

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

AMBASSADOR MAXWELL M. RABB

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INTERVIEW

[Note: Ambassador Rabb did not edit this transcript]

Q: You were ambassador to Italy for eight years. Mr. Ambassador, that was the longest-

RABB: It's the longest in the history of Italy, insofar as a term of service is concerned for an American ambassador.

Q: Also, I might add that there is a little underground within the regular Foreign Service, of which I am a retired member, and we've had our good ambassadors and not-so-good ambassadors. You are on the good-ambassador list. So it's a pleasure to be interviewing you. I might add that my experience--I missed you by just a few months. Prior to retirement, I had been a consul general in Naples, Italy.

Just for the record, because we're going to concentrate on your time as ambassador, I might give a little information concerning you. You were born in 1910. You received a bachelor's degree from Harvard in 1932, and you graduated from Harvard Law School in 1935. You were a member of the Massachusetts Bar. You were an administrative assistant to Senator Henry Cabot Lodge from 1937 to 1943, and you were Administrative Assistant to Senator Sinclair Weeks in 1944. You were a lieutenant in the amphibious portion of the Navy during the war. Then you were a legislative counsel to Secretary of the Navy Forrestal in 1946. You had a law practice in Boston until 1941. Then you were with the U.S. Senate Rules Committee as the minority consultant there. Then you spent a very interesting period as Presidential Assistant Secretary to the Cabinet from 1953 to 1958, dealing with minority affairs, mainly?

RABB: No, no. The whole Cabinet. I ran the Cabinet. This was Eisenhower who wanted to institute something equivalent to the British system. It was an ambitious scheme which went along well with him, but other subsequent Presidents wanted to mold it their own way.

Q: Since this is an important aspect--I don't know if it's been covered elsewhere--what did you do during this period?

RABB: We had regular meetings of the Cabinet. All basic questions were funneled through the Cabinet. I sat at the table. It was very much like the opposite number of the NSC director, but in domestic affairs and on general policy affairs. We took up all the questions that involved the President and his Cabinet. We took votes on how they stood on this, and then the President would make up his mind thereafter as to what course he would pursue. We took in everything, every type of matter, except the strategic foreign-policy questions.

The minority is something that I did in addition to all the other.

Q: Talking about minority rights, there was a very well-received book called The Parting of the Waters. It is the first of two volumes on Martin Luther King and the civil-rights era. You are quoted rather extensively from interviews you have had, dealing with

the emerging change in attitudes and assertion of the blacks within society, which came about and started during the time of the Eisenhower Administration was in power.

Again, we are skipping very much over things which I hope somebody else or other people will go into extensively, but I'm trying to move to you time in foreign affairs. I notice that you had dealings with UNESCO.

RABB: Yes. I was the chairman of the American delegation that inaugurated UNESCO in its new buildings, which are still used today and now located, of course, in Paris. It was a large delegation, and we were in existence for quite a while.

Q: With this extensive experience, when did you first become interested in foreign relations?

RABB: We, of course, had briefings and foreign questions brought up in the Cabinet meeting by Secretary Dulles, at that particular time, and later by Secretary of State Herter. I had to prepare for them, go over the material they would bring up because the President wanted his Cabinet informed on all aspects of foreign policy.

I became interested in that, specifically on the Italian question because De Gasperi, then the prime minister--I believe this was in early 1953. He called up President Eisenhower, said he needed help--needed 240,000 or more visas to take care of the economic glut that he had. It is not a nice word to use, but it was a blow to the economy of Italy that they had too many people there without employment. The question was, would the democratic system prevail. We had to get a law--right in the wake of the McCarran-Walter Act, which had passed over the veto of President Truman. We had to try to get 240,000 people in. That task was given to me. I managed to get it through. That was when I first became interested.

Q: This is the Refugee Relief Act.

RABB: Refugee Relief Act.

Q: You gave me my first job because, when I joined the Foreign Service, my first job was as a refugee relief officer. I hadn't realized that much of the pressure then came from Italy, although Italy was not really a country of refuge.

RABB: They wanted to get them in. It was to be visas originally, but it wasn't refuge. It was basically Italian. If you remember, the communist threat was very, very important then. De Gasperi was the grand man of modern times in Italy. He was then in the saddle, and that was a plea that President Eisenhower could not resist. He gave me the job. It's a great story, sometime, and you and I should discuss it because it was an exercise in getting something through that was impossible.

Q: This deals with foreign affairs. Could we talk a little about this?

RABB: This request came in by telephone. It was urgent. The President agreed to do it, then and there. Then he sought ways to accomplish it. He was told it was impossible by his legislative staff.

Q: We were then going through an anti-foreign period--McCarthyism, etc.

RABB: Yes, McCarthyism and the McCarran-Walter Act represented the memorial of all time--of both Walters, but particularly of McCarran. It was his great contribution. There was an anti-immigration feeling at the time. So they decided that what they would do, first of all, would be to give it to the legislative group, and that didn't quite work.

Q: The judiciary--

RABB: No, no. The legislative group was one of the best groups that anyone could have. General Persons was then the head of it. Brice Harlow was one of those helping him. Jack Martin, who was Taft's right-hand man, was another member of that team at the White House. So was Jerry Morgan, and Homer Gruntel [phonetic] was part of it.

Persons, who was a very excellent leader in this field, nevertheless felt it was such a hopeless thing that he was not going to lose his influence there. Very rarely do you ever find someone in the White House ever giving up jurisdiction. [Laughter] When he did that, it was a clear sign that it was not to be done.

They suggested at that time that there be a People's Committee, headed by two co-chairmen. One would be Paul Hoffman and the other was Eric Johnson--two outstanding men and who were citizens at that moment. They found out that that would not work because to galvanize the country and to get citizens everywhere was murder. So they gave it to me.

I think I was a sacrifice. I was the secretary of the Cabinet, and I had this job. I went off on my own. I couldn't call on the regular White House group, and so I went off. The Senate committee was the first thing.

I can go into a little detail. I don't know if you are interested, but it's a marvelous story.

Q: Why don't we do this, because I think this is important.

RABB: I was alone on it. I was just absolutely alone on it. There was no help, nothing of the sort. So the first thing I did was to go and see Senator McCarran. Eva Adams, who was his secretary and later became Treasurer of the United States, got me in to see Senator McCarran, whom I knew well. I told him what my mission was and that the President wanted this done. I set up my most innocent manner.

He said to me, "I am going to tell you something. This bill is not going to get out of the Congress of the United States. It is not going to pass the Senate. What's more, it is not going to pass the Judiciary Committee. Even more than that, the Subcommittee on Immigration is not going to let it get out."

I said, "But this was a task given to me by President Eisenhower."

He laughed and said, "Not a chance to get this through."

And so I left. He left also very shortly after that to go to Nevada. In the meantime, I had a very difficult committee to work with. It was an almost impossible one.

Q: These were called the neanderthals of the Republican Party.

RABB: It was Republicans, Democrats, at that time--Eastland from Mississippi. There were several like this. Welker of Idaho was impossible. And so the votes were there, and it was clear that it would never pass.

At any rate, I went to see each one of them. The first one I saw was Watkins, who was then the head of the committee. Do you remember it was a one-vote margin for the Senate, but he was dead set against this. President Eisenhower told me at the time. He said, "He is very difficult for me. I can't get anything with him, but do your best with him. See what you can do."

I went to see Senator Watkins of Utah, who used the one vote against the Korean settlement, if you remember. He was dead set against it when I started to speak to him about it.

I convinced him. I don't know how, but I did it. I just told him that I wanted him for the leadership, and that this was his great opportunity. It was something he could do for Eisenhower. I didn't tell him that President Eisenhower thought that it would never get through him. At any rate, he finally worked it out and agreed to do it.

But he said, "Don't tell anybody for the time being."

Then I saw another one that was very, very tough. It was John Marshall Butler. He was one that clipped the picture with McCarthy.

I said, "You've got to do it. You've just got to do it."

Anyway, I convinced him. I pointed out that he had a lot of Italians in his district. I think Alessandro [phonetic] at that time was the mayor of Baltimore. I think I was a little more subtle than that, and I finally convinced him.

He said, "But please, don't say anything until the last, last minute."

And so it went. I picked up a few votes. Most important one was Everett Dirksen of Illinois. You have got to remember that this was not too long after the famous convention in which he said about the Dewey forces, "You have taken us up the road to disaster."

That was still there, and he was, obviously, the leader of the conservative forces. But there I hit pay dirt. The two things that came out of this beyond this was that he took the leadership after that. I think down deep, he was probably was hoping that someone would come to him, and everyone was afraid to go to him. He, in turn, was afraid to make peace. I, the little innocent, I had that job, and I did it.

Watkins was one that we took completely out of the ultra-conservative ranks, and we made him a real spokesman for President Eisenhower on the basis of this, and the same thing with Dirksen. Dirksen carried the AID bill and did everything after that, but it grew out of this. This is one of the by-products of it. I only mention that because I do think that that is something that people have overlooked. It grew out of this particular thing.

I was doing well. I was getting votes. There were a couple of votes I was pretty sure of. I needed one more vote. There is one vote I was pretty sure of. I thought it was an absolute cinch. I just needed one more vote, and I had it. I had not said anything to anybody. It was all done very quietly. I had the vote, but I needed one vote and then I would have the majority.

So the man who I thought was the easiest one, and I went in to see him. He is an old friend. This was Senator Bill Langer, a liberal Republican, no problem. I made my request.

I said, "Senator, I know how you are going to be on this one."

He said, "You don't know how I am going to be on this one."

I said, "What do you mean?"

He said, "I'm going to vote against this."

I said, "You can't. You are the symbol of the open, frank, middle-of-the-road approach in the Republican ranks. I don't understand it."

He said, "Well, I'll tell you. They built a bridge between North Dakota and South Dakota. President Eisenhower mentioned everybody, but he did not mention me. I'm not going to vote for him."

I was in a terrible position at that moment. I said, "Senator, I don't blame you one bit. If I were in your position, I would do exactly what you did. But, at least let me make the

record clear. Yes, the President must have done that. He was reading from something prepared by his speech writers for him, but he is going to take the responsibility and, therefore, that's the way it will be. You are absolutely right, Senator."

I realized you couldn't back him into a corner.

I said, "You are absolutely right. I will tell you that I agree with you. All that I want to say to you is goodbye. This is probably the last time you will see me. I've been given an important task. I'm failing on it, so I will go back. I'll be finished now, but you are doing the right thing."

I started to walk out the door. He said, "Max, come back here. Okay, I'll go along with him."

And I had it. I had it. They voted, but McCarran was away in Nevada because he was so certain of the votes. They voted for it, and that was when Welker--there was a terrible blast at me because they found out that I was the one who had done this thing. I hadn't talked to him-- a real blast to us. It was something. I don't know what kind of unfair tactics I used, but I must have been the wolf in sheep's clothing or something. But, at any rate, he let me have it.

Then they called another meeting, and I still won. McCarran came rushing back from Nevada. We beat them on that, beat them in the House. Then everyone was in on it, even my dear friends. They were very close friends of mine in the legislative side. It was a great victory.

Q: It was the legislative side of the White House.

RABB: They did have the business of getting the conference committee together. That was when they patched up. I went. I was delighted.

That's how you had an assistant secretary, who was Scott McLeod, if you remember. He's a friend of mine and all that. But he got it because that was the compromise to get them back. I had nothing to do with it.

They changed a great number of the visas into parole. That's the first time parole had been used, which is the term after that. But parole--there was some left over when the Hungarians came in, so it is very important.

At any rate, this is the story in brief. It was a very, interesting, quiet--

Q: This is why I wanted you to tell this, because we are talking about foreign policy. Often it is overlooked that foreign policy for the United States is a lot of how we treat people coming to our country. Unlike many other countries, it is like the saying that you

are what you eat. Well, we are as we immigrate. This represented, probably all told, several million people, by the time you consider relatives.

RABB: When the Hungarian revolt took place in 1956, we had no visas there for them. The only thing was that they borrowed these (left over parole) until the Congress could get take action. It had a tremendous effect beyond this.

For that, I became a commendatore to the Italians. That is the beginning of it. And so it has been for foreign policy. Of course, I've always taken an interest then, there, and afterwards, and right through this whole period, up to my taking this particular post.

Q: How did you become ambassador to Italy in 1981? It is considered one of the top jobs, but it is not a sinecure, by any means. It's not going to Luxembourg or something like that. How did you and the job get together?

RABB: I think people would say I was a moderate Republican, but I think I was the first of the establishment figures. I then was in New York, and I was the first to come out for Reagan. I won't go into the campaign thing, but I had a feeling he would be much more flexible than what they thought.

He had asked me to bring together 40 of the top figures from the East, particularly from New York. I brought the very top people--not political.

He said, "I'm not interested in votes."

He didn't have my vote at that time, but he asked me to do it, and I did it at the 21 Club. I put together people. There were 40 of them. Punch Sulzberger was one of them--the publisher of the Daily News, the president of NYU and of Columbia, Senator Heinz's father came in from Philadelphia, Cabot Lodge came in. I brought him in from Boston. They were really top figures. At that time, the dean of Wall Street was John Loeb, Sr. I had him there. I had the head of Paine-Weber and a couple of others from Wall Street. It was a very, very interesting group that I put together.

He just said, "I want to talk to them and to let them know that I haven't got horns."

He did very well. That was very early in 1979.

We had been friends for a long period of time, even though I was a delegate to the Republican Convention of 1976 and had voted against him. I was for Ford in New York, but we were good friends. He finally talked to me and asked me to come out to see him in California. He didn't tell me what it was, but it wasn't difficult for me to guess. And so I went there and, sure enough, they wined and dined me, but that wasn't, of course, what it was. I was prepared for it.

I could sense, then, he was the only one who could win on the Republican side, that there was a lot more to him than all this, and that he would not be all cut and dried as they had figured it. So I came out for him. I was the very first one. In that sense, I do have political credentials. That answers part of your question.

And I was in the campaign. I suspect that I had a lot to do with carrying New York and some of the other things. I was very active on that.

Then he called me on the telephone and offered me a very important post. I said no to him.

Q: This was a domestic post?

RABB: It was a big one, yes, but even a foreign one--I think I was then the senior partner in a very large Wall Street law firm with close to 350 lawyers--Strock & Strock & Lavan--and I had my problems. I just thought, "Look, I'm going to be a good citizen and not take it."

That ended it. Very shortly thereafter, he came back. He said, "Max,"--this is verbatim--"Max, I am going to make you an offer that you can't turn me down on. I want you to be my ambassador to Italy."

And I, who had always thought there might be moments that would be of consequence to me in my life, but those are moments that I would react to with pear-shaped words, words that would ring down through the ages for my children, and my children's children.

And, when he said this, I blurted out, "Wow, wow!" [Laughter]

He laughed on the other side of the telephone and said, "I take that as an assent."

I said, "Yes."

That was how I got that particular post. I went there. I had had a long record which I haven't given you. For a non-career man, I had a record. I've told you about being the U.S. representative to the World Bank's International Investment Forum, a member of the Conciliation's Board of the World Bank. I was first a conciliator. Then they made me the American member. There was a whole secretariat at the World Bank on this. It's for investment disputes between the nations. That was a good one.

I also was on the presidential panel for India, Pakistan, and Bangladesh. I was asked, unofficially, to bring in--this came from President Lyndon Johnson, and I've got a great letter on this one. There's a reason for it. It's a great story in itself--to bring in an American prisoner in East Germany. There was a reason that they felt that I might be helpful. They failed on it completely--getting this American prisoner who was in there

for espionage. He was getting 15 years. So I thought that would be a nice, adventurous thing. My trips were never paid for by the government.

I got him out in four trips. It was a period from 1965 to 1970, from the period of the 800th anniversary of the Leipzig Fair. I went over there, and it took me five years, but I got eleven out, all American prisoners for espionage. They thought they were all dead and out of it, and I gave them nothing, gave them nothing. That's a story in itself, and the relationship is still very good.

So, what I am trying to say is, of course, I have had other presidential commissions. Johnson had me on the income-maintenance team, but that is domestic.

Q: How did they prepare you? Obviously, you have been the secretary to Eisenhower's Cabinet, so you are no novice to anything. In fact, you know more about how the government works than a great majority of people who have had high positions within the government. How did they prepare you for this ambassadorial job?

RABB: All that they did was put me through the regular, little course that they give over here--the Shirley Temple-Black course. It was a period when Senator Jesse Helms was blocking everybody. He wasn't aiming at me. He was aiming at a great many of them, but he blocked everybody. I was put up in the very beginning, because I have some good friends on both sides of the aisle, who urged that I go up. They got me through and they pulled two or three others with me after I appeared. I got through on that.

But how did they prepare me? It was what we had over there. We had a waiting period. We tried, of course, to read everything that we could read. Of course, preparation for the confirmation hearings was, in a sense, a little course. There's no question about it. There is an awful lot left to your individual good, common sense.

Q: In 1981, what were our major interests with Italy that you would have to deal with?

RABB: I was dealing with a country that was very beautiful, insofar as landscape and its architectural treasures were concerned. It was a country with a great history, a country where there are 25 million Americans of Italian descent who were constantly looking at the place. But it did not get the regard and the respect of the big four. That was what I had to face when I went there. It was never put to me that way. But, when Presidents visited--I think you were there when Carter came through, and the same thing when Johnson went over to see the Pope and didn't go to see the Italians--they passed it over. It was a very peculiar situation at that time. It was a nation very much respected, of some consequence, but in the circles of the diplomats--part of the problem was with the diplomats themselves--it was not a member of the club.

As you know, when the Berlin Accord was reached, there were four parties on the Allied side--the United States, France, Great Britain, and West Germany as being the one most directly involved. That constituted the unofficial team that became a club. There was no

question about it. The big four enjoyed the club. The foreign officers, whether in our country or in theirs, would just keep this thing alive, even though many disagreements and all the rest of it. But it was a close alliance.

Italy knocked on the door time and time again, to be admitted to this informal group. That is one of the things that I faced, because France particularly said no. England wasn't so great about it. Germany wasn't so great about it, and we weren't. So it was a kind of grouping that was kept alive, on the inside by the foreign-office types, and on the outside by organizations. The idea was that this was a natural, and we don't give them their due.

Q: One of the problems is the form of Italian government, which is very much the form that Japan has--a revolving prime ministership, a cabinet, but there's nobody you can put a hand on and say that this is Papandreou, or this is Thatcher, or this is Willy Brandt, etc.

RABB: I think the great weakness that Italy has--not in substance, but in image--is that it presents the most disparate type of government that anyone could figure out. There is always a coalition, always a need to put these people together.

I'll jump to a conclusion that I should give you at the end, but I'll give it to you now. That is, in large measure Italy is responsible for this. First of all, they tried so desperately to make certain that there never would be a dictator. They weakened the government to the extent that they could not have a firm, solid, basic figure to give it an image, to give it strength. We faced that. That was one of the very difficult things that Italy had to realize was a problem.

But I can say that Italy is responsible for it, not only because of the form of government, but because they use the word "crisis." It is an Italian word that they use and that frightens the living daylights out of the people everywhere. All that is has been in most of the 40-plus cases of change of government since World War II has been a shifting of portfolios. In some cases, it was a little more difficult than that but, basically, they just rotated the prime ministers and the ministers.

And so it has gone all the way through on this thing. But would happen is that the world would get the message that Italy has a crisis, a prime minister has resigned. After they had resigned, they would come back. The world would say, "Look, oh my God, look. They are falling apart again." It would come together.

Well, I remember one case in July of 1982, Giovanni Spadolini lost a vote of confidence. He resigned from his position. With him went 27 members of the Cabinet. I think this was on a Wednesday or thereabouts of the week.

The following Tuesday, he went back in as the prime minister, followed by exactly the same 27 men that had left with him. But the world had been treated to the spectacle of Italy as a place that was unstable.

The real lesson is Italy will never--and this is my feeling--risk anything. They may look like they are on the brink, but they will not take that step. They know enough not to. But that is the way it works out in practice.

When I went there, this is what I had to face--a big question of Italy clamoring and anxious to become, for prestige purposes and for salving its soul. It needed the assurance that it was in the big leagues, but it didn't get it.

When I came in, I found that there were 14--at least by my count--different problems, or issues, or questions of semi-major importance and major importance. They all were on the back burner, some had been there 17 years, some two years. In between, there were varying time limits, and no one could seem to do anything about it. That is what I think I dug into first.

I decided, and I think this is what an ambassador must do. An ambassador must try to resolve the problems that are before him, and not wait for Washington to give him intimate and detailed directions as to what and how to do it.

The big question, and I met it almost eight or ten days after I came there--I came into Italy full of good will and the rest of it. I was met with a cable that, in a sense, made me swallow hard. It came from the Secretary of State. It said, not in gentle terms, but in very rough terms, that I had a task to perform. They didn't say that it is important that you consult with the leadership of Italy and try to get the 1979 understanding put into effect as it was to be in 1981--namely, the building of a base for the cruise missile of the INF.

But the cable said, "It is imperative that you persuade the leadership to do this."

Now, it so happens that I have now been here in Italy eight full years which, as I indicated earlier, is the longest term any American ambassador has ever had in the history of Italy. Believe me, at that moment, I didn't think I was going to last out the month. My first assignment, and here was Germany with the Green Party turning their thumbs down on this thing. They said no. So did Great Britain with the women throwing themselves across the Commons, not letting our personnel in military vehicles get through. They said no. Denmark completely signed off on this. So did Holland. Belgium was almost as bad. It was a complete mess. All that was left was Italy, which was certainly not the strongest one when it came to this type of thing, because it had not really ventured far from its own soil on any matters that were international.

The situation was desperate. Of course, it was the Italians in the end who did this. But the American influence and the diplomatic pressure, properly applied in a way that did not rub them the wrong way, was very, very good, I think. At least, the result was good.

And so, upon receiving this cable, I asked for an appointment. I saw the prime minister, who was Spadolini at the time. He had several members of his team around him--

ministers. I gave them my arguments. I had rehearsed them. Everything--I had worked on it, and I thought I was doing pretty well because I was getting marvelous attention.

I said, "Gee, it can't be. They are really listening."

At the end of it, I concluded, and the prime minister said, "Mr. Ambassador, look at the other Allies. Look at what they are doing. They are all moving away from this thing. Why don't you wait one year."

And I remember his hands flurrying to the sky. "Better still, wait two years."

In other words, n-o, no. He didn't say it that way, but that is the effect of it in gentle language. Then he added, probably to stroke me because I was the United States ambassador, "Let me say, of course, if you have another major argument to make, by all means, let's have it. We will give it some consideration."

But he knew I didn't have anything. I surprised him. I said, "Gentlemen, but I do have another argument."

They said, "What is it?"

And if you think they wanted to know, I wanted to know also. I had a complete blank. I didn't know what I was going to say, but I didn't like the idea of going back in 30 days.

So they said, "What is it?"

I said, "Well, the argument I'm going to give you is not the argument that I expect you to accept. You can forget about that. I'm just presenting it. That is that the United States of America and Italy have been good friends, but there is still plenty of room all the way up to the top with result and benefits in the field of commerce, of finance, of trade, of military activity, of culture. But," I said, "that's not the reason. You are not to accept it."

You bet it wasn't, because that's a bribe. So I passed that one by.

They said, "Well, what is the reason?"

I said, "The reason I'm going to give you is not the reason you are to accept."

Of course, I was trying desperately to think of what I could present which would not put me in a rough position. I was stalling.

They said, "But what have you got in mind?"

I said, "Well, this reason you are not to accept also, but it is interesting. President Reagan, everybody knows, is a very good friend to his personal friends, and he is a very good friend to those nations that befriend his country. But that's not the reason."

That was another bribe, so I pushed that out.

They said, "What is the reason?"

I was licked. Anyway I said, "The reason is simply this. If you will do this, you will make me a big man in Washington."

Fine. Eight days later, we got it and everyone was surprised. Italy was the first. It wasn't I who did that. It was the Italians, and I want to make it very clear, of course. The Italians had to be the courageous ones, and they did it. It was a very unusual thing. But, of course, they don't want to give the feeling that it went that way. But I daresay--and this is not really almost put in with the rest of it--but I think they were kind of influenced by what I had said were the non-reasons.

Q: These are real, honest-to-God reasons. This is the stuff of diplomacy.

RABB: Well, at any rate, but I did wanted to say that I had used and advanced that as the reason. Anyway, we got it, and that began my approach, which was that Italy must be taken seriously and given great regard. I went back to Washington and I found out that Italy was very important, but it hadn't quite made it with the others. It was an attitude--in large measure, an attitude.

I went back and said, "You want something like this, you've got to reward them. This is not a one-way street."

That has always been my approach, that friendship has got to beget friendship. And so it went.

One of the very first things was trying to get President Pertini to the United States. Believe it or not, it was extremely difficult, extremely difficult. They couldn't do it. I got him in, and he appreciated it. He appreciated it very much. This is one of the most important things we have, because there has been a real march of Italians in here. It is all because of the give and take that now exists between the two.

On October 12, Columbus Day, I have arranged, or did just before I left, for Cosiga, the President of Italy, to come here. I know it sounds very boastful but, if you want to know the truth, that is the truth. Cosiga knows it.

How did I do it? They couldn't do it? They tried it all over here.

I said, "What we do is, we go in and we tell them that the Italians should have this for Columbus Day."

They said, "We've got the Japanese," they told me.

I said, "You can't take the Japanese. What the devil are they doing around Columbus Day? What kind of political sense does that make? You get him there."

And they did. President Bush recently went there. I was there in my last days. He announced it. He announced it. It was done. I'm showing you there's been a great change.

In the meantime, De Michelis and Spadolini and Bettino Craxi and all the others have marched in and out. Before, it was very, very difficult to get it done. I did it.

Q: Did you have any problems with Alexander Haig as Secretary of State? He had been NATO commander. Italy is not a front-line state.

RABB: Haig was the one who sent me this cable. I think he was reflecting a general attitude at the time on the part of everybody, past and present. But he listened to me. He really did. I didn't find any of them difficult once I would sit down and talk to them. I found that, if you've got something to say, they'll listen. No, I didn't have any real problem with him, and I didn't have any real problem with Shultz. As a matter of fact, quite the contrary. They tried to help.

But at this point, we were changing Italy's image. This is what I think an ambassador can do. I mean, I sound terribly immodest as I tell you this, but forgive me. The funny thing is, it's the truth! There's nothing you can say about it. It was a personal crusade, every bit of the way. I would see them, and I'd talk with them. They came through on this thing. I had to go through for them. And so it went.

I told you there were 14 items on the table. Every single one of them in this period has been eliminated, even though some are very old. One of them, if you were there, you remember it. My gosh, do you remember the debt on the taxes?

Q: Oh, don't! This was a major problem. It was that employees of American military and others had not been paying Italian taxes.

RABB: I know I cleaned that one up completely, and we did it with little mirrors. I don't know.

Q: This was a horrible problem.

RABB: I know. I did it very quickly. I did that one. But the one I was going to tell you was the extradition treaty. That's a marvelous story in itself, because I discovered, you know--I say "I." Now, please understand. You want a true story. Honest to goodness, this

is it. It was a personal element on this thing. I had great help from a marvelous staff. I don't want to say that they weren't darn good, but they couldn't go in and do this type of thing.

Q: Yes. It takes the ambassador.

RABB: Yes, if the ambassador wants to do it. In the meantime, I'm cultivating Congress. They are here. I think that's part of it. They are my friends. I would treat them all very, very well. It was a different policy. In a couple of other places, there were kicks made. I'm not going to mention the ambassador in another very important place. He talked about the junkets by boat, separately, by the members of Congress, and that trips shouldn't be made by people in the government, in the State Department--only in real emergencies. He came out and got headlines. It was always good to talk against junkets. But I think it is up to an ambassador. They can change the climate.

In effect, what we did was that we were changing the climate. I got great help from my staff, and I'm not trying to run it down, but in each of these cases, it took my personal going over there. This isn't just my saying it. It's a great story. It's a wonderful story, because I never got a setback in the entire period. Every one of the things went.

The extradition treaty is the one I'm talking about. You know that the Napoleonic Code, together with the other, failed completely. You just couldn't put them together. Just couldn't do it.

Q: You are talking about the Anglo-Saxon system of the Napoleonic Code, as far as melding the two systems for international laws.

RABB: Yes. My people--the ones that were involved in drugs control and crime--were terribly upset. They kept saying to me, "We can't get a darn thing out of the Italian judges and out of the Italian prosecutors. They won't cooperate with us."

I went down to Palermo. I remember I met with them, and I really wanted to give them the devil, to let them have it. I sat with them. We were put in a secret place. I didn't realize it. There were 14 or so judges at the time, and prosecutors. We had to meet secretly. They were the ones fighting the Mafia. It wasn't the ordinary place we'd meet. We had to go someplace that was a hide-away.

I said, "Gentlemen, I have got to talk to you on all of this. Do you want to say something?"

They said, "Yes. We want to complain about the United States Government and the lack of cooperation that we receive."

Well, it became very clear to me at that moment that this was a case of two ships passing in the night. They don't know what was going on in the other place. They claimed that the Americans, whenever they sent a request over, would refuse to honor it. Or if they

did honor it, it would be many months later, when it was too late, or they would send it back with stringent requirements that had to be met. Or they never heard. Then I saw that both sides were wrong, or both sides were right.

So I said to them, "If I can get the Justice Department to back you up and to work with you--and I'll pledge that I will do it--can I get cooperation out of you? I must get cooperation."

By the way, of that 14, two of the judges were killed by the Mafia in this interim period. So it was a real serious proposition. Many of them are still around, but they watch their step, and they are always guarded.

But sure enough, it worked out. Out of it came the model extradition treaty. If you are following New York's election, the reason that Giuliani is having a good day out of it is that he had this extradition treaty. The Pizza [phonetic] trial took place up in New York, and the Maxi [phonetic] trial, with 400-plus people convicted in Palermo, all grew out of this.

Q: These are international drug trials.

RABB: They all grew out of this. I could keep on going. The one that no one seemed to be able to do, I had to work on it myself. I saw minister after minister on it. It was a small thing, but, oh, boy, the Secretary of Defense was on my back, the President was. "Why can't we get English-speaking TV for the troops?" And I did it. I got it. It was a personal thing.

I want to be careful how I get this here, because I don't want to look awful bad on it. But the minister, who is still very powerful and at that time was in charge of this type of thing--I saw several of them. I was building it up, and I went to see him. He had a pile of papers on his desk. I went into my story that I've got to do this for our people.

He said, "Do you see all these papers here? That represents the argument against doing this. It is absolutely illegal. It's absolutely illegal for us to do it. I'll tell you what I'll do. I'll do it for you, but don't publicize the fact. Don't publicize it."

You see, this is one difference between Gardiner and myself. He always wanted to publicize every single thing that went on. I never had a press conference.

Q: We're talking about Richard Gardiner, the previous ambassador.

RABB: Yes. But this was a difference. That was an easy one. At least, he told me not to publicize it. But I never had a press conference in the whole time I was there, because I think that an ambassador's job is to do it for the embassy.

I know that what was done was quite extraordinary. I really mean it. Forgive me. Because I worked day and night. I took one vacation in the entire eight years--one week in Egypt. I never took a vacation. I wanted to be there, never to let it go. I was there in August, I was there in July, I was there all the time. Yes, I might steal a weekend. But even the nights, you know, I was constantly moving around.

I think that's what an ambassador's got to do. I think he's got to meet the people, he's got to see them, he's got to go to the events that the ministers have in their local communities, be present when the parties meet in every place--just keep on going. And so it went. At any rate, that was done. I can keep on giving you more of them to equal the one with double taxation. I got rid of that one. It was there for a long time.

The last one on that list was prosciutto. That went on for years. They couldn't get ham into the United States.

Q: Because it was raw ham, and trichinosis was considered--

RABB: No, it wasn't trichinosis. It has been checked out completely, no problems on it. It is now September 1st and it will be coming in. A whole year has passed since I got it through. Oh, they tested it 16 different ways. Anyway, I got it, and the Italians are tickled pink. There are a number of them. I got that.

So what I'm trying to tell you is it was quite a period. It was quite a period. In this time, we tried to cultivate and keep it going. It was a give and take.

On the military side, that wasn't the only thing. Remember, we got them to do something they never would ordinarily do.

Of course, in the meantime, I had terrorism.

Q: I thought we'd come back to terrorism later. But before we get on to the military, because I do want to ask you about the F-16s and all this, how did you deal with the Italian government? It is a sort of amorphous thing, where the same people hold different jobs all the time. You, as the ambassador, have something. Who would you see?

RABB: I would see the relevant man on this thing. Generally, I would go to the minister. I'd research the situation. Who were the key people? There was a very nice man in the Department of Interior who constantly blocked the business of having an extradition treaty. I made it a point to invite him over, to have him come to events, to work with them. And we softened him up.

If you asked the Department of Justice, ask what their relationship is with Italy, and they'll tell you that no other country touches it. The relationship is so terrific. I'm really quite proud of some of these things. I kind of hate myself at this moment, because what

I'm really telling you is just take a look at me, how wonderful I am! But I don't mean it. But honest to goodness, I did not do a bad job, and no one has really been saying that.

Q: No, no.

RABB: But I've kept it quiet. I know of no other place where they have done anything in the way--you haven't got the rest of the story. There is a hell of a story that keeps on rolling out, every single bit of the time. And I'll tell you, Georgetown will tell you what I did. That's the very last thing that I did. I'll come to that later on. AT&T--I turned that one absolutely around.

Q: I want to ask about American commercial interests. Often this gets overlooked. It seems to be at the tail end of our relations. It's always a little harder. We are much more interested in developing bases or getting the right votes in the United Nations. How about American commercial interests?

RABB: I think that, first of all, our staff has been very good on it. The Department of Commerce, the economic staff and others have been quite good. We have taken the big examples and broken through on so many of the cases. The landmark cases, of course, are something like the prosciutto ham case. I'm now putting aside those things that were there. The relationship is very good on this, where trade goes on very well between them. There is an understanding on this. It is much better really, I think, than it was before. But I give a great deal of credit on that one to the departments because they are working all the time on them.

Specifically, on some of these cases--I mentioned the most dramatic case and I want it to be wrapped up before we--you said that it takes two or three or four months--the one with AT&T. I don't know whether it was \$28 billion or \$38 billion, but it is an extraordinary amount. The history of it, in brief, is this. AT&T was one of four big, important bidders. Many came in, such as Ericsson of Sweden. Siemens is the most important and the one that had it right in the palm of their hands to revise the whole system of working with the Italian ITATEL. We had the best technical thing.

Q: I might add as a parenthesis that the Italian telephone system is abysmal.

RABB: This is the point! There is a whole story which sometime I will give you, but I don't want to really take up your time. It is a fascinating story on it.

All that I will tell you is that the chairman of the board flew over to Italy just to see the prime minister, set up for him, and the prime minister refused to see him. That was how bad it was at that time. He had other reasons for it, but I said I would tell you the story. He and his team came in to see me. They were really crushed--"What is this?"

Siemens had it done. The minister in charge was there--this will answer some of your questions about who I see and what I see. I had gone always to Andreotti to see him. I

had been to Emilio Colombo, because he had finance. Most important of all is the prime minister and, particularly, the minister in charge on this. He had come out openly that he was for Siemens, and Siemens had it.

I saw him. It was a holiday, I remember. He was the only one working. I congratulated him on working on a holiday. I said, "This is so unusual. At any rate, I want you to do something about this. I know that you feel that Siemens is there. The world knows that the finest telephone system in the world is the American. And the world knows that one that is not so good and not worthy of the country is the one you have. All right, you are going to bring in the latest stuff from Germany, but I'm not worried about that. All I want is for you to permit the selection be made on the basis of the technical side."

"Well," he said, "you know, as I've said to you a little while ago," he prefaced it, "Germany is right near us. They were the original ones that put in the system in the beginning. We are in the Common Market together."

I said, "That's exactly what is wrong."

And then I used my big argument. I said, "First of all, just let me tell you, do you know what this is?"

And I used it with the prime minister and the others.

I said, "Do you understand what this is? This is the preview of how Italy is going to treat the United States when 1992 comes over here. That's what they think in Washington. For heaven's sakes, don't let them get that impression."

Q: I would like to add for the record that 1992 is when the Common Market goes into full economic power.

RABB: Yes, they integrate the economic system of all the countries. It may take a little longer.

But the argument was that we consider this the forerunner, the complete indication of what would be, and you will be treated accordingly. Because, if you are going to start this thing, you're going to get the juices of protectionism beginning to move very quickly. You've got wines, and you've got these other things where we have done--shoes and textiles. We have been very good with you on all of that. If you want to keep that that way, then for heaven's sakes, let's work it out."

Anyway, I went to see the prime minister--and it's a great story--and turned him around on other arguments completely. Yes, personal, personal, personal on that thing.

When I saw them, I said, "You don't understand. Politics does play a part in all of this. You've got to take care of their pride. You've got to take care of their politics, and you've got to make certain that they are getting the best. Do you want the best?"

And what I said to several of them was, "Some day, your system will be considered inferior to the others, because you didn't take the best of the technical systems available--the AT&T. It is going to be on your head."

I got it. So we did it. We turned it over. They are very quick to admit that it was a tremendous help.

Then I saw the President--made two Presidents who, at that time, Vice President and then the President himself--no, it was Vice President at the time we put it over--Bush--and then the President and they brought it up. We got everybody in the act. And so, trade was--we were able to do that. We were able to get a lot of things rolling and many things going.

We were able to get another one on the list is walnuts. I think it's \$480 million a year. They never could get it through. Year after year, the lobbyists from the United States--it's a California and the West Coast industry. I'm sorry. It's not walnuts. It's almonds. We finally got it through. These were things that were hanging fire for a long time, but new things have come up in the meantime. Do you want to follow anything else on the commercial side?

Q: No. I think this gives an idea of what it takes to get these things done.

RABB: What it takes over there is a great staff to do the work and to prepare the way with the people, to get the arguments. I'm not running any part of that down, but you said when we started that you wanted my point of view. But what I did was--yes, I was a very potent factor. If it was a rotten job, I've got to accept that verdict on this thing here. But all that I know is that, when you get the rest of it, you suddenly realize--only on the military side. Do you want me to--

Q: I'd like you to talk about the military, because one of the major problems was the F-16 problem, for example. Could you explain what the problem was and how it was resolved?

RABB: Just before we get to that--we started with the INF, and it was in the world. Suddenly, well, we gave them that.

Q: The Italians were willing to accept--

RABB: Yes, but they recognized that we were recognizing them. I think it is important that ambassadors and State Department people understand the feelings of other people and other nations represent a very vital item. You cannot be cavalier with them. You can't just say that we are the United States and this is--you just do that.

Q: It's very easy for people to fall into this.

RABB: They fell into it. It's been the way all the time, but not now. The net result, I say, is in what took place.

The military--in the beginning, this is more staff than me, but nevertheless, the question of the Sinai Peacekeeping Force, Italy had never really gone out beyond them. They did it. We asked them to do it, and they did it. Then, one of the biggest things I had to do, and the most difficult, was to get Italy to send troops, ships, and all the rest of it to Beirut. Then we ran out on them. That's the kind of thing they kind of looked at it. We announced that our ships had pulled out early. You do it a little earlier. This is the kind of thing you have got to think twice about. At any rate, I got them to do that.

I got them in the Gulf.

Q: This is in the Persian Gulf.

RABB: No, this was when we had sent Marines and troops to Beirut. This is a different one.

Then when it came to the mining operations, that was a successful thing that we worked together and pulled out together. It worked out well, but to get them to do it was another thing.

We have had very good ministers of interior and very good ministers of defense over there. They have been wonderful. The last one, from the smallest party, from the liberal party, which is really a tiny party, was absolutely wonderful. He did some of these things that I just told you about, but he did the F-16. We worked with him and with Di Michelis, and on the F-16 Andreotti was very good. Some things he may have shown a bias or delayed in a way that was not right, but he was very good on that.

Q: I might add that a squadron of F-16s, which had been based in Spain near Madrid, the Spanish government said it had to go. We were delaying for a long time. The thing is, where do we put them.

RABB: It isn't where you put them. They had no place to put them. They went everywhere looking. Then they came down. It was a southern thing. Remember, the significance of it was--just as the significance of the INF was--considerable. In the case of the cruise missile, the Gorbachev-Reagan agreement would never have seen the light of day.

Q: We are talking about zero reduction in intermediate--

RABB: The complete elimination of one whole category of nuclear weapons.

Q: We had to have a reasonable place to say, "If you don't agree to this, they are going to be based."

RABB: No, no, no. They were based. The bases were there, but we gave that up. Remember the old talk about the unilateral? This is one of the arguments on the unilateral disarmament. If we had done that, we would have never gotten anything, not even credit on it. It had been lost in the fog. This was the bargaining chip.

So it was over here. The significance of the F-16, beside the need for conventional weapons and also nuclear--a little bit on that--is that the alliance was faltering. Spain is a member of NATO, and it said no on a very important element over here. How would that be explained away later when, really, if nothing were done?

Italy deserves the credit, I am trying to tell you. I'll say "I" or "the embassy," but I worked on that one for all I was worth, up and down the line. I got the Vice President, the President, the Secretary of State, the Secretary of Defense--all of them constantly coming in and working. Italy did it, agreed to do it. It was not a popular thing. They were very clever about it, because anytime you bring in something like this, it is a war-like step and not an easy thing. They did it, and they deserve a lot of credit. That is one of the last things that took place.

So the military side is a magnificent performance. And where they were not important before, today the southern flank is considered extremely important.

Q: There was a major problem in the Persian Gulf during the Iran-Iraq War.

RABB: That's the one I'm talking about.

Q: We wanted to internationalize the policing of the waters there, to keep the two sides from going after the sea lanes. There was a tendency to say, "Well, why don't you let the United States do it?" Did you play a role in this?

RABB: I got Italy in there. I did. The State Department and Defense asked me to do it. I went in, and we lobbied them. That's all. It's one of these personal things. But up and down the line we did it, but particularly with the minister of defense, and they agreed.

Q: Let's now talk about terrorism. In the first place, what was it like for you, personally, in a place where you had the Red Brigades? Italy is a country which had had a former prime minister who had been kidnaped and assassinated.

RABB: When I came in, Italy was number one on the list of terrorist countries, insofar as prevalence of that practice is concerned. I stepped into this moral situation, so many of them at that time, of the Italians, journalists, and businessmen were either shot in the back of the legs or killed or kidnaped and their children were kidnaped. It was a terrible mess.

As far as I was concerned, from the very moment I went there, I always had seven to watch me.

Q: Seven bodyguards.

RABB: They were always with me. If I ventured out, I had a police car in front, two riding gun in my car. Then, in the back car, an unmarked police car with Italian policemen in plain clothes. I did whatever they asked me to do. I never once broke the rules. I never snuck off to jog or to take a walk without them. It was very difficult. I've had six attempts. Don't say that they all succeeded, but there were six different groups that they have identified, either grabbed or sent out of the country, that tried to kill me.

Q: What did this do to you, personally?

RABB: The first one was a very famous one. It was October 12, 1981. Qadhafi--this is the Qadhafi one--had failed in his attempt to knock out the skies two American planes. His two planes had the intention of blasting a carrier. They lost them. So the next best thing was to get the symbol. I was the symbol.

All that I know was that I made a speech on Columbus Day in, in this case, Milan. I left the place, went to my hotel. I had been in the vicinity, all around, traveling for about two or three days. I had nothing but dirty laundry.

At about 6:30 in the morning, the telephone call at the hotel came in from my number two man, my DCM, and he said, "Don't say anything to me, just listen and do as I tell you. Take the 11:00 plane--I think there was an 11:00 plane at that time from Milan to the United States--and don't say anything more. Just go there."

He hung up the receiver. Boy, if that wasn't a mystery. Anyway, I got on this thing. I didn't know what the devil I was doing. I had nothing but dirty clothes with me. I got on the plane and found out that I was to be assassinated the next day when I went to Rome. The police did pick up the six men. One of them, the hit man, I have a picture of him. The Italian police were good enough to give me this in secret. He was a young man, about 36 years of age, an attractive young man, but he had the job of killing me. The others were captured in this hotel--I forget which one it was--on the floor. They were all kneeling on the floor when they were hit, with a map of the embassy, with my picture there on the floor and with my biography there.

Anyway, I went to the States, and that was one of them. There were several others like this. At that time, they were fairly soft on them. They sent them out of the country. But then, of course, came the Dozier case.

Q: This is General Dozier.

RABB: Yes. He was 42 days in captivity. That was a tremendous thing--the first time an American general had been captured. It was a very dramatic story. The Italian police did a remarkable job on that. They did it, but I kept the many intelligence units in the United States--I promised them. I said, "I'll let you do this job with our people bothering you, and I'll keep them away."

Q: Isn't there a tendency that, when our man is involved, they brush other people aside. The Secret Service is renowned for this.

RABB: I never knew that there were so many subdivisions and divisions and so many intelligence units as when this happened. This was such a unique case.

Q: This was in 1981.

RABB: It was in December of 1981--42 days, and he was rescued.

So I kept them away. I just said, "On the condition that your three basic police arms share information with each other, work together."

And that is asking something, for the carabinieri to work with the other elements of the police force, all separate groups. It's just like asking our FBI to convey information to the New York State police or to the Los Angeles city police--so, impossible. Anyway, we had a very good--

Q: Were there American forces there?

RABB: No. They asked for advice occasionally, whatever they wanted, and we gave it to them. They were in constant touch with me and with my staff. They were, but this was the beginning of the revolution of the Italian police. They found themselves at this point. Then they began to want to find papers that led to other hideouts. I think in Naples they found one. They found one in Rome. They found one in Padua, Florence. I was on several hit lists there, but they got them.

Today, the Red Brigade, unlike the condition in West Germany and Belgium with the domestic terrorists, is really a broken organization there. They still can make a little trouble, but they haven't got the control that they had before. This was all wiped out. And so it went. There have been many of these cases.

Q: Probably, our most direct confrontation with the Italians, when things got rather tense, was on the Achille-Lauro case. Could you describe what the situation was and what happened?

RABB: What I'd like you to do is to sometime get Regardie's magazine on this subject because there is more detail, and I haven't got it on my fingertips, some of the dates that appeared there. That was a pretty good account.

What actually happened was, yes, that was a confrontation, and a very, very serious one, and the only one that I really had that was difficult and seemed headed for disaster. At that particular point, both Andreotti--who was then the foreign minister--and Craxi, the prime minister, seemed to have a bias in favor of the PLO at that point.

Q: Before we get to this, there was a feeling that the Italians had made a tacit understanding with the PLO that, if you don't mess around in Italy, particularly on Italian citizens and Italian property, we won't give you a rough time. Was there substance to that?

RABB: I don't know. I heard the same story. I just don't know. All that I know is that Europe, generally, had that type of thing.

Q: Greece certainly had this.

RABB: Greece did, and Switzerland wasn't any darling on this. The one who did the worst job of them all was sentenced quietly, then put on a plane, and then they announced the verdict after he had left--sent him back to Beirut. The French did a lot of it, a great deal. I can't, with any assurance, tell you that I know this to be a case, but I had heard this, of course, and the way it reacted was the softness on the whole thing. I must say that this Achille-Lauro proposition was--

Q: I might explain this for somebody who is going to read this and who is not familiar. An Italian cruise ship, the Achille-Lauro, was hijacked out of Alexandria. An American was killed rather brutally. He was an elderly, crippled American, and he was shot and dumped overboard.

RABB: He was in a wheelchair.

Q: It couldn't have been worse. The ship then went to Egypt, where the Egyptians were trying to get the terrorists out. They put them on a special plane. Through our own resources, we found out. We caught the plane, our Navy forced that airplane to land at Sigonella in Sicily. What year was this?

RABB: 1983, I am pretty sure.

Q: Somebody can look that up. Then a very serious confrontation happened between the United States and Italy. Can you take it from there?

RABB: What happened represented the only major problem that I had. It all ended well, by the way. It ended very well, but this is part of the story.

The plane was forced onto Italian soil by the American plane, this Egyptian plane. And it had four terrorists, three that were on the boat and the mastermind, Mahmud Abu Abbas,

who was the mastermind from the PLO terrorist squad, and three of his henchmen. He had not been on the ship, but the others were. They were on their way to Tunisia when their plane was intercepted and forced down on Italian soil.

The Italians then put a cordon of military around the--

Q: Had you been informed about this?

RABB: I knew things were happening, but I didn't know--

Q: In other words, you didn't tell the government that we were going to do this. It was a fait accompli, as far as you were concerned.

RABB: Yes. I had known about previous things aboard the ship, and all the acts in there. But they had gotten this information. This came out of Egypt or someplace. I have no idea where.

The American planes forced them down. When they landed on Sicily near Sigonella, the Italian military surrounded the plane, and put a cordon of military around it. They proceeded to guard it and, in effect, hold it there under the Italian control.

The next thing that happened was that a Delta Force--this is a real story--from where they came, I don't know, but surrounded the Italian military.

Q: I might mention that a Delta Force is an elite, American anti-terrorist group and is a military group.

RABB: They were not on Italian soil originally, so they were brought in. They surrounded the Italian thing. All that I can say is, this is one of the most difficult international-political situations that you can imagine. On the land of a friendly ally, to surround their troops by Americans represented an infringement of sovereignty.

When I got word of this, I immediately called up. I was told that the man in charge was General Steiner. He had the team. I said that I would like to talk to General Steiner, because I saw the storm clouds beginning to threaten.

The man said, "Just a moment."

He came back and said, "He's not available."

I said, "Please tell him that this is Ambassador Rabb calling from Rome, that I represent the President of the United States and Italy, that he is in Italy, and that I want him at the telephone."

He came back and said, "General Steiner refuses to talk to you."

I was absolutely stunned. I never had anything like this happen to me. That was it. He refused to come there.

"He takes his orders only from--I hope the whole thing is over at this moment--Colonel North."

Q: This is Lieutenant Colonel Oliver North, who has already had a great deal of difficulty.

RABB: This story has never been told. Colonel North, and that's where he takes his orders from. I had never heard of Colonel North at that point. I didn't know anything about him, but I was absolutely stunned.

Then came the telephone calls where the President wanted to talk to Craxi. I was absolutely surprised to find that it was difficult to get him because it was, I think, a Friday night. I have forgotten. Whatever it was, no one was in town. They were on their way to Milan, and it was difficult to get him, but we finally got him. There was no one. You couldn't get anybody at the ministry. We're talking about the Italians. So it was a little difficult to get them, but we got him. We got him ready for the President.

Then, on the line, there were two interpreters. One came on and said--later found out that someone else was interpreting, that fellow on the Italian desk. I'm trying to think of his name. He's now in Turkey. And the other was Michael Ledeen.

Michael Ledeen said, "I want to talk to Craxi before we start on this thing."

Michael Ledeen has written a book in which he says that the President asked him to get Craxi, and that when he finally got him, we couldn't get Craxi. I will tell you that Michael Ledeen, I am afraid, misstated the case. He had sued the Italian government, because I think he wanted something high in six figures for writing a piece on terrorism. He wanted the money and they wouldn't give it to him. He got some of it, a lot of it earlier in the old days. This was done not recently, but was done long before I got there. The press was after him, and he was suing the newspapers. I got a call about a month before this all took place--six weeks before it.

He was in town, I found out, because Craxi called me and said, "Michael Ledeen is in my hotel, sitting in the lobby, waiting for me. I don't want to see him."

Fine. So he went to another hotel. All this story has never been told before.

I think that what he wanted to do was to make his peace with him so that Craxi wouldn't be surprised when he got on the line.

Q: What was Michael Ledeen's position at this point?

RABB: He was then, I think, a consultant at the Defense Department, but used by--what was the name of the head of the NSC at the time, and he's on trial.

Q: McFarlane.

RABB: It was Bud McFarlane. Bud McFarlane had put him on. I am quite positive that Ledeen was not an intimate of the President. I'm pretty certain about it.

At any rate, he went on. That didn't stop it. I think he told them he wanted to get the prisoners and wanted them turned over. They went ahead, and they put them on a plane, and rushed them from Sigonella, right onto a landing place where a Yugoslav plane took them away.

In the meantime, I went and confronted them all. If you get the article of Regardie's, I'm on the front cover with a most horrible look on my face because I was on television. I said it was an outrage. It was a terrible thing. But our trouble was, we had them dead to rights. There was no question about it. They couldn't have done it but by infringing on their sovereignty, surrounding them. They gave the argument that they have constantly used thereafter.

At any rate, relations got so bad that the government fell. It didn't quite fall because he put in his resignation.

Q: Andreotti was prime minister.

RABB: No, no--Craxi was. He put in his resignation. I suddenly said, "My God, I have caused the fall--because there was my trip--I have caused the fall of the government." The next day, very early, I got a call from number two in the department of foreign affairs. He wanted to come over to see me.

He said, "I am speaking for both Craxi and Andreotti. We would like to make peace, and if you could arrange it, I would like very much to go to the United States. Immediately, I would leave right now, take a plane in England, and get over there during the day. I would like to explain to them that we should have a peace. They want me to be sent over as the representative."

He came over for lunch. At that lunch I had one other person. I had my DCM.

He said, "I would really like to do it."

I agreed. I called up the State Department and got Mike Armacost, who was the new ambassador to Japan.

Q: It wasn't Mansfield?

RABB: You know, he was number three in the State Department at the time--Armacost, or something like that. I mean, I know him so well, I ought to be ashamed of myself, but I'm trying to recall.

Q: We can add this.

RABB: They said to me, "Yes, what is it?"

I said, "No, because it is important and I want to talk--"

I explained that Ruggiero, who was number two, was prepared to go over to try to make peace.

They said, "You know, this is a red-hot issue here in the United States."

It is still like it was over here with this thing. It really was red hot at the time--terrorism, you know. Americans--Klinghoffer was the name of the fellow who was killed. It was awful.

They said, "And the White House was very upset about this whole thing."

I said, "Yes, I understand that. If we do it now--we're going to do it six weeks from now, but in the meantime, enmities will develop. Let's do it right away. That's my feeling."

They said, "Are you prepared to present this alone?"

I really gulped, because that meant that I was going out all alone on the limb. I said, "Yes."

They said, "Good, because we will be right with you and we will present it to him."

I said, "What about sending them?"

"Hold them there."

Then they came back to me very quickly, and that was the first trip of John Whitehead that he made. That's why it was such a good trip. That was the story. And this thing was averted. It was all friendly, and we patched it up.

Q: Looking back on it, do you have the feeling that, if we had not taken such a unilateral stand with the Delta Force and this macho business surrounding it, the Italians would have not let the people go? Or had we really raised the question of national honor and sovereignty, that they couldn't do anything else? How do you feel?

RABB: My feeling on it is that it was important to bring them down. I had to get consent for it, by the way. I left that out. That was one of the things--I and John Holmes and our staff. We really worked on that one.

Q: This had to be done instantaneously.

RABB: Yes. I don't remember. It was a little hazy, this part. But, to answer your question, I think that all of that was necessary, but not the surrounding--this is the kind of high-handed approach that offends our Allies. This is the kind of thing. You have got to make them a party to this, and not tell them about it afterwards.

I think that the feeling was that we can make it up with the Americans later on. We'll let them go. We'll be friendly with the Arabs, and we'll be friendly with them. Italy has a special problem that all the Mediterranean countries have. They border North Africa and they are not too far from the Middle East. Nevertheless, I feel very strongly that it could have been avoided, not because they would not have tried to do this because I think--

Q: To let them go.

RABB: To let them go, but they would have had no excuse. We gave them the excuse. In other words, what we did was to do a remarkably good thing to stop terrorism. They could not have said no to us, as a good ally. But to insult them, to involve their national honor, to be so out of hand--

Q: This shows the problem of an operator, coming from a military background--like Oliver North--who orders this thing. It sounds fine, but he has absolutely no feel for foreign affairs--might makes right, which was shown with the Iran-Contra affair, which became a cause celebre for the last several years. Don't you feel it is a lack of sensitivity?

RABB: No, no. I know they've got to get the local picture. I think the general idea is that papa knows best. Ambassadors are over there, and what do they know? But the ambassadors are on the scene. They have the pulse of it.

All that I can tell you is--forgive me on thing--is that, if we hadn't done what we did in Italy this whole period, we wouldn't have had this relationship where, today, we have a relationship that is better than any that we've ever had.

Now let me jump on this thing because now I've really got to start to get out of here. The last thing that we did--the universities. I saw it coming down the line. I jumped in. They were being taxed out of existence. There were 55 of them, big ones and important ones--Georgetown, Johns Hopkins, Stanford.

Q: These had Italian programs in them.

RABB: Yes, programs in Italy. Thirty-five of them are in Florence, and the rest are scattered around.

In Florence is where the trouble started. The tax people began to hit them, many of them for close up to \$1 million. That they can't afford to give. We're talking about Florida State, Wisconsin, Michigan, Stanford, as I indicated before, Johns Hopkins--all of them--Loyola, California State--so many of them that are here. This would have caused a tremendous row, I saw, in the academic community. It would have made the intellectuals, who are great friends of Italy, madder than hell.

So the net result of it was that I went--and there I went right to the association. They were being sued, they were being indicted. One of the biggest scandals was in the making on this thing. Finally, just as he was going to Stanford, Shultz said, "Please see what you can do to help on this thing."

I said, "Sure, I'll be glad to do it for Stanford."

I mean, for all the universities, and I'll let it go at that. The point was that I had already started. I said to the association at the universities, "No. Do not have your lawyers push these in the courts. If you get it into the courts, I can do nothing."

You know, the Italian courts are really separate. You never know what happens with the communist judge. You'll never know what happens. I stopped it and, to the credit of the Italians, particularly in this case Emilio Colombo, who was the head of that, some of the people, the councilmen in Florence, I think Andreotti, the others. They really helped them. We cleaned it up, but particularly Emilio Colombo. It's off the board and one of the--now this could have been a raging issue. American colleges being taxed.

All I said was to them, "I want the same treatment. I don't want to hear about courts. I don't want anything else as I went there. I want the same treatment for the American schools as you were giving the Italian schools. You don't seem to realize--and they didn't--that the private schools of the United States are non-profit. They are not employers in the usual sense. It all gets mixed up in their minds.

Anyway, we got it straightened out, and that one was taken care of.

Now, what is the final thing and the point that I want to make with you. I left. But, before I left, when President Bush came--it was around May 30 and I was there--he met with President Cosiga, but particularly with the prime minister. You know--you've been in the Foreign Service, you know-- that there never is a case where there are matters that are unresolved on the table. It was just as it was when I came in--14. They did not have one single, major or minor, issue, question or problem of a bilateral nature between Italy and the United States to discuss. They always have something. Everything was cleared up. I don't know how long it will last since I am now finished. The point is, the dike will break sooner or later, and you have always got to be in there, as with the university thing

and with the others, but I left not a single one. Really, the reason that I say it's not a bad job and why I'm pleased, is that I don't think you are going to find that with any other major country in the world. There is always something that is left. There is always something that's left. That's my story in not so brief, but this is it.

Q: We had an ambassador to the Vatican, Wilson, and there was a big flurry about his going off and doing some private negotiating with Qadhafi. Since the two embassies were so close, did you have anything to do with it?

RABB: Yes. I didn't have anything to do with it as such. I was rather chic on this one. I never really bothered--first of all, I didn't know about it.

Q: I imagine you would have been horrified if you had heard about it.

RABB: The story begins a little differently. It's a great story. Wilson rushed in one day to my office--or he called up-- and said, "I've got to see you."

I said, "Fine. Come on over."

He came into my office, waving the picture of a priest with me in a picture.

I said, "Yes. What is wrong with that?"

He said, "You shouldn't be in this picture with him."

I called in my people, and I said, "What is this picture about?"

Because I didn't even recognize the priest. They said, "He came in with a whole group of people from San Bernardino Valley in California, his parishioners, and they made a tour. You graciously agreed to see them.

I said, "Bill, what is wrong with that?"

He said, "But much worse than that."

He didn't answer my question.

"You put on a reception for cardinals, and Cardinal Loren and Cardinal O'Connor of New York."

I said, "They are great, personal friends of mine."

He said, "You shouldn't do it. That is my jurisdiction."

You'll see this in just a moment.

I said, "Bill, don't let anyone ever hear you say that. Did you ever look at the Constitution of the United States? Do you know what you are asking me? If they hear about this thing, you are going to be really criticized beyond belief. Separation of church and state, for heaven sakes, don't you know about that?"

He said, "They are mine. They are my territory."

I said, "Do you know what you are asking? What you are really saying is that the Protestants and the Jews are mine, and the Catholics are yours. Now, supposing they had gone to a place adjacent to Italy, to France on the Riviera, and O'Connor was there, and the American ambassador to France put on a reception for them. Would that be all right? What about in Spain? I am independent from you, and this is on my soil. I can take care of any constituent I want. Don't you ever come in with that one again."

I'm just trying to give you a feeling about him. In effect, I think I hit. Oh boy, I hit him! It is the only time I did get upset with him. You know, I had the Protestants and the Jews, and that's my set-up.

Later on, I knew that I had heard little stories. He had seen--what was the famous name of the tax dodger from the United States, a businessman. Then he had business in Chile, and he had made money in Chile when he was in this post. He had sold something that he had gotten. He had been doing business on this. His wife's family has something to do with Pennzoil. He never was a main member of the board. Finally, he insisted that he be made a member of the board. That was the first time that he was offered it, after he had become an ambassador. No ambassador ever takes a board membership. I gave up many New York Stock Exchange things. I don't know who in the White House, to get him off their backs--he always threatened that Reagan would do all this, but it is not true, not true. I will tell you. This much I do know, and don't press me on it. But it's not true.

Q: You mean Reagan was not supporting him.

RABB: No. I'll tell you the story some other time. I know he had done all these things, and he had gotten this job. Pennzoil is in Libya. I don't know what happened. I haven't got the story. I had no part of it. I've never gotten involved in it.

But one day, Qadhafi, I think talking to ABC in an interview, said, "I don't understand what the United States has against me. I've been talking to the American ambassador to Italy." But then it came out quickly that it was clear, but I also had to check, that it was not I; it was he. He had gone to Andreotti and said, "You know, I am a very good friend of President Reagan. There is a very important errand that I have. I want you to make an appointment for me with . . ."

Now, he's on my territory. I gave you the first part of the story so you would see. I mean, there is a Secretary of State for the Vatican. It is a separate picture. I'm not kicking about it, but I'm just giving you what happened.

He didn't say to him--because Andreotti was very upset about it later. He said, "It is important that I see him, and I'd like to go and see. Can you arrange it?"

It's just as if I'm saying to the President, who wants me to go quietly. So he got him a plane, not an Italian government plane but I think a candy manufacturer's plane. They took him over there. He disappeared. His own staff didn't know what had happened, his own security. Then he came back. That was the end. They called us up to ask where he was. We didn't see him. That was fine. He came back and everything went along very smoothly.

Then came this ABC interview. When he named him, boy, that was it. Shultz--Wilson disliked Shultz terribly--was madder than he could be. They evidently have a record. I haven't even seen what the record is on this thing. On that one, you're going to get others. But that's an interesting little plot.

Q: It gives an idea about what is known as a loose cannon.

RABB: Oh, boy. Oh, boy. I think the New York Times was ready to really break him wide open on the following Monday, and he got out on a Thursday. He heard about it and he got out.

Q: Mr. Ambassador, I know you've got to go. I really appreciate this.

End of interview