ambassadors would be there. But we would have ambassador get togethers about once a month when there would be ten to fifteen ambassadors in Iceland.

Q: And who are your main interlocutors in Reykjavík?

COBB: The British by far number one, Germany number two, French less so. So, it was mainly the British. But we would have a NATO meeting maybe four or five times a year at the NATO base. We would have a NATO luncheon hosted by the admiral. The U.S.,

British, Germans, French, Dutch, Norwegian and others would be the main partnership. It was an average of seven of us. Spain also had an ambassador there, too, in residence.

So, I'll just tell you about one interesting NATO luncheon. On the morning after the Berlin Wall falls, we had a pre-planned NATO luncheon. The German ambassador, who personally was a good friend and also played tennis with us, was very emotional. His name was Hans Haferkamp. The four of us—Hans, Admiral Hall, my wife Sue, and me—played tennis once or twice a week. Hans got up and he started thanking the U.S., President Bush, Secretary Baker, NATO and everyone who brought East and West Germany together within NATO. He got us all crying.

Q: The Reunification, yes.

COBB: He was so dramatic that all of us started crying, all of us were crying. I mean, it was the most dramatic time, just six of us for lunch. That was a wonderful, wonderful time.

Q: Now, the Soviets had an ambassador there.

COBB: Yes. So, let me tell you a story about my early meeting with Ambassador [Konstantin] Krasavin. I have a really funny story about that. So, the Soviet embassy is Soviet territory. Nobody can go in there. And in there they have every piece of sophisticated electronic equipment to jam our radar and to try and hear all the things we're doing to track submarines. When I presented my credentials to the dean of the diplomatic corps, Ambassador Krasavin said, "You are the first American who's been in there since the last U.S. ambassador ten years ago." As you know, after the ambassador presents his credentials to the president or the king or whatever, he then goes to the dean of the diplomatic corps and is received there. I understand Ambassador Krasavin actually considered resigning because he didn't want me in his office.

I have to spend about a week with Navy intelligence and CIA people who flew out to brief me about this new jamming device that we're pretty sure they have in the embassy. Let's call it 402-B. They described what it isn't and what it is. They showed me a picture and said, "this is not what we want." They said, "You might also be looking for a 407-C, which looks like this, but this is not it." So I go into the USSR Embassy and I'm greeted by the ambassador. I'm walking down the hall and it's just packed with electronics and radar equipment. Their entire embassy is very small, I would estimate 3,000 square feet. A very small embassy and they've got every piece of electronic gear in there. Everybody who works there is an intelligence officer or a military officer. They call them diplomats, but they're not, including the ambassador, who's a former KGB guy. They're all spies. They're just there to spy and to cause problems. So, I go into the embassy and look down and I'll be darned. There was the 407-C—not the one I'm looking for. It looked exactly like they told me. And then I turn down the hall and I'll be damned, there was the 402-B. It looked exactly like they told me. I just wanted to stop and write it down so I wouldn't forget. But of course, I couldn't; but I knew I would remember.

Then the ambassador and I go into his office and sit down. He turns to me and goes to the edge of his chair and clicks a switch and then starts asking me questions. He starts asking me where I'm from, about my career, how long I've been an ambassador. He's just grilling me. Obviously. I saw him click the switch on the side of his chair. So then, pretty soon, he clicks it again. After the meeting, I go back to the U.S. embassy and meet with the admirals and CIA guys and everybody back at the embassy and I tell them this story. I tell them about going down the hall and seeing the wrong one and then seeing the correct one. They told me my report was excellent and helpful. Before our meeting ended, I said "Let me just tell you one other thing." I then told them how angry I was that Ambassador Krasavin just clicked a switch clearly taping me, but he did it in such an unsophisticated manner. I said, "You'd think a spy would be more sophisticated." They all started laughing. I think they're laughing at me. I asked, "What are you laughing at?" They said, "Ambassador Cobb, that's how he calls for the assistant to bring coffee and tea." So, that was my spying experience. They all knew that space so well that they knew exactly what that switch was. In any event, I'm not a very good spy.

Q: Now actually, he left at a certain point and your notes mention a local cartoon.

COBB: Yes. Let me give you the background on that. It is now the late '90s after the fall of the Berlin Wall and several Eastern European countries have declared their independence including the Baltics—Lithuania, Latvia and Estonia. And the Baltic foreign ministers all come to Iceland to convince Iceland to be the first country—not only the first country in the world, but more importantly a NATO country to recognize them. So, this is really an awkward time for me. It was one of the few times the prime minister came to my office. He said, "Ambassador Cobb, we are going to recognize the Baltic countries and America should too. You stand for freedom, you stand for independence, you stand for self-governance, how can you not recognize them?" I quickly get on the phone with everybody in Washington, including Deputy Secretary Larry Eagleburger asking what I should do. It's my understanding that Eagleburger was one of the first to challenge the rest of the State Department on the importance of the need to recognize the Baltics. The position of President Bush and Secretary Baker was to not upset [President Mikhail] Gorbachev during German reunification and Desert Storm negotiations. He told me I needed to be very positive and tell them I admire what they're doing but we just can't right now. So that was my instruction, which I communicated to the prime minister, the foreign ministers and the other leaders in Iceland. I really didn't know how important that was until later a friend of mine, a Lithuanian, wrote a book. In his book he concluded that my communication with Iceland and with Eagleburger had a very positive effect on Iceland's decision because it might have motivated the Icelanders to act and for President Bush to meet with Lithuanian's prime minister. I'm not sure about that, but I have been well received in Lithuanian by those who have read his book. After Iceland recognized the Baltics, the U.S. then followed several months later.

About that time, and I forget whether it was Desert Storm or it was still Germany being part of NATO—one of those magnificent events where President Bush had Gorbachev's cooperation. President Bush was afraid to upset the apple cart and while he very much wanted to recognize the Baltic countries at the same time Iceland did, he felt it was in the

best interest of the world for the United States to support Gorbachev and delay the Baltic recognition by a few months.

Q: That's an interesting illustration of how outside events can impact your view. Because as you said, Iraq invaded Kuwait. January 12 the Desert Storm air campaign starts. That whole issue is done by February 27. And on April 16 Iceland recognizes Lithuania.

COBB: Yes.

Q: Any delay there was to handle Desert Storm. That was obviously what everybody else was focused on.

COBB: Yes, but Iceland was courageous. My Lithuanian author friend I mentioned earlier wrote in his book that he met with President Bush during that January to April time along with the president of Lithuania and he gives me some credit for the meeting taking place. President Bush then set up a meeting for him and Lithuania's president with UK Prime Minister Tony Blair, French President François Mitterrand and the German Prime Minister Helmut Kohl. From the author's point of view, that was the turning point when the West all gave a wink and nod to Iceland and he gives some credit for my conversation with Larry Eagleburger and the Iceland leadership. So, any event, I sent that book to the previous foreign minister of Iceland thinking he might like to see this very comprehensive, thoughtful book about what went on behind the scenes. I did not know the Lithuanians had previously met with President Bush. I did not know they met with the British or the Germans or the French, they met with Mitterrand also. After Iceland's foreign minister read the book, he just blasted me. He said, "All you Americans are trying to do is subordinate how courageous we Icelanders were. You're saying we only did this as a proxy for the United States." Well, that's not what the book said. That's not what I had said. I have always said that what he and Iceland did was courageous and great. The foreign minister has a street named for him in Lithuania. He is a hero in the Baltics. Of course, he didn't want any American interfering with his recognition.

Q: And that was about the time the Soviet Union dissolved and the Soviet ambassador left.

COBB: Right. So, back to the cartoon. It was of me with a CIA hat on and the Soviet ambassador leaving Iceland by getting on the plane because he's been recalled by his government. The Soviet Union, of course, is showing its displeasure with Iceland. As you know, when a country recalls its ambassador, it's a signal to the host government that it is really angry. The cartoon shows Krasavin getting on the plane to go home wearing his KGB hat and I show up with my Sherlock Holmes spyglass and my CIA hat and say in Icelandic, "Mr. Ambassador, come back soon. It's awful to be spying alone." He was a known spy and everybody in Iceland knew he was a spy. He was there to spy on U.S. anti-submarine activity. He's a former KGB officer. Of course, I was not a spy; but the cartoon was very cute and got a great deal of attention in Iceland.

Q: There's another interesting story that's in your wife's book, I believe, about the two of you taking a walk down to the harbor at one time.

COBB: Yes. My office had told me there was a Soviet research ship in the harbor. It was a big ship. And I actually didn't think much of it. So, that evening about 9:00 or 10:00, it was still light, in the summer, so we went down there. We walked on the pier quite often. We walked by this ship and I said to the guard, "I'm the U.S. ambassador. I would like to come aboard and welcome the captain to Iceland." The guard went to talk with the captain and the captain came down and said, "I'd love to give you a tour of this ship." So, we go into this computer room and ask him, "What are you doing in Iceland?" He said, "Well, we're mapping the ocean floor for fishing. We're trying to find where the best fish are." Well, clearly, they're mapping the ocean floor to figure how they get their subs where we can't detect them. They want to know the contours of the ocean floor and they're saying it's fish research. Any event, he gives us a sample of what the ocean floor looks like somewhere between Iceland and Norway. Sue said, "Can I take it?" and he said, "Yes." Now, why the captain was so forthcoming I don't know. The sample didn't have any labels on it. I give it a 1 percent chance the ship was mapping the ocean floor for fishing like he told us, but probably 99 percent it was for submarines.

So, in any event, Sue gets it and then the next morning at 7:00, the phone rings and it's my CIA officer. And he says, "So, you and your wife went aboard the Soviet ship last night." I said, "How the hell did you know that?" He said, "We had twenty Navy intelligence and CIA people who flew in to try to figure out what this ship is doing, and we're watching every movement. We watched every movement as it came into the bay. We watched what it was doing, and we then saw it come into the Reykjavik dock and we're trying to figure out what it's doing and how great it is that you got onboard. He said, "Now, I understand—we watched your wife carry a piece of paper out. You know, we'd like to look at it." And so, I said, "No problem. I can see why you're concerned. Talk to my wife." He talked to my wife and she said, "I'll give it to you if you promise you'll give it back to me within an hour." And he said, "Yeah, I promise you I'll give it back to you in an hour." An hour went by, and she said, "Where's my paper?" And he said, "I'm sorry. I've talked to the people in Langley, and they just really want to see it. But I'm sure they'll send it to you sometime." Anyway, she never got her souvenir back. And I don't know whatever happened to that mapping of the floor.

Q: You mentioned quite a bit about your social responsibilities and whatnot. But one of the main ones for an embassy is July 4. And what did the embassy in Iceland do on July 4?

COBB: Every year we had a great function at the ambassador's residence. One of the things I did was work with all the Icelandic importers of U.S. products—U.S. wine, U.S. beer, only Budweiser beer and other snacks. It was a show of all U.S. products—food and drink—a total red, white and blue time.

I'd like to mention two other related incidents. One is at every Thanksgiving we would have Thanksgiving dinner for our marine detachment, Icelanders who worked in the

embassy and some Americans in the embassy who were there without family. The criterion was that if you were in Reykjavik without a family you were invited to our Thanksgiving meal. Our first year, my wife, who is always concerned that we never eat all the turkeys, only ordered two turkeys. Of course, we ran out of turkey because Icelanders love turkey. We learned that because of the duties, in 1990 a typical turkey in Iceland cost about \$150. Outrageous duties on food. At the NATO base we could get turkeys for whatever the U.S. price was, \$40 or \$50. During Christmas we also gave gifts to the important Icelanders in the different ministries, which they really appreciated. So, it met the test of whatever we could give within U.S. rules from a U.S. dollar cost basis, but we were giving something worth four times that from their perspective.

Q: And very American at that.

COBB: Yes.

Q: I recall that with the dissolution of the Soviet Union and the political changes in Eastern Europe, Iceland had a visit by Havel from Czechoslovakia in February 1990.

COBB: Yes.

Q: Recall how that all unfolded. When did you find out?

COBB: Here's what happened. [President Vaclav] Havel gets out of prison like two weeks earlier, two weeks before our visit. And a few days later he's elected president. Things were really happening fast. The Berlin Wall falls in November and the date of this visit is February, right?

Q: Right.

COBB: So, it's only four months after we get there. The day after Havel's elected, President Bush says he wants to give him America's highest honor and he wants to invite him to the White House. Havel answers President Bush and says, "This weekend I have been invited to Iceland to see my first play—I've never seen one of my plays." There was a previously planned Iceland performance of one of Havel's plays. The play is about a zoning issue where the government authorities won't allow good development. It is similar to an *Atlas Shrugged* story. The play is of the great Czech architect who wants to build this building and the government won't allow him to do it. So, Havel said to President Bush, "I want to go to Iceland and see this play and then I'll come and meet you a day later." And President Bush and everybody says, "Fine." President Bush then said, "I'll send out Air Force Two to pick you up." Shirley Temple Black, who is then our U.S. ambassador to what was then Czechoslovakia—before the Czech split up—decides to also come and we get one-day notice that Shirley Temple Black is coming to stay with us. We knew the Havel play was coming, but I wasn't sure I was going to go because it was in Icelandic. It was very interesting to see President Havel and his passion to see his first play. Although it was in Icelandic, he had an interpreter during the whole play.

So, in any event, I'd never been to the opera house before and it was an exciting night. The only negative was that we didn't know where we were supposed to meet our driver after the play, so Shirley Temple Black, Sue and I were in the snow for about ten minutes waiting for our driver. I think Ambassador Black gave us down marks for ambassador savviness, because an ambassador should always know where the driver is going to pick you up. But we hadn't figured that out yet because we'd only been there for four months and this had been one of the first social functions at the Opera House we'd been to. So, that was not a positive. It was positive to be with Havel and his foreign minister and his other people who spoke English to talk about it, and the trip to DC to see President Bush and all that. But leaving Shirley Temple Black in the snow for ten or fifteen minutes was not a fun time.

Q: And then the next morning he left on the U.S. aircraft.

COBB: Yes.

Q: Marvelous. Marvelous, marvelous.

COBB: Yeah.

Q: One other thing I want to touch bases with. And generally, in a large embassy you have a number of junior officers because as you know, everybody is rank in person like the military—

COBB: Right. We had senior officers for economics, political affairs, public affairs, administrative and consular. Most of our junior officers were consular officers.

Q: Did you do anything special for the junior officers?

COBB: Yes, our daily lunches as I discussed earlier. Because I had help in getting a visa waiver for NATO countries while undersecretary of Commerce, it was pretty pro forma in giving visas. Therefore, compared to other embassies, there were fewer consular officers.

Q: So, your consular people were probably more Citizen Services—

COBB: Yes, but the volume per person, I was told, was higher because the only place in Iceland to get a visa was in Reykjavik, and Icelanders all went to the United States once a year almost. So, it was a high-volume visa process even though it was pro forma. Easy to get one. But a lot of processing.

Q: Well, we are not fully done with Iceland, but I'm ready—

COBB: Let me talk a little about our social life.

Q: Oh, okay.

COBB: Sue and I both were very active athletically. We were both in our early fifties then, so we played tennis, as I talked about. We played basketball with the troops out at Keflavik, with Admiral Hall. Sue is a great horseman, so I didn't do as much horseback riding as she did, but she made three or four trips on horses across the country. And what you do with these trips, you have four horses per person, so the horses basically go for like three hours and then you get on another horse. Fifteen people would have about sixty horses. The fifteen would herd horses ahead of them and keep them going straight. Sometimes they would get all the way across the country in a day but usually they camp out for one night. She just loved doing that. You see the most beautiful part of the central part of the country.

One time she went to the tallest mountain in Iceland and hiked to the top with skis and then skied down the whole length of the mountain, from the highest mountain in Iceland. We also did a lot of hiking.

One day I played soccer with the prime minister's son and blew my knee out. I had to go back to Miami and have a cadaver put in my ACL because I severed it totally with a crazy soccer game with the prime minister's son. In our three years in Iceland, we made lots of friends. Back in the U.S., we hosted two prime ministers, a former prime minister at our ski house in Telluride and a prime minister and foreign minister in Miami. When the foreign minister was with us in Miami, we arranged for us to go over to Cat Cay in the Bahamas on our boat. We set up a meeting with the foreign minister of the Bahamas, who came with a U.S. Customs drug control boat, so we took a great ride on his high-speed Customs boat. We had an excellent meeting between these two countries. The Bahamas and Iceland have similar relations with the U.S. and the two foreign ministers became friends. So, we were very active. We made a lot of friends.

From a policy point of view, I only had one significant challenge. One of my early priorities in Iceland and that of the U.S. was to build the second major airport in the Northern part of Iceland, as I mentioned before. When we arrived there was a communist party that had about two of the sixty-three members of parliament, I think two were in the communist party. A communist party member of Parliament, who was married to a senior member of the communist party in East Germany, suggested I violated the Geneva Convention because I suggested a new airport in the north, which he thought interfered with the internal affairs of Iceland. So he made an appeal to the prime minister saying, "Ambassador Cobb has violated the Geneva Convention by interfering in the internal affairs of Iceland by proposing this airport." And the prime minister fortunately said, "That's ridiculous," and all the other ministers said, "That's ridiculous." Anyway, that was a newspaper headline for two days. It was pretty embarrassing, saying I had violated the Geneva Convention.

Q: Yeah.

COBB: You didn't ask me what my biggest failure was as a U.S. ambassador in Iceland. It happened on July 5, 1990, during the London NATO summit. The leaders of NATO had been working on the Declaration on a Transformed North Atlantic Alliance and they

agreed they would vote on this Declaration on July 5 during the London summit. Of course, the drafts of this declaration had been sent to all the NATO countries many weeks in advance and each of us U.S. ambassadors was to meet with the country's president or prime minister and foreign minister to make sure they were comfortable with the agreement. If for any reason they were not prepared to sign as drafted, Secretary Baker wanted to deal with any minor issue prior to the summit so the signing ceremony would go smoothly. I met separately with Iceland's prime minister at the time, Steingrímur Hermannsson, and the foreign minister, Jón Baldvin Hannibalsson. I met separately with them because they were in different parties and quite often did not see eye to eye on military and defense issues. Prime Minister Hermannsson was the chair of the Progressive Party primarily supported by farmers and fishermen and Foreign Minister Hannibalsson was chair of the Social Democratic Party, which represented the trade unions of Iceland. Hannibalsson was generally more positive to everything NATO was doing while Hermannsson was a little bit skeptical of NATO. As mentioned before, Iceland's largest political party was the conservative Independence Party chaired by Davíð Oddsson that was strongly pro-NATO, but not in government.

During my conversation with the prime minister late in the meeting, he brought up the issue of the Soviet nuclear sub that had sunk off Norway in April 1989 and was probably leaking nuclear waste into the Norwegian Sea. He pointed out that if there were leaking waste it would be big problem with the fishing industry and that while the NATO countries were talking about a new alignment and new strategic plan, they should also be talking about restrictions on nuclear ships in the Atlantic Ocean. He pointed out this was a large problem for Iceland and that while the NATO countries were reducing nuclear disarmament, they should also be implementing restrictions on nuclear ships in the Atlantic that could be polluting the ocean and hurting the fishing industry, particularly the Icelandic fishing industry. Since the prime minister brought up these points at the very end of our conversation, I was not sure how strongly he felt about them.

I then met with the foreign minister who basically agreed with Hermannsson that if the sub was leaking nuclear waste it could be a future problem for Iceland, but he would convince the prime minister it was totally inappropriate to bring this up during an agreement of a new strategic plan during the London summit meeting. He basically said not to worry about it. I reported to Washington about both of my conversations and told the State Department that I had confidence in Iceland's foreign minister. I later checked back with the foreign minister and my Embassy colleagues checked in with members of the foreign ministry office to confirm the prime minister would not bring up these issues. We were all assured the foreign minister talked with the prime minister and there would be no concern.

Unfortunately when it came time to vote, Prime Minister Hermannsson said he wanted to make a small addition to the agreement relating to nuclear ships and their threat to fishing. That disruption then led to three hours of negotiations between Secretary Baker, the nuclear experts from the State Department and other U.S. agencies and the Icelandic officials. They all missed the Buckingham Palace celebration except Secretary Baker who excused himself from the redrafting, dressed in the required tails and arrived late at

Buckingham Palace. I never heard from Secretary Baker, but I did hear from others in the State Department. Of course, they were very angry at the Icelanders and wondered why Ambassador Cobb had not handled the situation better.

Q: Now, 1992 in January you left your post. Was that your plan at the time?

COBB: Well, several things happened all at once. First, the president had already suggested to me, he said, "When you resign, I would like you to be one of the senior officials on my finance committee." That would be for his 1992 reelection. I eventually became the co-chairman of the Southern States for President Bush's re-election. Secondly, I had been the vice chairman of the University of Miami Board of Trustees for twelve years since I went to New York for Penn Central, to Burbank with Disney, to Washington, DC with the Commerce Department, to Iceland as an ambassador. It had been my turn to be chairman of the board of the University of Miami about six years earlier. But they kept me on as a vice chairman all through the years I was gone. I was not a very active vice chairman. The university said, "We're going to make our decision on the next chairman of the board in April, and if you want to be considered you're going to have to be back here by then."

A third thing that happened is Pan Am had gone into bankruptcy and Delta Airlines had entered into a contract, a firm contract to purchase from Pan Am all its Latin American routes. Delta was going to form a new public company and they were going to own 75 percent of this company and the public was going to own 25 percent, and it was going to be a new public company called Pan Am. Basically it was going to be Delta's South American airline and flying routes in Latin America and tying into all the Delta codeshares and flight information. The new CEO of the new Pan Am was a friend of mine, and he asked me whether I would be interested in being an independent director and chairman of the finance committee. I interviewed with Delta and they approved of me, but they said, "We're planning to launch mid-winter 1992." So for those three reasons I decided to resign. And by this point Sig Rogich had been nominated by President Bush. Do you know when he arrived?

Q: That was June 4, '92.

COBB: So, Rogich was not ready to be there yet when I left. We haven't talked about my post-Iceland career. We'll do this later about what happened in Pan Am and what happened at the University of Miami, and what happened with the Bush campaign. As you know, he did not win, but I'll tell you the other details later.

Q: Okay, let me introduce, conclude this session with a comment you made in one of your books, talking about management. And you allocated points, but you say about Iceland you had good results but an average team spirit. Team spirit was very important to you. And you gave Iceland a nine out of ten, which looked pretty good compared to your ratings of other organizations. But what about average team spirit did you have—

COBB: I sort of referred to that earlier. I pride myself in knowing how to motivate people. I usually know how to get them going. There was one guy in particular—the political officer. In many ways that's the most important person other than the DCM. He had a law degree. He was a very intelligent and accomplished guy. And he was a really good writer. One other thing we haven't talked about is that I concluded early that at the embassy level the State Department often puts more emphasis on writing reports than action. In my opinion, the role of an embassy is to go out and sell U.S. products and influence decision makers on U.S. priorities. The primary role of the embassy should not be to sit around and write reports to Washington. However, in my opinion, the tradition has been to write instead of to act. In my opinion, few in Washington were reading our reports on what was going on in Iceland. It wasn't that the reports weren't required and important, I just felt a higher priority was to go out and sell U.S. priorities. Be a person of action. I'm a person of action. I've been successful my whole life with action. Because the political officer was more interested in writing reports, we had a little conflict. Do you know who I'm talking about?

Q: Yes.

COBB: Why?

Q: His name is Dick Rogers.

COBB: Yeah. Why do you know that?

Q: Oh, it's in the key officer's booklet.

COBB: Right. Okay. So, you don't know him?

Q: No.

COBB: He was really a smart guy. Might have been the smartest guy in the embassy. And he is an excellent writer. But he said to me, "Mr. Ambassador, I'm here to write about what's going on politically." And I said, "No. I think you're here to go out and change things." I did not motivate him to be a man of action, so that's why I gave the team spirit at Embassy Reykjavík nine out of ten. That was not the case with my DCM, David Rogus. He was a man of action. He was a doer. The same with my administrative officer and same with my finance guy and same with my economic officer. They were doers. Rogers wasn't.

Q: Well, let's organize ourselves for the next session.

COBB: Okay. So, the next session is to talk about some of the business. To talk about Pan Am because that is really an international story and it's a failure in my life, so you gotta know about that. And I'll explain why it was a failure. Maybe I got my ego a little bit involved.

Q: We're returning to our conversation with Ambassador Cobb. It is the 13th of March.

Sir:

COBB: So, we left Iceland, and I'll repeat again the motivations for leaving early. But the significant thing in our lives is that we both became, quote, "internationalists." While I had been a participant as an athlete in international activities and while I had been a businessman involved with international activities, and while I'd participated with four different Florida governors on international missions, and while I'd been involved with some civic affairs, including the University of Miami with international activities, after my experience in the Commerce Department with two different jobs and the ambassadorship, and living abroad and going through the transformation in Europe, I became, quote, an "internationalist." I guess I made the transformation from a businessman, former athlete who was interested in international travel and then as a tourist who was interested in international travel, I now became an internationalist who wanted to be associated with international activities for the rest of my life.

Please let me repeat the three motivations for leaving, first was the Bush campaign and I became the co-chairman of the finance committee for the eleven southeastern states. We were very successful and raised a lot of money for George Herbert Walker Bush, as did the other regions of the country. But unfortunately, several things happened, as you know. Perot decided to run as one of the first populist candidates. Perot took 19 percent of the vote—mostly Republican. That was clearly the difference. Bill Clinton beat George Herbert Walker Bush—a huge disappointment to me and my wife, our family and our friends.

On the next activity, the University of Miami did nominate me as chair of the board. I will refer to that later, because that's an integral part of my international experience, both before and after, but more so after. And the third, which is kind of almost a chapter among itself, is Pan Am.

Pan Am had gone into bankruptcy and had sold most of its routes. It had sold its Asian routes and sold most of its airplanes, and all it had left was the Latin America routes and some intellectual property. Delta Airlines felt Latin America was a valuable asset. Delta was going to create a new company, a public company, and it was going to be called Pan Am. Delta was going to control it, but it was going to be a new company and a public company. One of my really good friends, who had been the president of Air California and had been the number two guy at Eastern for many years while he was in Miami, was then asked to be the CEO of that new airline, and he asked me to be an independent director. I was going to be a shareholder and be very involved. I really was looking forward to that. Delta then pulled out of the deal. The trustees of the Pan Am bankruptcy estate sued Delta and there was a settlement. I forget what that settlement was, but Pan Am then sold the Latin America routes to somebody else. The bankruptcy estate was then left with the remaining assets, which were the Pan Am World Pass program that consisted

of four million members, and the name and intellectual property, etcetera, etcetera. They had a bidding contest, and I won the bidding contest. So my wife and I now owned all the remaining intellectual property of Pan Am. People asked what I was going to do with it. I said, "I will not be in the airline business." I was convinced it was a terrific marketing vehicle, primarily the Pan Am World Pass. My game plan was to create an alliance of smaller international airlines. I started making trips to Latin America and I met with maybe ten of the Latin American carriers flying into Miami and New York. I got interest from about five of them to be part of this Pan Am Alliance. These smaller airlines had been unsuccessful in getting into bigger alliances with American or Delta or United. These were three big alliance programs that weren't interested in the smaller airlines. I also had interest from smaller Asian airlines flying into San Francisco and Los Angeles and European and Middle Eastern carriers flying into New York. They were all impressed with the association with Pan Am. I had letters of intent with some of those airlines. Almost all the airlines made as a contingency of their arrangement that they approve of the U.S. carrier that was going to link all these together with flights primarily between Miami, Los Angeles and New York. So having gotten the outline of the Pan Am Alliance together, Sue, as a lawyer, with no experience in intellectual property law, replaces ten lawyers at Pan Am protecting the Pan Am name. And immediately two or three companies tried to use the Pan Am logo and name. One was a pilot training center that started calling themselves the Pan Am Pilot Training Center or something like that. So we then had to sue them. We had three expensive lawsuits going on to protect the name. We thought that if we didn't fight them, then everybody would start trying to use the Pan Am name. So, in any event, along with that, my main focus was getting a U.S. carrier to connect Miami, Los Angeles and New York. Eastern Airlines, which had also gone into bankruptcy, had decided it was going to create a new airline. It had A300 airplanes, which are perfect airplanes to fly from Miami to L.A. and Miami to New York and New York to L.A.

The new airline was planning to call itself New Eastern and was going to fly basically just those three routes and would be the perfect connection for the Pan Am Alliance. My proposal to New Eastern was that they would be a member of the Pan Am Alliance, but I would continue to own Pan Am Alliance and the Pan Am World Pass. I'd be the sole shareholder of that, and I would make my profits off the fees I would charge New Eastern and other airlines and hotels. I was also going to have some hotel companies and rental car companies and other tourism companies that would also be members of the Pan Am Alliance and Pan Am World Pass.

As part of the financing for New Eastern, a friend of mine, whose name is Dr. Phil Frost and who is the CEO of several pharmaceutical companies, was interested in being the major investor in New Eastern. His first company was Key Pharmaceuticals, which he sold for about a billion dollars; and then he created Ivax, which he then later sold for \$10 billion. He is a very, very wealthy guy. He did a lot of research on New Eastern and hired some people to help him make a decision. One week before the potential closing, he said to me and New Eastern's management, "I have decided to go forward and be the major investor in your new airline, but I have two major conditions. The first condition is that Chuck Cobb put all the Pan Am Alliance and Pan Am World Pass into the deal and that

the new airline be called Pan Am. Furthermore, since I don't know the CEO [Marty Shugrue] and I know Chuck Cobb, I would like Chuck to be chairman of the board of the new Pan Am." Now, one of the things I pride myself on as a businessman is not to let my ego get in the way. I can go through my career and say how many good decisions I've made where I didn't let my ego get in the way. My ego got in the way here. I did not have confidence in Marty Shugrue. He had been the CEO of Eastern and was responsible for its bankruptcy. His decisions were the key decisions that caused the bankruptcy of Eastern, and my gut was telling me it might happen again. But I wanted to be the chairman of the board of the new Pan Am that I hoped was going to be successful. So I said yes to Dr. Frost's proposal and put my several million dollar investment into the new Pan Am, for stock in the new Pan Am. My assets were combined with Eastern's assets, which were the A300 planes, Eastern's office buildings, Eastern's maintenance shed and other assets that were still left in the Eastern estate, Dr. Frost's cash and some new shareholders who purchased stock. The short story is that Marty Shugrue bankrupt the new Pan Am and since I was the chairman of the board, I did not escape the embarrassment of this bankruptcy. And so, this Pan Am bankruptcy is the major failure in my life. The purpose of this oral history is to talk about all my international experience, whether good or bad. I was pleased with putting these international airlines together to create the Pan Am Alliance, but the new Pan Am went down with the rest of us. I think it was a good idea for me to buy the Pan Am assets. I bought it at the right price. Unfortunately I then spent too much money on these lawsuits to protect the name, and then I made my biggest mistake to invest everything I worked hard to build into a Marty Shugrue- run company.

Q: One of the ways at this same time that you put your business experience and your international experience together is I believe you went to see Larry Eagleburger in late '92.

COBB: Yes. It was after he became secretary of state, so I think maybe in September '92

Q: September 8.

COBB: I had no agenda in mind. Early during the meeting, he said, "Tell me how you think our career ambassadors are doing in export and business." He knew I had the Commerce experience. I said, "I think it's spotty. I think some ambassadors do a really good job and some neglect it." And he said, "You know, that's my view too. It's one of the things that if President Bush wins the election in a few months and I get to stay as secretary of state, it's one of the things he and I want to change. I've been thinking that we need a special award for ambassadors who do the best job in commercial advocacy and trade development. Would you be willing to endow it? Set it up?" And I said yes. The award has been very rewarding to me and I think also to the State Department. There have been two or three undersecretaries and several assistant secretaries of EB [Bureau of Economic and Business Affairs] who have chaired the selection committee for this award and given it great leadership. Some not so much. The award needs five good nominations a year. There have been several years that because of poor leadership the award was not

given because State didn't get enough nominations. While I saved \$10,000 those years, I was disappointed that we didn't give the award.

Q: This board, you're on this board?

COBB: Yes. The selection committee is made up of me and one or two other former ambassadors and the chair is always either the assistant secretary of EB or the undersecretary of economic and agriculture, et cetera. Other members rotate and might include the president of EXIM [Export-Import Bank], an assistant secretary of Commerce or the undersecretary of ITA [International Trade Administration]. Usually the assistant secretary of the Foreign Commercial Service is on the selection committee. Often the committee also includes one or two international businessmen. While it has been very rewarding to me, I think the thing that I'm most pleased about is that I think it has changed the culture in the State Department towards the importance of trade and commercial activities. The evidence of it is that seven of the winners have become assistant secretaries or undersecretaries or deputy secretaries of State. Bill Burns, Nick Burns, Tony Wayne, John Wolf, Richard Boucher, and [Elizabeth] Jones are some of the winners.

Q: Elizabeth, yes?

COBB: Elizabeth Jones, right. I'd like to tell you about Florida FTAA. I'd like to tee up a significant international activity I was involved in with Governor Jeb Bush. As one of his highest priorities, he established Florida FTAA. Our objection was to make Miami the secretariat or headquarters of the Free Trade Area of the Americas. His father, President George Herbert Walker Bush, had first started this idea of the FTAA and then [President Bill] Clinton really gave it a push and it was also a priority of President George W. Bush. The Free Trade Area of the Americas finally got Congressional approval under Clinton and the first temporary secretariat was in Miami. The first Summit of Americas was held in Miami. President Clinton was there and Mack McLarty organized it. McLarty was Clinton's chief of staff and then became kind of a special envoy for Latin America and the Caribbean. Clinton really got this thing going. When Jeb became governor, he made it one of his primary objectives to have the secretariat permanently in Miami. The temporary secretariat was only in Miami the first two years and then it was in Panama City, Panama, for the next two years and then in Mexico City. We anticipated the decision was going to be made soon where to have it permanently, and we hoped to have it in Miami. The analogy was that Miami was going to be the Brussels of this hemisphere. So this was really a big deal. It was a big deal for the whole state of Florida. I was honored Jeb asked me to chair this effort, and I continued as chair into Governor Charlie Crist's and Governor Rick Scott's administrations until Scott vetoed Florida FTAA in his budget and we had to close it down. I was the chairman of Florida FTAA for about ten years. During that time, we met with the thirty-three other chiefs of state or prime ministers or foreign ministers—the key decision makers—asking for their vote of Miami to be the secretariat. Jeb's agenda in meeting with these leaders was more than the secretariat, it was that Florida wanted to increase trade with them and we always had another diplomatic issue. We worked very closely with the U.S. ambassadors of each of the Latin

American countries, and so through this I visited and stayed with a lot of the ambassadors, both career and non-career in Latin America and in the Caribbean. That was really a substantive experience that you as a former Foreign Service officer can appreciate, but only one line on my resumé. But it was a really fun international experience, but unfortunately not successful because of Venezuela and Ecuador and at the time Brazil. The entire concept of the FTAA was dropped under [President Barack] Obama. When Obama became president, he basically said, “We’re not interested in the Free Trade Area of the Americas,” which was a disappointing decision. Obama did include Chile, Peru and Mexico along with Canada and the U.S. in his proposed Trans-Pacific Partnership [TPP]. In other words, five of the thirty-four FTAA countries were to be included in TPP.

Q: This whole project came to fruition in November 2003, when the headquarters was moved to Miami, just to put it into—

COBB: That’s not right. That can’t be right because Clinton was president from ’92 to 2000.

Q: Yeah.

COBB: The first Summit of the Americas was during Clinton’s Administration. The temporary secretariat was in Miami from 1999 to 2001 then in Panama City from 2001 to 2003 and then Mexico City until 2005.

Q: That’s right.

COBB: In 2003, it appeared there might be final agreement on the FTAA and it was decided to have the VIII Ministerial of foreign ministers and trade ministers to hopefully reach a final agreement and it was further agreed to have Miami host this important ministerial. There had not been a ministerial or summit on trade since the Third WTO Conference held in Seattle in 1999. As you might remember, there were massive protests throughout Seattle during those meetings. Some of the protests turned violent and a lot of damage was done. Because of what happened in Seattle, we were all concerned about security for this trade ministerial but yet hopeful we may reach an agreement.

The city of Miami was hosting the meeting and not Florida FTAA. Miami insisted on joint control with Florida FTAA and named Democrat Luis Laredo, the former U.S. ambassador to the OAS, as executive director of the host organization, and asked me to chair the committee. We raised considerable amounts of money and did extensive preparation, primarily in security. From a logistics point of view, the two-day ministerial went off smoothly with no serious rioting or damage. There were, of course, protests a few blocks from the convention center, but no ministers or other delegates or support staff were affected. Unfortunately, Brazil was intransigent, and Venezuela and several other countries were not very helpful; so the FTAA was not totally agreed upon during that meeting. President George W.’s Administration passed on the prospects of FTAA to the Obama Administration, but they were not interested in the FTAA and the whole

concept fell apart. As I mentioned earlier, the Obama Administration created the TPP (Trans-Pacific Partnership), which would have been a great agreement for the U.S., Latin America, and Pacific countries in Asia that were included, but not China. Unfortunately, both President Trump and Hillary Clinton were against the TPP and it died.

Another event I'll mention is the signing of the U.S.-Chile Free Trade Agreement on June 6, 2003, at Vizcaya in Miami. USTR Bob Zoellick asked Florida FTAA to organize, implement and host this event with multiple government leaders and press from around the world.

Q: Yeah. One other thing on your list of internationalist activities was you became associated with the Eisenhower Fellowship Program.

COBB: Right. So, I'll tell you about that next.

Q: Okay.

COBB: After leaving the White House in 1963, President Eisenhower was talking with some friends of his from Philadelphia. They said to him, "We want to honor you. We want to seek government support for a program. What would you like it to be?" And he said, "I would like it to be a program to bring international leaders to America." And so, the Eisenhower Fellowship concept started, which is different from other fellowship programs. Fulbright is for Academics, and then the State Department International Visitors Program is another niche. But the Eisenhower Fellowship's niche is for accomplished people who have already had substantial success as newspaper editors, congressmen, executive vice presidents of an important charity or company, usually forty-five to fifty years old. With their situations, they can usually afford to be away for five or six weeks and spend time in the United States. They normally visit with about thirty to forty different U.S. organizations. They have one to two visits a day all over the country. If they're a central banker, they would meet with the Federal Reserve and they'd meet with other bankers. If they're a member of the press, they'd meet with newspaper executives and editors. If they're interested in global warming, then they're meeting with the top scientists. Whatever their expertise is, they expand on that expertise. In the addition, we hope they become American advocates, and a high percentage do. One of the key links of Eisenhower Fellowships is its alumni association. The selection process to become an Eisenhower Fellow is very complex. We spend a lot of money making sure they stay connected after their fellowship has ended. If selected for a fellowship, you commit to being part of the alumni association and to participate in future projects. The former African fellows are doing some programs right now and the former North American or former North European fellows are on another program. It's been very satisfying being a trustee. Not as much travel as my other activities. We had our annual meeting in Cartagena, Columbia this year and we had it in Malaga, Spain two years ago. So, anyway, it's an interesting international experience that's very satisfying.

But one of the most enjoyable experiences I have had on international boards is the Woodrow Wilson Center. The Woodrow Wilson International Center for Scholars is about

forty percent funded by the government and the rest by private donations. It's the official recognition of President Woodrow Wilson by the U.S. government. Wilson was asked how he would like to be honored, and he said he would like to have a scholar's program that rewarded the highest level of academic achievement. We have tried to have a similar network program at Wilson for former fellows as we have Eisenhower, but we haven't been as successful. Quite often the attractiveness of the Wilson Center for a fellow is the opportunity to write a book. Presidents appoint the trustees of the Wilson Center Board—President George W. Bush appointed me. The secretary of state is a permanent member, as is the secretary of treasury and the secretary of health and human services, the librarian of the Library of Congress and the head of the Smithsonian. All are permanent members. I think six or seven of us are private trustees appointed by the president. That has really been fun for me because I have been more involved. I've been on the executive committee of both the Eisenhower Fellowships and the Wilson Center, but a little more active on the Wilson Center. I chaired the search committee that hired Jane Harman as the president. Do you know Jane Harman? Jane Harman was a congresswoman from Southern California and really a very powerful member of Congress. She was chairman of the Intelligence Committee and chairman of the Defense Appropriation Committee. I was fortunate to be able to convince her to take this job as president and CEO of the Wilson Center. So, that was a lot of fun. I was chairman of the investment committee at both the Wilson Center and Eisenhower Fellowships. So, those were really, really good experiences. It's been fifteen years in both, and I have now told both organizations I would like to resign in the near future. I'm in the process of phasing out of both of them though I've really enjoyed my time. I plan to spend more time on the George and Barbara Bush Foundation where I'm on the board. I am also on the board of Stanford's Hoover Institution and I continue on the board of the University of Miami Council of American Ambassadors, American Academy of Diplomacy and other local boards.

Q: Isn't it interesting that these are all—the core function here is to make sure that people understand the United States, people from the United States understand the other country, which of course, is the core of the Foreign Service.

COBB: That's right, that's right. That's why I love them. All of them are expensive, by the way. You know, if you're going to be on the board and the executive committee, you're expected to be one of the leading donors. I've decided to cut back on the leadership positions. At the same time, my wife, who is on the board of CSIS [Center for Strategic and International Studies], is planning to go to trustee emerita status. CSIS is the number one defense think tank in the world. So, yes, we both have been very active on this international agenda, but now in our late-80s it's time to reduce.

Q: Let me bring in the University of Miami for the moment because in your notes you said you invited the president of Iceland.

COBB: Yes.

Q: In '93 you invited her to be a commencement speaker?

COBB: Right. And she also dedicated the *Partnership* sculpture at our home during that trip. For a bit of history, in May of 1940, after the Nazis took over Norway and Denmark, it was their announced intention that Iceland was next. So [Prime Minister Sir Winston] Churchill sent 40,000 of his best troops to Iceland and started immediately trying to convince [President Franklin] Roosevelt that he should send American troops to replace these troops. That dialogue started in late 1940. As you also remember, Senator [Robert] Taft and [Charles] Lindbergh and others were saying the U.S. shouldn't get involved with the war. I think Roosevelt really knew that we had to. The Lend-Lease was tried and some other things. But the most significant thing the U.S. did before December 1941 was to send troops to Iceland. U.S. history books don't say much about this, but in July of 1941 the United States sent 50,000 marines to Iceland to prevent a German invasion. In other words, the U.S. entered WWII in July of 1941 not in December after Pearl Harbor. Iceland's position was that they'd accept the 50,000 American troops, but the U.S. had to recognize them as an independent country. Iceland's agreement with Denmark was that they were to get their independence in '43. Iceland said the U.S. had to recognize them by July of '41. This is five months before Pearl Harbor. Iceland said the U.S. could replace the British troops so the British troops could go to the front lines. In July '41, the U.S. and Iceland entered into diplomatic relations and exchanged ambassadors. In July of '91, fifty years later when I was ambassador, my wife, Sue, and I considered several alternatives on how we should celebrate that fifty-year anniversary. Maybe a symphony, maybe a painting. I talked to the prime minister and the mayor of Reykjavík and asked them about us commissioning a really impressive sculpture right on the bay. And so—have you been to Reykjavík?

Q: No, sir.

COBB: Well, you have to go to Reykjavík and see the *Partnership* sculpture. At the time, the *Partnership* sculpture was the biggest bronze casting ever done in Iceland and by its best sculptor. It sits on two bases, a base of Icelandic granite and a base of U.S. granite. That's the foundation of the *Partnership*. Two granite bases with an Icelandic inscription on the Iceland granite and an English translation on the U.S. granite. It's a beautiful sculpture. Some say it looks like ship sails and some say it looks like a Nordic spear. It sits right on the bay in Reykjavík across from Hofði House.

So, in any event, Sue and I loved the sculpture so much we replicated it at our home in Coral Gables.

When the sculpture in Coral Gables was finished, the University of Miami invited the president of Iceland to be their commencement speaker where she would also receive an honorary degree. We also asked her to dedicate the sculpture. President Vigdís Finnbogadóttir was the first woman elected chief of state in world history. She was the first because Golda Meir was not the chief of state and Mrs.—India—

Q: Gandhi?

COBB: Both Golda Meir and Gandhi were prime ministers not presidents or heads of state. Vigdís Finnbogadóttir was the first elected woman president and chief of state. She came and gave the commencement address and then dedicated the sculpture to our property.

While she was staying at our home, two interesting stories came out. The first is our daughter-in-law comes in during lunch and says, "Guess what? In six months, we're having your first grandchild." President Vigdís then asks Sue and me, "Well, what are they going to call you?" And we said, "We don't know. We just found out ten seconds ago we're going to be grandparents. We haven't thought about it." She said, "I will be very disappointed if you're not known as Afi Chuck and Ömmu Sue," Icelandic for grandfather and grandmother. So, for the last thirty years, I'm Afi Chuck and my wife is Ami Sue.

The second thing that happened that same day is that we were going around the house and went into Sue's office. The president looks at the painting of Sue and me in formalwear hanging on the wall. The only time we've had a painting of us was done while we were in our gown and white tails for a big event in Iceland, which was done by a top Icelandic artist. The president looks at the painting, and said, "Ambassador Cobb, I am so upset." She said, "You don't have the sash and the Order of the Falcon Grand Cross award I gave you. It's Iceland's highest honor. You're the only U.S. ambassador who has gotten our highest honor and you have this painting that doesn't show it." I said, "Madam President, you gave me the award a whole year after the painting was done." She said, "I won't hear of this. I'm going to call Eiríkur Smith, the artist. I know he loves to play golf. I'm going to call him and tell him you will provide him two weeks of golf and food and room so he can paint the sash." Which he then did. Two years later, my wife also got an award from Iceland. Not the highest award with the sash, but we then had to call Eiríkur Smith back for a second time. Anyway, that's in one of the books if you are interested in more details on those incidents.

The president gave a great commencement speech. She's a great lady and a wonderful, wonderful executive. I think she served for twenty years, one of the longest serving presidents.

Regarding the Council of American Ambassadors, I should mention the awards Sue and I have endowed. After I created the award for an ambassador in trade, she created an award for the top non-career ambassador. Both are \$10,000 awards and given each year by the State Department and managed by the Council of American Ambassadors.

The Council also has other programs in public diplomacy and other issues. We have also joined the Council on many international missions. This year Sue and I joined them in the Balkans after we traveled to Iceland and London. After meeting the Council group in North Macedonia, Sue and I then went to Frankfurt and Portugal. We haven't spent a lot of time in Portugal, and we've never been to Porto; so we're going to spend a little less than a week in Porto. Have you been to Porto?

Q: No, but everybody knows that's the center—the sherry industry.

COBB: It's Port wine, not sherry. I am interested in their wines similar to Burgundy. The grape is jaen and has a lot of similarities to Burgundy and Pinot Noir. We're big Pinot Noir fans.

Okay. So, that's the Council of American Ambassadors. I'm also a member of the American Academy of Diplomacy [AAD]. At AAD I'm part of the group that consists of Tony Wayne, former assistant secretary for EB and former ambassador to Mexico and Argentina; Charlie Rivkin, who was ambassador to France and assistant secretary of EB; Charles Ford, who was a U.S. ambassador; Ambassador Ron Neumann, the president of AAD; and Ambassador Shaun Donnelly and others. We worked with Congressman Michael McCaul, who is now the chair of the House Foreign Relations Committee, when he was the minority chair during the Democratic control of the House. But he led the way in passing a 400 to three, 401 to three or something, 400 votes in the House of Representatives. The bill basically states that we need, as a nation, to do a better job in commercial advocacy, and we need to do a better job of training Foreign Service officers and Commerce officers, and there's got to be more interchange and less competition between the State Department and the Commerce Department. That law passed and was then included in an omnibus budget bill that passed at the end of the Trump Administration. So, one of our objectives for the last two years with the Biden Administration is that they aren't implementing it sufficiently. They've done a few things but not enough. There are about ten things the Biden Administration must implement. We've made a real impact on commercial advocacy, but we wish the Biden Administration would do more. We're also planning a joint effort with CSIS in the next month on commercial activities. We're trying to get Secretary of Commerce [Gina] Raimondo. Have you paid attention to her? She's a former governor of Rhode Island. I think she's the best person in the Cabinet. She's a very competent secretary of Commerce in the Biden Administration. We're trying to get her to be our featured speaker, and also Michael McCaul. It's been fun and I loved working with the team of Wayne, Rivkin, Donnelly and Ambassador Ron Neumann, the president of AAD. I also asked Ron Neumann, Shaun Donnelly and Tony Wayne to be on the Cobb Award selection committee for the career ambassador. They've been really helpful there too. They've become close friends and colleagues.

There is also the George and Barbara Bush Foundation with responsibilities for the George Herbert Walker Bush Museum and Bush School at Texas A&M. The main contribution we have made there is to the Bush School of Government and Public Service. We've set up the Cobb Scholarship for International Affairs at the Bush School.

Q: Excuse me. I might ask an amateur question. You're interested in expanding U.S. trade overseas except you have the companies themselves moving their production facilities overseas. Is there a conflict there?

COBB: In business, you want to have the flexibility to build your product and sell it wherever the market is and build it wherever the most efficient production is. That's in

the best interest of mankind. And it's because of free trade that the world has increased its productivity, and the places that have the most trade have the highest income. So, it's the United States, it's Singapore, it's Iceland, it's Ireland, it's Great Britain to some extent, and it's Germany. These countries are the most efficient. They figure out how to build the Mercedes in the best place. Some of it's made in Germany and some of it's made in the United States, and some of it's made in China. But it's the best car for a good value and then they want to sell it all over the world. That's why they have high per capita income. So, no, there's no inconsistency at all. Trump will make you think it's inconsistent. He and others will say, well, there are X million who lost their jobs in steel and coal, yes, but you know what? More of us are doing higher-valued jobs at higher incomes. There's a hundred million of us who lost our agriculture jobs. I was kicked off the fig farm because it wasn't productive. It was better to buy the figs from Turkey. So, we don't produce many figs in the United States anymore. And Cobb had to go get an education and do something else. That's in the best interest of America. What would have been a horrible thing to do in America was to have a tariff on figs to keep the Turkish figs out so I could have made a living in the fig business, and I'd still be stuck in Fresno in the fig business. So, in the United States, 70, 80 percent of us not too many years ago were all in agriculture and now there's 2 percent of us in agriculture. We should trade with each other and do things where it's most efficient.

Now, China cheats the system. China cheats the World Trade Organization. Further the World Trade Organization's too inefficient to do anything about it. And unfortunately, Trump and Biden won't even appoint judges so we can have a World Trade Organization that works. We don't have a world arbitrator anymore because the World Trade Organization doesn't have the judges. Unfortunately the United States is a trade cheater with this new global warming bill and the Chip Act where we're going to only build with American products and we're going to give special incentives to U.S. consumers to buy electric products. This bill violates many World Trade Organization laws. Our best friends, Japan, is outraged and the European Union and the British are saying, "Look. You America, you're supposed to be for free trade and here you are violating every rule with this outrageous bill, buy America, and have tariffs up on aluminum and steel."

In any event, that's my answer to your question. I don't know if that should be part of this interview or not.

Q: That's up to you when you get the transcript and whatnot. I think it's—follows on my FSI [Foreign Service Institute] econ course though.

COBB: The new bill led by Congressman McCaul states that every Foreign Service officer—particularly DCMs and ambassadors—need more commercial education. They've got to understand AI [artificial intelligence]. They must understand the intellectual property issues that are going on here, but they don't because we're not training them.

Q: Well, just to get into this a little bit, I think one of the things I saw over the year was, you know, a project comes up, the French ambassador comes in, makes his pitch. The

British ambassador comes in and makes his pitch. And the American ambassador twenty years ago says, "Well, Bechtel can make their own pitch." And I think you've put your finger on, you know, now the American ambassador ought to go in there too.

COBB: Right. Back to Bechtel, that was my thing in Kansai Airport. I think we talked about that earlier. But the Japanese wouldn't even listen to Bechtel. So, that was my objective, to get Bechtel an audience as part of the Kansai Airport.

Any event, the next activity to discuss is Hoover Institution at Stanford. I had a conversation with Condoleezza Rice the other day and I said, "Condi, our job is to educate the American public with good research, and I believe Hoover can help with good academics on the importance of trade." And she said, "You know, you're right, but I don't think anybody's listening. I think with our limited dollars and focus, we can make a bigger impact somewhere else." She said, "But it's going to be on the list," I failed in round one.

Q: As you well know, in many of the business dealings you had over the years, your audience has to be aware of the benefits. I've been involved in so many foreign affairs negotiations within the country where we spend most of our time teaching them about how we work, and I'm sure a businessman, when he goes out, he's explaining, well, here's the gizmo we can build for you, and here's where you need it. So, you're explaining to them what their need is and that's where a lot of this trade stuff comes to fruition.

COBB: Yes, but back to my Venezuelan experience with General Cable. We were doing good business, but we had to compete with a government-owned facility that was receiving subsidies. We went to the government subsidized utilities and showed them how our cable was by far their best bet and how they could save money, how the consumer benefitted, how the rates would be lower for utilities, etcetera. Well, then the local businessman, who is less efficient, goes to the government the next day and says, "We need a 10 percent tariff on those Americans. They're taking our jobs, they're taking our business, they're gonna cause a recession." Who suffers? I think Venezuela or any other country suffers when they put up a tariff to protect an inefficient producer. The consumers always pay more for the inefficiency. The trick of this is we have to spend more on training because if we don't give the displaced people the skills then they can't adjust. But right now, as a country, you know, everybody's worried about automation. We have jobs that are unfilled. We have ten million jobs that are unfilled in an emerging recession.

Q: Now, you're involved in all these organizations and your wife comes up with the opportunity to be ambassador in Jamaica. How did that impact your life?

COBB: Positively. I was in the middle of my chairmanship of the FTAA. It was a great experience. I made lots of the trips for FTAA on our turboprop plane from Kingston. I could get from Miami to Kingston in less than two hours on my plane. I visited all of the Caribbean islands and all the Central American countries for FTAA from Jamaica.

Anyway, back to Sue's job. She was a superb ambassador. One of the first things she did was prepare the best strategic plan in all the State Department and she received a \$150,000 award for the U.S. embassy. Strategic plans became required sometime between 1990 and 2000. She did a great one and got \$150,000. One of her priorities was for a program with Florida called Building Bridges. She brought Florida business, and she brought Miami United Way to Jamaica. She created a joint program with the University of Miami. It was all part of Building Bridges. Rather than doing it with all of the United States, where she didn't have as much leverage, she just focused on Florida with Jeb as the governor and our contacts. She followed that up by being president of the American Friends of Jamaica, which is an organization that raises several million dollars a year for disadvantaged Jamaicans and for education and healthcare. We just had the big gala this weekend in Miami that raised almost a million dollars.

Q: One of the interesting things about the start of her ambassadorship is—in your notes she arrives the day after 9/11.

COBB: No, day of.

Q: The day of, okay.

COBB: The day of. Well, to be accurate, we arrived the day before, the night before. We woke up on the day she's going to go to the office and the day I am to meet with the spouses.

Q: Tell me about the timing because with 9/11 all air traffic was stopped.

COBB: Yeah. So, we were there the day before.

Q: Well, how was it like addressing the spouses?

COBB: I think I did a good job only because I was calm and I was optimistic. I was confident we as a country would deal with this. And there was no danger to Jamaica or Kingston. Kingston might have been the safest place to be.

Q: Excellent. I presume you returned to Florida and handled the rest of your duties or—.

COBB: Yeah. But I did a lot of them from there too.

Q: Oh, okay.

COBB: A lot of phone calls from there and a lot of communications from there and email exchanges. There was no Zoom in those days. I did a lot of business there, but I did a lot of it here too. I was there for every dinner she wanted me to attend. She never had a guest for dinner without me. And I went to almost every reception and clearly every time there was a meeting with the prime minister or other minister when spouses were included.

Q: Now, what I hear you saying in all these efforts to enhance focus on trade and whatnot is that the Foreign Service, the diplomatic—America's diplomatic representatives overseas are there to do a good job.

COBB: Well, it's more than that. And I talked about it before. My message is that in the old State Department, the primary job of a Foreign Service officer was to report. That was the main job. Much of the training was focused on good reporting. I think the main job of a Foreign Service officer today is to go out and change and to make a difference. One of the ways a Foreign Service officer can make a big difference for America is helping American businesses do more business there or to facilitate change. A Foreign Service officer or a U.S. ambassador must be out doing things, meeting with the press, meeting with businesses, meeting with parliament, advocating U.S. interests. That should be most of the job. Yes, there is some reporting to do, but I don't think that's as important as making changes. What do you think of what I'm saying here?

Q: Oh, I'm quite on track with it because I've been in the same sort of situations. Being a political cone officer, I see the reporting function as how to figure out the society works so you can get your hands on—

COBB: I never was stationed in the State Department in Washington with responsibility to read these reports, but my reaction would be if somebody wrote me a report and said, "Anti-Americanism is just causing a problem here in our country," my answer would be, "We've already read about that in newspapers and seen it on television. Go solve it. You're there to work on it. Don't spend a lot of time telling me in Washington you've got this problem of anti-American sentiment by writing long reports. Go fix it."

Q: Well, and as you will probably read in due course some of the ADST interviews that we've done, that is exactly a problem that people pick up from—pick up on from time to time, particularly the USIA (United States Information Agency) officers on attitudes towards the United States.

Let me ask you one final question, perhaps. You are aware of what Mike Pompeo wrote in his book about the Foreign Service. Do you have any thoughts on that?

COBB: Tell me specifically what he said. I have not read his book. I don't have a judgment on Pompeo's book because I didn't read it. Tell me which comments you want me to comment on.

Q: I printed something out, one of the book reviews, and Pompeo disdained American diplomats. He describes them in the book by terms as un-American, deceitful denizens of the deep state and overwhelmingly hard left. He describes Bolton as a scheming leaker who should be in jail.

COBB: John Bolton?

Q: He describes John Bolton as a scheming leaker who should be in jail. And it just goes on like that. I should send this to you rather than read it here, but you might want to finish this up by commenting because I think you have a slightly different view of the usefulness of the State Department.

COBB: I totally disagree with his comments. It appears he is critical of two different things—career Foreign Service officers and non-career Bolton. I have told you I think the State Department needs to be more efficient and more decisive by not having seven to ten people needed to sign off on minor items. I might agree with Pompeo on the State Department being not as efficient as the U.S. military or CIA where there is greater delegation of authority. I have no comment about his views on Bolton except that I disagree with them.

Q: Fair enough.

COBB: Okay. I would like to have a follow-up conversation.

Q: Really? Okay.

COBB: At some point. I'd like to think about this entire conversation that we have had. Maybe I might produce a prologue to summarize some of the items.

Q: We are returning to our conversation with Ambassador Cobb. It's the 29th of March.

We are talking about the things you'd begun to do in recent years and you were mentioning that you have started the Cobb Emergency Fund associated with your church. How did that unfold for you?

COBB: Well, there were several earthquakes and hurricanes and other natural disasters that were happening, primarily in Florida and the Caribbean that I felt were not being properly focused on by the national press and the national concerns and the national charities. The first was in Jamaica following Sue's time as ambassador to Jamaica. We got to know Father Richard Ho Lung, who is a prominent minister of a Catholic missionary. He brings missionaries into Jamaica from all over the world. Following this hurricane, he stated that he wanted to repair a thousand roofs in Kingston that were damaged by the hurricane. It is expensive to replace a thousand roofs, but the work was mostly done by the missionaries and other volunteers. It was just a question of getting the money and materials. Sue and I participated, first just individually with some other former ambassadors and other government officials, but then later I thought, you know, my church, Plymouth Congregational Church, should get involved in this. I went to our minister and said, "Would you and the church want to join? Sue and I are going to participate in this in a significant way." So we got thirty or forty people from church to participate.

The next one was the Haiti earthquake, as I recall. That earthquake did get more national attention because President Bush, as I recall, asked his dad and Clinton to head up fundraising. I went again to my minister of the church and said, "I really want us to do this in a more organized way. I want members of our church to travel to Haiti.." A lady in our church knew about this school in Bassin-Bleu in the middle of nowhere in Haiti. So, we flew to one airport and then we had to charter a plane to go into another airport that would land on a grass strip and then a four-hour drive in a Jeep on a road that you wouldn't believe. You probably had experienced some of that in Africa.

We found this school that was just devastated and had no electricity. The government had an electrical line that went into the school, but it wasn't working. They had no clean water but there was a river right there. So, we said, "Look. This is perfect. We can bring a generator and a water purification system, and we will pump the water out of the river, we'll purify it, and then we'll also generate electricity for the church and school." So, today, now ten years later, that school still is the main source of clean water for a high percentage of the community. People pay for the clean water, but it's the best water, and they use the money for the diesel to run the big generator for the school to have electricity. During that visit we were met by 500 kids who came out and sang for us.

The next one was when the hurricane hit Haiti in 2016. This time we took backpacks filled with school supplies. We joint ventured with a church in Haiti, and we actually serviced about three church schools. We went down with all these school supplies, which was deemed by them to be what they needed most. We got our whole church involved by filling up the backpacks. Mostly the children of our church packed all the bags, and we sent them down by FedEx and then we flew down. It became a great church celebration.

Next was the hurricane in Panama City, which has now been seven or eight years ago. We adopted a church and helped replace the roof. Then three years ago it was the hurricane in Marsh Harbor in the Abacos in the Bahamas. We adopted a church there and built a playground. The next year we had a big celebration with the mayor and all the government officials celebrating the new playground. Over the years several ministers have come to our church to express their appreciation and members of our church have gone back to those churches for meetings. We have effectively formed a partnership with them.

My wife and I have been so pleased with this effort that we suggested to the church we set up an endowment so Plymouth can do this great work into the future. The church leaders have named it the Cobb Family Emergency Response Fund.

The most recent emergency was just a few weeks ago in Turkey. One of the hardest areas hit by that earthquake was the ancient city of Antioch. Peter went to Antioch and lived there after Christ. Paul also spent time in Antioch and reportedly Peter and Paul had most of their meetings in the town of Antioch. Antioch became a very important Christian center. Many say it was maybe the first center of the Christian church. So we sent money there and someday maybe we'll visit and visit Ukraine at the same time. We had an interesting time with Ambassador Marc Grossman when he was ambassador to Turkey.

We met him in Adana to celebrate the Cobb Award winner in trade. Adana is in the far, far southeast corner of Turkey, right near Antioch. Sometime we would like to visit both Antioch and Adana again.

Any event, the Cobb Family Emergency Response Fund has been really satisfying to my wife and me, and it's continuing our interest in international issues.

Now, you also asked about my views of State Department organization. First of all, I was on a task force that the American Academy of Diplomacy organized, and we reviewed several different proposals to make to Congress. One of the proposals related to a process of selection of non-career ambassadors. My suggestion on this task force was to advocate for a more rigorous process for non-career ambassadors. One of the models is one that President [Jimmy] Carter had. Carter selected my friend, Reubin Askew, the former governor of Florida and later the USTR, to chair Carter's ambassador review process. The process was that Carter gave the selection committee his list of who he wanted to pick as the nominee and for which country and Askew's committee reviewed them. I understand 90 percent of the potential ambassadors they approved. Ten percent weren't approved. I understand Carter did not pick any of the 10 percent because the selection committee had not approved them.

You criticized in an earlier conversation we had that Reagan maybe had too many political people in the State Department, but I am told, and I don't know whether this is the way it worked, but that for every ambassador being considered there was both a career and a non-career possibility. The White House personnel office made the case for non-career and the State Department for a career Foreign Service Officer. The results come about seventy-thirty, 70 percent career and 30 percent non-career. Since that time there have been some mistakes in non-career ambassadors. George Herbert Walker Bush had two ambassadors who were embarrassments and I know Obama had some and Clinton had some. George W. Bush also had some. There have been embarrassments, and it's embarrassing to us as non-career people because we all get lumped together. I feel strongly that there needs to be some sort of a review process.

Almost three years ago, the Belfer Report from Harvard came out. The name of this report is *A U.S. Diplomatic Service for the Twenty-first Century*. It's dated December 14, 2020. And the three authors of the report are Nick Burns, Marc Grossman and Marcie Ries. Do you know her?

Q: No.

COBB: I sent them an email with my comments. I told them I liked the new proposed name for the Foreign Service, which they proposed as the United States Diplomatic Service. I think the Foreign Service is not as good as the U.S. Diplomatic Service. The United States Diplomatic Service is a great name in my judgment. Second, I like their recommendation of ROTC equivalent training. Third, I think a program that encourages mid-career acceptance in the Foreign Service is imperative to producing the top diplomatic leaders that our nation needs. I think it is impossible for a few recruiters to

pick our best diplomats among some twenty-five-year-olds and have them be our best diplomatic leaders forty or thirty years later. I strongly disagree with their recommendation that POTUS [President of the United States] should limit non-career ambassadors to 10 percent. I support 70 percent career and 30 percent non-career. I also support their other recommendations that 75 percent of assistant secretaries and undersecretaries and any undersecretary of P [Political Affairs] should be career.

So that's my basic view of State Department reorganization. I think State needs to be reorganized. I'm proud to be part of the State Department's history and one of its loyal alumni. I just think it can be better organized and run.

You wanted me to talk a little bit more about my post reflection of early influences in my interest in foreign affairs. In retrospect, your probing has helped my thinking. Clearly, the fact that I grew up with our country at war and that we used to have to practice potential bombings under our desks in elementary school and that my dad, who had this Civil Defense responsibility with firefighting and medical equipment, made us confident we were going to war and the Japanese would bomb us. And then, my experience at Stanford as an NROTC candidate and my experiences with Western civilization classes had to make me interested in international relations, even though I didn't earlier pursue a career. But my early experiences as a U.S. athlete on a track tour was part being a diplomat. I was only twenty-two years old when I was a "goodwill ambassador" carrying the American flag into Tokyo Stadium as the team captain and meeting with Japanese officials. Also being a leader as an officer in the Navy and leader of the American delegation influenced me. So the punchline is you have convinced me that my early life clearly set the stage for me to be interested in international relations.

Okay. What else can I answer for you before we end?

Q: I think your summary makes a good point that a lot of people forget, and that is we've all been in some ways exposed to this world, whether we knew it or not. But still, you have to think, you know, as you interact with people - you're interacting with the American Academy of Diplomacy, the Foreign Service in all kinds of different ways - you are carrying the message that the outside world is important, we should pay attention to it, and I think that's a summary of our conversation.

COBB: Good. I think that's accurate. I have tried to be a spokesman for improved diplomacy but that includes improving the efficiency and the capability of our State Department, to be faster moving, to be more efficient, to be better communicators and to show our appreciation for those diplomats who are doing a great job. On the Cobb Award for trade, we either have five nominations or they don't give the award. If we don't get five, then the award is not given. That has happened several times because the State Department can't get organized to get five nominees to potentially get the \$10,000 from a private donor. Once we didn't get the five because one was not a Foreign Service officer. It was a non-career ambassador who was not a Foreign Service officer. And I said, "This is sloppy staff work here." and they agreed to finally get one more for five. We have the selection committee two months ahead of time. Once a month after the committee

selected the award recipient, I would call the State Department to ask if the winner had gone through the legal process. They would respond that they had to go through seven agencies to get it signed off. They explained they must go to the diversification office and they must go through the legal office and many other offices. And I asked why they don't do all that before we as a committee select the winner. Anyway, it took a month for legal approval, and we only gave the winner two weeks to plan to come to Washington. That's unfair to the ambassador. Most ambassadors are booked out a month ahead of time. The State Department needs to be a more efficient place. In my opinion, we must give more delegation to our embassies, we've got to give more delegation to doers and less checkers checking checkers checking checkers.

Q: (Laughs) Sounds good to me because I've been in any number of doer positions and the big hurdle is always resources to begin with.

COBB: I disagree on resources. If we give somebody the responsibility to get a job done, the affairs in the State Department can get it done within their current budget.

Q: No, in that case you're absolutely right.

COBB: In my opinion, the State Department doesn't have a resource problem. It has an organizational problem and a lack of delegation problem.

Q: But anyway, I have enjoyed this, my friend.

COBB: Yes, we are friends. This is more time than I've spent with anybody, including being with my wife in a long time.

I have enjoyed this discussion so much that I have probably talked too much and provided you with way too much information and way too many details. I know I have not always answered your questions succinctly and have probably wandered off into other aspects that may have added too much detail. Consequently, I have concluded I must prepare a prologue for the beginning of this Oral History that better organizes my thoughts, particularly on my career in diplomacy.

Thank you again for all your thoughtful questions and for being such a delightful interviewer.

End of interview