

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

**AMBASSADOR J. ROBERT SCHAETZEL**

*Interviewed by: Charles Stuart Kennedy*  
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## INTERVIEW

[Note: this interview was not edited by Ambassador Schaetzel.]

*Q: This is an interview with J. Robert Schaetzel. This is being done on behalf of the Association for Diplomatic Studies, and I'm Charles Stuart Kennedy. I think it is January 28, 2002. We had a little trouble with the microphone. Could you repeat a summary of how you got into this business?*

SCHAETZEL: Partly by good fortune, I was a graduate student at Harvard's Littauer School, and the war came along. All of us either were drafted or we wanted to get into service on behalf of the government at that time. Everyone at Littauer wanted to get into the Budget Bureau, which was the Government's sort of nerve center. I came down for an interim appointment at the Federal Housing Authority; then, thanks to a good friend of mine, I went to the Bureau of the Budget. I was there for about three years, concentrating on the war agencies, how they worked, and eventually how to cut them back or fold them into other agencies. I was living with a number of people who were contemporaries of mine. There was a professor, Bernard Haley from Stanford University, who was in the State Department as the person responsible for economic affairs. I got to know him and he asked me to come over as his special assistant. That's how I was brought into the State Department.

*Q: Why don't we kind of start at the beginning on this if you don't mind. Could you tell me when and where you were born?*

SCHAETZEL: This just happens to be my birthday. I was born in Holtville, California, a small town on the border with Mexico.

*Q: What year was this?*

SCHAETZEL: January 28, 1917. An extraordinary part of the United States, which is essentially a converted desert. Each family moved out to a place which was tolerable

during the summer. The heat affected my father. Finally they moved on up to Pasadena, California, where I went to high school. At one juncture I was really thinking of being an architect or an artist, because I got various scholarships in art.

*Q: I want to move you back again. Can you tell me something about the background of your father and the background of your mother and why you were in Holtville?*

SCHAETZEL: My father was the secretary/treasurer of a string of hardware stores.

*Q: The family, where did they come from?*

SCHAETZEL: They came from South Dakota.

*Q: You have a German name. Did they come from...?*

SCHAETZEL: My father's family apparently moved from Darmstadt to Canada and eventually to South Dakota. My mother's family was Scotch and Swiss. My grandfather on my mother's side was a Presbyterian minister by the name of Fahs. On my father's side the family had been people basically who had been farmers, landowners, and so forth. My father had obviously retired by the time I got very far in life.

*Q: Your mother and father had college educations?*

SCHAETZEL: Not my mother but my father went to the University of South Dakota. I was an only child, which, I think, made a difference. I was fairly close to my parents. They were very supportive. Also, this grandfather of mine who was a Presbyterian minister was an extraordinary, wonderful individual. I was, I think, a pretty difficult boy because of coming out of the environment where I was indulged. In the summer we'd go on vacations together up in the Sierras fishing and so forth. It was a pretty remarkable advantage that I had of both parents and grandparents.

*Q: Where did you go to elementary school?*

SCHAETZEL: That was in Altadena, a suburb of Pasadena.

*Q: What was the school system like then?*

SCHAETZEL: It was a good school system. Pasadena has changed drastically since then. It was essentially made up of a substantial number of retired people from the Middle West, and that was the tone of the whole community. Altadena was a suburb of Pasadena right up next to the mountains.

*Q: My grandfather and grandmother are buried in Altadena. I lived in Pasadena and South Pasadena. I remember my grandmother was actually one of those people who had a chauffeur with an electric car.*

SCHAETZEL: That's very interesting indeed, because you know then that that was a very conservative community. Roosevelt was the enemy. I don't think I'd ever come into contact with any Democrat until I left to go away to college. You asked about the high schools. I ended up in the Pasadena Junior College where I had the last two years of high school. One of the two people who affected me very much in high school was a teacher; she became a very close friend of the family, so she had an effect on almost every aspect of my thinking. And then there was a fellow named Grinstead who was a professor at the Pasadena Junior College, an economist, and that's what got me into that particular profession. I was all set to go to Stanford, where I had been accepted, and just within almost days I decided I didn't want to go to such a large school. I wanted to go to a smaller school with its advantage of more intimacy. It turned out to be a wise decision. Pomona was a wonderful place -- it still remains a wonderful college -- and it allowed me to develop the kind of relations with my teachers that I would not have had in a big university.

*Q: This was where?*

SCHAETZEL: Pomona.

*Q: Pomona, oh yeah. I want to ask a question about both elementary and high school. At home, when you moved to Pasadena, what were your interests: reading, sports, other things? What sort of things were you interested in?*

SCHAETZEL: That's a good question. Reading particularly. I was never a talented sportsman, but I did go for running to distance to high jumps, and then subsequently some basketball. It was really, by and large, reading. During the holidays it was very much being with my family, with my father and grandfather. That's why Pomona was so important to me, because it brought me out into the world.

*Q: Just again to get a feel for family life, were events of the day talked about much around the dinner table and when you were with your grandparents?*

SCHAETZEL: I mentioned this teacher, Beth Tye; she was a frequent visitor coming and having dinner with us and so forth. I have to say that I've thought about this a lot: During that period, when so many things were going on leading into the war, I'm just astonished at how unaware I was of these events. I have to bear in mind -- you must know that from experience -- in that community that the newspapers were bad, both in Pasadena and Los Angeles.

*Q: The Chandler Press, awful.*

SCHAETZEL: We were really insulated from society, not aware of what was going on in the East or certainly internationally. We were saved a bit by the *Christian Science Monitor*, which was a great paper then and is a great paper today, but that was the only

alternative. So, to answer your question, which is a very important one, in that growing-up period I'm astonished that I could have been so insulated and so unaware of what was really going on.

When I was at Harvard, the draft started. I expected to be drafted, and I came back to California because I wanted to be drafted there rather than in Boston or Cambridge. I still remember vividly that the guy afterwards said, "We'd like very much to have you, but if we took you, you'd probably be shooting your own officers in the back because of your eyes." So I was 4F and, therefore, returned to Littauer.

*Q: Going back to California, just to get a feel for the times in Pasadena, within your family how were the New Deal and Roosevelt considered?*

SCHAETZEL: As I said before, all of them without exception had only contempt for Roosevelt. I certainly have to say that when I was growing up I didn't have any particularly independent views on this one way or the other. All that came later. On reflection, it was a very passive, friendly environment in which to grow up. The deficiency was not to be as aware of what was going on as I should have been, when many of my contemporaries obviously were.

*Q: Was there any feel for the situation in Europe, you know, with the rise of Adolf Hitler and Mussolini?*

SCHAETZEL: I don't have any vivid recollection of it. I think, as I reflect on this, one of the striking things, of course, was that you had a country which was aware of what was going on but did not feel involved. That was the absolute genius of Roosevelt: to be able, on one hand, to be aware of that internal atmosphere and not push the country beyond what it was willing to do and be able to conceive of and get the lend-lease program in place against that apathy. And, as I say, the apathy was absolutely pervasive in that part of the country.

*Q: I remember as a kid my mother was an oddball. You never would have met her because she was an ardent New Dealer. I used to get beaten up at South Pas Junior High because, of course, I took on her coloration and most of the kids didn't belong to that thinking. We'd get in arguments and settle it in sort of wrestling matches on the playground.*

SCHAETZEL: I would say that my parents were not avid. They were passive; in general - I don't know - they were just disengaged. So I wasn't pushed one way or the other.

*Q: You went to Pomona. You were first at the Pasadena Community College.*

SCHAETZEL: That was just the last two years of high school. First, there was grammar school, then two years of Pasadena High School before going to Pasadena Junior College. I reflect on it as being essentially a remarkably good way to grow up. But the intellectual

activity, being involved in things, took place during college, particularly in graduate school. In between all this I had a summer at the University of Mexico, which exposed me both to the language and also to the outside world; that was very useful too.

*Q: You spent four years at Pomona?*

SCHAETZEL: Yes.

*Q: That would have been when?*

SCHAETZEL: I graduated in '39.

*Q: '39 was an interesting year to graduate. What area were you concentrated in at Pomona?*

SCHAETZEL: Because of Grinstead, as I said, who was a professor at Pasadena Junior College, economics was what I was particularly interested in. I was in a general program, however. They didn't have the specialization they now have. That really got me down on that track, which led me into the State and post-State Department years. That was a predominant interest and, of course, I pursued international affairs.

*Q: At Pomona was there any particular involvement because of events in Europe -- anti-Hitler, pro-Hitler, Communist, or anything like that?*

SCHAETZEL: No, I'd have to say that's one of the remarkable things in my memory, that I was so insulated from the world. Remember, it really took Pearl Harbor to wake the country up. Up to that time, this was something a long way away, it wasn't our business, we should not get involved, and so forth. As I read history now and reflect on how much I was a part of that inattentive American audience. I was certainly very much of that culture.

*Q: Being in California, was Japan and its aggression in China kind of bigger, you might say, than what was happening...?*

SCHAETZEL: Again, not until Pearl Harbor. Then, of course, it took on an extreme form. What we're talking about, I think, is interesting to me because it indicates how much we were *not* involved internationally, how there was not so much consciousness of isolationism, but a kind of something inherited. That was true, of course, of the whole decades of being happily insulated from world events. It took World War II to change this, and, of course, it changed this in a very dramatic sense, and I was fortunate to be a part of that particular process.

*Q: You graduated from Pomona College in 1939. What did you think you wanted to do?*

SCHAETZEL: At one juncture I thought about journalism because of the teacher, Beth Tye I mentioned. Then I guess the mental process was that I wanted to continue the education, and that's what moved me in the direction of thinking about international affairs and public service. At the time the Littauer School was absolutely the place to go if you wanted to go on into the government. That was a valuable experience because of very wonderful professors, and it helped my growing-up process. And I think, in this conversation, we've now nailed down that I was a pretty isolated individual who grew up in an isolated environment, and my graduate school experience did move me along. I did have one useful experience with three other classmates. We took a trip to Europe. We bought a car, went in England and also the continent all the way to Budapest and then back.

*Q: This was when?*

SCHAETZEL: It would have been, I guess, the summer of '38. This ties into your earlier question about awareness of what was going on in Europe. To me it is again both startling and humiliating, to have taken this trip (I kept a diary day by day, one of the few things I've done of that sort) to have gone through this experience and still not really becoming involved in what was going on with Hitler and Mussolini. Again, here in '38 we had this trip, we learned a lot and had a lot of fun and so forth, but it still didn't get through. That says something not very flattering about me.

*Q: Well, I think it was true of the whole... Young people tend, unless they're really committed... Something I'm curious about, as one reflects on this: Within this isolated Pasadena community, did you find there was much anti-Semitism at that time?*

SCHAETZEL: I don't remember that at all.

*Q: I was just wondering. Was it a different world? Was there much mixture?*

SCHAETZEL: It's really extraordinary, because I don't remember any anti-Semitism. Of course, on the other hand, I'm not sure that in Pasadena there was that sort of self-conscious Jewish community; I don't remember. That holds for African Americans, too. There were almost none.

*Q: I'm 11 years younger than you are, and I don't recall any. Now, of course, it's almost the predominant community.*

SCHAETZEL: Absolutely, and I see the difference there and I contributed money to this hotly contested seat. I've forgotten the name of the fellow who won, but I wanted very much to see the arch conservative defeated. Again, that brought out absolutely unbelievable change.

*Q: Johnny Ruslow -- he was in the Birch Society in Orange County.*

SCHAETZEL: Going back to Harvard, I expected to be drafted. I remember vividly being in Cambridge after Pearl Harbor. The few of us who remained who had not been drafted just felt we should not be sitting out that particular period in Cambridge. That's why I decided to leave for Washington. I had completed graduate requirements for a master's and was drafting the dissertation for a Ph.D.. I decided enough was enough and that's when I...

*Q: This would be really moving in '42.*

SCHAETZEL: That was an exciting period to be in Washington.

*Q: Well in Harvard, though -- you were there '39 to '42 -- Harvard is a different world than Pasadena or Cambridge. Were you finding yourself more interested and involved in what was happening and what was starting and all that?*

SCHAETZEL: Yes, it helped a great deal, as I say, because of the quality of the professors...

*Q: Were there groups, America First, being opposed to our getting involved in Bundles for Britain and all? There were a lot of movements going on at this period.*

SCHAETZEL: That was not part of the environment I experienced at Harvard. Because it was almost entirely devoted to study. I don't remember much of anything other than academic activities during the two years that I was there. It was intellectually satisfying and helped me very much later on. As I say, the emphasis was on economics...

*Q: Was Keynes sort of the model, or were there...?*

SCHAETZEL: Yes, I guess so. There was nothing particularly revolutionary about it, but it set me up for my first intensive activity after leaving the Budget Bureau, and that was the work related to drafting a charter for the World Trade Organization.

*Q: I keep interrupting you, but I want to milk as much as I can from each thing. In '42 you went to the Bureau of the Budget. What were you doing there when you initially arrived?*

SCHAETZEL: This part of the Budget Bureau was assigned the task of seeing what should be done with the war agencies. When the war ended, should they be abolished, should they be maintained, should they be integrated with other agencies, what should happen to the personnel and so forth? It was a major challenge, and it was a wonderful part of the government to be involved with.

*Q: What were the war agencies particularly?*

SCHAETZEL: The Board of Economic Warfare was the major one. Another one was USIA (United States Information Agency).

*Q: OWI, Office of War Information.*

SCHAETZEL: Then there were other parts of existing agencies which were part of the War Production Board. It was really, I think, a great tribute to the government that they recognized that they had to fold these agencies down in a sensible and responsible way. That meant particularly enlarging the activities of the State Department. I was fortunate to be involved in that part of it. I thought that was a remarkable experience for a variety of reasons. One is that the kinds of people who were drawn to the government then were people who came from senior positions in business and so forth, the dollar-a-year men, and also people from the academic world who just decided they wanted to be a part of the war effort, and some of them stayed on. So the whole atmosphere there, being a part of that process, was an extraordinary experience. With people like Bernard Haley, who had been dean of Economics at Stanford. Two other economists for whom I worked one after the other over a period of years in addition to Haley were Clair Wilcox of Swarthmore and Willard Thorp of Amherst. Each was an outstanding economist.

*Q: Was there the spirit, as the war was winding down and you were doing this, one, that the war was going in the right direction and so we had to start thinking for the future, but the other one was -- after World War I we had repudiated the League of Nations -- that we weren't going to go down that path again? Was this sort of a mantra or something: we are involved in the world and we've got to see the...?*

SCHAETZEL: That's right. Again the country was so fortunate because you had the Bretton Woods Agreement, which was absolutely fundamental.

*Q: That was dealing with economic and monetary...*

SCHAETZEL: That's right. It was economic, and that's where Dean Acheson was first involved -- you had outstanding people. I was not involved, not at all. Then, of course, you had the United Nations, I think partly because of what you said, namely the failure of the League of Nations -- early on, a great opportunity missed which, of course, contributed to the disaster that came later. People, I think, were conscious of that; therefore, you had remarkable individuals devoting their energy and wisdom, foreign affairs wisdom, in those efforts.

*Q: This was when? Was the war over at that point, or was the war started?*

SCHAETZEL: It must have been in the period '46 to '48, about then. What happened was that we had a series of conferences, beginning in London, culminating in Havana, and over a period of a year or so I was a sort of unimportant technical assistant. In any event, I was involved in that from the beginning. In a way, we felt the pressure for finishing that work. I think you'll agree now, that we were about one year or two late. By the time it

worked an international trade agreement had gone out and Congress became less willing to be involved, as they had earlier supported the World Bank and International Monetary Fund and, of course, the United Nations. So the charter did not succeed, but out of that process came the GATT (General Agreement on Tariffs and Trade). We now have, of course, the World Trade Organization built on the earlier foundation. But I got deeply involved and that interested me throughout my working career.

At the Havana Conference we fielded a small delegation. I was a technical advisor or something like that -- I was just a handyman. It's sort of strange now to think that all of these delegations were so small in contrast to what is fielded today. In any event, I think, the number of countries involved were only about 26, and now you've got 294 or something like that, members of the United Nations. So it was a great experience working with people, and at the same time learning all the time but being basically a handyman.

*Q: When you were doing this, this was sort of towards the end of the war or at the end of the war. Was there the thought that Japan and Germany would be brought into this at some point? Were we thinking along those lines?*

SCHAETZEL: That carries over to the next phase of our experience, because as we moved along -- again not fixing the time in years -- I had had these various jobs in the State Department in the Economic side. Then, for reasons that escape me a bit, I was given that call, was given the privilege of going to the National War College, which is now -- I think it's called -- National Defense University. The National War College had about 100 or so people in the student body for one year, and of that about three-quarters, 75 percent, were from the four services, in the war and so forth. And then there were a limited number of people, civilians, from the State Department and from other agencies. I was there for one year. It was a wonderful experience.

*Q: I happened to be there from 1955 to 1956.*

SCHAETZEL: In addition to being exposed to a different society, we had outstanding young officers who were all sort of in a way scheduled to be admirals and generals. And then we had a remarkable trip to Europe and the Middle East as a part of our experience. In any event -- again, this element of chance comes in -- while I was there, you had to do something which was similar to a master's dissertation. You had a choice of what you wanted to write about. The choice was: either write about something you knew a great deal about, or to pick another subject. At that time there was extraordinary attention directed at the potential of nuclear energy -- as for peace: it was not so much the military side but economic and all the elements that go into that. I didn't know a thing about this. There was not much in writing. There were just a couple of works. It was a beautiful subject in a sense that you weren't overwhelmed by the material to get through. You could go through the things which were available. As the end of that tour of duty approached, a fellow I knew, Phil Farley, who was then in a small office in the Secretary's office dealing with nuclear energy matters, he arranged for me to be assigned to that office rather than go back to the Economic unit. Then I was assigned to that office

and worked on the peaceful use of nuclear energy. That's when the Euratom (European Atomic Energy Community) idea came into being, which was a part of the basic start-up of the European integration process. Jean Monnet decided that, because of the importance of atomic energy to Europe -- and, of course, that was the tie-in with the European Economic Community, which he was so much a part of. The heart of the whole matter, of course, a couple of years later, was to integrate Germany as an equal member to the developing European Community. That was genius of the Schuman plan, and, of course, Euratom was a part of that. Now, as I say, having gone into that, that's what brought me into, at the very beginning, European Integration.

One of the great innovative developments of the 20th century. A good friend of mine, James "Scotty" Reston, a big journalist -- I got to know him and he was intimate with Monnet and so many of these others. I think Scotty was the one who said that probably Monnet was, if not the greatest person in the 20th century, certainly among the greatest two or three. That was a further indication of the absolutely extraordinary nature of his initiative and the fact that he could push it through and do the things at that time.

*Q: Again, I keep interrupting you. I'm looking and reading into that thing you gave me. You went into the State Department in 1945, and we're talking about the Euratom business. This would be about '56 or so, after you came out of the War College. But in '45 to, say, the ten years '45 to 55, before you went to the War College, were you involved with the Marshall Plan?*

SCHAETZEL: No, not directly.

*Q: You were, what, concentrated on trade?*

SCHAETZEL: Trade, that's right. That was my field. You talked about Asher; he was the one that was really intimately involved in the Marshall Plan, and he played a very important role.

*Q: In the Trade, who were some of the people who were involved? You mentioned Will Clayton.*

SCHAETZEL: I mentioned some of these assistant secretaries who were so outstanding. I think I mentioned Haley, the one who brought me into the Department. Then there was Willard Thorp, and then there was Clair Wilcox. These were assistant secretaries, and each was an incredibly competent individual in terms of academic excellence and at the same time political sense and integrity. It was a privilege to work with those individuals. Another one I worked for was Paul Nitze.

*Q: When you came in in '45 and on, there was a difficult time for the State Department around 1950 or so with McCarthyism. How did that hit you?*

SCHAETZEL: It's certainly a vivid part of my memory, because I had to appear several times at hearings on the Hill because of my connection with a book club which...

*Q: Yeah, it was the Left Bank Book... I don't know. It was essentially a place you could get cheap books. I think it was supported by the Communists of something but...*

SCHAETZEL: That was the allegation.

*Q: But basically it was a place you could get cheap books. There weren't many places you could do, and so the academic world kind of flocked to it.*

SCHAETZEL: I was a member of that, and therefore I got called up. Apparently I satisfied whoever the inquirers were that that was direct. The other was the atmosphere -- I don't know whether you were a part of this or not -- the extraordinary atmosphere, because one was apprehensive about one's friends because if they happened to be caught up you were caught up. And one of the worst aspects of what it did was show the weakness of individuals who were unwilling to stand up for their friends and for their own beliefs. I think it was an evil atmosphere. I can remember especially people who happened to be charged and were even driven out of the State Department. In any event, I think it was really remarkable that the institution was able to survive the horror of those years. This is a footnote piece of history, because at that time one of our neighbors just across the street over here...

*Q: We're talking about in Bethesda just near the Washington border.*

SCHAETZEL: You may know Ed Bennett Williams.

*Q: He was a well known Washington lawyer, I mean really first class.*

SCHAETZEL: He was a world-class lawyer and later, I think, he owned the Washington Redskins. He was a wonderful neighbor, a very, very nice guy. I can remember during that critical period my wife and I were invited to go to a reception across the street here that Ed was having and, to my amazement, Senator McCarthy was there. I remember walking along, and I couldn't believe all of a sudden this guy next to me stuck his hand out and said, "I'm McCarthy," and so forth. I didn't really know what to do. That was a vivid memory of direct exposure to that individual. Well, apparently what that says is that outstanding lawyers defend everybody. It in no way diminished my fondness for Williams because he was a lawyer for McCarthy. In any event, we got through that period. But to go back to your line of inquiry, I was trying to bring together moving from Trade, going to atomic energy and going on to the European integration movement.

*Q: I want to go back to one more thing. I'm sorry; I may be over directing this, but I'm trying to pick up each period. What was the impression that you had? In 1952 Eisenhower won the election against Stevenson, and Dulles became Secretary of State.*

*This would be January '53 or so. What was the feeling at that time about how things were going? Was there concern within State Department ranks or not?*

SCHAETZEL: I think there really was because you had had Roosevelt, you had Truman and the things that were done under Truman, the Marshall Plan, of course, and you had Acheson. The previous years had been an extraordinary period.

*Q: You got this Rockefeller Public Service Award, which gave you a year 1959 to 1960. What was this award for, and how did this work?*

SCHAETZEL: That's a good question: why I was able to get this award which allowed me to have a year to study something that I wanted to study. One theme that I would want to stress in anything like this is the element of good fortune, happening to know people, having opportunities, and having the good luck to be able to take advantage of these opportunities, and the fact that there were interconnections with all this. I didn't do what you would recall in the terms of normal experience of a Foreign Service Officer going over to Australia or to Korea or something like that. This thing I tried to lay out in a very disorderly way was a logical progression. Things I went to from one to another had common denominators. What I had done before was very helpful in terms of what I did next. That's why the Rockefeller Public Service Award just came at the right time and put me into the whole European integration movement. As I say, I finally ended up with six years as ambassador to the European Community.

*Q: The award allowed you to do what in '59 to 1960?*

SCHAETZEL: To work on the question of European integration starting with Euratom.

*Q: Did you work at all with Monnet?*

SCHAETZEL: Yes, that was the best part of it. During that period I was able to work directly for him, not just with him, and got to know him well enough so that subsequently when I came back and was working here in Washington -- this was before we went to Brussels -- he periodically would make visits to Washington as a way of exercising his influence here. He'd come frequently to our house and have dinner with us. That's one of my cherished memories. He was just an absolutely incredible man. Just a chance to see him at work, to see how he worked, was so important. The individuals we have been talking about -- again, Acheson and George Ball, Monnet, all the other individuals of that time -- were not without ego, but ego was not the overriding factor. After he had left office, I got to know Dean Acheson quite well, both him and his wife. He was, I think, one of the great men in this century. He made an extraordinary contribution. He and those others all were interested in the job, not self promotion. Someone like Warren Christopher, whom I've gotten to know, gave me a little insight. When I was working for Ball during the Kennedy Administration, people would come through, people who were interested in being a part of the new Kennedy Administration with all its promise. Warren Christopher had come to the attention of the people in the Kennedy Administration, who

passed along his name and his bio to Ball and said, “This is a man that may be helpful in the trade field. What do you think we should do?” Ball asked me to interview Christopher. Obviously I told Ball that I thought this was someone the Kennedy Administration would want to see, and of course he was brought in. Christopher is another one who fits the criteria I mentioned a few minutes ago.

*Q: Sort of focused on the job and not on self promotion?*

SCHAETZEL: Absolutely.

*Q: Let’s talk a bit about George Ball. You worked rather closely with him. How did he operate?*

SCHAETZEL: Well, George had almost everything. He obviously was highly intelligent. As a lawyer he had been involved in international affairs, and it was in that connection that he got to know Jean Monnet and obviously became a very close friend. He also was an individual with great imagination and was unique in pursuing what he thought should be pursued against the odds. For instance, he saw the importance of international trade, international economics—something in which Kennedy was not that interested, nor was Mac Bundy.

*Q: You said George Bundy.*

SCHAETZEL: McGeorge Bundy. There never would have been a Kennedy Round without Ball. And you remember the committee of advisors they put together during the Cuban Missile Crisis? George was a member of that committee.

*Q: Council of Wise men or something like that.*

SCHAETZEL: George was very outspoken on that as he was on everything else. On Vietnam he was a dissenter. As I say, if he believed something he would pursue it and wouldn’t give up. Because I think people like Kennedy and Bundy appreciated his qualities, they were willing to put up with someone that most presidents and people would have dismissed as being constant trouble. Those qualities seemed to me to be absolutely fundamental. As you would know from experience, this is a profession in which most people, I think, feel you get ahead if you don’t make too many waves. Certainly Ball had a tremendous effect on me in many ways. He really was a wonderful person to know.

*Q: Did you have any feeling of how he was able to get the Kennedy Administration to focus part of its thing on world trade?*

SCHAETZEL: I think on two things: one was on world trade and the other was on European integration. First of all, he knew his business and, therefore, there was really not much competition. I think the Administration had come to appreciate the qualities

that George had. Well, let me go back again. I think another important point that needs to be brought up: In the period we've been talking about, the areas in which the State Department was involved were really extraordinary as contrasted with today. Think of the government today, the role of O'Neill...

*Q: He's Secretary of the Treasury.*

SCHAETZEL: In terms of economic matters, today the State Department is not present at the meetings; it is not involved. That was never true in the Kennedy-Johnson period. Also, another thing to bear in mind is the fact that the National Security Advisor is a position which has grown into a position of being almost a competitive State Department, I think with personnel of up to 100 people. When the NSC was set up by my good friend Elmer Staats (it was the Bureau of the Budget which really set that office up) I think there were six people in the office when it was first put together. Elmer is just incredible. The high point in the last fifty years for the State Department was the period when you had a limited number of people and a limited number of layers. During those times, when the number of assistant secretaries was probably about six, a desk officer had a great deal of latitude, authority and so forth. He was someone who had responsibility. Now we've got two, three, four, five layers above him and those layers made up of, in many cases, political people or people who don't have any particular competence in their areas. Consequently, the Secretary and the Under Secretary are insulated from advice. When Albright was Secretary of State...

*Q: You're talking about Madeleine Albright.*

SCHAETZEL: ...she didn't really rely on the State Department at all. She had about three or four intimates whom she did rely on. But she insulated herself from the institution as a living institution. That's another curse of this layering, which is not just at the State Department but at other agencies.

*Q: The arteries have become hardened. Going back to Ball, did you see Ball maneuvering to get the Kennedy Administration to concentrate to a certain extent on trade?*

SCHAETZEL: Yes. I think the way I describe it is that he persuaded them that this was important and that there should be The Kennedy Round. Having persuaded them, they allowed him to do it, run it and so forth. In other words, he was almost left alone to carry this on with passive support.

*Q: Was it "George, okay, you take care of it; just don't bother us"?*

SCHAETZEL: Something of that, but I think also, whether it was conscious or not, a recognition that if you had an officer at that level who was good and knew the subject matter and you felt that individual was responsible, then you assign him the responsibility. You don't look over the man's shoulder; you don't insist that he come

around every day to tell you what he's doing. I'll make the same point talking about Ball. He obviously was one of the most committed individuals as far as the European integration process was concerned, and I think both Kennedy and Bundy were aware of this and I don't think they disagreed at all. But I can remember, in fact, Bundy's general approach was bemusement. Ball and about half a dozen others who worked closely with him were looked upon as a kind of amusing cult. In other words, they didn't dislike Ball, but they thought our preoccupation with integration and our devotion to Ball were amusing.

*Q: Now, did you get the feeling, one that I've heard so often -- the Secretary of State was Dean Rusk -- that Dean Rusk found himself so sucked into the Vietnam thing but also the Far East, which had been his field before -- "Okay, I will deal with the Far East, and, George Ball, you'll handle Europe"?*

SCHAETZEL: That is a good description. It worked well. It was a friendly relationship and George worked out of very, very good relationship between the two. I think George's unfulfilled ambition was that he would follow Dean Rusk as Secretary of State. But I think one of the reasons that George Ball never had a shot at it was that he had a real vision in terms of the Middle East and managed to gain the animosity of the Jewish interest groups who felt that he was not sufficiently friendly to their interests and was too friendly to those of the Arabs. In any event, it was a pity. George was a remarkable public servant.

*Q: Adlai Stevenson.*

SCHAETZEL: That's right. It was of course Ball's close association that sort of brought him to the attention of Washington clientele. He had been very, very close to Stevenson during the campaign. Again, the Kennedy people were open-minded, but the fact that Stevenson had run and been defeated meant perhaps that a little prejudice was carried against George for his association with Stevenson.

*Q: Did you get any feel for Robert Kennedy and George Ball, how they got along?*

SCHAETZEL: That's a good question. I don't think there was any closeness between Robert Kennedy and George; he certainly was not one of the people with whom George was intimate.

*Q: You got involved with Euratom when?*

SCHAETZEL: It was at the time I came back from the War College to the Office of the Secretary where Gerard Smith's office on Nuclear Matters was located.

*Q: It would be about '56. What were the concerns about atomic energy? Today atomic energy is not looked upon within the United States with much favor. How was it looked upon, though, when you started with this?*

SCHAETZEL: This is an important line of inquiry not only because it relates to atomic energy but I think it relates to society in general. I'm not sure when the Atoms for Peace program was initiated, but the reason Eisenhower pushed it was that not only the general public but the government had been persuaded that this was the energy of the future, and people said we would produce energy at such a low cost that it would be hardly worth asking people to pay for it. That was the general persuasive view of atomic energy, not just the view of a few people.

*Q: We're talking about the late '50s.*

SCHAETZEL: That's right. It had to go on quite a while before the truth began to sink in. The same sentiment existed in Europe because they, too, needed energy. They had coal but they did not have oil. Therefore, there was a natural expectation that atomic energy would be the source of energy in the future. As time went on, it began to sink in that there were all sorts of really rather frightening aspects of this source of energy. One was how to dispose of the waste. The costs for extraction of Uranium 235 for the production of plutonium turned out to be much more substantial. But obviously the thing that had not been thought about was how you could assure that the production of nuclear energy for civilian purposes would not be diverted to nuclear weapons. Of course, at that time nuclear war obviously was thought of as intolerable, and what was growing all the time was the fact that this was a useless weapon, that no people in their right mind would embark on nuclear war. I think that was brought home by the Cuban Missile Crisis when people began to think in different terms. This was an extraordinary movement from something which was seen initially as benign to recognizing the downside. Offhand, I can't think of anything quite like this where there was enormous initial enthusiasm and then recognition that the enthusiasm was misplaced and that there should be more thought put into these things before embarking on something so vast. I think we're still in that stage obviously. We've got about 70-odd nuclear plants around the country, and even now we're having all these fights about what to do about the waste. It will take thousands of years before it is no longer dangerous.

*Q: The Europeans took to this particularly fast, very much. Was this a concern of yours when you were dealing with this? Were you looking at problems down the road particularly?*

SCHAETZEL: No, we started out with the same sort of optimistic view of the source of energy. The Europeans were following right behind. The scientists involved shared this view. It was nothing particularly American. We relied heavily on the British, the French and others. So the whole world community was persuaded this was where the future lay. One point people tend to overlook is that Monnet saw the full European community as being primarily political, *not* economic – the *goal* was political.

*Q: This was to integrate Europe and keep them from fighting each other.*

SCHAETZEL: That's right, exactly. He felt that the nation-state, even at that stage, was an anachronism and that a Europe unifying economically would move onto the political stage. Therefore, with this attention directed at atomic energy, it was quite obvious that the Euratom was a logical part of this process of economic unity. Of course, it goes on now that it exists; there still is a Euratom agreement and so forth, but it gets hardly any attention. International progress is sloppy.

*Q: While you were dealing with this -- this was in the early '50s until '66 when you became Deputy Assistant Secretary for Atlantic Affairs -- were there voices of concern as the EURATOM program developed? In other words, were there the equivalents to the Greens and Green Peace and other groups that now are such a major political factor?*

SCHAETZEL: I think, in regard to the European integration process and our involvement with them, really it was not just the status quo and it wasn't just to keep doing the things we'd done to have a nation-state system and so forth. There was the constant attack on the European integration process by the British, in which they developed the European Free Trade Association as an alternative. The alternative all along was not a new political institution, which was what Monnet was working for, which would push the nation-state to one side. The British regarded it as of secondary importance. The British were determined to preserve the nation-state at all costs: therefore, they kept evolving ideas which they hoped would replace the unified approach. Despite the resistance of the British to Monnet's ideas, a fascinating part of Monnet's life was that he was deeply attached to Britain and lived there during the war.

*Q: This is Tape 2 Side 1 with Robert Schaezel.*

SCHAETZEL: The British were almost the last to recognize what the future would be. They continued to fight the European integration process, but, as Monnet would say, once integration takes place, they will then come along belatedly and become a part of the process and make a real contribution, because, he said, the genius of the British lies in administration, in doing things well once they become reality. True enough.

*Q: That's quite interesting. I never heard it put that way. What about France under de Gaulle? As far as American policy went, in particular the French always seemed to be the burr under the saddle. Yet France was absolutely critical to this. How did you see Ball dealing with them? How did you find dealing with the French?*

SCHAETZEL: Well, this book...

*Q: L'Amérique Contre De Gaulle by Vincent Jauvert goes into U.S. dealings with de Gaulle quite thoroughly.*

SCHAETZEL: Jauvert was here some months ago with a crew filming a program which was broadcast on January 17, 2002 on French TV Educational Channel #2 "America and de Gaulle..."

*Q: America versus de Gaulle, in a way.*

SCHAETZEL: Exactly. They apparently had interviewed Kissinger in Paris and were about to interview Sorenson, Mac Bundy, Sonnenfeldt and a couple of others, and the questions he asked were very pertinent. It was in the nature of the beast that de Gaulle was bound to be totally opposed to the idea of integrated Europe. He saw the world only in terms of nation-states and that the nation-states, and France in that construction, obviously would play the major role. He tolerated the European Community as long as it was restricted to economic affairs and as long as it did not obviously compromise French nationhood. The extraordinary thing is that he was willing to tolerate Schuman and Monnet and also to allow, I suppose, Monnet to go ahead with this enterprise “The Coal and Steel Community.” One of the few vivid memories I have was at the affair that took place after Kennedy’s assassination.

*Q: Yes, I remember de Gaulle and all the world leaders came.*

SCHAETZEL: State Department officers were assigned to go with the heads of state. I was assigned to go with Monnet, take him through the receiving line and so forth. We were talking together at this affair. He saw de Gaulle at a distance and he said, “Let’s go over there.” As we approached de Gaulle he initially didn’t recognize Monnet – de Gaulle had a kind of smile as though he were going to meet somebody he didn’t know. As we got closer, de Gaulle began to recognize who was coming toward him, and the changes in his face were remarkable. So Monnet introduced me to de Gaulle and they talked finally and that was it. But it was extraordinary to be present and have a feel for the atmosphere.

*Q: This was not friendly.*

SCHAETZEL: No, it was on de Gaulle’s part an obligation to someone he had obviously known for years, because Monnet played such a role in pulling the French economy together after the war, after the defeat of the Germans. De Gaulle had recognized that role, but obviously there was much distance between the two of them.

*Q: How did George Ball react to sort of the French role as Ball was developing this European integration?*

SCHAETZEL: I think that I can’t really do a very good job of answering. There are so many different Frenchmen, so many Frenchmen from the 1920s on, who were just as enthusiastic as Monnet about the integration process, as there is today. Out there you’ve got people who are political figures. I’m merely saying that I think the French recognized George for what he was. I think there were people that were as enthusiastic as he about the integration process and there was obviously a difference with de Gaulle. That division between nationalism and internationalism was alive and well.

*Q: When you were dealing with Euratom and all, how did you find the French on this?*

SCHAETZEL: I'm not sure I can say anything much about that. I'll have to think more about that.

*Q: Well, I'll tell you what. I think this is a good time to stop for this time. I'll put it at the end of the tape and we'll talk again. I've been exploring the role of the French, and we'll talk about the Germans and British too, as you were dealing with Euratom and other elements of the integration. We're talking really the '60s, latish '60s, then we'll talk about the advent of the Nixon Administration, and then we'll go on to talk about being ambassador to the European Community from 1966 to '73 and developments there, and then we'll talk about what you did thereafter.*

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*Today is February 4, 2002. Before we get here, I'm not sure if we've covered it. I was looking through in our oral history collection -- we put out a CD with about 900 transcripts on it -- and I ran your name through and there are a lot of references to you, and one of them -- unfortunately I forgot to make a note of who said it -- somebody said early on when Truman was in power, when he was looking towards relief for Europe, that they had taken an old paper of yours that you had written before about possible economic assistance and turned it into the Point Four program under Truman. Could you talk a little about that?*

SCHAETZEL: I don't remember that at all. I wish I could, because it sounds like a good thing that I should recall. I was obviously at that stage deeply immersed in economic matters, particularly international trade, and I think that inclusion was correct in terms of things that we could do. The problem of Europe coming out of the war was not so much to create new institutions such as you have to do in the developing world, but you had an area which had institutions, legal system, bureaucracy and so forth, and the problem was how to stimulate, how to recover, how to get these assets into play. What you cite I wish I could remember, because it sounds very interesting and, I think, perhaps has a more flattering connotation than it deserves.

*Q: It actually was that you had drafted this for something else, in other words, as part of the general thing, but they found it and it fit to Truman's saying, "We've got to do something," and then all of a sudden you go through the old files -- not maybe that old.*

SCHAETZEL: I wish I could recall. That's a very interesting point, which I hope is accurate.

*Q: I asked you the last time and I thought we'd talk about it now: As you were moving into this integration of Europe, I asked you about dealing particularly with France. Did you get involved in what used to be referred to in the Department of State as the Battle of North Africa and that was between the African Bureau -- particularly we're really talking about Algeria -- and the feeling of many that we have to pay attention to these countries,*

*colonial countries at that time but they're not going to be colonial forever, and then sort of the European Bureau which saw any messing around with being pro-liberation of the colonies as screwing up our support of Europe, which meant that we should stay tied to France no matter what? Did you get into that battle?*

SCHAETZEL: To a degree but not exactly in those terms, because anyone involved with the integration process from its very beginning was up against the French, because the essence of de Gaulle's strength and weakness was his dedication to the nation-state and particularly to France. Indeed I just had a message from Europe. I was interviewed a couple months ago. They put on a long program on the United States and de Gaulle, and I was interviewed for this, and friend had said they'd seen it. I did not know it had been on the air, but this fellow -- I think I mentioned this to you -- who did the program was very well informed. He really brought this into complete focus, and that was that this was the overriding objective of de Gaulle and that's where he came into conflict with the United States. One of the great conflicts between elements in the United States as well as between the United States and Europe was where Europe was going and did we want to revive a nation-state system rather than think in terms that had been developed by Schuman and Monnet and others to recognize obsolescence of the nation-state system. So that was inevitable because of de Gaulle's absolute dedication to the independence of France. That, of course, came into the State Department, because the State Department then and to a degree now rests primarily on state-to-state relationships. I've seen that most recently in terms of the failure of the mission of the European Union to the United States to be seen or heard; yet you see constant references, letters to the editor and so forth coming from the German embassy or the French, essentially ignoring the fact that the European Union even exists. That is obviously reflected in the behavior of the State Department as an institution. When I was involved in this, from before I went to Europe and during the six years I was there, I managed to annoy a number of ambassadors who felt that I was getting out in front and interfering in their business. That particularly applied to Chip Bohlen but to others as well. I felt then and I feel now that, to do the job I had, I had to speak out on our references to and interest in developing the European integration movement.

*Q: One of the things I noted as I was looking through our transcripts concerning you, you're almost always linked to George Ball as saying you were a true Europeanist, and this was not always in a flattering way. We're talking about some very strong people who had other things in mind. But one did have the feeling that there was a cadre -- and you were one of the two or three waving the banner particularly -- of Europe must be integrated and we have to do everything we can for it, and to hell with these other concerns such as colonialism. You can almost see a thread that would lead to our getting involved in Vietnam and all that, because of our concern about European integration. And when you get to European integration, you're almost always talking about France, because France seemed to be the key to this.*

SCHAETZEL: That's obviously right. At that stage. Germany had been defeated. The integration movement was put together in part, not exclusively, to bring Germany back

into the fraternity of nations. Britain was not only not a part of the integration process but hostile to it. Italy was relevant but not in a leadership position, so France ended up in that key role. Now, picking up another part of your question, it's quite right. I had the good fortune to be a part of this cadre around George Ball, which was not numerous but I had some wonderful colleagues such as John Leddy, Assistant Secretary for European Affairs. I think we were either looked upon as kind of oddballs who weren't a part of the major -- I don't know what the right word is -- the accepted philosophy and so forth, just as you have described it. This was novel, this was different, this was nothing that had been done before. How we were described was almost never in flattering terms; we were crazies; we were part of something which was outside the main current. We're raising now a very important point, and that is that any major institution, whether the State Department or any of the other fields, there's enormous tendency to stay with the current. Don't innovate, don't get out of line, and don't take risks personally, because if you get into something which is slightly novel, you identify yourself as an oddball and somebody who may be dangerous in terms of coming up with things or doing something which will be embarrassing to the establishment.

*Q: In a way you were in the early stages of something which is still going on today, and that is institutionally where we're broken down into geographic bureaus and countries that thinking in multinational terms is almost off to one side, sort of a bone thrown to the United Nations, but other than that the whole apparatus is set up to deal country to country.*

SCHAETZEL: Absolutely. I think what we are seeing now is the beginning of a very long process. There is obviously a tendency for people who think they see the future to want to move much more quickly while the majority want to stay with something that they're familiar with. Just look at the number of embassies around the world, the people assigned to those embassies. You've got a whole structure which is tied to this nation-to-nation basic -- I'll use the word -- 'structure' again. Now, at the same time, globalization is here, it's going to stay, and it's going to increase. The resentment to that is not just in the streets of Seattle or in New York today but people are very uneasy about change. The United Nations is here, but only reluctantly are the advantages of the United Nations and other multilateral institutions seen and used for the future. I think, for instance, the speech, State of the Union message, which the President gave last Tuesday is striking.

*Q: This would be George Bush in January of 2002.*

SCHAETZEL: That's right. Now, that was an extraordinary speech in many respects. I found it immensely disappointing, but I thought it was interesting in the context of what we're talking about. I've talked to other people over the last few days about it. In the light of what we were just discussing, namely globalization, there was no reference really to the United Nations in that speech at all and no real reference to the role of these multilateral institutions. What came through is something even more than nation to nation; it was essentially: the United States is the superpower and the world leader -- that we've got the ideas of what the problems are and what we ought to do. Either join with us

or you're not in the game at all. Now, you could say that's kind of the ultimate nation-state image, but it does give you a notion that things don't move in a steady pattern from where we were to where we may want to be later in this century.

*Q: As you were working with the integration of Europe, Western Europe, and all, from the early '60s on, in your mind and discussions where did the United Nations fit into this?*

SCHAETZEL: I suppose that it fitted in a way theoretically but not so much in practical terms. You do have this pattern of nation-to-nation relationship. Now, the advantage of the coal/steel community was that it involved commodities in the economic realm without impinging directly on the sort of classical relations which were political. That's one of the reasons, I think, that progress was made in this area. People did not think this was very important. Coal/steel was a commodity of much concern, then you move on to economic integration, and here I make a point which is relevant to other subjects we've discussed. The State Department then and to a degree now is set up to deal with political questions; people concerned with economics during the period we're talking about were sort of second-class citizens. As a matter of fact, if you came out of the economic area, you were not as likely to be promoted, not as likely to become an ambassador. In a way the whole thrust of the State Department and foreign policy was the emphasis on the political. This meant letting the people dealing with these economic issues such as Euratom and the European Community, international trade, that area, go about their business (their business is not that important anyhow). That attitude persists today. This was one of the other things I got into later on because it didn't make any sense and actually it created special problems for the State Department and for the government. So what I'm saying here is that the development of these institutions, including the World Bank, the Monetary Fund and then, of course, the European Economic Community, were able to carry on their work more or less with people not noticing, not thinking it was all that important. You asked a question about the United Nations. The United Nations existed, but I think now the UN is the one who's been able to change things as much as the circumstances themselves.

*Q: You're talking about Kofi Annan.*

SCHAETZEL: That's right. You have an extraordinary individual with all the kinds of skills necessary for the job. Even the cynics, I think, admire this man for what he has brought to that position.

*Q: Now, tell me: Did you and George Ball and a couple of your cohorts sort of early on get into the back room in the afternoon, whip out a bottle of scotch or something, and sit around and chuckle saying, "Okay, let's hit on the economic side. We know where we want to go, and that is the full integration of Europe"? In other words, did you really have this goal in mind and were you able to sort of figure you could go under the cover of economic stuff that would inevitably lead to...? Was this in your mind, or was it one step at a time?*

SCHAETZEL: That's a very good question, and I'm not sure I can say anything that would help very much. I will say this: you had in Ball an extraordinary individual. He was not only a man of real inspiration but of enormous courage and integrity. I think all of us felt not only respect and admiration for George but also dedication in our own way to the objectives that he pursued. So we were a group and, as I said before, I think we weren't so much admired as rather a source of amusement. McGeorge Bundy was an example of that. I think he liked Ball, he showed a lot of good head, but you had a notion there was always a smile on Bundy's face when Ball's name came up. Really he was the leader of it, but also the individuals that were in this cadre -- I mentioned some of them -- were really remarkably able people. They went on to do really big things on their own later on, for example Art Hartman. It was something that you could do without really thinking about the opposition, because -- I don't want to be too unfair about this -- the classical bureaucrats here were the ones who went about their day-to-day business. They were the dominant ones in the state-to-state business. I had a feeling that each went about its business without being that much bothered by what the other people were doing. I think certainly during those six years that I was in Europe I gave speeches and I did things which irritated ambassadors to the member states, but that, I felt, was a part of the business and it didn't bother me very much. We were a kind of self-contained group, and I think that we were involved in what the future was about and that kept us moving. I don't think I can add very much.

*Q: Maybe a fuzzy idea of where you wanted to come out, at least basically an integrated Europe, or was it...?*

SCHAETZEL: Well, I think that's right. We were talking about the United States supporting but supporting on the sidelines something which was a European phenomenon. The Americans were not coming up with the idea of what a united Europe would look like at all -- I think that we had no ultimate goal in mind, even at that stage of moving from the economic to the political. Nobody quite knew how that was going to evolve. The Europeans didn't know. Even now there are many conflicting ideas as to where this new Europe should be going. Indeed I think the situation is almost more confused today than it's been in any of the 40 years that this has been going on. I would like to underscore the fact that there weren't a number of Americans sitting around saying this is the future world we're going to work for. Indeed during that period I don't think there was any thought whatsoever about the European Community's moving into the defense of that political Europe. Indeed it was very much economic. Once you got into monetary union and now, of course, into the euro, there was a dramatic move forward. But they're moving slowly and awkwardly in the defense area. You've got a combination of classic American impatience: we back something; it ought to happen tomorrow. On the other hand, while enormous progress has been made in 40 or 50 years, it is nonetheless just a moment in history rather than a major part of history.

*Q: I had mentioned this before. The European Bureau, the EUR Bureau, what sort of a role did it play? This is the classic bureau that deals with each country sort of individually. How did you deal with that?*

SCHAETZEL: I think what you describe really is true of the State Department as a whole--on the basis of the nation-state. You have today an unbelievable number of embassies, many for countries with unpronounceable names and that nobody has the slightest idea where they are, but that's the way they are all lumped together. Obviously in the Far East you have individuals who are experienced, deeply experienced, in for example Chinese or Japanese affairs. The enormous importance of having competent people dealing with these areas is clear. Now, to a degree that's still true in Latin America. But you're saying, quite correctly, that the whole structure, basic structure, of our handling international affairs is dealing with individual states or individual nations.

*Q: Did you deal with the European Bureau? Were they fighting you or were they with you as you were working towards this...?*

SCHAETZEL: First of all, let's make a distinction. There was nothing in the other areas of the world similar to the European integration process. There was no European Union coming down the road. Now they're talking very theoretically about something which might be done in the Middle East for instance.

*Q: And then ASEAN in the Far East.*

SCHAETZEL: That's right, but these are really shadow organizations as contrasted with what was going on in Europe. I don't have the feeling that other people in the European Bureau or in the State Department as a whole really were hostile to or fighting this development. In other words, either they didn't think it was ever going to go any place or they didn't see that it affected their interests or their relationships with the countries to which they were assigned.

*Q: Again, I was looking at our oral histories and there was an interview that I did quite a few years ago with Bill Tyler, who was the Assistant Secretary for European Affairs, and at one point he mentioned he wanted to talk to Secretary of State Dean Rusk on something about Europe and he had a hell of a time getting a meeting with Rusk, and when he got there, Rusk was very uncomfortable, and as soon as he raised European things, Rusk said, "You really have to talk to George Ball about this" which in a way is an astounding thing, for somebody who is Secretary of State to turn over essentially the major part of our relations, when you look at what Europe covered, to a subordinate. But this gave George Ball quite a hunting license, didn't it?*

SCHAETZEL: It was absolutely true. One can look at this as something which Rusk should not have done, but you also could look at it as the fact that, given the extraordinary responsibility of the Secretary of State, if he had an especially able deputy and they had confidence in one another, it would make sense. I think it did make sense. I saw this from

the sides, so I remember those occasions that I had any direct relationship with Rusk. What you've said is absolutely right. He was decent, responsible, kind, but he really handed this on to George. I've described the reasons. This is something that should not surprise anyone that knew the two of them and particularly George Ball.

*Q: You know, the Secretary of State has two roles. One is to be the Secretary of State and run the Department of State, but the other one is as the principal advisor on foreign affairs to the President of the United States. By doing this, he should be very well informed in developments in Europe as well as elsewhere. Who was feeding Rusk information about Europe?*

SCHAETZEL: Well, that's sort of beyond my intimate knowledge, but I think it fair to say that, certainly in the Kennedy Administration and I think also Johnson, Ball was recognized sort of within the government as the person on these affairs, roughly categorized as European integration and the role of Europe as an entity. I don't get the notion that this subordinated Dean Rusk. It's just that there was a division of responsibility there, which really worked very well. I think also there was a further recognition, to the credit of Kennedy and Johnson, that they, I think, welcomed the independent voice of George Ball. They recognized his integrity. I think they recognized the knowledge he had of these subjects. As a consequence, it was not the kind of bureaucratic fight -- I don't remember anything like that -- as contrasted with what you're seeing now, say, between Powell and the Defense Department and the White House and so forth. There is nothing that I can recall from my experience similar to what I just mentioned.

*Q: Did the war in Vietnam and particularly Ball's strong questioning of it have an effect on what you all were doing?*

SCHAETZEL: Not really; that's the extraordinary thing. I've thought about that too. Despite the enormous effect internationally and domestically of the Vietnam affair -- and I don't think this is particularly complimentary as far as I'm concerned -- I was so preoccupied with the things that I was doing and interested in that I just did not follow, was not all that aware. I just went about my business. To have this all-consuming problem right next door, I'm now questioning myself how could I have been so indifferent to this. At the same time, you're quite correct: In historical terms Ball was so right and his position made so much sense. The interesting thing to me is, as I said before, there was such respect for Ball that, despite that he was the odd man out, he was taking a position contrary to the two Presidents and others, that he could continue to be a major figure in the American government. As I say, I give a lot of credit to the Presidents and others that they so respected him that they were prepared to hear him out.

*Q: What about the National Security Council or the National Security Advisor, which was McGeorge Bundy for part of this, and then who else was there? During the Johnson time it was somebody else. [Ed note: Walt Rostow]*

SCHAETZEL: That's a good question, too. At the NSC, National Security Advisor, was essentially what it was intended to be at the beginning. When it was set up by Elmer Staats, Director of the Bureau of the Budget, it was composed of about six people. The idea was to have someone who would bring things together so they could be presented to the President in an orderly fashion by people who were really essentially staff advisors and assistants. That is changed now. I think now there are almost 100 staff members. In recent years the National Security Advisors, the Brzezinskis and the Kissingers of this world, have become essentially parallel secretaries of state, but that was not true at the beginnings. I think it's only later that you begin to have a source of extraordinary confusion which is, I think, unhelpful to the development and execution of American foreign policy.

*Q: Getting back to a bit of the nuts and bolts, in the first place you were in the Economic Bureau. I was wondering just almost as an aside, were you aware of the work, internal work, of a civil servant named Frances Wilson? Could you talk a bit about her? People who were in the Economic Bureau talk about her with very strong positive feelings about what she did for the Bureau. Here was a civil servant really dealing with personnel. Did she come to your attention?*

SCHAETZEL: Yes, but I'm very embarrassed not to be able to add very much to that, but you're raising a point which I was thinking about. Economists were second-class citizens in the Foreign Service, and those who were not Foreign Service Officers had several elements of discrimination. I was a part of the Wriston Committee which looked at the whole question of what should be done about people in the war agencies who then moved into the State Department, both the classical Foreign Service officers and then others from the Board of Economic Warfare, Inter-American Affairs, etc. The question was: whether to continue this pattern of having the Foreign Service separate from all the other sort of civil servants. In the end, those who met the test of experience and other qualifications were laterally integrated. This was a major change and expanded greatly the Foreign Service. As a personal footnote, while I was a part of this program that recommended the lateral entries, when it came around time to decide whether I wanted to join, I evaded the question. Finally I couldn't evade it anymore and I said, no; I did not want to because these things were absolutely central to my notions of a career: I wanted to work in a field I knew something about and I wanted to work for people I respected. Neither would've happened if I became a part of this integrated service. So, in the end, a few of us including Henry Owen and Joe Sisco, who elected not to go with the Foreign Service, were told in effect, "You're dead meat. No future for you." Well, in any event, that did not turn out to be the case for us. Because of the Department's pattern of assignment and promotion, there is a deadly practice of sending someone who China needs to go to Italy. This constant movement around almost insures that you will be a generalist and not an expert in areas where expertise may be absolutely essential. I felt the way to have these objectives reconciled without a conflict was to say, yes, early on in a career, very early on, moving from one area to another made a certain degree of sense, but after that initial stage people should develop expertise in certain areas as an Arabist or whatever it may be, to really know the culture, the economics, and the rest of it. Then,

once they had reached that stage and were known to be very competent, then you could move them as ambassadors to various positions because they had the self-confidence of being expert in certain areas and yet knew enough about the system to be effective heads of embassies. But that still is not the case. One of the things that worries me the most is that there has been a tendency, with exceptions, to have a notion that a person who has Foreign Service Officer behind his name can do anything no matter what.

*Q: Now, going back -- we've covered this somewhat before, but I'd like to do this before we move on -- to the Nixon period, under the Kennedy and Johnson period, what was your main occupation?*

SCHAETZEL: I had been appointed, thanks to George Ball by President Johnson. When I had been recommended to Johnson to be ambassador to the European Community, for some reason or other this nomination got in the hands of the press. George and Rusk were concerned about it. Knowing Johnson, they knew if this got out in the press before it had been acted on formally, Johnson would have killed the whole appointment.

*Q: Everybody who got an ambassadorial assignment, but before approval or something, lived in fear of this because of Johnson's proclivity to think, well, somebody's leaked this so to hell with that.*

SCHAETZEL: That's exactly right. The one who saved this, saved me, was Al Friendly whom I knew at the Washington Post. Contrary to normal practice of journalists, they killed the story.

*Q: Al Friendly being...*

SCHAETZEL: ...a major figure in the Washington Post -- and told him what the situation was. Really contrary to normal practice of journalists, they killed this story, so that never came out and saved my life. That was an example of this element of good luck at critical stages. When Nixon came in -- that was shortly after I had had about three years there...

*Q: Where?*

SCHAETZEL: In Brussels during that six years of my term of being ambassador to the European Community. You remember I had mentioned to you that Elliot Richardson had been the Under Secretary. Did we talk about that?

*Q: No, I don't think so.*

SCHAETZEL: Well, it's very interesting. I have very good memories about this myself. My mother was alone and living here, and I was able to work out, because of being offered to give speeches and so forth, to get back to Washington about once a month to sort of see her, putting business together with that particular obligation. I had something like this scheduled just when the new administration had come in.

*Q: That would be 1969.*

SCHAETZEL: Elliot, as I say, was the Under Secretary, and just because I felt an obligation being back in Washington, I had wanted to pay a visit to him and just tell him a few things about what was going on with reference to the European Community. This conversation went very well because he was interested and I was able to tell him why this was, I thought, a very important aspect of international affairs and American interests. At the end of this conversation, I said that I would appreciate very much knowing what the intent of the new administration was, and that I'd like to stay in the job because I thought I knew it and I thought I could make a contribution. But on the other hand, if that was not in the cards, I'd like to know, because I would then decide what I wanted to do and I probably would resign. To my amazement, the next day Elliot called and said, "We want to keep you on." So, this was extraordinary, because the normal tour of duty is three years and here I went on for six. Elliot, in turn, became a very good friend and we worked on so many things together. I had a debt to Elliot which I would never forget. It was an example of his being the quintessential public servant of the highest sort. I think he served in half a dozen major positions. And to go on to your question about Nixon...

*Q: I'd like to still go back a bit. You went out to the European Community in '66. Prior to that what were you doing?*

SCHAETZEL: When I was at the War College, each individual had to write something that would amount to kind of a master's degree paper. You could pick any subject you want. I suppose essentially, I felt at the time, you had two things you could do: one, you could write about something that you'd been working on or write about something you did not know about but wanted to learn about. Because of the Eisenhower Atoms for Peace program, everybody was talking about this, which is a great subject. I decided to write on this and, therefore, I got into it and got all the available information. That was the advantage: there was not so much you could learn. After having done that and being quite interested in the subject I finished that tour of duty at the War College. Then I was offered a job in the Office of Atomic Energy in the Secretary's office because the deputy in that office was someone who was a good friend of mine and he asked me if I would come and join him. That's how the State Department got into the whole field of atomic energy, and that led to European integration and so forth. That's again sort of good fortune on my part to get back in the State Department in that role. Then later on I had a Rockefeller Public Service Award. That took me to Europe for a year, and that's when I got to know George Ball and got more deeply involved in European integration affairs. That's when I was working with Monnet and others. Those stages led up to this. Being with George and working on this, and then came the period of the election with Kennedy coming in. And George having been so close to Stevenson and, therefore, because of the generosity of the Kennedy people, George was brought into the government. He'd had experience, a lot of experience, before the Kennedy administration. George brought me in as his special assistant. You see, having had that year in Europe on the Rockefeller Public Service Award meant that I had contact with George, and then after that I'd come back to

the State Department in the European Bureau, again with emphasis on economics. When the Kennedy Administration came in, because George had known me in Paris, I had an unusual experience. That was the first administration that had a sort of transition program from the previous administration to the Kennedy Administration, and George was a major figure in handling that transition. He drew me into it, and I think I was the first career person -- in other words, nonpolitical person -- to be assigned to a transition group. My major contribution, which I sort of cherish, is that I developed a list from the State Department, not of people who should be promoted or brought in or so forth; I developed a list of people that would be very wise to let go. So that went on through George on up through the channels. I don't really remember that people paid that much attention, but I got a certain satisfaction recognizing that bad people could do more harm than good people could do good.

*Q: In a way, what were your criteria?*

SCHAETZEL: These were people who were routine, who were difficult to work with, who had a reputation of being difficult, and so forth and so on, all sorts of things that were not that extraordinary. But for new people coming in you didn't have the time to learn that. And people who were the senior political appointees, if you could know that these were the individuals you could live without, you would be better off. I think in a way it made sense. One of the really tough things is to come in as a political appointee, no matter how able you are, and have no notion of the ability or the lack of ability of the people in the establishment.

*Q: I keep bringing you back, but you went out to Brussels in 1966. Did you have any problem with your appointment?*

SCHAETZEL: No. After the nomination had been made, the White House staff wanted to know sort of who did I know from the Hill that knew me. Hale Boggs was a very good friend. I just mentioned his name, and that was all the White House required. Hale Boggs was a Congressman and very much up in the Democratic hierarchy. But the point was that there was no problem. I appeared before the Foreign Relations Committee, and there obviously were so many coming through there were no problems. I might say one thing was, because -- going back to de Gaulle -- there were some questions that anyone associated with George Ball, that no one knew what de Gaulle would do. Of course, de Gaulle did at that juncture, not necessarily at this particular moment, sort of freeze everything. In other words, he sort of stopped the whole European Community from moving. There was a fear that he would take an action which would block all of these people from any other country being assigned, such as I was to be assigned to Brussels, and would bring that to a halt. Well, that was a fear but it turned out not to be reality.

*Q: Prior to your going out, how did George Ball, you and others dealing with this European integration situation view the withdrawal by de Gaulle from the military side of NATO? Did you see this as being a real setback or what?*

SCHAETZEL: Well, that's right. It's hard to overstate the influence of de Gaulle. That's why I go back to the very interesting interview I had with the French television people. It really is absolutely extraordinary, because he had enormous capabilities and, of course, he played a remarkable role: what he did in Algeria, what he did when he was in London before going there, and what he did after he went back to Paris in sort of reviving France and renewing the confidence of an almost destroyed nation. And none of that could be taken away from him. But the trouble was that he was one of the most opinionated individuals that, I suppose, the world will ever see. He was so dedicated to the fact that France was the greatest nation in the world, bar none, and the absolute refusal to be a part of anything in which he would not be the dominant person or France the dominant figure. Hence, on NATO, that was seen as a body in which France would merely be an element, probably with the United States being the major force within that institution. So his action on that was unsettling for everyone, other Europeans and people here. It's a little hard to say how he could have tolerated the European Community at any stage whatsoever. I think the explanation for that is that he was not that interested in economics and he didn't see the Community as being that much of a challenge. Therefore, he allowed it to move ahead. Now, later on, as I was referring to before, he would get concerned and would take actions which stalled everything, and the Community could not move ahead the way other people wanted to move. He obviously was a force that, because of his feelings about Britain, anything that looked in the direction of bringing Britain into this enterprise... So it was a strange pattern of being indifferent and then being hostile but never to the point of just saying that he was going to blow the whole thing up or take France out of the European Community.

*Q: You're sort of giving the impression to the outside that here you were, a bunch of subversives in the normal political world setup, particularly the European/American system, sneaking in under the cloud of that dismal science economics, and all these politicians, the people who were nationalists and all, both in the United States, in the State Department and elsewhere, and in Europe, particularly in France, sneaking in under this thing of knitting together something sort of out of sight of the great nation-state thinkers or something.*

SCHAETZEL: That's right. You remember also -- and I can't bring this back in terms of when it all happened -- he was voted down in an election in a critical period (1946) and was out of office and then, of course, came back later (1958). But you have an extraordinary individual, one who had great insight in one area and great \_\_\_\_\_ in other areas. Bear in mind, of course, in Algiers, Algeria, he was there but also Monnet was there. They were working closely together, and when they came back and de Gaulle took charge, Monnet was the one that helped put the French economy together. The extraordinary thing is that the relationship was close enough. Yet then when Monnet dedicated himself to the integration movement, which was exactly what de Gaulle \_\_\_\_\_, right to the end there was an alienation which was really fundamental. It was not the nature of Monnet to have resentment, but it was extraordinary, in the light of that background in Algeria and then in the reconstruction period, to have them together and then totally at odds.

*Q: While you were still working on this in Washington before you went out in '66, were you and others in dealing with the French using the German card of saying, "Look, what we're trying to do is to so integrate this so the Germans won't be a threat to you again"?*

SCHAETZEL: Yes, I think that was constantly there. It's interesting, the question you ask here, is that that sort of lingers on. In other words, the French today still see the European Union as a way of keeping Germany under control. With the reunification of Germany and the fact that it is now bigger and much more powerful than France, these various meetings including those coming up on the convention, France is still desperately trying to hold to something. They want a joint partnership of equals in the European construction between France and Germany despite what I've just said in terms of the greater power, greater population of Germany. It's interesting that the Germans have been very willing to go along with this, they have not fought this, they have not tried to assert themselves as Germans. They could say that that day is over, but they've shown very good sense on this front. Again, it goes back to something absolutely fundamental -- this almost goes beyond conviction -- namely, that we, France, are the great European power and everyone else ought to defer to us, our language, our culture, our history and so forth. They have not reconciled themselves, following the pattern of de Gaulle, that it's a new world; and that, if they are going to play the role they should, it ought to be within the framework of a very dynamic, active, well put-together European Union in which within that framework they can really exert influence; but that's the hardest thing in the world. It's very hard, I think, for countries to recognize that they can achieve objectives within the framework of another institution rather than nation-state, and that applies to the United States as well today. If we continue along this unilateralist line that we're going to dictate rather than use international institutions to achieve our objectives, we're going to be in real trouble.

*Q: Did you find that while you were working on this -- again, we're talking about the Washington period before we move on -- did you find that particularly the French were, through the media or maybe political speeches, particularly irritating and poking at the United States? This seems to be a constant.*

SCHAETZEL: Well, not really. The European Community originated with the French, with Schuman, with Monnet. The people that I worked with, the French people, were among the ablest, most committed, and a number of them remain my friends now. Those that were a part of the European movement, whether they're in Brussels or elsewhere, were as dedicated as any other people and certainly as dedicated as we were, so I was never thrown with the kind of de Gaulle French. They were just not a part of the operation in Brussels.

*Q: Again, did you run across, or could you kind of avoid it because they didn't deal with the same things you did, the French intellectuals?*

SCHAETZEL: Not really. I would say that some of those that I knew would certainly fit the category of being intellectual, but if you're thinking about sort of the cultural community and so forth, no, I did not have that experience.

*Q: Again, they sort of disdained economics?*

SCHAETZEL: That's right. \_\_\_\_\_, that's a different world.

*Q: The chattering class is not strong in economics. Okay, well, we're coming to your appointment -- you went out to Brussels in 1966 -- as the ambassador to the European Community at that time. What was the European Community when you went out there in '66?*

SCHAETZEL: I thought it would be the best appointment I could have thought of -- in terms I think the fascination of it. The challenge here was something totally new was being put together, which was not only a novelty but something we felt was enormously important for Europe and for actually the rest of the world. I think the nature of that job was recognized. I was the third person; you had William Butterworth (1961-1962) and then you had my good friend Jack Tuthill (1962-1966). It was recognized as such a post and it was much sought after. We had a relatively small staff of about 40. Because the administrative support came through our embassy to Brussels, we did not have the sort of visa work and all the other things which are part of the normal embassy function. I am struck now by the fact that so many people wanted to be assigned to our mission. It was an extraordinary group of individuals, and I think we were charged up just because we were all drawn to the potentiality of the European Community. So for many reasons, first not having all these administrative responsibilities that normally go with an embassy but also, again, the quality of the people in the mission, I say it was an extraordinary post to be assigned to.

*Q: Who was your Deputy Chief of Mission and some of the people you had when you initially went out there?*

SCHAETZEL: George Vest was one.

*Q: But in a way were you crusaders or zealots or something?*

SCHAETZEL: Well, people thought we were. We were all drawn because of the challenge of the European integration movement, the potentialities of it. I don't remember any individual that we had there who did not share that enthusiasm. I think people on the outside would certainly look upon us as zealots. I think we saw ourselves as people just involved in a major new element of international affairs, particularly as far as the American government is concerned.

*Q: Was there anyone there who was almost assigned to look at American economic interests or American political interests, always being kind of like George Ball and the*

*Vietnam War, always saying, "Okay, we're building a rival power, we're building an economic power that may try to freeze American commercial interest out or that may be a potential rival to us with different interests than American interests politically"?*

SCHAETZEL: No, I don't think so. I don't remember anyone on the staff raising questions along those lines. I think that we were primarily concerned in seeing the development and supporting it where we should. What you cite is something that is quite a recurrent observation on the European Union today, as it has been in the past that something would come into being that would challenge the United States and, I suppose, try to challenge American dominance. That's particularly evident today with the euro, in other words, people feeling today that the euro will become a currency which will challenge the dollar's predominance.

*Q: The euro came into effect essentially as of the first of this year 2002.*

SCHAETZEL: That's right, absolutely, just a short time ago, and with more success than anyone really expected. You're now raising a point which is certainly central to my feelings about the world, and that is that I don't see and have never seen a European Community or European Union as something which would be a competitor. I see it as a partner. I think one of the most useful things we could possibly have would be a coherent, strong European Union working in partnership, not as a competitor. I think that the people who see this as competition are those that really, I presume, want to be sure of American dominance, that we don't want to have anything which would challenge that dominance. I feel that the one thing that would be most helpful for us in the world -- and this is a whole subject unto itself -- is to have that partnership with a united Europe which has the same values, the same general interests, which is certainly true. I don't know where the basic differences are in our strategic interests. Now, there are various things that we see differently. In many cases, certainly today with the Europeans very apprehensive about the belligerence shown in the State of the Nation speech last Tuesday.

*Q: This is Tape 3 Side 1 with Bob Schaezel.*

SCHAETZEL: Within our own democratic society, we obviously have sharp differences, things which are important but are not absolutely central. People are not proposing that we ought to have a different system of government, but there are improvements to be made. You can have an effective partnership here but still have elements about which one would disagree, debatable elements. One of the central points, which I think has been a core belief of all of us who have worked on this, is to envisage this constructive partnership.

*Q: Were there any residues? It was during the Kennedy time, if I recall correctly -- I'm not sure the exact timing. There was a major war going on between Europe and the United States and that was known as the Chicken War. It would have been before the time you went out there, but could you explain what the Chicken War was. Did it have any after effects by the time you were out there?*

SCHAETZEL: Well, I can't remember that, but I can tell you now we've got something very similar to it in terms of conflict with the European Union on a series of subjects. The most serious right now is that we have tax provisions which permit American corporations to avoid taxation by operating through elements abroad. This has now been found to be in conflict with the rules of the World Trade Organization, and we could be subject to about \$4,000,000,000 worth of penalties. Now, that's characteristic. We've had it in other areas. We have it on hormones.

*Q: Genetically modified, GM, something, genetically modified organisms, I guess.*

SCHAETZEL: And what you're raising here is an important point. Because of the importance of Europe and America to each other and the level of trade between Europe and the United States, you have a breeding ground for conflict. You must have a resolution; there's no way of avoiding it. That was one of the advantages of the World Trade Organization, which could settle such issues without falling into damaging conflict. Having spent so many years of my life being involved in international trade, I know there's no way you can avoid these conflicts. Hence, the indispensability of, first, GATT before and now the World Trade Organization. We're very lucky, because now we have on each side representatives who are sophisticated, knowledgeable, and who recognize that an economic war between the two would do unbelievable damage to each side. I hope we're going to be able to get through this, but -- I think you referred to the Chicken War. These were other conflicts like this. They had to take place, you see, without a World Trade Organization. You did have the GATT but we did not have the system that we now have. I'm still optimistic that we're smart enough, but, what we have to do to bring the Congress along. That's difficult under any circumstances and particularly when you get into the field of international trade.

*Q: When you got there in 1966, let's talk a bit about your relations with the embassy in Brussels, the embassy in NATO? Those are the two other embassies. How did you get along with them?*

SCHAETZEL: There really weren't any problems. At that juncture, you see, the European Community was not into defense matters at all. As far as the embassy was concerned, it really worked quite well. Strangely enough, an ambassador to a country was still honored, no matter whether it was Luxembourg or wherever; that was an ambassador. I don't think, by and large, these other ambassadors looked upon the ambassador to the European Community as being something which would undercut them or somehow reduce their prestige. You know, Eisenhower was there at one juncture...

*Q: That's John Eisenhower, as ambassador to Belgium.*

SCHAETZEL: That's right. They were competent individuals and went about their business. Now, the one thing I remember as far as NATO was concerned, which was interesting: NATO being so important, visitors coming to Europe from Congress or

elsewhere would always want to meet and have discussions with the ambassador to NATO, and at the same time, being in the same town, there was an interest in coming around and finding out more about the European Community. It was very interesting. I wish I could remember all of the individuals that came through. It's an endless list. One I remember most vividly was when Reagan came through.

*Q: He was governor of California at the time.*

SCHAETZEL: He spent almost a day there, and it was an extraordinary experience. He was very nice. He, I think, displayed something which was fundamental, and that is essentially a lack of curiosity, as contrasted with so many other people who came through there and were determined to learn as much as they could about something which was very new. My attempts to fill him in put him to sleep. I found that the only way to wake him up was to talk about myself as having been born in California and so forth. I'd do that, and he'd become the governor of California and would come to life. But it was a very revealing experience. I never changed my views on that particular individual. But Moynihan I had. I can't remember all the distinguished individuals who came through, and that was, as I say, one of the interesting aspects of the job, to meet these individuals and have a chance to share with them what seemed to be going on within the European Community.

*Q: In this sort of first half of your time there under the Johnson Administration, in the first place, what was the status of the European Community at that time?*

SCHAETZEL: It was developing, you see. You had not moved onto a monetary unit, which became really a major threshold. I think you have to bear in mind that in '66 you were still in an early stage. This was still a novelty, and it was something to learn about. Nobody knew exactly what it was or what it was going to become, because if you stand back from that -- just think -- you had a totally novel international body. It was something that had never really been done before, and it had something of the elements of the European parliament with the council of ministers and with the commission. It resembled the United States. It really quite consciously was putting together a federal entity of that sort. But nothing had been done like this. Therefore, a person with intellectual curiosity was bound to want to know what is this, where is it going.

*Q: You had our embassy in Brussels. What was in Brussels of the European Community?*

SCHAETZEL: The embassy essentially did the normal business of an embassy, just handling the business of Belgium as a state, and we really didn't have any conflict at all. When you have people like I mentioned, you get Reagan, the embassy would have its dinner or cocktails or something for these people who were going through. I would have my own social and other contacts with them. I think one of the interesting things is that I don't remember having any real problems with the several ambassadors that were there.

*Q: I was really asking what did the European Community have in Brussels at that time? I mean, was there equivalent to a White House or to a parliament?*

SCHAETZEL: Our contact with them was with the Commission, the president of the Commission and other members of the staff of the Commission. They were located in Brussels, Parliament was in Luxembourg, and the House of Ministers was, again, in Brussels.

*Q: Was there anything in Strasbourg at that time?*

SCHAETZEL: That developed later.

*Q: So you're really talking about...*

SCHAETZEL: The Parliament has evolved. It is much more important today than it was at that time. Our contacts were primarily with the Commission. They were a remarkable group of people to work with. I remember, for instance, accompanying some of the presidents to Washington. I remember particularly during the Johnson Administration Jean Rey, who was then the president, meeting with Bobby Kennedy. He obviously was not interested in Rey's attempt to sort of tell him why he should be interested. He listened politely and so forth. My memory is very clear on this, the unsuccess of that attempt on Jean Rey's part. It's an interesting question you ask, because one could have assumed that, if you had a very active, ambitious ambassador to Belgium, he would have perhaps wanted to elbow his way into the business of the European Community, but certainly from my point of view I don't remember anything of that sort.

*Q: I did interview somebody who was, I think, DCM to John Eisenhower, who was ambassador for part of the time you were there, who said at one point Eisenhower was sitting around afterwards saying, "You know, I don't see what really an ambassador does. It doesn't seem like much of a job to me." The DCM obviously kept quiet but felt, well, you know, you're not doing your job. In other words, John Eisenhower was not very engaged, which was handy for you in a way.*

SCHAETZEL: Well, he essentially was and continued to be a writer. That's what he wanted to do.

*Q: He's written some very good military histories.*

SCHAETZEL: For most of these countries and most of the time, you're carrying out important but rather routine tasks. There was nothing very inventive going on. But that was not one of the real problems. I think the reason there was not that much in the way of problems with the embassies of the six member states, of the embassies in the capitals, is that, by and large, they didn't feel that the European integration movement or the Community was that important. They thought that the world of the member states lives on, and that if you were an ambassador to France you didn't need to worry about an

upstart European Community, certainly the American representative of that European Community. So I would suspect that the ambassadors to the European states wouldn't have more concern. On the other hand, the behavior of the embassies here in town is a further example of how the classical relationship lives on. The failure to recognize the importance of the process of European unification does not much bother the way the system works.

*Q: What would you do as ambassador to the European Community? There's the obvious reporting thing: what are these guys talking about and what are their concerns. But were you representing them as the American non-European power to this group?*

SCHAETZEL: My responsibility was, on the one hand, to explain to Americans, whether they came from the government or the Congress or elsewhere, to explain to them what was going on. It was obviously novel, and at the same time to say, "This is our interest in this. This is why this phenomenon is something that is very important to us." That was one. Now, the other -- as you say, the Chicken War other -- was to deal with problems that came up. They were bound to come up in terms of actions taken by the Europeans or actions taken by us, which created conflict or difficulty. I think that one of the most important things that I was able to do -- and I don't know to what extent I was successful in this -- was to inform members of the Congress as to what was going on and for them to appreciate this. You have to bear in mind the enormous responsibility of a Senator or Congressman, the number of things that they're supposed to be in touch with. It's very easy for them in understandable ignorance not to know this and, therefore, if something came along which would be a source of conflict, to approach that without being aware of the context. So I saw my mission and our mission as being to inform these individuals, to widen their perspective so that they would see when conflicts came up within the context of something which is larger and of great importance to our country.

*Q: I think, looking at the time, this is probably a good place to stop and to pick up the next time. I like to put where we are.*

*Oh, I think I ought to explain for somebody who's looking this up, you can look up Chicken War, but basically, as I understand it, this was during the early '60s where the United States had developed a very sophisticated frozen chicken product and was selling it in Europe, which did not have that, and the Europeans, particularly the chicken farmers who were not as efficient or at least were producing a different chicken product, were screaming bloody murder, and there were all sorts of impediments to this. This was something that had to be worked out, but it was the first almost major American-versus-Europe clash on something, and it was over frozen chicken.*

SCHAETZEL: It's really gone on, too.

*Q: And it had continued. So in view of that, the next time we talk I would like to talk about agriculture and how we perceive, because this was often where...*

SCHAETZEL: It still is.

*Q: This is at the point of the bayonet. When you deal with agriculture, we'll talk about that. Did culture come up, particularly we're talking about France? You explained Elliot Richardson supported you in staying on, but let's talk about the advent of the Nixon Administration and particularly Henry Kissinger and company and how they viewed that. And we'll go on from there. And then at the end after your time there, I'd also like to talk about your subsequent career.*

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*Today is February 15, 2002. This is the anniversary of the blowing up of the battleship Maine. Apropos, nothing. But let's talk about agriculture. There are two phases. Let's look at it before the Nixon Administration came in. What were sort of your marching orders and how did it work out and how did you perceive the other people regarding agriculture?*

SCHAETZEL: I think one of the most interesting aspects of this subject is how little it changes. Here we are more than 30 years along and the problems we were dealing with then are around today. The basic point is that agriculture is as much as political problem as it is an economic or an agricultural problem. Therefore, rationality doesn't really come into play or, if it does, very slightly indeed. What they have done within the European Community then and European Union now is produce a highly protective agricultural sector subsidizing production beyond internal requirements, dealing harshly with imports, and so forth. One ought to bear in mind, however, all of these indictments can be applied to American agriculture with equal force. The problem for people concerned with a productive and orderly international system is that they have to recognize that they're dealing with just overwhelmingly powerful agricultural sectors of the society. It hasn't really changed all that much. It gets mixed up with my old mind, because things that seemed at the top of the list back then are suddenly coming back again. The European policy with respect to agriculture has been brought to the forefront because of the expansion of the European Union. That has posed this issue dramatically because Poland and the other states of the newly applicant nations are something which has to be dealt with before they can really move on and bring in these other countries to the east. I don't know how they're going to be able to resolve all this. It's not only a question of more competition for, for instance, particularly France but also finding the money to subsidize agriculture more or less in the same framework as the subsidies which now exist for the 15 member states. So you have that internal problem, and then, of course, you have -- this is an area of contention between ourselves and Europeans -- several factors here. One is just a desire to have greater access to the European market. Secondly, it's the concern of consumers, whether rightly or wrongly, in terms of crops that are treated, questions of health, apprehensions about crops and products that may have been so-called doctored...

*Q: GMO, genetically modified organisms.*

SCHAETZEL: That's right; that's what we're talking about.

*Q: But I'm trying to go back to the '60s and '70s. At that time were you sort of told to make sure you don't allow a barrier to be created for our products and all?*

SCHAETZEL: Well, it's hard to sort it out. In my recollection of that period it wasn't so much my being asked to do things which I disagreed with. I think a responsibility for anyone in the position I or others had was to be opposed, intellectually as well, I suppose from a policy standpoint, to a really highly protective system that involved what was called the Common Agricultural Policy. I think we saw this as something not only harmful to American interests in terms of capacity to penetrate the European market but also something which really wasn't that beneficial in general to the European population. The remarkable thing to me now as we sit and talk about this is, as I said a moment ago, how little has changed. Efforts have been made to really bring about a modification of the CAP, but it's been minimal and it's been fought every inch of the way. I doubt, to repeat myself again, there's been very little change from the '70s or '80s and this new century we're in.

*Q: Were you sort of keeping book? In other words, were you looking at how we subsidize our agricultural policy knowing that somebody else is keeping book in Europe? Everybody else is pointing the finger at everybody else and so you had to be aware of what we were doing. How did you find this balanced out? Could you in honesty go complain about certain American items that were being discriminated against and say that we're not doing the same thing or the equivalent?*

SCHAETZEL: It's a good question, because that's exactly right. The hypocrisy was pervasive; it remains pervasive, I think, the ability to stand up and criticize others while ignoring that we are doing much the same thing. I supposed that's the heart of this particular subject. I have a very good European friend, whom I've worked with a long time, who's now working for Fisher, the Minister for Agriculture within the European Union. I had a note from him and I kept thinking, you know, how can a man as rational as this friend of mine work as an advisor to Fisher in an area which is almost totally lacking in rationality. I can only say that the forces here on both sides of the Atlantic have not changed at all; namely, very effective, well organized agricultural sectors which carry a lot of political punch. You know now we're considering this agricultural budget right at this moment, and it really is an outrageous budget indeed.

*Q: Subsidies for cotton...*

SCHAETZEL: Out of control, and efforts made to try to change the character so you don't do something which is characteristic; namely, to produce more of a commodity which is already in overproduction. Both Europe and the United States are doing precisely that. I can only say I just thank God I'm not involved in this anymore, because if you pay any attention at all, it drives you crazy.

*Q: Please correct me on this, but it seems to me that on this support of agricultural products you have sort of a different motivation. In the United States it has essentially turned into big business and you have an awful lot of money anyway in subsidies going to big enterprises -- although they keep talking about the small farm, that's not what's happening -- whereas in Europe there is a social imperative too and that is to keep these small little farms, which they're doing. It makes the countryside look great. Is that true?*

SCHAETZEL: You're quite right on that. Here the advertising is false because they talk about the family farmer -- you've made that point. The difference in Europe, and I think it's understandable and commendable, is they really want to preserve an aspect of their society which has a vibrant rural element to it for all sorts of reasons related to conservation and a more wholesome atmosphere. So they do have that purpose in mind, and I think in a way there have been adjustments in the policy which tend to support that. The distinction between where we have been going and where they're going is true and important.

*Q: Talking about preserving the small farms, did you see, as the European Community was developing, a growth of the bureaucracy that was going to be covering people, telling them what size pickles to grow? In other words, establish something and put a bunch of highly paid bureaucrats together and they'll make up regulations. It's the nature of the beast, and over-regulation seems to be the name of the game as one watches the European Union. Was this a problem as you saw this?*

SCHAETZEL: I thought then and I think now there is a cliché in all of this which is important to identify: namely, to attack the European Community or the European Union today as being just a nest of bureaucrats really will not stand up under examination. If you compare, say, Brussels, against the bureaucracy of the member states, extraordinarily almost half of the budget goes into translation and interpretation. I don't think that the figures I've seen most recently bear out that this is over-reading Brussels bureaucracy. Granted there's a distinction between the United States and Europe. The Europeans, even before the European integration movement came into play, had societies which were much more inclined to have strong governmental entities used to regulation, expecting it and wanting it. It's not anywhere near the same sort of vibrance or pressure in the United States. Even now every politician, when he turns, has to condemn Washington just to sort of maintain his credentials. I don't remember that as being a major factor. I want to put it in the context of the fact that the Europeans are more tolerant, more willing, to have this degree of either European-level or national-level bureaucracy in play.

*Q: Were you seeing a split between the way the United States does things and the way the Europeans do particularly to form a social safety net? I'm thinking of, as you were mentioning, the regulation of work hours, the great difficulty in closing down a non-profitable business, the high cost of hiring people -- once you have them, you're stuck with them, more or less. Whereas the United States can move quite rapidly, Europe doesn't seem to be able to do this. Was this apparent when you were...?*

SCHAETZEL: Absolutely, very evident, evident right now, because all of the things occurring this moment in Europe, particularly the need on the part of Germany to make itself loosen up: in other words, not to be controlled by the sort of forces of bureaucratic behavior, but even more so in France, which has been suffering under this forever. Efforts are being made and have been made to try to get out of this, to loosen up the economy. It really is a distinction between Europe and the United States, and it's funny -- not funny; to a degree it's tragic -- how much it persists, how long it takes to root it out. For instance, both Germany and France now have elections coming up, which has brought to the fore the pressure groups which can use these elections as a means of not making changes. People are pretty pessimistic now about changes being made in Germany, or in France or elsewhere, just because of this overhanging process of elections coming up in the next few months or later this year. That, as we said before, is just absolutely characteristic of this particular aspect of the European and American economies.

*Q: The French have recently decreed a 35-hour week and all. The thought behind it is to make more employment, but the net result is to make them less productive. I was wondering how it looked at the time, because it always seems in competition with Europe that we have a built-in maybe five percent advantage no matter what because we're a more efficient country and we don't have all these social costs and we can shuck an ailing industry and move on to a new industry, where they are trapped.*

SCHAETZEL: Well, that's right, but, as we said before, if you look at this current farm bill, farm budget, the same conditions exist. In other words, politicians are so anxious to keep certain interest groups behind them that we're paying unbelievable amounts of money in agriculture which just comes close to being insane. When you have such an evenly balanced political situation here between Republicans and Democrats, no politician who has any hope of staying in office wants to get at odds with a very powerful group. This applies obviously to the Midwest but also to the South. Then, of course, dairy comes into play in the Northeast. It really is the similarity between then and now, and the fact that no one really has any bright ideas of how you break out of this. There are some forces for change in Europe that we've identified and it's worth underscoring again; namely, to try to shift the money being put into this to having an agricultural sector which really preserves the environment. If that's done intelligently, you subsidize people to keep them on farms and orchards and so forth which really are good for the environment, but that's a policy which does not affect the international economy to the degree that the present system does. We're doing a little bit on the same line. If you do this in a highly intelligent fashion, then you can have an increasingly effective agricultural sector in both parts of the world but also -- and this is really important -- open up opportunities for the underdeveloped world to have access to the European and American markets, and they would be for more effective and efficient than these two entities across the Atlantic.

*Q: While you were at the European Community, '66 to '72, did you have farming delegations, farming interest delegations coming to see you?*

SCHAETZEL: I don't remember that at all. It may have but I don't remember it.

*Q: This was taken care of in Washington.*  
[END TAPE 3 SIDE A]

*Q: Was Japan at all a factor as the European Community was developing? Japan was beginning to come on line as an economic power. Were the Europeans looking over their shoulder or not at that time?*

SCHAETZEL: Not really. Those were the days when Japan was just beginning to take advantage of its potential, and it was less concerned with penetrating the international market and bring to bear the latent resources, energy, a very orderly society and so forth, all the things which are unique. Not then but later -- I think it was actually in the 1980s and through the first part of the 1990s -- that Japan was looked as being absolutely a model. This was the political and economic system that would dominate the world within about five or eight years. It's now looked at as a basket case, and indeed people lecture them to pull themselves together but nobody knows how to do it, including the Japanese. It is really absolutely extraordinary to see that change happening in such a short period of time but also a change, as I say, in which you search around for somebody who has a magic solution. Even the most aggressive -- I would say aggressive -- Americans like Paul O'Neill, they don't know what they ought to do about it, but they shake a finger in front of the Japanese officials and say, "Now you put it together." But that's a different subject.

*Q: I'm trying to capture the period. We weren't looking, and the European Community wasn't looking, at Japan.*

SCHAETZEL: That's right. I don't remember that as being an important factor, at least what I was doing.

*Q: Was migration from particularly Africa and the Middle East at all a factor in Europe at that time? We had the Turkish Gastarbeiters, but other than that this was not...?*

SCHAETZEL: No, I don't remember that as being an important factor at that time. Mobility really came later. I suppose we have to remember that we weren't that far beyond the end of the war and Europe after the war was such a disaster area it was not necessarily an area which attracted people looking for a better life. I would argue very substantially what converted it into a magnet was a result of the Marshall Plan, of the European integration process. That was a dynamic that led later to making it a very attractive place for Eastern Europe or for the Mediterranean countries.

*Q: But it wasn't...?*

SCHAETZEL: I don't remember that as being a particularly important or significant element when I was working there.

*Q: While you were working there, were you essentially doing what most ambassadors do, and that is observe? They're doing this, they're doing that, looking out for American interests. You had had this long record of really wanting the European Union, something together, a European Community, later Union, to come together. Did you find that you had to fight localitis? In other words, this was a creature you wanted so much, that you and George Ball and all had created. Was there a sort of transition between all of a sudden promoting this and, you know, it's friendly but it's not your country?*

SCHAETZEL: Well, I think that's right. I'm quite prepared to admit I got so intrigued by this, which was and is a unique phenomenon. In other words, just as, going back to the Philadelphia Convention, what the Americans did then in putting together a political system which had never been seen before, I would argue that what the Europeans then and now were trying to do was to bring together mature, historic national states into a new political entity reflecting the realities of the world. I got then and now so involved in this, so committed to it, that I annoyed some of my colleagues, I remember -- people like Chip Bohlen -- and I amused other people, as I said before, like Mac Bundy. I think they felt that those of us that were the sort of George Ball group were kind of slightly amusing, and our dedication was such that they were either, as I say, amused or bothered by it. I think that I would accept that. First -- we said before; it's very important to underline this -- international affairs and the people involved in this are traditionalists and the nation-state is the heart of that. The high priest of this, of course, is Henry Kissinger, who never accepted the multilateral aspect of international affairs. He was certainly a part of the majority that felt that way -- that the whole sort of ethos of our country and other countries was to rest the whole process on the nation-state. For instance, during the six years that I was there in Brussels we had a constant stream of politicians, high-level people, coming over very curious about the European Community, and I welcomed this because I confess to have been a salesman. I was so convinced that this was the wave of the future. I think I was right, because these were so distant and improbable at that time and yet there was a pressure moving in this direction of greater integration. I'm still convinced that they're going to move further in this direction, something which will work better. The structure of the European Union today is not far from what was done with six nations and coal and steel. Obviously the structure is inadequate for the tasks they now have, or they're going to have in the future, or a European Union made up of not 15 but anywhere from 25 to 30 states.

*Q: You raised Henry Kissinger. You were carried over through the intervention of Elliot Richardson. Now, Henry Kissinger is renowned when somebody says, "Well, we've got to take Europe into account on something," he said, "What is the telephone number of Europe?" In other words, the nation-state is his model. Did you find yourself at odds with Kissinger or put off to one side?*

SCHAETZEL: There is no question in my mind that Kissinger was an authentic 19th century philosopher, or whatever one wants to call it. In other words, all along he saw the world as a world of nation-state in classical and historical terms, and it wasn't just the European Community. He had no particular interest in economics, no background in

economics. He had no real interest in the United Nations or the other international institutions. I remember one of my last conversations with him. We were at some affair and he came up to me and said, "You know, Bob, I'm really not against the European Community." That I put down as a kind of typical dishonesty on his part. The point is he never thought it was important enough really to put energy into fighting it, because he thought power rested elsewhere and he'd work with the power where it was. That classic observation of his is revealing but also correct: that the European Union has still not pulled itself together to take advantage of the power which is latent, and they will be unable to do the things they should do as long as they rest themselves halfway between the two: both have a European Union and, on the other hand, they have the nation-state. What's going on now will come to a head in the convention which begins the end of this month and then moves on to really basic changes which will take into account enlargement of membership but also, of course, as they move into these other areas. The euro is of extraordinary importance, because this means that they have transferred basic authority to the European Union in an area which is absolutely vital. At the end of the road -- this goes back to what Kissinger was saying -- the European Union ought to speak as one voice on these major international issues such as the Middle East, and yet they cannot give up the fact that they're used to, and don't want to give up, their national responsibilities in this area. It's fascinating to me to watch this from the sidelines now. On so many issues you have the German embassy, the French embassy, for example, speaking out, writing letters to the editor on issues related to the EU. For a number of years, however, the European mission here is not being heard at all. Now, I've not seen these ambassadors from the EU for a number of years, but I remember one. I don't remember his name now, but when we had lunch and were talking about this and I was inquiring as to, "What are your contacts on the Hill?" and he responded by saying, "Well, I can't get at these people." So, again, because of the activity of the member states in these areas of politics and international affairs, they persist in denying or not consolidating the power so they could be more effective. Therefore, they made Kissinger an honest man in this area.

*Q: When you were there, was there a change in tone when Nixon came in at your embassy?*

SCHAETZEL: I think the explanation is that the likes of Kissinger and Nixon didn't see this development in Europe as being all that important. After all, you're talking largely about economics but not even all economics and something which had a still weak institutional structure. It was sort of tolerated or 'if it comes to my attention, I'll deal with it,' but it neither generated enthusiasm nor did it generate a feeling that somehow this is hostile to the nation-state system. I saw this when I would from time to time come back with senior officials, including the president of the European Commission, and meeting with the senior people in the government here in Washington. It was a tolerance rather than enthusiasm. The likes of Elliot Richardson were few and hard to find. After Ball left I don't think there were any other people who came on the scene with anywhere near that kind of interest and dedication.

*Q: When you left in '72, how would you at that time have prognosticated what was happening? What were the major strengths and the major weaknesses?*

SCHAETZEL: I spent the first year of retirement writing a book on the Community, "The Unhinged Alliance" (Harper & Row) under the auspices of the Council on Foreign Relations. It would be only a few copies... Because of the growth of the European Community and European Union, many, many elements in this country became increasingly interested in the process. It was not a matter of sort of fighting people who wanted something different from informing people and telling a country that largely did not know what it was going on and why it was in our interests. You want the vibrant, developing European Union as a partner. I have absolutely been convinced that the world needs this partnership -- equals may be too hard a word. In other words, we, Europe and the world would benefit by a partnership made of countries that have the same values and same interests working together. I'm deeply troubled by what is occurring now with Americans deciding that we are the one power, that we know better than anybody else-- either come along with us or get out of the way. The harmful effect of this all around is just ground into me each day.

*Q: Isn't there the problem, though, that to bring together, particularly in a field of international relations on serious matters, the European Community or European Union, various groups, to reach a consensus you end up in stalemate or stagnation?*

SCHAETZEL: That's one of the problems. That's, of course, the problem of organizing anything. It involves compromises, you have to make concessions and, particularly with people who are dedicated to a given subject, that very dedication means compromise is very difficult. That's certainly true, and of course it's true in this country. Think for a while, if you were someone from another country, to try to recognize where does power rest. Take trade policy: does it rest with the Executive Branch, does it rest with the Congress? Certainly on something like this you cannot just go to the Executive Branch and feel you're getting the final word. Again, there's a similarity. The Europeans have the same problem but between the institutions of the European Union. Not only the quest of the Commission, you've got the Council of Ministers and you've got the Parliament. This is very similar to the United States. It does make decisions and actions difficult, but that's just a characteristic, I suppose, of any political system which has the three elements which are your parliament, your executive, and your judicial system.

*Q: Did you at that time see the fact that these countries for the most part spoke different languages? When you think about the formation of the United States, at least with regional access but basically we're all talking the same language.*

SCHAETZEL: Up until now. That's one of the things that has to be or should be concerning Americans, with the Hispanic population. I think in Montgomery County (Maryland) they say that there's something like 52 ethnic groups, and that's an incredible change. Where I grew up in Pasadena, thinking that there was anything other than English was ludicrous, and now I think that particular congressional district is about 50 percent

non-English, both Latino and Asian. Yes, it was a problem then but again, you see, at that juncture you had six member states, and now, I think, they're operating with 13 languages and with the applicant countries coming in that may move up to 20 or more. It is absolutely a major problem. I read it and follow it as closely as I can because it is a major problem. The cost of it, as I said before, is really unbelievable. Logic would say that you would agree on, say, three or four languages. It would make the European Union work other than being paralyzed by interpretation, translation and so forth. It's one of those things that people are just so reluctant to give up. There are interesting elements here which are slightly positive. One is that the young people, particularly those getting university educations, almost all of them are anxious to have a second language, and the second language turns out to be English. That would make sense, given the fact that this is not just an Atlantic phenomenon but an international phenomenon, of English playing this particular role which, of course, Latin did at one time. This certainly fits with what we're talking about, and that is the unbelievable difficulty of moving from what you have been into what you might be, even if the latter makes sense. But I found when I was there -- which I think is relevant and is not particularly flattering to Schaezel -- that I had no proficiency. I took French lessons all the time I was there. I could read the language, but almost everyone with whom I dealt spoke English reasonably well, much better than I could speak French. So, therefore, I drifted along in my ignorance and incompetence, but it's relevant to what we're talking about, because to the degree that English can play that role it can be a very helpful element.

*Q: At the time were you looking at, I'm thinking particularly at, Greece as being sort of a weak member and wondering whether Greece...?*

SCHAEZEL: Well, I felt that then and I feel it now. Among all the member states, among the 15 it's hard to think of any other member state, including Britain, as being so almost irresponsible. I've even asked some of my colleagues why in the world didn't people have enough sense to recognize what the price would be of bringing Greece into this affair: a combination of a very disorderly government, corrupt, with its own antagonisms toward Turkey and others and willing to play a disruptive hand. I had doubts from the beginning, and they've been borne out by recent events. But I don't know: Austria has been difficult from time to time, apprehensive recently about where Italy is going. You have two bodies of thought: One would be let's be very careful about expansion so that expansion doesn't destroy the structure we're trying to put together. The other body of thought is that this has to be a union which is open to other countries which meet the qualifications that are spelled out and that, if they do meet them, then they've got a right to come in. That particular body of opinion was the dominant one. The reservations come not from recognition of the difficulty of integrating other nations into it but for selfish reasons such as France, which has been in the forefront as well as being very reluctant about expansion. They fear that expansion would cut into what they're receiving in terms of agricultural advantages.

*Q: Were you looking beyond thinking that the Soviet Union might go away, or was the Soviet Union sort of going to be a presence for the foreseeable future?*

SCHAETZEL: I happen to be reading a book along those lines, tracing essentially what the intelligence community was estimating would happen and what actually did happen. It really wasn't until the '80s that even optimists foresaw what was going to happen, what has happened, namely the inherent weakness of the Soviet Union both economical and political. I think, as far as Europe was concerned, one of the factors driving the integration process was a view of the weight and the menace of the Soviet Union. This was another impulse for the Europeans to move ahead and create a more effective, strong and unified area as a further bulwark against what was seen as a very, very real danger. It's hard to put our minds back now, in light of the world we're living in, to this once overhanging menace of a political system which was aggressive, expansive, and also very powerful militarily. So, no, I think there was no particular change in the attitude of the United States or Europe during that period up until, as I saw, about the mid-'80s when there were elements that raised questions about this belief in the permanence of what I've just described.

*Q: I would think that the political side of NATO and the European Community at that time during the time you were there would have overlapped somewhat.*

SCHAETZEL: They did. Well, we lived in the same town, and I was very much in touch with my colleagues in NATO, particularly because Tony Greenman and others were close personal friends. There was not real competition, and the reason there was no competition is that the European Community had no aspirations in the security area. This was left to NATO. As American dignitaries, politicians and so forth made their trips to Europe and they came to Brussels, they talked primarily to NATO because that seemed to be more current and useful to them, but they at the same time at least wanted to know what was going on in European integration. So it was in this context that we tended to see these visitors. But you're quite right: To almost any element in our society what would be more attractive to someone who wanted to make a trip or see people, at the top of that list would be NATO.

*Q: How about jurisdiction? There's NATO and here's a group that's trying to form a super-national or a supra-national entity, and NATO consists of different states. Was there any feeling that eventually it will be the United States and European Union running NATO?*

SCHAETZEL: I don't think anybody was thinking that far in advance. I think the feeling of the people concerned with security affairs was the continuing menace of the Soviet Union. A strong NATO was seen as indispensable in that world. It was only after the Soviet Union collapsed at the end of the '80s that for a number of reasons the European integrationists began to think about moving into the political and the security area. That's a process still going on and it's in a very early stage right now. Just to repeat myself, this is one of the last things the nation-states wanted to give up, so certainly at the time I was there this was not a problem at all.

*Q: What about in the field of schooling, particularly down below? If you want to make something like the European Community turn into the European Union and all, you want to get the kids young. But the school systems can vary so much. Was this one of the things they were working on?*

SCHAETZEL: Even now not enough. Education is almost by definition a local problem, just as in our country: I think only about seven percent of the money comes from the federal side. I've been struck by this. I get a thing called The Europe Bulletin. This is a valuable and very interesting daily publication which began when I was in Brussels, and the people who put it together very kindly continue to send it. It provides more information than I can absorb. One of the things they've been dwelling on is what is happening in the educational area, a whole series of things: one is making provisions for a part of the bureaucracy concerned with European matters which moves around and help these people with the education of their children. It's a very difficult thing, because they may be in, say, Strasbourg and then are transferred elsewhere. Secondly, the EC provides mobility for university students taking at least part of their education elsewhere than in the country from which they originate. Then they're putting together all sorts of organizations on various subjects which meet and which cross national lines and national language lines. One of the fascinating things in Europe now is the activity of the younger generation in moving to colleges and universities elsewhere. I was just reading the other day: In contrast with the United States, the unwillingness -- I guess unwillingness is the right word -- of people to think during their careers of moving, say, from one country to another. The lack of mobility within the European Union, as contrasted with the mobility in the U.S., is dramatic. Here, moving in the course of a career from one state to another is routine rather than exceptional. It is absolutely exceptional in Europe today for a whole variety of reasons. But I'm very encouraged by what I read about the younger generation. I think that a lot of this can be helped materially by the universities reaching out and making arrangements for students to take part of their four- or six-year education in other parts of Europe. Already, there is, of course, tremendous mobility between Europe and the United States. When one looks at the foreign population, it's absolutely striking and an enormous benefit to this country.

*Q: Were you seeing at the time you were there a strong or relatively strong cadre of Europeans who had gone to the United States, gotten their education, coming back and putting it in, or had that really...?*

SCHAETZEL: Yes, I am struck by the number of European leaders like Raymond Barre, former French Prime Minister and leader in the EU, who first came to the U.S. on a "Leader Grant" and was so enthusiastic about the United States that subsequently he brought his whole family over to tour the U.S.. Another close friend, Max Kohnstamm, a Dutchman, had spent two years in the United States when he was twenty. The inspiration of American federalism led him to join Jean Monnet in setting up the integration movement.

*Q: Then in '72 -- you had really quite a long run at this -- I take it this was a natural leaving the office in '72.*

SCHAETZEL: Yes, I had had 27 years in the State Department and, yes, that would seem a career and a time when you could move on. That was not why I quit. I quit because of the Nixon Administration. Coming out of California, I was keenly aware of his behavior when he was a member of Congress. Against that background and his behavior, after he became President, I just felt keenly I did not want to be a member of his administration, even a low member of his administration. That's the reason I just resigned. In many respects this extraordinary character did not do too badly either domestically or internationally. He was his own worst enemy, and I think in many respects his administration was a more positive administration than the one we've got now under George W. Bush.

*Q: One looks at the Nixon Administration: he had, more than almost anyone you can think of, a grasp of foreign policy, and his domestic policies were really quite positive. With the Republican context he was way off to the left- (end of tape)*

*This is Tape 4 Side 1 with Robert Schaezel. You were saying what we're doing here is something quite...*

SCHAETZEL: Personal charm and all these other characteristics are important but they may not be basic to the success or unsuccess of a leader whether in our society or others. The other point was that not only did I have deep questions about Nixon as an individual and his past record, but trying to figure out sort of what I might do if I were to stay on. It goes back to my whole notion of a career which guided me from the very beginning. I didn't want to stay in the State Department just to be a State Department official or maybe an ambassador to some other place. I was so committed to the things that I had been working on, including not only international trade and the European integration process but also the amount of time I spent on the question of nuclear arms and nuclear control. If I could see a way clear to work in these areas I knew something about and felt were very important, that's one thing, but I couldn't see that. Therefore, I welcomed the opportunity to live in a different world, which from 1973 on turned out to be not only very interesting from my standpoint but I felt I was able to make some contribution no matter how small.

*Q: Did you have a feel for the post-diplomatic life? What were you doing?*

SCHAETZEL: Thanks to some accidents, I got involved with Honeywell.

*Q: Honeywell being what?*

SCHAETZEL: One of the high-tech companies located in St. Paul. I had written a number of things including an article in Fortune, and Jim Binger, who is the president of that company, came to Washington and wanted to arrange for us to have lunch. I didn't

know anything about Honeywell, I didn't know him, and so forth, but we worked out a time. During the course of the lunch, to my amazement, he asked me if I would be interested in becoming a member of the board of directors of this really very, very good corporation. I was so startled that I said I'd have to think about it, and I did and I accepted it. So I was with them for I don't know how many years, and also I became a consultant. It opened my eyes to part of the world I did not know about. I was fortunate in a corporation such as it was and to have a man of the character and dimensions of Binger. I traveled a great deal under their auspices to Europe to the major facilities they had there. That's one thing. I got involved as a fellow under the Woodrow Wilson National Foundation in which I was sent out, I think, altogether to 14 or 15 private colleges around the country. My wife and I would be there for anywhere from three days to a week, in which I would give lectures, meet with students. The purpose of that was to persuade young people about what public service was about and at the same time to talk in detail about the European integration process. It worked out very well. I found out after these visits that professors who had listened to me would follow up and want to know how to get further information. It drew very good young people in colleges into greater involvement in international affairs, European affairs and so forth. The idea was to have these young people realize the satisfaction one could get from working in government, and the particular kinds of things that I had the good fortune to do. Then later on -- and this was something that was only 12 years ago -- when we put together the National Commission on the Public Service, called the Volcker Commission, I sponsored this along with Elmer Staats, who was at that time Controller General of the United States, and I was asked to be president of this. The goal was to recognize the need to encourage people to think of public service and going into the government, appreciating what people did in this area to try to identify the areas which were weak which needed strength. We produced a useful report. It did not have the effect that it should have had, and I notice that they're going to take another stab at it under the auspices of Brookings. That was a very interesting operation, and it goes back to my core beliefs, namely that you not only have to have an effective governmental service but you have to have a service which is appreciated and recognized as such by the American public. While Americans accept the services which are indispensable, at the same time they afford themselves the luxury of criticizing all of these people who are doing the sorts of things that they rely on. I thought that was a very interesting and useful thing to do.

*Q: And you say you still keep an eye on the European...?*

SCHAETZEL: I'm involved in a number of organizations from the Trilateral Commission to the Atlantic Institute -- you go through the list of those things -- including, as I mentioned before, the Monnet Council, Atlantic Partnership. All of these were efforts to continue along the lines of what I got committed to way back in the beginning. You never know how much you're able to accomplish, but I enjoyed the work. I think it did make a contribution. For instance, I had this hand in setting up the Trilateral Commission. The Commission has flourished in bringing together Canada and the United States along with Japan and Europe. It has brought together interesting people and, I think, has had a continuing beneficial effect. There's an unbelievable number of these

organizations. Some are useful, some are not, some are neutral. You never know how much you accomplish. The other area I worked on at length, namely international trade, I've been heavily invested in that in the government. Then after I got out, together with Bob Strauss, we set up a thing on international trade at meetings over several years. I may or may not have made a contribution, but I do think that there is no question whatsoever that an open trading system is absolutely invaluable to a constructive growth of the world. As you see, however, each day still the question of getting trade authority is so contentious, it kind of makes you wonder why in the world are people so stupid as to not recognize something which is so clear.

*Q: Well, we'll solve that one tomorrow. Is there anything you'd like to add.*

SCHAETZEL: We have covered a lot of ground in these conversations. I would like to conclude with a couple of thoughts. I was guided in my career by wanting to work in several areas which I thought were of critical importance and which I thought I knew something about. The other guiding principle was to work for individuals I admired. The final element was good fortune which allowed me to live according to the foregoing principles. 1973 was the right time to leave government service.

*Q: Okay, Bob, why don't we end it at this point.*

*End of interview*