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

ROBERT REINSTEIN
&
STEPHANIE KINNEY

Interviewed by: Charles Stuart Kennedy
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INTERVIEW

Q: Today is October 5, 2010. This is the interview with Bob Reinstein and Stephanie Kinney. This interview is going to stand on its own. It regards the climate change issue. I've already done an interview with Stephanie, and I'm going to be doing a full one with Bob, but today we're going to talk climate change. Do you want to pick this up, Bob, where we started, and Stephanie, you make yourself known and let you two talk about it since you were both involved, albeit at very different levels.

REINSTEIN: My first introduction to climate change was in the spring of 1988. I had been involved fairly deeply in the Montreal protocol to protect the stratosphere ozone layer.

Q: Explain what the Montreal protocol was.

REINSTEIN: It was adopted in Montreal in September '87, and the object was to control and ultimately phase out the use of certain chemicals which deplete the stratospheric ozone layer.

KINNEY: There was also a framework convention that preceded the Protocol, no?

REINSTEIN: Yes. The 1985 Vienna Convention was a simple framework. It had almost no substance regarding emissions. It was just a framework for cooperation and research. The Montreal Protocol, which is a protocol to the Vienna Convention, was the real treaty. The Vienna Convention Parties hardly ever meet; when they do, they meet at the same time as the Montreal Protocol for these meetings.

I was then at the Office of the U.S. Trade Representative, responsible for energy, chemicals, and natural resources, and was dragged into the Montreal process, partly because of a letter from John Dingle to my boss.

Q: Congressman?

REINSTEIN: Congressman, Chairman Dingle of the House Energy and Commerce Committee, who wrote one of his famous letters known as "Dingle-grams" to my boss and then U.S. Trade Representative Clayton Yeutter. The message said that USTR needs to be involved in these ozone negotiations; there are major trade implications. That, plus feedback from an associate at USTR, who had been going to interagency meetings, dragged me into that process.

Q: Often when you get a letter from a congressman, it means somebody of the concerned parties had gone to the congressman and say, "Hey, we ought to begin a…"

REINSTEIN: This was really his own initiative. He was a very savvy guy—is a very savvy guy—and he saw, what I saw when I got involved -- that it was a very substantial trade and economic issue. The concern was environmental, but the response was heavily in the area of technology, economics, and trade. Anyway, I got dragged into that in the beginning of 1987 and wound up ultimately as U.S. Alternate Chief Negotiator, the person in the chair of the U.S. delegation much of the time in the big meetings. That's another story. We'll come back and pick that up, because I was also involved with this when I was at the State Department.

Q: You're showing an intertwined…

REINSTEIN: Yes. After that, in the spring of 1988, I thought is there any other environmental issue that is really a trade issue out there lurking that I ought to be watching out for. I was also then the chief energy negotiator in the Free Trade Agreement with Canada completed in 1987, only two weeks after the Montreal Protocol. That's another story. But I had an intern to help me in trying to get the trade agreement through the Congress. It was an executive agreement requiring a majority approval in both houses. It was not easy. My chapter was particularly difficult. I had to appear 16 times in a period of nine months before the Congress. The government in Canada nearly fell and it forced a national election.

I had somebody helping me, and I said, "This climate change (global warming) issue, could you find out what that's about?" She went out, dug around, and brought in a stack of documents. I looked at them and said, "Well, holy smokes! They're going at the heart of the economy -- fossil fuels! Fossil fuels are more than 80% of our energy supply. They are the heart of every industrialized economy. This isn't an environment issue, and I better get involved."

There were some very preliminary meetings inter-agency in the summer of '88, and this was after Jim Hanson made his appearance in the middle of the big heat wave saying humans are causing this.

There was a meeting at the State Department to prepare for a UN meeting to establish the IPCC, the Inter-governmental Panel on Climate Change. I was at the meeting, and it was agreed that the U.S. position was that this was a scientific issue. We will not send in our other people, just mainly only climate (weather) scientists. They established the IPCC, with three working groups: science, impacts, and response strategies, with the U.S. chairing the third. The U.S. delegation came back, and Joe Friday (not the famous character in the 1950s TV series Dragnet but the head of the National Weather Service) said to me, "You got to go to these meetings. The Japanese delegation was 11 people, and 10 of them were from MITI, the Ministry for International Trade and Industry. That was the handwriting on the wall. I suspected when I first read the documents that this was going to go into energy, economics, and trade very quickly.

I was still at USTR and attending the interagency meetings and the meetings of the IPCC, which was where the pre-negotiations were really taking place. People were trying to position themselves through the IPCC process, looking at science, impacts and responses, for advantages for the negotiations on what became the framework of the international climate change response.

KINNEY: Was there any inspiration from the Montreal process in that regard since science, technology and economics had played a key role in implementing the ozone treaty?

REINSTEIN: Nobody spoke of it in that way. There was a process prior to Montreal to develop a baseline consensus about the problem and the science, but really the whole climate approach was quite different. The IPCC, which looks at science and technology

and what are the options for limiting emissions, is an "intergovernmental panel" that is basically governments only. The technical assessment panels under the Montreal Protocol are both government and industry working together as equals. The IPCC output is approved by governments in their capacity as government representatives. They may in fact have a science or economic background, but when they approve the summary reports of the three working groups and the synthesis report of all three, they're in their government capacity.

KINNEY: It is a political document rather than a scientific one.

REINSTEIN: It is a political document, where the governments have selected from these 3,000 page documents what they want to tell themselves, not like that in the Montreal Protocol. Unfortunately, it is like that in climate. We'll get into that. We went along, and I was involved in the Response Strategy Working Group (RSWG) economics and energy subgroups as a person with an energy and trade background. I had been at the Department of Energy and the Federal Energy Administration (a temporary agency after the oil embargo of '73), and in the late '70s and early '80s, I was chief economist of the Energy Department's regulatory programs, when we controlled the price and supply of every aspect of oil.

I had an energy background. It was known to the White House from mid-1980s, when George H. W. Bush (the father) was vice president and his office was in the OEOB. His two chief advisors, who later became the White House counsel and deputy counsel, found out that I was sitting across the street at USTR and had a very deep energy background. When they had an energy question, they would call me rather than DOE. I just crossed 17th Street and advised them, so I was advising indirectly Bush on energy questions from the mid-'80s through these two very, very close advisors.

KINNEY: Who were?

REINSTEIN: Boyden Gray and John Schmitz.

KINNEY: Boyden Gray eventually became White House Counsel, and much later U.S. ambassador to the European Union, in Brussels.

REINSTEIN: He became White House counsel in '89 after Bush was inaugurated, and John became the deputy counsel. They were my partners in this whole thing.

The interagency process, which was kind of a holding action, continued through '89 and '90. In the end of '89 I assumed I'd play a sort of secondary, maybe Number Two type role as I had in Montreal Protocol.

In late 1989 the Deputy Assistant Secretary for Environment, Bill Nitze, the son of Paul (my father and Paul knew each other very well), was at that job, but he would have to leave the State Department. Bill was a very good guy, but being financially independent and all that kind of stuff, was inclined at times to just say what he felt and what he

thought publicly. He made a comment about how the U.S. needed a European style gasoline tax in public. John Sununu, the White House chief of staff, read it in the newspaper and said, "That's it. Last straw. Two weeks. Out." The only political appointee to my knowledge actually canned during the Bush administration.

In the meantime I had been working quietly behind the scenes with people particularly with an energy perspective. People like John Easton (Assistant Secretary of Energy for Policy and later General Counsel of DOE), Bill Ramsay (Deputy Assistant Secretary of State for Energy), Mike Kelley (Deputy Assistant Secretary of Commerce for Basic Industries), people in treasury Charles Schotta (Deputy Assistant Secretary and his people) and others. They were mostly at the deputy assistant secretary and assistant secretary level but as USTR was part of the Executive Office, I organized and brought it together as a meeting of equals. We had been informally preparing how we were going to approach these negotiations.

After Bill Nitze got canned, I called up John Schmitz thinking, "Oh my God, they're using live ammunition. Is it all right for us to keep meeting and discussing certain issues, preparing at fairly senior level how we're going to approach this, particularly from an energy and trade perspective." He said, "Oh, absolutely. Sure. Do it," and, "Would you like the job?" "Sure!" To me it was the most exciting public policy issue I had ever seen. It was the mother of all policy issues. I had a background in science: Math, physics, and I had taught chemistry and earth science. I had a background in economics and energy and trade, and I had been effectively in the chair of the U.S. delegation for Montreal Protocol. I thought, "If anybody has the background you would need for this issue, it's me, and it's my duty to say yes. Besides, it might be a lot of fun!" I tried to do things that were interesting and fun.

Q: Of course!

REINSTEIN: There's an old Chinese curse, "May you live in interesting times." That began a process behind the scenes that dragged on until August of 1990. The interagency meetings kept going on. Bill Nitze was gone. Dick Smith—you probably know Dick--who was the principal DAS, was chairing the meetings on an interim basis.

KINNEY: In the Bureau of Oceans, Environment and Science (OES) at State?

[crosstalk]

REINSTEIN: He was covering the environment portfolio while the process of getting a person in that position went on. Although I was the White House candidate, there were about 40 other candidates who wanted the job, including a former deputy assistant secretary who held the same job in the '70s, former ambassadors, and five-figure donors to the party. A long list of people. I didn't have any particular institution that was behind me, just the White House.

Q: Why would there be so much interest?

REINSTEIN: Kind of a high profile interesting position. People had different reasons. Some people just were attracted. They wanted a title like that. Political people.

KINNEY: Remember the moment in history. Bush had declared himself to be the "environmental president." This had a lot to do with strategy and tactics in Eastern Europe because in 1990, maybe '90 to '91 we're looking at the breakup of the Soviet Union, and one of the grass roots phenomena and dynamics was that nobody thought environment was really a very dangerous or "political" issue. In Eastern Europe, it proved to be quite "political" because there were horrendous problems left by the Soviet Union.

One of their greatest sins was environmental. Environmental issues provided lots of reasons for people to meet locally, whether it involved a dirty river or a toxic dump or bad water, and the new USSR policy of Perestroika permitted such meetings to address local issues. The people who were drawn to addressing local environmental issues were the same kinds of people who were also very anxious to see themselves liberated from this antiquated and failed system. There were multiple layers and messages, but framing Bush as "the environmental president," and this coming along at the time that it did, meant that climate was going to have a certain profile. The UN had legitimized the issue in such a way that everybody thought climate was about the environment. It really wasn't. I personally have thought for a long time that the UN focus on the environment was one of the failures of the process longer term; how you frame the issue determines how it gets negotiated. Bob's story is about how the climate issue might have turned out differently, if it had been framed as energy, which is what climate was about.

REINSTEIN: I saw this from the beginning, from 1988 when I first looked at it. The issue was not only about energy, but because energy is part of what any industrialized economy was about, climate was also about economic growth. A cap on the use of fossil fuels is indirectly a cap on GDP, and so if you're advocating the right to emit carbon or CO2, you're also allocating the right or opportunity for economic growth because there's a correlation. It's not a linear correlation, but there is a correlation between GDP and energy, and it's real. It's not decoupled.

The process was long and drawn out because it had to wait for the OES Assistant Secretary to be appointed and confirmed by the senate. The nominee, Buff Bohlen, came from the World Wildlife Fund (WWF) and was a friend of Bill Reilly's. Bill Reilly was the Administrator of EPA. Buff was green, definitely, but he was a fur-and-feathers green, a tree hugger.

KINNEY: He was a conservationist, as opposed to an anti-pollution activist.

REINSTEIN: He was the other side.

KINNEY: Buff came from the long standing, Teddy Roosevelt tradition within the Republican Party of conservation.

REINSTEIN: Yes. Anyway, we met. It turned out that I had lived for a year in his home town, Lubec, Maine, the easternmost town in the United States, the end of the U.S. east coast. Apart from that we were kind of different types and had somewhat different perspectives. I was not green. I consider the environment where we live, not something separate to be protected from human beings.

Buff finally got confirmed. His process of getting in was very slow, and I was just quietly on the back burner, so I was still attending these meetings, the IPCC and interagency meetings, as a USTR person.

KINNEY: You were the last one.

REINSTEIN: Yes. I would be the last one. I was clearly just waiting and biding my time for his confirmation by the senate and swearing in for me to come over from USTR. That happened. He was finally confirmed in July, and Secretary Baker was to sign off on my papers. He was going to sign off so that I could actually transfer to the State Department in the beginning of August. As it happened, in the beginning of August, Saddam Hussein invaded Kuwait, and my papers sat on his desk while he dealt with that one. The scheduled official switchover from to State from USTR was supposed to be the middle of August. I went over anyway, got a diplomatic passport and State Department ID, but I was still being paid until the end of August by USTR. I was basically State Department but not yet on the payroll for the last half of August.

I attended the plenary session of the IPCC in Sundsvall, Sweden, where the first assessment report was adopted. It was chaotic to put it mildly, very clear that governments were trying to position themselves. Saudi Arabia was throwing things in to protect its oil interests. Australia was trying to protect its coal interests. The maneuvering and positioning was blatant. It was a weeklong meeting. We got to midnight on Friday night, and we did not have an assessment report. We adjourned the meeting for half an hour. About a half a dozen of us went up on the stage with Burt Bolin, the first chairman of the IPCC, and said, "How do we put together an assessment report?" We figured the strategy for cobbling the pieces together, resumed the meeting at 12:30, and by 3:00 or 3:30 in the morning, the first assessment report was done. I was there as a State Department official at that point but still being paid by USTR. Fred Bernthal, the former Assistant Secretary for OES, was still chairman of the Working Group on Response Strategies and told the rest of the leadership of IPCC that I was going to be the U.S. chair of Working Group III, so we were there sort of as the outgoing and incoming…

KINNEY: Handing off the baton.

REINSTEIN: Yes. The handover was unofficial because Fred hadn't officially [RAR note: I believe he had left State, but not the IPCC position] departed OES, but we were there as a duo so that it was a seamless transition. But the IPCC process was a mess. We got out of that in the fall.

KINNEY: President Bush had committed to hosting and coming to the IPCC plenary in January 1990.

REINSTEIN: The president made a welcoming speech at the January 1990 meeting, but it was unusually warm.

KINNEY: It was 76…

REINSTEIN: Every time we hosted an international meeting on climate change, it was exceptionally warm, record warmth for the day.

KINNEY: It was around the 17th of January and the temperature was 75 and 76 and the most brilliant, wonderful sunshine out at the Georgetown Levy Center anyone had ever seen.

REINSTEIN: As an indication of the White House approach, the leaders of the energy department and EPA had collaborated to produce a text for the president for this meeting, and they proudly [probably] brought it to the White House and gave it to John Sununu (White House Chief of Staff) saying, "We have got a statement here that both of us can agree on: Energy and environment." Sununu's response was to tear up the document and throw it in the trash and say, "Thank you but no thank you. Don't do this again unless I ask you to." Sununu and I got along for whatever reason.

KINNEY: You had a house in New Hampshire!

REINSTEIN: He didn't know that! He knew me from my energy negotiations with Canada and called me up while he was governor of New Hampshire asking about both electricity and natural gas that passed through New Hampshire on their way to Massachusetts. He had some problems with Massachusetts, particularly regarding the agreement on the evacuation plan for the Seabrook nuclear plant, which Massachusetts was blocking, and they had to sign off on it. They said, "Well, we don't really need this nuclear anyway. We can buy electricity from Canada," so he was very interested in how the trade agreement handled energy imports from Canada.

We had a very good talk when he was governor. Boyden Gray brought me in to meet him prior to their backing me for the State Department job at the beginning of 1990, and he said, "Okay." He and I and Boyden went out in the hallway in the West Wing and ran into Chase Untermeyer, who was head of the Office of Presidential Personnel and all political appointments. Sununu and Boyden Gray told Untermeyer, "This is our guy to go to the State Department for the environmental job. He turned to them and said, "Okay." There were no records of that conversation. Nothing. When it came time for me to go over to State, the State Department personnel office called Presidential Personnel because I was to be a Schedule C, or whatever that is. They said, "Okay, the papers are ready for your guy." Presidential personnel said, "What guy? We don't have any record of him. He's not in our system."

I had to fill out a form that said, because you're a political appointee, "Where were you registered in 1988, in which party, and what did you do to help George Bush get elected, and if nothing, why not?" I said, "District of Columbia. Democrat. Nothing. Hatch Act [federal law prohibiting government employees from certain political activities]" Nobody ever said anything, but after Sununu shut off both EPA and DOE, no one was supposed to speak on climate change publicly except me. I was the only person authorized to speak…

KINNEY: Which meant also the State Department.

REINSTEIN: Everybody was puzzled.

Q: Why would there be such an opposition to trying to come to some agreement on the part of Sununu? Was he bypassing his boss George Bush?

REINSTEIN: No, he wasn't. In his view, he was protecting his boss from being manipulated by the much more knowledgeable career people, and he didn't want to put that particular issue in the hands of technocrats. This policy was so sensitive. Sununu was obsessed with the issue. He apparently had 180 or something IQ, was an engineer, and he had a climate model on his own personal computer, and every new theory that came out, he tested on his model. That's how interested, almost obsessed, he was.

Q: I'm trying to think New Hampshire. You had your toxic gas or something coming from coal burning things.

REINSTEIN: Acid rain.

Q: Was this something that related to the New Hampshire background?

REINSTEIN: New Hampshire was not particularly green. New Hampshire and Vermont look like each other rotated 180 degrees. They're 180 degrees different in terms of the people. New Hampshire was, "Live free or die," and the only tax was real estate. There was no income tax or sales tax. Now it's a little different, but that was then. New Hampshire was for rugged individuals, and Vermont was the People's Democratic Republic.

Q: My wife comes from a small town called Sheffield near St. Johnsbury. They look upon New Hampshire as being a bunch of people who are trying to sell as much liquor and cigarettes as they can to Massachusetts.

KINNEY: Some truth.

REINSTEIN: There are many, many other things. Our summer place in New Hampshire has been the family summer place since 1915. They rented it the summer. My grandmother loved it. My grandfather gave it to her for Christmas. The deed to it was under the tree. We don't want to go too deep into this.

Q: Anyway, Sununu…

REINSTEIN: Sununu was obsessed with the climate issue. He had known me from the energy trade negotiations, and he had Boyden Gray's advice that I had been an energy advisor to Bush during the '80s and he trusted me.

KINNEY: Sununu grasped what you did, which was that the issue not an environmental one. It was a fundamental economic and energy and trade issue masquerading as environment because of certain politics and history in Europe.

REINSTEIN: Anyway, most of the cabinet was afraid of him. He was not a kind of warm and friendly type. He just told it like it was, and he was smart, and he had the authority. Bush gave him the authority. Bush picked him on purpose. He was Bush's tough guy. Bush could then play the nice guy, the classic bad-cop and good-cop roles.

I had one meeting with Sununu before the climate negotiations began in 1991. Buff Bohlen came along with me. Just the three of us. Sununu said, "Okay, these negotiations are going to begin next week," or the week after, whatever it was. "The Europeans want us to agree to these crazy targets. What are you going to do?" I said, "You're right. They're crazy. We're not going to agree to them. Can't do it. It doesn't make sense to us." He said, "Okay."

"And the developing countries, they want all our money. They want new money." I said, "Under our constitution it's fairly simple. The executive branch has no authority to give any money unless congress has already approved it. Standard in our instructions for any international meeting. There are ways to respond to it. It's not like we're turning our backs on them, but no new money."

KINNEY: And they want our technology for free.

REINSTEIN: And Sununu asked about the third issue: "The developing countries want all our technology for free. What are you going to do about that?" I said, "That's a little different. Most of the technology is in the public domain. It's not under patent protection. The problem is finding out what's out there and already available. Some of it you have to buy or pay something, but basically this is an advantage for us. Our market is mature. Europe is mature. The developing country markets are the growth markets of the future, and technology is the way we can position ourselves in those markets. In other words, this is a ticket to establish U.S. presence in the growth markets of the future: the technology."

KINNEY: And build relationships.

REINSTEIN: Stephanie will talk about the technology cooperation initiative. I got a green light from him. "Okay. Play the technology card and protect the few things we do

want," and I did. But that's okay, and that's the only kind of plus that I had. The others were two no-no's: no targets, no money.

We were basically against the whole world. The developing world wasn't going to be bound by the targets, so they said, "Targets for you, nothing for us." Europe and Japan and Canada never say no to developing countries about money. They all say, "Yes, we'll talk about how later, or how much," so everyone else in the world was against us on the money and on the targets.

Q: On the targets, were the Europeans as they have been often accused, they'd set these targets then pay no attention to them.

REINSTEIN: Yes. For them targets were ultimately negotiable.

KINNEY: Aspirational.

REINSTEIN: They were able to set a target and then, like California which had a zero emission vehicle target -- obviously it wasn't going to be met -- they could just somehow either roll it over or adapt it.

KINNEY: They had a parliamentary system, too, which makes a big difference.

REINSTEIN: If we agree something internationally and ratify it, it becomes U.S. law, and it can be enforced through the U.S. court system.

KINNEY: Because we have separation [division] of powers.

REINSTEIN: Yes. Separation of power in the United States makes our whole approach to treaties different. Having been a trade negotiator, I was well aware of that while I was negotiating, and when I negotiated on climate, I thought, "This is going to be a treaty. It's got to go through the Senate." You've got to have 67 votes or it does not get the advice and consent needed for ratification, that is, you cannot have 34 opposed. I started looking at key states. Alaska, oil, and eventually gas, two votes against. West Virginia, coal, one or two votes against. Texas, oil and gas, two votes. Oklahoma, oil and gas, two votes, etc. And major fossil fuel consuming states, particularly in the Midwest.

KINNEY: West Virginia!

REINSTEIN: West Virginia, where Robert Byrd was a leading senator, Democratic leader in the Senate. Jay Rockefeller. He wasn't assured voting against, but he still had to consider the interests of his constituents, including coal miners and their families.

KINNEY: But Senator Byrd…

REINSTEIN: Robert Byrd was very clearly against the kind of emission targets proposed by Europe. Then the states that are heavily dependent on coal and other fossil fuels in the Midwest.

You talked about the acid rain. Well, the Midwest was heavily dependent upon coal for power generation. Their own coal for a long time, which was dirty sulfur-wise. More recently cleaner coal because they were able to get low-sulfur Wyoming coal at lower prices after the railroads dropped their freight rates in order to get that business.

Q: Wyoming.

REINSTEIN: Wyoming. Two votes against any emission targets. What was blocking them earlier was the rail rates.

Q: it just happens that right now I'm reading a book by John McPhee who is an excellent writer about various things. It's a book called Uncommon Carriers, *and he's talking about the rail network. He rode with engines. We're talking about the extremely sophisticated way that Wyoming coal is being moved by trains to Alabama and to Georgia and to other places. It was a whole new thing. This was written 2004.*

REINSTEIN: What happened is the rail rate issue was dealt with after the Clean Air Act Amendments in 1990 and the trading system for sulfur dioxide (SO2) emissions was established. The early targets were overachieved because the rail rate problem was taken care of so that Wyoming low-sulphur coal could move into the Midwest and replace the high sulphur coal. They say all the emission trading system, SO2 trading, was a great success. It was a great success because of the rail rate changes. They were able to get people to get enormous reductions in sulfur emissions without having to make any capital investment.

KINNEY: Just change the type of coal.

REINSTEIN: The stack scrubber to clean out the SO2 was hundreds of millions of dollars. It was a big investment.

KINNEY: A huge technological, complex type of technology.

REINSTEIN: Also it reduces to some degree the efficiency of the power plant, so getting the switch to low sulfur coal was the key. Anyway, that's an aside. Where was I?

KINNEY: You were counting votes and the Senate ratification system.

REINSTEIN: Counting votes. We got the 34 votes against before I got to the end of the alphabet, and I thought, "No CO2 target." The Europeans were pushing CO2 stabilization by 2000 to be in the treaty. That was eight years off and was out of the question. We had done analysis. A business as usual scenario had us at about plus 13% above 1990 emission levels, more or less. Best case, absolutely everything you could ever get through

the congress, we were at plus 6%. Going back to 1990, we were counting getting rid of the CFCs, which are also greenhouse gases, as part of that, so the actual situation without that was even worse.

Q: CFCs are…

REINSTEIN: Chlorofluorocarbons, like Freon, but Freon is the trade [generic] name.

Q: They make holes in the…

REINSTEIN: Stratospheric ozone layer.

KINNEY: Aerosols.

REINSTEIN: They were also greenhouse gases, but they were already controlled under the Montreal Protocol and therefore excluded from the climate treaty. The definition of (human-emitted) greenhouse gases in the climate treaty is those gases not controlled by the Montreal Protocol.

KINNEY: And name those gases, Bob. What are greenhouse gases?

REINSTEIN: In the original Montreal Protocol, there were five chlorofluorocarbons (they have names and numbers and stuff), and three halons, which were bromine compounds which we use as flame retardants, including in fighter airplanes. The U.S. and Russia (in 1987 still the USSR) had some problems with phasing them out.

KINNEY: Those were controlled under the Montreal Protocol, but the greenhouse gases that were the object of the climate negotiation included related chemicals not controlled by the Montreal Protocol.

REINSTEIN: The greenhouse gases (GHGs) emitted by humans. The greenhouse effect is natural. It is about 97% due to water vapor. Without it life would be on earth would be impossible for us. It would be too cold. So there is a greenhouse effect. It is caused almost entirely by water vapor. Clouds and humidity. Human additions to that are much smaller. The three primary human GHGs are: carbon dioxide (mostly from the burning of fossil fuels, and a few other sources like cement manufacture); methane (natural gas or swamp gas or whatever -- a very potent greenhouse gas but not very long lived, from livestock, waste sites, and leaks from natural gas and coal facilities); and nitrous oxide (laughing gas, mostly from agricultural soils). The principle sources of those two other than carbon dioxide are agriculture. If you want to go into what activities in agriculture, I can do it. I don't know whether it's really necessary for this interview.

Q: No, I don't…

REINSTEIN: This is State Department history. Anyhow, about 80% or more of human emissions is carbon dioxide from burning fossil fuels. It varies from country to country,

partly depending on the energy used for electricity generation. So Brazil has a lot of hydro, and France has a lot of nuclear. And both have important agriculture sectors. The other gases, mostly from agriculture, are therefore relatively more important because a whole lot of electricity is emission free. Hydro and nuclear have no greenhouse emissions.

KINNEY: Where this started was why Europe was so attached to targets and why we had such a problem with them? You had counted votes and saw the problems for the United States.

REINSTEIN: I saw the political problems and economic problems.

KINNEY: I remember one of the first things you did when you came in as DAS was to ask the CIA to do an analysis of the key countries from the standpoint of their share of the overall global emissions picture.

REINSTEIN: I picked six countries in particular because I knew that six countries were the key, the U.S. being one, The others were Russia, Japan, China. India, and Brazil. I said, "Tell me what percentage of the world these six countries account for in land area, population, GDP, energy production, energy consumption, fossil fuel production, fossil fuel consumption, agriculture, forests, and trade."

KINNEY: You included Europe. My recollection was there were a few more than six that you looked at because you were aiming to focus on what you had to have before you reached a majority of the global emissions.

REINSTEIN: I knew the six I wanted. I knew Europe would not play the game as separate countries, and was locked into a politically determined position, so I had the experts do the numbers for other countries, but they weren't my target. My target was the other five of the big six. The numbers were just as I suspected, that those six countries accounted for more than half of the global emissions and all other factors, except for trade because of the EU internal trade. The six countries were only 40% of global trade including Europe. I said, "Fine," and I had some very nice color pie charts and things, and I quietly met one at a time with the other five, and I said, "I want to show you something very interesting. There's only a few countries that really count." Actually, they're even more important because Europe is fading.

Let me come back to the Europe question.

KINNEY: Why did the Europeans want targets?

REINSTEIN: Europe, they have this target type approach. What they call a target is not what we call a target, because of the differences in the legal systems and constitution. But an additional difference regarding a CO2 target is because Europe is energy poor. Basically they've got some uneconomic coal in the UK, in Germany, and a few other places. Poland wasn't in the EU then. North Sea oil and gas is mature and already

heading into decline. Energy intensive manufacturing is not economic in Europe. These are global markets for steel, for chemicals, for products that are energy intensive, and Europe was on its way out. The German coal subsidies, which were enormous, are being phased out, but only slowly.

KINNEY: Margaret Thatcher.

REINSTEIN: Margaret Thatcher had basically eliminated coal or most coal in the UK. The coal production in the UK was government owned, and the utilities were government owned. She privatized them both and said, "Pick what's economic, what makes sense, what is economically attractive and supply secure, to generate electricity." What resulted was a massive switching to North Sea gas, and a consequent huge drop in the UK emissions, not only for carbon dioxide but also methane.

Gas emits about half as much CO2 per energy input as coal. It's just not as carbon intensive. Coal is mostly pure carbon, but gas is CH4, that is, one carbon and four hydrogen atoms. Oil is in between in terms of carbon intensity. So the UK switched to gas. They not only got a drop in CO2 emissions, but they also got a drop in methane emissions because coal mines emit methane. The gas that's trapped down there with the coal has to be vented, has to be taken care of, otherwise you get explosions in the mines. Closing the mines also got a major reduction in methane from coal mining. A little bit of increase from methane from gas distribution systems as they brought more gas in, but far less.

KINNEY: Then there is the nuclear share in Europe as well.

REINSTEIN: That's about a third of European electricity generation, and fairly stable except it keeps going up and down politically, but it keeps on working.

KINNEY: France was nuclear.

REINSTEIN: France, Sweden is half nuclear, half hydro and so on, so they had that, but those were stable. They weren't changing. The other thing that changed was German reunification. The Germans went in and basically closed the electric generation and basic manufacturing that was old, inefficient, and dirty in East Germany. They didn't close everything. They couldn't because they had to keep the lights on. They got a 20% reduction in CO2 emissions up front from taking over East Germany. The UK got a smaller but similar major double digit reduction from restructuring the energy sector.

KINNEY: As Eastern Europe came into the union…

REINSTEIN: They brought in a few comparable reductions to East Germany from Eastern Europe. In other words, they were sitting there with a very low population growth, and huge reductions for reasons unrelated to climate policies. They knew they had to get out of coal and energy intensive manufacturing because they weren't economic, but politically they couldn't do it because of the employment impact.

KINNEY: And the unions.

REINSTEIN: This is the thing. The trade unions in Europe had a stranglehold on the governments.

KINNEY: And the economies.

REINSTEIN: …and it's still going on as France is trying to raise the retirement age. They're shutting them down even as we speak.

Anyway, they had the advantage that they already had an up front free reduction and they were heading for more. When they saw the climate issue, the governments had new leverage, because the environment is the new religion in Europe. The churches and cathedrals are for tourists. If you said, "We need to do this to protect the environment," the trade unions were trumped, and that's what they did. They trumped the trade unions with the climate issue in order to do the economic restructuring that was necessary for economic and security reasons. That was it. That's behind it.

The other thing is Europe has long been jealous of the United States because of our incredible energy and other natural resources, and so they wanted to shackle us and hobble us in terms of our competitive advantage on energy. There was a little hidden agenda that no one has ever spoken about, but having been a trade negotiator and former energy official, I understood very well.

Q: Oh, yes. You don't have to go very far to know that…

REINSTEIN: Absolutely. I did energy, chemicals, natural resources, and also for two years steel. I had to negotiate steel with the EU (or EC then), and also with Japan. On pipe and tube we shut the U.S. market for three months to European steel, and it just piled up into bonded warehouses until we settled the issue with them. Anyway, that's an old history. I knew that primarily the EC (later the EU) is an economic cartel.

KINNEY: People forget that the greatest modern environmental legislation and initiatives took place in the U.S. in the '70s under Richard Nixon!

REINSTEIN: Yes. Most of the original, major U.S. legislation.

KINNEY: Montreal Protocol was originally opposed tooth and nail by Europe, and so there was a very interesting flip in the '90s when Europe becomes the standard bearer for environment. It's a very interesting wrinkle in history and sociology and economics.

REINSTEIN: The 1987 Montreal Protocol negotiations were interesting; Richard Benedick has written about this. Our instructions were a letter from President Reagan because there was no interagency agreement on the instructions. I have a copy somewhere. Maybe I gave it to Amy Porges, one of my USTR lawyers.

We were the green leaders until the end of the '80s, and Europe was looking for an advantage and also a little revenge for us beating them over the head on the environment. We were ahead of them on almost everything internationally. They were the sort of foot draggers until the end of the '80s. There's another story. We'll get into that, probably off the record …

Q: I really have to have everything on the record.

REINSTEIN: I like to be candid. You can't really understand the dynamics because part of the fight between Europe and the U.S. on environment was about individual personalities. …. A lot of the EU nastiness in the early years was unnecessary and mixed up with personal animosities. The EU attitude was, "Well, they insulted us about the environment; now we have the upper hand. We agreed because frankly economic and political issues had nothing to with environmental policies." But it gave them a way to hit the U.S. back on the head for them hitting them on the head in earlier years.

KINNEY: There was also a loss of earlier close cooperation with Europe.

REINSTEIN: It was very personal in the early years. I actually had this type of relationship with the commissioner in Brussels.

Q: It was a close relationship.

REINSTEIN: Yes, very, very close. On a first name basis with him. A number of people, several of the EC Directors General.

KINNEY: This was also a period of time when Brussels was seeking to enlarge and aggrandize and strengthen its power, and environment provided a way for Brussels to be both righteous and get around certain "competence" issues, such as taxes, reserved to the sovereign states.

REINSTEIN: Europe and the EU, old as it is, is kind of like a teenager. They know everything and understand nothing.

Q: ___ peculiar system anyway and of lack of real responsibility. It can posture a lot easier than… Not that we don't posture, but the thing is at a certain point we have to come up with a law.

REINSTEIN: The U.S. has to deliver. We can't just posture, and they can. I live half time in Europe, so I know the system well. I've lived in Brussels and now in Finland and have a foot on both continents, and they're very, very different. We talk about many, many reasons, differences. Only some of these play out in the climate process today.

Q: I think as we're talking on the climate thing, we are talking about the difference between laws and principles.

KINNEY: The Europeans' "precautionary principle," is a very good example of the problem. Theirs is a legal system, that can work at such a high level of generality with impunity, but when it's transferred into a U.S. common law, federal system such becomes very problematic because of the need for greater specificity and precedent, the standard of accountability and because of the separation of powers, the right of citizens to sue the state.

REINSTEIN: The two legal cultures are drastically different. We look alike. They speak English almost like Americans, sometimes with a British accent, sometimes with an American accent, and they dress like us, too.

KINNEY: And they have material well being.

REINSTEIN: A lot of their toys are basically originally American toys. They are as materialistic as we are. They drive SUVs to suburban shopping centers. They waste energy the same way we do. Their cars are a bit smaller. If you were paying $8, $9 a gallon for gasoline, you would think about it too. But these are people who pay taxes.

The way I explained it to somebody is they have social programs that are beyond the wildest dreams of left-leaning Americans financed by tax rates that are beyond the wildest nightmares of right-leaning Americans.

Q: Let's get on to the…

KINNEY: Climate.

Q: Stephanie, why don't you set a bit of the agenda right now?

KINNEY: I won't set the agenda, but I'll help set the scene because we don't want to take forever. In January of 1990, President Bush comes to the meeting of the IPCC and essentially identifies himself and his administration with an intention to respond to the findings of the IPCC.

Fast forward to June, and because we had nothing else to offer, he announces at a meeting in Malta that the United States will host the first session of the UN negotiations on a climate treaty. No one at the State Department had been consulted on this. We wake up and say, "Oh, my God! Did you hear what just happened? The President announced that the United States is going to host the first negotiating session of the Framework Convention on Climate Change!" That was in June of '90. In September of '90, we still had no money and no venue. We actually did serve as host, and the President attended and spoke to the opening session of the negotiations, which was held at Chantilly, Virginia, in February of 1991. Once again, the thermometer topped 70 degrees, a brilliant Washington "January thaw" in February.

REINSTEIN: One small anecdote because it's delicious. There was a meeting at the State Department on the budget for activities of international organizations, chaired by John Bolton, the Assistant Secretary for International Organizations. It came to the meeting that we were going to host, and it wasn't in the budget. He said, "How did this get in there? Who put it in there?" I said, "The President." Then he said, "Well, who gave him permission?"

[laughter]

Q: John Bolton, for somebody who is reading this, is somebody you want to look up. He's a character of some notoriety.

KINNEY: Have you interviewed him?

Q: No, no.

KINNEY: That would be an interview!

REINSTEIN: Okay, we'll go back to climate.

KINNEY: Back to climate and the setup. The process has moved forward. It's preparatory. We in the State Department had no infrastructure, had no finance and no resources to do anything that the President kept announcing that the United States was going to host and support.

One of my little anecdotes was having to rob the Secretary of State's K Fund. I had done this in Jan. '90 for the IPCC. This was the only short-notice source of money in order to offer any kind of hospitality and appropriate environment and the usual goody bags, etc., along with a proper high-level reception. I think Larry Eagleburger was Secretary at the time, and having gotten the money, I promised I would never do this again! I couldn't go near his office, but he then saw me less than a year later returning to the well and demanded to know, "Who is this woman and why… She promised?"

We had to raid the K Fund yet again in even larger amounts. It was the representation fund for the U.S. government as held by the State Department. It's the fund that usually pays for summits and big events where senior officials from other governments are involved. It covers many, many things, but when you have no budget, it's sort of the slush fund you go to for help. It's a very, very, very carefully accounted, transparent, appropriated fund, but we had to go back a second time when the President announced his intentions with no consultation with State…

The other thing we had to do was raise from the interagency --a million and a half dollars-- and we still didn't have money because that money could only be spent on certain kinds of activities. Hospitality was not one of them, and you can't have ministers and heads of state from other countries coming to the United States and have no proper hospitality and reception and things like that. These involved major events at

Smithsonian Institution and other venues, where an appropriate celebratory and congenial atmosphere could be created. The point was to facilitate the already very difficult tensions and problems that were evident from the very beginning of negotiations. So the president, where he was in Malta…

REINSTEIN: He was in Malta for something.

KINNEY: In June.

REINSTEIN: Boom! Out of Malta comes this news.

KINNEY: Let's just jump. People don't need to know the vicissitudes of the poor, beleaguered FSO who gets stuck with figuring out how to do this. We opened the negotiations in Chantilly, Virginia, with massive press coverage on a very warm, sunny day with crocuses blooming, in the midst of February in 1991. So, take it from there.

REINSTEIN: I was very lucky that I had someone like Stephanie to take care of this stuff. I traveled very light. I generally didn't have a briefing book or anything. Other people had one. I had a piece of paper folded in my pocket like that with anything I needed. Occasionally I took it out and looked at it, but sometimes I never even looked at it. I used what was up here (pointing to head) most of the time and also gut feelings, being able to read people, being able to understand where they're coming from.

KINNEY: What their interests were.

REINSTEIN: If they have a position? Is this under strict instructions from government, loose instructions from government, or very open instructions where they can freelance? People, particularly in the developing world, may be in any one of these three situations. It was important to be able to tell and not have the Agency going around and snooping on everybody. I had to be able to read body language on things like that. That was very, very helpful.

In Chantilly, there was a crisis. We were establishing the organization and structure of the negotiations, along with the terms of reference for the negotiating groups for the convention.

KINNEY: What were those groups?

REINSTEIN: Commitments and mechanisms as I recall. I'm having to reach back 20 years, but as I recall, there were Working Group I and Working Group II, Negotiating Group I and Negotiating Group II. The Europeans wanted two groups, one on carbon dioxide and one on the other gases. I said no, and we basically stiffed them on that, and we got commitments and mechanisms as the two groups. All of the really tough stuff went into commitments. That's the one I watched. I had Dan Reifsnyder, Stephanie, and a whole lot of real good people from around the government to take care of the mechanisms part, the cooperation on research…

KINNEY: Technology.

REINSTEIN: Technology reporting.

KINNEY: Action plans

REINSTEIN: It was a lot of nuts and bolts stuff, far more in the climate convention than there was in the Vienna Convention on the ozone layer and actually more than there was in the original Montreal Protocol.

KINNEY: Very interesting to compare and contrast the framework for the ozone layer and the framework for climate.

REINSTEIN: Nothing alike. The framework for ozone was just a framework. The framework on climate change went farther than the Montreal Protocol in its original form.

The big crisis was on money and technology. That's the standard developing country agenda. The group of 77 of the 130 or more developing countries had agreed they would go for the jugular in Chantilly, and they picked the Indian chief negotiator as their spokesperson. He was an old UN hand, old 1970s new international economic order.

KINNEY: UNCTAD, the U.N. Conference on Trade and Development, which was started in the early 70's.

REINSTEIN: Extremely articulate. Very, very bright. He wanted in the terms of reference of the working group on commitments an up-front guarantee of money and technology.

KINNEY: His name was…

REINSTEIN: Chandrashekhar Dasgupta. Still a personal friend after all these years.

KINNEY: An example of the importance that other countries attached to the UN is that they do send only their best and these individuals become skilled and adept and rely on both history and experience. They have an opportunistic approach so that if, for example, you don't get what you wanted in UNCTAD in the '70s, you keep trying for it whenever and wherever you can, and climate was just another opportunity to return and get what you had been denied earlier.

REINSTEIN: He was one of their top people. He was later ambassador to China and settled one of the border disputes with China and then ambassador to the EU. He was a candidate to become the top person in the foreign ministry. When he didn't get that job, he retired.

He very articulately laid out, “We need to have this. It’s a matter of principle. We have to have the money and technology without which we can’t even play in the game,” and so on. All of the others of course put their signs up and, “Yes, yes, yes.” I said, “I’m sorry. These are indeed topics on the agenda. We will need to address them in the context of the negotiation. We agree that they are on the table. How they will be resolved cannot be agreed up front because they must be a part of the whole package. Everything in the convention. The answer to the question will not be known until we come to the end of these negotiations, and cannot be put in the terms of reference. We do not accept that.”

The British put up their sign to speak. They were indicating, “Yeah! Yeah!” and were going to say we strongly agree. The Dutch, however, were in the EC presidency (they were then 12), and they came back and actually put the British sign down and said, “We will speak for the Community as President for these six months.” They just said, “Well, this is a problem between the U.S. apparently and the group of 77. We’ll just have to see.” In other words they did not support the U.S. position.

Then the Canadians and Australians made similar interventions. We, the U.S., were being hung out to dry because we were the only OECD country that had not agreed to a CO2 stabilization target. This was their message back: “You want to play that way? You can take on the G-77 alone.”

KINNEY: The EC and others could posture. They could play the good guy to the hilt because they knew they would never have to fulfill what they were seeming to advocate because the United States would take the negative and never agree.

Q: This happens quite often. They’ve done this with…

REINSTEIN: Everything.

[crosstalk]

REINSTEIN: Those votes in the General Assembly -- back then there were fewer countries--, like 144 to 1 with the U.S. being the 1, were pretty common. We’re tough. We don’t cringe. We’re not embarrassed because we’re the only one willing to tell the truth.

On the next to the last day, the meeting broke up at 2:30 in the morning unresolved. We went outside the meeting room. The meeting was being chaired by Ambassador Raul Estrada from Argentina, who was the Vice Chair of the Intergovernmental Negotiation Committee (INC). The INC was the body which was established by the UN General Assembly resolution to negotiate the framework convention.

Estrada and I and Dasgupta went out in the hallway. This was in Chantilly. Estrada said, “We have a problem here. Are we going to resolve this?” I said, “Well, we have to resolve it, I agree, but it has to be resolved in a way that is acceptable.” By body language and intonation, I communicated the fact that I had the authority from the White House at

any time to walk out and take the 50 member U.S. delegation with me even though we were hosting the meeting. I never said it. I never threatened anything. I communicated it by body language, and I looked at Dasgupta, and I could see he was listening. He was nodding. His eyes were blinking very frequently, and I knew he was going to compromise. I could read it. That was at 2:30, 3:00 in the morning.

About 6:30 the phone rang. I was staying there at the center in Chantilly, and it was Allen Bromley, the Chief Science Advisor for the White House, who was chairing the sort of cabinet level group and reporting to Sununu. He said, "What happened yesterday?" I said, "Well, we got a little problem," and I explained it. He said, "What are you going to do?" I said, "We're going to finesse it. We'll be okay." I didn't tell him how. He said, "Okay." He informed Sununu, "There's a problem, but Bob will take care of it. No problem."

Then about 7:30 or something the Chair of the negotiations called me to his suite and said, "How are we going to resolve this problem?" I said, "We'll have to work around it." He said, "Have you got any thoughts on language that might do it?" I made a few notes I thought might work, and then I went out. He called Dasgupta in and met with him. Then he called us both like two school boys. He said, "I listened to both of you and thought about it, and I have some language that I think might resolve the issue," and he put a text in front of us that reflected my thoughts expressed to him earlier.

But I did not tell my own negotiating team, the U.S. delegation, that I had total authority to fix the problem. Not because I didn't trust them but because I didn't know how good poker players they were. You know, you can go out and you're having coffee, and you kind of smile a little bit inadvertently, and you reveal that there's something going on, how we have might have fixed this. I trusted them absolutely on anything they said, but I didn't know how well they could control their body language such as not to reveal this, so I didn't tell them.

After this meeting having the compromise text shown to both of us, I said, "Well, I know how the White House is very concerned about these things." We took 20 minutes, so my people said, "Well, are you going to call the White House?" I said, "I'm going to get a cup of coffee first." Then I disappeared, went to the bathroom and stuff, and killed 20 minutes and came back and said, "Okay, the language went through."

It was an example of… I don't know what you call it--kabuki?—where it had to appear there was this great crisis and that the Chairman of negotiations had intervened to get a compromise, whereas in fact it was in the end arranged by the United States very quietly.

KINNEY: Discretely.

REINSTEIN: Discretely. The White House trusted me from Day One to fix things, particularly language things. I'll give you just one anecdote to illustrate it. After the negotiations were completed in May of '92, in late May I was up in Ottawa for a conference on trade and environment, and I got this call that said that the European ministers had said they wanted a carbon-energy tax, 50% CO2 content, 50% energy

content, equivalent to about $10 a barrel in oil. Oil was then selling for $20 a barrel, so this was a 50% increase in the price of oil. But their tax was contingent upon the U.S. and Japan adopting something similar. They said, "BBC has come to find out what the U.S. answer is, and the White House has told them to ask you, so BBC's coming up to Ottawa to ask you for the U.S. answer." What the White House did not do is tell me what the answer was supposed to be or how to present it! There I was with the BBC cameras and everything, and I gave the answer. Like that. But they trusted me that I would a.) know the answer and b.) know how to answer diplomatically on everything. I never got any instructions from them except no targets and timetables and no new money for developing countries.

Q: Did you have anybody breathing down your neck from congress? How about congress?

REINSTEIN: [laughter] Al Gore? [laughter} John Dingle? [laughter]

KINNEY: They traveled with us!

REINSTEIN: Al was so obsessed he would follow me around the world! He'd be in Geneva outside of where we were meeting, holding a press conference in the street condemning me. I invited him to a couple of our delegation meetings, and he came into one negotiating session in Geneva. There were two seats at the front table, and I let him sit next to me at the table next to the microphone. I said, "Do you want to say anything?" consistent of course with our instructions because we're not allowed to say anything that's inconsistent with our instructions. He was a Senator. Al and I got on a first name basis.

KINNEY: We had a control officer for him. A nanny. That was myself, so Bob knew pretty much what the Senator was doing. We were always very helpful facilitating and supporting at all times. Dingle was the same way. He didn't really come, but he sent his top aide.

REINSTEIN: Chief counsel of the House Energy and Commerce Committee, Dave Finnegan, who sat right behind me. When he was allowed to be in the meetings, he was right behind me. He was also right behind me in Montreal in '87. I used to laugh, and I'd say, "I got Al Gore looking over my left shoulder and John Sununu looking over my right shoulder." Every move I make, every word I speak publicly I had these two people watching me like a hawk. It was interesting.

I will not say too much about Al on the record. I will give only one anecdote. I had a meeting with the Italian Minister of the Environment in Milan in a quiet little room about this size off of the lobby of the hotel. He and about three other people were on the other side of the table, and about two or three of us on our side, and I saw he was reading from a piece of paper. He spoke English pretty well. I saw that it was a fax. A fax has a signature on the top and bottom of each page. What it said at the top of the page I could read upside down—my eyes were better then— was "From the office of Senator Al

Gore." Al was feeding the European Environment Ministers the script to use against the United States. I suspect it was unconstitutional. There is some prohibition about the congress engaging actively in foreign policy as opposed to overseeing from Washington.

Anyway, negotiations…

REINSTEIN: Back to Chantilly, the session ends with the establishment of the working groups and their terms of reference and certain language, for example, on money. The governments will seek for ways to "facilitate" looking at the money and "facilitate" technology transfer.

KINNEY: The term today is mobilize.

REINSTEIN: That's a term I invented at the Second World Climate Conference in December 1990, prior to the beginning of climate negotiations. There was a worldwide meeting, on the environment and climate, and such noted "meteorologists" attended as Margaret Thatcher, King Hussein from Jordan, people like that. All of the "weather" people.

[laughter]

REINSTEIN: Of course there had to be a ministerial statement or equivalent.

KINNEY: Declaration.

REINSTEIN: Declaration. The negotiations on difficult issues were over the weekend prior to the Monday when the conference began. The target question was finessed on Friday night after a reception in Geneva. Four of us went out to dinner and ate some steak and drank a lot of beer, with me for the U.S., Keiichi Yokobori for Japan, Pier Vellinga who was Dutch (and also an IPCC subgroup chair) for the Dutch EC presidency and Per Bakken from Norway, representing EFTA, which was still a fully functioning separate organization. Four of us.

KINNEY: What is EFTA?

REINSTEIN: The European Free Trade Association. I think it still exists, and now would include Norway, Iceland, and Switzerland still, but almost nobody left from the original group. Originally the UK, Ireland, Denmark, Sweden, Finland and Austria were also part of it, but most joined the EC/EU.

KINNEY: It was the Atlantacist branch of the EU.

REINSTEIN: All the Nordic countries, Austria. It was everybody but the EC-12. Anyway, the four of us, knowing each other personally and all friends, some from the Montreal Protocol days, with enough beer, managed to come up with a finesse on

language on targets. We had to fight not to have it undone by some people who didn't understand that there was a deal.

Then the question was how to deal with the developing countries on money. During the back room negotiations, there was a working group on the money and technology chaired by Mexico, Victor Lichtinger. Victor and I were friends, and we had lunch together. He said, "How are we going to finesse this money and technology problem? You got any ideas?" Again, I'm a language guy. I can often find ways to bridge differences through carefully chosen words. "Okay, let me try my hand," so over lunch I wrote again some notes for that paragraph. He came back from our lunch as chair and said, "Based on consultations, I have some language that maybe we'll see if we can agree on." He put a text reflecting my notes in front of the group. It said, "New and additional resources should be mobilized…" It did not say they should be "provided" or who (industrialized countries) should provide them, or what kind of resources. But it contained the key words sought by developing countries – "new and additional"—and this was the important signal to get the language accepted by the G-77.

KINNEY: Passive voice and…

[crosstalk]

REINSTEIN: The word financial was missing and "mobilized" can be either stronger or weaker than "provide." One African asked, "Who's going to provide these?" I said, "It's pretty obvious. The people who have them!"

[laughter]

REINSTEIN: "We don't need to say so!" Then, "What does mobilized mean? Why doesn't it just say provided?" I said, "This is a much stronger word because it's not just the action. It's all of the institutional capacity building, and everything that facilitates. Mobilized captures all of those things." I said, "My colleague here from the UK, from Oxford or Cambridge…" Tony, in fact, didn't go to Cambridge, "…can confirm the use of this word." Anyhow, I got away with it. I had a watchdog from State Department who was a political appointee, who came in and watched this thing. She said, "You agreed to 'new and additional'… Aiyaiyai! The White House is going to go crazy! Aiyaiyai!" I said, "Go away." We got back to Washington, and we had a meeting at the White House, and I explained the text, explained passive voice, word financial missing, mobilized means anything you want it to mean.

KINNEY: There's nobody accountable.

REINSTEIN: Yeah. So the general response at the White House was, "Good job." That language was very useful. When we went back into the plenary meeting and somebody wanted to open up the targets paragraph, I said, "Mr. Chairman, this is a package deal, and everything is interrelated. If we open one paragraph, then everything is open for review or possible revision including, for example, Paragraph 15," which is the

developing country paragraph. The signs went up all over the room. Yes, it's a very delicately balanced package. We shouldn't open anything.

KINNEY: Especially no threat to our new and additional resources.

REINSTEIN: They thought they had won, and they basically staved off the people who wanted to reopen the target paragraph.

KINNEY: This is the word Hillary used in Copenhagen last December, *vis a vis* the 20 billion. [laughter]

REINSTEIN: I was the inventor of the use of "mobilize" in the context of international environment back in December of 1990. It was fun. It was really fun.

KINNEY: We need to continue with just one more session to do the rest of the negotiations unless you all want to continue today.

REINSTEIN: Okay.

KINNEY: I think what's instructive here is how little is about climate change and how much it is about language, UN-speak, traditional fundamental issues like economics and technology.

Q: It's a strong insight into how the system operates. This is something that is lost.

REINSTEIN: Yes.

KINNEY: It has been in danger. One of the things that has struck me is how private and closed or elite these kinds of negotiations were in the late '80s and early '90s and how much that changed with the explosion of the information revolution, the internet, new media, and the explosion of the non-governmental organizations sector by the mid-'90s compared to today. The difference is between night and day.

REINSTEIN: About the second session, which was in Geneva in June of '91. It illustrates the importance of these personal relationships. I went around in April and May, and I met with friends. Basically all the key players were friends by that time, and I said, "It would be very helpful if an idea that was originally floated by the Japanese -- known as 'pledge and review' -- could find its way into the negotiating history here. This could help facilitate the U.S. finding a way to participate." The idea of pledge and review was essentially best efforts the countries would commit to would illustrate what they intended to do if they could deliver. In our case, the fact that we have separation of powers of the branches of government, with Congress independently controlling legislation and passage of any new law that might be required by a treaty, forces the U.S. to essentially commit to best efforts to implement any agreement that it signs. If Congress fails to agree and provide implementing legislation, then the U.S. cannot ratify the treaty.

KINNEY: Or to negotiate an agreement that is easily implementable because we already have the legislation. This is the importance of the Clean Air Act of 1990 to the US ability to ratify the Montreal Protocol on the ozone layer; it was the treaty-implementing legislation for the U.S.

REINSTEIN: This was the case with the Montreal Protocol. The targets which were in the original Protocol were negotiated simultaneously with industry and with congress so that when we came home from Montreal, ratification was guaranteed because all of the key stake holders were already following the process, understood where we were going, and what would be required to implement it. The change in the legislation, the Clean Air Act, to get the ozone depleting chemicals covered was a "done deal" because it had already been wired with industry and with Congress. Climate not so, and it was clear we were not going to be able to do it the way we had done in the Montreal Protocol because it was so fundamentally different. For Montreal, eight chemicals, 90% of them manufactured by six companies in the world as opposed to…

KINNEY: Chemicals that were very definable, very accountable, and absolutely self-evident, none of which applied to the climate situation.

REINSTEIN: You could actually sit down [with maybe bits of text in pieces and actually talk] and say, "How can we do this? How can we live with this? How much is it going to cost? What are the impacts?" Energy and agriculture? Globally?

I said to my friends informally in 1991 that it would be very useful to have this concept on the negotiating table, but the US could not propose it. I got both the EC and Japan to propose it at the June session, and then there was a discussion. It was the phrase referring to "pledge and review," and it went into the record. I wanted to put it into the negotiating history because I wanted it there so I could pull it out in the end game. I didn't expect people to agree to it, but I knew that I had to have something in the negotiating history that was not going to be a total shock.

KINNEY: And there would not be an ambush or look like it was a U.S. imposed "solution."
REINSTEIN: Here I was basically laying the groundwork behind the scenes by going around, just talking to my friends, and saying it would be helpful to have this idea on the table. I got both Japan and the EC to propose it. By the third session, it was shot down. Pledge and Review is gone. Long live Pledge and Review. See the end game.

KINNEY: And the third session was…

REINSTEIN: In Nairobi. I think we do that next time. That was an interesting time. It was the only time I wrote an intervention out. My interventions were made from a few notes on the back of my schedule but no actual text, and Stephanie and others would record what I said for people who wanted a copy of the U.S. intervention after the fact. The only time I ever wrote out and actually showed to the entire delegation an entire

intervention was in Nairobi in September 1991. A 45 minute intervention, but we'll get to that next session. It was fine.

Q: Is this a good place to stop?

KINNEY: Yes. I think so because we'll do…

REINSTEIN: We went on safari. We tried to feed the EC negotiators to the lions.

KINNEY: Nairobi is…

REINSTEIN: …a watershed…

KINNEY: …a watershed for negotiations, but it's also is chock full of lessons for young negotiators or negotiators period.

REINSTEIN: [All that stuff will be looked at next time we meet. It was theater, all kinds of things. When I went to talk to Dasgupta in the middle of the morning in front of the world about my lunch later with him, Tee-shirt Day, etc.

Q: Today is the 25th of October 2010 with Bob Reinstein and Stephanie Kinney. Bob, would you set us up? Where are we, and what are we doing?

REINSTEIN: We are describing the process by which the Framework Convention on Climate Change was negotiated by the United Nations Inter-governmental Negotiating Committee (INC), a process that began in February of 1991. The INC was set up by the UN General Assembly in the end of 1990 as the forum for negotiating a framework convention on climate change, which was to be signed in Rio de Janeiro at the Earth Summit in June of 1992. Backing up a month from the date for Rio, we had basically 15 months in which to reach an agreement.

KINNEY: I think it's very important to underscore that Rio and the framework negotiations were on two totally separate tracks. They only came together for the official signing at the Rio conference. People very often confuse the two.

REINSTEIN: Yes. They don't understand that the text of the convention was adopted in New York in early May and was merely opened for signature by the respective heads of state or equivalent at Rio. The Convention had already been adopted by all governments. In other words, there was nothing more to negotiate, which is why the two of us and some others didn't even go to Rio. Some said we probably shouldn't be seen in Rio by people that want to reopen the climate treaty language.

Q: How did things develop?

KINNEY: I think the best place to pick up is how elements of the end-game had to be introduced early on. In the last session, we talked about how the Japanese had been a party to the introduction of…

REINSTEIN: What I'm going to do, and I'll give you a little more details just in passing to give you a flavor of the game and the way it works. I had planted or gotten both Japan and the EC—still the European Community—to introduce the idea of pledge and review; that is, countries propose what they are willing to commit to and willing to have the rest of the world come and ask them questions and things about what they had done through their best efforts as opposed to legally binding top down targets.

I said this would be a very helpful concept to have introduced somehow into the negotiations. It would help facilitate the U.S. being able to agree to the final package. Both Japan and the Europeans introduced it in the June negotiating meeting in Geneva, and other people said (murmur murmur), and it just went into the record which is all I wanted. On the record. I didn't expect it to be agreed to. Over the summer we had some consultations, and I'm trying to think. There were some IPCC meetings and things like that.

Q: Why did you just want it in the record?

REINSTEIN: Because at the end I wanted to pull it out, and I wanted to have a negotiating history. In other words, my end game is I wasn't sure how much I was going to be able to get people to agree to, how much I was going to have to create it myself or ram it through, and we'll come to that today. I needed to have some key concepts and approaches in the history so they were not totally out of the blue in the end game.

KINNEY: With so many actors, and so many egos, one could not just pick an idea out of the blue and ram it through, especially if one were the United States. Having certain language in the negotiating record or minutes of the meetings, gave that language legitimacy beyond the one or more countries who may have been involved in introducing it. Once part of the record, the concept or language or formulation could more easily be accepted because it had in fact been introduced earlier and at least minimally discussed by all.

REINSTEIN: Yes. Introduced and rejected, But the alternative wasn't flying either, so you could come back and say, "Well, if that isn't going to work, then what is?" What has been here on the table and could be looked at again? In other words I had already in the spring of '91 pretty much the whole game plan in my head. I had never written it down until very close to the end, for Bob Zoellick the under secretary who was acting for Baker. Baker had recused himself, so Bob Zoellick was the acting secretary level person. He said, "I want you to write down your end game plan." I said, "I don't want to write it down." He said, "You've got to write it down. You're out of the country 50% of the time. If I get called to the White House, I need to know where you're trying to go in order to protect your interests." So I did write it down in the end, only for him on plain white

paper from Bob R. to Bob Z. Plain white paper, no clearances, not through anybody, but classified secret.

Q: When you say plain white paper it's not…

REINSTEIN: Literally. No State Department letterhead, no anything. Just the stuff you put out…

KINNEY: The proverbial "non-paper," which is a tradecraft term of art used to refer to a text on paper with no identifying marks, a paper the authorship of which is claimed by no one and therefore a paper of no official standing or accountability. Non-papers are most often used to test language or ideas for feasibility or to convey information one is not suppose to be conveying officially.

REINSTEIN: Yes. Anyway, that was the only time I wrote it down, and that was maybe six weeks before the end, eight weeks before the end. It was a plan, and it was a staging. What I'm going to do is try and walk through how both the negotiating process itself but all the related parallel domestic and international tracks were also being tuned to line up in this direction. Or at least we were protecting ourselves from problem things being introduced in ministerial declarations here and there or in the UN system or UNCED or OECD. I had to do a lot of running to places to basically just bracket ministerial declaration drafts and say, "The United States can't sign them today."

Q: What did you see as being potential problems as far as countries go?

KINNEY: What were the other national interests or agendas at play that were in conflict with our interests or agenda for this negotiation?

REINSTEIN: The whole world was against us and for various reasons. The developing countries wanted the money and technology for free, and the Europeans wanted the binding targets because they had already decided that they were no longer competitive in energy intensive industries, and were going to be de-industrializing. Also they were jealous of us because we were energy rich and they were energy poor, and they wanted to hobble us in the same way

KINNEY: Western European countries knew that, as a region, they would eventually have the advantage of Eastern Europe coming into the play, which was important because Eastern Europe's industrial base was very underdeveloped and less energy intensive compared to that of France and Germany, for example.

REINSTEIN: They would later have the so-called "hot air" emission reductions, meaning that the reductions that happened because of economic restructuring as opposed to actions to make things more efficient for climate reasons.

KINNEY: We talked last week about Maggie Thatcher and the reductions the UK got by restructuring the coal and electricity industries, and the German reductions resulting from reunification.

REINSTEIN: They were the number one and number two emitters in Europe, and each of them had specific national circumstances that gave them huge double digit reductions totally unrelated to the climate change, so they had a free ride.

KINNEY: Why did the Japanese and the New Zealanders and the Swiss and Norwegians (you couldn't refer to them as "wannabees") go along with the EU proposals? And Austria, Finland and Sweden, for example, were still outside the EU then. They sort of went along with whatever the EU was doing because they aspired at least in theory to be a member state or at least (for non-European countries) to have a harmonized approach to things.

KINNEY: And wanted to be regarded favorably and…

REINSTEIN: Even if they didn't join the EU like Switzerland and Norway. They wanted to be seen as good Europeans.

KIINNEY: And it didn't cost them anything.

REINSTEIN: Well, Norway was having a bigger problem, that's a different thing. We can touch on that later, if we have time. But anyway, that was the game. Basically I had to beat the EC/EU on the targets, and I had to finesse the developing countries on money and technology. As I mentioned last time, I met already with Sununu who asked me what my general approach was going to be on targets, money, and technology. I told him no on targets, no on money. The constitution didn't have the authority anyway in the executive branch.

Technology was an area where we could actually use our leverage as being the major source of innovation and technology in the world to gain a presence in the developing markets outside of the OECD countries, so that was the plan on technology. Anyhow, that was broadly the US position: no on targets, no on money, and we're going to come back to you on technology. We came to September in 1991, the third session of negotiations in Nairobi, and that was kind of the end of teeing things up and the beginning of the tough part of the negotiations. It was essentially the beginning of the end of the game.

The Nairobi session was the only time in the negotiations that I ever wrote out in advance an intervention. Every other one, as I mentioned last time, I simply did from the back of a piece of paper like this (shows a single folded piece of paper) with three or four tic points, and were recorded and transcripts made after the fact for anybody who wanted a paper copy. I actually wrote the intervention myself and shared it with the U.S. delegation, and it was a long text because I wanted them to know what I was going to do, why I was going to do it, and how I was going to do it, because not many of them really

understood the U.S. position, and not all of them were on board (particularly the Environmental Protection Agency).

I wrote it out and I circulated it and asked them for their feedback and comments. A few made a few minor helpful things, but basically it was it was essentially as I had written it. What we had in Nairobi was the first text of what the Convention might be -- not a negotiating text as a clean text, but a compendium of everything anybody had put on the table so far in a single document. That was the first time we had a document in front of us of what different people thought needed to be in the convention, and that's the point at which you put brackets, square brackets, around text that you can't accept, that is not agreed, and your country explicitly is on record as not agreeing.

So what I did in Nairobi is I put the brackets on this first draft text. My intervention was 45 minutes. I explained each reservation the United States had on the language so the rest of the world would understand where we were coming from. I explicitly explained that at that time coal accounted for 60% of the electricity generated in the United States and that we had the world's largest coal reserves and we were not going to walk away from them.

KINNEY: Because we couldn't.

REINSTEIN: Well, but I mean first we had the coal and it was good coal and economic and in Wyoming clean.

Q: Was coal considered a dirty thing by others?

REINSTEIN: Yes and no. In terms of other emissions (such as SO2, NOx and mercury, coal is sometimes dirty in its impact on local and regional air, but might be also burned cleanly with modern technology. But in terms of climate change, I'll just flip briefly to the science in terms of how much carbon is contained in an energy unit of coal, oil, or gas. If coal is 100, oil is 80, and gas is 60. Gas is one carbon and four hydrogens. Coal is almost all carbon with some sulphur and other stuff in there. Anyway, coal is already an issue because of acid rain, so some people were already cleaning it up or cutting back on it if they could. The British after Thatcher sold off the government-owned utilities and coal mines went to North Sea gas (because it was their gas), and that's where they got a huge reduction. They had expensive, inefficient coal plants, and they went to modern gas plants. They got about a 50% reduction in CO2 emissions from electricity generation by doing that, also a reduction in methane. Coal seams underground are an important source of methane in terms of greenhouse warming and also a very dangerous thing you have to get out of the mines anyway. To the degree it was vented directly to the air, it was going into the atmosphere and adding to global warming, and if flared, it added CO2 to the atmosphere (this is just a little technical background).

What I did in Nairobi was I explained what the U.S. interest was. Why our national situation led us to take certain positions relative to the language. Then I explicitly went through and indicated exactly where in the language we couldn't agree. So that first week in Nairobi was a watershed. During the weekend everybody said we should work on this

huge text to try to reduce our differences. They said we should spend the weekend having consultations, and I said, "It is clear that everyone has come here with instructions not to compromise, that everybody's here to basically put their wants and wishes on the table. This is not the stage in the process where anybody is able to compromise, and I'm not going to waste my weekend," So instead we went on safari down to the Masai Mara, in southern Kenya, at a place called Governor's Camp, and a whole bunch of other negotiators followed us.

KINNEY: The U.S. Embassy facilitated a good price for the American Delegates, which we were fortunately eventually able to extend to others. We had planned our outing in advance. Or at least I had because I was not going to go all the way to Nairobi and not go on safari on the weekend. Dan and Bob were much less decisive, but as the advantage of attracting the right people to Governor's Camp became more apparent, they got on board and we let others know that they would be welcome, if they chose to join us. We made an enticing opportunity available to them.

REINSTEIN: Was it a ploy? Partly yes, and some of us said, "Well, let's get the chief EC negotiator and push him out of the Land Rover when the lions are nearby."

[laughter]

REINSTEIN: It was actually very good, but because it was a chance for the people to get away from the UN setting in a place where nature is incredible. If you've ever been on a safari, it is an emotional experience as well as an experience of nature and the animals. But it was a chance for all of us who usually sat around in a very formal way to be outside, sharing beer, coffee and meals together in a very informal setting where we could get to know each other personally.

It goes back to what I said last time about chemistry, personal relationships being critical to the success, a real success, of a negotiation. So in that sense it was part of the game plan also. But it was also a message that the US could see clearly that no one else was ready for a compromise and that we were not going to waste our time because we weren't about to compromise either. So there was a message for the negotiations by walking away for the weekend and saying, "No, no. We're going to have fun. Take advantage."

KINNEY: But we made clear that we welcomed anyone who wanted to come with us, which many did.

REINSTEIN: Which many did, and they really enjoyed it. It was quite a good experience. While I was in Nairobi I did a number of things, and I'm just glancing at my notes from that period. Among the people that I consulted with on the side apart from the safari were Australia, the chairman of the negations Jean Ripert of France, the Russians, the Finns, the Italians, the Japanese, India, China, Venezuela, Mexico, the EC, Germany, Saudi Arabia, the UK, Sweden and the Association of Small Islands States, AOSIS, and Mustafa Tolba the executive director of UNEP, who was an old friend and was there of course because UNEP is located in Nairobi.

One piece of theater was an incident I referred to briefly last time we talked. I was scheduled to have lunch with my new friend the chief Indian negotiator, Chandrasekhar Dasgupta, one day. In the middle of the morning plenary meeting, with thousands of delegates watching, I got up from the US chair way in the back of the room (in English alphabetical order) and walked down to where he was sitting behind the India sign. We confirmed our plan to have lunch (not really necessary in the middle of the big meeting) and I made a little joke. When the rest of the world saw us laughing, you could almost feel the paranoia in the room. They were thinking, the US and India are cutting a deal. But we already had a good mutual understanding about the end game. The main purpose of my going across the floor in front of the whole world was to put other negotiators off balance, to make them wonder and fret what was going on behind the scenes.

In general, I didn't waste my time sitting around in the plenary sessions too much. Nothing was achieved in Nairobi other than people saying what they couldn't agree to and of course more people put suggestions in after that. The next negotiating session was in Geneva in the beginning of December.

Between September and December I was working informally. In October I went to a UNIDO (United Nations Industrial Development Organization) ministerial in Copenhagen as alternate head of delegation to the equivalent to "climate minister" for the US, John Knauss, the Undersecretary of Commerce and the head of NOAA, the National Oceanic and Atmospheric Administration. Professor Knauss is a wonderful guy. Anyhow the two of us went to Copenhagen, he as minister and me as alternate head of delegation. I had to negotiate the ministerial declaration again, full of the usual nonsense.

But there was one example I think that was interesting. There was certain language in the draft declaration and I said, "We can't agree to that language." Everybody said, "But you did agree! US agreed to this in Bergen" (which was a developmental ministerial conference a few months earlier). I said, "Well, I wasn't in Bergen, and if I had been, I wouldn't have agreed to this language, and I don't agree to it now.." They said, "But the US agreed. You can't walk away from anything you ever agreed to." I said, "Watch me. It's bracketed, and the answer is no." It went out of the text, and John Knauss was just sitting in the back of the room watching this and smiling. It was fun.

But I also met with people, for example, going back and forth before and after the Copenhagen conference. After that I was in Italy, and I met with the Italian environment minister in Milan in a hotel, private meeting, and that was the meeting I mentioned earlier.

I met with people around the world in Geneva and Rome and Bonn and I met here in Washington with various members of Congress, including Phil Sharp, Congressman Sharp from Indiana, who at that time chaired the house energy subcommittee under John Dingle's energy and commerce committee. Very knowledgeable, very reasonable, very helpful. I met with both Senate and House people who were in a position to understand, not just Al Gore.

We had an economist brainstorming session in Washington on the 7th of November 1991. We invited former members of the Council of Economic Advisors like Bill Nordhaus, Rich Richels from EPRI, and David Bradford, who was later a member of the Council of Economic Advisors, and we had a better part of the day talking about the economics of climate change and responses to climate change.

It was something I had also done separately for the UN bio–diversity negotiations, which were part of my broader responsibilities at the State Department. I got Otto Solbrig from Harvard to come down and brainstorm with us on that. I thought we should use the talent we have in the United States to help the government understand the issues we were negotiating better.

A week later I had a meeting in the White House with the people I was working closely with. Most people in the government did not know who my contacts were. I had a meeting with Andy Card, who was deputy chief of staff, and Boyden Gray, White House counsel. Andy was the person through whom I communicated with John Sununu (then chief of staff) and himself was later chief of staff under George W. Bush.

Most of the U.S. government did not know that was my actual reporting chain was straight into the West Wing, and it was not in my interest for them to know. They had to think I was on a short leash from the White House. In fact, I had full authority from the beginning, but I just wasn't going to tell anybody.

We had consultations in New York in November. We had more meetings. A key meeting was on the 27th of November. Part of my final end game was to quantify what U.S. actions were already doing to limit and reduce our greenhouse gas emissions and to lay it out in some detail. We may not want to agree to targets, but that doesn't mean we're doing nothing. We were actually doing some individual measures which had larger impacts than the total emissions of a lot of countries.

The other part of the end-game plan was to commit some money for the developing countries. We could not come entirely empty handed, so we had a plan. There was the Global Environmental Facility (GEF) for funding environmentally related measures. The US had given in kind support but never had given any actual money, only technical assistance. A bill was pending before the congress which proposed that the U.S. would give $50 million to the GEF core fund. The White House was opposing it. I went to this meeting, which was led by Sununu, wanting a green light to quantify what we were actually doing to limit emissions and to get $75 million, $50 million for the GEF core fund and $25 million for individual country studies. What I didn't tell anyone including my own staff was that if I didn't get what I needed for credibility in the final negotiations, I was going to quit as negotiator.

I told Sununu what I wanted, and he said, "This $25 million. How did you come up with that number?" This is a guy with 180 or something IQ. You can't just blow smoke at him. I said, "Okay, well, we're going to do a mixture of very large countries, medium size

countries, and small countries. An in-depth country study for India or China, one of those countries, would cost about…" (and I had a number, but I forget now what it was), for medium size countries, such and such cost and how many countries would be covered, and the same for small countries, adding up to the $25 million.

But there aren't very many big ones. China, India, and Brazil. Medium size countries, a lot more. Oh, Russia was included, and they got a country study. And for small countries, we could do a bunch of those. They didn't cost that much, and we could work out a kind of template for doing them, snap, like that. In other words, we had done our calculations with some research and careful thought.

Sununu sat there and thought for about 20 seconds while I'm thinking, "Well, am I still going to be negotiator after this meeting or not?" He turned to the representative of OMB (the White House Office of Management and Budget), who I think it was Bob Grady who was then acting deputy director of OMB, and said, "Get him the money." Anyway, that was very critical. It was part of the game plan. Sununu left a couple of weeks after that.

The December negotiating session was uneventful. Basically people repeated past decisions. There was no movement anywhere. It was two weeks of wasted government and UN money in Geneva and not at the best time of year.

KINNEY: I think that was also the session in which we did make a tiny breakthrough with the Brazilians, who realized that they had Intellectual Property Rights (IPR,) enshrined in patents and proprietary technology, which they were no more in a position to give away than was the U.S.A. This realization and interest was at odds with the agenda of the G-77 but very helpful to us, given the technology cooperative element that you were trying to build into the Convention.

REINSTEIN: While I was in Geneva, my side meetings were with Canada, Brazil, India, Argentina, China, Mexico, and Jean Ripert, the chair of the negotiations, plus an interesting dinner at the residence of the U.S. ambassador Morris Abrams where Senator Gore and Senator Baucus were present and a bunch of Europeans and Australians and stuff like that. That was kind of fun, but we don't have a lot of time, so I won't tell you the ending on that.

I came back to Washington and started 1992 very quickly with a whole series of things. On the 6th of January lunch with Dick Lawson, the president of the National Coal Association. General Lawson (a retired four star general) had been Nixon's military advisor during the Nixon White House. He was not only a top military person, but he had been inside the White House, and he was a very important ally. He kept the coal industry from revolting against us doing anything on climate change.

The next day I had lunch with Bill Reilly, the administrator of EPA, the day after that Dan Reifsnyder and I went to see Pat Cody, U.S. director in the World Bank. We had a number of meetings with Pat Cody during early 1992 getting the World Bank to back us up on a number of things and putting some funding the way we wanted to see it done. I

knew exactly what I wanted from the World Bank, and that's why I got it, and that's what Pat told Dan. He said, "Yeah, you guys know what you want and why you want it. That matters."

So anyway, I was wiring things toward the end game. The beginning of the next week I had a meeting with Energy Secretary James Watkins, retired admiral, former Chief of Naval Operations, the top sailor in the Navy, He and I worked very closely through 1991 and 1992 and his partnership was also critical for the success. There were a lot of little things.

I was going through my schedules this morning, the old weekly schedules. There was a lunch with the Kuwaitis and other people in Washington. Then on the 20th of January a couple of high ranking Portuguese came in -- the state secretary (not the minister but the number two for foreign affairs and environment), and another from foreign affairs by name of Barroso…

KINNEY: (laughter)

REINSTEIN: …who for long now has been president of the European Commission in Brussels. Interesting. I didn't remember having that meeting with him.

KINNEY: Yeah, and he was a fire brand.

REINSTEIN: Yeah, but that was the kind of meetings I had. At the end of January, the beginning of February, I went to a very nice informal conference organized by the Rockefeller Foundation at the Rockefeller estate in Bellagio, Italy, Lake Como. Ministers and chief negotiators from around the world were brought in to wine and dine and work with each other informally. That was also helpful in building and strengthening the chemistry.

From there I went up to Geneva for consultations and to chair the IPCC working group III meeting. I was the chair of working group III on Response Strategies. While I was in Geneva I had dinner with Jean Ripert, who just happened to be in Geneva. After the IPCC meeting in Geneva on the 13th of February I went to the Netherlands where I had breakfast with the environment minister Hans Alders, who got to be a good buddy, his number two, Mauritz Eindhoffen, who later wound up as director general of the environment Directorate General in Brussels, and a lady who was just taking notes by the name of Joke Waller-Hunter, whose name I didn't remember from that meeting but later was the head of the UN climate secretariat in Bonn. She died rather young and unexpectedly. Very good lady.

So little meetings like that. I went from Amsterdam down to Paris for OECD meetings and more consultations, and an extended bureau meeting of the Intergovernmental Negotiating Committee, which was organizing the climate negotiations. The extended bureau was basically about 20 or 25 countries or regional representatives that were meant

to represent a reasonable cross section of interests. All the big countries were there. It didn't do much in terms of advancing the negotiations toward an agreed treaty text.

There were further consultations the next day in New York. I picked up a lot of frequent flyer miles. And then back to Washington for cabinet-level consultations, and up to New York for the next UN negotiating session. On the weekend there were consultations, and then on Tuesday I believe part one of the fifth negotiating session began. Nothing was agreed. Things actually got a bit nasty, but a lot of meetings on the side in New York while we were getting nothing done officially. Again, different countries like Norway, Canada, and Germany. I went out to dinner with the Germans and made a connection there because my father had been director of German Affairs at the State Department in the 1950s, and the chief German negotiator knew my father's name from his university days because my father was in the German history books. That helped.

The younger generation included the younger lady who worked with him and was the product of that later generation. She was in her university studies in the period of the Vietnam War, and she was one of the back-pack period, newer-left Europe, and I never had any chemistry with her.

Q: Was that (name – not necessary?)___?

REINSTEIN: Well, she was a career person there, but she just was not helpful, whereas my friend Ansar Voegel, who was near retirement, and I got along very well. We were close enough in age and values and history. We shared something, and that was very helpful, and it was very important also for closing in the end game.

By then I had some analysis done with some very nice color graphics, bi-charts and so on. As I mentioned last time only six countries account for over half the world: United States, Russia, Japan, China, India, and Brazil. It was in February that I sat down with the other five individually over lunch, dinner, or whatever, coffee, and said, "Let me show you something interesting," and I pulled out these nice color graphics and said, "There're only a few countries that really count, and if we can find out what will work that's half the world." The critical part of the end game was getting half the world on board to where I was headed, and that's what I did. I had the other five in my back pocket in February 1992. No European country was included because they were negotiating as a unit, not as individually, and their solidarity and adherence to negotiating positions worked out painfully among them in Brussels kept them from being flexible.

Q: When you talk about the European Union… Right now I was listening to European television just last night, and the Brits are getting extremely restive about the rule of Brussels and all the regulations that are coming from essentially a non-elected bureaucracy. Were you seeing this as maybe even a fatal flaw in the European Union or not?

REINSTEIN: There are fatal flaws in the European Union, but they swing back and forth. In fact the Commission in the early days was the only real player, along with the Council

of Ministers. Since the more recent legislation, you've got a three-way business between the Commission which is the executive branch, the European parliament, and then the Council of Ministers. The Council is composed of top officials of member state governments, as opposed to representatives in either the parliament (where members are aligned with political groupings and not necessarily the national governments) or employees of the Commission (where they represent the Commission rather than their governments).

KINNEY: It might also be worth talking about the back door opportunities that climate change and other environmental issues gave those in the Commission in Brussels, who were seeking to build and expand the authority of the European Commission vis a vis the sovereignty or control accorded to the member states at that time. If European integration was the strategic goal of the Commission, responding to climate change was the perfect tactical issue to advance Brussels interests because it required the integration of environment, economics, trade, science, energy, industrial planning, taxing authorities, etc.

REINSTEIN: The Commission was the key player. Number one on their agenda was to increase what is called in the European language "competency" (meaning authority). When I was a trade negotiator in the 1980s, I used to play some of the key member states and the Commission off against each other. For example, the British were more reasonable in the 1980s on some issues, and I very often stopped in London on the way to Brussels. The Brits would share with me some internal papers and suggestions on strategy when I got to Brussels. On the other hand when we were having a problem with, for example, the French, the Commission was with us and they would tell me how to deal with the folks in Paris when I went down to Paris after Brussels. So there was always a kind of game between the member states and the Commission, and it would vary from issue to issue who your allies were. As a trade negotiator I played that game through all the 1980s, even starting in the 1970s. I knew the game.

Europe. That's the subject of a whole other meeting. I lived more than half time in Europe. The EU has reached essentially its maximum. Maybe they'll swallow Turkey some day, though that is a difficult swallow. Turkey will be the most populous member state if they come in. Their population will exceed German's before long. But the logic of the European Union, the European communities, was economic. The economics kept them from going to war with each other. Their mutual economic interests are what has protected Europe from war since the 1950s. The Coal and Steel Community, Euratom (the nuclear cooperation treaty), and the Treaty of Rome in '57 particularly.

They had a choice in 1995 after they brought in the three remaining western European countries who were applicants -- Sweden, Finland, and Austria --, and they went from 12 to 15. That kind of completed the western European club. They had a choice to go broader or deeper, but they couldn't do both. They tried to do both, and they failed. They went broader because the eastern Europeans were banging on the door to get in, and they took in first ten new members (eight eastern European countries plus Cyprus and Malta), and then Bulgaria and Romania. The different perspectives and priorities of these 12

newer members compared to the earlier 15 members make deeper political integration very difficult, if not almost impossible.

KINNEY: And the U.S. had a vision of including that.

REINSTEIN: Well, yeah.

KINNEY: We're back in 1991 and the competency issue…

REINSTEIN: It was 1992.

KINNEY: OK 1992, in the early '90s. This was before the membership expansion, and the competency issue--what the Commission in Brussels had authority to do vs. what the sovereign states still controlled and had authority to do -- was still being worked out. Without confronting the sovereign authorities directly, environmental issues like climate change provided a strong rationale for building up Brussel's authority (competency) in a "back door" kind of way since competency for big global environmental concerns meant that Brussels also had to get into things such as taxes, and energy, and industry…

REINSTEIN: Energy. Yeah. Two areas where the commission did not have competence and still does not have competence, 100% competence, are taxation and energy policy. They had crept in through the climate issue, into both taxation and the energy policy, but not entirely. That has been an issue, and they're still fighting. The Germans (and the Spanish) still have coal subsidies, despite their green credentials on climate change.

Anyway, that's where we were as of February. Nothing much happening. Al Gore was hanging around in the UN. I had to have coffee with him from time to time. By the February session, I also concluded that the so-called common interest group, which was the OECD countries, did not represent a common interest at all, and I stopped attending their meetings. I would send poor Dan, my right hand, with instructions as to what to say (or not say) in those meetings, and Dan would go and follow his instructions, sometimes getting results and sometimes causing the meetings to completely explode and be adjourned. All of that was according to plan, and my non-appearance was intentional. The chief U.S. negotiator, who had the real authority for the U.S., was refusing to meet with the other OECD countries, because all of them were pushing the binding targets, except the U.S., and they were not willing to compromise with us.

Q: Could they compromise?

REINSTEIN: Some could, but non-EU countries like Canada, Australia and New Zealand, were embarrassed to be grouped with the United States. They wanted to be good international citizens, Canadians especially. They always want to show that they're not just like the United States. They're really different. The North American Nordic. They're green except for the fact they're producing this heavy tar-sands oil with huge CO2 emissions because it's economic.

Anyhow, nobody else was willing to work with us. A number of them silently agreed with us, but they were hiding behind us, and they would not say so publicly. The Japanese were careful. They didn't push us they way the others did, but they were quiet as the Japanese very often are, so it's a language problem.

KINNEY: Countries like Norway could have it both ways because they knew we were going to protect their interests by protecting our own. Our interests were shared; therefore, Norway knew that we would not let bad things happen on targets and timetables, for example. But, on the other hand, neither did they have to fight them because they knew we would, which allowed them to talk a good green game to their European colleagues and their own green domestic constituency.

REINSTEIN: They were just beginning major developments in North Sea gas which had huge increases in emissions, and they were looking for ways to cover their economic interests while looking good.

Q: North Sea gas was coming up whereas North Sea oil is going down. Is that it?

REINSTEIN: North Sea gas was still coming up then. It will be fading. It is already starting to.

KINNEY: This is 1992.

REINSTEIN: This energy is mature. But this was 20 years ago. At that point the oil had already peaked. The gas was still going up. The gas has since peaked. Some of the environmentalists don't want to see it develop anymore. That's a different issue. That's their problem. In any case Europe is not energy sufficient. Even with expensive energy they're not energy sufficient. That was where we were in February 1992.

At the end of the February session we stayed for Saturday and were working on something called technology cooperation seminar. It was an idea we wanted to introduce, this idea of technology cooperation as opposed to technology transfer. The idea that we would work with people, where the technology was already in the public domain which 90% of it was. We would facilitate its transfer and say, "Hey, here's what we got. You can go to the internet." The internet wasn't really functioning yet but, "Here's how you can get it. There's a small percent of technology that's under patent protection and yes, intellectual property rights, and yes you'll have to pay for."

This argument is still going on and still, right now, one of the reasons why the whole UN process is deadlocked today. Same issue. Nothing ever goes away in the UN. That was in February 1992. It was the 29th. That was a leap year.

Q: Let me stop for just a minute. Just for the record here. We have two interns here. This is a complicated business, but you see there's an awful lot of—it's probably an unfair term to use—posturing. Much of politics is posturing. Setting up your thing and then eventually in the back room coming to a compromise because this is what you have to do.

Do you have any questions about the process? One of our interns is from Sweden. Have you ever thought about this energy business?

INTERN #1: No. It's interesting where you're saying how you mentioned that Norway can pretty much act like good guys saying, "Oh, we're going to do this," but in reality it's not.

KINNEY: They know that the U.S. is not going to let anything devastating happen because of our own interests.

INTERN #1: Exactly, and when it comes to signing the Kyoto Protocol or any declarations. The impression I get at least from what we're learning in school is America is more careful about signing things and agreeing to things.

KINNEY: That's correct. This is because of our constitutional separation of powers. If we agree to something that becomes law and then ignore it, any citizen or class of citizens or NGO or State or Senator can take the Executive Branch of the Government to court, even up to the Supreme Court, to enforce the law. That is what rule of law means for us, among other things.

INTERN #1: We sign everything.

KINNEY: Exactly, and you don't have separation of powers accountability.

Q: When we sign something it's a legal document. Still the countries can sign anything and then back away from these.

KINNEY: Our government can be taken to court by its citizens for non-compliance, and our citizens are not shy. [laughter]

REINSTEIN: I was just glancing back. The Norwegians took us to dinner on the 21st of August in 1991 to talk about joint implementation (JI) of emission reduction measures in countries where it was much cheaper to reduce emissions. So they were saying, "If you're going to spend a million dollars on reducing emissions, why not spend it where a million dollars gets you a big reduction as opposed to a very expensive small marginal reduction?" It was a concept that wound up in the convention because I agreed that it belonged as a concept that could be further develop over time.

KINNEY: Made sense.

REINSTEIN: And it was also consistent with my negotiating instructions. If you can get something like this that recognizes that, good.

KINNEY: It was part of the general umbrella concept of technology cooperation. Joint implementation was the operational, if you will, or operationalizing of this sound-nice "technology cooperation" phrase.

REINSTEIN: Yes. In other words, how do you really work for sustainable development; that is, economic development, social development, and environmental protection integrated, and this is one way.

We had a game plan that was well thought out and articulated, Most of the rest of the world had not thought either long-term or broadly across all sectors of their economies to the degree we had. Also, the Norwegians hosted a seminar in Annecy, France south of Geneva, in December just prior to the fourth negotiating session, so they were pushing JI right along. We were being relatively quiet, privately supportive. They said, "Why won't you support us publicly?" I said we had other things to contend with, bigger fish to fry.

KINNEY: The fact that we sponsored the Technology Cooperation Fair was a huge signal and helped us explain the concept. It gave us an excuse to answer questions and talk about a lot of the kinds of technology already out there and ready to be used, especially if the right policies are put in place at the national level. Being "given technology" is not the issue; you don't have to pay for it to be invented or some magic secret to be revealed. Valuable new technology already exists; it's there.

The real issue is how are you going to actually bring it into your national energy production model? How will your acquire it, and use it yourself? That's a much tougher and much more specific and operational reality to come to grips with, so it gave the U.S. the chance to begin cleaning up and clarifying what some of the rhetoric meant. It was a signal the United States was doing something constructive and responsive. All of a sudden, the U.S. is sponsoring this big technology fair, and making available to everyone information, private sector representatives and many new technologies, all produced and in use in the U.S.A.

REINSTEIN: And not agreeing to legally binding emission targets. We're just actually going out and doing the things you need to do to reduce emissions.

KNNEY: A large part of the message on our part was that we are interested in talking with anybody who actually wants to do something specific and concrete. Our point was that responding to climate change offers a great potential for international partnerships and cooperation at the operational level. Diplomacy or diplomats get criticized for partying or conferencing but what you do and how you do it sends strong signals and constitutes a form of communication. In diplomacy, when one deviates from the norm, or ignores protocol, or offends, it should be for a purpose. For the U.S. not to show up at the Common Interest Group meeting at a certain point sent a very powerful signal without saying anything. Our investment in the Technology Cooperation Fair and the form this event took signaled something about us and our interest and our willingness and our seriousness on this issue. You always need to be paying attention to several levels.

REINSTEIN: One other anecdote about the February New York meetings. Over lunch toward the end of them, Stephanie and Dan and I went out to lunch and had hamburgers at a local place on the corner near the UN. We had one of these legal steno pads. I wrote

down some thoughts as to general concepts of how I thought things should come out on this handwritten piece of paper. Well, it wasn't a map. It was a steno pad, and it was only one page, so nobody would think this is an official U.S. position of any kind. After I was done, I spilled catsup on it and wiped it off so you could still read it, and then I crumpled it up and then smoothed it out, and I made a paper airplane out of it. We had a very informal OECD meeting after lunch (it was one of the few I did go to). They asked, "Well, what's the U.S. going to do?" I said, "Well, we have thoughts about this. Let me float some thoughts, and I sailed this paper airplane over this long table to all these OECD countries, and everybody was grabbing for it and ran to the Xerox machine and made copies. Dan still has the original. It wasn't exactly the way the convention read at the end, but the concepts were there.

KINNEY: Were all there in yet another "non-paper."

REINSTEIN: In other words what I was indicating was where I was headed, so they wouldn't feel totally blindsided when I executed the end game. I did it in a kind of fun, light way. And also getting people to kind of laugh and be surprised. It's part of it.

KINNEY: So after February?

REINSTEIN: After February we came back to Washington, and things really began to heat up. I needed the money, and I needed the numbers, what our actions were actually doing for emissions. At that point I was starting to meet pretty regularly with people in the West Wing, Boyden Grey particularly, the White House counsel who had been one of my friends since the mid 1980s. I had a one-on-one meeting with Al Gore on the 12th of March. He said, "You leave your people out. I'm going to leave my people out and just the two of us will go at it for an hour." I said, "Okay, Al, I'll be there." I knew Al pretty well. We went at it for an hour, and at one point he rolls out a chart as long as this table or longer, a 50,000 year record of temperature and atmospheric carbon dioxide concentrations. He said, "Look at that. They march in lock stop, and this is absolute proof that CO2 causes global warming, and this is based on the geological record." Having scientific, training I knew how to look at his chart. I took a piece of paper, and moved it along the graph. I said, "It is true that the correlation between the two curves is extremely high, but if you look closely, you'll see that the temperature goes up first and then the CO2 in almost every case where the two of them rise, so correlation is not the same as causality. If there is a causality behind this correlation, it's that warmer temperatures cause CO2 emissions, which in fact is quite logical because as the temperature rises—average temperature rises—the chemical reactions which release the stored CO2 in the biosphere are speeded up."

KINNEY: Tundra, for example.

REINSTEIN: So there is a feedback rule. Anyhow, Al's reaction was to change the subject.

Q: You're waving your hands

REINSTEIN: He just didn't want to hear it. He knew he couldn't refute it because his own graph showed it. So he changed the subject. He said, "I'll switch to something else," and he tried to prove to me that we could eliminate fossil fuels in a very short time, perhaps by 2010. Having spent seven years at the Department of Energy, the larger part of that as chief of economic analysis of its regulatory programs, and with a science background as well. I knew that what he was saying was just way out, I mean fairy tale stuff. I said, "I don't know how much you know about my background" (meaning my energy background), at which point he made the comment, "You'd be surprised what I know about your background. Don't ever run for president."

After my meeting with Al, I met with the senate energy committee staff, who were much more substantive. The next day I met with Helga Steeg, who was in town. Helga was the executive director of the International Energy Agency in Paris, and I regularly met with her whenever I was in Paris. She happened to be in Washington the next day, and we met in Washington. So I was working very, very closely with the International Energy Agency on how all of the energy aspects of climate change were going to play out.

KINNEY: You had to have some empirical handles amidst all the posturing, the rhetoric, the ideology, and the naïve hopefulness. Somewhere you have to have some accountability, and energy is very accountable.

REINSTEIN: It's also the heart of any industrialized economy. Without it you don't have an industrialized economy. It requires energy to make anything or to move anything from one place to another. By the way, how are we going to keep the Internet going without electricity? Think about it.

In the meantime Sununu had left the White House by the end of 1991, and I got a call in early 1992 from my old boss at the U.S. Trade Representative, Clayton Yeutter, who had after USTR gone to be Agriculture Secretary, then left government and was head of the Republican Party, and had just come back into government. He called me up and said, "Bob, I want to let you know I'm back in government. The president has asked me to be counselor occupying an office down from the Oval Office, and he's asked me to oversee the climate issue at cabinet level. I want you to know if you need anything from me, you can call me anytime. Here is my home number. You don't need to go through the White House switchboard." There was still only one person between me and the president, but it was now somebody I had worked with like that (holding two fingers together) on trade in the 1980s.

The two of us and two people from the Department of Energy -- the deputy secretary and assistant secretary for policy – had worked very closely in earlier years. The four of us were the government panel at one Senate hearing, trying to get the energy chapter of the free trade agreement with Canada through the Congress in 1988, and Clayton said it was the worst hearing he ever experienced. Four hours. Brutal, hostile questioning. I had to take 75% of the questions and answer them.

Q: Who were the questioners?

REINSTEIN: The Republicans were almost worse than the Democrats. One of them was Pete Domenici. He was unhappy with the uranium section in the trade agreement. He was sitting there with his jacket off, chain smoking (you could still do that at the hearings), and waiting for his five minutes, and he went at me like that. We knew each other personally for quite a while on the uranium issue, and actually got along well privately. Part of the Atomic Energy Act was written in my office at USTR in 1982. We went at it, then he got up, grabbed his jacket, and stormed out of the hearing. These were the Republicans! Kent Conrad from North Dakota was just jumping up and down saying, "You just pushed my hot button!" I remember the hearing vividly.

I had to appear 16 times in a period of nine months to get the energy chapter of the free trade agreement through the Congress, and that was an executive agreement, so it was 50% of both houses. That's a subject for a later time. We're just doing climate today. The only point of that is I knew a lot of these people personally.

KINNEY: The importance of relationships again!

REINSTEIN: For example, Bill Bradley lived across the street from me, and Tim Wirth lived around the corner. My former step-daughter used to baby sit for them. The personal relationships went all through this on the Hill, with industry, foreign governments, through trade, That's why in a way it would be difficult for a career foreign service officer to replicate what I did because they don't get outside the State Department. cocoon…

Q: This is always the nature, problems like political appointees. Ambassadors sometimes can be extremely good because their connections are better. Sometimes there's no real connection to the president, but other times there's…

KINNEY: They have a broader network.

REINSTEIN: They have a different perspective. If they are well served by the career officers, it's a very good partnership. But you remember when the Special Trade Representative was set up. You know the old saying, "There's no U.S. desk at the State Department." Well, USTR became the U.S. desk.

KINNEY: Yeah, for trade.

REINSTEIN: But it was taken out of the State Department and put in the Executive Office. When I went there, it had just changed its name from Special Trade Representative to U.S. Trade Representative, in implementing the 1979 legislation. There were only a hundred people, counting secretaries and drivers of the cars and computer people. It was all chiefs and no Indians. I wound up chairing the interagency process for the Montreal protocol in 1987 because USTR is good at chairing difficult UN and other interagency processes, and State Department had lost control of the interagency process

and asked me to take it over for them. That was 1987. Again, that's a different story, but the relationship between State and USTR, which really is a spin off of State, is very important and is part of this whole process.

KINNEY: What you are hearing here is that trade is part of economics, and economics is integral to environment, so you can't really do this issue (climate) through a single optic. Unfortunately, the way our government is organized is still based on a narrow division of labor, which in turn is based on sort of the 1950 factory floor approach to categorizing and structuring jobs and functions. This approach today does not necessarily lead us to the kind of integrated, holistic expertise and experience and perspective that one needs to address transnational, global issues like climate change well and to get it the right policies in place. Any single optic -- environment, science, trade, economics, finance, social development -- is not going to get you where you ought and need to be.

Now back to the end game?

REINSTEIN: End game, well. We had March and April leading up to the end of April final session (part 2 of the fifth negotiating session). Consultations were still going on when I was bouncing around between here and Europe and here and New York. At that point there was a higher level group that met at the West Wing of the White House under Yeutter and included cabinet level people. Previously, from the beginning of the process already before the first negotiating session, there was a senior political level group (under secretary and assistant secretary level) which met under the president's science advisor Alan Bromley, a physics professor from Yale. A wonderful guy.

As it turned out basically, that latter group appeared to be supervising me, but they never gave me any instructions. I had my instructions from Sununu in the beginning, and no one ever said anything beyond that about what I was supposed to do and how I was supposed to do it. In most of those meetings of the Bromley group, I was telling them what I was doing and how I was doing it, and they were nodding and asking questions and becoming informed. As we got very close to the end, it kicked up to the cabinet level, and it began to get very serious, so there were meetings in the West Wing, and one meeting with the President.

Bob Zoellick and I got along fairly well, but there were a few awkward moments. Once we went over to a West Wing meeting, and I was on the list to be allowed into the gate to go up to the West Wing and he wasn't on the list. He had to stay in the car while I got in, and had somebody make sure he could get in. Another time we were discussing something, and he said, "This is really sensitive. We ought to call Yeutter to check and see how he feels about it." He called out to his secretary,, "Can you find Yeutter's number?" Automatically without thinking I just rattled it off from memory. He looked at me and I thought, "I shouldn't have done that," because in fact I was junior to him but much more tightly wired to the West Wing than he was. He was undersecretary and acting for the secretary on climate change.

There was some awkwardness in his final weeks also. He and Bob Grady at OMB were going to leave to join the presidential campaign in 1992, and the two of them had decided that it would be good politics for the U.S. to agree to a CO2 emission target. He tried to get me to agree to it and of course they both outranked me. At that point Bob Grady was acting director of OMB and Zoellick was acting secretary for climate change because of Baker's recusal. I said, "No." The two of them were high enough up that they knew I was really wired straight into the West Wing, just down the hall from the Oval Office, and so they backed off.

We couldn't meet a target. We had analyzed it, and I understood the energy economics. It was not doable, and I just said no. Also, the way I looked at it what it would take to get a treaty through the senate -- you got to get 67 votes. If 34 senators are against you, no treaty. No ratification. I started out, "Alabama…Alaska…" and went through where either or both of the senators might be opposed. I got to 34 well before the end of the alphabet. I knew it intuitively, but I actually had done the arithmetic in my head. We could not get 67 votes with any treaty that had a target, and this is why the Kyoto Protocol was never even submitted to the senate. They had no prayer. No prayer. They wouldn't even have gotten 50 votes. Forty I think… Who knew? They would have been throw-away votes for people who wouldn't have voted for if it mattered, but probably would have voted for it if they knew it would not pass. We get legislation votes like that too.

We did get the two things I needed for credibility. I got the money, but Grady leaked it to the Washington Post the day before I went to New York to announce it, so I lost the element of surprise. In order to get the calculation of what our actions were doing with emissions, the Department of Energy and EPA had jointly been asked to make those calculations, and they couldn't agree. There was a meeting in the White House where Howard Gruenspecht from DOE, who was then deputy assistant secretary I think, and Eileen Claussen, head of the Air Office from EPA, came with their differing views. They were called by Theresa Gorman of the White House staff, so the four of us sat there, and we fussed back and forth, and I said, "Look. I have a background in energy. I have a background in climate change. And either the two of you reconcile your numbers, or I'll take responsibility and reconcile them myself and put the State Department's name on it. I don't have a problem." This was about 6:30 in the evening. In 10 minutes I walked out with the agreed numbers.

But there was some tough stuff ahead. Two weeks before the final negotiating session, there were meetings in Paris. I went early, and on Sunday I met with the chief UK negotiator David Fisk. David was under secretary of the environment ministry and chief scientist and a very good guy. Very savvy and reasonable.

First we had OECD consultations for two days, Monday and Tuesday. There were two different rooms. Dan Reifsnyder had to sit in a bigger room and get beat up, and I went in the smaller room where people talked about the targets. I actually had some flexibility, and I tried to signal to see if anybody was ready to compromise. We were only two weeks from the final session.

I got the comment from my friend from Brussels, "You seem to be making different suggestions here. Are you negotiating with yourself? All the rest of us have agreed on CO2 stabilization target, 1990 levels by 2000. Are you negotiating with yourself?" It's the only time I ever took the gloves off. I said, "Let me be very direct with you. We have analyzed this. There is no way we can meet the CO2 stabilization target. It's not possible in the United States." And I said, "The majority of you can't either. Even though you have announced various things, the majority of you can't meet a CO2 stabilization target, and if you want, I will go right around the room and tell each country who can make it and why, and who cannot and why not. Would you like me to do that?" There was a lot of avoided eye contact. I said, "You go home to the cabinets in your countries, and you come to New York in two weeks and prepare to accept a compromise because we're not agreeing to this target."

It's the only time I ever really got tough.. There was one other American in the room. He said it was the most difficult thing he ever experienced in his life internationally. "Just watching you." It was the only time I ever took the gloves off. Some people don't understand and mistake kindness and a kind of gentle approach for weakness. Every once in a while you have to kind of show them the difference between kindness and weakness.

Then we had three days of informal consultations of the extended bureau of the UN negotiating group in another part of Paris. For three days we talked, and it was very obvious there was no compromise. There was no convergence at all. We walked out, and as we were walking out, David Fisk walked up to me and asked, "What do you need?" I explained conceptually what I needed. He said, "What if we separate the commitment to address emissions from the idea of what the emission trend might be (e.g., the idea of going back to an earlier level), so the two ideas are in two separate paragraphs?" We kicked it around while waiting outside, and I said, "It might work." He said, "Would you write it up?"

I came back to Washington and I wrote the text that I thought we could live with. I had to circulate it at cabinet level to the White House group that Yeutter was overseeing it. I got agreement. There were minor changes. Dick Darman wanted to put in the need for economic development, economic growth, and things like that, as things that had to be taken into account. I put those things in, and a few other things the cabinet level people wanted. Most of the text was my language. We went back and forth between Washington and London by faxes. E-mail was still wasn't available. The British asked for a couple minor changes.

After David Fisk and I had agreed on the basic text, the British sent their minister Michael Howard, later head of the conservative party, over to sort of close the deal. We left two little minor things for him to get us to agree. I had already arranged with David what the compromise language was going to be, but Howard wasn't supposed to know it. So he came over and he met with Zoellick, who was his opposite number. Basically Zoellick and I negotiated together because I had not had time to give Zoellick the script.

The main change was we agreed to put in the word “sustainable” before “economic growth” in the text.

Then Bush called John Major, British prime minister, and said, “We have a deal. Don’t back out on it.” Then he called French president Mitterrand and said, “We have language we can agree to. My man is bringing it to New York. Tell your man,” who was French and was chairing the negotiations, “to put it into the chairman’s text.” Then he called German Chancellor Helmut Kohl and said, “My guy’s coming to New York with a text that I can live with. Tell your people not to mess it up or I don’t go to Rio.” Three phone calls. The four biggest Atlantic countries counting the US, and that was it. I already had the other five of the Big Six outside of Europe (Russia, Japan, China, India and Brazil) in my back pocket months earlier.

So I went to New York basically with everybody who really counted in my pocket. I did have to make a few minor changes in my language. The first paragraph was all one sentence, and people choked on it. It was 19 lines long. I agreed that as English it was difficult. I used to be an English teacher and editor and professional writer, and I agreed to break it into three sentences, which drove our lawyer crazy but I said, “No, no. Clear language is clear language even if it’s in separate sentences. It’s all in the same paragraph.” I fixed that.

The New Zealanders came and wanted to add one more factor: available technology. The majority of their emissions were methane from sheep. Then near the end, my German friend (who had known my father’s name) came to me and said, “The original language said with a “guideline” of returning to earlier levels.” He said, “Could we have another English word that has as a history in the negotiations, either aim or goal? The word ”guideline” has never appeared in the history.” He said that in German, “Aim, goal, or guideline are all the same. It’s all ziel.” He said, “It’s not the meaning. I need a word that has appeared before. An English word that’s appeared before. Aim or goal.”

I had to go back to the cabinet level which had cleared the original text, and I called Yeutter at the White House and said, “The Germans need to have this word changed.” He called me back after a few hours, after he connected with the various people and he said, “Well? Three people can back you: Bill Reilly from EPA, Mike Deland (the head of the Council on Environmental Quality), and Brent Scowcroft, the national security advisor.” He said, “And then there’s a group in the middle including the secretary of energy.” He said, “I have reservations, too. There’s a gang at the other end who says, ‘You’ve already gone way farther than we should. Walk out of negotiations now.’” So it’s one-third, one-third, one-third. I have two-thirds of the cabinet against me.

I picked up the phone and called the Secretary of Energy, Admiral Watkins, who I’ve been working with for over a year, and I said, “Look. Here’s the context,” and I explained it. Here’s a guy who’s the former head of the Navy, and he said, “The Germans are an important ally. I understand.” He said, “A goal looks like a target. If you aim at a target sometimes you miss.” I could live with “aim.” Great. I called Yeutter back and I said, “I got Watkins.”

Zoellick is out of the country somewhere in Eastern Europe, incommunicado, and Buff Bolan was just told to not even speak the word climate, so I had the state department vote in effect, as well as being chief negotiator. Yeutter said, "I'll back you." He said, "I'm going down the hall." Sixty percent of the cabinet was probably still against us, and he walked into the Oval Office and he got the President to agree to "aim." It's going to be in my book. That was it. I went back, and I gave the Germans "aim." After that my counterpart and I were just like this (two fingers together) on the finance mechanism in Article 11, where our good lawyer had provided key help with language during an all-night negotiation among the key players on the 29th floor of the UN building. I had language that said we agreed to pay what we agreed to pay. It was buried in long UN language so it wasn't that blatant, but that is in fact what the language says. In other words, no up front commitments. We'll look at every proposal of every project on its merits. But we will pay up front for them to submit their annual reports that tell us what their emissions are and things like that. In other words, administrative support we committed to. That was a small ticket item. So that's what we got.

KINNEY: What happened with the GEF (World Bank's Global Environment Facility)?

REINSTEIN: Oh, the GEF became the mechanism, the operating mechanism for the funding, not some specialty fund.

KINNEY: In other words, no new fund or special climate facility.

REINSTEIN: We got that, too. I worked with the German negotiator and the two of us pushed it through.

We couldn't get agreement on the final text by Friday night, which was supposedly the deadline, and we ran all through Saturday. We got to 6:00 Saturday night and we still didn't have agreement on the text. Poor Dan. He said, "I have to go down the hall to the men's room. Nothing's happening here. I'll be back." While he was there, my friend UN ambassador Heider, from Pakistan, who happened to be chairing the group of 77 in China that month (it rotates every month in New York) made a compromise proposal on language on the financial mechanism. I had met him in Paris two weeks earlier, and we had a good talk there. His proposal did not undo what I had carefully worked out with Germany.

Of course my lawyer was concerned. I looked at it, and, although I'm not a lawyer, I understand English and thought, "This could work." But Ambassador Heider still didn't have all of the G77 signed off on it. He was putting it out tentatively, because he had about 80% of the countries who said okay, and the others just hadn't answered yet. OPEC was still holding out.

I saw that it was the opportunity to strike, put up the sign. I said, "Mr. Chairman, I would like to thank my friend and colleague from Pakistan for his effort in trying to find a compromise and although from a U.S. perspective it's not perfect, I think we can live

with it on the understanding that this completes the text of the convention." In other words, I hooked the entire convention on the acceptance of these four sentences. Then there was a 10 minute exchange in which most people didn't know what was going on.

The chairman then advanced it (I'm not sure he knew what the tactic was but I suspect the head of the secretariat who was sitting next to him picked it up). It went from being the U.S. proposal to *the* proposal and eventually to *my* (the chairman's) proposal. Looking over the head of the Kuwaiti delegation which was waving its sign, he said, "Seeing no more requests! I take it the proposal has been accepted, and we have adopted the text of the convention," and he brought the gavel down 10 minutes from the opener by Pakistan to the adoption of the convention, at which point most of the room was totally shocked…

KINNEY: What's happened?

REINSTEIN: …and we had run more than a day over. When they realized what had happened, people stood up. They were cheering. They were crying. All the pent up emotion of 15 months broke out. Poor Dan came back from the men's room and said, "What happened? Why is everyone standing up? Why are people crying?"

Not a single minister ever entered the room the entire negotiating process from February 1991. The closest we came was having Al Gore as an observer sitting with me. Fifteen months from scratch to probably the most economically comprehensive international agreement other than a trade agreement, without a single minister ever coming, ever taking part in the process.

Lessons: First, every negotiation is unique. Montreal Protocol is a very successful treaty but not a model for climate change. They're quite different, and I wrote a paper on this in 1996 after I left government. Negotiations are not only unique in substance, but the players are often unique in terms of the chemistry between the key negotiators. But sometimes fortunately there's overlap from other things, even trade over to environment, and it's the personal relationships that really count that make things possible.

Work the domestic process simultaneously with, not after, you do your negotiations. Know what you can deliver, what you can actually ratify and implement honestly before you agree to anything. Know how much it's going to cost, who's going to pay.

KINNEY: And how it's going to be done.

REINSTEIN: And consult with the people who are going to be affected, who are the ones whose businesses and lives are going to be affected, and the people who represent them in the congress.

KINNEY: And respect.

REINSTEIN: I knew this from trade. When I negotiated trade agreements, I had to do this. You can't get a trade agreement through the congress if you haven't worked it during the process, so I worked the climate agreement during the process. It was ratified in record time. We submitted it to the Senate in September 1992. Bill Reilly (EPA administrator) and I testified before the Senate Foreign Affairs Committee, and we got advice and consent from the Senate and deposited our instrument of ratification at the beginning of October.

We were the fourth country to ratify. The first three were small island states. But we were the first large industrialized country to ratify. Some people think we never ratified, that we refused it to ratify. They confuse the Kyoto Protocol and the climate convention. The UN climate convention, along with Montreal Protocol, is one of the most successful agreements ever done, and in it are various the seeds of the way out of the Kyoto Protocol dilemma. They're buried in Articles 4.2(a), (b), and (d), and they were very carefully put in there with malice forethought.

There's a trailer at the end of the sentence of Article 4.2(d): When the EC was defeated on the target proposal, we agreed to a regular assessment of the adequacy of industrialized country commitments. The first one should be done by the first meeting of the Conference of the Parties (the supreme body of the Convention), which happened to be in 1995, and thereafter at regular intervals, the next one being in 1998. What I added to that at the end of the paragraph was, "until the objective of the Convention had been met," which was to stabilize atmospheric concentrations of greenhouse gasses at a certain level described in Article 2 of the Convention.

It was mathematically impossible to stabilize atmospheric concentrations at any level without the participation of the major developing countries, and I knew that. In other words, that trailing phrase was a hook that said it doesn't matter if the industrialized country emissions go to zero, you cannot stabilize atmospheric concentrations. You have to come back to the question of the participation of China, India, Brazil, and those countries, and that was put in there as a hook. They didn't discover it until after 1995. There has never been another assessment.

They tried to change the language to assessment of the adequacy of the implementation of commitments and the OECD countries said, "No, no. The language is very clear. Adequacy of the commitments themselves is not the same as adequacy of implementation of the commitments. We can talk about that separately under Article 7." There were a lot of things that were put in there for the future. Many, many things. There were far more in the framework convention than wound up in the original Montreal Protocol. The original Montreal Protocol didn't really have a financial mechanism. There was some vague language on money, but it was not really fleshed out until the London amendment in 1990. We were way ahead of the original Montreal Protocol. In other words we were far more than a framework convention. Everything that would be needed for the long term response to climate change was already in the Convention and was put in there very quietly in those two paragraphs that I wrote. They were never negotiated. All the businesses about tropical rain forests that they're talking about now, it's all in there.

Everything was put in there. Very quietly and without the agreement of the rest of the world. They didn't even know where the language came from. They still don't know. They think some people did it in some back room, and the back room was on the 29th floor of the UN.

Maybe, I don't think that answers all the questions.

KINNEY: Any thoughts on either interagency or NGOs? NGOs and the number and the behavior of them since?

REINSTEIN: They put a limit on them in terms of accreditation. The meeting last December (2010), in Copenhagen, which made the press everywhere, was a disaster. The Danes estimated that 15,000 people would come, which was better than the Polish host estimate the previous year that 8,000 would come to Poznan which is where the Poles had held it. They said, "We have enough rooms for 8,000 people. Well, they got about 10, or 11,000, and people were out in bed and breakfast farms about 50 miles from Poznan. But that was not a major meeting.

There were unreasonable expectations about the Copenhagen meeting the last December. The Danes had prepared themselves for 15,000 or more to show up, but 42,000 showed up, most of them NGOs. And basically they just said, "We're only going to let so many of these people into the conference hall." Even government delegates had to wait in the cold or rain or snow for an hour or two to get in. The NGOs were simply turned away. They were just told, "Sorry. The capacity of the conference center is 15,000 people. It's full. The governments get in, and the room that's left over after the governments and international organizations have been let in is X, and that's how many we're going to let in."

KINNEY: Would you like to comment on the evolution of not just the numbers but the role or the contribution of NGOs from, say, early '90s to today?

REINSTEIN: The numbers have grown enormously. They have always been a noisy gang from the beginning. You recall even before negotiations began, we had one meeting in Geneva at the Center for International Conferences, the CICG, outside the UN compound, and they surrounded the conference center and handcuffed themselves in a ring chanting, "Climate criminals. Climate criminals," and not letting us out. They did the same thing in Berlin in 1995 at the conference center. They actually put chains around the doors to prevent people from getting out. A total violation of health and safety, and the German police let them do it. The German police actually let them into the conference center to run screaming into the meeting area. I mean, there was clear collusion between the German government and the green NGOs, and it's been a problem at other meetings.

I remember something in Kyoto in 1997. Of course I was long gone from government by then, and I was an observer myself. The NGOs had decorated the shrubs and trees, and one bush had a sign around it, "Help! Help!" in English. "Get me a gas mask! CO2 is killing me." The scientific ignorance is amazing! All plants, trees, vegetables, everything

celluostic that grows in nature gets its carbon by taking CO2 out of the atmosphere. The vegetarians wouldn't have anything to eat if we eliminated CO2. Neither would the rest of us actually. We'd be in deep trouble.

CO2 is a minor component of the atmosphere. Everybody's saying, "Oh, my God! We're getting up to 400 parts per million or higher! We're going to choke on CO2!" My answer to that is, "Divide 400 by 1,000,000. What percentage of the atmosphere are we talking about here?" If you go through the arithmetic, it's hundredths of a percent. It is only a trace of gas at the maximum concentrations it's ever achieved.

Q: Going back to the German government and the green movement in allowing the greens to run wild. I think this would be grounds to walk out and say, "Screw you."

REINSTEIN: You have to understand that most of the government delegations, certainly of the OECD countries, were dominated by the environment ministries. It's exactly what they wanted, and this is one of the reasons, if you follow the press, the IPCC has gotten into trouble. They have been too eager to give the governments what the governments want to hear, which is that the positions you have on climate change in Europe are the right and only positions. After all, it is the Intergovernmental Panel on Climate Change, and many of the people who are government negotiators in the UN process go to the IPCC meetings approve IPCC documents that support the climate positions of those governments. The governments tell themselves that what they are doing is right. Like "Mirror, mirror, on the wall…"

The underlying documents of the IPCC (the three working group reports) are about a thousand pages apiece, and they are peer reviewed, and they have all the caveats and all of the things you should have in a properly peer reviewed scientific document. But nobody reads them except the people who wrote them and people like me. What they read are the policymakers' summaries and the synthesis report of the three working groups. There's a policymaker summary of each of the three working group reports that might run 50 or 75 pages or something instead of a thousand, where they have selected the things that they think are the most "policy–relevant" conclusions that they have mined from this phone book size document.

They just happen to be the ones who support the positions of governments surprisingly. Then when you get to the synthesis report, which is the one all the media quote, it's a further distillation of what the governments want to tell themselves. So it's the governments telling themselves what's going on and what's policy relevant about climate. It's a circular loop. Can you trust the IPCC reports as objective and different from the political positions of government on climate? No, you can't. Not the reports that are public that everybody pays attention to. Underlying technical reports, yes. I chaired two out of the three different IPCC working groups at different times. The only one I didn't ever chair was science, but my background is science, and I can do that, too. They're not straight because they're dominated by people who have a vested interest, not just the governments but also the academics. People who think that humans are destroying the atmosphere, and happen to be scientists, are drawn to this issue like moths

to a flame. People who aren't too sure about it, look at it and say, "Well, there's something here but, you know, it's not really that clear." They don't get more research money for that. They go off and work on something else. So there's a natural selection process. It's not an intentional bias; it's a natural bias. It's like plants turning to face the sun, in this case the source of funding for research and promotions, professorships and all the rest.

KINNEY: Media attention.

REINSTEIN: So what's happened is the people who tend to believe this is a problem are a disproportionate number of those involved in the IPCC, as compared to their proportion in the general population of scientists. When they say 20,000 or 22,000 scientists, experts have agreed this and that, they're talking about everybody who's had any connection with any piece of it. Any part. So if you are an expert who looked at how groundhogs might be affected by climate change, you are being invoked as a person agreeing that we can phase out fossil fuels by 2020 or whatever.

I am an official reviewer of all three working groups' reports. I have agreed with a lot of stuff in there. Twenty thousand scientists haven't agreed to everything that is in the reports. The number of people who have explicitly agreed is a relatively small handful who were involved in the actual writing and who support each other (which the E-mails that came out of the UK have demonstrated very clearly). Sorry if this shocks you.

KINNEY: Would you like to comment on some of the additional factors or alternative factors that you think are important and are less recognized or acknowledged as part of the proof of global warming? Models is one, I know, radiation another.

REINSTEIN: Models are a big weakness. Computer models don't prove anything. I used to build them. I mean, you can make a model do what you want. The critical assumption that causes the models to say there's going to be this and this much warming is an assumed feedback to water vapor, which accounts for most of the greenhouse effect.

There is a feedback from water vapor, but its magnitude is theoretical and is subject to enormous differences in the different ways of calculating it. Without that feedback, the direct warming effect of carbon dioxide, methane and nitrous oxide is pretty small. You have to have the feedback to water vapor. It's what they call "climate sensitivity" in their jargon, and they even developed very complex things in the jargon that basically keep outsiders out. You know the economists do this, too. They use it and all these heavy duty terms so they keep the uninitiated out.

Q: Every organization…

KINNEY: Every priestly class.

Q: …develops its own language, one as a shortcut but the other one is the exclusivity thing.

REINSTEIN: Well, in climate change they add new acronyms and abbreviations every year so that if you were an expert in climate change five years ago, you still can't figure out what they're talking about.

I went to the fourth meeting of the conference of parties in Buenos Aires in 1998, and I wrote in my private report to clients on that meeting that it was evident that the whole process is a circus, and the process itself has become the substance. That was 1998.

KINNEY: I think it might be interesting for you to share your views on the future. You commented on models. What about other science factors?

REINSTEIN: Where do we go?

KINNEY: First, let's call it outside scientific possibilities that are not represented in IPCC reports to the degree that others are. Then, where do we go from there?

REINSTEIN: I'll do very quickly the limitations of the science and what we need to do to make the science better. Adaptation and an integrated approach to what they call mitigation or limiting green house gases, okay? On the science, what's not in the models really is natural variability of the climate over millions of years. It has varied enormously, from ice ages to dinosaurs walking around in the South Pole. We've had huge climate variability. They're not actually understanding climate variability, natural variability. It's not really the models. They put in the 11 year sunspot cycle, and the solar output varies according to that, but also in many other complex ways.

By the way, the 11 years already passed, and we seem not to be following the 11 year cycle right now, and nobody knows why. Well, of course how do you check? You can't put any instruments near the sun. They vaporize before they get anywhere near it. We don't actually understand except theoretically what goes on inside the sun, and we don't understand very well, but the sun is what drives the entire climate system ultimately. Wind, rain, solar heating. All weather is driven ultimately by the sun. The source of energy in the climate system is the sun, and we don't understand the sun and how it affects clouds.

Also, we don't understand clouds. People have studied clouds, but they don't understand them well enough. They understand that some have a warming effect and some a cooling effect, but they don't understand them well enough to project what future cloud distribution might look like, what kinds of clouds we might have in five, 10, 20 years.

KINNEY: And clouds constitute what percentage?

REINSTEIN: Clouds are the most visible aspect of water vapor, which accounts for 97% of the greenhouse effect. What you're missing in the models is the most visible aspect of the number one greenhouse gas and the source of energy that drives the climate system. So how much confidence can we really have? They say, "We can have confidence in

what we think the human contribution is," but then they calculate the human contribution by tinkering with the models to get the models to match the total observed climate as if natural variability wasn't a factor, and they kind of blow natural variability off. The IPCC says, "There is some, but it's minor. It doesn't really matter because it's humans and we've proved it by the models."

This is a fundamental weakness. First of all, the fundamental factors that drive the climate system are not in the models, and secondly, models don't prove anything. I've said that to the chairman of the IPCC, current chairman Rajendra Pachauri from India, who has two PhDs, one in economics, one in energy engineering. He's a personal friend, and I behind the scenes got the Bush White House in the early part of the decade to back him to become the chairman. Sadly he's been captured by the system.

Anyhow, the science is a real problem. And by the way, there're a lot of scientists -- former Nobel prize winners and people like that, a former head of the American Association for the Advancement of Science—who are very dubious about the way the science is being handled, and now they finally have come out with a number of reports. The UN has come out with a report saying that the IPCC needs to be reformed because it is too much leaning to just tell people what people want to hear as opposed to objective science. So that needs to be done.

Adaptation. Climate's been changing for millions of years. Humans have been adapting for millions of years we've been alive. There's a lot of things we can do to adapt. We may be contributing to climate change. Obviously we are, but how much is due to humans and how much is natural, it's hard to say because we don't understand the natural. We're going to have to adapt, because what they say we would have to do to eliminate the human contribution would destroy the global economy. The technology we have today has developed over two centuries, but in the time frames they're talking about, you can't get the top technology that fast, and even if you had it and forced it on the global economy, you would create all kinds of other problems.

KINNEY: And even if you have it, how do you make it operational and effective?

REINSTEIN: The supply of energy is finite; the supply of capital is finite; the supply of knowledgeable individuals is finite. There are certain constraints on what you can do in certain time frames, and things that people have been talking about like, for example, two degrees Celsius has to be the limit of the global temperature increase. If you read the last IPCC report from 2007, you will find that by putting together some stuff in different parts of the science report, we've already exceeded it. It hasn't happened yet, but if one adds the future warming effect of the CO2 and other gases that were in the atmosphere as of 2000 if nothing more were added, to the warming that happened prior to 2000, their combined effect in the atmosphere will cause a warming that will exceed two degrees. Add to that the effect of emissions since 2000. Now countries are running around saying, "Two degrees is too much. We have to have 1.5 degree limit."

We're talking about a giant vacuum cleaner that will go up and somehow remove carbon dioxide from the atmosphere. This is science fiction. I mean, it's nothing but science fiction. It's not even good science fiction. Anybody who understands anything about science just has to laugh and say "Forget it!" Like the movie where global warming causes a 40 foot ice thing in Manhattan, something like that. You know, Hollywood special effects, and that's what it is -- Hollywood special effects. It has nothing to do with science anymore. It's all media hype and Hollywood hype and all that.

So adaptation. We're not going to completely remove the human contribution. My own personal feeling as a scientist is it's not anywhere as big as people are estimating because they're not taking into account natural variability. But we always have adapted. People say sea level rise could be almost a meter or 60 centimeters (2 to 3 feet). Well, I lived for a year up in the end of the Maine coast on the Bay of Fundy. Where I lived, the tidal range was 30 feet every six hours between high and low tide. Up at the head of the bay it's 50 feet. The docks were such that the boats would be down on the mud at low tide and up at the top of the dock at high tide, and they were like 40 feet high.

The only people that have a big problem are low lying islands, basically coral atolls that are only a few feet above sea level at high tide. Well, islands are created and destroyed all the time by the shifting of tectonic plates and other things. Probably at some point those people are going to have to move to some other place in any case. People who build million dollar, two million dollar homes on the edge of a cliff in California or on the beach in Florida are dumb. Then they go out and try to get insurance. And then the insurance companies say, "We're not going to insure anything because global warming might wipe it out." It might or might not, but the insurance companies being risk-averse say, "You want us to insure a car that has no emergency brake or something like that? No."

So adaptation. We're going to have to build a little back from the shore. By the way, the sea level is falling in parts of the world. For example, in the Nordic countries it's falling because the land mass is rising. Most of the earth is molten. The continents are floating on a molten core. The land mass that was weighted down by the last ice age is still recovering in the Nordic countries, and the land is rising, so the sea level is falling in Finland, Sweden and Denmark. Check it out.

KINNEY: Cool.

REINSTEIN: You have to understand a little about geology. Most people don't. Most people believe what they read in the media, and media says what they think will excite people. The Sunday morning at about 11 in the morning, after the Saturday night when we adopted the convention, I had to give a press conference. There were about 200 people. Newspapers, radio, magazines, blah blah. At the start I gave a very brief summary of what we'd agreed at the convention the previous night, and they started asking questions. The questions were so illiterate, so based on perceptions or misunderstandings, that I stopped the meeting and said, "You people have a responsibility to the public to understand this issue properly and to relate the facts so that

the public can understand what might be good public policy or whatever. But you're in the middle, and you have a responsibility," and I proceeded to give them a 10 minute crash course of the science and economics of climate change, after which I said, "Now, questions." They'd become like a bunch of chastised school children. The questions were reasonable. They were good.

The climate issue and a lot of other issues are casualties of the gradual degradation of our education system.

KINNEY: And the media.

REINSTEIN: The media adds to it, but frankly I have blatant examples of media hype and total misunderstanding, almost as bad as the "CO2 is killing me" sign.

KINNEY: Looking forward?

REINSTEIN: Ah! The third thing I didn't get to, I said, "What might work?" First of all, climate change is not about the environment. It's fundamentally about economics and energy, and because of that it's really about sustainable development because energy is essential to both economic and social development. If you don't have electricity, you can't get a proper education because there are things that people who have electricity can do in getting an education that people in a village without electricity can not have. So it already puts some people at a disadvantage. We need energy, electricity in particular, for social development as well as economic development.

There is a correlation. It's not linear, but there is a correlation between energy use and GDP. An attempt to ration energy use, fossil fuel use, through a UN treaty is equivalent to allocating GDP growth, which makes any trade agreement we've ever done look like peanuts.

KINNEY: It's a fixed pie of which you will determine portions.

REINSTEIN: Who gets how much? The developing countries have to grow, therefore we have to be paupers in the OECD. It's an unworkable approach to the problem. What we need to do is come at it from the bottom up. Technology is fundamental to development. Technology is fundamental to sustainable energy supply and consumption in the longer term. We need new energy technologies. Fossil fuels are finite. There are only so many dinosaurs and other things that died millions of years ago and went down there. We are using up those resources at a much more rapid rate than they were created, and we don't actually know how much oil or gas there is.

KINNEY: A lot more than most people think.

REINSTEIN: Most of the easy, cheap-to-extract reserves have already been discovered. What comes next will be more expensive. But technology changes how much we can get out of what we already know, plus it helps us find reserves that we haven't discovered. I

read in one newspaper article that 90% of all of the oil in the world has already been discovered, to which my reaction was, "If the other 10% hasn't been discovered yet, how do you know how much it is?"

This is an example of ignorance, really, just lack of common sense. You don't need to have a degree in mathematics to figure out if 90% is still undiscovered and unknown, you don't know how much it is. It's all about energy technology, and it's also about cooperation. We are an inter-dependent world. The global economy is truly global now, and telecommunications is global. Africa has leapfrogged over land lines for telephones because people were stealing the copper wires anyway. Many in Africa have a phone. It's a cell phone. They just bypassed land lines.

KINNEY: That's what Eastern Europe did as well.

REINSTEIN: Eastern Europe. Western Europe has bypassed paper checks. Everything is now done electronically.

Q: In Africa, they have some equivalent to balloons for transporting heavy stuff because that way you won't need roads.

REINSTEIN: The point is we need to look at what they call appropriate technologies that fit the actual conditions of developing countries. In other words, how do you get electricity and food and health care to the people in these countries? Not simply by replicating what we've done in the United States and Western Europe because it doesn't necessarily work.

KINNEY: We have learned. We did it because that's the way it made sense at the time, but in retrospect we've also learned how one—if one had a choice—could do it better.

REINSTEIN: But improvements can be made on even the same kind of thing we already have. The things that we are doing better now are built on an infrastructure that's highly developed and locked into long-term investment cycles.

KINNEY: And advertised.

REINSTEIN: We're not going to replace it very quickly, whereas they haven't built that infrastructure, so an entirely different approach needs to be found.

Q: I want to interrupt this because we're moving into futurology. It is interesting, but that's not what we're doing here today. We're talking about diplomatic relations.
REINSTEIN: You're right. I said at the beginning last time, the UN process is broken. It is now collapsed, and you will not get an effective climate agreement out of the current process. It's quite stalemated.

Q: The question being in a way, do we need technology takeover anyway?

REINSTEIN: What we need is a very intense and very quiet informal networking. We need to rebuild the networks. The people who all knew each other and made things work in the old days have retired, died, whatever, and been replaced by a lot of people who really don't know the history and what has already been done on the subject.

This goes back to the question of what kind of skills do our negotiators need? This is kind of related to what we're going to do in the foreign service. Will the foreign service ___ have all these skills to do the future negotiations? Or is it going to be more and more a partnership between diplomats and very knowledgeable and experienced non-diplomats, civil service people, which is what I was. I was plucked out of the civil service and put into the State Department because I had what the White House thought was needed to get the job done right, and they didn't feel that anybody at State did.

There's not a bias against the Foreign Service. My father, mother, two uncles, cousin, and great-uncle were all in the State Department. My great-great uncle was assistant secretary in the Grant administration. My family is from that world, but you cannot expect in today's complex world for our career diplomats to have everything, to know everything, that might be needed for every negotiation. It's going to have to involve partnerships among agencies, and there needs to be some trust and some feeling about common goals for the good of the country. Talk about trust, EPA is one of the real problems because they're sometimes more loyal to the international environmental movement than they are to their own government. As an example, the Finnish prime minister some years ago went down to Germany, where the environment minister at that time (i.e., a member of his own cabinet) had been campaigning against the Finnish government, saying if the Finnish government agrees to build another nuclear plant, Germans should boycott any Finnish goods. The prime minister came to Germany and was asked about this, and he referred to the greens as a fifth column. Pretty blunt language. This was in a press interview.

Part of the problem is when you call something environment, people have an idea what that's about, and assume it is a good thing. It goes back to what I said one time to somebody I worked together with on what eventually became the Rotterdam Treaty, (on treatment of exports of banned or restricted chemicals), on the Montreal Protocol, and on chemical labeling (the international chemical labeling agreement came out of an initiative at USTR in the early 1980s). Someone else asked him about me, "So he's an environmentalist with all of that stuff he has done?" I said, "No."

Most people who call themselves environmentalists think of the environment as something separate, which needs to be protected from humans. To me, humans are part of the environment. The environment is just where I live and where other people live, and I look at it in a totally integrated way in which I'm part of it, too. I have my rights the same as the animals and the trees, and we have to work out among us…

KINNEY: A balance.

REINSTEIN: And it is the same thing in terms of preparing people for international negotiations on many so-called environment issues. As long as people understand the

environment as most people do today, getting people to prepare properly for such negotiations requires questioning what they think our relationship is with the environment; it's not about what we call or think the environment is. The environment is where we live. It's actually about cause and effect. I once had a conversation with the Dalai Lama, and it was about a half hour on mostly Buddhist things. But at one point it actually turned to global warming.

I can tell you the date of our meeting. It appeared in my schedule. But because my schedule was public, was on the computer, and because the Chinese were sensitive about the Dalai Lama, I couldn't put in it by that name, and so it appeared as Tenzin Gyatso, which is his real name.

Dan the next day said, "Who's that guy you met with yesterday, Tenzin Gyatso?" I said, "Yeah, most people know him by title." Toward the end of this time we spent together, it was close to an hour maybe, he said, "What's the problem with this global warming? Is it just big business trying to make profits? I responded, "No, your holiness, it's about people. They do not understand the consequences of their behavior. They use things in a way that harms the environment without realizing it. Industry makes things available because people want them, so it comes back to ordinary people. As it says in the teaching, ignorance and suffering."

It's a fact that people don't understand, and I've seen people go, "Ohhhhh, we have to save the environment from global warming!" as they drive their SUV off to the mall and over to the supermarket every other day or whatever, and you pass their house and see practically every light in the house is on. And thermostat is at 70 degrees in the summer and you freeze when you walk in. I don't live like that. It's a matter of personal choices, not because I'm green or environmentalist, but largely economic and also personal comfort choices. I keep my thermostat on 85 in the summer because I was born and raised in Washington pre-air conditioning. My body doesn't have a problem with 85 or 90 degrees. So if you want the kind of people that we're going to need over the longer term, don't label it environment and separate it. Call it sustainable development, and make it a sub category of the economic cone.

But how you're going to get that is to package it as integrated. Don't carve it out. And that's why people get marginalized. It's got to be central for it to work. That's all.

Q: Well, I want to end at this point because we can keep going at this point…

REINSTEIN: And obviously will.

Q: Okay.

Q: Today is the 9th of December 2010 with Bob Reinstein. Bob, we want to move to what you were doing with the Montreal Protocol. Could you explain what this is all about and then what you were up to?

REINSTEIN: At the time I was at the U.S. Trade Representative, responsible for energy, chemicals, and natural resources. I had been doing that for most of the ‘80s. In ’86 a colleague who was working with me was on detail from EPA had been going to meetings at the State Department in preparation for a treaty to limit ozone depleting substances, chemicals that destroy the stratospheric ozone layer, the biggest ones being the CFCs (chlorofluorocarbons -- Freon, and that sort of stuff). The new treaty was to be a protocol to the 1985 Vienna Convention on cooperation on the ozone layer,

He came back from an interagency meeting at State and said, “You gotta get involved in this issue. They’re getting way into trade and a lot of economic stuff, and they’re over their heads because it’s not just environment.” I went with him to the next interagency meeting, and it was very clear that they were talking about chemical trade. And being responsible for chemical trade policy, I thought, “Well, I better keep my eye on this one.”

Sometime around the period of late 1986, beginning of 1987—I don’t remember the exact date—my boss at the time, Clayton Yeutter, got a letter from Congressman John Dingle from Michigan saying, “Mr. Ambassador, I’m very concerned about these negotiations on ozone depleting substances. There are very serious economic and trade implications, and your office needs to be involved.” My interest in watching this issue got ratcheted up by that letter, and I became part of the process and part of the negotiation session in spring, in April 1987.

Q: What were the trade questions?

REINSTEIN: Exactly. There were actually three. Two were straight trade, and the third was trade-related economic..

The first was in Article 2 of the draft treaty, how you define emissions of the ozone depleting substances (ODSs). There was a proposal that emissions be defined as the net consumption of these chemicals, measured by production plus imports minus exports -- that is, the net supply for domestic use. There was a counter proposal from the Europeans to control only production. As it happened, about 40% of their production was not needed within Europe and was exported, so that would have given them a lock on the global market in that they could simply reduce exports in order to meet their domestic needs if the supply were ratcheted down by the treaty. That was the trade question in the definition of emissions of CFCs and other ODSs.

The second trade question was in Article 4, what to do with countries which didn’t ratify the protocol that was being negotiated. Trade restrictions had been proposed, although people weren’t clear as to how that would square with what was then the General Agreement on Tariffs and Trade (GATT), now the key function of the World Trade Organization {WTO).

The third trade-related economic issue was in Article 5, how do you deal with developing countries that did not use these substances in any large quantities yet. Ninety percent of the consumption and almost all of the production was in the industrialized world in 1987,

but ultimately the developing countries were coming into greater use of it, and how would you deal with them in terms of trade.

Q: You might explain where the uses were…

REINSTEIN: Key uses of CFCs included refrigerants (Freon), foam blowing agents (Styrofoam), and solvents for washing semi-conductor chips. This last use was important because water leaves a trace that causes the chips not to function properly, so they used the CFCs as the solvent to wash the chips. Those were the main uses -- insulation, refrigerants, and foam blowing agents. There are other. There were medical uses and some other things. There were only five CFCs. In addition, there were three what were called halons, bromine compounds that were also very destructive of the ozone layer. Their primary use was as a fire-retardant, especially in aircraft cockpits. These eight chemicals were the ones that were picked for the initial negotiations.

I went for my first negotiating session in April 1987 in Geneva to work on those issues. In fact, I was the chief U.S. negotiator for the control article, Article 2 of the Montreal Protocol, which not only defines how emissions would be measured but also the various control measures that would be applied to them and things of that kind.

I wound up responsible for all three articles, 2, 4 and 5, and the State Department paid for my participation because USTR did not have it in its budget to do environmental negotiations. For the final negotiating session in Montreal in September 1987 I was alternate chief negotiator. Richard Benedick was the chief negotiator. But in effect we had two different delegations. Richard was most of his time in the back room arguing over what year would be the target year for reductions and what percentage reduction would be required by that year. Those two numbers went into the blanks in the article that I was negotiating, the control article. All other aspects of the controls were negotiated by me, including the definition of emissions.

Richard was a very private person. He liked to stay in a different hotel even in a different part of Geneva from the rest of the delegation and a different part of Montreal from the rest of the delegation, so the rest of us were like the U.S. delegation, then there was Richard in the back room over what year and what percentage. That was how the delegation was kind of organized. I was actually in the chair for the U.S. in Montreal most of the time until the three final days, which were the ministerial part when Lee Thomas, the administrator for EPA, came. For the weekend prior to the Monday-Wednesday period when we had the ministerial part, I had gone back to Washington to take care of the negotiations of the energy chapter of the free trade agreement with Canada, which I was doing simultaneously. Lee called Clayton Yeutter and said, "I need him back here in Montreal. Could you send him back up here on Monday morning?" Monday morning I wrote a paper for a White House meeting on the Canadian trade agreement, then got it cleared, sent it to the White House, and jumped into a plane and flew back up to Montreal for the closing deal on the ozone layer.

Q: In the negotiations over emissions, who were the countries basically involved and what were the issues, and where did they stand?

REINSTEIN: The two big ones were the U.S. and the European Community. The EU didn't exist yet. It was the EC.

Q: The European Community was basically an entity by that time.

REINSTEIN: It was a legal entity and in fact the EC, the European Community, was the legal entity that ratified the climate convention. The European Union is a political entity but not a legal entity yet.

Much of the negotiations were between the U.S. and the EC, and some other countries far from the equator, that is, the Nordic countries and New Zealand. These countries were particularly concerned because the ozone layer depletion was greatest near the poles, and the resulting risk of skin cancer from ultraviolet radiation (UV-B radiation) which the ozone layer helps to shield is greatest for light-skinned people.

One of the big events affecting the negotiations was the discovery of the ozone hole that had opened over the south pole every spring (which is their winter, their fall). The ozone layer practically disappeared over the south pole and to a lesser degree was also happening at the north pole. So this got the Nordic countries and New Zealand -- all those light skinned people toward the two poles -- very excited because they were worried about the ultra-violet B radiation which the ozone layer screened against, and without the ozone layer to protect the earth, the people would be exposed to excessive levels of UVB and could get skin cancer. The light skinned people near the poles were definitely in there pushing for a strong treaty.

Developing countries weren't involved. They basically were absent. We had tried to get them to come, saying, "It doesn't affect you right away because most of the use is in the industrialized countries, but down the road you're going to need refrigerants for air conditioning and other things like that as you become developed, and you need to be present." We particularly tried to get the Koreans involved because they were rapidly industrializing, but they didn't show up. They were really absent in Montreal. They came in London for the first amendment to the protocol.

Another player was Russia, still the Soviet Union. The halons, the bromine compounds, were used for fire extinguisher equipment, particularly in airplane cockpits, and the Russians had a very big concern about being able to use the halons in their military aircraft.

Those were the main players and interests. The Soviets were pretty quiet, but they and the U.S. shared an interest in protecting the use of halons for military use.

Q: I would think this would be pretty limited.

REINSTEIN: Relatively limited, but the halons were very potent ozone depleters, so there was a big push to get them in to the protocol. But then there were various conditions for how rapid a phase-out you could get for them in light of possible availability of alternatives.

Q: Whose ox is being gored?

REINSTEIN: On the using side, air conditioning, particularly auto air conditioning, so the U.S. auto manufacturers were very concerned. On the producer side, several companies, notably DuPont, were working on alternatives. The hydrochlorofluorocarbons (HCFCs) and hydrofluorocarbons (HFCs) were the main substitutes. These had much lower ozone-depleting potential than the CFCs. Earlier things that had been used as refrigerants are not considered, for example ammonia. Our country place in New Hampshire had ammonia as refrigerant in the 1930s. Nasty stuff. Other refrigerants included hydrocarbons (propane and butane), which are highly flammable. So, in other words, there were toxicity and flammability issues with the traditional refrigerants. The CFCs were the miracle chemicals that were chemically inert and safe for everything ordinary that was a risk. It's just that nobody had a clue that the ozone layer would be affected over the long term. It took decades from the 1940s until the 1980s before that became known.

Q: How did the negotiations go?

REINSTEIN: Very, very slowly, and it was particularly this question of how you dealt with the definition of emissions. It was a stalemate between the U.S. and the EC. The rest of the world basically agreed with the U.S. They said, "What we need to do is control not just the supply but the equitable distribution of supply among countries or groups."

I had a good friend in the EC Commission in Brussels, who had formerly been in charge of steel agreements. He and I had both negotiated steel agreements in the early '80s. Georgi von Osvath, a Hungarian who had served in prison after the 1956 uprising in Hungary. He escaped to Germany and then from Germany his Christian Democrat friends got him a nice position in Brussels in the Commission.

Steel is a tough issue. I won't talk about steel, but Georgi became friends. We had dinner together in Brussels and things like that. We were both in Geneva for the April negotiating session. We went out to dinner down by the lake and drank too much beer and discussed, "How do we resolve this total stalemate between the two sides of the Atlantic?" There was no middle ground between the two emission definitions of either production or consumption.

Really the only compromise was to control them both in a careful way; that is, you control the production, and you also control the consumption. Then you allow for some adjustments for industrial rationalization, because you don't scale plant utilization down below about 70% of capacity. You close the plants, one at a time, and operate other

plants at 90% of capacity, so that the net output of the remaining plants is down to 60, then 50, then 40% of the original production level as you phase out the chemicals.

Some people refer to that industrial rationization as emission trading, an early example of emission trading, but it was not really emission trading but only capacity rationalization. You could do it across borders and across companies and things like that. A lot of flexibility was built into this combined production and consumption approach.

There was a little glitch in getting this combined approach through. Basically the two of us agreed that this compromise was probably the only way out of the bind. But neither of us (representing the US and EC) could propose it because we each had our instructions to hold tight on our opposite positions. We got Ingrid Kokeras of Sweden, who represented EFTA countries, to propose it for us, and she proposed it, and we both said, "Hmmm. Interesting proposal. Not within my instructions, but I'll take it home and see what the reaction is." Well, they got agreement in Europe fairly easily. I got agreement from everybody in the U.S. government except EPA. EPA wanted to take a hard line. They were very anti EC.

Q: There's the technical rationale, but there's also sometimes in a personal way. The organization of bureaucratic, their peaks and that sort of thing.

REINSTEIN: There were in fact the beginning of some bad blood between the U.S. and Europe, and it was a personal conflict between Richard Benedick and Laurens Jan Brinkhorst, who was the director general for the environment directorate (DG-XI) in Brussels. Richard felt that the EC was anti environment because they were looking out for ICI, the British chemical company who did not have the CFC substitutes yet. In that sense it was like trade competition between the companies who were in position to move into the alternative market and those who were behind the curve on it, and so it became a quasi trade negotiation between the government officials representing them.

Richard took it personally, and Richard and EPA were totally pushing the environmental line and blaming the director general from Brussels, Brinkhorst, as if he personally were against the environment. That was the beginning of some bad blood between the U.S. and EC, which carried over into a lot of other international environmental negotiations, including the climate treaty. This spilled into a lot of areas. When Europe on climate had the greener position because of advantages of measures not taken for climate reasons, they came back and were really difficult throughout those negotiations to the U.S. These "non-climate" advantages came from East Germany being absorbed into Germany, with a 20% reduction up front, and Margaret Thatcher getting rid of coal for electricity generation in the UK. They had a windfall that put them in a greener position on climate, and used it to make things difficult for the US.

A lot of that went bad to the bad chemistry between the two chief negotiators on Montreal Protocol. Also, when I couldn't get EPA to back off and agree to the compromise that I had sold to the Europeans, it created an awkward situation at the beginning of the final session in Montreal in September 1987. The rest of the U.S.

government was on board, and we went up on the Sunday before the Monday beginning of negotiations in Montreal and had drinks in the middle of the afternoon in a bar. I had to tell the EC that I still had one last hurdle in Washington for the compromise, and I managed to push it through that week. I had to push the compromise through over the objections of EPA.

Q: How do you push a compromise through?

REINSTEIN: I chaired the inter agency process That had authority over the rest of the U.S. government. I just said (at some point you have to say), "You're being unreasonable, and we need a treaty. Not the treaty you want but the treaty everybody can agree to that will work." And it's the essence of trade negotiation, too. Or politics. The art of the possible, not the ideal. That was the formula question, the formula for emissions, and it got resolved finally only in Montreal.

On the trade article (Article 4), there was a legal question, and I had had our USTR lawyers check it out. I had a pretty long background myself on the exceptions to free trade under Article XX of the GATT. There are certain conditions that have to be met in the headnote to Article XX, which was well-known to the GATT lawyers as well. In Montreal, I was arguing for a three-stage kind of trade restriction: trade in the chemicals themselves, trade in the products containing the chemicals, and trade in products not actually containing the chemicals but made using it, namely electronics (the semiconductors).

The chief negotiator for the Nordic countries was from Finland, and in the plenary session in Montreal in the first week, we didn't have an agreement, so the chairman said, "Will the U.S. and Finland meet over the lunch hour and see if you can resolve your differences, and any other countries interested can join them." Needless to say, we had a full room. We had the Commission from Brussels, we had France, we had the UK, we had a lot from Germany. The chief Nordic negotiator from Finland is now my partner. She is a lawyer with a degree in international law specializing in trade law, and the two of us within 10 minutes easily had the language for Article 4 on trade with non-parties to the protocol. Essentially what we had was a ban on trade in the chemicals themselves with countries that don't ratify protocol. Trade in products containing chemicals would be restricted depending on a list to be developed later where the chemical content of the product is an important part of the value and, therefore, the trade between countries being restricted under the protocol and countries who were not parties to the protocol could be affected.

For the third situation, we said there would be a feasibility study on whether trade should be restricted if it might be affected by countries not being parties to the protocol.

The whole point was to send a message to countries (like Korea) that they would not benefit commercially from staying out of the protocol.

Q: What would be the penalty?

REINSTEIN: Well, it wouldn't be allowed to sell into our markets (i.e., the developed markets of the world) if the trade were restricted.

Q: Ahh, I got you.

REINSTEIN: In other words, let's take as an example, these small refrigerators. I've got a Samsung refrigerator in my country place in New Hampshire. You have two aspects that are affect by whether CFCs are used or not: the insulation (Styrofoam or other, using a foam-blowing chemical), and the refrigerant, so there are two different components with chemicals. The substitutes were more expensive and slightly less efficient at that time, so you had to have thicker walls, more insulation, and so on, to get the same effect. This would give refrigerators with the old chemicals a commercial advantage. In other words they could take over the U.S. market for those refrigerators if we didn't restrict the trade with them, because our refrigerator people would have higher costs and would not be able to price in competition with countries that weren't restricted on these.

Anyway, that all worked out. Everybody joined in the end, and we never had to impose restrictions. We did have to put in one caveat: In the head note to GATT Article XX it says, you cannot discriminate "among countries where the same conditions prevail," so we had to put in the protocol that even if a country wasn't a party to the Montreal Protocol, if they could demonstrate that they were taking the equivalent actions, you could not restrict trade with them. The only country where that actually applied was Colombia. They didn't ratify the protocol, but they were restricting use to some degree, but it was a minor point. The whole point was a signal that countries would not benefit commercially by staying out of the protocol and undermining the effectiveness of the protocol by taking market share away from countries that were restricting the chemical use.

Q: You didn't mention China, and I imagine China was an issue down the line but…

REINSTEIN: They were down the line.

Q: …I mean today.

REINSTEIN: Today it can be a big deal in some situations. They were not Party to the protocol in the early years, but now they're one of the parties.

Q: But they were…

REINSTEIN: Well, let me go on and the Chinese situation will become clearer. The third thing we had to agree on in Montreal was in Article 5, on the developing countries. What we did was we gave them a 10 year grace period, and we also put in a trigger in terms of per capita use of the chemicals. They had a 10 year grace period unless they tripped the target, the per capita target, in less than 10 years, in which case the same control limits on industrialized countries would also be applied to them.

Q: I would assume that this would mean a place like China, they would be switching over because it was still an undeveloped industry. They would switch over to the newer less dangerous type thing up front…

REINSTEIN: Up front. It wasn't a conversion issue, as it was in industrialized countries with millions of dollars already investing in the existing technology. It was a future development, future construction issue. Exactly. And that was it. We gave them a 10 year period, during which time we figured their emissions would be miniscule, and after which everything that we did would be binding on them (with a 10 year lag), but with new technology already developed and available.

That worked. That has worked. This is the most successful global environmental agreement ever done.

Q: What's happened with the hole in the Antarctic?

REINSTEIN: It's better. It actually has worked in terms of it achieving an environmental result. We've added a number of ozone-depleting chemicals since 1987. I also was involved in two subsequent major negotiations on ozone protection. The London Amendment to the protocol was added in 1990, where we added more chemicals and we changed from a 50% reduction by 1992 agreed in Montreal to a 100% phase out. In other words, the signal to industry to get the substitutes and the technology for using them up and running worked.

Industry was directly involved. They were in the room with us. I had people from the chemical industry sitting right behind me on occasion when I was negotiating, and if I had a technical question I couldn't answer, I would turn around and ask one of the industry people behind me. Actually, I could most myself, because I taught chemistry more than 20 years earlier.

As an example of a relevant technical question, when we were adding 1-1-1 trichloroethane in 1990, somebody said, "Well, why don't we put all forms of the chemical under the controls (1-1-1 and 1-1-2, depending on where the methyl radical is located on the ethane molecule). I turned around and asked, "What's the difference in terms of ozone depletion effect and also in terms of uses between 1-1-1 and 1-1-2? These are two different forms of the molecule?" They said, "1-1-2 is totally different. You don't want to regulate it. It doesn't have any effect on the ozone layer, and its uses are totally different. We haven't even studied them in terms of substitutes because it's not an ozone problem." So they were right there with the answers I needed.

Q: When you think about it, you knew what the underlying question was and what you needed to know from the industry experts. Were the EC negotiators in a similar position and did they have their people, too?

REINSTEIN: Oh, yes. ICI (from the UK chemical industry) was sitting right with them all through it. Industry was part of it in Montreal and also in the follow-up negotiations since. We had an informal meeting in The Hague in October 1988, where we established a Technical and Economic Advisory Panel (TEAP), which was jointly composed of government and industry experts, to assess the technology, economics, and feasibility and timing of phasing out the existing chemicals and adding new chemicals. This updating of the protocol in light of technical and economical feasibility is an ongoing process.

That's another aspect of the Montreal Protocol that was extremely important. Industry had an equal role. This is not at all the case with the Intergovernmental Panel on Climate Change (IPCC) or the two subsidiary bodies under the climate convention, which are government only. Industry is on the outside and the attitude of governments is they don't really need to be listened to. But for the Montreal process, they were and continue to be (I hope) equal partners. In other words we negotiated the protocol and its subsequent amendments with industry and with other governments simultaneously.

Q: In a way you were fortunate in that there was a Plan B. You could still insulate, and you could still cool and do that.

REINSTEIN: But there were differences in technology and economics.

Q: But there was a way to respond to technical and economic problems.

REINSTEIN: There was a way out, and what has happened is that the phase-outs and addition of chemicals has been done step wise as these technologies have developed and become commercial, allowing process to move along.

There have been exceptions. The medical-dose inhalers have been an exception because they haven't come up with a substitute for CFCs for that yet. About half of the methyl bromine which was added in 1990, but the remaining use is for agricultural fumigants and again, very difficult to get substitutes for that, so there's been a continuing battle over that.

The phase-out for the first generation of substitutes, the HCFCs (which had been added to the protocol by the 1990 London Amendment) was negotiated informally in Brussels prior to the formal negotiation of the 1992 Copenhagen Amendment, where I was the chief negotiator. There was a gradual phase-out for servicing existing equipment as part of that deal. Anyway, a lot of these little feasibility details -- how you take care of existing equipment, how you phase out things, what kinds of things or uses get exceptions and so on -- were all done very, very carefully in cooperation with industry and in a spirit of cooperation basically between the U.S. and the EC (by then EU)

Q: It was a real danger, and it was an apparent danger.

REINSTEIN: It was accepted that this was something that needed to be done, and the conditions between Europe and the U.S. were different. We were ahead of the game on

the substitutes in 1987. We had more problems with some of the uses for the substitutes in 1990 and 1992, but basically we spoke the same language and had the same objectives, and we were able to work around our differences. There was no bad blood. The chemistry was still pretty good among those of us who had worked together already from early 1987, and it was a well-designed treaty.

Q: Let's turn to the mega negotiations of all practically about to the North American Free Trade, but start out with the Canadian-American FTA. What part did you play in it?

REINSTEIN: There's a long history. There had been I think 11 attempts to get a bilateral trade agreement going back to into the 19th and beginning of the 20th century. It all failed. The 1980s were a golden period for international trade, and free trading was really something people wanted…

Q: You said the '80s was a golden period. Was this because of Reagan-Mulroney?

REINSTEIN: Partly yes. The politics were favorable in general. Markets and market based things were big. The economic conditions were pretty good. There generally… were not energy shortages (as in the 1970s), and people were not worried about that. Things were very good in the mid-'80s for trying again for a bilateral free trade agreement.

I was asked to be the chief negotiator for energy. Energy was the largest piece of trade with Canada, I think the largest single commodity traded between any two countries. Our bilateral energy trade with Canada at that time, 1986, was ten billion dollars a year, larger than our total bilateral trade with, for example, Italy. Canada was our largest foreign supplier of oil, natural gas, and electricity. They were our largest export market for coal. They supplied 75% or our uranium imports and all of our electricity imports. The electricity trade alone was a billion dollars a year.

Q: This was water. A lot of water.

REINSTEIN: Hydro.
Q: Hydro electric.

REINSTEIN: Also some nuclear coming south. They would build power plants, gas pipelines, and so forth on a scale that maximized the economies of scale, and that would give them a surplus because their market was only one-tenth the size of ours. We were the natural market for any excess Canadian energy.

Both of us had interfered in a major way in energy markets in the 1970s and early 1980s. We had put oil price and allocation controls on in 1973 after the Arab oil embargo.

I was heavily involved in that, first in the temporary agency established after the embargo, the Federal Energy Administration, and later, from 1977 with the establishment of the Department of Energy. This phased down some after the elimination of the oil

controls in January 1981. For three years, from April 1978, I was the chief economist for the Department of Energy's regulatory programs, so I had a lot of experience. Canada had restricted exports of crude oil in the mid-1970s because they felt our oil demand was inflated because of our price controls and we would just suck all their oil out. They had put in their own crude oil price equalization program between east and west Canada, which was very similar to the crude oil cost equalization program that we had in the United States (known as the Entitlements Program).

The chief Canadian energy negotiator, John Donaghy, had had a background in Canadian energy. He was from the foreign ministry at that time. Each of us had concluded from our past history in the 1970s that we had made a lot of mistakes fiddling around with energy markets to the disadvantage of both countries, and we agreed up front when we first met in 1986 that the objective would be a total free trade market in energy between the two countries, effectively erasing the border, and then we would back off of that ideal slightly in special circumstances that were politically sensitive in order to get the thing through the approval process in each country. There were some adjustments we had to make. They weren't that little. Politically they were very difficult, but in the larger scope of the energy picture they were small.

That's what we put together during the year or so of negotiation. We had this almost total free trade in energy, then a list of "little fixes" for this and that situation.

For example, Alaskan oil was prohibited from being exported to any foreign country, and under the Jones Act had to be transported on US ships from Alaska to the lower 48 states. Under the FTA, we let Canada have some Alaska oil in British Columbia, so the two refineries there would have an alternative to oil coming over the mountains from Alberta.

There were other things. We had a restriction on enrichment of foreign uranium under Section 161(v) of the Atomic Energy Act that the Department of Energy (originally the Atomic Energy Commission) was required to restrict the enrichment of foreign uranium to the degree necessary to maintain the viability of the domestic uranium mining and milling industry. We exempted Canada from that. Because Canada accounted for 75% of the imports, that the exemption effectively we gutted that provision of law. That was *very* political.

The basic opposition in the US was protectionist effort by some U.S. energy producers who didn't want to complete with Canada. They wanted a lock on the domestic market and not have to compete on a level playing field with Canada. It was a buyer's marker, not a seller's market, and Canada was pretty competitive.

Q: How did you get the agreement through the Congress?

REINSTEIN: How did I get it through? I had to appear before the Congress 16 times in a period of nine months. I had to meet privately with the people from the uranium producing states, Pete Domenici, Alan Simpson, Malcolm Wallop, the congressman from Wyoming (Dick Cheney), and others, many times. I was actually the negotiator on our

response to their concerns with members of congress myself. We tried to wrap the response into proposed legislation to privatize the enrichment business, take it out of the department of energy, and spin it off as a government owned corporation that would eventually be privatized. A second component of the possible legislation was the cleanup of the mill tailings, pretty nasty stuff that was left over from processing uranium ore to extract the uranium content. It was radioactive stuff, but it was still quite radioactive.

Q: Was there any way of taking it, packaging it, and using it?

REINSTEIN: There were ways of processing. You could run it through the enrichment plants, but it was difficult.

Q: If this doesn't come out…

REINSTEIN: The mill tailings had been lying around since the boom in the early 1970s when they were going to build a nuclear plant on every corner to get us off the dependency on oil and stuff like that. There was a boom followed by a bust, and most of the uranium mining capacity in the U.S. was shut down when the majority of proposed plants were never built. In 1986 there were about 1,900 employees and the mostly closed mining and milling sites, and most of them were people who were guarding the closed facilities. There were hardly any mines still operating.

Our uranium ore was not that economic. It was only a few percent uranium content. Canada had much richer deposits, including one that hadn't been developed yet at Cigar Lake which was 12% uranium content. It was so radioactive that they couldn't mine it by conventional methods, and they hadn't even started to get into it. A lot of history on that stuff.

We looked at it and said, "From an energy security point of view, protecting our relationship on a non-discriminatory basis with our largest oil supplier, gas supplier, and uranium supplier was an enormous energy benefit and security benefit in the United States." They bought a billion dollars a year of our coal, mostly coking coal for steel manufacture.

There were some things on natural gas pricing that were difficult. The Federal Energy Regulatory Commission (formerly the Federal Power Commission) had done an interpretation of the pricing of Canadian gas coming into the US. It was very complicated and had to do with the Canadians building a big Y-shape pipeline out of Alberta, the western side of it going to California and the western market and the eastern side going down into the U.S. Midwest. It was built oversize because the plan was to bring Alaskan gas and Canadian gas out of the Mackenzie delta of the Yukon down into that very big (I think 48 inch) pipeline.

That gas from the north still hadn't come, still hadn't been developed. But anyway, the cost of that pipeline got into the pricing of imported gas. How much of the cost of that pipeline could be recovered in the sale of gas and some other very complicated things

were involved in the FERC decision (officially known as Opinion 256). The Canadians wanted Opinion 256 eliminated or changed, but the U.S. gas industry, and the chairman of the Senate Energy and Natural Resources Committee wanted it untouched. I finessed that. I had to finesse the Alaskan oil because the maritime industry was all over my back.

We tried to make a deal on this complex uranium issue, including the privatization, the way the enrichment processing was working and so on.

There was one further uranium issue in the negotiations. Canada had a requirement for conversion of uranium process in Canada to uranium hexafluoride (UF6), which is the compound actually put into the enrichment plants. The Canadian requirement was to have the maximum upgrading done in Canada prior to export. We had already taken Canada to the GATT on that as discriminatory, and they had to phase that out on their side in any case, so we included elimination of that requirement in the FTA. They had other things they had to phase out.

Many of these issues were loaded politically on both sides of the border. The hearing in 1988 to get this through the Senate Energy and Natural Resources Committee was four hours. As in mentioned in our last interview, there was a panel of four of us testifying for the government – the US Trade Representative Clayton Yeutter, myself, the Deputy Secretary of Energy and the Assistant Secretary of Energy for policy. Clayton described it as the worst hearing he ever experienced in his entire government career.

Q: What happened? What was the problem?

REINSTEIN: Everybody whose ox was even remotely gored was all over us, including the Republicans. Especially the Republicans. There was a coal-fired power plant in North Dakota which was competing with electricity from a nuclear plant in Manitoba or Saskatchewan, I forget which, which was alleged to be subsidized by the government. This was affecting the coal miners in North Dakota. Kent Conrad was just steaming. It was tough, very tough there.

Q: Who was supporting you?

REINSTEIN: People who could look at the big picture and say, "Yes, there's short term adjustment here for one plant or one group, but basically this is a win-win deal for both countries. It is significant enhancement economically and from an energy security point." Bill Martin, a friend who was the Deputy Secretary of Energy, said it was a major energy accomplishment for the administration.

Q: What about on the Canadian side? What were they having to face? How did you find negotiating with the Canadians?

REINSTEIN: My friend John and I were like this.

Q: Together, you mean.

REINSTEIN: We were completely in agreement on almost every issue. In fact after the deal was done and the lawyers from both sides were having meetings to kind of refine the language, there was a long table and all of the U.S. lawyers were on one side and the Canadian lawyers were on the other side. He and I came in, and I sat on the Canadian side, and he sat on the American side. We said, "We don't have any problems. We don't need your help," and they couldn't find any problems. I mean with the language. We had very, very carefully crafted language. It was so free trade that John, who was also the negotiator on the Canadian side for general trade in goods, said the language for energy is more free trade than the language for the general trade in goods. We now have to bring the chapter on general trade in goods up to the level of the energy chapter, because energy, being so politically sensitive, can not be more free trade than anything else. The language in our energy chapter had a ratchet effect on the whole trade agreement.

Q: Was the term free trade, was this a hot button for some political groups?

REINSTEIN: There were people about free versus fair trade. There was a perception by some that Canada subsidized everything. There were a lot of crown corporations, but that didn't mean the trade was unfair. Being a crown corporation (government owned) did not necessarily mean that you were not competing on a market basis; that is, the equity ownership did not necessarily affect the economics of production. We had to look at each of those cases separately. If there were any subsidy, then all of the trade laws and remedies, such as anti-dumping or countervailing duties against dumped or subsidized imports, would still apply, and these provisions were included into the free trade agreement.

Q: While you were doing this, I can't remember what the term is, these things have their day and they die, but… Acid rain. Did that come up?

REINSTEIN: There were complaints. Actually, Canada did not produce a lot. They had more hydro and nuclear than coal-based electricity. It was the acid rain from the U.S. Midwest where they were burning high-sulfur coal. That changed later because the low sulfur Wyoming coal was able to be brought into the Midwest after the railroads reformed the rail rates. It was not economic earlier because the railroads were charging the coal producers quite high rates.

Q: On these negotiations. You talked about the ozone layer treaty being negotiated at the same time.

REINSTEIN: Right. Montreal Protocol and the US-Canada FTA. Those two were the big two, and they were completed two weeks apart. The Montreal Protocol was completed on the 16th of September 1987, and we had a big breakthrough the final 24 hours when the EC finally gave up and agreed to a 50% reduction And there was the Canadian Trade Agreement, which was completed on a Saturday night, the last day of September 1987, because our legislation expired at midnight that night. There was a very interesting experience for me on that Friday night. We were working all night on USTR, and the

final week or half week of the negotiations was led at cabinet level on both sides. The chief U.S. negotiator for those final days was James Baker, then Secretary of Treasury. We were going back and forth to Treasury, where they were sitting at a big conference table on the third floor near the secretary's office. The Treasury building was east of the White House, and USTR was on 17th Street, west of the White House. I got a call at 9:00 on Friday night saying, "Secretary Baker would like to see you in his office to discuss the energy chapter." So I went around the back of the White House, past the Rose Garden to the Treasury building.

Q: You were in the old executive building.

REINSTEIN: No. USTR is in the Winder building, which is on the west side of 17th St. It was originally the army headquarters during the Civil War.

Q: There's a tunnel underneath, isn't there?

REINSTEIN: There was at one point. It was the army headquarters during the Civil War, and where OEOB is now was a field. Lincoln used to walk across the field to check the latest cables from the battlefront in the Winder building, which was built I think some time around 1840. Anyhow, it had been renovated fortunately before we moved in around 1980. It was in pretty bad condition before that.

Q: So Secretary Baker called you in.

REINSTEIN: Well, his secretary called me, "Come around," so I went around by the back of the White House and through the secret service to get into the treasury building, then went up to the third floor and walked into Baker's office. His secretary said, "Go right in. The secretary's waiting for you." So I walked in. There were half a dozen other people in the office, mostly Assistant Secretaries. Also Peter Murphy (Ambassador Murphy), who was our chief negotiator from USTR.. There were two antique chairs facing each other, and Baker was sitting in one and he pointed to the other and said, "Sit down." Everyone else remained standing, watching this, and I'm thinking, "Oh, shit."

[laughter]

REINSTEIN: He said, "What's the problem with the energy chapter?" I said, "No problem. It's a win-win deal. Both countries benefit." He said, "Okay, I understand economically. Of course it's a win-win deal. I mean politically. I'm getting all these calls from my friend Pete Domenici, my friends down in Texas, oil and gas people. Have we got a political problem here?" I had been coming under the radar. The cabinet had not really been watching. Now they had finally realized the political problems with some of what I had negotiated. And he said, "Can we get this through the Congress? How are we going to do it?" I had to come up with a strategy, a Congressional strategy, on the spot.

The danger was that there were issues about energy pricing, oil and gas pricing, having to do with their use by manufacturing industries, for example, for petrochemical and

fertilizer manufacturing. There was legislation that had been proposed by Sam Gibbons in the House of Representative, who was chairman of the trade subcommittee of the House, intending to deal with natural-resources based subsidies. For example, Mexico was giving their natural gas from the Mexican producers to the Mexican ammonia and urea manufacturers at extremely low prices, since the government owned most of the companies, and then they were selling this low-cost material straight into Louisiana and places like that at very low prices because they were hardly paying anything for the gas. There were similar complaints that Canada was doing something similar, and that kind of discriminatory pricing was not allowed under the energy chapter I had negotiated. But if the energy chapter had been dropped, the petrochemical industry was and other industries were no longer on board.

So it was a house of cards. If you pulled out that language or the whole energy chapter, a significant portion of the trade in goods would go down with it because of how I had wired it.

But I managed to convince Baker in a very short conversation how we could get it through the Congress, and he said okay, and that was it. Other witnesses just stood there watching this exchange. Over the following months, I had to, as I said, appear 16 times before the Congress over a period of nine months. One of them was a favorable hearing. The others were all to beat up on the government.

Q: Did you find these hearings to a certain extent … The term that's used is kabuki." It gives a chance for people to sound off. They know they're sounding, but for the constituency…

REINSTEIN: It's televised and everything.

Q: And essentially the work has been done and you have to sort of sit there and take it.

REINSTEIN: That was what a lot of it was. There were a few where it was actually a serious risk that they would try and block the passage of the agreement. It was an executive agreement, requiring approval by 50% of both houses, rather than a treaty requiring two-thirds of the Senate. So we had to have both the House and Senate, but we only had to have 51% in each. It was a little dicey, but we got it with a relatively comfortable margin.

But as discussed earlier, I had to finesse the uranium issue by a deal which was proposed for legislation. The uranium industry actually got too greedy in the end, and the deal never went through, but by then they had stayed out of the opposition to the agreement long enough that the others in that coalition didn't have enough votes. So actually the work behind the scenes on uranium in the congress was very important to finessing it and getting the votes we needed to get it through the Congress.

The uranium deal which never saw the light of day was put together by three agencies all within a block of the White House: USTR, OMB, and Treasury. The Department of

Energy was only told afterwards what the deal was. I had to testify with the Assistant Secretary of Energy for nuclear affairs for one of the House committees. He had an army of people and notebooks this high to back him up with anything. But I actually had to take most of the questions, and had no notes to back me up, only what was in my head.

Q: Moving away from that and going back to the negotiations…

REINSTEIN: Another issue I didn't mention was hydro electricity. The Bonneville Power inter-tie is a power line that, among other functions, carries electricity from British Columbia down through the Pacific Northwest, and into the huge California market. It was the source of a long fight between California and the Pacific Northwest.

Q: Why?

REINSTEIN: California wanted to turn this power line into essentially a common carrier, so that they could use it to pull all of the hydro electricity they needed out of British Columbia and bring it down into California.

Q: California is really greedy.

REINSTEIN: They're all greedy.

Q: Water and…

REINSTEIN: California has a huge appetite for water, natural gas, electricity and many other things. I once had an argument with Chuck Imbrecht, then chairman of the California Energy Commission. He said, "We want secure supplies of energy as cheap as possible." I said, "Well, that's understandable, but there are trade-offs. If you want security of supply, you have to pay a little bit more money more for it." He said, "Oh, we don't want to pay extra money." I said, "Then there's a trade-off. You can't have both."

California found out some years later that trying to force the lowest possible prices for natural gas through state laws and regulations resulted in inadequate returns for gas producers in Alberta and pipeline owners carrying Canadian gas to California. So needed investments to insure adequate future supplies could not be made. There were very serious gas shortages when demand rose (pushed by the lower prices).

On the Bonneville Inter-tie issue, there was a court case pending in Idaho on the Inter-tie Access Policy applied by the Bonneville Power Administration (BPA), the owner of the Inter-tie. BPA prioritized internal use of the power line, because it was necessary to assure the stability of the complex electricity system in the Pacific Northwest, where hydroelectricity from the Columbia River had to be balanced with multiple purposes, such as flood control, fisheries, and so forth, and other power generation and distribution adjusted accordingly to meet demand in the region. In the FTA, we handled that by assuring that Inter-tie access to other outside the region, after BPA's needs were met, did not discriminate between other US users and Canadian users

It was pretty loaded stuff, but if California had been able to pull whatever electricity they wanted down through the Pacific Northwest, it would have upset the whole electricity balance in those states, Washington, Oregon, Idaho, so in order to protect the stability of the Bonneville system, which was part of the Department of Energy, the degree of access to the Inter-tie had to be managed so as to secure and preserve the stability of the internal Bonneville System. I had to negotiate that with the Administrator of the Bonneville Power Administration.

That's what I did on the Saturday when I flew back down from Montreal Protocol negotiations. On Saturday I had a meeting, half a day meeting, with the administrator and other top Bonneville officials to negotiate how to handle the Inter-tie. On Sunday I had a meeting with others, with the Deputy Secretary of State to brief him on the Montreal Protocol negotiations. Monday morning I did a paper for the cabinet on the Canadian trade negotiations, then ran back, flew back up to Montreal to sit at Lee Thomas's elbow and helped him negotiate the closing of the Montreal Protocol deal. A hell of a two to three week period, I'll tell you.

There were a lot of court cases pending on energy issues. There was a court case on uranium pending before the Supreme Court, which had put it on hold waiting on the trade negotiations. When we exempted Canada from enrichment restrictions under Section 161(v) of the Atomic Energy Act, after the trade agreement was approved, the Supreme Court dropped the case. Pete Domenici had filed an affidavit on behalf of the miners in that case. I had filed an affidavit on behalf of the Department of Energy, which was the defendant in the same case.

Q: I'd like to turn back to the negotiations with the Freon and that sort of thing. What was the impression of the European community at that time? I've often wondered. This in a way looking at American foreign policy over the last 60 years, our crowning achievement in a way was to stop the hate between the French and Germans, who fought with each other. One forgets we had to get dragged into two of these damned European wars, and we seemed to have at least stopped it for the time, but at the same time it had to cross all of our minds who were looking at foreign policy. Were we creating a Frankenstein monster in a matter of commercial, economic, even of international political thing and causing first a community and then a union in Europe. Did that bother us at the time?

REINSTEIN: This is another example of trade-offs. While the EU was still the European Community and essentially a free trade community, we had trade squabbles galore, particularly on steel which I did for two years. We actually closed the U.S. market for steel pipe and tube for three months, but those were just trade disputes. They were not military disputes -- I mean nobody was shooting at each other over that. And they didn't in general escalate to a level where they affected our diplomatic relations. Europe was still divided in some ways, there were different national interest at play. The EC was never of one mind in the energy, trade and environmental negotiations in which I was involved. It still isn't of one mind.

Q: You were looking at it.

REINSTEIN: As I mentioned earlier, when I used to do trade problems with Europe, sometimes the Commission in Brussels was on our side, and it was France or somebody else who was the problem. Sometimes the Commission was the problem and the UK was an ally.

This illustrates the personal chemistry. Once I met the Director General for environment. The issue had to do with whether specific chemical identity might revealed in the registration of chemical mixtures used commercially. He said, "We're working on it, and we think it will fix your problem." I then met with the office director under the director general, who said, "I'll show you the language, but I can't give it to you." Then I met with the division director working under the office director, who gave me a copy.

All of these people knew me fairly well. The director general was political. He led the Greek assession to the EC, and his reward was to get the director general post. But the other two were career people, like me, and we became personal friends. The office director and division director represented the Commission in the OECD in 1983-84, when we negotiated the OECD guidelines on exports of banned or severely restricted chemicals and did it in a way that did not get us in trouble with the GATT. We had to be careful, because discriminatory export restrictions are illegal under the GATT, so we managed to find the right language in the OECD. The three of us (the two from Brussels and I) basically negotiated that language. We did it in Paris, working as one, as a team.

In those negotiations, I had a technical advisor from EPA, but over the objections of the administrator of EPA. It was a bad time for international cooperation on the environment because of the internal US government politics.

Q: It was a very bad time.

REINSTEIN: I took the chemical and environment issues of the OECD away from EPA in the early 1980s. As USTR was part of the Executive Office of the President, I was able to do that. Complaints from political appointees at EPA were laughed at by the White House and OMB, and I kept that responsibility in safekeeping for two years. During this period we negotiated these guidelines, which were then taken by UNEP and with slight changes in the words but mostly verbatim became the London Guidelines of UNEP, which eventually led to the Rotterdam Convention on exports of banned or severely restricted chemicals.

Q: UNEP being…

REINSTEIN: United Nations Environmental Program, based in Nairobi. The essence of the Rotterdam Treaty, which was agreed only in the 1990s, came out of this very, very close cooperation between me and the EC Commission in Paris at OECD.

Q: Is there anything else we should cover?

REINSTEIN: So many things. You asked how did I ever get into this kind of international work. As you know I grew up in a family with a long history in that world. My parents met in the State Department. They both worked for the trade agreements office in the late 1930s. I don't know how much is in my father's interview. They got married in 1938, and my mother had to quit because the rules then were you couldn't be married and both work for the State Department.

It was a very, very small community in those days. Everybody knew each other. My father knew all the key people in Europe. He was head of the German office in the state department in the 1950s. He negotiated the war debt settlement with Germany after the war, and earlier worked on the Marshall Plan when the policy planning staff was set up in the late 1940s under George Kennan. It was staffed with six people. He was the economist in the staff. He and Lincoln Gordon co-authored the memo that resulted in the creation of the OEEC now the OECD. So I grew up in that world. One of the frequent visitors to our home was from the German embassy, Rolf Pauls. He had been a tank commander in the war and lost his right arm. His two sons were close in age to me and my brothers, and they were very often in our home. Rolf was the first German ambassador to Israel. That's the kind of people who knew each other then.

Another friend that my father worked with as a colleague at state department was Eleanor Dulles, who had a place near Tyson's Corner but then it was really only a country crossroads with a gas pump. She had a swimming pool. We used to go out there sometimes on Sundays and swim. I can remember sitting next to her brother Allen at the swimming pool, when he was heading the CIA and also once met Foster, as he was known to family. So I grew up in a world in which people like that were just part of peoples lives.

There was one time when my mother was horrified at something she thought I had done. She had been out shopping and I was a teenager. It was the mid-1950s, Eisenhower administration, and she said, "Were there any phone calls while I was out?" I said, "Oh yeah, some old bag called." So she returned the call and afterwards said, "What did you say to that "old bag"?" It was Janet Dulles, wife of Foster. I actually had been polite, but you know how teenagers are, you get an older lady on the phone. Older lady. What is an old lady at our age, right?

It was a small world. My Uncle John (my mother's younger brother John Campbell) was at the State Department in the 1940s and left around 1950 to become director of studies at the Council of Foreign Relations in New York. My mother's family was full of people who had been in public service. Her great uncle John A. Campbell had been the first territorial governor of Wyoming in 1869. We had the peace pipe that he smoked with the Indians at our summer place in New Hampshire. He became Assistant Secretary of State when Grant was president.

I was looking in this book. My mother's uncle Court Dubois was consul general in Naples, Paris, and many other choice places in the world, and my cousin Ann Campbell, daughter of my mother's other brother, was also consul general at one time in Naples and also in Osaka and Toronto and God knows where. She retired at age 55. She had enough of the Department by then. She's still alive.

Q: Where is she located?

REINSTEIN: She divides her time between Kentucky and Florida. She's quite a character. Anyhow, somebody in the family had been somewhere in the State Department almost continuously from about 1880-something until I left the Department in 1993. It's a world, literally, I grew up in. When I was young, I swore I'd never get into that world. I wanted to be a math and physics teacher, but finally, at age 50, the genes caught up with me.

Q: This is probably a good place to stop. I want to thank you very much.

End of interview