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JAMES EUGENE LEADER

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INTERVIEW

[Note: This interview was not edited by Mr. Leader who died May 29, 2019]

SHEA: It's a beautiful morning here in Bethesda, Maryland. It's the 19th of September, 1995 and we are here at my apartment and are interviewing my good friend and long time fellow coworker Jim Leader. I know Jim served among other places as our Labor Attaché in India, Sri Lanka, Venezuela and I do recall you were a Counselor Officer in London.

LEADER: Right, and in Madras, India.

SHEA: As a student you made a long trek through Nepal.

LEADER: Yes, I spent a year in India at the Ahmedabad Agricultural Institute my junior year abroad.

KIENZLE: Do you want to start with giving something about your family background, education and how you got interested in Foreign Service?

LEADER: Okay, I'm in the labor part of the Foreign Service. I guess I grew up in what you call a middle class family which includes most of us and I did not really have a labor background or a diplomatic background, in fact, I grew up in Wilmington, Delaware, and I majored in agriculture. I did my undergraduate degree in agriculture at Purdue University and then in the middle of that I had my junior year abroad in India. I had at one time thought of going into agricultural missionary work. My year at Ahmedabad made me decide that that was kind of superfluous because there were so many well trained Indian agriculturists and foreigners going over not familiar with the agriculture of that country seemed to me to be inappropriate even. So after I got my degree from Purdue in agriculture I came to Washington and did a Master's degree in international service at American University in their brand new school of international service.

KIENZLE: Would you give us some dates on the degrees?

LEADER: I got my degree from Purdue in January, 1958, and started at American University in September, 1958, after doing three months of Air National Guard basic training. It took me four years to get my masters. I finally got it in 1962. It was a two year master's program. I had a specialization in South Asia in that program which included a 24 hour seminar for the whole second year. So it was 12 credit hours per semester on South Asia which really did give me a rich background in that area. In the course of that I was struggling for what I was going to do and finally ended up taking the Foreign Service exam in 1961 and was accepted and came in August of 1962.

KIENZLE: Could you tell us how you developed your interest in South Asia?

LEADER: Basically, it was the year as a junior abroad.

KIENZLE: Was that by lottery or by chance that you went to Ahmedabad?

LEADER: This was a program sponsored by the Presbyterian Board of Missions and it was one of the few programs that had opportunities in developing countries and I really hadn't thought about it much then. I just thought going to India would be very challenging and perhaps the most challenging of the options that were offered. I really found out about the program four days before the deadline for application in May of 1955. I called in my application and followed up with the print form and was accepted and went and really loved it. It was a very, very interesting year. It was a year in which I made very deep friendships that have followed me for the rest of my life. Met up with people in the Foreign Service, including a guy who became a Communist Chinese Diplomat who was in Ahmedabad the year I was there. A guy who became Vice President for International Affairs of the Yugoslav Trade Union Movement and, these are people I didn't really keep in touch with over the years, but some very good friends including one I connected with again when I went to Sri Lanka. A Sri Lanka boy who had come up to Ahmedabad to study. He and his family became our very best friends in Ceylon and really introduced us to a unique cross section of Sri Lankan society when we were there. That was the compelling motivation for Foreign Service. I really hadn't thought about the diplomatic service until the last months of my time at American University and I just decided that this would be a good area.

In 1959 by chance I needed a part-time job and I got a job in the Labor Department library and met Margaret Breckett, the wonderful institution of the Labor Department. An incredible librarian who had a wonderful collection of things she'd gotten into that library over the years. Phil Kaiser came to the American University to run a program on international labor in '59 and Phil said, "Well, you shouldn't be working in the library, you should be working with Arnold Steinbach in National Labor Affairs Bureau, I'll give him a call." So he did and I started working for Arnold Steinbach in 1959.

KIENZLE: What was his position?

LEADER: Director, I think it was the International Trade Union's Office (ITU) in the Bureau of International Labor Affairs.

SHEA: I knew him well. He was a refugee from Vienna.

LEADER: Right and I'd always thought he was Jewish. I learned that he was not, in fact his refugee status was not prompted by being Jewish but by his active involvement in the socialist movement.

SHEA: Yes, I knew that.

LEADER: Including his involvement in building the social security system in Austria.

SHEA: Yeah, he was a powerful human being.

LEADER: Oh yes, great, great man.

KIENZLE: Can you describe his impact on the Labor Attaché Program?

LEADER: Okay, Arnold Steinbach's view was knowledge is power. That was his slogan for life. He believed that the Labor Attaché Program offered the best opportunity to gather the knowledge the United States needed to deal with labor issues and its diplomacy. One of the things he developed and one of the things that fit most closely with his view that knowledge was power was the development of a series of Trade Union directories. People knew there were Trade Unions out there but nobody knew their names or their addresses or their officers so we were dealing with a very amorphous thing. He said let's structure it. So we came up with these directories and I think Arnold probably invented some of the terms that then came into general currency like International Trade Union Centers. I don't know that anybody had really thought about, you know what is an International Trade Union? They were called internationals and in our country it was called the AFL-CIO. In Britain with an entirely different development of labor movements it was the TUC, the Trade Unions Council. In many countries there were five or six, each affiliated with a political party or some other movement in the country. So Steinbach by having to put that in print his bold facts about the name of the place, what it was in English and what it was in the native language what it was called, which ones were a center, International Trade Union Center as he called it for unions across the economic spectrum and then the concept of industrial unions for those unions inside. I think those had their residence in international organizations so that the ICFU (International Confederation of Free Trade Unions) and before it the World Federation of Trade Unions which was taken over by the Communists in about 1947. These International Trade Union Confederations and that was another word that was coined affiliated the national centers of unions in each country. We had a directory of international union organizations. In a particular industry or trade the International Trade Federations developed so Arnold had a directory that included all those international trade secretariats. So really in a way, I think that it had never existed before. You could take five or six of these volumes, one for each continent of the world, containing country by country the national trade union centers who they were affiliated to internationally. The industrial federations or trade federations and then in some cases prominent local unions.

SHEA: He would test the Embassy Labor Attaches?

LEADER: That's right. I think that was a very useful discipline for the trade unions because you knew every year you had to go out and dredge up this information on

unions. You probably may not have even much contact with before but you had to get a name and a set of officers and go in there and take the directory to them and say, "We want your name to be in this American produced directory." They would always say, "Oh yeah, that sounds great here's my name going all the way around the world." The President of Steel Workers Local in Ahmedabad or wherever it was you know.

SHEA: Did he report to Jim Taylor?

LEADER: I don't think so. I think he reported directly to the Assistant Secretary at that time.

SHEA: Was it George Weaver?

LEADER: Yeah and, "Who was under the Eisenhower Administration?" Oh that was George Loche. So Arnold reported to him. One of the great things that happened was that through Republican and Democratic Administrations Steinbach and the rest of that bureau's focus on information not ideology and just laying out the facts, which unions were Communist, which were Christian Democrat, which ones were Socialist, etc., etc. Everybody saw a value in that and so there was a value in having an International Labor Affairs Bureau and there was a value in knowing how it worked.

KIENZLE: Did he get involved in the personnel issues of recruiting people for the Labor Attachés Office?

LEADER: Steinbach?

KIENZLE: Yeah

LEADER: I don't think so but Jim Taylor was more involved in the personnel issues as I remember it and I forget really Jim's exact title at that time, but he was an important guy in the bureau, but I don't think he was in the chain of command as I recall.

SHEA: You mean Steinbach?

LEADER: No, I'm talking about Jim Taylor. Steinbach definitely was, he was the Director of this Office of International Trade Union Affairs.

SHEA: Did Jessie Freeman work for him, I think Jessie did at one time?

LEADER: I'm not sure, he was there, I think he did but I'm not sure.

KIENZLE: How long were you in this office?

LEADER: I did that for about a year as a clerk. I started out in the Labor Department probably at a level that most government officials never even heard of which was a GS-2.

It started at GS-1 and I never met a GS-1 and only met two or three people who had been GS-2. You usually start at 3 level. Boy, 50 bucks every two weeks for a struggling student, married and having a child coming down the road was pretty nice.

SHEA: You lived out here at that time?

LEADER: Right. Blocks from where we are right now.

SHEA: George Loche was a very, very interesting guy who later ran for Governor of Massachusetts. Very capable guy.

LEADER: Yeah, very capable guy, very sympathetic to the need for understanding the International Labor Movement.

SHEA: We have an interview with him.

LEADER: Oh great! I'd like to read that.

SHEA: At this point you then joined the Foreign Service?

LEADER: Yeah, then I went to work at the professional level. I remember I talked to Arnold about taking the, at that time the Management Intern exam, which allowed you to come in as a GS-9 and I remember he said, "Ah, no you don't need to do that you're in here you're working here so I got a GS-7 and never did make it to 9." I always thought, "Boy there is a shrewd bargainer." He knew if I took the Management Intern exam I would have to go around working all different bureaus and he would have my body for just a minority of the time. Anyway then I really struggled because I was enjoying my career in the Labor Department and felt very much of a kinship which I still feel when I go to the Labor Department.

I took the Foreign Service exam really, well let's try it and see what happens, passed it, passed the oral. I remember my wife and I just sitting down talking for days. "Are we going to pick this up or not are we going to go with it?" I had a lot of issues, including, neither of us felt like we had the background for diplomacy, that we had the elite social skills and all those things that we thought it took to go to black tie dinners and the things that we imagined as the art of diplomacy. The whole idea of leaving family, and going overseas for a while. I guess at that point I decided at that point to follow a recommendation a friend of mine had given a long time before. He said, “If a door is open and it looks good on the other side, walk through it, don't slam the door.” We figured okay we'll go out for a term or two.

SHEA: Did you take a course on labor under Maury Weiss?

LEADER: Yeah, Phil Kaiser as I was talking to him about courses to take, and I really didn't have much knowledge of the labor movement or much interest in it, but I think I

was very interested in reform movements and the sort of liberal tradition in America. When Phil Kaiser came we sort of connected. I talked to him and decided to take this course and that's really when he said "Why don't you work for Arnold Steinbach?" So it was a course that was chaired by Phil Kaiser as a member of the staff of the School of International Service at AU. Maury Weiss and Vince were sort of co-professors in the course and really gave us a very rich cross section of experience in American labor and in international labor issues. Phil Kaiser was a Rhodes Scholar to Oxford and knew a lot of the top leadership of the Trade Unions Congress in England. This was a background that enabled him to be asked to go as DCM to London, the number two job in the Embassy, by David Bruce because traditionally the Embassy in London was rather elitist and had very few contacts in the Labor Party. We saw it first with Sam Burger, who had gotten experience working for Averell Harriman over there and was named as a Labor Attaché in London in ’46. The story I heard was that nobody in the Labor Party, none of the Ministers, wanted to talk with anybody unless Sam Burger was there to translate for them, explain what they meant, some of the socialists, the vocabulary they used.

KIENZLE: Did Phil Kaiser help you with your first assignment to London?

LEADER: My first assignment was Madras. No not really, you know I went in the Foreign Service and the doctrine at that time was that you took three different assignments in your first three tours, and you had to be in at least two different regions, and at least one had to be back in Washington. It worked with me, I mean I followed the classic pattern. I went to the country of my choice, India, since I'd been there before.

KIENZLE: This was in 1962?

LEADER: In '62 in August and I won't get into it here, but I would mention that in my three months until I went off to India Dick Barkley and I, Dick came into my class and was later Ambassador to East Germany, worked on the Intelligence Research Bureau's desk on Vietnam in 1962 before Vietnam was considered much of an issue. I remember having to go to the maps to find out where Cambodia and Laos and these countries were. They just weren't in the public consciousness. I also remember the guy I worked for, a guy named Lou Saris who said there is no military solution to this. This problem in Vietnam is not going to be solved by a military solution. So in a way it is pertinent because obviously as we went on through the '60s the Vietnam issue loomed larger and larger with our relationship with many, many countries in the world and in many cases we were rather defensive about what we were trying to do in Vietnam. So it had nothing to do with really my regional specialization but had more to do with my first assignment in London than it did with my labor interest.

I had a very useful time in Madras and because I knew people in the International Field I went out and talked and had some introductions to people in the labor movement, most notably Anthony Pelei in Madras who was a textile workers leader and a very fine trade unionist. He belonged to the [pre independence] Socialist Party and interestingly because I went to Sri Lanka later was in exile to India from Sri Lanka. He had originally been a

Trotskyite when the British really cracked down. Most of the Sri Lanka establishment supported the war effort unlike in India where Gandhi had a peaceful resistance to the war effort most of the Sri Lankan establishment supported the war effort but the Trotskyites did not. That's an interesting point where they split off from the Moscow communists who of course, as soon as Hitler attacked Russia changed it from the Imperialist War to the People's War. They came to the Trotskyites in Sri Lanka and said, “Hey jump on the bandwagon this is now a peoples' war” and they said, "The hell with it, it may be your peoples' war it isn't our peoples' war. This isn't going to help us helping the British, they're going to help us get our independence." So anyway, Pelei was one of those who sought refuge in India at the time that a lot of Trotskyite nationals had to flee.

KIENZLE: What were your official duties in Madras?

LEADER: This first cross indoctrination's assignment that you were required to spend at least six months in three or four different sections of the Consulate. So my first five months involved in Tamil training interrupted to become Code Clerk when our Code Clerk got sick. Since I was the junior most guy I was tapped and so I spent time in the Consular Section in the Commercial Section and in the Political Section and got the cross fertilization and learned one thing that stood me in good stead in later years that the Consular business is where you meet the people. I probably made more labor contacts in the Consular business there than if I had been a Political Officer because people came in for visas and you found out a lot about them at that point.

KIENZLE: You had to interview them all.

LEADER: Right.

SHEA: Who was the Consul General then?

LEADER: When I went there it was Tom Simon who was the present Tom Simon Jr.'s father. Tom was a young man, a teenage boy in Madras and went on to become Ambassador to Czechoslovakia. Anyway, he had a couple of Ambassadorships.

SHEA: You were there two years Jim?

LEADER: It turned out to be 18 months because I was called back early to take the Nepal desk in Washington which was a great assignment. No labor movement there but it was about the only junior officer desk job around certainly in Asia.

SHEA: How long were you there?

LEADER: Eighteen months or about 20 months in Madras and then two years on the Nepal desk. It worked out very well because the Department at that time didn't have money to send desk officers over to see what the country was all about, but since I was in Madras they could have me go back just as cheaply through Nepal as any other way so I

got to see the country at least before I took on the desk and I had been there once before as Jim mentioned earlier.

SHEA: That's right.

KIENZLE: After your service on the Nepal desk where did you go then?

LEADER: Then I went to London. I had to go to another region because I had had two straight tours in NEA or South Asian Affairs and I wanted to go to Japan. I felt like I knew something about India. That was 1966 and it was already apparent that Japan was on the road to being a great power economically at least by the mid '60s. I thought it would be very interesting to go to Japan and spend some time understanding how an Asian Buddhist country dealt with development, what rationale cultural characteristics allowed them to do this, and it would be a very useful contrast to the Indian experience. Of course coming out of colonialism, quite different. But anyway in this wisdom they decided to send me to London and that's not one you can argue.

KIENZLE: In what capacity did you go?

LEADER: I went as Vice Consul. I guess I got promoted there and became a Consul in London and I really was called a troubleshooter. We had a section of the Embassy that was the category A ineligible section.

KIENZLE: This was for non-immigrant visas?

LEADER: Non-immigrant and immigrant. People who had been for political reasons fascists or communists or had medical problems or been convicted of prostitution, drug use or whatever, drug trafficking and the whole list of things that absolutely excluded you from entry to the U.S. and could only be overcome by a special waiver of your knowledgeability. A friend of mine who worked in the section called it the commie thinking queer section.

KIENZLE: That's not politically correct today.

LEADER: That's right. Remember the times, we're talking about 1966. So anyway I did two years and it turned out to be a very interesting assignment. Tom Burn was Labor Attaché in London and he got some of the young guys including myself, he recruited us to go out and talk to Trade Union meetings. The English seemed to love to hear American diplomats talk about the relationship and so there were a lot of invitations. I went to several meetings and made addresses and usually talked on immigration since I was a Consular Officer. I tried to explain the American mystic and American character on the immigration topic. I thought that's the one I had the title and authority to speak on it. Also since race relations were becoming very important in the United States at that time I treated the black population as the latest wave of immigration at least to urbanized America and that's where big problems began to develop.

It was interesting because at that time the Brits I think felt they were about ten years behind us and sure enough not too long after I arrived in the 1960s the Brits began to have problems with racial minorities. The important thing about it was that it gave me contact with some real people. I must say I felt you know the English have a reputation of being rather cold and distant but I think that's only true for the elite. When you get down to the working people and the guys who were involved in day-to-day politics and the union stuff they were great. I really enjoyed meeting them. My father's mother came from England so I always had a certain nostalgia and respect for England. I must say I was disappointed in my first months there and then meeting these people regenerated my respect for the country and my enjoyment of the country. So Tom did me a big favor.

KIENZLE: Did Tom Burn encourage you to go into the labor specialty at all?

LEADER: I think so. I think he thought that would be good, but the way it worked out my old boss in Madras, Don, wrote or called me. In those days you didn't call unless it was an emergency, called me in London and said the Labor Officer job in Sri Lanka was up and would I be interested in going. I said, "Hot dog, yes, that sounds great." He had been in Colombo for a short time and he thought it was an interesting country and thought I would enjoy it and indeed I did. So I took up his suggestion. He was in personnel at that time placing South Asia types.

KIENZLE: This would have been about 1968?

LEADER: Yeah.

KIENZLE: So you then went on to Sri Lanka?

LEADER: To Sri Lanka.

SHEA: Did you have any formal training in the department, labor specialty before you went out?

LEADER: No. The fact that I had worked for I Lab and took Kaiser's seminar everybody said you don't need formal training. I was always a little disappointed in that. I think it is one of the shortcomings of the Department. I think you always need training and I could have gotten a lot more sophisticated understanding. I think I could have used some labor economics training which is a subject I never really had any background in at all, but I went and for me I think it was a very successful assignment so I guess I did okay without the labor training.

SHEA: So you came back from London on home leave and then you went on to Sri Lanka to Colombo?

LEADER: I got the great home leave of my career because Oscar Morrison was over in

Sri Lanka and was in no hurry to leave and encouraged me to take as long as I needed to get there. It took me about four months.

SHEA: Did you go by boat?

LEADER: No, we took a nice long home leave, used up all the home leave we accumulated and never had a chance to use. We went via London where I did what I hadn't gotten to do before really even when assigned there. I went and met people like Tom in the International Federation of Plantations which was an important union for Sri Lanka, the most important union in Sri Lanka. He gave me a lot of very good insight, a wonderful man, and I think the ITF was headquartered there at that time Transfer Workers Federation.

SHEA: There was a man by the name of Frank Lyons who worked for _____.

LEADER: I remember that name. He was just a wonderful man _____.

SHEA: Oh yeah, a wonderful guy.

LEADER: He was a real idealist, tried to help poor working folks make a life for themselves.

SHEA: He was something like in my opinion something like Cesar Chavez.

LEADER: Yes, he was sort of a Crusader.

KIENZLE: Do you want to describe some of the issues you were dealing with in Sri Lanka?

LEADER: I was called Labor Political Officer, I didn't have the full title of Labor Attaché. The way I saw it was there was an awful lot we needed to understand in Sri Lanka that we didn't in Ceylon as it was called at that time. At the time there was a conservative pro-American government in power, the United National Party, which in a sense I felt maybe hindered us more than helped us. We seemed to have to be very, very careful not to embarrass or be too forward and thereby expose to attack the United National Party which we felt was working for our interests. I think it was really an interesting time because Sri Lanka had a year and a half under the United National Party government followed by a year and a half under the United Left Front led by [United Front led by Sirimavo Bandaranaike of the Sri Lanka Freedom Party]. It included the coalition that won the election in 1970 including the pro-Moscow Communist Party and the Trotskyite Communist party. So it was a completely new group of people. We had very little contact with that group. I guess I saw my role as Labor Officer as giving me the opportunity to meet people that the Embassy otherwise really didn't meet. The traditional contact of the Labor Attaché was the Ceylon Workers Congress led by Thondaman and that was a very large union because the Indian Tamil Plantation Workers

had been disenfranchised, virtually all of them.

SHEA: These are the people on the tea plantations?

LEADER: Right, the tea workers on the plantations. They were a population that had come to Sri Lanka, were brought over by the British starting in the mid-19th century to work the plantation. They found that these people who were getting into an over population situation in South India were desperate for work. They could transport these people to Sri Lanka and break the ties. They were much more effective plantation workers than trying to recruit peasants in Sri Lanka who always wanted to go home at harvest time and really didn't understand the logic of working hard for somebody else's wealth. These peasants thought they worked hard for their own wealth and to hell with this stuff.

SHEA: They wanted to go fishing.

LEADER: That's right, you were very much tied to the crop cycle. From the British stand point it just wasn't a satisfactory force and so they imported. By the time I got there what was called the Indian Tamil population had reached a million. They are the ones who had not been involved in the violence of the last 20 years in Sri Lanka at that time called the Ceylon Tamil community; they were all old settlers back at least as early as the 10th century and probably had been coming across the narrow straits to Ceylon since time immemorial because it was a very short distance by boat. The width of the English Channel in much calmer water. I guess I saw my role as using the labor function both to extend the labor situation in Sri Lanka but also as a Political Officer to develop the contact that would help us to understand where that country was going and how we might influence some of the thinking about America in that country. I think it paid off and the departure I took I guess was to really seek out the Trotskyite leaders in Sri Lanka. I knew that the AFL-CIO wasn't particularly supportive to that approach but from the American Embassy standpoint the plan was absolutely essential to get good contact with the Trotskyites and took with a big grain of salt whether they were Trotskyites. I always sort of kidded them, I said, "You guys aren't Trotskyites, you're Laskyites." Quoting Harry Lasky from the London School of Economics. They were really sort of Fabian Socialists. At some stage I do want to talk about what happened at the time of the election, the change of power. That was a price I think that demonstrated the great value of having a Labor Officer who was specifically focused on that area in Sri Lanka.

SHEA: Why don't you do it now?

LEADER: Okay

KIENZLE: Did you resume your contacts with the Trotskyites in Madras?

LEADER: Well, the fact that I knew Anthony Pelei was a help. Of course, his brother was a very prominent businessman, I think he was one of the directors of the Air Lanka

airlines, as I recall so it was one of these typical South Asian families with well educated people. Anthony Pelei took the Social Service route and got into Trade Union organization and into LLSP patrician politics and his brother made money. I think they were fond of each other. I don't think it ever interfered with their relationship, but they just took entirely different tracks. I guess that's one of the phenomena in Sri Lanka that led me to believe we could deal with the Trotskyites and with the Sri Lanka Freedom Party of Bandaranaike.

KIENZLE: Would you describe the election now?

LEADER: All right. As I say, the first eighteen months was a rather calm period. I think I will back up and just cover a couple of other things. One was the great advantage of the USIA support that we had in Sri Lanka, the U.S. Information Agency. I recall '69 was the year of the great space travel, we landed on the moon and then had the Apollo 12 landing on the moon and everybody in Ceylon and I suppose everybody in the world at that time listened avidly to the radio. I remember when Armstrong was going to land I got my kids up at 2:00 o'clock in the morning just so they could hear the actual report of the landing. What that did for me, USIA produced some brilliant films. I don't know whether you saw any of them, but they were just wonderful. Sri Lanka was sort of ignorant of this. There was no television, remember, at that time in Sri Lanka and to be able to invite Trade Unions out to a function in my yard, a reception featuring the showing of Apollo 11 and 12 films.

The first one we did was actually of Apollo 8 where they did a spacewalk and some things. We'd show them outdoors on a screen in the yard. So 7:00 o'clock was the invitation hour. About ten minutes to six my wife came running from the garden and said, "Jim, I think some of these people are here." Sure enough I looked out at the gate and there were 20 or 30 people with all of their kids. We had an incredible crowd of people. I think we had 180 people and we had invited about 80 or something like that. The drinks ran out, but anyway the thing was that both my wife and I whenever we went out in Colombo some would say, "Oh I was at your house for the Apollo flight." It was just a wonderful, wonderful introduction. It was so educational, nonpolitical, you know you could bring everybody together. All the desperate warring factions of the Labor Movement of Sri Lanka could come to that and somehow survive. So the tactic I developed was to have several of these big functions and in '69 it was very easy with the Apollo program because each of these films USIA put out were so enjoyable. Then I would try to get the individual groups to the house for smaller functions.

I remember having one of the follow-up sessions with the LLSP Union, I mention them often. I had contacts with the others too, but they were by far the most powerful union in the urban sector. The Thondaman Ceylon Workers Congress was the most powerful in the plantation sector and the Trotskyites in the urban sector. We had them in to show them the story of the NLRB, a film put out in 1952 I think, showing how the National Labor Relations Board in the United States worked. Here were these people in by then very outdated dress, and not a great quality black and white film but very well produced and

directed. I still remember having D. G. William, I knew some of the leaders there were other guys who came in to see the film at the LLSP Union, probably about 30 guys. I was sitting up in front with D. G. William. He was one of the few trade union leaders who had come through the ranks. He had started as a houseboy and porter for the Hotel of Colombo and worked his way up. He was very smart and just a wonderful guy. One of those Trade Union guys you meet, four-five in your life, and you think this guy is a pure diamond. We got in there and he could always communicate, his English wasn't great. We got through the NLRB, the whole thing of the Union having problems, the workers having problems, the management fighting it tooth and nail, election, finally the union won and the management said well, "I guess I have to sit down and negotiate the contract." The NLRB helped him at each stage of this. We got through the film and I said, "Well D.G., see, the American Labor situation isn't too bad." And he said, "Yes, Jim but you have good capitalists, we have very, very bad capitalists." I always loved that.

Anyway, getting to the election. There was no secret about it, that the American Embassy and therefore the American Government seemed to greatly favor the United National Party in the 1970 election. Dudley Senanayake was a very capable Prime Minister and we had a warm relationship with that Government. I remember it was actually the Apollo 12 mission, we went over to the Ambassador's house with Dudley Senanayake. Other members of the Cabinet came over and we had Arthur Clark, the science fiction writer, with his telescope show us where they were landing. It was incredible, obviously you couldn't see any spaceship, but you could see, it's right near this crater here and this crater here, just intersect those. So we had that kind of war relationship.

SHEA: Who was your Ambassador?

LEADER: That was Andrew Corry. He was a very nice man. A real gentleman, but he just really didn't have a feel for and appreciation of the Left. He was a Democrat. Mike Mansfield of Montana was his patron, but his father was a mine owner in Montana and he had grown up looking at labor, you know the Wobblies and other radical labor movements and he mistrusted radicals.

LEADER: When myself and another officer in the Embassy suggested he meet somebody from Mrs. Bandaranaike's party he said, "Jim, we have no reason to talk with those scoundrels."

KIENZLE: What did he say after the elections?

LEADER: He left. Robert Strausz-Hupé had been nominated as Ambassador of Morocco and Senator Fulbright would not let him go because he felt that he had been Barry Goldwater's foreign policy advisor. He had written several books and Fulbright I think felt that he would not be effective in the American interest in Morocco, rightly or wrongly that is probably what happened. He just refused to approve the nomination and have his Foreign Relations Committee approve that. Strausz-Hupé was nominated as Ambassador to Sri Lanka and won Senate approval. I must say I found him a very

effective Ambassador. I was kind of surprised. We were all expecting the worst and I think he was very, very suspicious of the Career Foreign Service. Corry left just before elections and Strausz-Hupé came out for a private visit without presenting the credentials and rode around the country which was a very interesting project. He spent a week just traveling around the country. Then he left to go back for some medical work in Greece.

He then came back to this United Front victory and United Front Government in power composed of people that many Americans felt were just absolutely hostile to us. The United Left Front's early decisions really supported that view because they immediately recognized the Government of North Vietnam. They suspended diplomatic relations with Israel and you know just eventually they changed their names to the People's Republic of Sri Lanka from Ceylon. There were two factors here, the SLLP had been really developed as a Pro Singhalese party, two major ethnic groups in Ceylon, the Singhalese and the Tamils and SWRB, Mrs. Bandaranaike's husband had taken a really Pro Sinhala position in his campaign in which he won the Prime Ministership in 1956 and was later assassinated. Mrs. Bandaranaike continued to change the name Sri Lanka a Singhalese name for the island was really to change the image of the country from a poli-cultural democracy to a more validly Sinhala cultured country. But the People's Republic was obviously a gesture to the Left both internally and internationally. So anyway, that was the situation at the time that the change of Ambassadorship was really very virtuous because we had a total change of Government.

The thing that surprised me really was my assumptions that Strausz-Hupé was an almost crusading right wing advocate on foreign policy. In fact he was very sensitive and I think very much gained the confidence of Mrs. Bandaranaike. I recall that one time not too long after the election I had a dinner again with some Trotskyite folks and I would get a thing called lump rice prepared. It was rice with spices and meat packed in a banana leaf and then baked. It was very delicious and the thing was it was like you know almost a drive in restaurant. You could have all these. I'd take my ice chests over and fill them up with this stuff and you would have 20 or 30 people come in and hand these out. They could all eat with their hands as is customary in Sri Lanka and just a very easy way to put on a dinner so you wouldn't waste a lot of time. You got right into conversation or whatever program was in mind. Strausz-Hupé came up to me and said, "You are having some of Mrs. Bandaranaike's people over tonight I understand." I said, "Yes, sir." He said, "Would you mind if I came?" I was absolutely flabbergasted. I said, "Of course. "But you know I don't eat Sri Lankan food?" I said, "We'll fix you up, we'll have a steak for you." He came over and he loved it and I say this guy, he loved the steak, he thanked me for it anyway. He loved the company, he loved the intellectual stimulation and people who loved to talk about politics.

SHEA: Yeah, they do.

LEADER: Oh yeah.

SHEA: I made a visit there. They are really charming people.

LEADER: They are.

SHEA: The Irish say they could charm the birds out of the trees.

LEADER: I think those two stand at the centers of charm in the world probably, the Sri Lankans and the Irish. They are very much like the Irish I think.

SHEA: What were Irving Brown and the AFL-CIO reactions to your dealing with the Trotskyites?

LEADER: I have a good story on that because in 1969 there was a Labor Attaché Conference in Delhi, the first that I'd ever gone to. I went up there and all these old timers like Jim Shea, you know who knew the AFL-CIO crowd very well, were there. There was a lot of give and take and finally we met Harry Goldberg who was the AFL-CIO representative on Asia at the time and he was there representing the AFL-CIO. I remember we came to a question and answer session. No holds barred we'll talk about anything, Labor Attaché Program and the AFL-CIO, your country whatever you know, raise any question you want to have raised.

SHEA: I was in Delhi too. We had the PL 480 program.

LEADER: Right. All the conferences were in Delhi as I found out when I was stationed there and had four straight ones. Anyway, I had talked a lot and there were a lot of Labor Attaches' that were chafed a little bit under the kind of constraints the AFL-CIO put on them. There were some who felt that they really would like to have contact with even pro- Moscow communist groups because their embassy was pushing them. The Ambassador would say, "These people are important. This is one of the most powerful labor unions in the country and you're the Labor Attaché. Why aren't you out there talking to these people?" So anyway, I took the bit in my teeth and I said to Harry Goldberg, "I'd like to ask, I deal somewhat with the Trotskyites in Sri Lanka because I think they are very important in the labor movement, can that harm a Labor Officer's career to be doing something like that?" Harry Goldberg paused a minute and said, "Maybe." I thought uh oh.

SHEA: Did he explain what he had in mind?

LEADER: No, I think he was playing that for my benefit, for the AFL-CIO, because I think he thought it was just fine. He was a good friend of Anthony Pelei who started out as a Trotskyite, of course he had changed and he, of course, was very close to a lot of the Socialists who started out as Marxists and I think Maury told me he was friendly with _____, I mean really, who stood from the Marxist Party from the Communist Party in India. They were called _____. So yes, there was some trepidation. I just found it important and there were a couple things that came up before the elections that I think demonstrated that and I had lunch with some of the Trotskyites at my house. It was clear

to everybody that we were there to talk business, because the elections were coming up and in the American view faintly possible that the Left might win. I remember Batty Weerakoon the Secretary of the Ceylon Federation of Labor (CFL), the Trotskyite National Center, was talking and said, "Well, we know about your space program, we know the incredible technical advances you've made, we feel we have to deal with you as the United States." To me that was a very important thing to have that on the table, just a couple months before this Left Government came into power. Really, indeed, I don't claim credit for it obviously myself, but indeed, the Trotskyites were very skillful politicians really, the oldest Party in Sri Lanka. They really played a role in the first democratic constitution which was part of the independence which came up in 1931 the _____ Constitution. We did not have a difficult time with the Trotskyites. Some of what now would seem to be more or less cosmetic leftist moves by the Government to recognize Vietnam, North Vietnam and North Korea, and some of these international positions, were very unfortunate, in fact, I don't think the Trotskyites stood in the way of Mrs. Bandaranaike's trying to develop an acceptable relationship with the United States.

SHEA: What was Mrs. Bandaranaike's political orientation for the record?

LEADER: She really drew her strength from family. The fact that the Bandaranaikes were among the patricians/aristocrats of Sri Lanka and she I think picked up the lead of her husband's campaign in 1956 of being pro-Sinhala and trying to put the Sinhala face on the country. But, the UMP did that to a certain extent. It was probably more central to the ideology and a communalist socialist view of how you had economical development. I think that she would probably have been very acceptable in a lot of the Christian Democratic Movements in South America and Latin America who did not really quite like the Capitalist model and denied the human community of people that puts emphasis on the profit motive and efficiency through making money. This kind of thing was not totally morally acceptable. They wanted a democracy but they wanted a more benign and friendly view of the community of the nation. So I think she had that and certainly she shared with most South Asian leaders at the time a sense that the Government had to be in control of commanding heights of the economy. So she managed to get the Russians to give them a steel mill, for example. I'll just digress a minute to talk about Bert McNamara coming out from the Steel Workers Midwest Milwaukee I think.

He came out on one of these leader tours, what we now call Amparts (American Participant programs). I told him when I met him, "I'll follow your lead, I don't know whether you want to meet the Trotskyite folks or not? They are important in the Labor Movement, we'll meet the UMP and the SSLP and all the other people, certainly Volantampo. Volantampo had been a visitor there who was by then the Trotskyite leader acknowledged as the Fourth International Movement after the Trotskyites kicked out the Lanka Sama Samaja Party (LSSP) from the International on the grounds that it was cooperating in government. That was not Trotskyite; Trotskyites could not cooperate in governments. So they anointed Ballatoppa who was a moderate, very, very effective commercial workers union leader. Oscar Morrisson sent him on a grant to the U.S. just before I got there. So anyway I asked Bert. I said, "Explain Ballatoppa and mentioned he

had met Robert McNamara in Washington, one of the most prominent American leaders and was sort of a part of the Sri Lanka staff and the LLSP." This was before the elections by the way. He said, "Well, I just followed the schedule done by the Labor Attaché." He said, " I can't argue with the Labor Attaché on what I should do here." So he let himself off the hook that way and we went to see the Soviet steel mill.

I contacted my friends in the CFL, the Trotskyite Labor Federation, asking them if they could arrange a visit to the steel mill which was unusual, usually you go to the steel mill management but I said, "This is a trade union and you should be able to be the ones to get our appointments and everything there." So they took us into the mill and there were double doors. You went through one entrance, I guess it was to keep the heat from coming outside too much. You went through one entrance double door and then you went through another double door to the mill floor. Bert and I were walking up ahead and they were sort of giving us the privilege of walking ahead and we walked through and as the second door opened and the first door closed, Bert turned to me and said, "My God Jim I worked on this same steel mill in 1928 in Milwaukee." The steel mill the Russians had given them. I said, "Come on, are you kidding?" He said, "Absolutely, the same mill."

SHEA: It had gone via the Soviet Union to Sri Lanka?

LEADER: That's right. Not the same machinery obviously, but the design and the whole thing and so I had a chance to talk with him later and he said, "Well, actually that may have sounded disparaging, but actually it's a pretty good mill for a country like Sri Lanka because you can change production so quickly, go from wire to plate or whatever you are doing."

SHEA: Appropriate technology.

LEADER: That's right. At the same lunch the LLSP people were saying, "You have great technological capacity and we have to talk to you, that's what we need, we need the technology." Then Batty Weerakoon said to me, "Yeah, we know the Soviets are giving us a bunch of old outmoded junk like the steel mill" I don't think they knew it so Bert McNamara spilled the beans on that thing.

So anyway, when the election came I'd had very good relations with them and it was very clear what the LLSP leadership was doing. I really became the major link to the LLSP Party and they won 19 seats in the 1970 election out of 150 so they had a fairly prominent position within the United Left Front, the pro-Moscow Communist Party was always third fiddle, they won I think five seats or something. I got this confirmed back from clandestine information, it was revealed to me that the Trotskyite Party had approved this link of communications with the American Embassy. I think on the first meeting the _____ took the lead because he was the de facto General Secretary of the Ceylon Federation of Labor which was a full time job. He wasn't called General Secretary he was sort of the Administrative Head, there was a General Secretary but he was part time and there was a President, of course, but he was the full time administrator.

He said, "You know, we haven't had much contact with the American Embassy and we really don't have much to talk about with the American Embassy, but you represent the American working people so we believe we can talk to you." I always felt he knew it was a fiction, I knew it was a fiction, I represented the U.S. Government. I got my commission not from 16th Street but from the President. I worked for the Government, I didn't work for the AFL-CIO and they knew that, but it was convenient for them and that's how they explained themselves presumably to the Left. So anyway, I think before the election it allowed me to have some insight into what was going on and after the election it gave us a continuing link.

The other advantage the trade union connection had for me was that when I came out I stopped in Geneva. I mentioned all these nice stops I was able to make on the way out, London, Geneva, Tel Aviv and sort of a week in each of these places. Time was no object, I was anxious to get out there, but it was the only time in my career and most careers that I've heard of where you had all this space, but it was very nice. In Geneva I got to go to the ILO. I got to go to the chemical workers and commercial, what's now FIAT, commercial technical employees and met Chuck Ray there and they had affiliated a small union in Sri Lanka. They didn't feel they could do business with Ballatoppa and the commercial workers union was the obvious connection for them. They didn't feel quite comfortable dealing with Ballatoppa, but they had affiliated a small union and I must confess after I got there I was a little dismayed because it really was a company union because the union leader was a nephew of the owner of the textile factory and it had the commercial union. Anyway, the guy was very nice, I met him a lot and we became friends. I knew his cousin was I. A. Cotter, the Senator, so I said, "Could you introduce me to I. A. Cotter, your cousin the Senator," and lo and behold within a week I got an invitation to go to I. A. Cotter's house and when I got there not only was I. A. Cotter there, but Maithripala Senanayake, who became the Minister of Irrigation in the Bandaranaike Government, and Mrs. Bandaranaike's brother were at this dinner and I was astonished. I thought I was just going to meet I. A. Cotter and chit chat. So I really believe being a Labor Officer in Sri Lanka gave me some exceptional access to parts of that body politic that we couldn't touch.

I think I'm spending an awful lot of time on Sri Lanka probably because it was my favorite post. One thing, I was young and had low visibility so that when there was quite a shaking up of the Embassy after the '70 elections, I and some of the other officers were unharmed, but some of the top echelon in the Embassy went home.

SHEA: Was that because they failed to anticipate the political changes?

LEADER: I think that was possible and I think Strausz-Hupé, in a way I can understand why he felt this way, assumed that we were very intelligent people in the Embassy and we totally miscalled the election. He felt that we did it deliberately, that we knew the United National Party (UNP)was going to lose, but apparently felt we deliberately miscalled.

SHEA: We are not including the Labor Attaché in this case?

LEADER: We had a little pool in the Embassy and I did the best, but I didn't come anywhere near calling it. I haven't talked much about the many contacts and warm relationship I had with the Ceylon Workers Congress, Thondaman. But I keep talking about these because, Thondaman was very important in trade union terms by having a membership of like 400,000 plantation workers and was important politically in Sri Lanka as the de facto leader of the Indian Tamil community, the political leader of the Indian Tamil community. His instrument of leadership in that community was his union in the Indian Tamil worker group. But in terms of partisan policy Thondaman 's importance was that he couldn't bring many votes but he could bring some swing votes. He also had a lot of influence with the owners of capital and the elite of the plantation economy plans of Sri Lanka and so he usually was brought in the government and is in this government. He is still there. He's always been seen as a key swing man for each party that's come to power. So I don't want to in any way diminish Thondaman's view. They worked very hard for the UMP in 1970 and they, of course, told me that the UMP was going to win.

But, I took more seriously really a young man who I lost track of another very favorite person in my diplomatic life Walter _____who was I guess Assistant Secretary to the Ceylon Federation of Labor and he told me very sincerely and I really believed him, I gave a lot of credence to him. He said, "Jim I called the '65 election when Mrs. Bandaranaike lost and I realized that we were going to lose, the Left was going to lose. But, he said this one we are going to win. I've been around this country quite a bit and we are going to win this." I took him very seriously, I thought this guy is telling me the truth and he had reasons. So when we were predicting as I recall the office pool included six people involved in political affairs, one person picked the UMP with over 100 seats, I said that the Left Font would get a plurality, but not a majority over the UMP and would have to hunt around for a coalition partner among independents or whatever. But we were all stunned, including myself at the immensity of the Left landslide.

SHEA: How many seats did the Left get?

LEADER: They got I think about 135 out of the 150 seats. The UMP only got 15 seats. It must have been a little bit less because there were a couple Tamil parties that got a few seats, but the UMP was just swept away. It doesn't take a very big vote in Sri Lanka the way the districts are set up to move it to that extreme.

SHEA: Do they have single member districts?

LEADER: Yeah, mostly, there were a couple of two member districts, but most of them are single member districts.

SHEA: After the British model?

LEADER: Yeah. Where were we, we were talking about I guess the election and as I say that was obviously a watershed, but what happened after that was very interesting. In my contacts with I. A. Cotter, the Senator, and then with other people who came into the government, I also met the man who became the Speaker of the House of Representatives from the Sri Lanka Freedom Party and he in August after the elections we got into a conversation and he said, "There's a very funny situation here in the country, these JVP people" which was the People's Liberation Front named in the same model as the Vietnamese Party. He said, "I don't understand these people, basically we were beginning to get a few stories about these, they were youth who had been thrown out by the steady liberalization of free education across the spectrum and by 1963 as I recall the various reforms had gotten to the point that you could enter university for free education, not just primary and secondary. These people began to come out of the universities about 1967, now we are talking about 1970. By then the assumption they had was that when you got out of university with a university diploma you had a nice job in the government or someplace, a cushy job. It was not being realized by any of these people. Virtually none of them. So you were getting to build up to the point that by 1970 you had 100,000 or so of these college graduates out in the country who had no hope, their families had been so proud and sacrificed for them. They got free tuition but they had to be maintained at the university and so forth so it wasn't a free ride for the families and these poor peasant families who poured all this money into these kids. They had no place to go and they couldn't come back and they couldn't be peasants anymore, they couldn't be rice tillers anymore. The families would be embarrassed for one thing, they had this university graduate coming here to plant rice for God sake.

What we didn't realize was how virulent that movement had become but the speaker, Stanley Tillekeratne, the Speaker of House said to me, "You know, I had a strange experience after that election we were on a victory march in my district in my town and I'd engaged this young man to help me out because many of us English educated Singhalese, although we speak perfect Sinhala but it's not our literary language, our literary language really is English. This guy in Sinhala, he was just magnificent." He said, "He was my best campaigner, he was out there giving speeches." He said, "We got into the victory parade in town and this guy is still yelling down with the capitalists, eliminate the imperialists and all these slogans." He said, "I went over and told him, hey, we won the election you don't have to say that anymore." The guy said, "You won the election, we didn't." So he said, "Two or three nights later he was at home and late at night he had already retired upstairs and was going to bed." A servant came and said, "This young man was at the door." He said, "I was afraid and I got a pistol, held it behind my back and I stood at the top of the stairs," and the guy said, "I gotta talk to you." I said, "We can talk this way, I'll stay up here you just stay down there and tell me what you have to say." The guy was telling him some of the things he wanted the United Left Front Government to do. He said, "It was outrageous, there was no way we could do it." He basically told him he would think it over, but the guy knew he had gotten the brush off and he said soon after that guy disappeared and he told me this after the insurgency.

SHEA: The Indian insurgency?

LEADER: The young man was in it. What it came about was that the JVP had developed a whole set of indoctrination and it was kind of a home grown Marxist movement and so interestingly our relations with Mrs. Bandaranaike steadily improved after the low point of May, 1970, when she came to power. I think Ambassador Strausz-Hupé was very effective in gaining her confidence, we did have communication with the other groups. The United Left Front had quarrels among themselves anyway, they were uneasy partners at best. You know you Moscow communist Trotskyites and Fabian Nationalists or something. Anyway, things happen, for instance, we got refueling rights for our Navy jets that we hadn't had for years because we were afraid to ask the JVP to do it. Mrs. Bandaranaike finally agreed.

SHEA: Was this the beginning of the insurgency?

LEADER: The insurgency really didn't start until April 1971. I remember one of the folks I had met through my trade union conversation was a physicist who was a Trotskyite up at the university. In January I was up there and he said, "Jim, I'm really nervous about this, I see these kids coming in wearing Buddhist monks robes. These orange robes." He said, "They have all kinds of stuff under those robes, they are taking guns and stuff into those camps I'm sure." He of course was getting some feedback probably from his people on campus and so forth. He had gone down and talked to the party leadership and said, "You know we've got a problem blooming here." He said, "I think we ought to do something about it. This JVP thing is getting much bigger than we think." He got the brush off from party leadership and about two weeks after I'd had this conversation with him the roof blew off one of the hospitals at Peradeniya. These guys had been stowing ammunitions there and they blew up.

SHEA: The insurgency was directed at the Leftist Government or the Tamils?

LEADER: Basically yeah. The Left kept saying we're left, what are you guys talking about?

They were really from the far left. They were in a way from the peasant left. The Moscow communists and the Trotskyites both were urban based, had their strength based on sophisticated commercial industrial society. These guys came out of the rice culture. They had been screwed for generations, that class of people in Sri Lanka. Early on I used to tell the Sri Lankans that England wasn't the one that lost the empire, it was Sri Lanka that lost the empire. Under the Imperial Trading System they had this wonderful opportunity to buy cheap rice from Burma and sell expensive tea to England and the country just prospered. It was probably the most prosperous colony in the British Empire. But, of course, buying cheap rice from Burma meant that the traditional agriculturist had no foothold into the commercial tea industrial society, very minor industrial society, and had no place to go and they were impoverished.

SHEA: Were they Singhalese?

LEADER: They were Singhalese, yeah. So the tea economy and the Imperial Trading System enabled the Tamils coming from India to find work on the tea plantations. It enabled tea planters and the people, you know everybody who worked off them, the clerks in the offices in Colombo and all of them to make money. These people were left out and this really represented these people with an articulate spokesman group, young students who had a college education not in practical subjects salable to the economy, but in Singhalese, Buddhism, Sri Lankan history, Buddhist history, these sort of very soft courses that just didn't give them any tools. So in a way the JVP uprising was I think an expression of rage of a large part of the Sri Lankan population. It was Singhalese. Tamils did not get involved in that 1971 insurgency at all.

SHEA: That's very interesting, I always assumed the Tamils were involved.

LEADER: No, there was a _____ Tamil group. The Tamil youth had the same problem and there probably was some communication between the two groups, they basically said, "Well, there's no sense us fighting each other, that's not the issue." So anyway, the Tamils totally stayed out of it, if anything they only got hurt, particularly the Indian Tamils up on the plantations by some of the violence. So we had so few clues after the JVP blew up the hospital why what this professor told me rang very real. We started getting worried. The American Embassy was attacked I guess at the end of March. We think it was probably a group that we called at that time Maoist group. It was a Maoist group becoming very concerned that they also were being flagged. This JVP group that showed no loyalty to Mao to China or anything. They protested and they did this sort of macho attack on the American Embassy to prove that they had good revolutionary credentials. But, it was to no avail, the JVP was way ahead of them.

We got attacked in March and a police inspector was killed which had never happened before I don't think in Sri Lanka. He stopped to look into the protest and with full confidence thinking these are just like any other hoodlums that might gather to create trouble in some place. Got out of his car and walked down and was going to stop this. He said, "You can't attack the American Embassy." They stabbed him, and killed him. That really shook the establishment up. Then in April there was an attack on one police station, I think it was on April 4th as I recall. Way over in a remote part of Sri Lanka and the government forces went on alert. Very quickly the next night 100 police stations were attacked by this JMVP group. If it had not been for that alert and that premature attack on the 4th the government would have been caught flat foot and these guys might have taken over Colombo. We had a ship waiting to evacuate us.

SHEA: Is that right?

LEADER: It was very touch and go, we didn't know what was happening. But the interesting thing I think after that the Sri Lanka military began to build up and I remember my friend Walter _____ telling me, "Jim he said, you know we spent 40 years in this country, the LSSP Party had started in the 1930s, trying to make sure the

military was kept small and weak because we faced no outside threat and this attack by these guys has just thrown it all out into the can." He said, "We are going to have a big military." And, of course, they do. That was the beginning of it. That uprising I understood all the reasons for it. I guess all of us were witnesses, understood the reasons for it and the reasons was these kids were so impatient, but it really argued for the damage that a violent revolutionary movement and act can do for a country. Because it really took away a lot of negotiating space in that country's history.

SHEA: Okay anything else about Sri Lanka you want to say?

LEADER: No I just think it was an ideal assignment for exposure to a third world country and it was interesting because I know throughout this tape I talked almost entirely about the Trotskyite Party, partly because that's what my initial investment in the country and my decisions on where to put my energy and so forth, where it paid off in the second half of my tour there, but all these factors, the fact of a Trotskyite movement, the fact of a much further left because the Trotskyite movement wasn't really wasn't that far left. This much further left true Trotskyites I mean the JVP were the Trotskyites in our traditional understanding of the word. The country gave, my experience there gave me a view of the incredible pressures they are acting on I think in most developing countries in post World War II countries gaining independence and we have a lot more of that to look forward to I think.

SHEA: Jim, do you want to tell us where you went after Sri Lanka?

LEADER: Sure, I came back and did a stint in Bureau of Intelligence and Research working on India and the Indian Ocean and then became Sri Lanka Desk Officer so that was '72 to '73 on INR job and then '73 to '75 on Sri Lanka desk so obviously a lot of what we talked about was very pertinent at that time. The experience in Sri Lanka. Then I went out as Board of Examiners for a little over a year and did Spanish training and went to Venezuela as Labor Attaché. So that was the next post and it's funny, both of these.

SHEA: You went to Venezuela the same time Jack _____ went to Colombia?

LEADER: Yeah, just about. We shared our agonies of learning Spanish, trying to communicate.

Anyway, in a way it was something like Sri Lanka. It seemed the first half of the tour was sort of preface and preparation for a more interesting second half of the tour. In Sri Lanka it was 18 months of sort of stable United National Party, conservative unadventurous government. Then the last half was the United Left Front with all kinds of internal and external politics. Then the insurgency so that a sort of crisis took over from stability in terms of the job in the American Embassy. Venezuela was like that because when I got to Venezuela in 1977 the Social Democrat Party was in power, Carlos Andrés Pérez; now unfortunately still in jail, was President and A.D. as they were called, Acción Democrática, were riding very high. Of course the labor movement was led primarily by

A.D. professionals.

A few Latin American countries have basically a single Labor Movement and the leaders of that Labor Movement were dominantly Acción Democrática. For instance the General Secretary, which was not a powerful position but an important position in the Confederación de Trabajadores de Venezuela (CTV), was a Christian Democrat. He also had a place on the Executive Board for Masestas(?) which was a kind of conservative Marxist Party I guess you could call it or a Marxist Party that had come to terms with the establishment. It had actually started out at the time Castro was supporting left movements in Venezuela as a renegade movement with ties to Castro apparently. By the time I got there in '77 it was apart. A couple of my good friends were Masestas. The first year and a half was learning Spanish and getting to know the country and getting around. That was all very interesting, but about 18 months after I got there were elections, I think the Acción Democrática stalwarts who were my main contacts there and the people I talked to most were very confident that they could have a first in Venezuela in repeat successive election victories. Up until that time the election had alternated between the Christian Democratic Party the COPEI and the Democratic Socialist Party, Acción Democrática, commonly called the DECOS.

Again it was probably the place where the emphasis we put over the years on the Corps of the Labor Attaché, the Labor Attaché being primarily a political officer as opposed to an economic officer, probably was well placed there because the union was so important in the politics. I think there was some schism in the Acción Democrática Party. The Labor Movement supported a candidate Luis Herrera. Carlos Pérez had wanted to choose his successor, a President cannot repeat in Venezuela, but he wanted to have a major influence in electing his successor by naming the candidate for the Acción Democrática Party and he lost out.

SHEA: Cap they called him?

LEADER: Yeah, Cap lost out. Therefore the Labor Movement went full board for Luis Herrera Campins. Cap sort of stayed aloof from it and never really helped the cause very much. COPEI (Social Christian party) won big. I think probably at that time the Labor Attaché had the best seat in Caracas on what was happening politically because AD was just incredibly demoralized after that loss. They really thought they had done a good job, they had done what they had always promised which was what they called sow the oil, in other words, Venezuelan leaders realized the oil was a declining resource. It had been very lucrative for Venezuela for practically this whole century because they were so closely located to the United States and it was easy to refine the oil in Aruba and send it on to U.S. ports, a very short journey. Transportation was cheap and they had a very competitive advantage. By the late ‘70s, and I went there in July of 1977, the oil was very steadily depleting and there were no known reserves of easy to reach oil, they were beginning to work a lot with oil from the tar sands, which if the price of gasoline went up enough would have made that economically feasible. Anyway, with that the AD just didn't know where to go, they were so demoralized.

SHEA: They had six years of AD leadership?

LEADER: Five years.

SHEA: Five years under Carlos Perez?

LEADER: Yeah and they were used to running everything. It was very good for the union because the union had a lot of what I almost call sweetheart deals. They would get a take out of the petroleum budget. They had all kinds of social service projects and things that the unions could run partly out of funds gained from the state enterprises particularly the Petrolea Venezuela. It was the CTV that really kind of pulled them together, the Trade Union Confederation that pulled AD together. They had a protest early in the COPEI Administration confronting the Government on some of the reforms that the Government was going to do that the CTV felt would be detrimental to labor. It was really, if you looked at it objectively, kind of a rationalization for COPEI to rationalize the economy a little bit more than it had been. The CTV seized on that and became the vanguard of the AD Party, the Democratic Socialist Party, in confronting the government and making it more difficult for them to have their sway and their way. So the contacts I had in the labor movement were just invaluable in terms of seeing how the strategy in the Acción Democrática was unfolding and how it might play out. The CTV played such an important role during this process that my principal contact and many of us before was Emanuel Penuvere who was the Secretary of International Affairs in CTV when Dan and I both were there. He was nominated to what was probably the second most important position in the country and that was General Secretary of the AD Party and the control of the party was critical. I say the second most, probably the Incumbent President was the most powerful person in the country. But the opposition General Secretary was probably the most powerful because a former President as Cap could not succeed himself for ten years.

SHEA: Oh, I didn't realize that.

LEADER: Oh yeah, so it limited the influence he could bring on a party. I mean he brought the experience of his Presidency but was limited in the fact that he himself could not run for ten years. So the Party machinery was firmly in the hands of the General Secretary, and of course, as they geared up to the next election they were successful, but it was really fascinating to see the skill with which this AD leadership in the CTV despite the presence of Masestas and Christian Democrats in the Labor Federation managed to play and use Federation as an AD instrument to return power. Which they did ultimately.

The other feature of my time in Venezuela was probably most interesting and one I tried to report on was the extent to which Venezuela was almost a caricature of a developing country in the way its demography changed in terms of workforce. In 1935, which was the heyday of the last dictatorship in Venezuela, 80% of the population lived in the countryside.

SHEA: Perez Humanes?

LEADER: No before this is Gomez. The President of the Country, Gomez in the '30s, a very powerful dictator. Lopez Contreras came in on a coup at the time the first democratic government was established in Venezuela in 1947. It was led by Rómulo Gallegos, a writer and poet. The man who wrote one of the great novels out of Latin America Doña Bárbara and was a world renown author but he didn't know a whole lot about politics. I think he was put in by the AD on the basis that he was a name around which the people gather, a revered name. I gather, I really don't know this period very well, but I gather that he was not a very adroit politician.

SHEA: Who Gallegos?

LEADER: Yeah. And, of course, the other thing that happened was the oil companies and the internal oil interests of Venezuela were very opposed to a Social Democratic Government and indeed at that time, 1947, the AD Party was much more leftist I would say and militant than it became as it suffered under the dictatorship. It then had to emerge with a more practical government in 1960 when Perez Jimenez was overthrown.

But, probably more important than these political going back and forth was the extent to which the country was urbanized in the 40 year period between 1935 and when I was in the country. The population ratio totally reversed from 80% rural, 20% urban and by 1975 it was 20% rural and 80% urban. And the thing was that the urban population was not drawn into the cities by jobs created by new industrialization, it was really driven into the cities by the absence of social services in the countryside. So even when money was to be made in agriculture in the countryside, if it were possible to make it in the countryside, the quality of life just wasn't there. You didn't have good schools for your kids, you didn't have good medical facilities. So people just flocked to Caracas and made this incredible transition.

I was talking earlier about the Argentine beef. Before World War II particularly back toward the beginning of the century Venezuela's main exports were beef and sugar. By World War II but certainly by 1977 when I arrived there, Venezuela had no exports except petroleum. That was basically it. The same thing we talked about a little bit in Sri Lanka, happened in Venezuela, oil money was so plentiful, as tea money was plentiful in Sri Lanka, that the old story of keeping agricultural prices depressed as a subsidy to urban dwellers took hold in Venezuela. In both countries basic commodities were subsidized very heavily by the Government. I presume in Venezuela they still have something called pan de leche and that was a bread that had to be sold for a loche, a minor fraction of the old Spanish coin. I forget exactly what it was 1/25 or what it was, but it was a small sum and that bread they kept at that price for 40 years. The bakers did get away with gradually making it smaller and smaller, but the point was basic consumption. As a result it didn't pay anybody to stay in the country really. I think this was one of the great transformations that many developing countries and Venezuela had

not at that time and I presume still have not really adapted to as to how you do it. But the policy of the AD Government was to exploit the oil and that meant heavy investment in alternate industries which could provide employment for a huge utilized workforce.

I think there was a great disconnection in the economy that AD had been unable to overcome. I don't think COPEI did very much better in terms of providing employment opportunities. It really came down to the fact that 30,000 workers in the petroleum industry supported the country. That labor force supported most of the wealth of the country. I mean there was all kinds of commercial wealth, there was a spin off, but the basic underlying engine of the economy was this petroleum export. They decided the way to sell the oil was to go into metallurgical industries which they did in Eastern Venezuela on the Orinoco River and it seemed like Venezuela was blessed. There's a joke in Venezuela that goes, God was telling Gabriel about his creation and said, "Man is going to need clothing and so I am going to give some cotton to Egypt so they can make some clothes and I am going to give some cotton to Venezuela and man's going to need timber to warm himself and cook his food so I'm going to give some timber to Lebanon and I'm going to give timber to Venezuela and man's going to need something more powerful, he's going to need steel to make tools and instruments and I am going to give England iron and I'm going to give Venezuela iron and on and on down the list," and Gabriel finally says, "But that's so unfair, because the Venezuelans are getting all this." and he says, "Ah, but I put the Venezuelans there." The Venezuelans love to tell this story about themselves. But, they did have these resources in Eastern Venezuela and they got the state-of-the-art steel design facilities placed in Ciudad Guayana in Eastern Venezuela. Then they decided maybe they would also go into aluminum, importing bauxite from Jamaica and then by golly they poked around and found there was a huge bauxite deposit off the Orinoco River. The only big problem was whether you are going to fill the channel up to haul it out to the Orinoco or whether you are going to build a slue to flush it out to the Orinoco. It just seemed to drop like fortune cookies on Venezuela, but of course, the problem was they built this big steel production at a time when market for steel had greatly reduced and so every opportunity the CTV and the Labor Movement in Venezuela saw selling oil and building industries as a salvation and the builder of new employment for the population never quite worked out.

I must say, one of the great blessings of my career has been that I have always served in a democratic country and I really treasure that fact. I suppose for cross experience I should have spent at least some time in a dictatorship or some authoritarian form but I appreciated that. There was incredible hospitality among the Venezuelan labor leaders. We had an opportunity while I was there to have a program put on by the Bureau of Labor Statistics paid by Venezuela back in the days of the big oil earnings to help them develop a cost of living indicator which they had not done. They really had trouble gauging the impact on workers of inflation so a few of us went down and did a joint training program for the Corporation of Guyana which was where the metallurgical center had been established and the Central Bank. Judy Kidney and John McCracken and Jane Knight and a really top notch crew came down and gave me all kinds of contacts through sort of developing this from Dan _____ excellent ground work into a very

impressive project.

SHEA: Was Maurice Bernbaum the Ambassador?

LEADER: No, I was there under Pete Vaky, the first half of my tour and then Bill Luers the second half. Bill had been Political Counselor in Caracas on an earlier assignment, excellent appointment. He had kept in touch with a lot of Venezuelans over the years and did a first class job.

SHEA: I met him when I was ARA Labor Advisor and Marty Forrestal was the Labor Attaché there.

LEADER: Yeah, that was the one before Dan I think. Probably '71 or somewhere around there?

SHEA: Yeah. Who was the Secretary General of the CTV?

LEADER: I can't remember. I'm embarrassed I can't remember, I can dig it out and we can come back to it. The President, which was the important job, was Hosea Perez.

SHEA: Oh, I remember him.

LEADER: I remember I used to really sweat, I never had to use Spanish before. After being there about a year, I got so I could converse pretty well with people. We had an international conference, I think it was the metal workers actually in Caracas at which Victor Reuther was given an award, and I talked to one of the foreign delegates from Colombia and I said, "I really work very hard on my Spanish, but I go in and I talk to Hosea Perez and there's a lot I just can't understand, I get maybe 60 or 70 percent of what he's saying." This guy said, "Oh, I don't get more than 60% of what he's saying." Made me feel much better.

SHEA: That's quite true. When I was ARA Labor Advisor I went there a couple of times and it's very, very difficult. It's the Caribi they call it. Coming from Ecuador and Argentina I really had a hell of a time with it.

LEADER: Right. It’s probably like somebody from Oxford trying to understand somebody from the Bronx.

SHEA: Jim, what struck me though was what they call the Ranchikos. Do you want to define a few terms? Ranchikos are the shanties on the side of the hills.

LEADER: Unfortunately right on the by-way of the _____, the highway that comes up from the Maiquetia, the airport and the port, La Guaira and any visitor to Caracas just has to pass all these shanties and it is probably as grim as anything in Latin America wouldn't you say. With all the wealth of this country and you get beyond them and you

are in this fabulous skyscraper, obviously very affluent city. Those people are part of that 80% that migrated from the country between 1935 and 1977.

SHEA: Closely rivals what they call the Favelas in Brazil.

LEADER: I remember, it's a great contrast even for us. I remember Dan _____ told me, we had an overlap of about three or four days, and Dan said, "Jim, this is going to be one post in your Foreign Service career where you are going to be clinging to the lower middle class by your fingernails." It was true, Venezuela currency was just very solid and now I think it's like 30 to the dollar, then it was less than 5 to the dollar. We had trouble keeping within our housing allowance and everything was very expensive, so there was this incredible contrast of boutiques in hotels and ritzy shopping areas of Caracas having imported Parisian styles and alligator luggage and all kinds of luxuries side by side with these Ranchikos living this terribly impoverished life and of course the Ranchikos life was not only bad in terms of the lack of goods but the fact that it was such a vicious environment. Gangs really controlled the housing and hoods and thugs of people who owned sections of these Ranchikos areas would extort really from the residents.

SHEA: Can you give a percentage breakdown of the different economic groups?

LEADER: Well, I would say basically, you could pretty well measure the poverty, the poor of Venezuela, by this shift in population, the people who were pushed off the land or pulled off the land by the Social Services of Caracas; 80% or the 60% of the population that has been pulled into the city is probably pretty much that under class of Venezuela and I would say about 60% of the population.

SHEA: And the other 40% would be part of the?

LEADER: Yeah, you would have then a strata of people who were bus drivers and had wage earning jobs that were lower middle class and a lot of people in commerce and government and sort of the middle class and upper middle class and super rich elite, some of the richest people in world probably at the top of Venezuelan society. It's not an accident that for the supersonic Concorde, one of its few stops on this side of the Atlantic was Caracas. It was usually full when it went back and forth and that was all the business people. This said, I think that the country was trying to deal with an almost impossible problem. How do you give people not only the wherewithal, the funds, how do you give them the motivation and the tools and all these things that are required to break out of an under class like that? It is very similar to what we have in the under class in this country. You don't buy them out, they have got to develop a whole set of living skills. I think this was something that the Labor Movement in Venezuela was concerned about but really didn't know how to handle and I don't think anybody does.

SHEA: Do they have training programs?

LEADER: Oh yeah, they had all kinds of good training programs ILO developed. They

had good training programs for instance in Ciudad Guayana for all these technicians that were required for the new metallurgical industry, excellent training in _____ Venezuela for their technicians in the oil industry and government vocational training programs. One of the things we did, we decided during the time I was there Venezuela was a critical country in Latin America for the Carter Administration which was really promoting the Democratic model. Let's face it, 1977 Venezuela was one of the very few with Costa Rica and maybe a couple of others, Colombia technically although torn by violence were the only democracies left in Latin America.

SHEA: That's quite true, oh yeah.

LEADER: So Mondale came to Venezuela, Carter came to Venezuela, Mrs. Carter came to Venezuela. We had a succession of very high level trips and a great deal of interest developed. Bill Luers was very adroit in developing the concept of Bi-national Commissions to develop exchange between the two countries at various levels. The one thing I think that I as Labor Attaché was able to put into the package, and Bill Luers was very easy to convince on this, was that all the things we proposed for this Bi-national Commission exchange were technical things and we needed something that human beings. So we decided to have as a fifth Commission among the others that was nuclear and then metallurgical, forget exactly, but we added the human resources which meant both training and appreciation for the role of that portion of the economy in development.

SHEA: Jim, The American Institute for Free Labor had a program there.

LEADER: Not when I was there. Medica Ramos during my tour became Resident there but he really was to be kind of an envoy to the Venezuelan Labor Movement which the AFL-CIO recognized as very, very important as one of its sister union movements and one that was quite powerful in this country and really had an influence in this country. So Medica had that kind of collateral function, but his real title was Director of Rural Development Programs in South America so he traveled around. Instead of running that out of Washington he ran it out of Caracas.

SHEA: This was an A Field Office?

LEADER: Yeah. He was an A Field Representative. We went to a lot of the same functions and we became good friends.

SHEA: You were there for three years?

LEADER: Three years from 1977-1980. It was very interesting to have the period under both governments. It was very heartwarming to have a country with which the AFL-CIO had such strong powerful ties. When Perez Jimenez overthrew the Democratic Government in 1948, a lot of the AD Union activists were forced out of the country and some killed, in the early days of the Perez Jimenez regime were actually helped and gotten jobs and got protection from the AFL-CIO who helped them settle in Mexico and

Costa Rica and other places and there was this great heritage so that when Carlos Andreas Perez made a State visit to Washington in 1978 I believe it was, no it was 1977, I was on my way, at the time the preparations were being made. I learned that George Meany, the President of the AFL-CIO, had asked if he could be put on the schedule to call on Carlos Andreas Perez and Perez said, "No, I call on Mr. Meany." That was really impressive, you know. And he did, I think he was the only American that Carlos Andreas Perez called upon except the President.

SHEA: Did you have a chance to meet him?

LEADER: I met him on several occasions, I didn't meet him on the State visit, I was gone, I went to Caracas before he did the State visit. I was in Washington at the desk at the time that this was being set up and that fact became known to me. That was something that really gave me an incredible impression of the Venezuelan Labor Movement even before I got down there.

SHEA: I was always impressed with CAP as they call him. I guess he's gone the way of all flesh now.

LEADER: Carlos Andreas Perez. Perez Jimenez was the Dictator '48-'58 and Carlos Andreas Perez was the President 1973 to 1977.

SHEA: They use the nickname CAP. It will be helpful when we transcribe.

LEADER: Yeah, the initials. Anyway, I'll move on from there. I haven't done justice to Venezuela, it was an incredible experience and gave me a chance to see Latin America which I was really happy for and it gave me an introduction to a really effective labor movement in a developing country. We gave no aid to Venezuela because we figured they had graduated from the developing country ranks, but on the other hand there was a lot about the country that was the same as in developing countries. Particularly this inability to keep up with the rapid urbanization of the country.

SHEA: So after Venezuela?

LEADER: Then I went to the State University of New York for a year on a Pearson Program and didn't do a whole lot of labor, I sort of made contact with some of the labor folks up in that neck of the woods.

SHEA: Were you up in Albany?

LEADER: Yeah, I was in Albany. My title was Special Assistant to the Chancellor for the State University of New York which had 270,000 students I think and it was the best title I ever had in my life. I didn't see the Chancellor very often but he was very cordial, that was Cliff Wharton who became Under Secretary of State for a short time.

SHEA: Were your students interested in labor?

LEADER: I wasn't teaching, I was there to do a program, except the program I was to come do disappeared because the State Department had to back away from giving funds. That was a speaking program for Foreign Service Officers in the State University system. I had to make up my own project and really I went to the other side of the aisle because I developed a program on export promotion for my project for the year, developing an export curriculum. This is really an aside in a sense, but I felt there was a real depression and demoralization among upstate New Yorkers and really all people in that part of the world. It was before the technological advances began to be felt in Massachusetts and some of the other New England States. People just felt they were being left behind by the change of economy in the country. I guess part of my interest in doing this was to pump people up a little bit, and say "Hey you know, you can survive, there's all kinds of talent and energy and advantages including water which is a big one right here you can use." So we developed a program for encouraging New York State businesses to develop an export capacity and to give them the tools to learn how to do it.

SHEA: Was this at your initiative or suggested?

LEADER: This was at my initiative. I got there and there was nothing and nobody knew what to do. I was very interested because I had to have a proficiency report from the Director for Community Colleges and when they finally got it, it was a State Department Inspector who came through to talk to them. It seemed to take me a little while to get started but once I did it was really an excellent project. I did a good job on it, a very excellent job. The reason I had trouble getting started on it was that I didn't know what it was.

SHEA: You walked into a void there.

LEADER: That's right.

SHEA: Okay, then after your Pearson experience?

LEADER: Then I was offered a chance to stay on there and I must say I was very tempted looking at the Foreign Service at that time. Mainly I resisted because I think that the job that I considered the job of a lifetime came up. That was Labor Attaché in New Delhi. I just felt that I couldn't resist. I wanted to go back to India, at least that part of the world, and I felt that was my area of specialization and so that's what I did, went back to Delhi in July of 1981. The Reagan Government had just taken office in January, but was still getting organized as the first Republican Administration in a number of years, well not that many it was only four years. Anyway India was a country that wasn't very popular with the Reagan Administration. It was seen as I think entirely too friendly to the Soviets. So really in a way I walked into a buzz saw because I think relations had already deteriorated quite a bit. The Indians felt that the Democrats were much friendlier to them than Republicans, and they felt particularly that Reagan with his very strong

anti-Communist policy just naturally was going to be hostile to India and in a sense probably it was that way.

SHEA: Your experience confirmed that?

LEADER: That's right. There was room for plenty of misunderstanding. It worked out there was not a misunderstanding. The person who had been appointed Political Counselor in Delhi, George Griffin, the Indians refused to accept. It's very rare that the Government refuses somebody at that level.

SHEA: He really was not a political appointee.

LEADER: No, he was not a political appointee, but the Indians felt that he had been too friendly to Pakistani elements when he was in Calcutta in the early '70s when the India-Pakistan War took place. I don't know whether they thought he was a CIA person, which he wasn't, or what the problem was, but they just felt he was not a friendly person to function there. So I was acting Political Counselor for about eight months.

SHEA: Is that right?

LEADER: Yeah, and it was a very interesting time. I got involved with some donnybrooks within our own Mission. I still remember going over on one of my early calls to the Ministry of External Affairs, the Foreign Office. We were in a get acquainted phase and not getting into too serious a business. One guy said to me, "Well, do you think the Soviet Union is as strong as the United States?" I said, "No, I don't think it's anywhere near as strong as the United States." And he said, "Well, that's interesting, may I quote you on that because your Government says that they are a great threat and that they are so powerful, that there's been this great decline in relative power."

SHEA: I bet you wish they had.

LEADER I got trapped, this unaware diplomat that hadn't dealt with this kind of an issue for awhile. Anyway, I sort of hemmed and hawed and said, "We're talking about the military level and the Soviet Union is an incredible threat militarily, I mean it has the power to destroy us and destroy you too, and yes, we are very concerned about that." I said, "In terms of the strength of the society and the durability of the political system I don't think there is any comparison." That's the way we fudged over that one, but I could see the handwriting on the wall right there. Anyway it was a very interesting time in which I almost totally neglected the Labor Attaché function. I did take a little tour down to South India to make some connections there. Then when the new Political Counselor came out in February I managed to go into my full tour.

SHEA: Who was the Political Counselor?

LEADER: Grant Smith, Jim's buddy. Anyway I decided at that point this was really an

entirely different environment then the other two at which I had been Labor Attaché. In both Sri Lanka and Venezuela in a very different context and very different environments. The Labor Movement had been influential even in little Sri Lanka which was very scantily industrialized, there was a very strong capable union movement in the urban sector of the economy, and there was this huge plantation workers union that occupied an important political position in the ethnic politics of the country, the Ceylon Workers Congress.

In India the country was just so immense it had not urbanized. India when I arrived there in 1981 was in the same situation that Venezuela was in 1935. The Indian leaders over the years had really worked consciously to try to prevent a huge flow into the cities. Even back in Gandhi's era, this was a great leader, but a man who wasn't very cognizant and was really in a way suspicious of industrial society. He realized the value of decentralizing production so that the rural communities where there was much more stability and higher moral tone he felt in the cities etc., so that production could be moved to the rural workers rather than the rural workers moved to the points of production. So he pushed that very strongly from the beginning. That had remained doctrine. There was a concomitant development in the political process because in the early years of the Indian Republic back in the late '40s early '50s while 80% of the population was rural about 75% of the members of Parliament came from an urban background, usually a fairly sophisticated educated background.

By the time I got back there in 1981 that had pretty well changed and 75% of the politicians were really from the country. So the point is that whatever rural workforce existed was not unionized and the trade unions were often accused of being kind of an elite themselves among India's working class because if a person was in a job where there was a union he probably was getting a pretty wage by Indian standards. It might not have been a living wage from our standpoint but it was a fairly handsome salary.

As a result the union movement seemed to be a very conservative part. This was true whether you're talking about the Communist Union and also because of the diversity of India, a country of 14 major language groups and really a nation of countries because these 14 language groups each and, these were just the major language groups. This didn't count the 550 dialects, each of those, really a culture all its own, could have been a country and in Europe would have been a country, comparable to a Hungary, a Finland, a Portugal and a England and with great differences. As a result they were very competitive and the way many industries handled the situation was to allow all unions to have a role in any bargaining or any discussion with management.

SHEA: So there wasn't exclusive representation?

LEADER: No exclusive representation. The Indians, in fact, sort of abhorred the idea of exclusive representation. I was asked many times and I think my peers at the Labor Attaché in India had the same experience, "They would say how can we consider that democracy?" I mean you have unions representing three or four different viewpoints and

yet you shut out all but one of them in your negotiation with management, that's not democracy. You don't keep opposition leaders out of your Parliament do you?

KIENZLE: Can you give us some idea of the numbers of people who are organized and what percentage of the workforce they represent?

LEADER: Oh gee, I think we used about probably 3% of the labor force. In the moderate sector which meant that part of the economy that really dealt in wages and salaries. India traditionally had a system which was totally a barter system. A system of both goods and services being bartered and the wealthiest person in the community, the landowner probably would get all his hair cuts for his family for the year and all his pots made and all his shoes made and all these things in exchange for a portion of the harvest at harvest time.

KIENZLE: What about the relative breakdown among the major union groups, the International Trade Union Congress, the HMS and the Communist Party, and were there other splinter union groups?

LEADER: Yeah, there were quite a few and a lot of them local unions restricted to one state, but basically there were the two, there was the Communist Union, the AITUC, and there was the INTUC, that was the umbrella federation back in pre-independence days, the International Trade Union Congress, founded by the Congress Party, which claimed to be independent but was made up of democratic socialists and still had that orientation. The other major union was the BMS (Bharatiya Mazdoor Sangh), which was the union of the right wing Hindu nationalists and during my tenure from '81 to '85, they were considered certainly the most rapidly growing trade union federation. In numbers INTUC was always on top because they were aligned with the governing party. It was pretty tough to get a very good picture on trade union membership but I would say probably by the time I left in '85 probably the BMS was biggest and Congress in terms of nominal membership was probably second and then you went down a ways to probably the AITCU and to the HMS (Hind Mazdoor Sabha) and then you would have other parties. There was a very important union, the oldest union in India, textile labor association in Ahmedabad and that was split off from the INTUC and remained independent but was still a powerful influential union.

I felt like when I arrived in India I had an unusual vantage point because I had seen India first only five years after it became a republic. It became a republic in 1950, they had gotten their independence in '47. By 1950 they got the constitution written and agreed to. So I'd seen it then and I saw it in Madras. India realized huge currency reserves built up in World War II when all kinds of money was pouring in to maintain the allied military establishment which was very large in India. That was all income coming into India and very little going out because they traded in major commodities. So, India came out of WWII as did Sri Lanka very favorably situated in terms of reserves.

By 1955 they realized that a lot of those reserves had been frittered away. When I was in

India in 1955 you'd go to shops and buy English canned goods, English cider, all kinds of what we would consider luxury items. By the time I went back in '62 they had cut the imports, nothing was imported and you had a lot of inferior Indian products. When we were in Madras, people used to go to Colombo to shop because they had nice stores, nice shops. By the time I went to Colombo, people in Colombo went to Madras to shop because India really was to the point of producing goods that were favorable and competitive and on a broad range just in that period of '62 and '69.

Then I went back a couple of times while in Ceylon. The first time back was in '81 at which time India had gotten quite a bit of sophistication in terms of production. They were into doing software. They were entering the computer age and India was really beginning to look like a modern economy. I guess the thing that shocked me most in India was that when I tried to do the figures for the annual labor report of the organized workforce, you know the trade union organized work force the wage and salary portion of the workforce, the figures were a drop in the bucket. You came up with like I said 3% of the labor force of 200,000,000 people, I don't know the exact figure.

KIENZLE: Six million anyway.

LEADER: Yeah, it's a lot of people but in terms of the total population it's a drop in the bucket. The other thing I noticed was that the organized work force or the workforce that was reported to statistics was not growing. It was growing only by about a half million a year. I looked at that economy and I thought let's compare this to what I saw my first time here in 1955 and you knew that incredible growth had taken place. People were wearing better clothes. People who used to go barefoot were wearing sandals, I mean there were all kinds of visible elements of increased standards of living. That didn't mean there wasn't plenty of poverty, there was lots of poverty, but things had been done. So I took it upon myself then as Labor Attaché, I decided unlike Sri Lanka and Venezuela the politics of labor were not really important anymore in India.

India had done the same thing Sri Lanka had done and Venezuela had done. India had subsidized an urbanized population that created money wealth with low farm prices in the countryside and that was beginning to turn around and that's when the Punjab grain revolution took place. As those prices were allowed to rise it meant a deterioration of the status of the urban worker and the other thing was that all the labor law in the country had been focused on those urban workers, a familiar establishment where they could take ILO type measures of wages and fringe benefits and all these things, pensions, whether you were meeting all the ILO standards on these things. But it was clear that all this economic growth was happening out there in the country that was not measured in the statistics.

I went through quite an argument with our Economic Section who didn't want to get into that, they just did not want to get into it and what was happening in India was what the guy from Peru who wrote the book?

SHEA: "The Shining Path?"

LEADER: You're right, it was something like "The Shining Path". He was saying the growth of Peru was taking place in the informal sector.

SHEA: In fact the Italians say the same thing.

LEADER: Yeah and that is what was happening in India. There was no way to measure it and I had no way to measure it. The statistics I had were terrible. Most of the statistics I had to deal with were seven or eight or ten years old.

KIENZLE: The informal sector almost by definition is unorganized.

LEADER: Yeah. But you go up into the Punjab and you see all these little cottage industries, little shops making parts for cars and bicycle spokes and all kinds of fairly sophisticated things in little tiny shops the size of this room we're sitting in. I guess I have to look back on four years in India and feel like I didn't succeed very well in making a case that we had to take an entirely different look at the country. What was evident in the attitude of the Indian Government, the American Embassy and everybody else was that people weren't treating trade unions as really very important anymore.

SHEA: I also got that feeling Jim, I worked in the NEA Bureau, I was Labor Advisor then and I talked to a lot of Indian visitors and I thought the membership figures were very suspect?

LEADER: They were inflated.

KIENZLE: Do you want to briefly discuss some of the trials and tribulations of AAFLI, Asia American Free Labor Institute?

LEADER: That's an important point. It really has to be discussed. One of my disappointments in India was that we could not create an environment that would enable AAFLI to stay on. I must say I always felt like our good friends, Ken Hutchison and Bob Holey and the other folks in AAFLI I dealt with never quite understood. I think they misunderstood my assessment of the difficulty of their presence in India as a lack of a desire to have them there. Which it wasn't but I think they felt this way about some of my predecessors too. We didn't work hard enough on this.

The fact was that the air was pretty poisoned between the American Labor Movement and the Indian Labor Movement and the Indian Government long before. I think the problem started back in the late, in the mid ’50s. George Meany sent a letter to the President of the Indian National Trade Union Congress which was a dependency of the Congress Party in many ways and suggested that they argue against Prime Minister Nehru's Congress Party President and leader, against his policy of cozying up to the Russians and being soft on Communism and not being diligent enough in looking after

the welfare of the rank and file worker of India. Of course, the President of ITNC was in no way in any position to challenge Prime Minister Nehru and tell him he ought to change his policy.

SHEA: And was not amused by the advice I'm sure.

LEADER: I'm sure. So I think it started earlier but there was some problem right from the beginning at the time of Indian independence which coincided with the breakup of the World Federation of Trade Unions which had pretty well been taken over by the Communists by 1948. The new International Trade Union Congress established a rule that they would recognize only one trade union center from a country. Well here were two trade union centers in India with very good democratic credentials, the Indian National Trade Union Congress just established by people who had split away from the AITUC, the old Indian Trade Union Congress which even before the war had pretty well been taken over by Communists. We were interested, our Trade Union Movement, our country, both were interested in not recognizing and not advancing a position of a Communist training center. I would say that basically we welcomed the Indian National Trade Union Congress, but also there was a trade union movement in Europe with very strong credentials and the Democratic Socialists or Social Democrats and so the INTUC. There was some difference between the Americans and the Europeans on this. There was a lot of turmoil and it was finally decided to affiliate both as an exception to the ICFTU policy.

So anyway, in this context I have a feeling the AFL-CIO was always a little uncomfortable with the fact that there wasn't one trade union federation in India to deal with. Instead of going back and forth between the two and then also that they were very displeased with the Indian Government's policy which they saw as many Americans saw as pandering to the Soviets. So anyway this later created a bad taste in the INTUC mouth. Then there were just a number of things afterward that contributed to the AFL-CIO, and particularly its institutes, being considered by the Indian Government as persona non grata.

AAFLI after a long absence from India went back to reestablish a status in 1974 and had a representative in India. This coincided with a very serious rail strike in India by the All India Railwaymen’s Federation which was supported by the AITUC because it's the strongest by far, its strongest affiliate was the Indian Railways. It basically controlled this very, very critically vital part of Indian economy because India does not have a good road system and had an even less effective road system at that time. Anyway, it was the year in which Mrs. Gandhi declared an emergency and suspended a lot of civil rights in order to thwart the strike. The AAFLI representative as I recall went home and next the AFL-CIO came up with a very strong condemnation of Mrs. Gandhi's declaration of the emergency.

SHEA: Who was the representative at that point?

LEADER: That was Rush, I think was his name. Then in the elections of '77, Mrs. Gandhi was overthrown, she was defeated. She felt that she had really done her duty, she

had gone ahead and had the elections despite the emergency, she had suspended the emergency and opened the thing up to a competitive political election. She lost and AAFLI came back right away. When the Morarji Desai led Janata Alliance Government was in power a coalition that included elements supportive of the Hinmustasava and the Socialists. So AAFLI was there when Mrs. Gandhi came back into power in 1980 less than a year before I arrived. Its status was rather tenuous but the Indian Government had not forced the issue at all. The AAFLI Office was in Ahmedabad, that's a textile and industrial center in the Western part of India and it is also the seat of the Textile Labor Association, India's first trade union movement sponsored by Gandhi in his independence campaign, long honorable tradition, but in the opposition because its sponsor ---------- was the Prime Minister for the period that Mrs. Gandhi was in power.

Not too long after my arrival a new Country Director came out to be in India and he really for family reasons needed to be in Delhi.

SHEA: This was Val Swayzo?

LEADER: Yes, we had a very good relationship personally. I really supported the idea of their coming to Delhi because I felt as long as they were off and on about this opposition political stronghold the Indian Government and the Congress Party which was apt to be in for a long time at that point, was going to look very askance on them. So I agreed from our standpoint that it would clear the air for them to come to Delhi. Val could put his daughter in a school and have the amenities that Delhi offered. Ahmedabad although a large city does not have a lot of the modern amenities that Delhi has.

Anyway, it turned out that the question went up through the Government as to whether this could be established in a nonprofit organization in Delhi with AAFLI with its office there. This issue had never been decided before and we finally after much pressing got the word back that it would not be permitted to stay. Nobody outright admitted it but it was abundantly clear that the decision had been made by Mrs. Gandhi herself. So then there was no appeal beyond that.

SHEA: This was her way of expressing her?

LEADER: Yeah, I think that she had disdain for the fact the AAFLI folks had supported the opposition. She felt that they had been an American ally of the opposition and she didn't need them, she didn't want them. Americans weren't being very friendly as a government at that time either. Relations were tense. She was afraid the Americans were going to rearm Pakistan and there were all kinds of important policy considerations from Mrs. Gandhi's standpoint that gave her a rather negative view of American operations in that part of the world. So I don't think it was all personal to AAFLI. I think it was a threat that any Americans active in India faced. American missionaries, the few remaining left in India, were always having problems and there were always stories in the paper about spies and American spies stirring up trouble in Nagaland, a Christian sort of enclave in Eastern India. It was just a very bad period in Indian and U.S. relations. In addition to all

that was the fact it was an American organization there were these other things that seemed to Mrs. Gandhi as an indication that AAFLI was a hostile force in the camp of the opposition. So that was the end of AAFLI. Every time I met AAFLI officials afterwards, "Oh there is the representative of India" they would say to me. I had always hoped it was just a little bit in humor but I think they did feel that the Embassy let them down. We went right to the Charge' level and representatives of the Indian Government to try to get them to reverse the decision. Once we realized it was the Prime Minister's decision, we quit, we gave up, we knew there was nowhere to go after that.

So anyway, I think my view of India over my 25 years exposure to it, 30 years exposure to it, looking at it from a Trade Union standpoint is that by the '80s the Labor Movement in India had very little influence in the political arena and really in the economic arena.

SHEA: There were not many collective bargaining agreements?

LEADER: They had collective bargaining agreements but they really didn't have them in the sense that we have, I mean the management of making an offer with several Unions and then the Unions coming up and telling them adjustments that they wanted and it would be all argued out and there would be a short strike. I think what was most indicative and really a parable almost to what was happening in the Labor Movement was the great textile strike mostly centered in Bombay in 1983. We kept wondering, here was a strike that went on for the longest time in Indian history and nobody seemed to be too worried about this except the poor workers who were forced to go back to their villages. That was always the final recourse for urban workers, to go back to their native village and at least eat. What became apparent in retrospect was that the owners did not want to continue to do the weaving operation in the mills. They still wanted to do the textile spinning, the fiber spinning, they did not want to do the weaving. It was much easier to get the weaving done in small sweatshops with what they called power looms.

SHEA: Okay do you want to finish the strike impact on the textile industry?

LEADER: Yeah, Indian press seemed to be very puzzled by this. I was puzzled and most people looking at it were puzzled because the strike went on and on. We're talking I think about 180,000 textile workers that were out of work in the strike. I visited Bombay and the Indian National Trade Union Congress which still had the strong textile union influence in Bombay. People there seemed almost resigned. I mean they were very unhappy but they just didn't see how to resolve the strike. The things that always happened before, government intervention, the owners finally deciding that it was getting out of hand, they were losing more than they were going to save on wages, somehow something would come together and end the strike and an agreement would be reached, but it wasn't happening. What turned out was that all the time these workers were out of work, the large composite textile mills that did all the operations in textiles were farming out their weaving work to these small power mills which were ones that were identical to the ones they had. Instead of being 50 power looms on a big floor there would be 50 power looms out there in little shops, no labor standards applied, no inspectors wandering

around as they always were in the composite textile mills. It was quite clear that management was very happy to have the strikers end the practice of doing weaving in composite mills.

What was happening I gather they were also being supported by a lot of smuggling. A lot of fiber was being brought in from outside, particularly from Arabia, really being smuggled by a classical thousand year old industry of these sailing ship masters who came over from Arabia trading on the coast and had a regular mechanism for tossing out rolls of floating fiber to be picked up by little Indian sailboats. This was impossible to patrol unless you had a Navy much bigger than the American 600 ship Navy. Certainly not a thing that could be controlled by the Indian Navy or Coast Guard. The mills just went blindly along making money and it ended the composite textile mill industry in Bombay. I have not had a chance to follow up after that to find out what happened, but I imagine it was as when I left it that that's just out of any production.

At the same time the success of these independent power looms highlighted the fact that the growth in Indian production was for the most part being accomplished in small scale cottage type industries that had in a climate in which the increase in management skills had made possible the kind of miracle that Japan had after the war where it did a lot of its assembly out of cottage industries. I think, I've never really scoped this through, maybe the Japanese development of excellent quality control may have originated in that type of production that they had in the post war period. They may have done it in the pre war period too but certainly in the post war period for a number of years until they finally amalgamated into big mills a lot of it, still most of the Japanese auto industry for example, most of the production is in auxiliary industries that supply parts to the assembly plants really of the major producers of Japan.

So I think India was duplicating a process that Japan had perfected. I think that's probably where they still are, and of course India has developed a very sophisticated software industry which we had spotted then but has become even more influential. India's becoming in many ways a very sophisticated economy.

KIENZLE: Would you like to comment on another subject that intrigues me, your role as host to the various Labor Attaché conferences in New Delhi and the importance these conferences played in developing some sense of solidarity and cohesion among the Labor Attachés ?

LEADER: There's no question that it helped create a sense of fraternity. I think it is somewhat over exaggerated by other Foreign Service Cone Groupings. I think other Political Officers think that we had a closed network of all kinds of influence that made us sort of privileged children of the Foreign Service and that the other specialties in the Foreign Service, the other Cones in the Foreign Service were disadvantaged by the kind of influence we had. I suppose, they took the fact that every year or two their Labor Attaché would take off for some conference in some very desirable exotic place as evidence we had influence far beyond our numbers.

The Labor Attaché conferences were just invaluable. What was most valuable for us was not what we learned about each other although that was very helpful but what we learned about other countries than the country we were accredited to in relations with or comparable experiences that all was very interesting and very helpful. What was really useful was to get from the horse's mouth the people who were working in the American Domestic Labor Movement or Labor specialty, Labor area in the Labor Department, or Federal Mediation Facilitation Service, a seminar of what was going on in the U. S., what we could talk about and what was useful to talk about back in our home country. I went to one in Washington, one in Tunisia and one in Delhi before I was assigned to Delhi and then I got to do four, so seven total. It was great fun being the host. I mean, everybody knew you and sometimes I didn't know everybody who came, but it offered some special problems. I remember we had a terrible time in the first one I had, which was in 1982, maybe it was late '81, anyway it was not too long after I got there. The Political Directorship in the Labor Department International area was not very used to diplomatic enclaves and all kinds of, we had it in a hotel in an open room of a ballroom type atmosphere, totally insecure and raising concerns.

SHEA: This was American officials who came out?

LEADER: At times I just waved my hands in the air, I didn't want to say anything but to signal people off from making very sensitive statements about the Indian Government or about what was going on in relations with the Soviets or whatever.

SHEA: You assumed it was bugged?

LEADER: You had to. It could not have been not bugged. No way about it.

SHEA: I remember you helping in getting a visa when I arrived at the airport without one.

LEADER: Oh gee. We had a lot of little adventures like that. It was fun, it was always kind of something to look forward to. You sort of had to suspend your other work for a few days but one thing that made it so easy was the wonderful Admin Team that used to come out from the Department of Labor and set it up. I can't think of the girl's name. She was an opera singer, she had a beautiful voice and she used to come out from Labor and they really took care of all the physical aspects. They were a lot more practiced in it than I would ever be and knew the Delhi contacts and knew who to get a hold of.

KIENZLE: They also had a pretty good local in Krishna.

LEADER: Oh yeah. He was great.

SHEA: I think some note should be made of that.

LEADER: Krishna knew so much and he was very helpful in two ways. One, he knew everything about Indian labor. He really had an incredible grasp, he followed it over so many years. Then he also was truly an Indian, he never became an American just by associating and so you could look at him and you could get a feel. When I was discussing problems I was having with the INTUC or problems on AAFLI he could be a sounding board and an accurate reflector of how Indians would feel about a particular initiative or policy or something and I found that very helpful.

KIENZLE: He's also a well educated, highly articulate guy wasn't he?

LEADER: Oh yeah, well he was the Union Steward and President of the Embassy Employees' Union. One thing that really struck me in Delhi. Krishna used to come to me with problems he was having with the Embassy administration. I would try to intercede. Finally I asked our Personnel Officer who was the one required to work with the Union Chief "did you have any training in industrial relations or labor management relations before you came out here.?" "Well, no." I just couldn't believe it. Our Personnel Officers that are sent out to Embassies have had no training.

KIENZLE: I'm sure Krishna knew a great deal about labor management.

LEADER: Krishna did but our American Personnel Officer knew nothing. When I went back in '85 I called the Office in Personnel that dealt with local employees and I said, "You know this really should be corrected." I don't think it has been. It’s another example of how slipshod I'm afraid we are in the State Department with some of our management, particularly our training techniques because that is inexcusable. I don't care if you hate unions, you still better know how to deal with them. You've got them on your doorstep, you've got to know how to deal with them and you got to learn how to deal with them with finesse and we didn't.

Krishna was valuable in so many ways. Chino, his assistant, is now in the United States. He was also a very sharp guy and I think he gave me a sensitivity for things in the Embassy that probably most Embassy Officers didn't have. One being a Labor Officer, that bias to start with, and then having an employee who was so involved with the Union. I remember having hard arguments with our Security people that the best security was a happy workforce, and we were making no efforts to massage our Indian employees. More and more tight security. We got to the point where I observed cases where a Marine guard was extremely rude to family members of employees and just treated them as if they were Communist infiltrators or something.

SHEA: That's inexcusable.

LEADER: It seemed difficult to get remedy for some of these things and I must say I think it was very detrimental to our security. Anyway, India's been a long love, hate affair for me.

KIENZLE: Sounds like mostly love though?

LEADER: Yeah, I really enjoyed the place, but I think the sobering lesson from my time in India was that Labor Movements in most countries, particularly in developing countries, no longer have the clout they did. It's not all been because of hostile attitudes toward the Labor Movement, but often because of radical changes in the economies and the work forces in these countries. I think the reversal of the policy natural to many postcolonial countries of buying peace in the urbanized labor force mostly often unionized at the expense of quality of life for rural dwellers. More money, more of the product of society is being retained in the countryside as perhaps it should but the sufferer really is the urban worker who no longer has the subsidy he once had.

SHEA: And high expectations and then found them dashed.

LEADER: That process has also favored the informal sector production because one of the concomitance of unionization was the application of universal standards, still an issue very important in our present trade policy whether they are universal labor standards. The fact is that as those become more stringently applied either in reaction or just because it's happening more and more production is an informal unit that can't be regulated. It's very difficult to supervise. We can't even do it in our own country in Los Angeles with these Thai garment workers. So I wonder sometimes if I didn't get out of the Labor Program in Foreign Service at a good time.

SHEA: Well, you haven't quite completed all your Foreign Service career? Do you want to say a few things?

LEADER: After Delhi I came back and worked on a project for the Center for the Study of Foreign Affairs on Labor Attaché programs. We had a very good format out of which we captured words from some real heroes of the International Labor Movement like David Morris before he died. I'm very grateful to have that. Good words of Lynn Williams and others. Then I became Labor Advisor for Latin America. This was a very interesting and very tough time because here in the State Department we were supporting the evolution of Democratic Government in Central America and in Latin America. There were dictatorships in Chile in 1986 when I got to the Labor Advisor job. Argentina was just emerging from dictatorship. We were fighting a war in Central America and American opinion was very divided. It wasn't quite as excruciating as Vietnam because we didn't have go round troops in there, but I think the tension was very evident in the AFL-CIO. I remember going out to the AFL-CIO Convention in '85 before I became Labor Advisor, it was a very useful production because I witnessed resolution after resolution being passed with virtually no debate or no controversy.

So here were all these controversial issues about bread and butter labor problems that were sorted out in committee before the resolution was drafted. It was kind of ironic to sit there and see resolution after resolution affecting the American worker drawing no controversy at all. When the international resolution came up there suddenly were just

hoards of people standing at the microphones in the aisles ready to raise holy hell about the AFL-CIO's support of Fascists and Salvador and insensitivity in Nicaragua to Sandinista. You know what you had was part of the American Labor Movement allied with the church sanctuary movement, a very proactive movement on behalf of the Leftist guerrillas in Salvador and this was what drew the most controversy.

It was very interesting, sitting in a State Department with Elliot Abrams as Assistant Secretary. I enjoyed him personally, a very nice guy, very personable and very smart, but he was obviously a front man for the Administration and pursuing the war. It was very difficult to deal with the traditional liberal position of the Labor Movement in any country combined with the fact that we were trying to restrain the Salvador Government from some of the extreme human rights violations that were going on. I think we had some influence on that, but as dependent as the Salvadoran Government was on the United States to many parts of the American electorate it looked like a pretty puny effort to bring the Sandinistas in line. Now the situation was very complicated. Of course it's what we are trained for as Foreign Service Officers to understand the complications, the fact that certainly the guerrillas weren't any angels, they committed plenty of atrocities on their own and secondly a totally high pressure effort and a full court press on the side of the Salvador Government to end abuse probably would have resulted in military revolt.

SHEA: And the military collapsing?

LEADER: Yeah, and the Government collapsing and just all hell breaking loose while a lot of Americans including myself were skeptical of Reagan's concern how quickly the Sandinistas could be in Brownsville, Texas. We didn't have our defense up, I think it was two days or something like that. There was concern that there was a very destabilizing influence in Central America and that we had to somehow as a Government try to work through patiently with not always savory characters on our side to bring some normality and eventually stability and eventually a full expression of civil and human rights in these countries without forcing some kind of reaction that would create a total chaos.

It was a very difficult time and I think that the satisfying part of it was that we did gradually I think bring influence to bear on Salvador to be more cognizant of human rights. We did put pressure on Pinochet and we have to give Secretary Schultz a great deal of credit and my former Ambassador in Delhi Harry Barnes, great credit for holding Pinochet's hand to the fire on this thing and, of course, it has turned out very well.

SHEA: Did Pinochet's departure occur on your watch?

LEADER: You know I don't think so, I think it was after. I kind of forget if I was still there or not when he left. I think I was gone. Yeah, I was gone before he left the scene, but that was just about the last dictator wasn't it? Anyway, there are some nice things to be happy about.

Venezuela, for instance, has had some rough problems in adjusting to a situation in which

the sown seed. The metallurgical industry has not really taken off but I think they are doing better as I understand it in terms of replacing the declining earnings in the oil sector, the petroleum sector, for Venezuelan and foreign exchange terms, but there has been a price in Venezuela. The unrest and riots and the corruption which resulted in Carlos Andreas Perez's arrest are very sad, sobering, that this happened in a democracy that has survived these 35 years really the most persistent democracy outside of Costa Rica I guess in Latin America if we exclude Mexico. I guess we used to call them that.

KIENZLE: It's almost a guided democracy with one party's staying.

LEADER: Anyway there is much more to talk about, but I would like to end by-- I've been threatening and trying to write a book for a number of years. It's sort of evolved in my mind and I really would like to get on it. I think it's something that comes out of my Labor Attaché experience and it's a theme that I called, tried to label "America the Transactional Society," and what I mean by that. Maury ------ , our friend doesn't like that term transactional but what I mean is we established a society built not on hard rules, chiseled in stone about what our society was going to be like and what basic guide and rules there would be, the rules were pretty sparse in fact. But, the rules that were laid down particularly in the Bill of Rights and in some of the basic provisions of the Constitution, in my mind always promoted the idea that we would negotiate the content and direction of our democracy.

SHEA: It was a contractual arrangement.

LEADER: It was a process of constant negotiation and that really that's the genius. You know we brag about the fact that the Constitution has stood 200 years and is still there. It's changed very little, that's true, but the reason it has changed very little is because our Constitution basically says this is the way the Government is going to be made up. We are going to make it up so there is constant attention and negotiation among the elements of Government, between State and local and Federal, between the two houses of Congress, between the Executive and Legislative and between both and the courts. This really is good because if you have an educated citizenry negotiating out their differences that's very important. That does not negate the amazing contribution of the small societies within the large society that are forced into a negotiation and in a sense I think the tension has been very productive for us. The morality and ideology and ethic of our country has really evolved in small groups as small groups confronted their environment with cohesion and with intercommunication and then were forced to negotiate that out with other small groups that came up with a different assumption. The world is so unknown and so changed you can't lay down fundamental principles really except some very basic human rights principles and then the rest is negotiated. And really human rights principles themselves add institutions to the negotiating process. There is no state church so that the church itself becomes a negotiating institution in the economy. There is no Government press and there has to be absolute freedom of the press so the press can be used as a negotiating instrument in the society.

The point is that while the Labor Movement in America and many of these other countries is in decline I think we are giving up a very important reflection of our ideology. I think we have to find some way even if the traditional Trade Union is no longer the mechanism for negotiation between the workers and the owners of capital and industrial economy, that some way has to be made to allow that negotiation to take place. Until we do that and to the extent we don't do it we are not realizing the fulfillment of our concept of democracy and the transactional process.

SHEA: Is this what you worked on at the very end of your career before you retired when you were at the Foreign Service Institute?

LEADER: Yeah, I started out working on the Labor Attaché Program but what I decided was really I wanted to go beyond that and think about what the experience of a Labor Attaché meant and the conception of our own society and I think in some ways because we had to try to explain it to so many people with very different concepts. The very thing I mentioned earlier in the interview of the Indians being unable to comprehend how a minority union and an industrial relations establishment had no rights, they thought this was awful. They've got a point in a way, but we found this was the way to do it. But having to try to explain that to an Indian who is absolutely convinced that this was a horrible kind of democracy or negation of democracy.

SHEA: Do you have anything written that you'd like to add to the transcript?

LEADER: Well I tell you, I'll be happy to put in a piece I did for "Economic Impact" which was a USIS Economic magazine. I did that back in 1986 I guess, but I think a lot of the things I'm talking about now at least have the outline there and I'd be happy to turn that over to you. On the understanding that since it's a USIS publication it can't be distributed in the United States. They told me it was my work and I could do with it what I wanted to so I guess, the point is don't attribute it or something. [Note: Editor unable to locate the article]

SHEA: We would add it as an article and attach it to the transcript.

LEADER: Sure.

SHEA: Well, we certainly hope you will finish your manuscript of the book and it will be available to future scholars so we can see your insights of what a Labor Attaché learns in interaction with foreigners, Labor people.

LEADER: Well, this is a new incentive to get on with it.

SHEA: Okay, Jim, anything else you would like to add?

LEADER: No, I'll think of a thousand things after, but none right now.

End of interview