

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

GEORGE A. ANDERSON

Interviewed by: Don Kienzle
Initial interview date: June 6, 1996
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INTERVIEW

[Note: This interview was not edited by Mr. Anderson.]

Q: Today is June 6, 1996. I have the pleasure this morning of interviewing George Anderson. George, welcome and thank you very much for agreeing to participate. Shall we begin with a little bit about your background, where you came from and your early education?

ANDERSON: Thank you. Yes. I came from Iowa, and my background there was first in the military. I did five years of active duty, four years as a midshipman. I graduated from the University of Missouri, then went on to a Fulbright Scholarship at the University of Copenhagen. Then came back to the military for three years more active duty and after that I came almost directly to the Foreign Service. My father was a trade union leader. He was a president of the local trade union, the Amalgamated Meat Cutters and Butchers of North America, in an Armour plant in Iowa. He was the local president and the regional executive out in Minneapolis or Chicago I believe in those days. Their meetings used to take place in our living room and that was my first exposure to the labor field. Interestingly, while I worked in that same plant in the summers and vacation times and so forth, to make money to go to college, my best buddy in high school was the manager's son, of the plant. And he also worked there. We later joined the Navy together and spent some time in the Navy together and various other things. I saw labor affairs from kind of a different perspective from what you get where it is confrontational. Much more cooperative kind of atmosphere, everybody knew everybody, it was a small town, and like I say, my best buddy was the manager's son and we worked side by side at some of the dirtiest jobs that you can possibly have in a slaughtering operation.

Q: Probably not possible for teenagers today?

ANDERSON: I think that that kind of social democracy doesn't exist in many places any more.

Q: And what town was this in?

ANDERSON: That was in Gowrie, Iowa.

Q: Where you are currently living?

ANDERSON: I built a home there when I was a lieutenant in the Navy, and I've kept it ever since. We finally moved back to it in 1993.

Q: When did you join the Foreign Service?

ANDERSON: I joined the Foreign Service in 1957. Came early in March, got assigned immediately to BEX (Board of Examiners) where they were very far behind, almost two years, in scheduling oral examinations. Having a lot of problems. Two other fellows and I were assigned to help them out on the whole, and worked there for about three or four months, after which I gave them some recommendations which incidentally they put into effect, new forms and so forth, and they caught it up within two weeks in the next go around. It was very poorly managed.

Q: Was it the question of not enough examiners?

ANDERSON: No, the question was primarily a matter of the administrative system. They gave people too many choices of where they wanted to be examined orally, and the changes were just flowing in by the 17 to 20, 30s of them a day. The file system wasn't good, they didn't have a progressive file system of getting files in order before the exam. So they didn't know where they were. I guess that the first month I was there the three of us spent about half of our time looking for files, just wondering where things were. It was really a rather poorly managed operation.

Q: This was after your A100 course?

ANDERSON: This was before my A100 course. So, after we got them all caught up, the three of us worked very, very diligently for three months to help them, they asked us for our recommendations and that's when I gave them some recommendations on forms and how they should restructure this thing. I think they went from seven to three staff after that. I didn't win any points, I found out. Because after the A100 course I went back and found that I was kind of a piranha, because they have lost three positions and they lost a supervisor and they were caught up.

Q: Maybe your organizational experience in the Navy had some impact on the...

ANDERSON: I think it did. Very much so. That's one thing about the Navy background.

In the military you get responsibilities and command much earlier than you do in the Foreign Service. I was a qualified OOD (Officer of the Deck) on air-craft carriers at age 22, had two divisions of men, the quartermasters, as well as the band that I had to administer. I spent 12-13 hours a day on the bridge of the ship. It's the kind of experience you can't get outside of the military at that age.

Q: Where did you serve in the military?

ANDERSON: I first started off as an air control man, as a white hat, and then I was selected for either the Academy or NRTC (Non-Resident Training Course). And I elected to go to NRTC because I wanted to get a degree in something other than electrical engineering, which is all that the Academy gave. When I came out of that I went on to the Oriskany, and from there I went and helped put the bond on the Richardson Commission, so I served for three years as assistant navigator on aircraft carriers.

Q: So the NRTC was at the University of Missouri?

ANDERSON: Right. In Copenhagen, fortunately, I studied political economics. Before I got commissioned, I took my senior year because I came into the naval NRTC program as an advanced student, I already had a year of college. So I graduated, and I won this scholarship and they allowed me to take the leave of absence from NRTC for a year, provided that I did my studying independently for the senior year, which was naval engineering, naval leadership, naval law. So I did that while I was abroad.

Q: This would have been in what year roughly?

ANDERSON: In 1952/53. And when I came home in May of '53 I got my commission and went straight back into the Navy as a commissioned officer and was assigned to the Oriskany.

Q: And just as a sort of background - did you speak Danish at home?

ANDERSON: No. Family was Swedish, German and Scottish, primarily, but I learned Danish in Denmark, so I spoke Danish when I came into the Foreign Service.

Q: So after you tour with BEX, you then...?

ANDERSON: I went to the A100 Course, they offered me the French language, so I took three months of French language. Then I was assigned to Copenhagen. In those days we had these rotating positions, you had to go (this was the idea at least) and spend six months in a consular position, and spend six months in an administrative position and six months in an economic and a political position. So I was assigned to Copenhagen, which is kind of unusual, because I spoke Danish. This was in October, 1957. And when I arrived I was rather fortunate, some other people have had misfortunes, the political counselor was on leave, and the second man (there were only two people in the Political

section) had an accident square-dancing. He had hurt a leg and was in hospital for an extended period in Germany. So there was no one in the position to handle those affairs, so I became the acting Political Counselor the day I walked into the office. They said, "we got a job for you, you can do it." Of course, I could read Danish, that meant I read all of the newspapers I knew as a Fulbright student; I was with the first Fulbright group there, so we have been wined and dined by the best. From Karen Blixen on the art side to the top political people on the other side. So I knew everybody in the country. So it was kind of a natural. It was kind of a very lucky break for me. Two or three months later, after writing weeklies and doing all the political work that one had to do in those days, I had to go back into the consular activities. I went back into the Consulate, where I handled visas for a long time, for a few months, then I eventually moved on (protection of welfare was also a part of that) and then I went to immigration visas, because there was a big immigration waiting list, and quotas and all that kind of stuff. And quota was always full for Denmark in those days. Then I went to the Economic section, because they figured I already had more or less the political experience. And I moved to the Economic section, and for about two or three weeks I did one report on the oil industry in Denmark, related to the Scandinavian area, potential areas in the North Sea, and all that kind of stuff.

Q: This was before the discovery of oil in the North Sea?

ANDERSON: Yes, there were no oil discoveries. There were gas discoveries in Holland, and they knew that that extended somewhere out into the North Sea and they presumed that at the lower levels they were going to hit oil. And there was a refinery in Denmark at that time. It wasn't a very big report at that time, but after about three or four weeks of black-tie dinners, one after another, the opportunity came to become an acting Labor Attaché.

Q: Really? Who was the Labor Attaché before?

ANDERSON: Bob Coldwell had left. Apparently there had been a hiatus. They really didn't want to wait for another Labor Attaché to be assigned, because there had been a hiatus and Bob took it over and he did it, and he left after relatively a short period of time and they just didn't want to leave that position open. So they asked me if I would like to try it, and I said, "Yes I would like to very much."

Q: There was someone named Vincent Woolbert who was there...?

ANDERSON: Vince Woolbert, yes, that's right. He came after Coldwell, if I'm... long time ago. Yes, that's right. Coldwell left, there had been a hiatus, Vince Woolbert came and then he took the opportunity to go up and take Allan's place as Political Counselor, that left the spot open and that's why it became available. I liked it because it gave you contact with a much wider spectrum of Danish society than you did as an Industries Officer. Industries Office, I find that a rather stuffy group of people, whereas here I had education, I had the parties, and the labor unions, all of this kind of thing.

But the thing that had occurred to me, having studied economics in the country as a Fulbright student and speaking the language, was that Scandinavian labor is structured quite different from American. I knew that there were three legs on the stool, namely, the labor unions on the one hand, the government on the other, but a very, very well organized and strong Employers' Association on the other. And I knew a lot of those people in the Employers' Association. So I always took a little bit broader view of Labor Attaché's interests and responsibilities. I really focused a lot on labor market structure and did a lot of reporting on how this kind of triumvirate of government officials, Employers' Association officials and trade union officials worked together. And they did work very, very cooperatively in those days, because, of course, there was a social-democratic led government.

And they were trying to get over the effects of the war. And like all of the Scandinavian countries, they over-controlled their post-war development, and as a consequence, like England, they came out of their problems much more slowly than did those who more or less let the free market reign, and they were trying to distribute poverty rather equally in those countries in those days, and it slowed down their redevelopment. As you know, Gunnar Myrdal made a horrendous mess of Swedish post-war development. It was extremely slow to come out, because he thought there was going to be a big depression and, therefore, he was constantly preparing for this depression that never came.

Q: Was Thomas Nielsen head of the labor movement at that time?

ANDERSON: I believe he was. I don't remember the personalities involved very well. There's kind of a veil over it. Nowhere near the kind of intimate relationships there, because I occupied the position for about less than a year. But it did interest the people back in Washington a great deal. I used to get pink slips constantly, because I found it fascinating the way they cooperated with each other, the things they did to minimize price changes, for example, in their consumer price index, the little shenanigans that went on. And this interested a lot of people in Washington.

Q: Would you explain what the pink slips are?

ANDERSON: The pink slips are the end user reports. The more you got in your files, the better they thought you were. They are basically "thank yous" from people who finally received your reports. Some little old lady in tennis shoes down at the bottom of Labor Department, from Education Department, because you are writing in all these fields. I used to get them by the four, five, six at a time would come in the pouch. I was a pretty active writer in those days, and was very interested in those aspects. That was my kind of a brief exposure to labor affairs. But I was selected from there to go back to the Executive Secretariat. So I was in the Executive Secretariat for six months under Herter.

Q: This would have been about 1959?

ANDERSON: 1960. And then the election came, and Rusk came in, and I was there

another 18 months, under Rusk. I got an exposure to what goes on in the entire Foreign Service. I was on the European desk all the time. Along with Walter Collopy. We handled all of the top four people's trips within the European area, or in dealing with any of the European leaders. We also handled the trips of the Vice-President and the President.

Q: The top four would have been the Secretary...?

ANDERSON: The Secretary, the Deputy Secretary, the Under-Secretary for the Economic Affairs, and the Under-Secretary for the Political-Military Affairs in those days. Those were the top four posts, and we worked directly for them. Primarily for the Secretary, but whenever it came time for anybody to travel, or the Vice-President or the President, I handled that. The first thing I handled was trips of various family members, of the First Family. I handled all of Johnson's trips abroad, including the Hammarskjöld funeral in Berlin, visit to Berlin, and was on the visit of the President when he met with Macmillan. The Laos thing was blowing up right at that time. As a matter of fact, it was at the end of December that we noticed that the North Vietnamese were making the move on Laos. Militarily.

Q: This was 1961?

ANDERSON: 1961. That was very big at that time, and that was the primary subject of the first meeting with Macmillan, and that was I think on the 13th, 14th of February, and it was decided then that we would insert troops on the Annamite Range to stop the movement of approximately 40,000 (seven small North Vietnamese divisions) into Laos. The only person in the government that was opposed to it was Adlai Stevenson.

Q: This was at the very beginning of the Kennedy Administration?

ANDERSON: Yes. And we gave them in effect two weeks to seize and desist. Then they argued back and forth till about the 26th of March, and finally the British agreed that there was no chance of them not doing it, but by that time they had over half of those 40,000 men across the Annamite range and it was impossible to insert British and American troops who were then in the Gulf of Thailand into that situation.

Q: Do you remember what Adlai Stevenson's reservations were?

ANDERSON: He thought we should not do it, but I do remember this. When they procrastinated, and they were due to move in on the 28th, on the 3rd of March, or the 6th, he sent a telegram from New York, "Where are the troops?" In other words, you should have been in there. Because you gave them a deadline and that's it. But the British are, if you ever studied history -- my undergraduate work was in European diplomatic history, the kind of the inability of the British to makeup their minds is classic. They put it off. And either Serakian was going to be in Geneva or he was going back for new instructions, or Suwanafilmer was some place, or the king was going back here and there; McDonald was, I think, on the British side of the table.

Q: Serakian was the Soviet Ambassador and Suwanafilmer was the prince.

ANDERSON: Yes, he was prince, and I think he was Prime Minister at the time. They were always running back and forth between the Vientiane and Luang Prabang and Moscow and Geneva and Washington. You know the British were really worked up about it, and they just put it off and put it off, until it was too late to do anything. And then Kennedy gave a very tough speech about what we were going to do out there. And bipartisan at the Senate, Mansfield, Monroney and Dirksen, they got up and cut him off right at the knees; that, "No American involvement on the continent of Asia", which kind of set the stage for the whole Vietnam War. Because in order for the North Vietnamese to do what they really intended in Vietnam they have decided, and we now know that from documentary proof, as a matter of fact we knew it already before the end of the Vietnam war, that on the 10th day of December 1960, Ho Chi Minh called together the leaders of the regroupees, 138,000 of them or so, who had gone north and told them that they were all going to go back south. So he needed the communications lines through Laos to reinsert them, these people. It was impossible to reinsert these people, that many, clandestinely, across the beaches or the Demilitarized Zone (DMZ). So, it was all part of the North Vietnamese move on the South Vietnam.

Q: Was this timed in any way with the arrival of the new administration?

ANDERSON: If you remember, I believe it was in September of '59 or '60 that they had the so-called uprising in Vietnam, and Zhi Ehm swept that down very, very quickly. We estimated, well, we know that they had approximately 2,800 cadre in country, either left there or inserted clandestinely in South Vietnam at that time. What happened was that they had tried to raise this kind of indigenous uprising, but by that time Zhi Ehm had such solid control, he put that down very quickly. And it was then decided, on December 10th, that they would have to put in the whole 138,000 if they were going to take South Vietnam and reunify Vietnam. Very interesting period.

Then, of course, came along work on the President's trip to Vienna. I think that was a very cold shower for the President.

Q: This was a summit meeting?

ANDERSON: Yes. Khrushchev was very, very tough. And they basically said, "we are going to get out of Berlin so either you make your peace with East Germany and we make a decision over East Berlin and German situation now, or otherwise we are leaving and you'll have to deal with the East Germans." They came home from that and Rusk and President Kennedy then engaged in exchange of six, three going each way, memoranda, on the Berlin situation.

Q: With the Soviets?

ANDERSON: No, just between themselves. These were just policy pieces, trying to think out what they were going to do, because they had given a six-month ultimatum more or less to the U.S. I was rather shocked because the final decision of the President, as I recall it in the sixth one was, look, the American people, having been cut off by Monroney and all of those at the Laos situation, and finessed out of that more or less by the British in the early and preemptive action, and then having hit the Bay of Pigs which further shut (??) them, and then came the Vienna meeting... Kennedy, if you look back, he used to come out, and every week he'd had a press conference and by the 7th or 8th week they were kind of rambling and unstructured to say the least, and he quit them for a while, because he was a very fast learner and a big reader, and as he read into these things, the kind of stuff that you give out in the campaign doesn't quite measure up any more. So he kind of laid back and he and Rusk had this exchange, and Rusk was for a very, very strong position in Berlin, and the President was arguing for a greater accommodation. The last one he sent more or less said, "The American people are so interested in peace that anything you don't consider in negotiations over Berlin what you might give away, I mean, people will accept anything in the name of peace." I was astounded, because I didn't think that was true. And Rusk didn't think it was true either. And it was just a few weeks after that that the Berlin wall started going up. The last of that exchange of memoranda was in June and July of 1961. And then the wall started going up on 13th of August 1961. If you remember, we didn't do anything. Our reaction was a little bit delayed. Looking at this last memorandum and instruction, in effect policy decision - it came just as a Memorandum, though, not a National Security Action - it laid out a rather weak position. Basically, if you give away what you want to, people will accept it. We were kind of concerned at the Secretariat what the response was going to be. Those of us who followed European affairs, Wolf Calopy and I primarily.

What happened was that the television people went out on the street and interviewed people. And people, just to a man, stood up and said, "No, don't give an inch. It's either now or never. If they are going to do it, let's fight it now, let's not wait." I credit the public reaction with helping to determine the President's action, which was instead to act very strongly, and he called up some of the National Guard Airwings, sent two battalions or whatever it was down the Autobahn in Berlin, and said, "Absolutely not." Behind the scenes it was conveyed to the Soviet Union at that time that we would not give on our position to Berlin and that if it came to any kind of military confrontation that the Soviet Union would not be spared atomic weapons. And that gave Khrushchev thought. He then kind of waffled around for a while, and then he gave us another extension of six months and then it died.

Q: So he backed off.

ANDERSON: And we never heard anything more. Kennedy took a very, very strong position, which was contrary, in effect, to his initial position on the thing. I stuck with that until I had an opportunity to become a horse holder. Practically everybody went from the Secretariat off to be a horse holder.

Q: Could you describe what a horse holder is?

ANDERSON: Horse holder is a staff assistant to one of the assistant secretaries. And there is no question in terms of career what was the best thing to do. But, having been in the Secretariat for two years, I just didn't look forward to that. I wanted to get back out into the field again.

Q: When did you leave the Secretariat?

ANDERSON: I left the Secretariat in the summer of '62. My last hooray was the 17 Nation Disarmament Conference in Geneva, which was the largest Secretariat operation that had ever been done up until that time. And I put together the entire file at the end of the trip. Walter Collopy and I went to Europe for that, and it included bi-laterals with all of the participants, as well as other non-participants, who came there to talk with Rusk. It also included all of the talks between Rusk and Gromyko over the Berlin situation where they were harassing our planes and doing everything they could to make it difficult in Berlin. That lasted practically three weeks, and then we came back. I had an opportunity to leave, and I applied for the labor training course at that point and took a year study in labor economics. I believe Peterson was running the program at that time.

Q: Where was the study program held at that point?

ANDERSON: American University was the bulk of it, but we took individual courses here and there. We worked in the Labor Department off and on, and had places we sat over there and did work. We did a lot of traveling around the country, meeting with trade union officials, taking some course work, I believe I took some course work at George Washington University, depending on what was available. My study was on free movement of workers in Western Europe, the prospects for and probable political consequences of this. I wrote that paper and briefed it then to the European Bureau, in the spring of 1963. I'd been concerned about the ability of Europe to be structured along the lines of the U.S. And I disagreed with Kennedy's policy that we could have a policy with Europe *ex-Europe*, in the long and the foreseeable future that we would be dealing with the European countries primarily as individual countries. Where they had interests that they saw clearly. I found in this study of the free movement of workers. As a Fulbright student I had been rather surprised at the ill will that existed among three people so much alike as the Danes, the Norwegians and the Swedes, who seem to have expected that everybody else could live in peace and harmony regardless of ethnic differences, but theirs were different. As a consequence, I doubted very much if workers would move freely between European countries.

Q: Labor mobility would be limited.

ANDERSON: The social consequences of the integrated process would be so difficult for them to accept that eventually they would turn away from the free movement of workers. I started off with a completely different hypothesis. My hypothesis was that unless they

get strong rules and regulations into place, that they will turn against it. So if free movement of workers is going to be necessary for the proper economic development of Western Europe, you are also going to have to have something that forces the Europeans to accept, because Europeans are highly intolerant of each other on an ethnic basis. My conclusion was that no matter what kind of law you put into effect, the Europeans would not accept this kind of inter-penetration. In effect, what we were going to be faced with was much more what De Gaulle had talked about, the Europe of national countries, than this fuzzy concept of the United States of Europe, with supranational government.

In effect, in foreign affairs your common external policy will almost always go down to the lowest common denominator, just as it had in Switzerland, within Europe, where the Swiss had to stay out of all the European wars because they couldn't agree as to which side they should be on; the German-speaking, the French-speaking, the Italian-speaking. The Italian-speaking didn't account for much, of course, in the Swiss equation, but the other two, it was impossible for them to take sides in either World War I or World War II. And, they had a long history of being neutral before that. But they had participated and gotten involved in the Napoleonic war. This idea that the Swiss confederation is going back for a thousand years, and William Tell and all that, and it's been a hunky-dory democracy ever since, is a bunch of baloney. Because they did get involved in European affairs.

As I studied the controls they put on, and the controls other countries put on and migrations all over the world, I came to the conclusion that the normal state is for people to separate themselves, not to willingly join and go together. Therefore, my predictions as a consequence of this, when I briefed it to the Europeans, "What's the upshot of this" they said. I said, "For a long time we are going to be dealing with Europe as individual countries, in terms of external affairs. What we are creating is a Switzerland the size of Europe, and I am not sure economically how we can afford that. That's a lot of competition. Without them picking up their fair share of the burden. Now, Britain would pick up British interests, France would pick up French interests, etc., but they would not come along to pick up our collective interest, so that we would be kind of left alone *ex-Europe*, and that eventually they would turn away from us as they did in Vietnam and in other situations."

But if you wanted to look at long-term history, we were then banking our foreign policy outside of Europe, particularly in the Third World on what looked to us like the best bets economically, like Nigeria, the combined India/Pakistan, rather than small, ethnically homogeneous states. My view was that all of these heterogeneous states were going to have very, very serious problems, and that they were going to blow apart eventually. Because it's very difficult, even in well ordered society, to operate a Swiss-like confederation or a United States of America. Those are difficult enough. But when you get into these politically more primitive situations, that these countries would not be able to stick together, so, therefore, your probably best bet was to look at the ethnically homogeneous states. And that certain states had a very dubious future. One of them was Yugoslavia; because that was an artificial creation. We were already having certain minor

problems in places like Belgium, and, of course, you have the Northern Ireland problem; you have all of these old ethnic problems left over from old time, like the Basque problem and so forth.

But another one that would eventually probably come apart was the Soviet Union. Because it was just too heterogeneous ethnically. Therefore, what it told us was that if we held our fingers at the dikes long enough and were flexible enough over the long term, eventually a lot of those problems would dissipate. You had much bigger problems with China. Because there is an ethnically homogenous state.

Q: What about Germany, where they had large numbers of Turks and others, and France had large numbers of North Africans...?

ANDERSON: Yes. They did, and they all have problems, in spades, everyone of these countries with their ethnic minorities. A lot of strife, and as you know politically. Belgium is basically three countries now, the French have this awful right-wing development with Penn, and the Germans, of course, wanted to put strictures on... I, even, having been a labor attaché in Sweden and having had some 40 cousins working in various parts of Sweden, I have known that country very well; I could see the Swedes clamping down on free immigration, and they did. As a matter of fact, I once had pushed the labor minister in Sweden as to what the situation was with regard to their study at that time of foreign workers, Gastarbeiter, guest-workers. And he gave me the usual Swedish blah-blah, they were finding that these people were picking on each other, and it was for their own good that they had ceased letting workers come in freely and were studying the situation.

From my visits to my cousins, I knew of the problems that they were having, so I pushed him on the situation in Olofström, at the big Volvo carrosserie plant there, body works, where lot of my cousins work. This is one of the small towns, it was divided into Italian, Yugoslav, and Swedish elements, and they were having all kinds of problems in this community. As I knew from having lived there before, Swedes are very sensitive to these ethnic problems. On the other hand, they got this reputation of liberalism that they wanted to maintain. So I finally pushed him and said, "Look, I go to these plants all the time and I know that the workers don't get along with each other, there are problems over food, over the cost of wine and liquor which is very high in Sweden but they are used to having in Italy and Yugoslavia, there are problems of maintenance of homes that they live in, they live differently, and they don't get along." And he said to me, "I see you know more about Sweden than most, but I'll tell you what. We are not going to become an immigrant country." And they ceased the free movement of workers.

So there was a lot to learn from this exercise of studying the free movement of workers, and it wasn't all salutary, as far as our policy was concerned. Because I think a lot of things have come to pass that were foreseeable if you take a look at ethnic structures of the world. And all of our biases and instincts are that we are all brothers under our skin and we should all live peacefully together, and we can do it. That is more the exception

than the rule in the world. Therefore, it takes a lot of effort, and to count on that in terms of our policies, I think, was very dangerous. Basically what we are getting in Europe... they can't lift their finger on their doorstep, like in Yugoslavia, they can't agree to do anything. Could we expect them to do anything in Southeast Asia or the Middle East? No, we are left more or less to lead and some will go but most will criticize. Moshe Dayan told me that on a visit to Israel. I went on a visit to Israel on my way home from Vietnam, and I had a long talk with him. He'd been to Vietnam, and I had been Political-Military Officer in the Embassy in Vietnam and went home that way. I just couldn't leave Israel without asking, and I asked him what he thought we should do in Vietnam, and he says, "Above all, win, because if you walk out on them, all the people who are criticizing you now will distrust you then. And as far as Israel is concerned we'll be wondering who might be next on the list."

Q: So, to go back quite a while, you finished the labor training in 1963?

ANDERSON: Yes. Just as a parting shot on that, Robert Schaezel was in the economic-political affairs part of Europe, and he was in this briefing when I made this statement that we should reconsider some of our policies. He didn't say anything. Hillenbrand turned to him and said, "Bob, you haven't said anything, what do you think of this?" And he said, "I never heard a more typical expression of mid-western bigotry." But I lived to see the day that our European policy vis-a-vis the European Community (EC) and France was in shambles.

Q: Have you ever had a chance to talk to him later on?

ANDERSON: Yes. Because he was later on Ambassador to the EC when I was acting Political Counselor in Brussels. It really came as a shock, to all of the policy minions in the Department of State, when de Gaulle did exactly what he said he was going to do and pulled the rug underneath the British entry into the EC. For basically a year or so we didn't really have a policy.

Q: This was in 1964, roughly?

ANDERSON: That would have been - when was it that de Gaulle pulled the rug from under the British, I don't remember? So, anyway, I went there after I finished that program. Which was rather interesting. We met a lot of interesting people in the labor movement in the U.S. Did a lot of study of labor economics, traveled a bit around the U.S. I was assigned first to Wellington, as Labor Officer, and then suddenly they decided they would close out the labor slot there, and there was one available in Oslo, so I went back to Scandinavia, to Oslo, where I was Labor Officer.

Q: In the training period, who were the people involved at that point?

ANDERSON: Murray Weisz was one of the big ones, Ester Peterson was in the Labor Department then, and her husband was in charge of the program.

Q: Oscar, Oscar Peterson?

ANDERSON: Right. They were the two people who really directed the whole thing.

Q: Was Phillip Kaiser involved at that point? Ben Stephansky?

ANDERSON: Yes, they were there. Both of those were there, I believe, at that time. I thought it was a very good program.

Q: Did you write your thesis under one particular person?

ANDERSON: I don't remember who... I'm pretty sure it was Murray. The title of it was, "No Europe tomorrow: the prospects for and the probable political consequences of free movement of workers across Western Europe." It's in the archives some place.

Q: Sounds intriguing. Shall we turn to your assignment in Oslo? So tell us what happened?

ANDERSON: Everybody said, "You are going back to a country where nothing ever happens." I got on a boat with my five children, at that time family was rounded out. Two days out of New York the Labor government fell. So it was a very exciting period to be in Norway.

Q: Big change. And this would have been 1964 roughly?

ANDERSON: 1963, it would have been the fall of 1963. I went over in August or something like that. John Piercy had been the Labor Attaché before, and he was still there a day or two after I got there which was a little unusual. He took me around to meet some people and took off, and then I was Labor Attaché there for the full four years. First two years I was in the Political section, I believe, and then I moved to the Economic section because they were having an internal hassle between the Economic Counselor and the Political Counselor, as to what the proper role of the Labor Attaché was. By the time I arrived there, they had already moved the position from the Political section to the Economic section. This is an old game in the Foreign Service for labor attachés, as to which one you belong to. But, John Piercy apparently had given a pretty hard time to Niels Olsen, who was the Political Counselor, and Niels was out to clear the decks, and get the labor attaché out of his ear.

Q: Where these personal issues or where these substantive issues?

ANDERSON: I think it was personal, because John Piercy was, maybe labor attachés in general, are not necessarily the most diplomatic types of people, not the most tactful. I was always rather forthright and direct, especially if talking to American colleagues. He knew so much more about what was going on in the country, because he was very close

to all the labor people and the Norwegian labor leaders were kind of very Americanofiles and a lot of the top ones spoke English. Nordall, he escaped during the war, he was the head of the Labor Office, had spent war years in England and he spoke English fluently. Haakon Lie was Secretary General of the Labor Party, had worked with the Office of Strategic Services (OSS) during the war and was married to a fellow Iowan of mine, Minnie Lie. She had been born and raised in Tama, Iowa. Gerhardsen, of course, was the Prime Minister, and they were the triumvirate that ran Norway at that time. And they had run it since the war. I think that what had already happened, I was told when I walked into the door, that it had been decided that I would have no contact with Labor Party people.

Q: With Labor Party people? Like Haakon Lie..?

ANDERSON: Like Haakon Lie, or the ministers and people like that. That was the Political section's job, and I told the Ambassador, who was Wharton at that time, that I would not stay under those circumstances, I would ask for a transfer. Because there was no way that I could be a Labor Attaché in a country like Norway where I would be attending all rows of congresses and labor unions and Party things, and not see Party people. That I had to have complete access to the entire Labor Party structure or, otherwise, I wouldn't stay.

Q: The Party and labor movement are so closely tied, how do you separate them out, people had hats in both camps?

ANDERSON: Yes. You can't separate them out. But Niels had this idea that, boy, I was going to be really cut out, and they were going to take that over. Well, the first thing was that I could speak Danish fluently, Norwegian is not that far off. And John Piercy had developed a program, and had just really started it, of what they called Labor Seminars, going to the boonies of Norway, with a United States Information Service (USIS) person, Arnie Christiansen, who was his local staff assistant and himself, and maybe somebody else from the embassy. The trade unions and Labor Party would put on these seminars on American labor organization and trade union movement and social welfare legislation politics, and so on. One of those was scheduled shortly after I arrived. First thing that happened, of course, that dear old Lyndon Johnson came as Vice-President and since I had handled two of his other visits, I was put on that project for my first "hooray", and Sam Gammon was his Foreign Affairs Assistant, and Sam told me that he was recommending me to become the Foreign Affairs Assistant to the Vice-President. But I'd handled the Vice-President's two other trips to Europe, and I told him I did not want it. Two months later, or three, he was the President of the U.S.

Q: You want to give us reasons why you didn't want it - were they personal or the work style of the Vice-President?

ANDERSON: One of the most despicable human beings that was ever my fortune or misfortune to work with and around, he was a terrible man to work with. I had extremely little respect for him as a human being. He was an excellent politician, and could really

do things, and got a lot of things done, not necessarily all for the good in my estimation. But to deal with him on a trip was a real trying experience. The very first one that he went to, which was to Hammarskjöld's funeral, Dean Rusk had to call the President on the white phone and go over and see him, in order to get the Vice-President to do what he was expected to do.

I was trying to put together the trip. That was a state funeral, and there were banquets and calls on the king and on family, and there was a lot of protocol requirements. I kept calling Colonel Jackson, I think was his military aid, telling him all those things that I needed to do, and I couldn't get a decision out of him, and then at the 11th hour I got a call from him, and he said, "Look, the Vice-President has decided what he will do. He is going to land at the airport there, and he wants a hotel room to freshen up, and he will go to the service in the cathedral, and then he wishes to leave immediately for London, where he will spend six days." I went and told Luke this, and Luke Battle, who was the Executive Secretary, he took me into the Secretary's office and said, "Tell the Secretary what you just learned from Colonel Jackson." And he said, "Well, I'll take care of that", and while we stood there he called Kennedy and asked for an appointment immediately, and he went over. Half an hour later I had a call from Jackson, saying, "OK, tell us what you want us to do."

That gives you a kind of a flavor of what you got into. He was very testy and difficult to work with, overbearing, crude from a social point of view, did not listen to advice, and was just very, very difficult to work with. And he embarrassed a lot of people, both in the Berlin visit, where he embarrassed his host and the embassies and the missions, and he did the same in Norway.

Q: Did you accompany him on both?

ANDERSON: I did not have to accompany him, but I had to arrange it, somebody else went with him, it was a good thing.

Q: He must have liked your work to have offered you that job?

ANDERSON: It was one of those things. My view was that whether I liked personally the president or not, they were always my president, and I always tried to do the very best job that I could for any one of them, because I have very strong views about the professionalism of the Foreign Service. Policy is laid out for us, and we give advice, but once the policy is made you carry it out. I did my darndest even when I disagreed with the policy, as I disagreed with the multi-lateral force. We were sitting at the embassy and my very first embassy discussion, after he became President. He was pushing this multi-lateral force thing, "Yes we were going to be on it," and just from my experience at the Executive Secretariat, I smelled an equivocation, and the ambassador asked me what I thought, and I said - well this must have been some time later, because I'm sure it was Margaret Joy Tibbetts - so it was about a year later or so that this happened, and I said, "In spite of the president's statement which he'd just made and said we were going to be

in it, my view is very shortly it will be off the table.” And indeed within two or three months it was gone.

Q: This was the one with the surface fleet without any submarine capability?

ANDERSON: Yes. And I felt that was not going to work. You get that kind of a feeling when you work in the Secretariat, for pronouncements, when they are kind of a cover for some other kind of thinking, or there is some equivocation in there. You get a kind of an ear, nose for it. I know the ambassador was rather surprised. She said, “I remember that three months ago you said that this was the death of it when in fact it wasn’t, it was the opposite of what it had looked like.” But meanwhile we had gone out laying down the law to our Norwegian counterparts, telling that this multi-lateral force was everything, but in spite of the push and everything, and then he just washed it out. It was that kind of a situation.

When I found myself arriving in Oslo, I spent a lot of the time on this vice-presidential visit. Then Piercy had started these and laid on program of Labor Seminars and I took those up. The very first one was at Kárásjohka. I went up there and stopped at Karasjok, went over to Vadsø which, I think, is the capital in Finnmark, they were having the Finnish County Parliament meeting and I went there and met all those people, and I was sitting there one night and had dinner with them. They had two communist councilmen on the County Council, and I was sitting there when Kennedy was killed, and the word came over, the communists made a great to do about, “It was in Dallas, you see, and all those right-wingers down there had killed the President.” And the next morning it came out that, indeed, it had been someone who had been in the Soviet Union. It kind of changed the tone of things.

Up there you just didn’t travel easily. The ships traveled up and down the coast irregularly, and everybody had been gathered and then they canceled all the fares. We were locked up together in a hotel for two or three days anyway, waiting for transportation, so we just had informal talks, instead of a formal labor seminar. But that started it, and I held labor seminars in every country in Norway and finally moved on, and I held a series in my home, of abbreviated ones, which we held in my dining room where I could seat 22 people, at tables of four. The ambassador participated in those, and the deputy chief of mission (DCM) participated in some, but those were individual ones for leadership of each trade union. But of course I could speak Norwegian.

Q: And the Political Counselor?

ANDERSON: The Political Counselor participated in a couple later on, but usually it was Gopland who was a USIS type, who spoke Norwegian fluently, he was from North Dakota from a Norwegian family. I spoke Norwegian, and my assistant, of course, was Norwegian, so we were the ones who carried the ball. And then we would fit in one other person who sometimes, usually, who did speak the language or Swedish or Danish, you could use those two and make them understood, or otherwise Arnie would translate for

them. They were, I think, a very, very useful tool for getting across to the Norwegian trade union people what was really going on in the U.S. Because they were full of the misinformation that the communists put out at that time, that the old people were more or less put out on ice-flows over here like the Eskimos to die, and they had no idea of the kind of legislation that had come in in the '30s and had changed the social situation in the U.S. a great deal. But the biggest thing that this thing had provided was we never had enough money for representation, and this was a way in which I could tap USIS funds, because these cost thousands and thousands of dollars. The labor union paid the transportation and living costs, but just to get our group around, the transportation and so forth was a lot of money. I was able to spend several thousand dollars a year in representation to these people, that I would never have been able to otherwise.

Another thing I learned very quickly: I took the same house that Piercy had, which was a very, very large house and it was in a deplorable state. I made a deal with the landlord that I would redo the inside of it, I'd do the labor and he bought the material (except for a couple of things that I knew I couldn't do), and as I have always done when I went abroad and I always rent a place and make a deal with somebody, because I had a big family and not too much money to deal with, I would redecorate it myself. And because I redecorated everybody knew that I did this, which put me in a good stead with people in the labor movement, even though I lived in a rather ostentatious house, because I had five kids and you had to have a lot of room for that. I had one gentleman come to inspect the post, who told me that, kind of a play on that, that he certainly thought that hot dogs and beer was good enough for the labor movement. You know, "How do you entertain somebody in this house?"

So, fortunately, Conrad Nordall was retiring at that time. I had a dinner for him and leader of the Employers Federation, the ambassador was there, my wife was there, the inspector and his wife were there, and I had the big table pulled out, all the white linen, candles and the whole stuff, and the inspector was on my left and Mrs. Nordall was on my right, and she did not speak English, but her husband spoke English, and, of course, my wife was on the other end with him on the right, and I sat there and translated for him all night. Of course, very formal, the Norwegians. You had to welcome everyone to the table, no one touches their wine before you give the welcome to the table, and I gave the welcome to the table, both in Norwegian and English, mostly in English and then I translated partly for Mrs. Nordall and said some warm remarks so that she would be included, then he got up and gave me the thank you, and then I got up and presented him with a gift which was a pewter cup, with all the names of five labor attachés who had been in Norway with him, as a gift and remembering. It is in a museum over there now, I believe, but it listed the five attachés from the war and it ended with me.

The inspector admitted that he was rather impressed with the way all these labor people used all the forks and knives. European labor people live very well. Their congresses are held in the very best hotels and the food is fabulous, they are used to having the best of everything. So hot dogs and beer did not quite match up to the needs of these people. One of the interesting things that I found was, after I got the house fixed up, I held a reception

and I invited about 180 labor people to this reception. I had the usual kind of spread with turkey and ham and roast beef, but in the corner, as I was dealing with Scandinavians, I had cheeses and fish, and herring, all the kinds of things they really like, and the people started coming to this thing. Eighty percent of them arrived without their wives, but they never told me they were arriving without them, they just accepted the invitation. My wife had lived with me in Denmark too, when I was a Fulbright student, and she spoke Danish; she could make it well enough that she could understand Norwegian too. So after the first meeting, of course, she greeted these people in Danish, they talked Norwegian, and she talked Danish, and they understood each other well enough to get along, and after that all of the women always came to all of the functions at the house. Because the word went out that she could speak the language too, and that was extremely useful. Whenever we went out to trade union congresses she went on her own, and she could always be with the ladies on their own and tell them about family affairs and all the things that they were interested in.

Q: Did she enjoy that function?

ANDERSON: Yes, she did. I ordered 2,500 invitations, printed cards when we went to Norway. And I used them only for foreigners, not ever for Americans; they always got just a slip of paper because that was cheaper, or a phone call. I used all of those before I left Norway four years later. I always made special ones for receptions. Those were just for dinners. I had a dinner at least every week that I was in Norway, for these people, and sometimes two times. That did not include the 22 Labor Attaché labor seminars that I conducted in the house either, for all of the trade unions and for the party, I ran a lot of people and got a lot of mileage out of that house. They were very comfortable in it because Pierce had been there. They were little embarrassed when I first invited them, because when they walked first through the door and they couldn't believe it, as it was in rather a dilapidated condition, and Pierce had six kids, and I arrived with my five. But it was a very, very exciting time because, although the labor government was reconstituted in the next election and the Labor Party lost, so we had the change of government. And Vietnam was really heating up. And Pauling came there to receive his Nobel Prize. Norwegian Stortinget always has a kind of penchant for getting himself involved in other people's affairs. And Linus Pauling came for his Peace Prize because he had already won his Prize for Chemistry. He was there. I was there also when Martin Luther King, Jr. came to get his Peace Prize sometime later. From a political point of view, everything in Europe was transitioning a bit. The Labor Party, of course, in Norway led Norway into the North-Atlantic Treaty Organization (NATO), but they could not convince them. Then they went of course with the European Free Trade Association (EFTA.) Gerhardsen could not speak English, the Prime Minister, and he was always a communist at heart, died-in-the-woods socialist, whereas Nordall and Haakon Lie were very much social democrats and this split between Nordall and Lie came to a head. I attended the congress in which Gerhardsen was bowing out finally as leader of the party, and he really tied into Haakon Lie in a very bitter exchange. Of course, I was also there for the retirement for Nordall as L.O. Chief and Aspenmen came into that, and we had a lot of student demonstrations, but we never had big demonstrations in Norway like we had in other European countries or in

Denmark.

Q: Were you there for Haakon Lie's retirement as well, when he hit the mandatory?

ANDERSON: No, he was still at the Secretariatship of the Party when I left there. I left there in 1967, went to Vietnam, came back when the Labor Party came back into power. There were 18 ministers, and 13 of them I had sent to the U.S. on the Very Important Person (VIP) grants.

Q: What year did they come back then?

ANDERSON: They must have come back - it must have been in the middle '70s.

Q: And during your entire stay it was a non-labor government?

ANDERSON: No, it was a labor government and two years of non-labor government. So it was a very exciting time to be there from a political point of view. And the old guard from World War II period, that were shaped by their World War II experiences was leaving, and the new guard was coming. We had a lot of hassle in the embassy, because the Labor Party usually got 50% of the vote and the opposition was divided. On the VIP grants I always insisted that Labor should get more than 50%, because, in the first place, they don't have many opportunities to go as others, for money and other reasons. And they represent 50% of the body politic. So it is very important that we get these young people to the U.S. I went very openly to Nordall and said, "You know we have these VIP grants. I don't know this country, I don't know who the comers are like you do. Obviously we'd been great friends, and we worked together all these years, who do you think will benefit most from this." I did the same with Lie. I said, "Let me know, I can't guarantee which ones will be chosen, but at least I want to know that I have good people." He put me on the people nobody had ever heard of. And I was fighting for these people and getting them sent to the U.S., and fortunately Margaret Joy Tibbetts was the Ambassador and we worked very well together.

Q: You have met her earlier?

ANDERSON: No, I have never met her, but she was the best ambassador that I ever worked for from a professional point of view. She was an outstanding ambassador. She agreed with this idea that we should send these people, and she let me pick these people. I mean, some guy from Lans Organisation showing up from Finnmark, no one knew who he was, well, later on he became a had of the Education Department, then he became oil minister, all of these other positions. I got all these people sent to the U.S. Like I said, out of 18, 13 of them I had sent to the U.S. It was just the right time that I had up there. I think that was probably the high point in terms of effectiveness of a labor attaché.

Q: Were there labor issues there that come to mind?

ANDERSON: Well, it's very difficult to translate from European experiences to American experiences as far as labor is concerned. We are structured so totally differently, I think the extent to which they had their ... labor market system was what they called comprehensive negotiations involving all of the trade unions and the government and the employers.

Q: The umbrella agreement they had reached?

ANDERSON: Yes, the umbrella agreements that they have reached. These were unusual. I don't know of any other countries that we're having that kind of umbrella agreement, and what they called... It's a comprehensive look in terms of price movements in terms of what the governments were trying to accomplish and what the employers were trying to accomplish and what labor wanted. These came together in a unified umbrella agreement at the top, and then everything else flowed from that. This was of great interest to the Labor Department in the U.S. and to the trade unions here. It depended a lot, though, on the personalities of the people at the top. It involved less substance than appeared on the surface. I mean it looked like something, but it was basically a way for labor as government and trade unions vis-a-vis the employers to reach a settlement because Norway depended so heavily on foreign trade. At that time its foreign exchange was entirely dependent on its Merchant Marine, the full amount of their foreign exchange practically. A disruptive labor market situation, fights for better labor unions would have been deleterious to general economics situation in the country, and they knew it. I mean, they were still rationing automobiles in 1963, and it was the poorest of all of the Scandinavian countries in those days, no oil having been yet discovered. Now they are sitting in the lap of luxury and wondering what they were going to do with all of their money, but in those days it was an extremely poor country. Only four percent of the land was tillable area, something like 20-30% of it was forest, and the rest of it is rock. Except for their ability to, and cleverness in working in the shipping industry, they would have been a third-world nation.

Q: They have a fairly small population?

ANDERSON: Yes, I think they had 4.7 or 4.8 million, or something like that, am I right, or am I wrong? I think they are 3.9, and Denmark was about 4.9, somewhere around there. If you can imagine, though, in those days, in Denmark I distributed, I think, over 3,000 social security checks a month, and there were more than that in Norway on a smaller population base. I think there were 4,500 when I arrived there.

Q: These were people who had emigrated to the U.S.?

ANDERSON: These were people who had emigrated to the U.S., worked in the U.S., retired, and then moved back to Norway. A fellow from my mother's school in Nebraska married a Norwegian girl in the U.S. and they emigrated back over there, good friends of mine, lived down in Telemark. The links between Norway and the U.S. were very close and hospitable. You never had this kind of tension you did with the Swedes. Danes were

by far too sophisticated people to let their armor proper be pricked by what went on in Vietnam or a place like that. Whereas Swedes were kind of always, ever since Gunnar Myrdal they have known what's good for the U.S. better than anyone in the U.S. ever knew.

Norway was quite a different breed of people. You don't realize that until -- I grew up in a Norwegian town, of Swedish family, I knew a lot of Danes, next town was Danish, we never really thought there was that much difference. But we always had separate churches, Swedish Lutheran, Norwegian Lutheran, Danish Lutheran. Except if you were Norwegian, you had three Norwegian Lutheran churches. That was because the Swedes and Danes, we always said if you get two Norwegians together you get three opinions. And you don't realize the basis for that. But if you read "The Bets Invitation" by Isak Dinesen, Karen Blixen, it revolves around this fragmentation of the churches in Norway. It's not unusual even in the U.S., and I've lived in these towns, the town I was born in, we had three Norwegian Lutheran churches, they don't get along with each other. But you realize this because a Norwegian when he goes on vacation, he straps on his skis and his backpack and he takes off into woods by himself. They live an isolated existence, or they did in the past, on the farms or out in the woods. They are very individualistic. And each one goes their own way. The Danes are the other way around. Their idea of having fun is to get all together on a bus or plane and fly off to Mallorca with all their friends. And the Swedes do that to a certain extent too. You understand once you've lived amongst them, that these subtle differences are what draws the line between them today, and keeps them three countries. Because they are psychologically quite different people to deal with.

Q: In terms of the labor market negotiations, didn't they all sort of accept the legitimacy and the social partners in a way that in the U.S. would be impossible?

ANDERSON: Yes, they did. The harmony within the labor markets there was unbelievable. They had a certain number of strikes and so forth, but they would never amount to anything. In a sense they were a little bit like Japanese, that sense of solidarity with the country and the country's interests. My own experience in the U.S., my father's labor union was that the people came out from Chicago and that trade union compared to the UAW (International Union, United Automobile, Aerospace and Agricultural Implement Workers of America) which was big in Ford, Dodge, where there were a number of factories, they really went completely independent of each other, and without much consideration of what the impact of their wage raises and negotiations were on other people. I mean, "Fine, we get three dollars, you get 20 cents, too bad." You didn't get that in Scandinavia at all. The solidarity of the trade union movement and of the employers and of the people as a nation was so strong that this made that kind of a thing possible. They are all Norwegians after all.

Ethnicity plays a role in American trade union politics. Especially the way my dad's trade union was. If you went to New Jersey, for example, where they put out their literature in 14 languages. You don't have to do that in Denmark or Norway, they are all Norwegians or they are all Swedes or they are all Danes, they have a kind of agreed world-view and

country-view, and I've watched ethnic politics in American trade unions, that still plays a role. That played a role in European-wide situation because they still don't see eye to eye, especially when you get down in the south, where they had old communist unions in France and Italy, and so forth. But in Scandinavia there was always that unity of purpose. The kind of the welfare states and everything that developed; I came to the conclusion very quickly that when you norm population of one of the Scandinavian countries, 90% of the people are on the norm. If you try to norm the U.S. population, 85% are off the norm, and you have to shoe-horn everybody in, so if you put in a program at the federal level in the U.S. you are going to have to worry about all these divergences that exist within the U.S. in terms of our economy, the way we look at things, price levels, wage levels, all of these things play a role. Whereas in Denmark it's homogeneous.

Q: Or in Norway. If the head of the LO and head of the employers' federation sat down for dinner, had a handshake at the end, it's as good as an agreement?

ANDERSON: I don't think it was ever appreciated, even at the top of the labor movement in the U.S., when they went to Scandinavia to look at things. I used to see pretty regularly Victor Reuther, and Walter Reuther came to Scandinavia, and I used to laughingly tell them they came to do their dance around the black stone of Mecca, which was the Scandinavian welfare state. But the hard-nosed attitudes with which they administrated in those days their welfare programs were in stark contrast to what was done in the U.S. For example, if you were unemployed, and your unemployment funds were all run by the individual unions in Norway, in the winter time, if you were unemployed and you went down, you had to take any job that you were physically capable of handling, at the going wage for that job.

Q: Not a job of your skill level only?

ANDERSON: No. So practically the only people to go down... You didn't find the metal workers going down and getting laid off, because they might end up scooping snow for the city because that was available at that time, and they wouldn't do that. Of course, the white collar went on the dole at all, they just wouldn't do it. It was just not done. Their social attitudes are quite different. Scandinavia was very interesting, but they got into trouble with it. Although they administered their programs with a rather hard-nosed administration, they gradually loosened up their policy, such as we have uncertain welfare programs in the U.S. until the extent that they got themselves in a hole and they could no longer do it any more. Well, Norway now of course has the money and they don't know what to do with it, budget deficits, now they got all that oil money. But Denmark and Sweden never had that, and Sweden has been in very serious difficulties. I know I visited my relatives there. I have a 42nd cousin living in southern Sweden; they were really on their uppers for the last five or six years. Most of them worked for Volvo, Volvo closed their plants here and there. They were the only employers in towns of 10 or 20,000 people, there was nowhere else to go, nothing else to do. Very serious economic straits.

But it was always interesting, and I first saw it in Denmark when I was there. Muller who

was head of Maersk Line, who is the richest Dane of them all, he negotiated with the Danish government on what he would pay them in taxes, as an individual. For his company. Why not? He owned shipping, and they could all be under Liberian flag, so if they wanted to keep him under the Danish flag, so he went down and literally cut a deal. The Swedes have a system that Americans on the left and certainly the trade unions would really bridle at. They don't care who owns the business if they lived not too ostentatiously in the country, and they all have places abroad and most of them are in Florida in the winter, and places like that; I mean even Haakon Lie had a place in Florida, which I understand he has given up now. But it was alright, as long as they did that.

But all of the money that is made by those companies in Europe is taken in the trading operation outside the country. If you ship Volvos to the U.S., and you had set up a company here and you make all the money you want outside of Sweden, you bring it all back to Sweden without paying any taxes on it at all. Not like in the U.S. You can repatriate your earnings and you are not taxed on them. They have a corporate state almost, in terms of their large firms. Ericsson and those are like a world into themselves. And they make all their money in the trading situation. They make only enough to make them kind of look fairly good in Sweden, and they take all the rest of it outside of the country. That means that those companies prosper very much and Swedes in the past have done very, very well.

When you get into a world-wide free market situation a lot of this changes, and I think it's one of the big things we are going to face in the U.S. now. The idea that you will be able to tax General Motors differentially from what a Japanese firm, automobile manufacturer, a Swedish, a German manufacturer is taxed, is out of the question. Because all of the costs of those taxes are going to be reflected in the price someplace. The Swedes realized this a long time ago. They are much more sophisticated in terms of the world economic situation than we are.

Q: Repatriation of funds, etc.?

ANDERSON: Yes. Unfortunately, and all of those countries, even the socialist ones which was rather surprising and people could not understand it at the time, were all going over to value-added taxes. Because they recognized you really aren't taxing companies. And gave them the advantage that you can build the Ford in Europe and ship it to the U.S., and all the social costs that are represented in the 25% value-added tax are refunded. And so it arrives in the U.S. in effect literally shorn of the social costs of the production. Whereas we put most of our taxes direct in other taxes on companies and therefore when that cargoes abroad it has to carry all that with it, and the insurance and shipping are tagged on to it, and then they have to pay 25% on the whole thing. That makes a very uncompetitive situation for American industry. I don't know how well our politicians and our labor leaders understand that.

Q: There are number of economists that had advocated value-added tax, but it doesn't seem to have any popular support at this stage.

ANDERSON: There are a lot of problems with value-added tax. Every European country noticed, and when I was there, this is strange; they were always figuring out what the take was going to be. And they always fell at least 20% short of what they anticipated. That is because so much goes over into the black economy. And in some states it went up to as high as... over 30% in Italy. That means that if you want to have a car painted, if you pay them cash, you pay 200 dollars equivalent; if you want a receipt, you pay 400 dollars. In all European countries.

Q: There is a sort of a black economy in action there.

ANDERSON: Yes, there is a black economy, and in service-industries in particular, in all of services. And then they exchange service. And how much of European economies aren't reflected in the data, you really don't know. That's a very sad situation. And in the U.S. we still have the naive view that you are taxing General Motors. You don't tax General Motors. Every cost of General Motors must be reflected in this product, or they won't produce it. And they can not sell it. But at some point, you can take it out when it goes out to the owner of capital in the dividend, or you can take it out of the worker as a consumer in his salary. But to think that you are going to get it from General Motors is ridiculous. You don't get it from General Motors. Very quickly the European social democratic parties and the trade unions came around to accepting the idea of value-added taxes. And they've all got them, and they have them all over the world. And we are the odd man out. But what that is doing, it is pushing a lot of American manufacturing out of this country.

Q: One question on Norway before we go to your next assignment. In terms of the welfare system, did you find that the work ethic was solid with the older generation but with the younger generation perhaps not as solid?

ANDERSON: No, there was not a great deal of difference, I don't think. Like I said, they can blame a bad personal economic situation on some external circumstance because they are all Norwegians together, and therefore they really look to themselves as being responsible to get the education. They didn't blame somebody else for their poor economic circumstance, if they had such an individual circumstance. Obviously, people were becoming more and more wealthy at the time when I lived there. When I was a student, I knew a lot of people in trade unions because my wife taught English for trade unions in Denmark; that was another "in" I had with the trade unions when I arrived there... I've lost my train of thought.

Q: Question of work ethic, whether it was eroded by the monetary incentives of the welfare system?

ANDERSON: No. Their whole system is administered close to the people. Most of the welfare is administered, in terms of unemployment, by the trade unions, so it was never a combination of the state, or just the state, as it is here. Everything here flows through the

government. Even your unemployment insurance. Your unemployment insurance is run by the trade unions in Europe. They know whether you are a malingerer or not. And in Denmark, they had a law there; it is illegal to live off the proceeds of vice, so everybody must have a useful job, at some rate of pay. And none of these countries, incidentally, have minimum wages. And all of them have highly developed apprenticeship programs, even for things that we wouldn't think about. Four years to be a waiter. When you used to be waited on... This is gone by the boards, of course, because now all the waiters are from Portugal or Spain, or some place like that, because the other people don't want to be waiters any more. But in those days you never had those kind of ethnic divisions in jobs, when you got waited on in restaurant in Denmark, it was first class. Any restaurant that you went into was first class. There wasn't any fast-food thing in those days. And people had a pride in their work. Much like we did in the small town that I lived in. I mean, I went to school and lived in a small town. We all worked dirty, stinking jobs. It didn't make any difference whether your father was a doctor, a lawyer; mine was the trade union leader in the plant. We all worked side by side, shoveling manure, gutting chickens, the filthiest, dirtiest jobs in the world. And nobody denigrated hard labor. And this is generally true in all of Europe, where it's much more a matter of your individual responsibility. It's never a group ethic. The group ethic is to work, and you got to do this. If you don't do it the way we want you to, you just don't get the goodies. And they all have Identification (ID) cards. So you don't line up. Even in 1962 when I was in the Labor Department here, this was when Moynihan was Assistant Secretary of Labor, and he did that famous monograph on the Negro family in America. But they did a study then to find out how much fraud there was in certain labor programs, and they estimated it was 20% at that time.

Q: That's here in the U.S.?

ANDERSON: That's here. This kind of thing cannot happen in Europe. You cannot have a situation like my sister did in Washington, D.C. She had an employee come in, he was Hispanic from Latin America, he was an electrical worker, helper, he slipped and hurt his back. Months later he was still putting in for his workman's compensation, she sees him driving on the street in Washington, D.C., in a brand new Ford Thunderbird. So she put the investigators on him; he had five cards, five social security cards and was collecting workman's comp on all five. This kind of thing cannot happen in a country with population control. And all of the Scandinavian countries have population control. You have an ID card and, therefore, you have positive identification of everybody.

Q: By "control" you mean identification card?

ANDERSON: Identification, in other words it's just a matter of identification. Years later I worked for the state of Arizona, and we audited our social systems. I found out that in some states, e.g. in Nevada, the social welfare system they did a probability study of the entire population of welfare recipients and they found that 57% were fraudulent. Tommy Thompson has had one run in Wisconsin and found 26%, in some cities over 50%. Giuliani had one run in New York for three months and found over 60% fraudulent. I

don't know what the final thing was because I left the government down there, and my job, just before they finished up the study.

Q: This is in Arizona?

ANDERSON: In Arizona. But that kind of fraud which we know exists in the U.S. - I mean, I live in the richest agricultural part of the U.S. today, in a rural area, with top soil feet deep. Over 50% of our children there are on free lunches. When my father was a trade union leader and was flat on his back for eight months and couldn't walk, my Mother took in sewing, I got a paper route and another paper route and another paper route, and a job downtown working in a restaurant, my sister got a couple of jobs. We paid all of our own bills. We don't do that any more. We now go to a welfare office in the U.S. In Europe, by and large, for a lot of things they still go to their trade unions. And even if they do go to the state, they are only going to be paying once. They are not going to be paying like that guy and my sister, five times. We have this kind of open society, and none of those societies in Europe... England is, because they don't have an ID card, that's the only place in Europe that I know of that doesn't have an ID card; they may have one now, but I don't think so though. Because that's Anglo-Saxon. But that's not continental. We all had to carry ID cards. Usually from the age of 12 or 14 on, whenever you came into the labor force. Certainly the work ethic was still alive when I was in Norway and Denmark. And it was less so, though, in Belgium. And even less so in Austria.

Q: Should we turn to your next assignment?

ANDERSON: My next assignment was out of function, and out of the geographic area. That's when I went to Vietnam. I went there as Political-Military Affairs Officer for two years.

Q: You want to describe some of your activities there, since this tape will be available to a broader audience than just those interested in labor?

ANDERSON: I arrived there right after Tet, the first days of March 1968. The most interesting job I had... Well, at first I got into study of herbicides and warfare, and Dave Carpenter and I together did the definitive study on herbicides and warfare, as a result of which we concluded that a lot of it was totally ineffective and no longer of any use if it was effective, and we cut the program to less than a third of what it was. But by that time it had become a terrible political football in the U.S. And I worked on it for the rest of the time I was there as well as when I was on Laird staff, what they called the Vietnam Task Force, which was a little under-layer that dealt with and handled military/political aspects of Vietnamization there.

Q: Do you want to just to back up a bit and explain what the main issues were in the herbicides stuff?

ANDERSON: The herbicides were, of course, at that time dioxin and the agent orange. This was mainly a political issue as whether it was hurting the farmers and was it doing any good. The idea that there was dioxin in it was little known by anybody and it was not an issue. The issue was that there was drift involved and it was killing the forests, it was an environmental thing, and it was hurting the peasants, and so forth. So they were really concerned on the eco-system and what its effect was going to be. We had dropped over Vietnam at that point approximately over half of all the herbicides manufactured in the world. People know very little about what kind of herbicides were involved, they don't know the difference between orange, white and blue, they don't know the difference between the herbicide and desiccant, most of the paver that you hear out there talked about is totally uninformed. Coming from an agricultural area, and having been at that point the owner of farms, and my brothers and I used herbicides on farms that we'd bought together, I knew quite a bit about herbicides, but I learned an awfully lot more about it there. And we put out a book, it's about 3/4 of an inch thick, and it is the definite study.

Q: What was the title of the book?

ANDERSON: I just don't know whether it is "Herbicides in Vietnam" or what it is. I have a copy of it because it's been declassified, and I got myself a copy of it. At the time we came to the conclusion that only about a third of it was effective, and only for certain things. For the same things that it's effective in the U.S. Farmers had to put in their ditches, for example, to keep on noxious weeds and for visibility purposes at corners. They were using agent orange at that point, on all of the parklands in Washington, D.C., in the parkways three times a year. The entire state of Wisconsin, all the cow pastures, they were using agent orange on those; this is an herbicide, broadly, and the senator from there was a big complainer, but you couldn't buy a quart of milk that wasn't taken off of land that hadn't been sprayed with it.

Q: Was this Proxmire?

ANDERSON: No, the other one, I forget what his name was. No, not Proxmire, he never got involved in this fight. But anyway, we did cut it back. I handled all the politically touchy problems. For example, they had CS gas and whether you could use it or whether you couldn't, to flush people out of underground networks, or whether you should blow buildings apart was preferable to gassing them, using teargas; that's the only gas that was ever used. These kind of problems. Incursions into Cambodia, incursions into Laos, spraying rice lands in northern Laos, all of these problems, which kind of weapons you could use; all those were questions that came to my desk in Vietnam.

After that I had responsibility for approving every herbicide mission, so I had to determine if we would allow it or not, and where it was going to. We also in that study plotted every single herbicide drop in the country and all the aborts. So we knew where this had taken place. The only one that had a health-risk problem with it came to be agent orange, which was always; it's a herbicide that takes a minimum of six weeks before it

starts to act. The idea that you go in and spray the troops with this while they are attacking is an absurdity. You sprayed six, eight weeks in advance of an operation. And very often they sprayed and then the leaves would drop; the cover was gone and you walk through there just like you walk through a bean field or corn field in the U.S. with broad leaf herbicide. No difference at all.

We handled all those things, but the most interesting aspect of the job for me otherwise was that I read all of the intelligence reports everyday. And I picked out what the ambassador saw about the military situation, so I got a very thorough view of what was going on militarily in Vietnam. We worked very closely with Mick Dee, I was in every province under attack several times; it was rather an interesting, to say the least, digression from labor.

Q: Did you volunteer to go?

ANDERSON: I volunteered to go, because we had more or less held the lid on the problems in Norway very well. We never had the trouble with the Norwegians that we did with the Swedes and the Danes. And partly that was because of our closer relationships and lot of the work that I did with the labor unions, and they were much better to deal with. But I really wanted to see what was going on out there. Having come into the tail end of the Korean war, here was a war going on that I had been talking about and looking at and I was interested in going out and seeing what was really going on. And I really did get to find out what was going on, and I do not think that definity of work has yet been written about Vietnam. I think practically everything is written from a totally biased point of view; one way or another, today either pro or con. I did that for two years, and when I came home, I really wanted to go to the Air Force Academy to teach. I needed a rest; my boss out there wouldn't give me a drop on my assignment of three months necessary because I was too important, and then he took a nine-month drop on his to become deputy chief of mission in another country in southeast Asia. And I was rather surprised that an FSO3, or I was a 4 then, was more important than an FSO1.

Q: Before we go into your next assignment, you want to backtrack and say what perspective you think should be contained in the definitive work on Vietnam?

ANDERSON: My view of the entire post-war period is that what we were in was something almost ideologically equivalent to the 30-years war in Europe. Vietnam was a single battle that we lost, in a war that we won. I do not believe that any event in the conflict between Soviet socialist command economy on the one hand, and the West and us on the other side can be looked at in isolation. Whether it involved Chile, or whether it involved Ghana, or whether it involved Vietnam, these were all part of a seamless web of conflict that was rooted in an ideological difference between the Soviet Union and eventually China, and us. Some of it was hot, some of it was cold, but there was always, constantly probing. It was done under the umbrella of a nuclear threat, which had never existed in a similar situation, which put a cap on how violent we allowed this conflict between the Soviet Union and the U.S. to take place. So that eventually with the fall of

Russian communism and the Soviet Union, we won the war. But we have lost that battle. I think that trying to look at it in isolation as either right or wrong is totally inappropriate. Because in international affairs there is a dynamic that develops. As it did with Hitler prior to World War II, and as developed with the Soviet Union after the war, they probed, and they won some places; at points you have to check things.

You don't know - everything contributes to the dynamic, or inertia, one way or another; either in movement or in stopping something or preventing something from starting, so that what we really ought to look at now is step back from the entire post war period and recognize that we were in, of all of the four-five reasons that people have fought through the history of man, ideology is one of them. And the other is just trying to take what the other guy's got. Booty, or whatever you want to say. Sometimes it's merely for the idea of control, certainly Caesar, some of the things he did were that way. But all the way through the history of man there had been about four or five reasons why men fight, one of them was ideological, and this was an ideological war.

And, therefore, Vietnam had a role to play in that. And the fact that we didn't just let it collapse in '54 or in '59 or in '62 or in '65, or even as late as '70, because Allende came along later than that. And he very nearly turned Chile into a Cuban situation. He was within an ace of doing that, and I played a role in preventing that as a labor attaché, believe it or not. Which was quite fortuitous, nothing particular on my part, it was an accident of my being at that place at that time. Nobody really knows what would have happened, had Truman doctrine not been developed. And Greece gone, or if one of the Berlin things we had faded on. Or Korean thing we had not stood up for it.

All of these probes that were done one way or another, and they were not equally important; it depends whether you have live frontiers or not, you can tolerate Cuba for another 500 years probably because you don't have any live frontiers, but it would have been quite different if Chile were Cuba. There you would have live frontiers that change the whole equation. Anybody who has ever studied diplomatic history knows that live frontiers are a significant factor in diplomatic history and warfare. I think that we have to take a whole new perspective on it and recognize.. But people who were involved and wound up in it, they are completely blinded by their own personal experience, they are not able to step back and look at that in the context of the total conflict that existed, the struggle around the world between the Soviet Union and the command economy, the authoritarian form of government and the democratic market economies of the West. But we won the war with all but maybe a few notable institutions in the U.S. who still have a bent to think that there is still something better than a free-market way of ordering economy.

Q: If you had to step back on Vietnam, should we have been engaged the way we were?

ANDERSON: Yes. We went at it all wrong. It's much better if you are going to engage yourself, to engage yourself fully and get it over with quickly. Our people cannot tolerate a long, extended war, and will eventually turn against it. Where the British could put up

with ten years of struggle in Malaysia and finally win it. Because it was in their nature to accept that. Our nature is to get the war over with, and go back to doing what we were doing. And we have totally different, and we are not patient. And we won the war several times, and we lost it several times. Until eventually, whether we won it or lost it, by other events elsewhere, it became irrelevant.

But had it gone communist early on, then what would have happened to Malaysia, what would have happened to Thailand, what would have happened in other areas, that's part of the dynamic that was checked. As I said in that study I did a long time ago, you put your fingers in the dike and hold long enough, the Soviet Union was going to come apart. Yugoslavia was going to come apart. Nigeria was going to and still will come apart yet. India may eventually very well come apart. I don't think South Africa can survive as a unitary state; not without serious bloodshed. I don't know how, blacks against blacks, whites against others; we tend to lump all the blacks in as a unit, we don't do that with the Europeans. We recognize the difference between a Norwegian, a Swede and a Dane for God's sakes, but we don't notice the difference between the Bantu or Zulu, and that they can somehow get over this... Look at what happens in Nairobi, Kenya, or what went on in Congo, or what went on in Rwanda, Burundi, or what's the other one where Idi Amin was...?

Q: Uganda.

ANDERSON: These tribal differences; we are tribes yet to a certain extent in this country. And there are tribes in Scandinavia. Different levels of sophistication and communication and understanding, but the Norwegians still aren't in the EC. They are still going their own independent way. You would think that at least there, given their experience, they would come along, but they had what they call their 400 years of night. Three hundred under the Danes and 100 under the Swedes. And they don't forget this. Or what's going on in Belgium, where I later ended up. There will come a time when we look back on it differently. I don't have a great deal of hope for the present group of historians out there. The relativists I don't agree with at all. I think that right now they are in the ascendancy in history departments all over. These are the flower children of the '60s, the protestors; so they are writing the history. But all the biases that they have will eventually be overcome. There will be another revisionist cycle. Maybe I can be a part of that sometime later, the pendulum will move the other way.

I went from there directly to Laird Staff at the Department of Defense. That was interesting because I was handling political and economic aspects of the Vietnamization program. And he asked me to look at the situation and give him a paper on it, which I did after 18 days, and he sent it back to me and he said that he had not seen this, because it was outside of his purview, the economic situation.

Q: What were the main issues that you raised?

ANDERSON: The issue was that we were totally sustaining the civil side of the

economy. Because they had diverted so much, as you do in supporting assistance, they diverted so much of their internal product to fighting warfare, primarily war power, that we were then providing all of the inputs in the civilian sector. We were providing them with rice, etc. One of the ways they made their foreign exchange was the four hundred million plus dollars of local goods and services that the military bought every year. But his was going in to the government there through their exchange rate systems, at 128 piaster per dollar, but the market out there was saying that there was 170 or 180. So if you were the importer, the Vietnamese guy of whoever it was who got to buy the foreign exchange you made the windfall profit of something like 50, 60% windfall just like that. As we were drawing that 400 million dollar per year was disappearing.

Q: What did Laird expect?

ANDERSON: Well, he thought it wasn't really... I was to look at it from a military point of view. As to what were the impacts of military on the economy. And I was pointing out to him that as we withdrew our military, they were going to lose bulk of their foreign exchange which was 750 million dollars per year, and the military provided 400, 450 million of it. The rest was in other kinds of aid and products, rice, and so forth. As we withdrew, we were going to ask them to put even more of their Gross National Product (GNP) into defense, so that our supporting assistance needs were going to increase. We do the same thing in Israel. That's the way the game works.

Q: It seems pretty obvious that that's going to happen.

ANDERSON: Well, it came as quite a shock to them, because in the U.S. the government was very divided. And in order to continue to get supporting assistance, which was one of my jobs, to see that the supporting assistance budget gets through; the only way I could get it for Vietnam was to tie it all in one bundle, so that if anything went to Israel it also went to Vietnam. And this was the way I did it for two years in there. There were people, needless to say, who were against Vietnam, who were trying to separate it. So that you were dealing with Israel on one hand, and Korea, Korea was also tied up in Vietnam because they had troops down there, but Turkey and all other countries that were getting supporting assistance, they wanted to separate them out so that they could vote "no" on one, but not on the other. And the only way I could make sure that it got through was to make sure it got into one package before Congress. So we got what we needed for Vietnam, provided Israel got what it needed. It was *quid pro quo*. For keeping supporting assistance. But what was going to happen was when military no longer was there and giving them, buying 450 million dollars worth of goods and services a year, and they were going to be putting even more of their economy, their needs were going to go up. So needless to say, this was a real conundrum in the political circumstances of the time.

It came back, and I went to General Blanchard, who was head of the Vietnam Task Force over at Laird's office, the international security affairs, Nutter was there. I had written this up, and he was going to... And I said there were five or six things that you have to do in order to overcome this. One of them was to floating the piaster to let it seek a natural

level, and it came back and said, "Sorry, I didn't see this, I can't do anything." So I went to the General, and I said, "I don't know what I'm doing here, I mean I lay out the situation as it exists, I worked on it 18 days," of course I'd been in Vietnam so I was pretty well aware of what I was dealing with, "and now it comes back with a margin note that says: 'I didn't see this'." And General Blanchard explained to me that he felt it was outside the purview of the Department of Defense, so that was some State and Agency for International (AID) and Kissinger's territory. I said, "I don't feel like I'm serving any purpose here, maybe I should just go on back to the State Department once again." General Blanchard was very nice, and he said, "I really feel sorry, because I think you are absolutely right, but hold on a little bit."

Well, I had pointed out that the economic situation was going to be so difficult that even if we succeeded elsewhere, Vietnam was going to go down the tubes eventually. Something had to be done with the economic situation, so about two or three days later Blanchard came back to me and said, "Guess what, Laird is going to Vietnam and Nutter is going with him, and Nutter wants a paper on the economic situation to put in his briefing book." So I just took my recommendations off the end and put in his briefing book. So he went to Vietnam, spent two weeks and came back and the first line in his message to Nixon was "the economic situation maybe the most difficult problem we are facing in Vietnam."

I had also pointed out that this loss of foreign exchange, that I estimated that foreign exchange costs to us were somewhere in the neighborhood of 200 million dollars a year, that was just going down the tubes, and probably more. This caused such a stink that they immediately launched three or four studies of the situation. Kissinger's office had one in National Security Council, AID launched one, Defense launched one under Enky, and Defense Intelligence Agency (DIA) did another one.

Q: This was the windfall under evaluation?

ANDERSON: Yes. This was happening in Vietnam; it was happening all over the world; it was happening with the shekel. We were losing. Because what we were trying to do is get that value into the hands of the government, so they can put it out in the hands of the families of the guys, so that they can live and then supplies had to come from without, because they can't produce it within. Because they diverted too much out of their economies. In this situation they did four different studies, using four different methodologies. Kissinger's study was worthless, the one in DIA did the best, because they went to all the records. Enky did a very good one.

Q: Enky was who?

ANDERSON: Enky was AID. Enky was the guy that they hired from one of them RAND, or Tempo! GE Tempo did the study for them. They all came up - my estimate of 200 million was minimal. And the DIA said 420 million dollars a year were going out, and worldwide over 400, 500 million dollars a year was being lost, through these artificial

exchange rates. So it caused quite a stink. Anyway, I was there then for another year and a half, and in that period we put into effect absolutely every one of the six recommendations. All of them got put into effect. When I left the Department of Defense (DOD), I was awarded the Secretary of Defense Meritorious Civilian Service Medal, which is the highest medal that he can give for civilian service. And they had to get a waiver because I wasn't actually a DOD civilian employee. I was a State Department employee, only on loan. But he got a waiver for it, and I was a first State Department, a non-DOD civilian ever to get that award. And it was because when they figured it out, that if we straightened out our exchange rate problems, we would over the next ten years probably save four or five hundred billion dollars in aid costs. And I went on my way.

Q: How much was that?

ANDERSON: 450 million dollars a year, worldwide, in all of our supporting assistance programs, where we let this exchange rate eat away what we are really trying to do. Leaving windfalls at the hands of profiteers, so to speak. It was costing us, they estimated over ten years, it would save us about five billion dollars. So he gave me a medal. And I said, "I wished I'd been working for General Motors, I might have gotten one percent." A profit-sharing arrangement. *(laughter)* It was a nice honor. I think it eventually got me an FSO3.

A very amusing incident happened. We did not get to float the piaster. And I left in July '71 and went to become a labor attaché in Brussels. I arrived there, I had been fluctuated once or twice too often in these foreign exchange things, so when I went to Brussels I went down and took 12,000 dollars and changed it all into francs; at 52 to a dollar. And then on 6th of August they floated the dollar. This was in 1971. And so Nutter came for a defense ministers meeting along with Laird in September, and the phone rang. He said, "Hi George", and I said, "Yes, who is this?", and he said, "Well, this is Dr. Nutter, I wonder how you're doing", and we had a little chat, and he said, "I always felt bad that about the fact that we never got to follow through on your recommendation that we float the piaster, but you know" he says "we've done the next best thing. We've floated the dollar instead." *(laughter)*

Q: Did you make a windfall for all this?

ANDERSON: Fortunately, the dollar just started dropping, it went as low as 22 to the dollar. So I didn't have to buy any for a while. Then we had all this trouble getting the State Department to recognize that it was the dollar that was losing value rather than gaining value, that they were very reluctant to change our allowances. And we had three ambassadors there, all more or less political, one was not. Because we had political ambassadors, we sent in every day from there a telegram on the exchange rate problem and how much it was costing people. And finally they came and gave us a back channel message, "please don't send those, we're trying our best to get something done." But these guys were... most of the pressure kept coming from Brussels. Because those were always complete distribution all over the world. All missions got it as we were

complaining about the fact that our allowances... My house-rent went up; I rented a house out in the country for 420 dollars a month, and pretty soon it was 800-900 dollars a month and nothing was happening to my allowances.

Q: But you had the cash?

ANDERSON: Fortunately, I've always been frugal and had enough money so that I saw that coming. And bought forward, in effect, on Belgian francs. Then I went directly from there to Belgium.

Q: I just want to ask just one question on Vietnam Task Force, before we finish. Was there real sense at that time in the Secretary's office that Vietnamization would work? Or was it a fig leaf American...?

ANDERSON: We were looking very seriously at making it work. Because I was doing, for example, on the use of various kinds of arms that they were going to be allowed to use, whether they were going to provide them with herbicides or whether we weren't, whether they were going to be able to use CS gas, whether they weren't, what was the level of support that we were going to give, what they could do. My position, at that time, was that we could not expect them to take over a job that we were not able to do on our own, and put limitations on how they do it. I mean security in an oriental country is not the same thing as security in this country or any European country, value systems are different and so forth; but, surely, we could not expect them to do a job we could not do with less than we did. So, in other words, you got to give them basically everything they need, and back them in what they'll do, and let them do it if they were going to do it. We were certainly trying to find a way that was going to do it. I did not believe for a minute, and one of the reasons I left DOD and told them that I didn't want to have anything more to do with it - with Vietnam - was that I felt that the agreement in Vietnam they were working on then in Paris, and we knew that, that was all behind the scenes, I did not think it could work. I thought it was a fig leaf. Even when I went home that time, I gave a talk in my home town. And I said in a speech in Iowa that the kind of agreements they were headed toward, by the time they'd become public, that this could last two years, but it would never last five. It lasted two years and three months and it was down the tube in '75, and that's exactly what I'd expected to happen. Because they just simply couldn't hold out with one hand tied behind their back.

Q: It seems pretty obvious at the time, at the political level where they just look for a way to withdraw with some kind of cover?

ANDERSON: There's a big controversy, exactly what Kissinger knew and who knew what and what they'd expected. I thought at the time that the way they were handling it and the kind of restrictions they were beginning to place on Vietnam, and the limitations on the amount of aid they would provide them and equipment, that there was no way that they could do this. For one thing, I had a great deal of responsibility. I told them that the only way South Vietnam was ever going to survive was if they draw the wedge right to

the Mekong River, at the DMZ, and you build a very short waterway. We always did first control access from the sea. Phnom Penh was a running sore, and a lot of the stuff came in through Phnom Penh. The whole of Four Corps and most of Three Corps, southern Three Corps, was provided through Phnom Penh. We built the road, and we built the harbor. The Chinese provided the ships and the weapons, and they came in there wholesale. And they would close that port down and would run it up into Vietnam. We now know. We learned that while I was still working in Vietnam.

The British came with all the bills of lading for all the ships that had gone through there, and, incidentally, two thirds of what they were providing to South Vietnam, the communist forces, was rice. That shows you how much hold they had on the people. The kind of idea was they were getting everything domestically -- they didn't get it all. When they did a raid on one of those convoys and hit three trucks out of them and they were all full of rice, and CIA's view was "What did you see? Rice, obviously they don't have to import rice in South Vietnam, they were getting all that from the local people." They were so unpopular with the local people and so cut off from the local people that they had to provide rice for them via that port. Two thirds of all the weight that they shipped was in rice, the rest was in weapons. I said you had to drive this wedge through. You could depend upon the tie they wouldn't let them go through there. By this time Cambodia had gone around the bend anyway. And you should have gone in there and take that southern part. You were going to write off Laos anyway. It wasn't worth anything. Just write it off.

Q: Where were you when the Cambodian incursion happened?

ANDERSON: I was in the Defense Department. But I had put through a recommendation that we go in and just do that. Cambodia, come over and Laos all at one time and establish a new DMZ that went to the Mekong. As they always do, and this is what's wrong, they temporized. No "audace" (courage) there, no General Patton, no "audace du jour audace" (translation?). They didn't have that. So they went only into Cambodia. That was a waste of time. What you really wanted to do was cut off.

Now we know from intelligence services that once we went in, the only effective interdiction program we ever had for supplies into Vietnam was the choke points bombing campaigns. And that was that we picked eleven or twelve areas through which everything from North Vietnam had to go into Laos and then on into South Vietnam through Laos. And we could bomb those day and night, day and night, and stop all traffic. We did that for a while, and the supplies backed up and they carpet-bombed,; it was a mayhem back there. It got so bad that the North Vietnamese had to pull out virtually all of their troops, all the way to North Vietnam. And in effect, we'd won the war. Everything quieted down to nothing.

And then, of course, we had to go into another one of those silly dances back here with Johnson and another negotiation, and we get into this idea that you compromise with an Asian mentality. Asians don't compromise with each other. That's unbecoming. We compromise. Even Rusk said this one time, "What we need out there is a good Anglo-

Saxon compromise.” Well, you can’t have an Anglo-Saxon compromise if you don’t have Anglo-Saxons on both sides of the issue.

So anyway, I had recommended that we go in there. They did that separately later, and then guess what? When they did finally make their incursion into Laos, our intelligence said there were going to be no tanks there. The first thing they run into are those amphibious Russian and Chinese tanks, whose ever they were, and we’d been drawn down so we didn’t have the helicopter support, we didn’t have anything that we could give them, because we were drawing down in North Vietnam, especially First Corps, so far that we couldn’t support them. The military logistics got totally out of hand because they, mind you, by changing military leaders in effect every year over there, on the lower level, they moved in new people, and they did that incursion expecting that a South Vietnamese division or a battalion was the same size as a U.S. battalion. And they are only half as big. Besides that, they had counted on certain gun-ship support, helicopter support, except that we no longer had the gasoline out there so that the ships had to travel two to three times further than anticipated; so they didn’t have them on station. It was a disaster. But then the worst disaster of all was - guess what they come up with against these tanks. In two days we armed them with our wire-guided anti-tank weapons.

And that was a very interesting thing, because years later when I was in Brussels, and the Yom Kippur war came, I got a call from Washington as to how we did that. What we were going to do. Because you know what happened there. They wiped out all the Israeli tanks; one thousand in one day and two hundred the next, with the wire-guided Soviet missiles. We had to resupply the Israelis in a two-day period. The fortune was that I was, of course, then in Brussels, and the problem there was how you were going to get them over there when they wouldn’t let us overfly their territory. If it had not been for Portugal, we would have been in deep stuff. And I got very much involved in replenishing of Israel after that, as a labor attaché and political counselor then in Brussels. I was acting Political Counselor for a time, but I got very deeply involved in replenishing on demand.

So we learned from the Vietnam experience enough so we could supply Israel, and Israelis drew back and drew back until we flew them over using C58 Galaxies, using the Azores and through the mouth of the Mediterranean sea, through the Gibraltar and flew them in there and within two days they had on the front lines, and then they moved up against the Russian tanks and wiped them out the same way that our tanks had gotten wiped out by the wire-guided... And that was the last one, there were no more great tank battles in the world, kind as a consequence of those kind of weapons. The tank era effectively ended with that war. Anyway, I left the Department of Defense and had an opportunity to go to Brussels, which I did.

Q: OK. Let’s talk about your Brussels assignment.

ANDERSON: I arrived in Brussels in 1971, I’ve already told you a little bit about that. That was quite a different labor situation, because there you had a divided, bifurcated labor movement. You had the Christian trade union movement and the socialist Belgian

General Labor Federation (FGTB). The Christian trade unions, I forget their designations. Luis Mayor was just going out as leader of the FGTB. He had been had of the dock workers in Brussels after the war, and he was one of the few who thought it was best to let the communists into the organization and then defeat them from within. There was a lot of argument after the war as to whether you should do it, and he took the view that the only way you can control the communists was to take them within your organization and beat them.

But then an intellectual had taken over, De Buin, and he was a trade union intellectual, not a trade unionist in the old mold, and he took over the FGTB. Hoytois was head of the Christian Federation of trade unions. Each one had their own strengths. You had the Flemish versus the Walloons, the French-speaking versus the Dutch-speaking, and the old base of the socialist trade unions was in Wallonia and normally had Franco-phones as leaders, not always, because Luis Mayor was head to the dock workers up in Antwerp, and the language issue was always a big one there. But then the Christian trade-union strength was in Flanders.

Q: Were there subdivisions in each of the...? So you really had four different units?

ANDERSON: Yes. They actually were unified unions but in effect you always had... In all your ministries you've had a minister of one, you had to have a deputy minister of the other language. If you want to know about how difficult it is to get different ethnic groups together, go there. My house stood exactly on the linguistic frontier, between Wallonia and Flanders, literally on the frontier. And if I went left out of my house, I went to a little pub down there which was Dutch, and if I went right, I went to a "brasserie et rôtisserie" (bar and grill); and there I realized once again why the twain don't meet.

You walked into the Dutch one and everybody keeps talking, someone comes up to you immediately and asks you who you are in English, you are introduced around and you stand there and drink much like you do in an English pub. You go to the brasserie and rôtisserie, you walk into the door as a stranger even though I know somebody who was living there -- I was very close with my landlord who was Franco-phone -- and everybody stops talking and immediately looks around; it's absolute silence, nobody ever comes up until they find out where you are going to place yourself, and they go back into their talk. But they are totally different people. Charming in their own milieu, but if you get the grouse working together like you did in Brussels, you get a very hateful situation. In any case, we had a very bifurcated labor movement there. That makes for extremely complex labor-market and negotiating situations. Some unions are strong in one industry, some in another; they have this internal division, the ministries are set up on a very complex basis.

The amount of money wasted in government administration is probably double that of any other country, maybe worse, because instead of having one and doing something, you have two doing nothing, and then it takes even more people to try and get something done. It was a very different situation. It was a different situation too from approach, because Brussels is an artificial city. It is in Flanders, but it was bilingual, mostly, 85% of

its people speaking French.

At the time I arrived there, there were 22,000 passenger trains scheduled daily in that little country and about upwards of a million people coming into Brussels every day to work. And it was such a good transportation system that everybody lives at home. Now that means that your social life was not the same as it is in some other countries. All of your social activity takes place during the day at lunch, and people want to go home to mom and the kids and get on the train; so you don't have the same kind of opportunities to socialize with people that you did in Scandinavian countries, or that you do in England, or practically any other country that I know of. That meant that you didn't get to know their families and their kids like you did in all the others, and you don't get invited into their homes. They are a little bit more like the French. They don't entertain at home, they entertain in restaurants. I gained 40 pounds the first four months I was there. You go to lunch at one; by the time you're done you have gone through two or three different kinds of wine, you've had sweetbreads, and you've had this and that, and they don't break up until 4 or 4:30, and very few people go back into the office; they go on to other pleasures, if I may say so, and activities, before they go home to mom sometimes. Quite a different culture.

Q: Work productivity must be pretty low in a culture like that?

ANDERSON: It is very low. But, of course, it adds the fascination to the work, because you're dealing with quite different cultures and different attitudes toward things. More militant socialism on the FGTB side and much more pragmatic position on the Dutch side. The Dutch, by and large most of them speaking English as well as Dutch, as most Dutch-speaking people do, speak English almost as a second language. Whereas the French, very seldom will they speak either Dutch or English. Except if they are intellectuals. But you don't find that depth that you found in a Norwegian labor party, because they all went to sea at some point in their life; English is the language of their ships, on their ships they speak English to each other. English is spoken way down in Norway. And it is in Dutch-speaking area, it is not in French area.

It is a very delicate position to be in, and there are all kinds of internal conflicts between the Franco-phones and the Flemish, and these make for very delicate situations to get into. You got to always watch your step. And I was working in the drug field as I had started to when I was on Laird's operation in Vietnam Task Force, and I carried that on. The day I arrived, John Eisenhower, the Ambassador, called me into his office and said, "I see you have five children. We have a serious drug problem in American communities. That problem is yours, help me solve it."

Q: Did he know you had worked on drugs in Task Force?

ANDERSON: Yes. He knew a little bit about it. Because I was on the inter-departmental group working for irregular practices, which was the drug business. When I went into Europe I flew with a Treasury International Operation guy to Asia, and I was the one who

originally found them using, when I was the Military-Political Counselor out there, I was the one who first reported the use of drugs amongst the troops coming in. I put General Blanchard onto it, and then General Blanchard went out there specifically to look at it and blew the whistle on it. So I had a little effect that way too.

Q: Yes, that was quite an effect.

ANDERSON: But, anyway, I went to Belgium, and the Belgian situation was kind of unique. It had NATO headquarters, the EC headquarters were there, and I was the Labor Attaché and had the kind of dossier on, after Bill Marsh left, all the political stuff in the inside; and Buel left and for nine months I took over as Political Counselor too, towards the end. Then Dick Johnson came and took back, and I went back to my labor affairs there. But the modus operandi was totally different, and I had a lot broader area of things to watch there, outside the labor field. That labor situation is so unique that there was very little outside of the political aspect for us to learn from it. So there was never the kind of reporting on the way they did things; you looked at it from impacts upon the economy, not in terms of American Federation of Labor-Congress of Industrial Organizations' (AFL-CIO) interest or anything like this. Needless to say, Luis Mayor had a very strong difference of opinion with Meany about how to deal with communists, because he had taken them on and defeated them, internally. This was not AFL-CIO policy.

Q: Meaning he wanted to exclude them?

ANDERSON: He was an exclusionary type. The FGTB situation was very difficult because, De Buin was very intellectually hostile towards the U.S., leaned toward the French leftist.

Q: This is the socialist?

ANDERSON: Yes. And I called, of course, on Luis Mayor and had good relations with him, and marvelous relations with Hoytois; but I had so much to do I never got into dealing with the individual unions because I was involved with so much broader areas of interest.

One of the very interesting things that happened to me was one day I got a telephone call from Luis Mayor, and he wanted to see me for lunch. Usually, we had lunch in a very nice restaurant in Brussels, but he wanted me to meet him way out toward Antwerp. I thought that was rather strange, but I drove out there and sat down to lunch, and he had a story to tell me. He said that his boys had been in the Antwerp harbor, as was their wont, dropped a sling of boxes being transferred off an Antwerp ship to other ships for consignment to Chile. On the exterior of boxes was written "agricultural implements". But, in fact, they were all Soviet wire-guided, anti-tank rockets and weapons. He just thought this was of interest because the ships that they were all being transhipped onto were all consigned to Chile, to ports up and down the Chilean coast.

Needless to say, I went home and went up to the ambassador. I am not sure who it was at that time, whether it was Firestone. . . I went through three ambassadors over there. Strausz-Hupé was the last, I think; and Leonard Firestone was there, and John Eisenhower was the first. I don't remember which ambassador it was right now, but I went up and told the ambassador this, and they called the station chief in, and we had a little talk about it, and that's the last I ever heard of it. But before the three months was up, Allende was dead.

I presume, as you know, if you know anything about Latin American and Chilean history, that the military there had been the guarantor of the democratic process since the country was freed in the early 1800s. And they always had free elections. And with Allende, he more or less ceased the press, and closed them down, he ceased the radio, television stations, and the only things that stood between him and a Castro-like situation -- and I've since confirmed this with people in the Department of State -- was the military at that time and their tanks. And we knew what happened to those tanks in Israel. And I think it was a preemptive move by the military. They knew, they got at him before he got to them. It's one of those things, you have influences, you are always trying to make your mark on the world. And the thing that surprises me now is that nobody makes a mention of this when the pro-Allende and Madam Allende comes up here and courts around the U.S., and nobody has ever pointed this out; there we were on the verge of a Cuban-like, Castro-like takeover in that area. Whether Pinochet was right, wrong is indifferent to me; but at this point, from the standpoint of this story, I think that it was a preemptive strike.

Other than that and cleaning up, we did clean up the serious situation with the kids in Belgium. We virtually ended that. I had a carte blanche from the three ambassadors, as I required before I would take it on. And I had total control to say who stayed and who didn't. And after nine months I called in sixteen sets of parents with seventeen different children, who were the real kingpins in the whole drug business there and told them what was going on. They were all very helpful with the exception of one, whose son later nearly got in trouble in England. And he came crawling back to get his son out of trouble. But I got very great support from all the ambassadors. I told them that there was no second chance, that they were there as representatives of the U.S. government, that their parents' jobs depended on them keeping their noses clean, and we were not going to accept any behavior. We did not have any facilities to treat them for drug abuse or to deal with them in counseling and that if it came to that, we would send them back to the U.S. immediately.

Some people thought we were exceeding our authority. This one fellow told me that, and then I had to call him one day, and I wanted to ask him where his son was. He was 14 or 15 years old and was with a known drug pusher wandering around London, going to be used with his black passport as a mule to get the stuff back into the country. Needless to say he and his daughter took off for London, found the boy and got him separated and kept him from being in the clink. I did finally after about three months, I had won backslider, and he was removed from the country immediately, and his parents were told

that they had to leave. He was another Agency guy, and we never had any more problems.

Q: That's quite an accomplishment.

ANDERSON: I learned a lot, and I did a study. I took a master's degree in education while I was there, at the university, as a side line and did a study on mobility and academic achievement. Because I was very concerned about counseling children in drugs and dealing with them, of the impacts of all this movement that we go through. And it is very difficult on families, in differentially depending on how many children and how, how widely spaced they are, whether they are girls or boys, what ages, and so forth. I did a more or less formal study for my master's on that field there. But everything went along pretty well. A lot in the labor field was geared toward harmonization with rest of the European Economic Community (EEC). That was probably the big thing of interest in that labor area.

Q: Equal social benefits, North-South issues?

ANDERSON: Yes, and there were so many of us looking at that, because there was a labor attaché for the EEC, and there was a labor attaché for the country. I worked very closely with, I think, John Doherty was there at the time on the EEC side, and I was on that. Then after a while, I had to take over for nine months as political counselor, when you are more or less holding the fort. My two oldest children graduated from high school there, and then we took another assignment to Austria.

Q: Before we go to Austria, you want to summarize some of the highlights of your study of the effects on the Foreign Service children, moving around the world?

ANDERSON: I don't know where that paper is. It got lost in all of my moves. Most studies that had been done before had found no correlation. I did it differently. I used the Preliminary Scholastic Aptitude Test (P-SAT) scores at the International School at Brussels because these kids were more in the local cultures and not in the DOD school. And I found that large families move better than small families, and close together children, siblings, move better than the ones that are far apart. You get four years between the kids, you got two individual kids. And it's much more difficult for a single child or widely spaced children to leave their friends and move. What we had found there, because it grew out of my interest in dealing with the drug problem, that when I looked at their P-SAT scores and the number of moves, for boys on math scores there was a direct correlation, downward. I divided it in two halves. If they moved in the 1st, 2nd, 3rd, 4th, 5th, 6th years, the first half, and then 7,8,9,10,11, and 12 in the second half. For boys moving in those first years was very reflected in their grades, particularly in math, but also in English. Girls seem to have no correlation at all. At the other end, there seemed to be less correlation with boys' moves but more with girls'.

Then you had to go back and interview some people so you develop more anecdotal things, as to why is this. My conclusion is that little boys are peer-oriented when they are

little boys; they are not father-oriented, and they don't identify with their mothers. And, therefore, you move them frequently, it's hard on them because they have to give up their friends, they have to get in with new friends?, so they become kind of loners. With girls, they identify with their mothers until they become teenagers, and in puberty they suddenly become peer-oriented. For them to have to give up a friend is a very traumatic experience, and they have to get readjusted. Whereas the boys, as males do, become a little more independent and more father-oriented, and his father takes more interest in him and he is less dependent on the other fellows at that age.

I came to the conclusion that the worst thing you can do is move the child, the Foreign Service family, early in the summer. Mom and Dad are busy going around to cocktail parties and those kids are sitting in the hotel room somewhere. I felt that the children will usually make the right decision for themselves, if they have an opportunity to make a decision. But if you bring a child or two or three kids into a country, and leave them sit in a hotel room while you are out making the circles, and you are looking for a house and doing all these things and the kids are on their own, some shark is going to find them. What we instituted in Brussels was, starting as soon as school was out, every other week we had a mixer for all of the new kids coming at some of our homes with all of the kids who were still in Brussels invited, so that they could get to know several people. Not just the sharks who are swimming out there looking for them. And that way they had a choice of friends. And no toleration, zero toleration of drug use.

Q: How about alcohol?

ANDERSON: Alcohol, we couldn't do anything about that because in Brussels there are no controls on that. I did set up and we ran a youth place, movies, and we even had a beer seller, which was very controversial. You could buy beer and wine, you had to be in the 11th grade, just to buy beer and wine. But the ones who weren't could walk right across the street and buy it in a tavern. My position was it's better to control it in the house, and if anybody did drink too much, we'd call their parents to come and get them and saw that they were taken care of. Whereas otherwise they were off in a pub someplace getting drunk, and nobody knew what happened to them. But there wasn't a lot of drunkenness. Alcohol really wasn't the problem. But drugs was.

And that had come from Paris. Because when they closed up NATO in Paris and moved up there, everybody was unhappy moving to Brussels. And it was a complete change. The teachers were unhappy, the kids were unhappy, the parents were unhappy, and the drug situation got really out of hand. My oldest son had told me that every kid in his class was using drugs. He was a junior. And he came home to me after a month or so and said, "Dad, I don't have a friend at school." And why? He says, "Because they are all on drugs, and I won't use them." I said, "Well, you always said you want to be an individual. The difference, what makes you different from anybody else is what you say 'no' to, not what you say 'yes' to. 'Yes' is just another sheep, and what you say 'no' to in your lifetime is the most important thing in the development of your character and of your future. If you say 'no' people will eventually recognize it." About two or three months later, he came

home to me and said the younger kids, who were not so much into the drugs, had asked him if he would run for the president of the student body because the biggest pusher in the school was going to run. And they didn't want him. And I said, "I told you you'd get recognition. Step up to the plate." He did, and he got elected. He was bright, he was a good football player, he was popular, and he didn't use drugs. And neither did my second son. Around them coalesced an entirely different group, and it became acceptable you didn't have to use drugs anymore. But at that point everybody was using drugs. It was terrible. I used my family in a way, but it made it very difficult, because I had five kids, and I made sure that I never used them for intelligence, I never asked them a question about drugs. If they volunteered something, fine, but I never got them involved in the process. I got badly beaten up there too.

Q: Is that right? Physically beaten?

ANDERSON: Physically beaten, coming out right in the neighborhood of that club one day. I got mugged.

Q: By kids?

ANDERSON: I don't know. I just stepped out of my car, and that's the last thing I know. I woke up underneath my car. The whole side of my face was bruised, and I'd been kicked in the side. It's the only place I ever got mugged. There were quite a number of muggings and stabbings on the streets in Brussels on those days.

Q: You weren't stabbed though?

ANDERSON: No, no; I wasn't hurt, just somebody clobbered me. Nothing was missing, my wallet wasn't gone, or anything like that. It happened on a Friday night, by Monday I was alright again. I was kind of bruised

Q: You must have been pretty shaken?

ANDERSON: I don't know what they hit me with, but they must have hit me with something because the whole side of my face, I had a bad bruise right here, and a couple, on my leg, and one on my thigh, ribs. I suppose it may have been related to something in the drug field. One of the very interesting things that had happened to me there too was a young sergeant came to me and said that he had been approached in a bar to help smuggle drugs into the U.S. One of my jobs was to negotiate the agreement between the U.S. and Belgium on stationing of drug agency in Belgium, so I worked all that out with Davignon. The upshot of it was that, because I was involved all of the time in this drug affair and everybody knew it, that this sergeant came to me, and, of course, I passed him on to the other people. He was a sergeant on General Milton's staff, he was a three-star, and he flew back and forth on that plane. They set it up that he accepted two footlockers, 200 kilograms of cocaine to go back to the U.S. They opened it there and replaced it all with talc, except for two, one in each, and then that led to that big hassle up in New York.

Some weeks later he took it to the U.S., and it was given to this George and whoever it was up there, and, as a result, they arrested that whole group up in New York. It was a Cannes de Mean gang out of that. Few months later Cannes de Mean disappeared and came up floating down the Seine, in a box.

Q: He was a local drug dealer, pusher?

ANDERSON: Cannes de Mean gang was the French connection. But he lost working through this sergeant. The sergeant was given a 40,000 dollar reward. Incidentally, it ruined his life. It was one of those things. He got a divorce, bought a big car, it was a sad situation. I told him that he should take that now and invest it, and why he should invest it, and why it would continue to serve him well for the rest of his life. But it's like winnings in lottery here.

Q: Some of the bonuses that they were given for re-upping...

ANDERSON: Yes, it was all that kind of stuff. It didn't do the guy any good. There was one other thing that happened there that I was going to mention that was so interesting in Belgium that I got involved into, from labor point of view. It may come back to me.

Q: If it comes back, we can add it. Shall we move then to Austria, your next assignment. This would have been 1974?

ANDERSON: Yes, 1974 I moved to Austria. There I followed, I don't remember who. Who was the labor attaché in Austria? Sullivan had been there and had gone on.

Q: Paul Bergman.

ANDERSON: Paul Bergman; I followed him, right. That was a very nice move, because it was the first time I was in a position to take my family down and see where we were going to live, and where they were going to move to, and size up the situation before I went. Moving just from Brussels to there was a very easy task. The object of my going there was primarily, at that time it had been common for the person, Bergman did not, but Sullivan had gone from there to become Consul General in Bremen. I went there with the idea that I would be two years, and then Frank Trinkat, who was political counselor, would be leaving in two years, and I could move into his job. That's what other people had done. Because I was told by no other than Margaret Joy Tibbetts, that at some point you got to get out of the labor-attaché field if you want to stay in the Foreign Service. She felt strongly that that was kind of a dead end, and that I should get into pure political work.

Q: Why don't we cover that later, after the assignment?

ANDERSON: I looked forward to being there for two years, and then maybe being a political counselor for two, and then maybe moving on to consul general-ship or some

DCM job in some little country, you know, some kind of reward you are supposed to get after that. But career-wise a lot of things happened then. We ran into the Suit over age 60, and that put us stymieing on all, everybody leaving the Foreign Service, remember?

Q: That was a Class Action Suit that said in effect that people could not be mandatorily retired at 60?

ANDERSON: Yes. So I ended up doing five years in the country, and Frank Trinkat stayed for four of them. I wasn't going to stay there any longer then I had to then, because I wanted to get at least out of Vienna, and the job above never opened up; so I was labor attaché in effect for five years there.

Q: That was what, a two- or three-person Political section?

ANDERSON: Just two people in Political section, just Frank and I. I ran through three ambassadors, and I think four DCMs, and that is terrible situation for a Foreign Service officer to be in. It was kind of a constant education program going on. Not with the first one; obviously, he knew more about the country than I when I got there. That was Portner Humes. John Portner Humes. But then, I think, Wiley Buchanan came, Milton Wolf was next, then came new DCMs, three of them. One went through there rather quickly, for some reasons that are probably best left undiscussed here. I just stayed there as a labor attaché and political officer. That was the smallest Political section I was ever in, and I think the big problem that we had there was that as the second man, everything that Trinkat didn't want to do, that went to me. I pointed out to another inspector that I had within one sixty-day period, I received 22 requests for full blown studies of something or else. You can't do that. You have to develop an entirely different system. The trade unions were very settled there. Benya was President of the Federation of Trade Unions, Chernitz was President of the Lower House, and, I think, he was also President of The Council of Europe. Kreisky was Chancellor.

Just before I arrived the Traiskirchen incident had happened, where they raided the train of the Jewish émigrés. They had all that, and terrorism was a big item. One of the things I got involved in, because Trinkat was not particularly interested in it, and Chernitz was big in... Well, if you know anything about the Jewish people that are Austrians, most of them got out before the war. Because after Hitler takeover they took off, and they went primarily to two or three areas. They went to England or they went to the U.S., some went to Sweden. They came back then after the war, and there was a bifurcation there too between the Fabian socialists out of England, the more radical socialists in the labor movement and the political, labor, social democratic party, SPU, and those who were in the U.S. and Sweden, who were more pragmatic social democrats. Kreisky being among those, Chernitz being on the other side, Benya being not Jewish at all, but there was always this problem. Then they had the Jewish émigrés coming out, and it was a big question for the U.S. and for our embassy. That got handed off to me from the political point of view. I dealt with almost all these people in Political.

Q: Did the Jewish émigrés come from Eastern Europe?

ANDERSON: From Eastern Europe. That became my problem along with Ray White. He handled the counselor aspects of it, and I handled political aspects of it. The labor movement was very settled there. The government was in solid, Kreisky ran everything all the time I was there; it was a unified movement and there was so many things to do that as a labor attaché you were really overwhelmed, as a second man in a two-man section. You are servicing so many different agencies in the U.S., the welfare, the health, labor department, you'll even get things from veterans' affairs. They are all interested in other countries are doing and consequently you get these circulars that go out to all the missions. And, like I said, in one sixty-day period I got 22 requests for full-blown studies.

Q: Did you have staff that could have helped you?

ANDERSON: I had a labor assistant, I had one guy who did some translation work because if you don't have somebody doing press summaries, you can't expect people to sit there and wade through the local press and understand what's going on. So I'm dealing by now with my fifth language. I am a triple commanded language specialist, and I found out after I learned all these languages that it correlates inversely with your promotions in the Foreign Service. You are better to get into an area and stay there. I should have stayed in Scandinavia. Or I should have gotten into German area or the Latin America where you only have to learn one language and Portuguese once in a while. In other words, I had too small a staff to do everything, and we couldn't possibly keep up with all these things. And these just came in constantly. So every week I would sort out what I thought were really important ones, and I'd put them on in inverse order and I would start at the top, and we would work on as many as we could, and we'd say, "Yes we can do this, and we can't do that." After about three months, if it was left in there and nobody had questioned me -- you throw it out, into the files, and forget about it. Because there was no way you could answer everything that's requested of you. So you are constantly kept hopping with things that are in demand that are being placed upon you, without the resources to handle them, in these small posts. Labor attachés in small posts are really put upon.

Q: They get quite a variety of things, don't they?

ANDERSON: In any other post, like Germany, they would go to all kinds of specialists. I mean they even have a veterans' guy in Bonn, and they have an Internal Revenue Service (IRS) guy there; you get pawned all this stuff off on you in the small post where there is no one to help you. It was again a very stable situation.

The highlight of the time was certainly the Jewish emigration situation, from Eastern Europe. When I went there my very thing was to go over and beat on the desks in the Foreign Ministry and tell them that they should give these émigrés a chance to go where they want to, because right then, up until the Traiskirchen incident, the trans-center had been run by the Israeli secret service. And they landed there, come out by train, and the next day they were in Israel. This displeased many of the orthodox Jews in the U.S., and

the people coming out of Russia at this time were not Zionists by and large. They were apostate Jews, and there were all kinds of semi-pogroms that had been launched against the Jews and they were coming out. But they were by and large well educated people; they were engineers, and dentists, and doctors, and lawyers and things like that. An awful lot of them wanted to go to the U.S., but they found themselves down there, and this was getting back to the Jewish communities in the U.S.; so my very first job was to go over and tell them they ought to be allowed and get some choice. And Kreisky assured us that they were going to get some choice now that they were running it. And, indeed, they did. Within the next two or three years, the worm turned, and 96% of them coming out wanted to go to the U.S. Nobody wanted to go to Israel. Immediately the pressure started to go over and work out some system and make sure that Israel got their share of the people. It was a delicate situation, because there were four basic Jewish organizations in the U.S., two on one side of the issue, two on the other. One more or less in favor of letting them...

Q: Which ones...?

ANDERSON: Well, there was B'nai B'rith, Jewish Defense League, Jewish American League -- JAL, one of those? Three or four different organizations, anyway. The government got very unhappy here, the Congress, because it became a political football immediately, with pressures from both sides. Some wanting to more or less railroad them into Israel as fast as you can, and the others who wanted to give them a choice. Then the Congress decided that they were going to cut off the funds for anybody who wasn't going to Israel. Then Kreisky got high on his horse. He wasn't ready to, Austria wasn't ready to accept responsibility for this. And they didn't have the funds to pay for all of this either. Because in those days they came out, and the Austrians asked them, "Were do you want to go?" And they said, "We are going to the U.S." or Canada or some place. Then they went over to the Tolstoy Foundation. If they didn't, they went to Traiskirchen, and then the Israelis picked them up and sent them back to Israel that way. They stayed there, in pensions, and eventually went to a holding station down in Rome, and then on to wherever to they were going, the U.S. and so forth. Then they started pushing around for where they were going to send these people. Kreisky just put his foot down. He wasn't ready to give on it. They were going to be given a choice, and he wasn't going to be involved any more. Then they started looking around for some other country to do it. But no other country would accept it either.

Fortunately at that point we got Milton Wolf over there, who was himself an orthodox Jew from Shaker Heights, and that area of Cleveland, and he came over there as an orthodox Jew, expecting more or less that he would more or less become a part of the local Jewish community. Shortly after he arrived, Chernitz came to me, asked me out for lunch, and he said, "I have a very delicate problem to discuss with you. Your new ambassador is very welcome in the Jewish community here, but he has a passion for wanting to know how we managed to survive the war, what happened to us during the war." Approximately a third of the 15,000 Jews in Austria at that time had survived *in situ*, that was within the Third Reich, including Simon Wiesenthal. A third of them had immigrated to the U.S., and a third went to Sweden or Britain.

Q: And none of them went to Israel?

ANDERSON: I don't know how many went on to Israel. Chancellor Kreisky's brother, for example, and nephew were in Israel. So was Mrs. Kreisky. She is Swedish-Jewish. And some of her relatives were also in Israel. And Kreisky explained to me; of course, I had studied European history and knew a lot about history of Eastern Europe and of the pogroms and of the anti-Semitism within the old empire and within Austria and the other countries, and the land exchanges and stuff. Milton Wolf was really rather uninformed about this, surprisingly, when he came there. But anyway, he said that this was very embarrassing within the Jewish community. That a veil had been drawn across the past and that nobody discussed this. And it was causing a lot of ill will within the Jewish community. So I went home, back to the embassy. I went to Frank Trinkat and told him, and I said, "Somebody's got to talk to the ambassador about this because this could cause problems for him." He wouldn't do it, for reasons I didn't quite understand. I went to Frank Meehan, I think, and Frank Meehan said, "No." He wasn't going to mention it to him. And I said, "Somebody has got to tell the ambassador!"

Q: What was Frank, the DCM?

ANDERSON: He was the DCM. And he said, "You may, if you wish, George." That's what Frank told me. So I made an appointment, went across to his secretary over there, and said, "I would like to talk to the ambassador if I may, I have something very personal that I want to talk about." He said, "Come on in." I went in, sat down and explained this. And he was so thankful. Yes, he said, he was collaring all these people, "Where were you during the war? How did you manage to survive?" Well you know how Germans ran that during the war. They put Jews in charge of other Jews, and they had to select who was transported and who wasn't. In this kind of a situation it is almost an "every-man-for-himself" kind of situation. And he didn't know any of this. He knew very little about the history of German and Russian Jewry, where they came from in the U.S., and why and what times, why they came through the Austro-Hungarian Empire. He didn't even realize that Poland had been truncated, that East Germany had been truncated. So he just asked me, "Sit down and tell me all that stuff." So I got in very close with the ambassador. I wrote all of his messages on this area. But he really was open to education in this field. So with him directly, that's why I ended up handling it all the rest of the time.

And there were apparently some sensitivities in the Embassy at that time, because of Buck Borg's departure, that I was unaware of. So there may have been valid reasons for everybody else not wanting to touch a situation like this. But Milton Wolf and I were very close. We discussed these matters all the time. And because he was a businessman and I had businesses in the U.S. that I was developing on the side, my farming and agricultural implements business in Iowa, we had a wave-length and things that we talked about. He was Mr. Coffee. He made millions on coffee. Just a very, very charming person, he and his wife both. But I worked very closely with him and that's how I got into that and dealt with it constantly.

It only came up one time in the labor context, and that was when Lane Kirkland came to visit. With his wife, who was from Czechoslovakia. She was a twin, she survived Auschwitz, went to Israel and then emigrated to the U.S. He came for an eight-day visit, in which Benya was his host. It was a great visit. We had a marvelous time. But, one of the very last days that we were there, Kreisky asked to see them. I took them over to call on Kreisky. This is probably the most difficult situation that I ever got in, in my life. Because Kreisky wanted to talk to them about the situation in Israel. And he felt that because of the cache that the American trade union movement has with Israel, and the U.S. has, that the American labor movement should be taking more of a leading role in getting the Israelis to see the light. That they were living in the sea of Arabs and that you had to make some kind of accommodation. And that this problem that they were having with, he felt that the intransigence of the Israelis, according to Kreisky, it's all written up some place in a dispatch. Lane was going to become head of the movement, he was just coming. Kreisky felt that Lane and the American labor movement should really take the lead in trying to bring the Israelis to come around a bit, to recognize that they have to be more flexible.

Q: Kreisky felt the American labor movement should persuade the Israelis? I can imagine how that one went over....

ANDERSON: It did not go over very well, and it even went over less well with Mrs. And they really got into a set-to. I guess it's not too early to talk about this, because I think it's rather important. She said she didn't think anyone had the right to speak for Israel. And he said, "I quite agree with you, but I have a brother there, I lost nephews in the war, my wife has lost nephews in the war." Although he was an apostate Jew himself and was non-believer, he still felt that somebody had to say this. That the future of Israel was not going to be decided by some rabbi sitting out on a kibbutz with his finger in the Old Testament saying, "But it says here this belongs to us." That's what he said. And she told me later that it was all she could do to keep her from walking out. I mean it would have been a real incident had she done that. It was scheduled for 15 minutes, it went on for 45. I was never so happy to get out of any place in my life. I went back and talked to the ambassador and explained it to him. Lane and his wife went on their way. But it was a very delicate situation.

Q: Was that Ambassador Wolf at that time?

ANDERSON: I believe it was Ambassador Wolf who was there. That situation with regard to the immigration of Russian Jews out of Soviet Union was a continuing problem all the time. Kreisky eventually stood his ground and said, "No, it will be done our way, people will be given a choice; I don't care if you cut off the money, we will not pick it up." The word got back. The guy who was the head of B'nai B'rith at the time I believe was from Atlanta. Very nice guy. These four agencies were all over. Eileberg came with Ms. Vinsky and Holtzman on a Congressional Delegation (CODEL) there. They ran over that. The whole CODEL was more or less devoted to working out that situation, and

Kreisky just dug in his heels, and they couldn't find anybody else to do it, so they continued to provide the money. After I left there I never paid a bit more attention, of course, to that problem, but it certainly occupied an awful lot of my time. Because Wolf was personally interested in that, and Congress was up to their ears in it. Then the things went very well. I took a ten-men group on a month tour in 1979; it was a bunch of labor people. I took them around the U.S. for 30 days, had to fight the State Department's Visitors Bureau Operation tooth and nail, because I wanted to get them in... They had them in "the usual" things, you know.

Q: Was that on IVP?

ANDERSON: Yes, the IVP, International Visitors Program. We were going to all the major cities, and they did throw in San Francisco and Chicago, and New York and Washington, of course, and New Orleans. But I wanted to get them to a city of Germanic background about the size of Vienna.

Q: Milwaukee maybe?

ANDERSON: Milwaukee. That's exactly where I wanted to take them. And they said, "Well, if you want to take them there, you have to arrange it." So I called the National Laboratory CIO (NLCIO) Council directly, said I want to bring this group there, we're going to spend four days there, over the weekend and two days on either side. I think we were there Friday, Saturday, Sunday, Monday. I wanted these people to really see Milwaukee, I wanted to try to get them into a home; and they went off on the weekend, individually, to homes of Austrian immigrants, who had immigrated from Austria, that could speak German with them and everything, went to all those good German restaurants up there, like Maize and all these up there. That was the highlight of the trip. They really enjoyed it. And it was a city about a million population. It relates a lot more to the Viennese problems. Besides it was a Polish city and a German city and they understand that, because there is a lot of Polish and Eastern European ethnic influences in Austria yet today. It was a place they could really relax. They learned more about the U.S. and the opportunities and the people from talking, in their homes. They had a ball. They were interviewed on local stations. Pewaukee, and places I have never heard of.

Q: Where is Pewaukee?

ANDERSON: Some little town on the side there. But they were all out in these little towns. They didn't go to homes in Milwaukee, they went to homes out in small towns around Milwaukee rural areas. That was a very interesting time. In those days, you can imagine how many... Kissinger came, Ford came, everybody came. They were constantly holding one thing or another in Vienna. The nice thing was they were also making movies. They made "Holocaust", and they made "Little Night Music", and they made "Steiger"; Elizabeth Taylor was part of our community. It was a kind of an eclectic group of Americans there at that time. Charming city. Difficult first year, and I think I could have stayed there the rest of my life and been happy. I was just back for a week now in

November, saw my old assistant, and so forth. Had a grand time there. My wife taught...

Q: Was that your labor assistant?

ANDERSON: Yes, my labor assistant. She is retired now. Reli Langer. My wife taught all five years that we were there. My two kids graduated from high school there, and the other one finished 10th grade and was really ready for college at that time. The school was superb. I was sounded out, after I had been there about a year, if I wanted to follow Francis Shesenick in Bremen. But I went up and looked at the school and talked to her, my kids were just blossoming. I had two at Yale and two more at least were going to graduate there, and the fifth one was there, and middle school kids don't always do as well as the first; they were just blossoming. My wife was teaching, and we loved it so well we just decided to stay there. And we would forego that. I was looking forward to becoming political counselor. But, of course, the 60 age thing came on, and so nobody moved, they just blocked up the whole Foreign Service for years. So Frank Trinkat stayed there four years after I got there, so there was no place to move. When I turned that one down nothing else really came up. So I just stayed there. By that time I had already made up my mind that I was going to leave as soon as I could, at age 50. So that would be my last post abroad. I stayed another year, and Woody Romein came as political counselor then the last year I was there.

But with all those visits you could imagine the amount of time we spent on that. The most famous, or infamous one was Carter's. The Strategic Arms Limitation Talks (SALT) II signing ceremony, for which I handled all the administrative side in Brussels. Handling the Secretariat, and where they were going to be, and what they were going to do. We had staff meetings.

I can remember the first presidential visits I did. We sent two or three advance people; two from the White House, two from us, and they took care of the whole thing. One Secret Service man, and that was it. By the time Kissinger arrived, you had whole plane-loads of people there. He had over 40, I believe, just Secret Service people with him. They were looking behind tapestries, it was... I suppose maybe it is necessary, some of this, but in the five years that I lived in Vienna the entryway was reworked for security reason five times.

I will tell you, though, that I had a bomb placed under my car there. And we had four others. I was the duty officer the day that happened, one Sunday morning. Somebody walking by the embassy saw an embassy WD4 vehicle there, or 5, whichever one was ours, the other one was Canada's. They saw some wires, and they went down to police station and they came back; there was a gasoline bomb under it. It was a Sunday morning, 6:30 when the marine guard called me. I had one duty car sitting out in front of my house. He called me and I said, "I'd better check my own." Indeed, it had wires on it too. What to do? By that time we were so security-conscious that we were not allowed to have telephone books. They were classified documents, we weren't supposed to take them home. What I did was I told the Marine, I will call the people that I know. Because I had

other, I had a school book and various other things I could use. You start calling people and you tell them that we have found bombs under WD5 embassy vehicles, and they'll want to be very careful. Because it was Sunday morning, they would be going to the mass, church or something like this. Tell them to call other people, everybody they know and continue to call other people until everybody says that they've heard or they know no more people. So we started a Round Robin, and there were four of them bombed, with bombs under them. Plus the Canadian's ambassador's vehicle, who is around the block from me, a block away. Fortunately he got a call from somebody or heard of it and checked his vehicle. It makes you a believer.

Q: A disaster averted.

ANDERSON: Yes, a disaster averted. That was the hairiest situation I ever got into. And my car got pelted with rocket pieces in Vietnam, and various other things had happened to me in my lifetime, but nothing quite like that. But if I had gone out and had hopped into the car and stepped on it, it would have been a ball of flame. It was a very simple device. It was simply a canister, a plastic jerry can, partially filled with gasoline, wired to your ignition with an open flashlight bulb, which the cover had been taken off, so that when it expanded it would explode your gasoline and take the whole car.

Q: Good grief.

ANDERSON: A very simple device. I was there when terror was quite up, because that was when they took... we had the Traiskirchen incident when I arrived, the Arabs took the Organization of the Petroleum Exporting Countries (OPEC) hostages, and we had then this incident too. Then the last thing I did was this SALT II signing ceremony. Wolf was still there. I never saw... A planeload of people arrived, six weeks in advance; we had 49 Mercedes with drivers sitting around the Embassy for a month. And you couldn't get a decision out of any of these people. That was the slowest learning group of people I ever saw in the Foreign Service. I mean, there is a learning curve on every administration. This one here, very little.

Q: The Carter...?

ANDERSON: I must write a story on it, because it's a comedy of errors. They didn't have the treaty binders on them, just everything was wrong. And he announced that they were going to sign it there. Dan Lee came around on a fishing expedition, as usual at Easter time, to see whether they were going to hold it in Stockholm, and they decided they were going to hold it there. They were looking for a place to hold it, and they decided it was going to be Vienna. So all this army came over there, whole planeload and they squatted on our doorstep for six weeks and mostly, I would say that 80% or 90% of their time, was eating, drinking, and sightseeing. And 10% was work. The inflation in this is just terrible. I saw the Navy too, it was years ago. Rank inflation, people just running all over the place. And they couldn't make the....

Harvey Buffalo came as the overall coordinator, from Belgrade, and they wouldn't make the most minute decision. Three days before I had to tell them, "You were either going to see where you are going to have this, which hotel you are going to be in, or they are going to cancel the holds I have on this." "Well I don't have the authority to do that." Harvey Buffalo did it. He made this. He said, "This is where they are going to be, whether they want it or not. They are going to be in the Schönbrunn Palace Hotel".

I had a very interesting experience there because I was very close with Milton Wolf, and while Carter was there, he called me early one Sunday and said, "Could you come and have lunch with the President?" And I said, "Certainly. When do you want me there?" He said, "11:30" or something. Well, they were going to the usual, Boys Choir and the Lipizzaners. Then they were coming home.

I went up there, 11:30, quarter to 12, whatever it was. Vance was there and I came in. I got the best introduction, from an ambassador from anybody I ever got it. He introduced me to him and told him how he relied upon me for everything with regard to this immigration situation; he really wanted me to have a chance to talk to the President about the situation vis-a-vis Kreisky, the Israelis, and this immigration problem. Vance and his wife excused themselves after drinks and went off for lunch with the Foreign Minister and his wife, and we sat down to lunch. We were there two and one half hours. I never... I'd brought up the question, the ambassador would bring it up, I wouldn't say anything, and the President would divert the conversation.

Q: Divert?

ANDERSON: Yes. We talked about fishing, about the Navy -- because I was an ex-Naval officer too -- atomic submarines, raising children in the Foreign Service, and the politics. Once in a while he would come in with something, but every time I'd raise the question, it would divert. We never really discussed a word about this. Finally the ambassador just shrugged his shoulders and said they had other things they had to do, and I went on my way.

Q: I am surprised!

ANDERSON: I later on ran into, when I was Vice-President of United Technologies Corporation; I was at a Mansion House dinner for Margaret Thatcher -- she was giving a Mansion House dinner -- and I was there for this, Sonnenfeldt was there. He had been a Secretary of Treasury under him. He later on was a head of UNISIS Bureau, or one of those. He was one of the triumvirate, of friends of Kissinger. Kissinger and this guy and one other guy who all came from the same street in Berlin. He eventually ended up in private business. Whoever was a Secretary of Treasury, Carter's first Secretary of Treasury. I ran into him in London and mentioned this odd experience of having been invited to talk about something that I knew something about, and never being able to do it. And just never showing any interest in it, and picking up the ball on it. Ha said that's the way all of his cabinet meetings worked. The same way. He listened and they never did

any substantive discussions around the cabinet table. And then he and his minions from Georgia, the country boys, would take off, and two days later you would get a decision out of them.

Q: But this case is something that is vitally important to him politically, and you would think he would want to know every detail.

ANDERSON: Yes. And it's the only time I have ever sat down for two and a half hours with a sitting President of the U.S., for a meal, specifically brought in, with a beautiful introduction from the ambassador, exactly why he wanted me to be there, and what it was, and never got off the ground.

Q: That's incredible.

ANDERSON: It was a really an incredible experience. And, I think it was Sonnenfeldt, whatever his name was that was the Secretary of the Treasury; he said that's the way he ran his meetings. Like he was almost afraid he'd make a mistake, or look foolish, or not ask the right questions. He would just sit there, you could present what you wanted to, and then he would go on his way. But there was never any give and take, or flow of discussion around the table.

Q: Do you want to comment now on the Labor Attaché Corps, and its advantages and disadvantages from a career perspective? You raised that earlier...

ANDERSON: I think that from a career perspective, you are always a little bit like a bustard at the family reunion as far as the State Department is concerned. At the time I got there, there was a very proprietary interest of the American labor movement in it. Therefore, you were expected to carry their water for them. I had an in-between kind of a thing. It reminds me of, Aase Lionæs said to me at a point when I was taken to be introduced to her, and she was the president of the Stortinget at the time, and she was head of the Nobel Peace Prize Committee; I think Haakon Lie took me in to meet her. She looked at me and she said, "Wow, you are rather young. What have you ever done for the labor movement?" And I said, "Well, we couldn't have all been there at the burning." I think that intellectually certainly it's the most stimulating part of the Foreign Service. Straight political work is too, but it's not at the breadth that the labor... I mean labor you got social affairs, political affairs, economics, it all comes together.

And you deal with a magnificent spectrum of people. So when I went out of this and into business, as Vice-President of United Technologies Europe, I knew people in all walks of life, all over Europe. I could call up people and get into any government that I wanted to. Helmut Schmidt, even though I never served in Germany; I knew enough people that I knew exactly how to get to him. I sat in the bar at the Parliament building, in the Members' Bar, and drinking all the time in London. I mean I knew all these people. And I met them because of the background. Business people and trade union people on all sides, left, right and the middle; you knew them all. You get an entrée on everything. I think it's

certainly the most stimulating thing you could have ever gotten into.

I don't think it's particularly appreciated, needless to say my experience with Niels Olson was indicative of that. Labor attachés seem to get into a lot of people's hair. You very often, if you do a good job and you get in with these people, you probably often know more than you should about their business, and you probably know more about what's going on in any country than practically any other officer in the embassy, in a very, very broad and general sense. I don't think that most ambassadors know how to use a labor attaché. Other fields resent them. I always thought it was a lot of pushing water uphill. And you didn't really belong any place, whether you were in the political or the economic, and you were constantly being pushed back and forth. I always personally thought that it was less important than just getting in there and doing the job. Eventually they come to you. Because you do know the right people.

Q: How about the other sections of the Embassy, like United States Information Agency (USIA), the CIA?

ANDERSON: I worked always very easily with USIA, even though I am one of those rare birds who think that we ought to have a unified Foreign Service now. I think that the Foreign Service establishment needs to be brought back together. USIA at that time, and with the job we had to do, it worked very well with them. I thought they certainly worked very well with me, and I got no complaints what so ever. Councilor sections, even when I had serious problems with them, I worked very, very well with them. The big problem was you had a political aspect and you had economical aspect. The political people are the toughest to deal with. The economic people, they have a tendency to kind of denigrate labor, and its importance ad not understand it. They are economists and econo-metritians, and they don't always understand the role of labor in an economy. So you don't get the appreciation there that you should for what you know and who you know and what's going on. Whereas on the political side they have a tendency to resent that you know a little bit more about certain things than they do. Especially where you have a labor government.

In Norway, Haakon Lie said he didn't deal with the Political section of the Embassy. He dealt with the labor attaché, that was it. He had a problem of being too close to Americans anyway, and Gerhardsen was his nemesis so to speak within the labor movement. So he was always in a delicate position. You have to let those people decide that issue themselves. You can't force yourself on them. That's their prerogative. It's not like sending a woman ambassador to an Arab country. That may be our prerogative, but it's their prerogative to accept them. It's the same thing with the labor movement. You have to play it by ear in every country. And some movements are extremely sophisticated, and others are not that sophisticated. You have to deal with them on their own level.

Q: How about the CIA, did it present any problems in your work?

ANDERSON: Well, CIA was always the "bête noire" (black beast) of the social-

democratic movements, labor movements and staff all over the world. The ones who were in the communist fight after the war in Europe were very understanding. But the intellectual side was always very much opposed to everything that the CIA did and its existence. They are always, in a sense, a cross you have to bear as a labor attaché in dealing with people abroad, because it's always being thrown up in your face.

I was pretty blunt sometimes. I got in trouble with the ambassador in Sweden because I was a labor attaché at a conference of Scandinavian labor attachés there, and we were at some function, and some Swedish socialist bearded me about Vietnam and told me, we were all speaking in Swedish and talking about the things, and he grabbed me by the arm and said, "You know, we Swedes don't really agree with what you are doing out there in Vietnam." And I looked at him and I said, "Oh?", and went right back and talked about the things. Because I know there's nothing that aggravates a Swede, being Swedish myself, as much as being ignored. So I went right on. Then he grabbed me by the elbow and spun me around and said, in English, rather loudly, several people that were all around there could hear him, "I don't believe that you understood what I said. I said that we Swedes aren't behind you out there in Vietnam." And I looked at him and said in English, "Oh, that didn't particularly surprise me. I don't remember that you were behind us the last time." And he said, "Va?", as they say, which is a very rude way of saying "What?", and I said, "Well, you know in World War II we lost 10,000 American sailors on the bottom of the Bering Sea up here that were sunk by bombs that were transported across Sweden." "So," I said, "the last place in the world that I would expect to find the Swedes would be behind us in Vietnam." And there was silence in that room.

And there was Graham Parsons, "Sweden is on the point of a spear, aimed at the heart of the Soviet Union." This is his quotation, to us, how important Sweden was. When we had that debate, I said we should just close our embassy there and just leave a caretaker consulate, and eventually we did, we left it empty for a year and a half or something. We didn't have an ambassador for a year and a half or something. They are not that important to us, and why should we take that kind of abuse? Who are these Swedes to tell us anything? And I'm Swedish -- of course, the guy knew; we had been talking about my relatives in Sweden and so forth -- and I'd figured that I could get by with stuff that other Americans could not get by with. But Parsons, I think, nearly dropped his teeth. But nobody brought up Vietnam again that night anyway.

We are entirely too sensitive. In diplomacy, you got to be willing to face the detractor down in times. The British have always been able to just shrug off criticism. I think Americans take it entirely too much to heart, but the British when they really get it, they know how to put it to you. That's the only time I really had a harsh word for anybody over Vietnam, and we discussed it ad nauseam at this labor meeting in Norway. It always came up, and we discussed our position and went on to other things. Practical labor people, who are in the labor movement, have other things they are interested in. They are not consumed by the interests of the press, and the intellectuals, and the universities, and stuff. Obviously, they sway a lot of opinion.

But in Norway, we had a whole group of Congressmen there, and we had 10,000 people protesting Vietnam in a torch-light parade. I said, "10,000 is nothing. What would you think if I said that in Copenhagen, in March of 1953, there were 150,000 people who rioted two nights in a row against NATO?" I was a student there. They had "Operation Mainbrace", which was a landing exercise on the west coast of Jutland, after which they brought a bunch of troops around to have rest and relaxation in Copenhagen. The communists staged these huge demonstrations, which turned into regular brawls, two nights in a row, all over the center of Copenhagen. And this is 1953. And the big protest then was "germ warfare", with Moenth Foe leading the fight; he was one of my teachers.

I think labor attachés could do things that no other people in the embassy could do; because of the access, and the contact work. But I realize the nature of the changes over time. After the war it was the anti-communist fight in the unions. John Condon and all those people out there were involved in it in England and France and Italy, in these kind of things. Then NATO came into being, and things settled down and we had the Korean situation, we had the Vietnam situation, we had this conflict all over the world, all kinds of other problems. People were becoming not more sophisticated, oddly enough I don't think necessarily in ways more parochial. We went through a period in which the internationalization was all the thing, and it was this great togetherness. Even in this country, it was a great togetherness. And now we are going to go off, and all be our own little cultural islands. And the world is going through this. It's almost a dichotomy set up. We are becoming closer and closer together in so many ways, and so much more interdependent. At the same time, the structure is all changing and being all blown apart into ethnic states, all over Asia and even in Eastern Europe.

Q: So information doesn't really lead to understanding?

ANDERSON: Not necessarily. This is something that you got to work at all the time. I was not surprised by what happened. I felt that the biggest problem we faced, from my experience in the Foreign Service, was the German situation. Because I felt that Germans were going to push for reunion, but that the Soviet Union was going to be so opposed to it that they were not going to allow it. The Germans would push before the Soviets were ready to accept. And I will say that that happened one half a generation earlier than I expected. Because in my study I find that it takes about three generations to forget the reasons, for example, that the Austrian Empire was created. And it takes about three generations to forget enough of the past and to really realize why the things are like they are. And that the impression upon the population of the Soviet Union of the horrible events of World War II would make them adamantly opposed for at least another half generation.

Q: So you think the reunification came a half generation earlier because of Soviet changes?

ANDERSON: About a half a generation earlier than I would have anticipated, because I underestimated the rapidity with which the changes would occur within the Soviet Union.

But that the Soviet Union came apart was an inevitable kind of thing, and I think our expectations vis-a-vis Europe were always overblown. We have never realized, in some respects, what we expected in this kind of worldwide partnership with Europe. Their economic success and so forth; but their political unity is still, in my estimation, very much in question. Individual countries in Europe, Danes, Norwegians, I don't care who they are, they did not go into Europe to lose their separate ethnic identities, but rather to preserve them. And when something threatens that sense of ethnic belonging or identity, they will resist that.

Q: So if they have to chose between economic prosperity on one hand and their ethnic identity on the other, they will chose the ethnic identity?

ANDERSON: If it really comes to the crunch. They'll always obviously like to have both. I've always felt that it was a shame that we, in the U.S., didn't look to the kind of concessions that have had to be made to keep Switzerland going. And to think that Switzerland is by far a better model for what can be achieved in Europe, or even in South Africa or in Yugoslavia, than what the U.S. would be.

Q: Like a loose confederation?

ANDERSON: Yes, like a loose confederation in which the gut issues, the ultimate social control devolves to the ethnically homogeneous unit. If you want to become a Swiss citizen, you go to the commune first; commune has the first cut at it. If they say "no" it's over. If they like you, then it goes to the canton. And the canton says "yes" or "no". And then the confederal stamp is put on it. But when I was a kid, there were 18 cantons, and there are 22 or 24, with requests for eight more on the board. Everybody is trying to get on the right side of the lines. But there are certain things that you have to do in common. Defense, finances, it's an economic unit in a way, but it's not a social unit. It's totally defensive. They could never project any power outside of there, except in an economic sense, through ordinary economic market mechanisms. I think that, therefore, we overestimate what we can get out of Europe.

It's a long process toward that unity. They are going to have to come into something, into a kind of European citizenship with a single currency, and all of this stuff is so far down the road and there are so many hurdles and so much problem to be overcome, if they do become integrated at that point that they will probably become internationally less and less effective. Because, as I said, their common external policy goes to the lowest common denominator, which is pretty damn low, which means nothing; really you don't do anything because they can't. As long as one country, a Dane has the right to say "no", then it will be "no". So I think we should really re-examine that. We are having enough problems of our own in assimilating process in this country without expecting too much of these countries.

I am willing to predict that South Africa will blow up totally. I think it's going to be a horrendous disaster, unless they have the sense to say "Look at Switzerland as a model;

we may be able to do this. We have our own areas, cantons.” I always used to tell my colleagues from South Africa, “Talk about cantons, setting up cantons, not homelands, and this kind of stuff.” Because it’s acceptable to us intellectually, morally and socially. We accept Switzerland. Nobody is saying that Belgium shouldn’t divide into three pieces. I mean, we’d let them go ahead and do that. Why is it going to be any easier for anybody else to do it? Even the Israeli thing doesn’t surprise me.

Q: Well, I think we are little reluctant to see Bosnia split up into logical cantons.

ANDERSON: Because some places there is no logic. This is what happened in the Congo. You had fixed tribal areas. Along come the Belgians and impose an order. They allow all the tribes to interpenetrate. Then you pull out the Belgians as this control, and they fell on each other, until one or two take over. And they sort this out. Look at Europe. What happened? Now finally all the Germans are in Germany at least. Almost all of them, all of them that count. The rest of them are insignificant where they are, outside. But it was a mass expulsion. In Eastern Europe it’s pretty clarified with what exception? That Balkan thing. There are other anomalies there and there, like the Swedish minority in Finland. They don’t count for anything any more. They had all the money at one time, but now they are tolerated by the Finns, and they do well economically and so forth, but the Finns run the country. They have a minority position. But look at what’s happening in Canada. How long is that going to hang together?

Q: A good question. Anyhow, before we close, you want to just briefly describe some of your activities since you retired in, when was it, 1979 or ‘80?

ANDERSON: I applied the day I became eligible and retired on the 31st of March 1980, and on the first day of April I was employed with United Technologies. Within the first week that I had put in for my retirement I got six job offers. I don’t know where -- they must have a grapevine or something. One fellow asked me to take over a big consulting service that he has, had then, and still has, asked me to do some work out East with him. But the best job that came along was this one from the United Technologies to go to Europe as director for all of their governmental relations in Europe.

They, at that time, had just -- Harry Gray, who was CEO and President of United Aircraft Pratt & Whitney, expanded the company to take in OTIS Elevator Corporation and Carrier Corporation and SX Wire, which was kind of equivalent of the Delco part of Ford, but was an independent company, and made this huge company; that was at the time when I went in 7th largest manufacturing company in the U.S., with revenues of about 13 billion a year. But when they bought these companies, they bought the grand-daddy of all transnational corporations, namely, OTIS Corporation. OTIS and Solway, and Singer Corporation; they are really the grand-daddies of transnational corporations. So they suddenly found themselves from a high technology, almost entirely U.S. military and commercial-aviation-oriented company into being this company that is into elevators in a big way, the largest producer of elevators in most countries of Europe; Carrier Corporation, which was heating and air-conditioning, and that was big in Europe too;

Inmont Corporation, one of the largest industrial paint corporations in the U.S. with lots of environmental problems in their plant in places around Bonn and other places. At the time that I went into the company, they had 33 plants and 28,000 employees and 1.5 billion dollars in production in Europe. Jean McCollough was president of the European operation. I had served on various National Security Council Committees when I was in Laird's operation, with Haig; he was then president of the company. I had some interesting conversations with Haig prior to his becoming Secretary of State and some interesting ones afterwards, when I ran into him. He had been with NATO too when I was in Belgium.

I went there to primarily look at the corporate structure and the relations with the government, because we were trying to become a high-technology company in the U.S., through some relatively mundane products in Europe and expand in the technology sectors over there, particularly in automotive electronics and aviation engines and lot of other areas. So I got involved in relations with government and planning, with all of the divisions, or groups as they called them, within United Technology on how to do business in Europe and how to bring together all those disparate operations and companies we had in Europe. I worked primarily on the investitures, acquisitions, and joint-venture things in ideas for them, and making contacts with governments and getting ideas going. I was there a little over three years, and when I left, we had little 2.5 billion in production. I think we had 45,000 employees and 47 plants in nine countries.

Q: That is quite an expansion?

ANDERSON: Yes. My very first week that I was there I was involved in negotiating the sale of our 24.6% position in WVF, which is the German aircraft company. Krupp owned 25%, we owned 24.6%, and State of Bremen owned the rest. They make the fuselage for the Airbus.

Q: Where were you located?

ANDERSON: I was located in Brussels. That job entailed approximately three weeks out of four on the road. I was on the road constantly. I would say that the most important thing I did during that period, more than just for United Technologies though obviously we did a lot for United Technologies, I was instrumental in the forming, or revamping, of the EC Committee of the American Chambers of Commerce in Europe. It is now considered to be the most effective business lobbying organization in Europe. But because of my background in Europe, I was able to deal with these American executives and point out to them how politics runs things in Europe, and get them in with the right people and how we had to structure ourselves so that we became more Catholic than the Pope, more European than the Europeans. And how we could interface with them.

At that point we were just a little organization and practically no money to deal with. Today practically every company in the U.S. is lined up to get on the committee, and it has a budget in millions of francs a year. That is, I think, the most gratifying thing that I

did in business over there. I was able to contribute to the entire American business community over there that they otherwise might not have had. I went into several of these meetings, and they were all ad hoc, and they were run by a British accountant, a nice guy, but they had no focus; they didn't really understand. They were coming into industrial policy disputes, and they were going to have their own electronic policy, and they were going to freeze us out. I called together, after a few of these meetings, the guys that I thought looked most vital, like the guy from Speary and IBM and Caterpillar and Champion, and invited them to lunch, and talked about how we really needed to restructure this thing and get it organized and have different committees in various areas that constantly looked at things and make sure we got our contacts set up before we have a problem. And how to deal in a diplomatic way with other governments that we were coming to depend upon, including other Europeans in there, and kind of beginning to be most European companies in Europe, because we didn't really carry the water just for Great Britain or just for Germany, but we carried an economic interest for the whole and that's what we should push. And why it was more important to go to the Council-of-Europe-Parliament meeting than it was to go to the European Parliament. Because the European Parliament had no power, but the Council of Europe is a gathering of all the members of Parliament of all over Europe. And how you could lobby much more effectively there. And nobody had even thought about doing that before. After I took them there and arranged it myself, they said, "How did this exist, and we didn't even know about this?" These are the kind of things that I could do that probably other people might not have been able to do on their own.

Q: This sort of came out naturally out of your Belgian experience.

ANDERSON: When I left them I took over a small California start-up company that had superb technology. I was told by my assistants -- I had a German who had been with Varian and Singer, and who had been a tank commander on the Eastern front during the war, a British who had been a pilot in the Royal Air Force (RAF), a Belgian father and a British mother and has also been with Singer and another company, he was my sales manager, and Nilkovic, who was a Yugoslav and went on to Sweden, and he had been an ITT guy -- they all said you could not put together a multinational company in Europe like I was trying to put together. But it was to use video compression equipment over telephone lines, you had to have a digital system, 64 kilobyte lines that only Europe had at that time; we did not. It took me six months to negotiate my first two contracts, to bring in Bosch from Germany, and Jeuman Schneider, which is a bank group from France. Then I got Sipa, which is Fiat's electronic division, and I got on the English side, Oceanic Communications. You had to have a leader in the country who could get the equipment on the lines. That's the only way you can do it. Even Helmut Schmidt said I could never get this done, but in eight months I had them all. First year I sold 90% of their product in Europe, and rest of the time I sold 100% of their product. They eventually went bankrupt in Europe; I sold the technology to Bosch, the German partner.

Q: This corporation went bankrupt?

ANDERSON: What was called Witcom International, and just the technology and everything, Bosch took it over. Dealing with Californians is really an interesting experience. I was making all of their money, and I had to drag every nickel out of them. They traveled first-class, and I traveled People's Express; they were on the golf course, and I was working and I couldn't reach them when I needed them. After a year that I had been with them and set all this up and got all the contracts signed, they called me one day and said, "we are going Chapter 7 in 48 hours." I said, "You can't do that; you got contracts here in Europe with these partners." They said, "Well, that's alright, you got 48 hours." I went out, and I sold 1.2 million-dollars worth of products in the next two days. But I also had to concede some technological advantages to Bosch and made enough money in two days to keep the company effectively alive for two more years.

Q: What years were these?

ANDERSON: 1985-1987.

Q: And you were still in Brussels?

ANDERSON: I was still in Brussels, but it was a Swiss operation. And I operated on a shoe-string in Europe. I had great people to work with. When they finally did go out of it, and I arranged for their sale of their technology, I decided it was time to come back to the U.S. I had been in Brussels for 10 or 11 years at that point, and I wanted to see some sunshine and dry air, so I went to Mesa, Arizona. I taught in community colleges there for three semesters, found that like pounding sand in a rat hole in a desert to a certain extent, got tired of gardening and vacuuming. My wife was teaching. I had an offer to go into performance auditing for the State of Arizona. So I worked for the Auditor General and did performance auditing.

Q: What would be the definition of performance auditing?

ANDERSON: Unlike a financial auditor, who looks at books, a performance auditor goes in and looks at the law and the operations to see what the law expected of them and whether they were doing it the best way. We had contacts all over the U.S., and with other governments to see how they did it, all over the world, and we traveled and found out how the others did it; we looked at the problems and made recommendations for revamping their own operations.

Q: So whether the organization meets legislative..?

ANDERSON: And if there is a better way of doing it. I went into that, and they were very adversarial when I went in. My view always was that it was better to be cooperative. That's probably labor background again. I was told, "You never tell your auditees anything." And then they hit them with a bad audit and tell them everything was wrong with them. My idea was that our real purpose was to improve government operations. Therefore, I would point out to them things that were wrong as soon as I saw them, or

other ways of doing things. Have they thought of doing this or thought of doing that? After five years they have changed from an adversarial much more to a system analysis and a helpful approach. I think I was the only, at least the first two times that I know of, that an agency wrote a letter to the Auditor General and told him “thank you” for my being there, because I had been so helpful and had so many ideas.

But my background is so eclectic. And I was working for kids younger than my kids, and I found them a bit lacking in practical sense. So, I could bring my very broad background in military, government Labor Department, and all these things. I did audits as varied as their behavioral health system, their economic development program in the Department of Economics; I did their drug and drug-related things for the State Police, and they really shook them up after that. Because I had to finally excuse myself from the third part of the audit, because I had declared myself biased, that I could no longer look at them in an impartial way.

They were targeting property before there was a crime, for seizure, under Recon statutes. Those Recon statutes are Nuremberg laws in this country; it is exactly the same like Nuremberg laws in this country. The Nuremberg laws declared that if you were declared Jewish, you had to prove that you weren't and all your property was seized. Now they declare you are a racketeer for any one condition of 28 different crimes, actually 80-some if you split them up in Arizona, and they seize your property, and you have to prove you are not a racketeer or a criminal. They are vicious laws and something we need to look at.

The most satisfactory thing that I did in my life was the recommendation for revamping their School for the Deaf and the Blind in which they completely eliminated one level. That was the first letter they gave me. A fellow from the board came into a meeting and announced that he just wanted to say how grateful they were that I had been there and the attitude that I took, and how many good ideas I'd presented them. They were looking now at their job as a board, administrating this, in a totally different manner than they did when they first came there. Then the next letter I got from the Economics Department for making recommendations for changes in their business development programs and trying to track industries. I did that for four and a half years.

Q: This would have been through 1991?

ANDERSON: I retired in 1993. But I know how to play the game. I'm retired from the Foreign Service, I get a pension from the Belgian government, my wife gets a pension from the Belgian government, I get the social security check, she gets a social security check, I get an Arizona retirement check, and she gets an Arizona retirement check every month. So we get seven checks a month. And we are back in Iowa.

Q: Any final observations you'd like to make?

ANDERSON: Looking back at it, it would have been fun to be an ambassador or DCM someplace. But to do that I would have to had given up vice-president of United

Technologies, and president of Witcom, this audit work which taught me more about the state government than I ever expected to know. It's been a very interesting life, very rewarding. No complaints. If I had to do it all over again, I think I'd do it the same way.

Q: Very good.

ANDERSON: I think that the labor attaché program needs constantly to review its focus. And its focus is different in different parts of the world at any one time in different countries. Just sitting here and having talked to you, about it, that's what I see coming out of it. Every country is a little bit unique in some respects. There is always an effort in every organization to push you into doing the same thing you did last year. And those can't go. On the other hand, you don't feel like you always left many tracks. I know that Ambassador Strauss on the day he came back from a tour around Norway and called me up to his office and said to me, "I just wanted you to know that I had been on a 12-day tour all around Norway, and I was never anywhere that they didn't ask about you. They told me you were the best labor attaché that was ever in that country, and they never expect to have another one like you." And I said, "Well, that stands well to reason, because Bern didn't want me back as his political counselor."

Q: Well, thank you...

ANDERSON: I think the club ought to take better care of its people than they do.

Q: And constantly renew its focus.

ANDERSON: Everybody else is taking care of their clubs. Yes, and renew its focus. I would just hope that some place in the State Department people are wise enough to realize how complex social systems are. And the kind of Kissinger approach to international power politics, there is a lot of truth in it, but underneath it there are all those peoples that you have to deal with. And ethnicity is the fundamental basis for social, political, and economic activity, and organization in the world. We don't want to project ourselves on the rest of the world and think that because we are doing it this way, the rest of the world is doing it that way or can do it that way. We are a very diverse and heterogeneous world and you'd better look to some models other than unitary state to keep all these people at least, if not working in harness, mollified to the extent that they are not at each other's throats and killing each other en masse as they are.

Q: At least the labor attaché can offer some focus on the grassroots organizations in broader political dynamic in each specific country, rather than one model fits all.

ANDERSON: Yes. When I think about that A100 course. The focus that was on such things as the silent language and the way different people talk to each other, whether they stand on one foot or three feet apart, social distances, all these various things that change from culture to culture, that awakened me in effect to watch for this. Although I had already been terribly amused by the fact that the Scandinavians could never assert social

control over Scandinavia, amongst three people who were all Lutherans, all blue-eyed, could all understand each other's language, and still they insisted on having three countries. They taught me more than they ever realized. This opened my eyes, because I was very much, "You live and let live and we can all get along, we are all brothers under the skin." Even though I think that's great as an ideal and that's not the real world. And we are dealing with a real world. You can work toward an ideal, you can't trample over the realities and other peoples' sensibilities. I think there is a tremendous amount of naiveté in the U.S. in terms of the ethnic dimension, in political, social and economic organization and activity. My kids make a good living for themselves. All five of them are somehow or another attached with international business, and they travel all over the world, and they got this sensibility. They know that you don't run things, that there are reasons for doing things; Japan is different from Europe. Their CEOs don't always understand this. They don't understand what it costs, as I do, to run a country when you have to deal in nine different languages. What are the frictional costs of doing business. Or where you don't have any more tariffs in Europe but still, to get a 15 dollar part from Brussels to Munich, you still got 250 dollars worth of paperwork. And three days to get a 15 dollar computer part down there. There are no duties on it. But its origin has to be stated on a bunch of papers, and they have to go to a broker, and then this broker has to deal with it, then they have to go on a plane and go down there. So do you know how they do business? Can you do business in a case like that?

Q: You put it in your briefcase.

ANDERSON: You put it in your briefcase, and you get on a plane, and you pay 800 dollars for a round-trip to Munich, and you go and you slip the part in and you go back home. And you got a half-a-million-dollar computer up in a day versus three days. And you come out ahead. But that's the way. We are totally naive in terms of projecting American value and ethics into international business arenas. The market place has its own ethic. I don't think we do a good job in terms of economic negotiations and certainly in trade agreements and so forth. We're a little naive at how clever these people are at subverting free trade through non-tariff barriers, there are a zillion ways of doing this. I would have never succeeded certainly without small companies, if I had dealt with every problem that I faced in Europe as if I were sitting in New York or Washington.

Q: George, thank you very much for this very informative and thorough interview.

ANDERSON: Well it's been a lot fun. I hope it is of some use.

Q: I'm sure it will be.

ANDERSON: Maybe a different take on things. I've always felt that I was a little different kind of an attaché from a lot of them, because I have all these other external interests. I got into farming in a big way in '69, and pretty soon I had ranches and farms and everything going.

Q: Do you still have them?

ANDERSON: No, I got rid of all of them. But then I got into business, and I had a business career, a Navy career, a Foreign Service career. Labor attaché political side, economic side. I'm glad I did visa work. I don't know why people complain; visa work was an eye-opener about other people, human nature, how you deal with people. Greatest experience in the world; I don't regret that year and a half or so, stamping visas. All these things feed in. The specialization as a labor attaché was a little bit too much, I think, for career purposes; maybe not enough for a pure labor attaché. I was asked when they found out I was going to retire, "Oh gee, London is going to be opening up, and looks like Paris..." I said, "Two years too late. Got to do something else."

Q: Thank you very much, George, I appreciate it.

End of interview