

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

JOHN E. KELLEY

Interviewed by: Charles Stuart Kennedy
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INTERVIEW

Q: Today is May 21, 1996. This is an interview with John E. Kelley, being conducted on behalf of the Association for Diplomatic Studies and Training. I am Charles Stuart Kennedy. John and I are old friends. John, to get a get little idea of who you are and where you're coming from, could you tell me where and when you were born and something about your family?

KELLEY: I was born in Los Angeles, California on November 19, 1936. My parents were ordinary working folks, from the Shenandoah Valley. They were out in the California area for a little while working and then they went back to the Washington, D.C. area.

Q: Where did you go to school - grammar and high school?

KELLEY: In Washington, D.C.

Q: What high school did you go to?

KELLEY: I graduated from Eastern High School in 1954.

Q: Any particular major at Eastern High?

KELLEY: Not really, at that time there were no majors in particular. I focused mainly on liberal arts. The curriculum was just the usual varied curriculum.

Q: In 1954 did you get caught in the draft? Was the draft still on? Did you go to college?

KELLEY: I went out to California to go to college. I went to Pasadena City College for a semester and lived with an aunt and uncle out there. Then I came back this way [east coast]

and went to work for awhile with the weather bureau. I did my schooling at the University of Virginia extension service. I went to Hawaii with the weather service, then I was on a Coast Guard cutter going out to Japan taking weather observations.

Q: This is what period, more or less?

KELLEY: This would have been in 1956. When I was out on the Coast Guard cutter I was subject to deathly sea sickness, I got off of that after we went to Japan and I finished my tour at the weather station in Honolulu at the airport. Then I went to school at the University of Hawaii, finished up there and then got my degree.

Q: What was your major at the University of Hawaii?

KELLEY: Political Science. They called it Government at the time.

Q: Being in Hawaii, I assume that there was a sort of a focus of the Pacific area?

KELLEY: Yes, I studied Japanese - that's where I first started in Japanese studies. I studied the language, I flunked the first time and had to go back and take it again. The second time they divided it into written and spoken Japanese and I passed that.

Q: When did you graduate from the University of Hawaii?

KELLEY: 1960.

Q: Then what?

KELLEY: I came back to Washington and got a job up on Capitol Hill through the Hawaii delegation.

Q: Who was your "godfather" in Hawaii?

KELLEY: Actually, I was a Republican at the time, but I got a Democrat to give me the job. [laughter] It was Oren Long, the first Senator from Hawaii. It was kind of funny because I had been the President of the University of Hawaii Young Republicans. The Hawaii delegation was new and we'd just gotten statehood, so there wasn't a lot of political animosity.

Q: What did you do on the Hill?

KELLEY: I was a Capital policeman--I went back to school and that was a job that would allow me to study.

Q: Where were you going to school?

KELLEY: American University, I got a Masters Degree there in International Relations.

Q: Was it in Asia?

KELLEY: It was East Asia, Northeast Asia.

Q: Northeast Asia meaning what?

KELLEY: It was largely China, but it was Japan, China, Korea, that part of the world.

Q: So you got out of there when?

KELLEY: I graduated from there in 1962 and came into the Foreign Service shortly thereafter.

Q: Did you take the Foreign Service exam?

KELLEY: Yes, I think I took it twice and passed it the second time.

Q: Do you remember if you took the oral exam?

KELLEY: I took the oral exam the second time in 1962.

Q: Do you recall any of the questions or anything that was asked on the oral exam?

KELLEY: There was some nuclear question, but I can't remember the details.

Q: When did you join your basic officer course?

KELLEY: That would have been September of 1962.

Q: How big was your class then, do you remember?

KELLEY: It was one of the largest, but I don't know how big it was. Perhaps it was the largest up until that time.

Q: What was your impression of how you were taught?

KELLEY: My recollection of it now is a little hazy, but I didn't find that I got enough of what I would need to know for making contacts, for example. Things like that. That part wasn't too helpful.

Q: It really wasn't as trade oriented as it is now. I'm using trade meaning how to be a political officer, an economic officer and that type of thing.

KELLEY: There was a consular course offered there at some point, which I took. That was as useful as a course like that can be I suppose. By and large, I didn't have any complaints about the course.

Q: What was your first assignment?

KELLEY: I was in Tokyo, surprisingly enough, since I had Japanese.

Q: When did you go to Tokyo?

KELLEY: I got there in 1963.

Q: How long were you there?

KELLEY: I spent two years there, from 1963 to 1965.

Q: What was your job when you went to Tokyo?

KELLEY: I was just a trainee, a rotational officer. I started off in the economic section, then I rotated around among various sections. At the end I was sent back to the economic section because that was the year that they had the first of the U.S./Japan Cabinet meetings. Since I had experience in the economic section the guys thought that I could be of help to them and they sent me back there to help organize the conference.

Q: Let's talk a bit about when you were in Japan. Who was the Ambassador then?

KELLEY: Ed Reischauer was the Ambassador at that time.

Q: Did you have any contact with him, or was he pretty far off?

KELLEY: I had a lot of contact with him, and that's the way I thought it was supposed to be. Maybe at the time I was spoiled by the experience, but he was very approachable. For a Junior Officer I thought that I had quite a bit of contact with him. He came over to my house for a function that I held for some young people. I was invited to things at his residence even though I was the most junior of the Juniors, Christmas things and other functions of that kind. I think he was a very personable, very outgoing, kind of guy, who really made a terrific effort to reach out the young people on the staff. To everybody on the staff as far as I could tell.

Q: What would you say was sort of the political economic situation in Japan during 1963 to 1965?

KELLEY: Actually I stayed in Japan until 1969, I just wasn't in Tokyo for that time. But for that beginning period, the Japanese were as they continue to be, they were highly protectionist. They were still struggling with their reputation for producing shoddy goods and that sort of thing. They were pushing very hard to get their merchandise exported and

protecting their markets for all they were worth. It was a very difficult time for us, I felt at that time because the Japanese were capable of retaliating against any American company which would try to get the U.S. Government involved to help it get a better access to the market. With the kind of fear that they instilled into the American companies, we could get no cooperation from American companies and we really couldn't push for opening up the market. Of course the security relationship was totally dominant at the time, so it was a not a very good atmosphere for making any kind of progress in the trade area.

Q: When you say that the Japanese would get back at any firm, how would this happen? Can you sort of explain how this would work?

KELLEY: I'm not the best person to answer that because being a Junior Officer at the time and not an Economic Officer, I didn't get to sit in on any of the meetings with American companies at which they would try to get us to help them without providing us any information. But I talked to my colleagues and the word that was coming through from the American companies was that the Ministry of International Trade and Industry could step in and hold up any applications they might be making for entering into any kind of partnership with a Japanese company, for example. They could make it very difficult for them to do business in Japan--for example refusing permission they might need to open branches. At that time, opening branches was almost unheard of, and permission just to enter into any kind of agreement or partnership with a Japanese company could be denied. The problem Kodak is having is illustrative. That problem began in the early '60s, and is still going on. The Japanese government refused to allow Kodak to open a distribution system in Japan, to protect Fuji Film. I don't know what tactics they're using now, but their objective is clearly unchanged.

Q: For what you were getting, and granted you were kind of off to one side, but the thing was that the U.S. Government was almost going along with this and saying "Let's not make cases of this?"

KELLEY: No, quite the contrary. We were trying to make cases and we couldn't get any U.S. companies to allow us to use their names as examples of protectionism because the companies involved feared retaliation. Without being able to be specific the Japanese would just stonewall us. As I said, the security relationship was really paramount. The U.S. Government as a whole was not willing to put pressure on the Japanese, absent a good defensible case.

Q: Did you have much contact with Japanese officials, at your level?

KELLEY: Most of the contact I had, interesting enough, was through my own private arrangements. I taught English to officials at the Ministry of International Trade and Industry. I developed a lot of friends through that, and actually there was a certain sense of obligation, as you know that sets up between the Japanese and their teachers. So they were very open with me and helpful with me about a lot of things about how they worked. We wouldn't get into policy a lot, but I did learn a lot about how they functioned.

Q: What was your impression about how the system functions, say in the Ministry of International Trade and Industry (MITI)?

KELLEY: The main things that I talked about would be careers and how they would advance. What kind of requirements they had for getting ahead and that sort of thing. What the relationships were with their superiors. Also how MITI ranked in the pecking order among the agencies, how much influence the Ministry itself had, how it exercised its influence. The feedback that I got was that they could exercise their influence through the political parties and the Ministers because they were controllers of the information that the Ministers needed to do their jobs. They would work these incredible hours, they were very responsive to the Ministers on one hand, (and they spent endless hours briefing these people) and on the other hand they would craft policies which they would then without great difficulty be able to sell to the Ministers. They were able to maintain great consistency of policy and control over policy by virtue of their control of their information.

Q: What was your impression of the people that you knew who were learning English?

KELLEY: Extremely bright, very bright guys. Very inquisitive minds, outgoing, hardworking, and very likeable. I didn't run into a single person that I thought was a difficult case that would hard to deal with. I'm sure they could be if I were negotiating with them, but in the way I dealt with them they were extremely outgoing.

Q: What was the impression at the Embassy of the Japanese economy? We're talking about what seems like a far gone era, I guess, in the early 1960's.

KELLEY: It was already pretty clear at that time that the Japanese were a powerhouse on the make. It was our impression that we needed to give more recognition to their potential and their status as an important economic power despite their inability to do anything of an offensive nature, or an overseas nature in the military field. We wanted to reward both their willingness to keep their military under control and not to be a threat and their willingness to try to be as helpful economically to us as they could within the incredible constraints imposed by the constitution in other parts of the world. When I say an economic sense, I mean in using some of their economic power to advance our mutual security interests.

Q: I take it that the men, was it all men that you were dealing with in those days?

KELLEY: Exclusively, yes.

Q: Were they inquisitive about our Foreign Service and how we thought it worked?

KELLEY: Yes, they were. They would ask all kinds of questions. They were mainly interested in the mundane aspects of how we operated rather than policy - how our assignments worked, our living conditions, those sorts of things. They wanted to learn as much as they could about everyday America, I think. They had a wide range of interests.

They were also interested in American policy. I remember giving one fellow a book that I had on the economics of the Kennedy years.

Q: Were you married at the time?

KELLEY: Yes, I got married right after college.

Q: Was there much social life with the Japanese?

KELLEY: Yes there was, there was some. Since these were all guys, usually when I would get together with them outside of the class, it would be on outings in which they were going out as a group. Actually, I had two different groups that I taught, one was the Ministry people and the other one was a group from Waseda University who was sort of scattered into all walks of life in Japan. My experiences with these two groups were complimentary, really. We were invited by one fellow and his wife, for example, down to their family home in Kyoto where we spent a delightful week. On another occasion I had the whole Waseda group down to my home when I moved to Kamakura when I was going to language school, and they all spent the night there. We went out fishing at 4:00 in the morning, pulling in the nets and so forth. We would go off to retreats which belonged to this company or that company. My wife and I were both invited to some of these occasions, and then I was invited alone to others depending on what the guys were doing. If the guys were all going as a group among themselves, then I would be invited by myself, otherwise my wife would be included.

Q: What was the main preoccupation of the Embassy, that you were noticing?

KELLEY: There really was this question of giving Japan some recognition for being an important economic power and ally, despite its inability to project its military power. That was our principal preoccupation, I think. It was to reach out to young Japanese, particularly university students, to take advantage of the tremendous popularity of our Ambassador and of our President, to improve our image in Japan and to try to blunt the radical trend in Japan. At the time, I know our political section was very preoccupied with the possibility that the trend lines between the socialist and the liberal democrats (the conservative party) were such that at some point in the late 1960's the two lines would cross and the socialists would become the majority party and they were anti-security treaty, etc.. Those were the kinds of focus that we had - what would we do with that kind of situation, what could we do to forestall it, or to bring the socialist party around to a more accommodating point of view.

Q: Were you concerned about the student groups, such as Zen Gaku Ren?

KELLEY: Zen Gaku Ren was a big problem at that time because the security treaty was coming up for renewal. In the 1950's of course, we had the problem with student demonstrations preventing President Eisenhower from visiting Japan, I was there after that. We knew in another ten years we would have to face that again, that was another reason why Reischauer was there, because it was generally accepted that he would have a better

chance of reaching out to the student population of the left wing of the political spectrum than anybody else might.

Q: I think this is the era when we had Youth Officers?

KELLEY: We did have Youth Officers, Packard was our Youth Officer. Mike Armacost, who later became Ambassador, was in that job. George Packard was the first one.

Q: I was wondering if you, with your contacts and all, were sort of encouraged to meet young people on their way up? Was there much of that?

KELLEY: I don't remember being specifically encouraged but it was almost commonly accepted that's what we were to do. It was our inclination in any event as young guys coming into the Embassy. We knew that Reischauer was emphasizing this himself in his own contacts. He wanted to reach out to young people. That's one of the reasons why that became one of the functions that I held, because I had invited young people. He wanted to encourage this kind of thing. It was just accepted that's what he wanted to do, I don't recall that it was stated specifically by him. It was certainly the evidence he gave by having a Youth Officer who had ready access to the Ambassador I had a lot of contact with Packard, and just gravitated in that direction.

Q: You were there when Kennedy was assassinated weren't you?

KELLEY: I was.

Q: How was that taken? I was in Yugoslavia at the time and flags were at half mast everywhere and huge lines coming in. Really in many ways, Kennedy was more popular abroad than in the United States, I would say at the time.

KELLEY: Certainly there was almost a physical blow to the Japanese. They were involved in it in a number of ways. First of all, half the U.S. Cabinet was in the air on the way to Japan for the first of the conferences between the United States and Japanese cabinets when the assassination occurred - they turned around in mid air and flew back so it impacted the Japanese in an official way. At the same time there was this incredible visceral blow that the Japanese felt, because they just didn't understand how something like this could happen in America. They were disoriented by it.

Q: Was Reischauer attacked while you were there?

KELLEY: He was attacked while I was there. In fact I was upstairs in the chancery, just on the floor above where it happened and rushed down just in time to see him getting some first aid from a friend of mine. I didn't see the actual attack.

Q: Did this attack seem like just an odd ball manifestation, or was this a concern that there might be more to it than that?

KELLEY: I don't think at any time did we think that there was anything more to it than it was just some nut who managed to get over the wall. I wasn't involved in any of the discussions involving the security officers in the Embassy or the police. The Japanese reaction was immediate overkill, because they had lost face. They were going to do everything they could to provide massive protection and Reischauer's real concern was that there not be this kind of overreaction. That was the guidance that we were essentially getting from Reischauer and from John Emmerson who was the DCM, who had to take over. In fact, Reischauer was clearly still running things from his hospital bed. We weren't going to blow this thing up.

Q: You went to Japanese language training in Japan?

KELLEY: I'd taken some Japanese when I was in FSI, here, and then of course I studied early morning Japanese and that sort of thing. And of course I had Japanese in college. Then I went down and got another year of Japanese at Yokohama.

Q: Can you tell me a bit about how the training worked? What was the concentration?

KELLEY: The primary concentration was on conversational and spoken Japanese. It was just that pure written memorization and practice, repetition, sort of child-like absorption of the language. Just constant emersion, the best you could get it. Two-person classes. Endless hours of tapes and drills and things like that. Less focus on reading. I thought it was really excellent.

Q: I've heard about the language school at Oberammergau for people going over to the Soviet Union, where actually they use Soviet defectors to teach just in Russian, and give lectures, everything was in Russian. We'd call it both, language enhancement and area studies. Your studies were in Kamakura?

KELLEY: It was in Yokohama, I lived in Kamakura.

Q: Was there much in the way of what we would call area studies?

KELLEY: No. There was hardly any of that. The closest thing we got to any kind of cultural studies was a tape of a Japanese soap opera that we got to study, because it gave us a chance to learn colloquial Japanese and hear how it was pronounced by actors who knew how to put the right emphasis and emotions into the language. You'd absorb a little bit of everyday life as a consequence of that, but that was about as close to that as we got. There would be field trips, but most of what I got -- and we were encouraged to do things that would help us to absorb the culture and learn more about it -- was from a historical study society I joined in Kamakura. This was ideal for me because Kamakura was such an old city and had this terrific tradition. Kamakura was the old military capital in the 1100's. It had a rich focus on history and it was always considered an intellectual city. A sort of bedroom town for Tokyo, but a very high-class bedroom town. You had a lot of rich access to cultural organizations. That's why I joined this historical study society. I traveled all over Japan in

buses with the Japanese who were interested in history and couldn't speak anything but Japanese, so I had some great times and learned a lot, about half of which I understood. [laughter] It was terrific exposure and this was all encouraged. I would get time off from school when they had a trip so that I could go with them, because it was something the school wanted us to do.

Q: When were you in Yokohama?

KELLEY: That would have been from 1965 to 1966.

Q: There was sort of the feeling in the Foreign Service that if somebody took Japanese they'd disappear over the horizon and almost never be seen again by the rest of your classmates because once in Japan, you stayed in Japan. Did you have the feeling that you were joining a monkhood or something of this nature?

KELLEY: I had the feeling that I was joining a very exclusive society. In fact, it was a brotherhood of sorts. I at least tended to absorb a lot of the idea that we were to be loyal to each other, and that we were to be supportive to each other, that we were a band of brothers, in fact. And I would spend perhaps most of my career in Japan. It was a big investment for the Foreign Service, it was a difficult language and not many people wanted to study it.

Q: You got out of the school in what year?

KELLEY: In 1966.

Q: Then where did you go?

KELLEY: I was assigned to the Consulate in Fukuoka.

Q: What job did you have in Fukuoka?

KELLEY: Again it was a variety of jobs, it was a Consulate that was being whittled down and so I started off being an Administrative Officer. I was a Consular Officer for a short time, I was a Commercial Officer the whole time I was there. I covered labor affairs and in the end I ran the whole place, or at almost the end, because everybody else left.

Q: You were there until 1969, was it?

KELLEY: Yes, I was there until 1969.

Q: You were on the island of Kyushu. Was there a difference between Kyushu and Honshu? I mean as far as a Foreign Service Officer would look at the political economic situation?

KELLEY: Well, the difference was more of the kind of difference that you would find in America, where you get out of the capital, you were closer to the grass roots. People weren't

as concerned about the big policy issues and you really felt like your function was more representational -- trying to convey some sense that America cared about that part of Japan and Japan as a whole. And to encourage as much as you could a feeling of good will toward the United States.

Q: We had a rather large base at Tangashia(?) Wasn't it, was that near you?

KELLEY: At that time we had three major bases and a small facility. The closest base to us was Itazuke, an Air Force base which was our main air support base during the Korean War. It would have been the base that we would have operated from if hostility resumed. It was where we flew support missions when the Pueblo was taken, for example, little good that they did, they flew out of there. That's where the big build-up took place when we activated reserve air units and sent them out there. We also had Sasebo, which was one of the two major Naval bases in Japan. It was near Nagasaki which was in our Consulate district. Then we had the big Iwakuni Marine air base that was up near Hiroshima.

Q: What was the impact of the Americans? We're talking now in 1996, where our troops are having a hell of a time on Okinawa. I was wondering how the Americans and service people meld with the Japanese?

KELLEY: At that time, Okinawa was one of the big issues. Again the military bases agreement was a big problem and the question of nuclear weapons was always something that people were concerned about. The Japanese attitudes varied depending on what part of the political spectrum they were from. I was talking to everybody across the whole spectrum. I would talk to labor unions and socialists as well as the conservatives. The conservatives were all trying to be very helpful, but they were very puzzled about the nuclear thing. They, like everybody else in Japan, had this nuclear allergy. They knew that they had a policy against the introduction of nuclear weapons into Japan. They knew that we carried nuclear weapons on board our planes and aircraft carriers and other ships. They were all very anxious (the conservatives were at least, and that would have been the majority of people in Kyushu) that we somehow be accommodated, without violating their concern about the introduction of nuclear weapons. They thought somehow that we were making accommodations that kept weapons out of Japan. They were just willing to accept and hope that was what was going on. Their attitude was to try and be as helpful and supportive as possible of the U.S. because they were really worried about Korea, the Chinese, the Soviets. Their attitude was: we're out here all by ourselves and we're a small country. They had been told all of their lives that they were weak and unprotected. They needed us. They needed to be able to count on us and they had to be accommodating to do that.

Q: There was sort of in the background, this idea of an unstable Korea, an unknown China, but not necessarily a friendly one at all, and very definitely not a very friendly Soviet Union there.

KELLEY: They had always been hostile to, and afraid of, Russia. The Soviet Union was just more of the same as far as they were concerned. There was great ambivalence towards China, on the one hand they wanted to be understanding and friendly toward China and knew that they had really screwed it up during World War II, and really didn't have a relationship with China at the time, and were anxious to do something without fouling up the relationship with the United States. Of course the United States at that time was still very hostile to China, hadn't made it's own opening yet to China. The war in Vietnam was just getting underway.

Q: Well, you were in Fukuoka when the real build-up in 1968-69, was going on in Vietnam. Did you see an impact in Japan where you were?

KELLEY: Incredible impact on the young people. It really soured the atmosphere. It would have been difficult with Reischauer there, but at least he was able to reach out to the Japanese and bridge the gap. If he had been there later in the day I think even he would have had a hard time. Although we had a very capable Ambassador and very a capable successor in Alexis Johnson, it was just getting worse and worse. It was very hard to overcome it. There wasn't anybody there who was as capable as Reischauer was at reaching out to the young people, and they were the people who were becoming disaffected. Younger people like myself did what we could to reach out to them, the Youth Officer in the Embassy did, but they were influenced by American youth and by their own idealism. They were having none of it, for the most part.

Q: Did you have any particular problems such as demonstrations and that sort of thing?

KELLEY: Yes, there were demonstrations. The particular problem that we had was after I was there by myself and one of our reserve-officer-piloted airplanes crashed into the University Computer Center. It was still under construction and hadn't been finished, and the students went out and laid siege and they wouldn't let anybody pull the plane out of the building. It was left hanging in the rigging for over a year, while they made it a symbol of anti American feeling. There were other kinds of problems as well. There was an allegation that radiation had leaked out of one of our submarines in Sasebo and there was a big scare about eating fish. Every one of these things was really blown up. The Japanese had this nuclear allergy anyway that was bad enough, and then the press would play on this and there would be this big left-wing drum beat that would go on for a long time. There would be demonstrations in Sasebo, there would be demonstrations at the Embassy, demonstrations at the Consulate, about all of these things.

Q: What was the feeling about Okinawa reversion? Was it your feeling at the time that things are going to happen or was it a matter of time?

KELLEY: The main problem was with the U.S. military, quite frankly. They had a situation there that they would have much preferred not to have to deal with. They felt like the Okinawans were willing enough to continue under their tutelage and if it isn't broke why are we trying to fix this, etc. I think there was much more debate going on within the U.S. Government than there ever was between ourselves and the Japanese once we got the U.S.

military on board. There really was Reischauer's selling job - trying to get people to start moving in this direction. I wasn't really directly involved in the Okinawa negotiations, so I didn't have a lot to do with this. From my peripheral point of view, once I left Tokyo and went down to Fukuoka, we had very good cooperation from the Japanese government in dealing with this. They just wanted to make this thing go away, essentially. From the U.S. optic, Japan was an ally, and it was incongruous for the U.S. to occupy Japanese territory. In the event, Okinawa reversion was a Godsend to the U.S. It led to a resurgence of Japanese conservatism, and focused attention on continued Soviet occupation of Japan's Northern Territories.

Q: How about the local officials that you dealt with in the Fukuoka era? How did you find them?

KELLEY: Extremely accommodating, they were basically conservative, they had to trim their sails somewhat to the very different political winds that were blowing as a consequence of our increasing unpopularity because of the war in Vietnam. Personally that never interfered with the relationship at all. The man who ran for governor had to run as an independent, although everybody knew that he was a conservative liberal democrat. I remember running into him the night that he was elected, over at the newspaper office where I had dropped by to talk to a couple of reporter friends of mine. He was there for an interview and the first thing he did was walk up to me, shook my hand and said, "Don't worry about the air force base anymore." That was it, the only thing he said to me. That was the first thing he said, virtually, after being elected. That was the kind of attitude that I think we got from most of the elected officials.

Q: Did we have contact with the communist party or any of the parties on the extreme left?

KELLEY: We were enjoined against contact with the communists, by the Embassy. My knowledge of the communists was limited to what I would get from socialists. It was hard not to make contact with the socialists and the trade unionists. Often the protest delegations that would come in, where we had to meet with them because it was our policy not to turn anybody away. The communists were essentially just beyond the pale.

Q: Are you saying it was hard to make contact with a socialist?

KELLEY: It was really their problem more than ours. They felt that they would be ostracized if they were seen in our presence or were too chummy with us. They thought that we were out to subvert them or that their political careers would be at risk if they were too close to us. They really hadn't had any exposure to Americans, except to left-wing Americans, and anybody who represented the United States Government was a political danger to them. It was very hard to make contact. Some people, to their credit, were open minded about reaching out, or at least were receptive to my approaches. I did have a few contacts, but they were pretty hard to establish.

Q: Did you find that American cultural influence was strong? I'm thinking of movies and T.V.

KELLEY: Extremely strong. It was a love/hate relationship. It was a modernizing effect. Everything American was modern and everything modern was American. We benefitted from the symbiosis and so our movies had a tremendous impact, not necessarily for the good. There was a tremendous interest in what we were writing. During the Kennedy years there was a tremendous interest in our politicians and tremendous antipathy for our politicians after Kennedy. Just an incredible amount of interest in the way we lived, our standard of living, what we emphasized real concern about, the level of influence that we exercised. Some concern about American bullying in certain areas, both of defense and of trade. I remember Japanese oranges and tangerines were a particular subject at the time that I was in Fukuoka, being threatened by California oranges, orange juice, etc. We were very large on their horizon and they felt that they were very small on ours and they were very anxious about that.

Q: Other than the airplane crash, were there any other major incidents or events that happened during this time?

KELLEY: There were a lot of demonstrations against the visit of the Enterprise, a nuclear-powered aircraft carrier, to Sasebo. I didn't go down to Sasebo during that time, we had a principal officer who handled most of that. That was earlier in my stay there. This got attention all over Japan and so Kyushu was in the spotlight. There were massive demonstrations in an effort to stop this visit. It took place, but under very controlled circumstances. The idea was that we were going to break the ice by bringing a nuclear carrier in, and we did. Successfully, although there was tremendous stereotypical resistance. A lot of demonstrations and breast beating and shouting and so forth. There were people running around wearing helmets and scarves wrapped around their faces and so forth, in this quasi-military fashion. The usual Molotov cocktail throwing and this sort of thing, and trying to pick up paving stones and throwing them at the police. Really the Japanese police interposed themselves between the Americans and the demonstrators very effectively. It was really a Japanese problem for the most part, we stayed pretty much out of it.

Q: Did you find that you had any entree to the Universities?

KELLEY: It was very tough. The Universities were the center of the opposition to our ship visits and to our military presence, the security treaty, the war in Vietnam. You always felt a little threatened if you were an American going on a university campus, at least I did. The bigger universities were harder to make contacts, the professors were either left wing or afraid of the left wing guys. Our contacts tended to be with the smaller universities, where they're more conservative or less political. We had good contacts with them, or we had good contacts off the campus. It was very hard to get on the campus.

Q: Was it the usual pattern that is often in many countries, where the students get to be quite radical when they are students at the university and as soon as they get out they become company men or something like that?

KELLEY: Absolutely. It was the most amazing transformation you ever saw. Reporters would sit there and talk to you and point to these students and say, "That was me two or three years ago and did I ever go through a transformation fast." The system in Japan actually exacerbated the problem because the big problem with the university was getting in. Once you got in you were virtually guaranteed of graduating and getting a job with a good company. So there was nothing that you could do almost, to jeopardize your student status, so you went out and demonstrated for four years, in effect. That's unfair. Obviously they did study, but not all that much.

Q: This is true also in Korea. Did you find that in dealing on regular matters with the Japanese or their dealing with you that ties from same class at the university, or same class in high school, got to be very important. I mean to know whom was with whom and that sort of thing?

KELLEY: Very much so. We didn't know enough about that, probably. You can always exaggerate the importance of these things, but the Japanese thought it was important and they would always keep very close track of it. I know from my own personal experience with my friends (the people that I taught English to and the people that I knew) that these people kept in touch with their classmates. School ties were fairly important, but also the year that you came into the company was very important. The company ties would also then take over this.

Q: You mean that there was sort of a year--if you were the class of 1963 or something?

KELLEY: As far as coming into the company, then that was also extremely important. You sort of measured your progress against your peers in the company or in the bureaucracy. It was always understood that when you reached a certain point in the company, a couple of guys would be tapped for the top jobs or the fast track and the rest of the guys would be given a sort of golden parachute--they wouldn't be let out of the company necessarily, but they would be farmed out to lesser jobs. In the government, that would even take place even earlier. There would be guys on the fast track within the Ministry and then lesser jobs. Once you reached the point where one of your guys was tapped to be the Parliamentary Vice Minister, the highest civil service job in the ministry, all of the people who were his classmates would leave for a job with an associated organization. Which is what they called "Ama Kudare" the sweet downward staircase. So where you were in the flow as your cohort group moved up the ranks was always kept track of and was very important. Then the ceremonial departure as one or two or three might be anointed for top jobs. People would take care of each other in that context, but the cohort group was an important relationship. There were other important relationships, obviously, between seniors and juniors.

Q: Was there much in the way of demand on consular things such as VISA's or help of something like that?

KELLEY: The business got political only to the degree, to my knowledge, that you had somebody who had a politically sensitive past who wanted to get to the United States and you'd have to jump through all kinds of hoops to get these guys cleared to get them in. The political section wanted to get them in and there would be all kinds of information out there, and you couldn't tell what the validity of it was and you had to get around this to get people in. That was one of the constant considerations I think, that became important. It was most important to us when I was in the political section certainly. People would come to you from outside or from the society and tell you about their VISA problems, and would hope that you could do something to smooth the way. What you would do essentially, was say sure give me your card, or give them an introduction to somebody who was a consular officer, that was about the extent of it.

Q: Did you find that at Princeton there was a thrust, we might say, to what the professors and the university was looking at? How did you find it?

KELLEY: Princeton is a very conservative school to start with, that's where all the elite of Southern families send their first born, etc., so it wasn't really typical of Ivy League schools probably, to start with. To a degree, they had a problem. It was with some research facility that had defense department funding on the campus. We didn't really have any kind of serious impact from the war in Vietnam, I thought, until the Cambodian incursion.

Q: That was in the spring of 1970.

KELLEY: Yes.

Q: What happened then?

KELLEY: Well, the dial went right off of the meter on that one. There was a very strong reaction, people just thought that this was outrageous that we were invading a neutral country and spreading the war, in effect. The faculty and the students and everybody sort of united in this condemnation. There were full page ads taken out in the New York Times and The Washington Post by the students and faculty. There were demonstrations, there were seminars, there was ranting and raving and all kinds of outrage and uproar. You wanted to keep your head down if you were a guy that represented the Government at the time on the campus. [laughter] I don't think any of us ever felt like we were ever in any physical danger. In fact, that was the one time when I really felt pretty ticked off at our Government about this whole business. Even I, at that point, began to get caught up in this swirl of resentment and outrage--for somewhat different reasons than the rest of them. It was phenomenal, it really was phenomenal. It was a great time to be on the campus, it really was.

Q: I had a slightly different perspective to this--I was Consul General in Saigon at the time. [laughter]

KELLEY: Well yes, I can imagine.

Q: And you know, most of us thought "Gee, it's not a bad idea, don't know if it's going to work."

KELLEY: I frankly thought it was a stupid idea, just from a pragmatic point of view. The justification that was given for it was that you're going out and you were going to capture Cosvn. I mean, come on, get serious. They couldn't find Cosvn with both hands and a road map. There was just no way.

Q: Yes, it was the so-called central headquarters of the North Vietnamese command.

KELLEY: Yes, it was supposed to be somewhere in Cambodia. Good luck guys! It was a forlorn lashing out, as far as I could tell, meaning nothing, giving in to the military frustration. The military was very frustrated at the time and so we lashed out at Cambodia. It was doomed from the start. I could see that it was doomed from the start. It just occurred to me that it was stupid to do it, just to satisfy our pique at being unable to otherwise damage the North Vietnamese or the Viet Cong.

Q: From your professors and all, what were you getting about China or Japan particularly?

KELLEY: Well, I was primarily studying history there. To a degree they were focusing on modern day China and Japan, they were more concerned I think, that we were not giving enough emphasis to China and Japan in our overall policy formulation. That we were becoming totally absorbed in Southeast Asia, that we were letting the Southeast Asian tail lag the North East Asian dog in effect, and we were sacrificing too much for what was essentially a side show. We were expending tremendous capital that would be much better used if we were trying to build bridges to China and Japan. They were much more aware of the existence of the Sino-Soviet split for example, than we were. This was getting a lot of emphasis in their modern international teachings. They just sort of had a great deal of difficulty understanding why we allowed ourselves to become so absorbed with Vietnam, at the expense of our relationship with China and Japan.

Q: John, you went over to the Political Military Bureau and you were there from 1970 to 1973?

KELLEY: That's right, yes.

Q: What were your responsibilities?

KELLEY: It was supporting base negotiations primarily. We had base agreements that would be up for renewal, or agreements that we wanted to open up with various countries,

primarily the British. My job was to act as an interface between the Defense Department and the State Department in trying to consummate these agreements.

Q: Could you explain the role during this period of the Political Military Bureau? It was a bureau wasn't it?

KELLEY: It was a bureau.

Q: Who was the head of it and where did it fit into the State Department hierarchy?

KELLEY: Ron Spiers was the head of it and Tom Pickering was his Deputy. As you can tell from the names of the people who were heading it up it was one hell of a high-powered operation. It was dynamic, creative, full of hard-charging guys who had tremendous access. Everybody in the organization got tremendous access to the principals, they were dealing with issues that were on the front burner. Everybody was really highly motivated.

Q: I heard somebody saying that really there was and maybe still is a Political Military type in a way.

KELLEY: This is when it was first getting official recognition. There always were political-military types, but at this point we actually got to have some recognition and status. This was an effort to enhance that status through the Bureau of Political Military Affairs, to centralize the control of the political-military function, to almost give it a separate identity.

Q: I have heard that often in renewing or starting base agreements or something, that the most difficult negotiations aren't between the country and the United States, but between the Department of State and the Department of Defense, and in particular in the legal side of the Department of Defense. That the Department of Defense, particularly in things like status of forces, just won't take any prisoners at all. How did you find it? Does that hold?

KELLEY: I think that there is a lot of difficulty that arises out of the very different perspectives from which the two organizations [State and Defense] approach political-military problems and particularly base agreements. The Defense Department's approach tends to be, for bureaucratic and political as well as substantive reasons, that base agreements have to be uniform, or as uniform as you can make them, throughout the world. Because one country will find out about an exception that's been made in a different country where there's a base agreement and will use that discrepancy to its own advantage to try to get a similar concession even though the circumstances may be quite different. So you do not want to give a concession, even to a very good ally, that would be a problem for you if you had to give the same concession to somebody who was less friendly. It's a failure on the one hand of the State Department to understand this, and on the other hand of the military to understand that some of these smaller countries don't have the resources to go running around the world checking on every detail of every base agreement. Or that in fact

you can resist some of these demands. It makes it more difficult for you, but you can in fact resist some of these demands. Or not having some of these protections is not really that important. We were in a position where we had to present both sides of the issue. We had to be the State Department's advocate to the military and to the Defense Department. We also had to be the Defense Department's advocate to the State Department, because a lot of times State was wrong and State was trying to make the military make concessions that they really couldn't make or would be unwise to make. It was our job to understand what the difference was, which was which, and to make the appropriate case at the appropriate time.

Q: Can you think of any particular base negotiations or military negotiations that you dealt with? Any major ones?

KELLEY: The negotiations for Diego Garcia out in the Indian Ocean was one that I dealt with. Another one was when the British moved out of the Bahamas and any obligations that the British had to us, for providing facilities, had to be assumed by the Bahamians. Those are the principal things. We were dealing with the Philippine base negotiations, obviously. At the same time we had base negotiations for facilities in the United Kingdom, very sensitive to this day. A lot of these had formerly been exclusively service-to-service agreements. We were upgrading them to be government-to-government agreements, sometimes at the behest of the host government, the British in this case. Some of these were very difficult. The British were very tough negotiators.

Q: What were some of the issues that we had to deal with in dealing with the British?

KELLEY: I'm trying to think about how much I can say about this. Primarily, the problems with the British had to do with funding. The British were always looking for us to pay for everything that they could possibly get us to pay for. There would be situations in which the Navy, for example, would have no problem paying. But the Air Force, which also had facilities in the UK had a terrible problem, which also had facilities in the UK. So the Navy would go around and talk to their UK counterparts as Naval colleagues, if you will, thinking that they could work out some kind of a deal, not realizing that this great Naval cross-comradery that they were so fond of was just a conduit straight into the Foreign and Commonwealth Office and all of their concessions were being fed back to the Foreign and Commonwealth Office and being played back to us then in their negotiations with the Air Force or anybody else. They knew what our fallback position was before we did almost, as a consequence of this. This kind of thing really became quite a serious problem. Finally we had to go up higher in the Navy chain of command and shut these guys down, and get them to stop talking to each other. Because they were giving away the farm, on questions of what we were willing to pay, essentially, for services we were getting for them.

Q: Diego Garcia was just being built up wasn't it?

KELLEY: It was very primitive when I went out there and when we were negotiating for it.

Q: What was the rationale for having it at that time in the 1970 - 1973 period? What were some of the problems and issues that we had to deal with?

KELLEY: The Middle East, specifically the Persian Gulf, was always the principal focus of Diego Garcia. The Soviet had a presence in the Horn of Africa, that concerned us. We were very concerned with the stability of Ethiopia, with increased Soviet activity in that part of the world, with the questions that we all had about the stability of the regimes all around the Gulf. We needed one place that we could be sure was not going to be snatched away, where we could be sure that we could build up our supplies and have a base of operations, a logistical base, if you will. Perhaps even an air operations base, that we could rely on in order to be able to project our power into that part of the world. It really was the Middle East, it was not the Indian Ocean which was always bandied about as the real focus by the Indians particularly, who were concerned about the American presence.

Q: Were there problems with to whom Diego Garcia belonged, and any population there?

KELLEY: Mauritius made a claim to Diego Garcia based on a population which had been moved there by the British and then had been moved off again. There was no indigenous population. Anybody who had ever lived there had been brought there by the British. There were these kinds of claims which we regarded as designed to blackmail us. Also there was the idea of paying other people money for the right to use these islands. The British undertook to resolve these claims. Diego Garcia remained British territory.

Q: Did you get involved in the two thorny ones that come up all of the time, the Azores and the Greek bases?

KELLEY: I was involved in the Azores peripherally only later when I was assigned to Portugal.

Q: We'll come to that later on. How about any of the Japanese bases? When did the Okinawa reversion take place? Was this still being negotiated at that time?

KELLEY: No, at the time I wasn't really dealing with that and frankly have forgotten. They just had a big anniversary of all of that a year or so ago.

Q: Well, anyway it wasn't on your plate?

KELLEY: No, I wasn't dealing with that. I was really totally specialized, there was a separate task force that was dealing with that.

Q: How did you find the bureaus that you were dealing with, responded to the--particularly I'm thinking of the EUR Bureau, things you were dealing with?

KELLEY: Different ones in different offices really responded in different ways. Sometimes it depended on the office Director. In fact, someone like George Landau, in dealing with

Spain and Portugal, really wanted to have everything in his hands. You really had to spend a lot of time down in his office stroking him to make sure that he knew that you weren't trying to intrude on his domain, but at the same time you needed to exercise some substantial influence over what was happening. It was a personality thing. To a large degree it was also a tradition problem. The bureaus were accustomed to dealing with issues on their own and to giving primacy to political considerations that had to do with their bilateral relationships with the country involved. This would frequently cause immense problems with the Department of Defense. Ultimately these things would get resolved, but there would be a lot of broken crockery in the process. This is one reason why the Bureau of Political Military Affairs was created, in order to reduce the amount of broken crockery and to keep us from being taken to the cleaners, as we were on occasion by the Defense Department. It was a prestige thing for the regional bureaus. They didn't want to lose any control over this process.

Q: Was there the feeling that if we had a bureau that concentrated on this, we could then out gun or at least hold off the Department of Defense?

KELLEY: We felt that we didn't have enough specialists in political-military affairs who could go up against these people who had spent their whole careers dealing with political-military issues in the Defense Department and that our guys could get taken to the cleaners. Due to no fault of their own, they just didn't have the background. We had intelligent people in our bureaus, for the most part, but they had an awful lot on their plate. Sometimes they couldn't see the whole Department's interests, they could only see their particular bureau's interests, or their particular countries' interests. There were the bilateral-relationship interests, and there were bigger fish to fry for the Department. Some of these issues weren't being joined at a sufficiently early stage. Under the old system, by the time that some things came to the attention of people up the chain, who were worried about global issues, things had gone too far.

Q: I have heard a number of times, people have said that there is a real problem in the State Department in that we are a mobile service and we bring people in and out and you are up against--in the Washington context, against people who maybe spent 20 years dealing with something as a civil servant living in Washington and all of a sudden you bring in a Foreign Service Officer who at most has had maybe two or three months exposure to the problem and all of a sudden there he or she is sitting at a table trying to deal with this.

KELLEY: We tried to deal with that by having people in key managerial or supervisory positions, office Directors and that sort of thing, who had just tremendous background, who would be permanent fixtures, or semi-permanent fixtures. Then we would bring in the grunts, the guys who were going to do the trench work. They were Foreign Service Officers and then we would try to create a career path for them so that they would have a constant political-military exposure. That combination is what we were hoping would work, because the military was doing the same thing, essentially. They were bringing military officers in who weren't doing this kind of work constantly, they had military

backgrounds--but they got a guy who had been flying a plane all of his life and they put him into a desk job and would say negotiate this agreement. So he didn't have any advantage that we didn't have. But they also had these people who had been in the job for twenty years. We didn't have that. We tried to offset that by putting guys in key positions in the PM Bureau who maybe hadn't been in the job for twenty years but would be there for a period of time and meanwhile had tremendous academic or journalistic or other kinds of specialized background and experience in Washington.

Q: After your three years there did you feel that the Political-Military Bureau was an effective organization?

KELLEY: Yes, I thought it was. I thought that the guys who set it up, who ran it, and the guys who manned it, earned their pay and they knew the guys they were up against. They knew what the problems were that they were up against. They knew what had to be done to keep the relationship between the two departments on an even keel. They knew when there were issues that had to be compromised and when there were issues that shouldn't be compromised--when we were being taken to the cleaners and when we weren't--when there was a real issue and when there was a phoney issue. They were earning their keep. It was a worthwhile thing to have. We were negotiating all kinds of interdepartmental agreements that regularized the clearance process too, which was extremely important. There was all kinds of stuff that was going out through military channels that had immense political implications for example, that the Department of State had no clue about. We changed that whole process, we created a situation in which there were messages that were joint State/Defense messages that if they had certain characteristics had to be that kind of message. This was proclaimed from on high in both departments. So Defense got a chop on our messages and we got a chop on their messages and we created a whole bureaucracy in both departments that had a vested interest in making sure that this system worked. So there was in effect a fifth column in both departments and it was working to the benefit of both departments. I think it was an effective concept and it was implemented very effectively. We had two of the best people that we've ever had in the Foreign Service starting it up and heading it up and it showed it.

Q: You left there in 1973?

KELLEY: I did.

Q: Where did you go then?

KELLEY: To Honolulu, Hawaii, to be the Deputy Political Advisor at CINCPAC (Commander in Chief, Pacific).

Q: You were at CINCPAC from when to when?

KELLEY: From 1973 to 1975. I was there when Saigon fell and when the *Mayaguez* (ship's name) was seized.

Q: Who was CINCPAC at the time?

KELLEY: Noel Gayler.

Q: What was his reputation? He was an Admiral I assume?

KELLEY: He was an Admiral, he was an aircraft carrier Commander at one point and at one time he was Head of NSA.

Q: How savvy was he about the political implications of things in the Pacific?

KELLEY: A guy who gets that job had better be pretty savvy and he was extremely savvy. All of them had been, Bill Crowe was in that job at one time. Gayler was among the best, he really was. He was a guy who had a legitimate shot at being Chief of Naval Operations. If anything he might have been a little bit too intellectual for the Navy. He kept his lines out to the academic community. He would host all kinds of academic conferences at CINCPAC. He would attend these things, he would fly all over the Western United States to attend various think tank-generated symposiums. He was always a player in these things. He was always to the point. He got a great deal of respect from Ambassadors and from Heads of State, not only because of his position but also because of the intellect, his grasp for the issues, and his understanding of their problems.

Q: Who was the principal POLAD (Political Adviser) when you were there?

KELLEY: There were two guys, Mort Abramowitz was POLAD when I first got there. He stayed there for a year and then Roger Sullivan came out. They were two of the best guys that we ever had in that job.

Q: How was the POLAD office used?

KELLEY: The POLAD, the top guy, was really involved in anything he wanted to really be involved in, unless it was a super-spooky Navy kind of thing, which the Admiral took great pains to sort of keep separate either because of his intelligence background or because it was a special Navy project. If it was an intelligence thing then he would closely limit the access. Other than that I don't think there was a single thing that went on in that headquarters that we were not involved in or could not become involved in if we wanted to be. The word was down from on high that the POLAD is the Admiral's man and you will leave him out of things going on in this organization in which he wants to be involved at your peril. It was that kind of relationship. We had total support and we gave total support. We got total loyalty and we gave total loyalty. Our job was to make sure that the Admiral stayed out of trouble.

Q: Before we come to the events in Indonesia in 1975, what were some of the other areas of concern with the Navy and the political element? I'm thinking of difficult situations concerning our military--because CINCPAC included the whole military thing,

particularly the nuclear issue in Japan, which was always one. But with New Zealand or the Philippines, or the impact of opening up with China? Other things in the area.

KELLEY: There were endless things going on. Of course the Vietnam War was winding down and CINCPAC was virtually the commander for Vietnam at that point, and for Cambodia. It was actually Cambodia more than Vietnam--trying to keep Cambodia afloat when Vietnam was already down the tubes in effect, or very close to that. We were virtually running the supply lines up to Mekong to Phnom Penh and then also there was the airdrops. There were all kinds of other issues: the whole question of how much military presence to have in the Indian Ocean, where to draw the lines of geographic responsibility between CINCPAC and the U.S. military commands in Europe. The military regional command lines were being redrawn. The focus was on the Middle East. We needed to clarify the role of CINCPAC in supporting possible operations in the Middle East, particularly in the Persian Gulf. If our European allies refused to allow our lines of supply to the Persian Gulf to cross their territory, or denied us permission to refuel from their bases, or if hostile forces in Europe or North Africa, we would have to depend on the Pacific as a conduit for supplies for our forces. What role CINCPAC was going to play was very important. There were questions that involved India and the relationship that India had with the Soviet Union at that time and the relationship that we had with Pakistan and that China had with Pakistan. How did we keep the nuclear genie in the bottle? How did we reassure India? At the time we were building up our forces in Diego Garcia and we were putting this tremendous focus on the Persian Gulf. All of those issues were becoming bigger for us.

Q: Speaking in the subcontinent, I can't remember the exact time, but it was close to the time that you were there, when Henry Kissinger had the Enterprise go into the gulf up near Calcutta--I was wondering if this maybe not terribly well-considered demonstration of putting an aircraft carrier group into that body of water just to show our support--really it was just a demonstration--got the Indians back way up. I was wondering while you were there if that was a lingering problem?

KELLEY: This whole business of our relationship with Pakistan was always a problem with the Indians. Our relationship with Pakistan was largely a product of our relationship with China. That was the quid pro quo, if you will, for a good relationship with China. We had to be accommodating (to some degree) to Pakistan as well. We also wanted to be accommodating to Pakistan because Pakistan was being accommodating to us. There were all kinds of reasons why we wanted to not leave Pakistan hanging by its thumbs. So we did some things that had more to do with our relationship with China and gratitude to the Paks for things that they were doing in other parts of the world for us, or in that region for us. Concern about the Soviets and the coziness between the Soviets and Indians, concern about Indian attitudes toward our presence in the Indian Ocean, and the Indian idea that somehow it was called the Indian Ocean because it belonged to India and that sort of thing. So there was enough collision in our courses anyhow, naturally, and doing that I think, was just a gratuitous additional burden to the U.S.-Indian relationship. The carrier incursion didn't really do anything to help Pakistan, but it was all we could do to reassure Pakistan. I think Kissinger probably thought, although I'm not privy to his thinking, that he really needed to

do something to shore up the Paks and not let them and our other allies think that if you made a deal with the Americans and you went out of your way to help the Americans, the Americans would just cut you off at the ankles whenever it suited them. That we were a reliable partner and we wouldn't just stand there and let you be sawed in half by some bigger country, without trying to do something. I think that was a lot of it.

Q: Was there in the thinking of CINCPAC much concern about India because of their ties with the Soviet Union, that India might turn into an aggressive power in the area, or that it would become a tool of the Soviets? How did we feel about that?

KELLEY: There were a number of different perspectives on that. I think that on the one hand, there was a strictly military perspective, a largely Navy perspective that we had our ability to convoy supplies in that part of the world which could be very vulnerable if the Indians developed certain kinds of military capabilities, those were particularly submarine capabilities, or anti surface capabilities--if they developed certain kinds of missile capabilities, we'd have one more country to have to look out for. The concern was the capability, regardless of whether hostility was there or not. Once the Indians had the capability to threaten our forces, we would be vulnerable if they became hostile. That was part of what we were concerned about. We didn't want any country, regardless of how friendly they might be at the time, to acquire capabilities that could threaten our Naval forces if their governments or attitudes were suddenly to change. That was one point of view that was driving our attitude toward India. The other one was that we didn't want India to be hostile towards us and we didn't want to project a hostile attitude toward India. We wanted to try to open up as much as we could some kind of reciprocal arrangement with India, military to military, even if it wasn't a very elaborate relationship, just something that would be reassuring to the Indians. We wanted to convey the message that we weren't just looking to make Pakistan into an ally at the expense of India. We were open to contacts with all of the countries in the region. Our presence wasn't intended to be a threat to the Indians--we were sensitive to their concerns. We wanted to have the ability to visit their ports with our warships and we wanted to invite them to do the same with us. We would be quite happy to engage in low-level military exercises with them, whatever it would take, to do something that would be reassuring to the Indians. We wanted to have the CINC visit there (he never did during the time that I was there). Anything that would be conciliatory. Eventually we did develop more of a military-to-military relationship. We helped to develop their military capabilities in a way that would be nonthreatening to their neighbors. We wanted to give them another arrow in their quiver regarding sources of supply and wean them away to some degree from dependence on the Soviets. We weren't looking to change their dependence on the Soviets to a dependence on us, although that would have been nice, but we wanted them to see that we could add to their options in order to make them more accepting of our presence.

Q: At the time that you were there in the 1973 - 1975 period, were the Indians at all responsive to this type of thing?

KELLEY: They were very suspicious. On the one hand they wanted to have more of a relationship but they would constantly tie it to some action or another that we were taking

in the area. So we couldn't keep separate military-to-military ties and events that were taking place in the region, like sorties into the Indian Ocean, which they took exception to and which we were trying to establish as a routine practice. So it was a difficult period, there was some progress but for the most part it was pretty sterile. Then of course they were always suspicious that we were trying to keep them from developing nuclear weapons (which of course we were) and that we would somehow advantage Pakistan in that regard. That Pakistan would get access to Chinese nuclear capabilities or the Chinese would intervene on their behalf and India would be left with nobody to intervene on its behalf and we were playing favorites.

Q: What was the view from the CINCPAC perspective on China at this time?

KELLEY: There were two perspectives with which they viewed China (as there were for almost every country in the region) the military perspective and the political perspective. The military perspective was driven largely by capability, whether the Chinese had an intention to use the capability in a hostile manner was pretty much immaterial to CINCPAC, it was that they have the capability and their attitude could change and then they could use the capability any way they saw fit. So the military view was: we don't really care what their attitude is, we care about what their capability is. The U.S. military was constantly trying to measure Chinese capability and every time they would try to develop a new capability it would be measured in terms of its threat to our forces, its potential use against our forces or the forces of our friends, or even against forces of neutral countries about which we might be concerned, and there would be recommendations from the military through military channels for the most part, about actions that might be taken to counter this.

Then there would be the political perspective on China which was that we needed to take advantage of natural Chinese suspicion of the Russians to try to draw them into a more productive relationship with the United States--to put their minds at ease. To defuse potential sources of conflict or friction, to try to create opportunities for ship visits, anything we could do to try to create opportunities for military exchanges of some sort - any kind, contacts of some sort. Anything that was open to us, given the nature of hostility still in Vietnam. It was a recognition that there was hostility between China and Vietnam and there was a constructive role that China could play--especially after Roger Sullivan arrived in Honolulu as our political advisor--more focus on that. Of course Mort Abramowitz understood that very well too. He was a China hand as well. So there was a desire and an effort to try and seek ways that we could signal the Chinese through our military activities. We coordinated our military activities at CINCPAC with the Embassy in Beijing, and with all the other Embassies that had a concern about China. And with the Department of State in order to bring China into a more conciliatory relationship with the United States. Those were the kinds of focuses that we had, and the resources that we had to accomplish these objectives were reasonably limited.

Q: What about Taiwan--was there underlying all of this that at that time we weren't really looking on the mainland Chinese and going after Taiwan?

KELLEY: No, we were very realistic about what was going to happen there. We didn't think the Chinese had the capability, for one thing, to pose a significant threat to Taiwan against any forces that we could put there. There was no question that if it was necessary we would put forces there. We would honor our commitment to Taiwan. We didn't want to be put in that position. That was not something that we sought. We thought of every way possible to avoid it. But we were very clear that if we were put into a position where the Chinese seemed to be verging on conflict, we had to send very strong commitment signals to China, what would happen if they were to cross the line--so that they wouldn't make that mistake. There was never any question that CINCPAC was making sure that the word got back to Washington and to our Embassies in the Pacific region that we needed to send clear signals to China that there were lines that shouldn't be crossed, so that they wouldn't make any mistakes.

Q: Turning to Indochina, I'm talking about particularly Cambodia, Vietnam, and Laos, was it clear that South Vietnam was falling fairly early in the game? Our Ambassador in Saigon was trying very hard to keep this from becoming an accepted thing, but how were we looking at it from the CINCPAC?

KELLEY: The CINC was a military man first and foremost. He would go out and see the troops in the field and he would talk to his own advisors there and he would come back and tell us that our guys were coming out of there lickety split (I guess for the most part they were out by that point). He said that the South Vietnamese had seen us go and they knew that the only support that they were getting was air support and that Congress is not providing the money to provide supplies and they see supplies dwindling. Each South Vietnamese soldier on the front line felt that, because of his personal equipment. He knew that he used to be festooned with hand grenades when he went into combat and now he's got two and he made sure that he always had two--one for the enemy and one for him. If the time comes, he's not going to be taken prisoner. That is the mentality now, it's not the competent mentality that he has endless resources to draw upon and therefore he will ultimately win. Now it's "I used to have all of this and now I've only got this much and it's getting less and less all of the time and it's only a matter of time." His morale is shot, he know that he's doomed. Graham Martin, the Ambassador at the time, felt his job was to try and keep morale up, that he should be careful not to be saying back to Washington that the reality was that the place was done for--it's gone down the tubes. It was over and there was nothing that we could do to save it--we could have saved it, strictly from a military point of view. If we had kept the supply lines going and kept these troops supplied they could have, in his judgement, held. But once we broke faith, the Vietnamese felt that we had broken faith and it was a matter of morale then. Even if they physically could have won, the morale was gone.

Q: We're talking about the beginning of 1975, the time of the attacks in the highlands and then the fall of Danang, prior to this had CINCPAC been looking at what we were going to do and how we were going to get people out?

KELLEY: Yes that was CINCPAC's responsibility to coordinate the evacuation and get our Embassy out. When it took place it was just a matter of plugging in the plan, it was all set up and ready to go.

Q: Had there been a gradual increase--watching this thing--moving ships and other stuff towards the area?

KELLEY: The CINC got daily intelligence briefings which focused exclusively on how many days it would be before all of this fell and how it was going to happen and where it was going to happen and what was going to happen first and so forth and so on. Not only did he pay meticulous attention to this and what his responsibility was going to be to get people out when it happened, but he also got special briefings on it. It wasn't just a daily briefing kind of a thing, it was focusing on specific things in Vietnam. Where are which enemy forces at this particular hour and what are they doing and what are they going to be doing in a few days--what do we know about what they're saying to each other, where is every unit, every one of their units? Which we knew, we had everything laid out fairly well. Everything was zeroed in.

Q: Was there a feeling that Ambassador Graham Martin was in a way stonewalling this?
KELLEY: He was making it very hard for us.

Q: Was there a bypass system where somebody was talking to people down below and getting ready for this?

KELLEY: The feeling that I got--I wouldn't sit in on everything. The CINC was having his own conversations with his own closer advisors, I was one step removed from that, although I went into that occasionally. When the POLAD was away, I would be called in to the CINC's smaller meeting and would provide the input that I could--but it was very clear that the CINC thought that the Ambassador was becoming a particular problem in this area. The CINC understood why the Ambassador was unwilling to make the kinds of overt plans or encourage the kinds of overt plans that would have helped the evacuation. But he was determined that we were going to have a plan in place and it was going to be ready to roll as soon as the inevitable happened, or as much before that as we needed to have it implemented in order to make it work. He got the cooperation that he could and what he couldn't get cooperation on he went ahead and did anyhow. He was a force, constantly, for giving us as much time as we could have to get people out, that it was going to happen anyhow and we were just trying to shovel out the tide while it was coming in, so we made the plan and we made it as good as we could so that we could implement it when it needed to be. He was concerned that the Ambassador was getting so embroiled in the message that he was sending out and not in the reality, that he was confusing his message with the reality.

Q: Was there the problem that you were ready to go and it was the last few days of this? What about the timing?

KELLEY: We would always have preferred to be able to have as much time as possible to pull people out. We weren't going to second guess the Ambassador unless it became clear that people's lives were in danger, at which point the CINC would have gone to the President, or the Chairman of the Joint Chiefs at least, who would have gone to the President. Fortunately it didn't reach that point. If the CINC had thought that lives were going to be in danger, there is no question in my mind that he knew that he would have to go to the Chairman of the Joint Chiefs. The Chairman of the Joint Chiefs wanted him to come to him if he thought that was the situation. The CINC was on the spot as much as the Ambassador was. He was the fail-safe mechanism, in effect, at least he thought he was, and our perspective was that he was. If the Ambassador did not pull the ripcord at the right time then the CINC was going to do it.

Q: Were there any signals that you were aware of from the North Vietnamese saying "Go in and get these people out--we'll let you do it." In other words, them saying that they wouldn't shoot at you while you were pulling people out as long as you didn't shoot at them?

KELLEY: I don't remember that there were any signals. I think if there had been I would have been aware of it. At that point we were all focusing on anything that might indicate what was going on. There was nothing that I can recall that came up on the radar scope that we thought they were telling us something. We were not making any decisions on our timeline based on any signals that we ever got or thought that we were getting from the North Vietnamese.

Q: How did you spend your day when the city fell and we pulled our people out?

KELLEY: Sitting in the command center at CINCPAC, listening to the chatter on the aircraft radios. Listening to the pilots of the aircraft that were going in or from the commanders of the pilots. We were all there, the CINC was there, and his key advisors were there.

Q: What was the feeling about the operation?

KELLEY: It was a very near-run thing--we had people in aircraft flying the missions and we had Americans on the ground who were at serious risk. We weren't sure where some of these people were, they were to go out in various fashions, by sea, by air, etc. There were some units that we could not pinpoint, we were not sure that they had reached their destination and picked up the people that they were supposed to pick up and gotten out. Particularly whether they had picked up everybody that they were supposed to pick up. That was a key part of it. There were units that were coming down rivers, for example, that we were concerned about. We just weren't sure who they had on board. We were concerned about people from other Embassies who had come to us to be evacuated--we weren't sure if they had made it or not. There was so much to know and only so much communication was possible.

Q: Was the force at all overwhelmed by the number of Vietnamese that came out, or were those built in as a major factor?

KELLEY: We were building that in as a major consideration, that we were going to have to take a lot of people out. We were trying to get as many people out of course, in advance as we could in the C-130's. We were pushing hard for using the C-130's. They were already there. The problem we had with the Ambassador is we were trying to get as many people on the C-130's as possible and he was concerned that this was going to be a sign of panic. We were saying that we were going to be overwhelmed, "we can't handle the numbers of people that are going to want to get out, because we won't be sure that we can use the airfield. We need planes that can use runways to carry those kinds of numbers. You're going to leave us at a point where we can take care of the Americans and we can take care of our allies, and maybe the key Vietnamese, but there are going to be a lot of people to whom we owe a great deal and to whom you're going to feel you owe a great deal, who if you don't get them out now, aren't going to make it." That was the part that ultimately may have been sacrificed. That was the price we may have paid for not wanting to cause a panic. The people we left behind that we could have gotten out, who we felt we could have gotten out if we had been allowed by Martin to move greater volumes of people when we still had the capacity and the capability and when we still had a secure airfield to operate out of.

Q: What about the Cambodian thing? I can't remember, did that take place before or after Operation Eagle Pull?

KELLEY: I think Phnom Penh fell first.

Q: I think it did. That was a much smaller operation.

KELLEY: It was. In effect, it was like a separate operation, almost the entire time. We were operating with sort of a hostile Cambodia, while we still had a war going on in Vietnam. Pulling people out of Cambodia was really a small-scale operation compared to Saigon. It ran smoothly with no real problem. I don't recall there being a problem, I don't recall there being a lot of excitement.

Q: We've talked about the Mayaquez. Can you explain what that was and what happened?

KELLEY: Mayaquez was a merchant ship, it may have been a U.S. Registry vessel, I'm not sure, but it had Americans on it in any event. It was seized by the Khmer Rouge government. Khmer Rouge forces were taken to the coast of Cambodia to a small island and the officers and crew were taken prisoner and we weren't sure where they were. We mobilized forces all over the place, in Thailand, out in the Pacific, and so forth, to try to get them to the zone where they could intervene--if we could find out where the officers and crew were. The objective was to be able to rescue them, if we needed to, or to be able to put such a massive demonstration of force together that the Cambodians would release the people. That was what we were trying to do and that's when we began to realize what price we paid for the buildup in Vietnam--the small-operation, long-range capability that we had not built up, that would allow us to make these kinds of small-scale mobile interventions. We were really straining in terms of the surface fleet, to get forces to that area that we could use. I think we had some crisis going on up in Korea at about the same time. We were

stretched bloody thin. I remember that there were other things going on at the same time and we were scraping the bottom of the barrel to get forces together to go down and make a forceful demonstration against these guys who had seized the Mayaquez officers and crew. We didn't know where these people were. I remember sitting in the Command Center and listening to the pilots. We didn't have bases nearby, what bases we did have we weren't sure that we could use because of local host country considerations and concerns with not wanting to be involved in a situation that wasn't really a threat to their own security, etc. We really had to operate off of our ships, to a substantial degree. That was the event I think, that most convinced me that we needed to develop and maintain a mobile intervention capability that was based on aircraft carriers and that our over-focus on nuclear weapons and the tremendous focus on Vietnam--the war fighting capabilities that we had built up specifically for that conflict--had pulverized the rest of our forces, especially our Naval forces. We learned the limitations of our communications in situations like that. I remember sitting in the Command Center and listening to the pilot's voice on the radio saying to the Commander that he saw a ship heading from the island to the mainland and it might have some of our people on it, they might be trying to transfer them to a mainland locality, and did the Commander want him to fire some warning shots ahead of the ship. This came all the way back to us, I think it may have gone all the way back to Washington. These instant communication sort of sucked everything right up to the Joint Chiefs of Staff in effect, and so suddenly the guy who was supposed to be running this operation was having people way the hell back in Washington making these decisions. Word came back to go ahead and fire the warning shots and word comes back that oops, he had sawed the damn ship in half with these warning shots. [laughter] So all of this precision and all of this communications ability--we find out just how limited it was by our physical capabilities. That we really didn't have the kind of precision that we thought we had. It wasn't until Desert Storm that we actually found out that we had it. I think the Mayaquez may have been one of the things that taught us how deficient we were.

Q: Why don't we stop at this point for this session. You left CINCPAC in 1975 and where did you go?

KELLEY: I went to Korea.

Q: Okay, so you were off to Korea and so we'll pick that up next time there.

Q: Today is June 3, 1996. John, was the assignment at Korea expected? Was this a normal assignment?

KELLEY: It was not normal in every sense, it was something that we had sort of concocted, it was something that I wanted and I did expect it because I had worked it out in advance. Dick Sneider, the Ambassador, had come through CINCPAC and had talked to me about coming out to Korea. So we set it up between us.

Q: When were you in Korea?

KELLEY: I was there from 1975 to 1978.

Q: Dick Sneider was the Ambassador?

KELLEY: Yes.

Q: Before we get to anything else could you tell me about your impression of how Dick Sneider (whom we both worked with in Korea) operated and approached things in Korea?

KELLEY: Dick Sneider was sort of the quintessential political operative, if you will. He was a guy who liked to have all of the strands in his own hands, he liked to make sure that he knew everything that was going on. Nobody else in his team knew as much as he did. He was completely in charge of what was happening, he was orchestrating what was happening in the largest sense, but he wasn't trying to control every minute detail. He had very good political instincts. He would not focus on a lot of minutiae. He had been associated with Korea ever since the Korean War when he was in INR and had been sent out to Korea to collect North Korean documents, very early when we over-ran North Korea. He knew the country inside and out. He knew the North Koreans particularly well, as well as anybody from in the Western camp could know them. He was a man who placed incredible emphasis on loyalty and he gave as well as he got. He was loyal to his people and he expected complete loyalty from them. He placed a lot of emphasis on personal diplomacy, that is diplomacy in which he dealt with the highest level of government and kept a lot in his own hands personally and in which he dealt with the highest level of command in the military and kept up a great deal of political contact at all times. He was always in touch with all of the leaders. He was always going around making sure that they all knew what he thought and that he knew what they thought. He had a lot of informal contact in which he was really the sponge that soaked up a great deal of information.

Q: How did he relate from your perspective with Park Chung Hee?

KELLEY: That's a tough one because he never shared very much of his conversations with me that he had with Park Chung Hee. I wasn't on the country team so I didn't hear what he had to say in that forum. As far as I know, to the degree that he had contact with Park Chung Hee--Park Chung Hee was not a guy who was very approachable, he didn't have a lot of informal contact with anybody--he related very well with Park Chung Hee on the policy level. I don't think any foreigner ever related very well with Park Chung Hee on a personal level and I don't think Sneider was any exception. I think they understood each other very well. I think he was as close to Park Chung Hee as any foreigner ever was, but that's not saying a whole lot. I don't think anybody really got close to Park Chung Hee.

Q: How about the relationship as you observed it with the American Military Command while you were there? Who were the military Commanders?

KELLEY: I think Dick Stilwell was the military Commander when I first arrived. John Vessey succeeded Stilwell. He eventually became Chairman of the Joint Chiefs. In any

event, the point is that Sneider got along extremely well with the military in every situation that he was ever in, that I know about, and Korea was no exception. He was on excellent terms with the military Commanders and he put a great deal of effort into that. He would go out and play golf with the guys who played golf, he would always include them in every occasion he could. He would always include them in entertainment functions that he held at his house. He was a great party giver and would always make sure that the military guys, especially the highest level of the military, was always included in everything. He would make confidants of them, he would go out of his way to consult with them and cultivate them. I'm sure that his relations with them were of the highest order.

Q: What was your job when you went out there?

KELLEY: My first job was in the Political Section, I was in charge of Foreign Affairs, that is our bilateral and multilateral relations with Korea on the political level, not the economic level. Although I had some economic responsibilities there. I dealt with the Ministry of Foreign Affairs. That was only when I first started off, later I switched over to political-military responsibilities and handled that for the last half of my tour.

Q: When you arrived there, how would you describe the political situation in Korea?

KELLEY: I arrived there in 1975 and the country was under very tight rule by Park Chung Hee's party. There was little tolerance of dissent, almost no tolerance of dissent. Any Korean and some unofficial foreigners who tried to promote dissent or open up the political side of the society was immediately suspect and was certain of a visit from the Korean CIA and their operatives. It was a fairly tightly run authoritarian state, with the trappings of democracy. But even the members of the parliament were very cautious about how much they expressed themselves and how far out of line they got with the government.

Q: Whom did you make contact with?

KELLEY: I dealt with all of the various bureaus within the Ministry of Foreign Affairs and my "beat" was the Ministry of Foreign Affairs, largely. Also with the academic community that dealt with Foreign Affairs and the entities that dealt with North Korea, the Korean CIA was not really on my "beat" but they had a commission that dealt with North Korea, and they had KCIA operatives in that. So I dealt with the KCIA people who were in that commission. These were people who would negotiate with the North Koreans and things like that. So my "beat" was essentially South Korea's relations with North Korea and I dealt less with the Ministry of Foreign Affairs on that and more with the North-South Coordinating Committee, and it's operatives.

Q: Let's start with the relations of North Korea and then we'll move to the other countries. What was the situation between South Korea and North Korea at that time?

KELLEY: They had always been pretty precarious and it was tense. There was no real trust on either side, not even anything approximating trust on either side. There was tremendous

suspicion. The relationship was characterized by constant attempts at manipulation and point scoring of the most asinine and childish type. Any kind of advantage that could be gained in the press was valued more highly than any kind of meaningful contact. I never saw the relationship deviate materially from that for most of the time I was there. There were occasional efforts. Of course I had a slightly biased perspective, I thought there were occasional efforts, sincere efforts on the part of the South Koreans while I was there. Attempts to open up the most benign kinds of exchanges with the North Koreans of mail and liberty limited visits, this sort of thing, family visits. The slightest effort by the North, anything that might smack of political manipulation or use of these contacts, or propaganda or spying, was immediately met by the most rabid reactions by the Korean CIA and military and other people. There was constant pressure on this effort that almost doomed it to failure. Any Northern initiative was immediately suspected of having ulterior motives.

Q: What about the U.S. role? Were we pushing for anything as far as trying to get the South Koreans to make more positive gestures toward the North Koreans? Or did we feel that this was sort of a lost cause?

KELLEY: Our main concern was our American alliance with South Korea, making sure that remained credible, that nothing happened in the relationship between the U.S. and South Korea that would tempt the North Koreans to think that they had a kind of opening that they had before the Korean War, when they thought that we had excluded South Korea from our zone of defense. So everything we did in the relationship was governed by that consideration and by the consideration that there was more at stake than just Korea here. If Korea were to burst into flames our relationships with other countries would be at stake as well. If the Japanese had become very alarmed there could be economic as well as political turmoil resulting from any kind of confrontation in Korea. Our focus was really on maintaining the stability of Korea and that required that there be no mistake about our commitment to the defense of South Korea. We didn't try to play games, and we didn't try to create openings to North Korea. In fact, if we had done anything that was of a unilateral nature with North Korea, it would have played right into the North Korean's hands because they wanted to try to exclude the South and deal directly with the United States. We tried to deal through the South Koreans and include them in everything during the time that I was there.

Q: I would imagine that particularly in 1975, when you arrived, just after the collapse of South Vietnam, which in part came about because of the withdrawal of American support from what we felt was a dying cause, did you find that you were having to do almost extra things to make sure that they understood that South Korea was different from South Vietnam as far as our support went?

KELLEY: Absolutely. We were constantly having to emphasize the differences: the history of our commitment with South Korea and the reasons for it, the relationship with Japan and the large alliance, the sacrifices that we had already made to keep South Korea free. All of these things we had to constantly remind the South Koreans of. I guess with South Korea it was the old saying that you're not paranoid if everybody really is out to get you. The North

Koreans really were out to get them and they did have a lot to be sincerely worried about, and they needed constant reassurance. Their concern may have seemed excessive from our point of view, but there certainly was ample reason for them to feel concerned given what had happened in Vietnam. Our job as we saw it was to provide the reassurance that we knew they needed.

Q: To follow through with this theme, we'll come back to some other things in the 1975 period, but during the 1976 election campaign in the United States, at that time the Democratic candidate who was later to be President, Jimmy Carter, was talking about taking our troops out of South Korea. Were you having to deal with that issue?

KELLEY: In spades, as soon as the idea was broached in the campaign the South Koreans became almost catatonic, the alarm was palpable. Of course the Administration was opposed to this idea and it was really an idea coming from the Democratic opposition in the United States. But as soon as Carter was elected President, then the concern became almost like a tidal wave on the part of the South Koreans. Then the battle was joined within the new Carter Administration, over this issue. There were two ways that the concern was expressed by everybody in a position of responsibility for the American official presence in South Korea. One way was sort of open hostility to the idea and open criticism of it, which the Deputy Commander of the Military Forces in Korea at the time finally got fired for. Then there was the more subtle, and we thought more effective, opposition that went on within the rest of the U.S. official presence there. This was expressed through official channels, both front and back, to Washington. I think it was shared for the most part by the professional, diplomatic and military officials in Washington, but it was not shared at the political level. Because the people who had come into the Department of State, in particular, to run policy, were people who were the authors of this idea in Carter's campaign, specifically Holbrooke and Professor Jim Morley at Columbia University, who was really the author of the idea.

Q: On the professional level, what was the proposal that had come out of the campaign and why did you oppose it?

KELLEY: The proposal was to reduce the American troops in Korea, that we were over-committed to Korea and we were over-committed to Asia in general, but over committed to Korea specifically. That we could protect our interests in Korea with a significantly smaller presence, and we should begin phasing out our presence in Korea. The embassy was totally opposed to any reduction of U.S. presence in Korea, primarily because of the background of Vietnam and what we discussed earlier about the alarm that the South Koreans felt. I mean, they had put troops into Vietnam, they knew what the situation was there. They saw everything that happened there, and they saw any reduction in our presence in South Korea as the beginning of the same kind of thing that happened in Vietnam. Vietnamization was all the rage, and originally the Nixon doctrine that everything is turned over to the local country to test their mettle first and we would provide the support. That was characterized in the Carter camp, formally decided, as primarily air power. The Carter

idea was to reduce casualties, to reduce U.S. forces at risk. We thought that this was an asinine idea, that it was going to cost lives.

Q: Well my feeling, I was there about that time, was that this would take the cork out of the bottle by taking the second division. The idea being that if the North attacked, they would have to attack a full American division.

KELLEY: That's right, it was a credible military unit. It was a unit that was designed to operate as an integrated entity in combat. Other professional military people who would see this from the other side of the battle field would recognize the weakness that was being engendered by weakening this division. They would realize that the division was vulnerable and could be hit. So strictly from a military point of view, the military would be weaker in this unit and in its supporting units. From a political point of view, we didn't care whether the unit was actually capable of fighting the war or not, what we were concerned about was the reassurance that it provided the South Koreans. The South Koreans would know as would the North Koreans, that this unit was not as capable as it had been. They would see any diminution as the equivalent of total abandonment. Any erosion would alarm them, and so we had to try to somehow reassure the South Koreans that any reduction was not going to signal abandonment, so we were opposed to any reduction, but realized that any backing down on the whole concept by the Carter Administration and in particular by the people who had formulated this idea and whose political careers were tied up with it, would be a tremendous loss of face.

Q: Richard Holbrooke being not only the author, but he was Assistant Secretary...

KELLEY: And he was the implementor.

Q: Yes. Did you have any contacts at your level with people coming from Washington or writing to them, sort of working on this? Also, what were some of the other things that you might have been aware of, with how the Embassy dealt with this? It's an extreme case of an Embassy seeing disaster coming out of a political campaign promise and people who really didn't know what they were talking about, from your perspective, and trying to sort of repair the damage and save face and all that?

KELLEY: Well, as I indicated earlier, Dick Sneider really was the point man on key issues and this certainly was THE key issue for the Embassy. He was the guy who carried the ball on this for the Embassy and to a large extent for the military as well. He and Stilwell got together in the first instance and worked as a team, each working back through their respective channels to try to alter this policy without appearing to be opposed to it. Dick would go back to Washington frequently to work the system back there, to work on Carter's crown, to talk to people he knew, he knew everybody, and try to find out how he could alter this decision within the framework that he recognized existed. There were people whose careers were wrapped up in this thing and who couldn't accept total back down. So he and Stilwell were ultimately partially successful in reducing the scope of this withdrawal to the

point where it was accepted by the South Koreans as not having a significant military impact. The military impact was largely contained.

Q: How did that work out? Some units were withdrawn weren't they?

KELLEY: Some units were withdrawn. There were units that were largely peripheral and whose function could be performed farther back in Japan and so we, in effect, moved out units that weren't totally integral to the workings of the division. I don't recall exactly which units now that we moved out, but that was the whole purpose, to make sure that we got enough numbers to look like it was significant for the political purposes back in Washington, but whose functions were easily performed a little further back in the chain, units which could later be reintroduced. This was an important part of this--could easily be reintroduced and operate from Korea in the event of the threat of hostility.

Q: When you were doing the political-military thing, did you see any change in the North-South relationship?

KELLEY: There was some progress in terms of trying to open up channels of communication, but I didn't regard it as significant. Ultimately it didn't amount to a great deal. I should go back to the earlier point that we discussed--another concern that we had at the time that the whole question of U.S. force withdrawal was being bandied about politically, and then when Jimmy Carter was elected President we became really concerned about it, was that the South Koreans might try to acquire nuclear weapons; that they would lose confidence in the U.S. security guarantee and they would feel that they had no choice but to buy their own security and the only way they could do that was to acquire nuclear weapons. We were very concerned about that as a likely consequence of any U.S. withdrawal or even the threat of withdrawal.

Q: I take it that this was also an arrow in our quiver in fighting the battle with Washington, wasn't it?

KELLEY: Absolutely. It was something we kept very careful track of. There was reason to be concerned.

Q: There were American nuclear reactors there in Korea at the time weren't there?

KELLEY: I don't recall.

Q: I can't remember if they were being built or being contracted or what the status was. How would they obtain nuclear weapons?

KELLEY: I don't recall now how we thought they were going to acquire the capability, but we knew that this was an option that they were seriously considering.

Q: Again, sort of to follow through on this theme, and then we'll move to others--you were there during the July tree chopping incident on the DMZ in 1976?

KELLEY: I was.

Q: Can you tell what you were doing and what was the incident and what was the reaction both from the Embassy and from the South Koreans, and what were the issues?

KELLEY: I didn't get involved in the initial decision that led to the incident. The problem was that there was a tree growing inside the demilitarized zone in the joint control area which is controlled by both North and South Korea and the United States. This tree blocked the view from one of our guard posts to another guard post, so we wanted to go out and trim the tree and we notified the North Koreans that we were going to trim this tree. We sent a crew out with a truck and some axes and other trimming equipment, to trim the tree so that the tree itself would remain intact, but the branches that obscured our view from one post to the other would be removed. The North Koreans had always responded hostilely to this idea that we would trim this tree. They never actually told us that they were totally opposed to it as I recall. When our crew went out to trim the tree, after due notification (we took the position that we didn't need their approval, we could notify them and then go ahead and do the job, which we did), no sooner did our people arrive at the tree and start trimming it, than there was immediate activity from a barracks on the North Korean side within the demilitarized zone. Several trucks went racing down the road into the joint control area and pulled up beside our truck and the North Korean troops leaped out. They were unarmed, but they grabbed axes and other equipment out of our truck and began attacking our troops who were trimming the tree. They were hitting them with axes and other equipment. One of our guys was killed. I forget what the casualty rate was, but it was very gory.

Q: I think three American officers were killed.

KELLEY: The North Koreans were all trained in martial arts and they put the biggest and roughest and meanest people on this duty. The discipline was far from the best. They were pre-conditioned to attack, they were pre-conditioned to be on hair trigger, they were pre-conditioned to hate and detest the Americans, and this pre-conditioning in my view and in the view of a lot of people who examined this incident afterward, was directly responsible for the total lack of control with which they acted.

Q: In other words, this was not designed to produce deaths?

KELLEY: It wasn't intended to produce deaths, but with the people that they had, it was like trying to swat a fly with a sledge hammer, you couldn't avoid damaging everything in the vicinity. So they sent these guys over to stop this tree cutting and these guys just went berserk. So death was the result.

Q: When this happened, how did you hear about it, and what was the reaction within the Embassy, and what did you see happening?

KELLEY: I got a phone call from the Political Counselor that this thing had happened. I raced into the Embassy and we immediately were trying to get a handle on what had happened. That was the first thing that we wanted to do. So we talked to the military to make sure we understood precisely what has happened. That was partly my job, but the Political Counselor was pretty much on top of that by that time. He had been called earlier by the military. Then we formed a joint team, which I was not a member of, between the Embassy and the military command and the Chargé, Tom Stern, and the military got together to try and work out a response. The Ambassador, who was in Washington at the time, was not really pleased with the way that we were responding to this thing and he rushed back to Korea and ultimately he was then involved.

Q: What was the concern?

KELLEY: I don't recall now exactly what he was concerned about. He was concerned that we weren't being tough enough and we weren't being supportive enough. And also he was concerned about what the South Koreans would want to do by way of reaction, they were incensed, of course, and didn't want to have their noses rubbed in this incident by the North Koreans. They wanted revenge. Our military wanted revenge. We at the political level understood that our reaction had to be controlled but had to be seen by the American and South Korean forces as tough and appropriate to the circumstances. This was all worked out between the U.S. military command and the Embassy at the highest levels.

Q: I was on the country team at the time and I recall that the decision was made to cut down the tree, we sent in a crew to cut down the tree. In other words, within the context, that was sort of the least that one could do, but we weren't sure what the North Korean reaction would be--which appeared to be nothing.

KELLEY: We took tremendous precautions to make sure that the North Korean reaction, both the immediate reaction and the ultimate reaction, whatever it might be, could be contained. We put U.S. and South Korean forces on a very high level of alert, as soon as this incident happened. We kept them on alert throughout our responses. We mobilized forces that we knew to be overwhelming on our side from outside of the demilitarized zone, both South Korean and American. We moved this force into the demilitarized zone. We neutralized all of the North Korean check points (which we considered to be illegal check points that had been installed by the North Koreans within the zone, where they could drop barriers and stop our movement within the jointly controlled zone) so that they couldn't react. The plan was to go in and to saw off all of those barriers, to remove them physically, and at the same time to chop this tree down to a nub. The tree had become a symbol and so the idea was not to leave any part of it standing, not to just trim it, which had been our original objective. At the same time we made sure we had a sufficiently powerful force to block any North Korean move to interfere with this action. We had air forces prepared to intervene if necessary, as well as a very large, powerful force, which we knew to be superior to anything the North Koreans had immediately available to respond with. We moved in and took up blocking positions to block the bridge that the North Koreans had come across the first time when the incident took place. We took other forces through the

barriers and sawed off the barriers and the South Koreans were with our forces and they had hand grenades with them, they tossed them into the guard posts and blew the guard posts up. They wanted to kill some North Koreans, but fortunately there were no North Koreans in the guard posts. There was no North Korean reaction. The North Koreans did not budge, did not move a muscle.

Q: Was the feeling there or thereafter that the North Koreans felt that things had gotten out of control?

KELLEY: That was our analysis. We think that the North Korean highest command was alarmed at the way that their forces had behaved, but they couldn't acknowledge that, they couldn't indicate to anybody that they were alarmed. They couldn't express any lack of faith and trust in the military forces because, the military forces would have lost face. But it was pretty clear that they were sending people from Hungnam down to the DMZ. The whole issue was bumped up to a very high level within North Korea. They were sending people down to the DMZ who had much more authority than those who had originally been in place there, particularly the military. We could see North Korean officers in the DMZ who had been particularly difficult being removed from the scene, or if not being removed from the scene, being downgraded, being superseded by other people. On the one hand they had applauded and decorated the people who were in charge, on the other hand there were clearly people being moved into position on the ground in the units that were immediately adjacent to the joint control area who were giving orders to the people who had been there before.

Q: What was the reaction to our reaction and what we were doing, from the South Korean military and civilians? The people you were in contact with?

KELLEY: Initial reaction was euphoric, once we responded. There was alarm, concern, trepidation, anger--every imaginable reaction--before we responded. There were demands for all kinds of retaliation. Then when we did react there was a sense of relief that we had responded extremely forcefully. There was some grumbling that we hadn't been tough enough, but the nature of South Korea at the time was acceptance of authority, and the authorities had decided that this was the way that they were going to deal with it and the response to this dissipated concern and provided reassurance. The people who would have advocated much stronger reactions didn't do so after that.

Q: This was an immediate post Vietnam time and our Army, because of Vietnam and because of protests and all was considered particularly weak as far as discipline went, it was a very difficult time for the Army. The next decade or so was spent sort of rebuilding our military into a more professional thing and restoring discipline and raising the professionalism of the military. Were you getting anything from the Koreans or from our own military about the state of the American military establishment in Korea at that time?

KELLEY: There was obvious concern on the part of the professional military, especially the higher levels--at all levels really, about demoralization, lack of discipline, etc., in the

military units. Not only the demoralization from what had happened in Vietnam, but the introduction of drug use by military personnel. The low esteem in which the military was held by the U.S. citizens at large as a result of Vietnam and the effect of this on military discipline and military morale, all of these things were complained about by the military commanders at all levels. It was a serious problem, and it was recognized by the South Koreans as a problem too. The public, the government, the South Korean military were all concerned about how the U.S. forces would react in combat. There was open doubt expressed as to their reliability and whether they were good, there was doubt expressed in South Korea about just how good our forces were. This was obviously a concern, because if the South Koreans were concerned about it then the North Koreans were hearing about it too and it could tempt them to think that they could repeat that Vietnam experience in Korea.

Q: While I was talking to Dick Ericson in another interview who was there during the 1960's when the North sent a significant number of infiltrators in to attack the Blue House, which is equivalent to our White House, and they deliberately went through the area controlled by the second division because they felt it was easier to get through it then to go through the South Korean troops.

KELLEY: I can see why they would feel that way. South Korean forces in any event were subject to a whole different kind of discipline than our forces were, and much more willing to accept the discipline than our forces were. If a North Korean infiltrator were caught in a South Korean military zone, they would have the snout beat of them before they even got back to someplace where somebody could stop this, they would be lucky to escape with their lives. That was one reason to go through the U.S. zone. The South Koreans were possibly more alert to the possibility of infiltration than our people were. Then on top of that you had the question of just how competent our forces were. The demoralization meant that they weren't as accepting of discipline or training, they were more lax, and it was easier to get through our zones, even at the time that I was there.

Q: Turning to other element, the Foreign Affairs thing, can you talk a bit about your impression of South Koreans reach abroad through its diplomatic and other services and what its goals were, from your perspective?

KELLEY: Everything seemed to focus on the United Nations for South Korea, other than its relationship with the United States and Japan. The United States and Japan were key concerns for South Korea. China became a key concern for South Korea. The fundamental principle that governed South Korean foreign affairs with these three countries and maybe Russia as well, was to have as many Embassies as possible around the world, to outnumber the North Koreans if possible. The military would try to have South Korean Embassies expelled from countries where they had a foothold. The South Koreans didn't try to do that, they just tried to make sure that they had as much or more representation around the world than the North Koreans did. It became a competition of AID diplomacy. The North Koreans would provide various kinds of assistance and the South Koreans would do the same. The South Koreans had a bigger economy, the North Koreans would rely more on their military.

They provided guard forces for a number of heads of state around the world for example, military assistance of all kinds. The South Koreans did not provide military assistance, they relied on their economic assistance and their economic power to attain the same ends the North Koreans were trying to attain.

Q: What was the impression of the North Korean efforts abroad? One always hears about how clumsy they were, but this is probably an unfair claim. What was your impression?

KELLEY: Of course we approached these things with our own biases and I approach it with my bias, and my bias is to try to assess the sophistication of an effort in terms of how effective it is at achieving the desired objective. The North Korean approach was to glorify the propaganda approach, a public diplomacy approach if you will, was to put these ads in newspapers all around the world, several page ads, long diatribes, glorifying Kim Il Sung. And to engage in a lot of official visit diplomacy and to try to create a few showpiece aid projects, a la the early post World War II Soviet efforts around the underdeveloped world. Kim Il Sung was the last unreconstructed Stalinists around and this was his preferred approach and he was the master of North Korea. I didn't think this public relations approach produced particularly good results for the North Koreans, but certainly the military approach did. They went straight to the personal security concerns of Heads of State and in many of the underdeveloped countries of the world this was a key way to the heart of the leader and military assistance was very important to these people. They cared less about the economic assistance so to that extent it was very effective.

Q: Were there any areas where the battle was joined, during the 1975 - 1978 period, that you recall that he sort of engaged our attention?

KELLEY: Well China was one area. The United Nations of course was a key area where the South Korean effort was to maintain its representation and its recognition by the United Nations as the sole entity there, but was willing ultimately, to accept both a North and a South Korean presence in the United Nations. The North Korean effort was to just displace South Korea in the UN.

Q: I would have thought, particularly given the history and also the economics and everything else, would have been basically a non-starter in the United Nations.

KELLEY: Unfortunately, from our perspective a lot of countries had joined the UN after the Korean War and a lot of countries had joined the non aligned movement. They tended to see North Korea as non aligned rather than part of the Communist Bloc. Our efforts to point out that this was not the case, and South Korean efforts, didn't produce much result because we were essentially discredited by our involvement in Vietnam and because of our great power status, and our alignment in many cases with former colonialists. So, everything considered, there was a great deal of blatant sympathy for the idea that both Koreas should be represented at the very least, or even that South Korea shouldn't be represented at all in the United Nations.

Q: Did we get involved?

KELLEY: We got involved very actively. Every time there was a vote on this issue, we mounted a major campaign. Every year we put up an agenda of the issues that we cared about and we would send them out to our posts around the world, and the Korea question was always one of the top two or three. We would have our people in every country in the world go in and have individual instructions for each country almost as to what they should say on this issue and how we would go about getting a head count in the first instance and how we would go about changing votes in the case where people had taken stands that we didn't approve of or were about to take stands that we didn't approve of that would be unhelpful to us. A lot of arm twisting went on in this whole process--on our part.

Q: What was your impression of the Korean Foreign Service and people at the Ministry?

KELLEY: The people at the Ministry were very good, but they were constrained by the total preoccupation with the North Korean question in their foreign affairs. It just dictated everything, except in the matter of bilateral relations with the United States and a few other very important countries. As far as relations with the rest of the world were concerned, it was all the question of competing with North Korea in various forum. Given that constraint, I thought that they were developing considerable sophistication and professionalism. They started off with a great deal of difficulty but they had people who had been trained all around the world and they had a lot of advantages because of this. I thought that they had certainly far fewer good people than the Japanese had, but they had some very good people.

Q: How about relations with China? Obviously at that time South Korea did not have relations with China, but was there a getting acquainted process going on?

KELLEY: There was, through various indirect means. They upgraded the role of their Asian Affairs Bureau throughout the period that I was in Korea. Although I ceased to have a lot of intimate contact with the Ministry of Foreign Affairs in the last half of my tour, and it was clear to me that this was continued all the way after I moved out of that job. In particular, the China office in the Ministry of Foreign Affairs was extremely active in trying to find indirect ways of maintaining contact with China. I remember one occasion when some fisherman had fallen into the hands of the Chinese fishing boats and this incident, like every other opportunity, was viewed as an opportunity and not a problem. There were efforts to try and get these people sent back to South Korea. The same thing happened when some Chinese fisherman fell into South Korean hands, they immediately used this as a way to send a signal to China that they wanted good relations by not only releasing these people back to China but sending the most conciliatory kinds of messages to the Chinese. There was a great deal of emphasis placed on developing as much indirect trade as possible through Hong Kong, and to a much lesser degree through Japan, with China. To try to develop a certain dependence by the Chinese on South Korea for as much as it could in the way of products that South Korea produced that might be of use to China.

Q: What about relations with Japan during this time?

KELLEY: Relations with Japan were the most fascinating bilateral relationship I think, that the Koreans had. It was really amazing the dichotomy that existed between the public perception of Japan and the official perception of Japan and the hoops that the Korean government jumped through in order to maintain both its official behind-the-scenes policy of friendship to Japan and slavish imitation of the Japanese in the economic and industrial sphere, with its open hostility and its macho attitude toward the Japanese in every public sphere. It was a wonder to behold. It was split personality, schizophrenia, personified. Park Chung Hee was a slavish admirer of the Japanese in reality. He pushed his country to imitate the Japanese in every possible way, industrialization in particular. He invited the Japanese in with open arms, he tried to get Japanese industry to come in and assist with his industry, his ship building industry for example, and then proceeded to boot the Japanese out of the world ship building industry. It was amazing. He brought the Japanese into the industrial area in the Southern tip of Korea where they had a big military industrial complex and provide the main impetus for this industrialization. They copied Japanese techniques. They invited Japanese companies to come in. The Japanese were given every advantage and every incentive to come in. They were given the best possible treatment while they were there, and then the Koreans tried to rob the Japanese blind in terms of their ideas and techniques. They tried to replicate the Japanese success story economically. Then, officially, every time the Japanese would do anything which was the slightest bit offensive to the Koreans, the outrage would be palpable. You could cut it with a knife. The Korean government would go catatonic. They would go up in arms. They would encourage mob violence against the Japanese Embassy, there was every conceivable offensive reaction that you could think of in the public sphere.

Q: How did the U.S. fit into this?

KELLEY: Very gingerly actually. We wanted to cultivate a normal relationship between Japan and Korea, and of course the Koreans because of their domination by the Japanese before and during World War II, just hated the Japanese and would not accept any kind of relationship in which they were not superior to the Japanese, where there was any implication of even equality. Although ultimately they would accept equality, their idea of equality looked to everybody else like domination on their part. We were particularly concerned about things like the military-to-military relationship and we acted in many cases as a conduit for military-to-military contacts between the Japanese and the South Koreans--to avoid incidents for one thing. We didn't want the Japanese and the South Koreans to be shooting at each other over disputed claims--for example the islands off shore--or the fishing zones, or anywhere else. If there were some trade agreement or mission from Japan to North Korea, this might be used as an excuse to provoke an incident by the South Koreans. Anything at all could flare up between the Japanese and South Koreans. Our idea was to, at least, make sure that this didn't result in some military conflict. So we tried to provide the lubricant to avoid that--to be the lubricant, or the buffer, and to be the channel.

Q: Being a Japan hand, did the treatment of Koreans in Japan raise any issues or problems during this time that we're talking about?

KELLEY: Again, the South Koreans were ambivalent about the treatment of Koreans in Japan. They were very often ambivalent about anything that involved Japan, but for a different reason--the Koreans in Japan were overwhelming sympathetic to North Korea.

Q: Why was this?

KELLEY: Most of them were from the industrial North to start off with, and then additionally the North Koreans had made much more effort through the Japan Communist party to establish contact with the Koreans in Japan. There was a whole mentality in Japan among leftists to be opposed to America and this tended to infiltrate the Korean community because the different political parties didn't pay much attention to the Koreans. Communists did, and the North Koreans used the Communist conduit. The leftists paid some attention to the Koreans, but not much. Generally the political activists in the Korean community tended to be bombarded with the leftist view of the world. The North Koreans made a particular effort to contact this community and to cultivate it to provide scholarships to the children of Korean residents in Japan who were sent to North Korea for education. The South Koreans had not done that, they had been so preoccupied with reconstructing their country and getting their own act together after the Korean War, they had not paid much attention to the Korean community in Japan. So it was really a North Korean playground. As a consequence, the South Koreans were quite ambivalent about looking out for the rights of this group. Their view was that they would just be helping out the people who were sympathetic to North Korea. What was the point of that?

Q: Did you feel any influence of the South Korean government beginning to grow--it's much bigger now, but beginning to grow Korean community in the United States?

KELLEY: It was always dicey because both Koreas liked to use the Korean community, wherever it was, as a basis for their political efforts in that country. They had a concept of control which was quite far from our concept of how a foreign community should be treated within our borders. So both Koreas were using the Korean community in the United States as a battlefield, if you will. They would compete with each other for the loyalty of this community, their operatives, the non diplomatic people, the KCIA and the intelligence equivalent in North Korea, would operate within the Korean community within the United States to try to put the people who were sympathetic to them and positions of influence and to exert control over the community, in a political sense. This by no means included the entire Korean community. Many of the people were just not politically active or very apathetic, just wanted to have good lives and blend in. But both Koreas tried to establish a political base within the Korean community in the United States. The South Koreans were more effective at it because there were so many barriers placed in the way of North Koreans.

Q: Did we ever get involved from the Embassy point of view of telling the South Koreans that they were being a little heavy handed or something like that with working with the Korean American community?

KELLEY: Several times. It was a point of friction between the two governments. Not major friction, but it was certainly sufficient friction to cause us to go to the Korean government and try to get them to tone down and back off of their efforts to use the Korean community as a political base. It was totally inappropriate as we said.

Q: Did you get any specifics on that?

KELLEY: I really don't recall anything now. At the time that this became a real matter of concern, I wasn't really dealing with that issue. I don't recall any particular incident.

Q: When you moved over to the political military side, obviously we've discussed some of this, but were there any other aspects, equipment? By this time this was well into the Carter period, and what about military equipment?

KELLEY: We knew that there was an effort, at least on the part of some people, to try to develop a nuclear weapon in South Korea and we certainly didn't want to encourage this. We wanted to discourage it wherever we could. The South Koreans denied that there was any such effort and we had to be very careful about how we voiced this whole thing. We knew that there was a solid basis for their concern, they had reason to be concerned just based on the facts of our withdrawal from Vietnam and what they knew of our policy regarding troops in Korea. We knew that we had to provide not only indications of our disapproval of their acquisition of nuclear capabilities but also some indication that we recognized that their concern had some validity and that they should have some independent military production capability, so that they could be assured that if the unthinkable should happen and they weren't able to get equipment from the United States they had their own sources. So we encouraged them to develop their own battle tank and other kinds of equipment, but the tank was the primary focus of our efforts to direct their concern about our reliability and their desire for some degree of autonomy and self reliance. Away from the much more dangerous nuclear area into something more acceptable. So we provided cooperation in the development of armor and design and so forth, for this tank. One of my principal jobs at the time was to try to make sure that all of the efforts that we put into this stayed within acceptable political bounds. So that the U.S. military didn't get carried away with this cooperative effort and start wandering off into unacceptable areas where they were producing stuff that was to be exported and begin to threaten our exports for example. Or to export into areas of instability where we didn't want this kind of equipment to be exported. They needed to have a certain level of production with this equipment, they felt that they couldn't just rely on the domestic market. We tried to keep them from exporting it at all, and so there was a lot of friction there. So we had to make sure that any agreement that we entered into, and any assistance that we provided, always was provided with the condition that this is not for export and that this was enforced and our military did not in its enthusiasm for providing assistance to their Korean military colleagues, did not overlook the importance of making sure that this technology or

equipment was not exported. We had problems with this up and down the line, all kinds of things. The South Koreans were trying to make their production economical, so anytime we provided them with technical know-how or they were always trying to find some way around our restrictions to peddle this stuff. At least some people in their organization were, and their governmental organization was not so well-coordinated that they were able to keep track of what everybody in it was doing. So we had these Korean "free booters," these businessmen "cowboys" out trying to peddle this stuff around the world and at the same time we had agreements with the South Koreans not to do this. So it was a constant concern.

Q: What about the problem of corruption from your perspective? Did you get involved in concerns over this?

KELLEY: Not really. It was the kind of problem that we were removed from by several layers of intervening Korean bureaucracy and business. It was a problem for the Koreans that we were able to contain at the time, but then ultimately caused them some difficulty. What we had to do was make sure that Americans were not tainted by this. To the degree that we could, we tried to keep the Korean government as the mediator, so that Americans would not be involved in being solicited for bribes and this kind of thing. I did not get directly involved in any efforts to make that we weren't exposed to corruption. There was some of that going on in our efforts to make sure that our businessmen generally operating in Korea did not become involved. Most of the corruption that we could find was within the Korean community, among them, and did not involve Americans.

Q: It was the task of the Political section to deal (particularly when the Carter Administration came in) with considerable new emphasis on human rights and Korea was one of the targeted areas. A close ally and with serious human rights problems. Can you speak from what you observed both how Ambassador Sneider who had other concerns on human rights, how he dealt with human rights, but also within the political section, the human rights equation?

KELLEY: The Ambassador recognized that the United States had to act in some degree as the conscience for South Korea in the area of human rights. There were a number of people who were sympathetic to the United States who were actually victims of human rights abuses whose effectiveness was being hampered by the intrusion of what we regarded quite frankly as thugs in the Korean hierarchy, and many of these people who were being interfered with in various ways were close friends of the Ambassador and personal friends of other people in the Embassy. Guys we played tennis with, and guys we knew, who were scholars that had studied in America. So the Ambassador had constantly before him reminders of the degree to which human rights were a real concern for America. They could prevent the people who were very sympathetic to the United States from exerting the kind of influence over policy they might be tainting them with a sort of anti-government caste, because they advocated a bit more freedom than the government was prepared to offer by virtue of their exposure to the United States. The Ambassador, using his informal contacts for the most part and not going in and making official and certainly avoiding open public

criticisms of the Koreans, lobbied fairly constantly with the South Korean officials to let up a little bit, to lighten up some, not to be so paranoid about everything that went on in Korea politically. To recognize that they had to allow a bit of freedom of expression, a bit of freedom of political organization, that the world was not going to collapse around them if they did this. But his technique was essentially to use his extremely broad and impressive network of political connections to do this. When he was instructed to go in and pound the table, he did it, and he did it with great effectiveness. His most effective arguments were cast in terms of South Korean self interest. If they appeared to be thugs, they would hurt their own interest in the United States and it wasn't in their interest to do this. He pounded this home constantly, at every occasion with his South Korean friends--guys who liked him and admired him and thought highly of him and knew that he had their best interests at heart. I think he was extremely effective in these areas, and in a general sense, when he wasn't given some particular mission to go in and pound the table. If he needed to go in and pound the table he did that too, but I think he did it with little enthusiasm, although I don't think he ever showed that.

Q: Did you ever get the feeling that he felt that the Bureau of Human Rights was a little bit too much of an ideological group?

KELLEY: Absolutely. The Ambassador was constantly trying to keep the South Koreans from being singled out as the most egregious violators, etc., because he knew the South Koreans well enough to know that if you rub their nose in it publicly that you would just get them to dig in their heels. They just would not change, they would be offended, and it would be just like what happened between them and the Japanese or them and the North Koreans. As soon as they were publicly humiliated or publicly held up to ridicule or singled out in anyway they would turn absolutely stubborn and you wouldn't get any place with them. It wouldn't be just the matter of applying more pressure, the more pressure the worse it got. So he tried very hard to use the quiet approach, the personal approach.

Q: Were you there when Patt Derian came out? Do you recall her visiting?

KELLEY: I don't really recall the visit, I just know that generally anytime that the Bureau of Human Rights got involved in anything in Korea it was a dicey time for us and we didn't really welcome it.

Q: Is there anything else that we should cover in Korea that you dealt with?

KELLEY: I think the relationship between the Embassy and the U.S. military is the one thing that we haven't talked about that I think we should cover.

Q: I had heard at one time that Stilwell and Sneider were two very strong personalities and sometimes there was concern more about the personalities than policies. Did you get any feel of that?

KELLEY: It's true that they were both strong personalities and that they both had their constituencies and they could be stubborn. Both of them could be stubborn at times. I don't recall any specific issue in which they were at odds, I'm sure there were some, I just don't recall anything right off of the top of my head. I know that there was always concern on the Ambassador's part that the U.S. military command would be doing something that he wouldn't know about, anything whatever it might be. Stilwell had several hats that he wore, he was the UN Commander and he was also a Theater Commander. I think there were three hats that he wore and he could use any of these to go back to Washington in one of several different ways. Sneider was always trying to keep a handle on anything that Stilwell might be doing, that he might regard as strictly his military prerogative, which Sneider would see had much the wider political implications. He wanted to make sure that he was always clued in. That's part of the reason why I got the job in Political/Military Affairs, because our personal relationship at the working level with the Military Command had begun to deteriorate because we were being a bit too pedagogic about the way we asserted ourselves with the military at the working level. The Ambassador wanted a much more cooperative relationship, and that's how I got the job. It was my assignment essentially, to make sure that nothing doubled back up through the chain to Stilwell that got him bent out of shape with the Embassy. That the picture that Stilwell got through the chain of command, through his people, the working level people, was that the Embassy was going out of its way to be cooperative with the Military Command and that he had nothing to fear about ulterior motives or attempts to exert undue control over the military and its responsibilities, on the part of the Embassy. That we were helping Stilwell to achieve his mission, not interfering with it. So these were essentially my marching orders. We shifted over from the image of being an entity which was insisting that the Military Assistance unit come up with hat in hand to the Embassy and get clearances for everything that happened and so forth, to one in which I went to them and dropped in on them casually at all hours of the day and was available to them at their convenience to help them to achieve their mission, whatever that might be. They didn't have to hold up messages for several days for example, to get them out to Washington, just waiting for our clearance, I'd drop in and clear stuff for them in draft. They, in turn, understood that we didn't care about the details of minutiae of the everyday working relationship with their own military people back in Washington, but we did care about the big policy issues. We wanted to make sure that they were reading off of the same page that we were and that we knew well in advance when they had something going on that had a policy implication. They were very receptive to this approach and this was not only with military assistance, but I also did the same thing in the Military Command. I went to every unit that had any kind of responsibility that had any kind of political implication, dropped in on them constantly and let them know that their strictly military functions were of interest to us but we weren't going to interfere in them. But if they ever had anything that had a political implication we wanted to know about it early in the piece so that we could make sure that we were both reading off of the same page. That was a message that was particularly acceptable to Stilwell. He was happy to accept that. What he didn't want was to be told how to do his military functions, and have some civilian come along and tell him to try and fight a war or prepare for one. So we did all kinds of things to try to cultivate the feeling that we were all one family and my job was to make sure that message got through loud and clear at the working level. We'd do little things like

trying to open up the Military Assistance Club memberships to Embassy employees, but that never happened--we did the opposite which was to try to open up the Embassy Club to membership of the members of the Military Assistance Group. All kinds of little things like that, trying to make us all one family. We gave the head of the Military Assistance Group an office in the Embassy so that coordination was extremely easy--just drop by once a day or so and talk to the Ambassador, he'd feel like he was a part of the country team, which he was supposed to be. That was the particular emphasis that the Ambassador tried to foster and which I think ultimately paid some real dividends.

Q: The man who replaced Stilwell was John Vessey, I think that was a pretty smooth relationship.

KELLEY: He was a much more political person, he understood the politics of military affairs and the international relations importance of the military affairs. He and Sneider got along extremely well, I think clearly better than Sneider and Stilwell.

Q: Well Stilwell was a war fighting man in a way.

KELLEY: That's right. Stilwell had been there before Sneider got there and so Sneider was sort of the new boy on the block, whereas when Vessey got there, Sneider had already been there for awhile. So it was a much more congenial relationship for Sneider and Vessey was quite willing to accept the relationship.

Q: What was the impression that you got in all your political military dealings, if war came and the assumption was that the North could attack at any time--how big a threat did we feel it was at that time and what was the feeling on the ground about what the North could achieve and not achieve?

KELLEY: Well, of course the military looks at threats differently than diplomats do. The military looks at capabilities and if you're capable of punching through, then they had to be prepared to meet that capability, regardless of what your intentions might be. The Department of State tends to look more at intentions and to modify its assessment of threat based not only on capability but on intention. The military sees it as intentions can change. If the capability is there, then the threat is very large. So the military, focusing on the capabilities, thought that the threat was immense and that if the North Koreans decided that they wanted to launch a war for whatever reason, they could in fact punch through our lines and get to Seoul. We war gamed this, and they could. So one of the military objectives while I was there, which was supported by the Embassy, was to upgrade the defenses by building strong static defenses along the demilitarized zone that would greatly complicate the problems that the North Koreans had of coming through the zone. We put a considerable effort into trying to detect tunnels, we detected a number of tunnels that had been built under the DMZ, and we assumed that there were others that we hadn't detected that would be part of the problem. We war gamed it with that in mind, we assumed the existence of these tunnels. As a result of our war games, we built hedgehogs, that is extremely powerful fortifications that could be enveloped but still hold out, that would

cause any invading North Koreans forces to have to divert considerable units of considerable size, just to contain these fortifications. We built powerful tank traps of fortified wall-like positions, made of reinforced concrete, all along the DMZ that would act like the Great Wall of China almost, against the North Korean forces. Gradually we tried to build up an ability to fight right at the point of attack right on the DMZ. Of course we recognized that if Seoul was ever taken, the carnage would be immense and morale would be devastated. Not to mention that the economy would be in ruins. So our whole focus was to try to build a forward defense and to stop the North Koreans right at the DMZ. By the time I left, we still weren't confident that we had achieved that.

Q: You left in 1978, where did you go then?

KELLEY: I went back to Washington for a year.

Q: What did you do in Washington?

KELLEY: I was in Congressional relations.

Q: You were there from 1978 to 1979, what did that job consist of?

KELLEY: I was dealing with Congressional appropriations for military assistance, Congressional oversight of military assistance. Trying to get some leeway from the Congress and from the Administration in the implementation of our military assistance abroad.

Q: Were there any particular areas that you concentrated on?

KELLEY: We also had people who were responsible for different regions of the world so I shared my contacts with the Congress with those people. We had considerable concerns with the tendency of the Congress to overemphasize AID to a few key countries, particularly Israel and Egypt, at the expense of the rest of the world. So our particular concern was not to so overload the few favorite countries--there were proposals for programs in a few favorite countries with stipulations against any cuts or reductions in those countries to the extent that we would crimp or hamper our efforts in other parts of the world. That was a constant effort throughout this period. It was a particularly difficult problem because the administration itself provided some of the obstacles to our success by its opposition to the export of arms to a large number of countries in the world. So we had the U.S. Arms producers lobbying the Congress for fewer restrictions. We were lobbying Congress, not for more restrictions, but to give them the impression that they should not place restrictions on us, that we would police ourselves. In the aftermath of the war in Vietnam it still was a problem for us. There was a considerable anti-military-assistance mood in the country and we found that our security assistance programs were being either cut or so restricted by the Congress that we were hog tied. We weren't in a very good position to argue against this because we were partly responsible for this, as an Administration and an Administration party with the Administration's own friends

imposing these restrictions. So it was a particularly difficult time and we found ourselves having to rely on the Republicans to a large degree for such relief as we were able to get from these restrictions.

Q: Were there any Congress or staff people who were particularly potent in this field that you had to deal with?

KELLEY: In the House of Representatives, David Obey, who was Chairman of the Subcommittee on Foreign Assistance was particularly potent. On the Senate side was Dan Inouye, who had a subcommittee that dealt with all kinds of Foreign Assistance and every kind of appropriation, almost, and he was particularly helpful to us. Two democrats, Inouye who not only because of his impressive war record, but also his being from a state which always had a high regard for the military, and Obey, just because he was sometimes a very practical operative with whom we could at least do business. Those are the two guys who were the most help to us who dealt with specific appropriations. Of course we got a lot of help from the Foreign Affairs Committees and Foreign Relations Committees.

Q: Did the NSC play any role in this type of thing?

KELLEY: Yes they did, the White House always coordinated Congressional relations. They had an interagency committee that met to map out strategy with the Congress and we sat on the committee, State was represented on the Committee as was the Pentagon. So you would get coordination out of the White House, out of the NSC. They would go up and lobby people as well. We could get the President or other people in the White House to make phone calls and this sort of thing. It was a team effort and the White House was active in coordinating it.

Q: From your perspective, were there any countries that had concerns that we were losing ground as far as influence through military assistance?

KELLEY: We were always concerned about India of course. That problem was particularly awkward because of the nuclear question regarding India and Pakistan. As I think about it now, our primary concern was just the Middle East in general, we were giving so much priority to Egypt and Israel we were slighting other countries where we might have exerted more influence with a more open hand.

Q: Was it sort of the feeling that if we didn't that particularly the French, but also the British and maybe the Soviet Union were kind of panting to take up any slack that we might give them?

KELLEY: That was always the argument we used, it was a valid argument worn out by events. The exports of arms from those countries went up as ours went down and we were replaced in a number of places or we were substantially substituted for in a number of places by France in particular, and the Soviet Union as arms suppliers as our policy became more restricted. Our policy toward Latin America in particular caused some considerable

difficulties. On one hand we didn't see any real reason why there should be arms exports in Latin America and we wanted to keep it under control but we were always having to deal with for example, the Brazilians wanted to develop their own arms industry and were looking for assistance from people like the French who were quite willing to give it to develop the industry.

Q: You left Congressional Relations in 1979, where did you go then?

KELLEY: Back to Japan.

Q: When were you in Japan?

KELLEY: From 1979 to 1982.

Q: What was your job in Japan?

KELLEY: Again, I had two jobs in Japan. I went back with the understanding that I would have succession of jobs, I went back to the Labor Counselor for a year and then switched over to become the Deputy Chief of the Political Section for the last two years that I was there.

Q: Who was the Ambassador when you were in the 1979 - 1981 period.

KELLEY: Mike Mansfield.

Q: What was your impression of how he operated?

KELLEY: Mansfield focused on creating the impression among the Japanese that the United States had an extremely high regard for Japan. That Japan was, as he used to say, "our most important bilateral relationship, bar none." He had the stature to accomplish that. He did not get himself involved in the minutiae of relations with Japan or in the running of the Embassy, but he was very much in charge of the direction of the policy. He was an excellent representative of the United States because of his personal humility and yet his extremely high stature and with the high regard that he was obviously held in by both the government of the United States and by the Japanese. He also emphasized to a greater degree than any other Ambassador before or since, the role of the Congress in U.S. policy and spent a lot of time personally cultivating all of the people he had known in the Senate and in the House of Representatives, during his long term in the Senate, to build the impression that he already held that the U.S./Japan relationship was the most important bilateral relationship that the United States had. He would spend a lot of time with any Congressional Delegation that came through, personally briefing them on this relationship and what was going on with it, then corresponding with these people to make sure that they understood and appreciated the importance of the relationship.

Q: You had the labor job for a year. What was the labor situation as you saw it in Japan and what did the Labor Counselor do?

KELLEY: The Labor Counselor had both a traditional role and then had a role that I thought was more important. The traditional role was to keep the Department of Labor and to a lesser extent the Department of State advised of what was going on in Japan. The role that I thought was more important was to use the labor connection to advance United States interests in the economic relationship between the United States and Japan.

Q: Let's talk first about the traditional role. As long as you have two "masters" (almost three masters really) the Department of Labor, the Department of State, and the AFL CIO, did you feel at this particular stage of things that you had too many "masters"? What roles were they playing?

KELLEY: My feeling was that they didn't have enough "masters". Or at least not enough people who were involved in and concerned about what I was doing. At one point I even thought that it might have been a good idea to switch the Labor attaché functionally, from the political section to the economic section. I never actually pursued that officially, but I pursued it in other ways. I worked much more closely with the economic section than I think anybody had in that job since it was first instituted back in the 1960's. Having different people interested in what I was doing and trying to influence what I was doing was never a problem because ultimately even though different entities have different approaches, if they were interested in the U.S./Japan relationship at all, they were regarded as a plus. It was an opportunity for us, not a burden, to cultivate a perspective of the relationship which was congenial to our own. That was the Ambassador's impression that it was the most important bilateral relationship that we had. So we did that. The more people that were involved and interested, the better. So when I would receive delegations out from the AFL CIO, for example, it was a great opportunity to go out and expose them to the nature of what the Japanese were doing and let them know what the competition was like, and what we had to do to deal with it--give them a dose of reality.

Q: How did you view the Japanese labor situation? Where do they fit into the Japanese scene, at the time that you were there?

KELLEY: The Japanese labor movement was split in two, the larger portion was aligned through the labor confederation with the Socialist party, with strong communist influence. The other was aligned with the democratic socialist party and was less political really, and more congenial to the American approach to labor relations, industrial relations, although they were historically much more company unions, enterprise unions, if you will, than our own unions were. Politically, we wanted to moderate the attitudes of those in the socialist labor movement to get them to be more accepting of what we were trying to accomplish in Japan: what the United States and Japan were trying to accomplish together in the region. What we were doing and what our security treaty was all about and what it was trying to accomplish. Because Domei had a relationship with the AFL CIO, and Sohyo's relationship was more with the communist trade unions, we had a strong interest in strengthening that

relationship that Domei had with AFL CIO, and strengthening Domei's influence in helping to encourage to the degree that we could without actually interfering, was the consolidation of a labor movement, unification of the Japanese labor movement, but along democratic principals so that Domei would be the dominating influence.

Q: How did the Japanese labor leaders and people you dealt with respond to what we were trying to do?

KELLEY: Sohyo almost predictably thought we were trying to dominate the labor movement and undermine their efforts and advance our own political agenda. Domei wanted to keep us at arms length because too close of an embrace would taint them. But they appreciated the assistance we gave them and they knew that we would invite them over to the United States, provide them with grants of various kinds, to see how the U.S. labor movement operated for example. We helped them promote contacts with the free labor movement and helped them to get wider recognition around the world through these contacts. So they encouraged a quiet, cooperative relationship. They tried not to be too openly engulfed in our embrace. They were congenial to our views about the security treaty for example, and other political issues and were quietly supportive.

Q: Did you find the delegations of the AFL CIO that came over to understand the need not to be too exuberant in the dealings with Domei?

KELLEY: Well, it wasn't a problem for them so much, because they were union to union. If the government got involved with the union then that was suspect. That tainted the union if it became to blatant. Another union, the AFL CIO union, having contact with a Japanese union or a union movement didn't carry the same weight. The communists within Sohyo tried to paint the AFL CIO as a CIA plant and in fact tried to discredit Domei. But they had to be very careful about that, because they wanted the relationship with the AFL CIO themselves. So it wasn't an approach that was taken by Sohyo, it was only taken by the more extreme elements of Sohoto influenced by the communists. They tried to cultivate a relationship with the AFL CIO and the AFL CIO recognized that they couldn't exclusively relate to the Domei and they also had to have a relationship with Sohyo and they tried to develop it.

Q: At one time we had the Department of Labor and within the AFL CIO had essentially ex communists who were more holly than the Pope as far as being anti communists, and sometimes this outlook did not allow them to see things except in extreme black and white. Was this a problem then?

KELLEY: You had individuals who had this problem, but we didn't see much of that in Japan. More often you would get people from the AFL CIO coming out who recognized that they had to have some kind of contact with Sohoto, to keep it within balance so that Domei wouldn't get bent out of shape, but would try to make overtures to Sohyo. Because in many cases they would be dealing with unions and there would be union to union problems that had to be resolved. We had some international issues for example, we had to

work to resolve to the benefit of the American labor movement and we needed the cooperation of a sector which was dominated by Sohyo and we had to work with the Soviet Union. There were even representatives, or people who would be at international conferences who wouldn't have to deal with Sohyo and they would do so. You find the Sohyos logs more often in the area of working with underdeveloped countries than you would working in the industrialized countries.

Q: You said that there was also an economic side to your labor job, what was that?

KELLEY: I thought that the most important part of the economic support of my job was the automobile industry, which was sort of emblematic of the economic side of the job. It's the constant problem of not exporting our jobs to Japan or any other country. We had a problem with the U.S. automobile industry which had not recognized that it had to export and had satisfied itself with the United States market and had allowed the Japanese to export into our market without really competing. It became clear to me early on, as it became clear to the Japanese auto workers union at the same time, that if the Japanese automobile industry continued to export autos to the United States at the rate it was at the time in the late 1970's and early 1980's that there would be a tremendous reaction in the United States and there would be an effort to shut down trade relationships in automobile exports in Japan and the United States. This would benefit nobody. It could reverberate throughout the U.S. trade area and could wind up with all kinds of restrictions in all kinds of countries on imports. So there had to be some moderation in Japanese exports of automobiles to the United States, or some gesture of some sort that could be accepted by the AFL CIO, and by the U.S. auto workers.

The idea that the Japanese auto workers had was that they should encourage the Japanese automobile producers to do what Honda had already started to do. Honda was a renegade in Japan. Nobody followed Honda's lead. Everybody in Japan thought Honda was nuts. The big automobile producers, Toyota and Nissan, showed no inclination to build automobile production in the United States, and as long as they did not there was a tremendous possibility of explosion.

The Japanese auto workers decided that they would try to convince the Japanese auto manufacturers to open production in the United States, thinking that they could blunt the inevitable American reaction that way and maintain jobs in Japan at the same time that they provided some jobs in the United States. This would benefit the Japanese automobile industry over the long term. When I learned that this movement was afoot, I went to the Ambassador and asked him to take a personal interest in this thing. His immediate reaction was "How"? I suggested to him that he write to Doug Frazier, the President of the UAW, and ask him to accept an invitation that had been extended by the head of the Japanese Auto Workers and to come to Japan and try to negotiate arrangements with the Japan auto industry to produce Japanese cars in the U.S. The Ambassador liked the idea and he asked me to draft a letter. I did and he sent it off. This became the catalyst because Frazier was not about to respond to the head of the Japanese Auto Workers because he thought he would be sandbagged. He thought he would be exposed to the criticism of the United States if he

came over and negotiated some kind of deal that turned out to be a bogus deal. He didn't know what to think. He didn't know enough about Japan. When he got the assurance from the Ambassador that this was a good idea, and since Mansfield had such great credibility with the labor movement because of his former position as Majority Leader, this broke through all of the barriers. Frazier came over and negotiated deals with all of the major auto manufacturers, over several visits. That provided the impetus for the creation of all of this industrial automobile production in the United States which is so accepted today. I think that probably avoided a collision which could have damaged not only our relationship but changed the course of our trade policy and converted us to isolationism.

Q: That's fascinating. That shows you that officers in the field can take a look and see opportunities and gain the support of somebody such as the Ambassador and of course you had an Ambassador who could do it. It was almost fortuitous, if you had the normal Ambassador, well thought of and all, but wouldn't be able to reach out to somebody such as the head of the UAW.

KELLEY: I felt that it was perhaps the most significant thing that I had ever gotten involved in and had any influence over in the Foreign Service. I had to take a little flak from the Political Counselor because I had sort of gone out of channels, directly to the Ambassador with this thing because it was really so much economic that I was afraid that it would get too politically colored by bringing it through the Political Counselor.

Q: Who was the Political Counselor?

KELLEY: Al Seligmann. I didn't deliberately try to offend him. I tried to be conciliatory after the fact. My role was to be the Ambassador's advisor on labor affairs and nothing in my charter said that it was supposed to go through the Political Counselor, for that particular thing. If it was political that was something else. In the end the Ambassador became so enamored of this project that it developed a life of its own with him. He would make speeches on it--when I switched over to the political section as Deputy of the political section, I continued in the role of a speech writer for the Ambassador and helped him to craft some ideas in his speeches that dealt with this particular issue. We continued to work very closely on this thing throughout. It was a tremendously important episode in the U.S.-Japan relationship--I think it was the seminal event in the economic relationship between Japan and the United States during Mansfield's tenure.

Q: It really lanced the boil, didn't it?

KELLEY: I think it did. The unfortunate thing is the UAW ultimately didn't recognize the significance of what its own President had done. When Frazier was replaced as President, and then the succession of UAW Presidents tended to focus on what was wrong with the relationship, what was wrong with the agreement, the way it was implemented and so forth. They didn't recognize that this was an agreement that had to be applied with some flexibility. They focused on the way the Japanese continued to subcontract parts production with Japan, they continued to bring in partially constructed vehicles, frames, etc., and

assembled them in the United States. They thought all of this work should have been done in America. Well it should have been. But there was a tremendous breakthrough there none the less. The rest of the problems could be worked on and were worked on and resolved over time. Not to recognize the seminal importance of the breakthrough, I think, was churlish on the part of Frazier's successors and some of the lesser elements of the UAW.

Q: When you moved to this other job in 1980 or 1981, what were the main things that you were dealing with then in the political section?

KELLEY: For the first year the job was external relations, during the second year I moved into the internal. It was also sort of executive officer in many ways, for the Embassy and I would do things like coordinate Presidential visits under the direction of the DCM. I would really be his exec in effect, he would be the overall coordinator.

Q: Did you have a Presidential visit or visits?

KELLEY: We did, Carter came out for Ohira's funeral. I dealt with that, coordinated that.

Q: How did it go?

KELLEY: It went extremely well, given that it was such short notice. In fact that may have made it a little better, there wasn't enough time for anybody to come in and screw it up. We had to put together a number of side consultations with the Japanese and a number of other countries. We had to give the Japanese plenty of political mileage out of the visit, give the President some exposure to the new Japanese leadership and at the same time give him a chance to reassure the Japanese about a lot of the things that we were doing out in Asia. All together I thought it was a great success. They certainly thought so, they had come to us early in the piece as soon as they discovered that U.S. citizens were here and they thought that it was very important to recognize that this was to take place at the highest level. It took me a while to convince--I didn't have the wit unfortunately to make sure that they understood that what I understood to be the highest level was the President. I just assumed that they knew that the President was the highest level and I think that they assumed that I knew that as well. Unfortunately the Political Counselor didn't accept that. He wouldn't let me go back and clarify it with them, so I had to persuade him and in turn that is what they meant. Meanwhile we spun our wheels for awhile while I tried to get him to agree to that was what they meant. Once we got past that it went pretty well.

Q: During this 1980-1981 period basically the Carter Administration, Japan's external relations I take it that the Northern problem with the Soviet Union remained a delightful obstacle for any opening up to the Soviet's, didn't it?

KELLEY: The Soviet's were our best friends during that period. They were all over themselves, stepping on their own crank constantly during that period. Doing things that just alarmed the Japanese. Of course the Japanese were deliberately taking advantage of every gap, of every flight by a Russian Bear aircraft, or anything else that these fools might

do, to exacerbate the problems in the relationship and build up the Northern defenses. So for us it was wonderful [laughter] we would just sit back and watch this and watch the Russians stumble over themselves refusing to give up the Northern territories, or even talk about it. We'd watch the Japanese get madder and madder and madder.

Q: Was there anything happening with China in that particular period? This was during the Carter Administration where we formalized relations with China. Did you see much movement?

KELLEY: The Japanese were always concerned that they would be out ahead of us, but not too far ahead. Trying to fine tune that posture was their particular concern. They were particularly concerned with not being hit with anymore surprises about China, the way they were with the Nixon visit and Kissinger's visits and we obliged it. We didn't hit them with any surprises regarding China and they were always a little bit ahead of us in developing their relationship with China.

Q: How about the new nations in the Pacific Islands, any Japanese more interested in those than we were?

KELLEY: Our problems in that area were largely that the Japanese had a much better image out there than in the areas they formally had control of during World War II and before, than we did. The island areas were very anxious for Japanese economic assistance and our primary concern was that the Japanese economic assistance not be so overwhelming that ours was dwarfed by comparison and we were made to look foolish. This was a constant problem because there was no money available, or very little money. As always has been the case since after the Korean War with our assistance for that part of the world. I don't recall any particular difficulties in that area.

Q: Are there any other areas, problem areas, during this period?

KELLEY: There was one other problem area and that was that former Ambassador Reischauer used the occasion of a visit that he made to Japan to make a pronouncement about how nuclear weapons had been handled in the U.S./Japan relationship. He referred to the "introduction" of weapons into Japan. Given the Japanese allergy to nuclear weapons, anything that was said on the subject at all which introduced an element of uncertainty about whether we had or had not introduced nuclear weapons into Japan was a matter on intense alarm. Politically this was probably the most explosive issue during the time that I was there.

Q: Reischauer had been Ambassador, among other things, was this a gratuitous remark or was there a purpose behind it?

KELLEY: I didn't have a chance to talk to Reischauer and he never really explained himself, that I recall, I'm sure he did at some point. My assumption is that he was just having pangs of conscience, that he thought that perhaps he had not been as forthright and

honest and his reputation was somehow stained--not as forthright as he might have been. He was a little bit uneasy about the requirements of diplomatic life with regard to how you dealt with very delicate issues and having a policy which were not totally clear, frank, etc., about what you were doing in areas as important and as explosive as the nuclear weapon policy. It was sometimes that he may have had a lot of trouble dealing with. I think that he felt that he needed to ease his conscience somehow with his new academic colleagues--after he went back he became more vocal about our policy in Vietnam, and I think he felt uneasy about anything he might have done that dealt with this very sensitive Japanese issue.

Q: It was very obvious to anybody who was even not privy to secrets--obviously we were carrying nuclear weapons in somewhat major ships that we put in there. If we sort of said "We're not saying" it was sort of a fig leaf, but once you say it all of a sudden then it becomes a reality. How did you all deal with this?

KELLEY: With great trepidation. [laughter] We knew what the reality was and we knew that the Japanese at the highest levels of government knew what the reality was. We had to craft language that would make the reality palatable, without rubbing the Japanese public's nose in the reality. That's what we went about doing, and ultimately we wound up with a formulation that the Japanese government thought was acceptable to the Japanese public. Fortunately, Reischauer did not feel obliged to push the issue much beyond what he had already done. He could push it to some degree, but he didn't pound on it. It continued to be a festering problem in the relationship up until the time the Navy decided that it would remove its nuclear weapons from its tactical forces.

Q: You left there in 1981, is that right?

KELLEY: It was 1982.

Q: Did the coming of the Reagan administration have any effect on policy with Japan?

KELLEY: The difference was night and day. The Japanese were much more at ease with Reagan, in the political sense, security sense. The Japanese are traditionalists when it comes to diplomacy, they like the tried and true methods. They know how that works. They were brought up on the power politics of the turn of the century, that's when they were introduced to diplomacy, generally. When Reagan came in this was great power, diplomacy again. They knew how that worked--or at least they thought they did. They got it wrong when they were first introduced to it at the turn of the century, but at least they thought they knew what was going on. This was the America that they had dealt with before. The one that knew what its role was, it was confident that they could do it against the communists, that valued its alliances and put them first, and didn't go around beating up on people about human rights. To the point that it seemed to not be taking into account cultural differences, which was always the great preoccupation in Asia. They could understand a certain emphasis on human rights but what they got bent out of shape about was when we seemed

to be telling people how to behave culturally. So they were relaxed about Reagan. The left didn't like him very much, but the left didn't run Japan.

Q: Why don't we stop at this point. I'd like to say that you left Japan in 1982. Where did you go then?

KELLEY: I went back to Washington for a year of training in both labor affairs and Portuguese language. Although I had been a labor counselor I wasn't really accepted by the Labor Department as a labor officer.

Q: You're not one of them, huh?

KELLEY: I wasn't--they liked what I'd done, but I hadn't passed muster with them because I hadn't gone through indoctrination. So I had to go back and get the indoctrination, their labor courses and so forth. I also needed Portuguese language training because my next assignment was in Portugal.

Q: Okay, we'll pick up then.

Q: Today is July 22, 1996. So where did we leave off at? You were going to Portugal?

KELLEY: Yes that's right, as a labor officer.

Q: Did you get any briefing, indoctrination as to being a labor officer--did that mean anything any different than just going as any kind of officer?

KELLEY: Yes it does. Labor attachés all go through a series of courses, some of which are given at Georgetown University by Roy Godsen and a few other fellows over there. It had a heavy history ideology component to it--what the history of the labor movement was, what efforts were made to infiltrate it by the communists and all of this sort of thing. Then there was an effort on the part of the Department of Labor to get you to drop by and spend some time with them. They would schedule meetings with various people in the Department of Labor to let you know who had an interest in your activities and what kinds of resources the Department of Labor had available for exchanges or assistance to labor movements and/or departments of labor, particularly the Ministries of Labor in other countries. So there was an effort to have the Foreign Service officers get the idea that they were really representing another department of government--the Department of Labor.

Q: Did you feel that the labor officers were also representing the AFL CIO?

KELLEY: Very much so. The AFL CIO didn't want to give any kind of official blessing to that, but where they could derive an advantage to it they wanted to have the labor attachés feel an obligation to them. They didn't want to be put into the position of having to endorse what we did or to take any kind of suggestions or directions from us or from the Department of State. They tried to maintain their autonomy while trying to take advantage

of our presence and to get us to support their efforts, but without letting us know exactly what they had in mind to do or bringing us into the circuit in an intimate way.

Q: Did you have any feeling that there was a AFL CIO ideology that you would transgress at your peril?

KELLEY: There was quite clearly a set of goals and objectives that the AFL CIO had and they expected us to support those. Fortunately they were congruent with the United States government goals and objectives, although U.S. goals and objectives weren't spelled out to the degree that the AFL CIO's were in the labor field. So there wasn't any real conflict as regarded to supporting their policies which might not have been the case in other countries. But certainly in Portugal they were supporting the development of a democratic labor movement which was embodied in the UGT, a labor union confederation that had been created with a great deal of assistance from the AFL CIO. That was entirely congruent and congenial with our own goals and objectives in Portugal, so we were able to support that objective with great enthusiasm.

Q: Before you went out was it your impression that anything you reported in would probably be looked at by the AFL CIO?

KELLEY: Yes, I was pretty sure that would be the case. It's well known that the AFL CIO virtually controls the nomination of the principal advisor to the Secretary for Labor Affairs. He's over there all of the time at the AFL CIO taking documents back and forth. So they were going to be reading all of our traffic, if not reading every word, they're certainly going to know what's going on--they're probably going to read everything. So you would have to write everything with that in mind.

Q: What were you getting from the political EUR, the desk officer and others? Did there seem to be much interest there in what you were going to be doing in the labor movement?

KELLEY: Not really, the desk was pretty thin, they only had one guy. We had base negotiations going on regarding our bases in the Azores at the time and political changes taking place with the social democrats displacing the socialists. There was just one guy with negotiations over the relations of Portuguese Africa taking place--war taking place in a lot of their former colonies in Africa. That poor guy was up to his hip sockets in stuff to do.

Q: Who was that?

KELLEY: I don't know what his name was, but whoever he was he was busy.

Q: You were in Portugal from when to when?

KELLEY: I must have arrived in 1983 and left in 1987.

Q: When had the revolution taken place in Portugal?

KELLEY: In 1970 or thereabout, during the Nixon administration.

Q: So by this time we had been living with the new Portugal for some years.

KELLEY: Yes, the new Portugal was somewhat different from that which had existed immediately after the revolution, although, many of the vestiges of the communist influence were still very much in evidence and quite strong.

Q: Who was the Ambassador when you got there?

KELLEY: Allen Holmes was there when I first arrived and then he was replaced by Frank Shakespeare. Then we had a period where we were without an Ambassador for awhile.

Q: One of the questions that I would like to ask you is what was Allen Holmes' style of operation?

KELLEY: He was a career Foreign Service officer, of course he was very easy to work with. He was an ex political officer and quite approachable. To start off with we were all singing off of the same sheet of music because we all came out of the same background--at least people working in the political area were. He was easy to relate to, easy to talk to, and so internally in the Embassy he kept morale at a pretty high level.

Q: How about with Shakespeare?

KELLEY: Shakespeare was a pro even though he wasn't a career guy. He was more ideological. He spent a lot of time bringing in the folks from the various conservative foundations. Anytime some hotshot Republican would be traveling around in the region he would have him diverted into Portugal and they would have a little seance with whoever this grand high poobah might be and some exchange. His whole idea I think, was to try to convert the Foreign Service to the conservative viewpoint. His whole optic was limited by what the Coms were doing and making sure that we undercut their game, whatever it might be. Or if they didn't have a game then we found something else to occupy ourselves that might discomfit them if they were to suddenly produce a game

Q: Did you feel that there was a difference between how Shakespeare coming from (he was part of the Reagan administration) in sort of the conservative to liberal spectrum and the Embassy? Did he represent a different outlook than maybe the normal officer?

KELLEY: Oh yes, clearly he was much more conservative, much more ideological and had his own particular optic. He was a very devout Catholic and that played a big role in how he saw the country. But he was a consummate pro too. The guy had been in government in key positions, he had been Nixon's TV advisor in his first successful campaign for the Presidency and had been the head of USIA. The guy was capable of running a pretty large

operation and it was a very worthwhile thing to be in touch with a guy who was able to pick up the phone and call any key official he wanted to or any key political figure that he wanted to and find out exactly what was going on in Washington and punch the right buttons if he needed to. He could do a lot of good things for the Embassy and for the country that we were dealing with. That would often translate into clout for us when we needed it with the Portuguese government.

Q: I think that what you're saying is something that is often overlooked and that is that some political appointees really do bring in clout within an administration which can be very important. Because a normal Foreign Service officer, no matter how competent in the country, usually doesn't bring any of that ammunition with him or her.

KELLEY: The better career people do because they make the effort to turn themselves into personalities in their own right. Mort Abramowitz was a guy I worked with that was very good at doing that kind of thing for example. He was the political advisor at CINCPAC in Hawaii when I was there. He made a very definite point of becoming an independent actor while he was there and he could move and shake on his own. He had links to all kinds of political people and he could use it to the advantage of the Commander in Chief. Or he could do something for the CINC that the CINC couldn't do for himself.

Q: What was the political situation when you arrived in Portugal and did it sort of stay that way?

KELLEY: When I first arrived the socialists had been in power for awhile and the country was not really doing all that crash out economically. The socialists were beginning to lose support and Portugal was trying to get into the European community and there was a lot of debate about that. The communists were still quite strong, although they didn't really have a presence in the government per se, they had a great deal of influence there over people who were in the left wing of the socialist party. There was not a lot of difference ideologically between the left wing of the socialist party and the communist party. The democratic labor union was in some trouble because the country was not doing well economically and militancy was valued more than good old hard headed economic bargaining. The country was spinning its wheels and directionless for the most part. Charisma meant more than good solid policy in government to Portugal when I first arrived there.

Q: How did this militancy show itself? You said more than hard headed figuring out what's in it for me, they went more for militancy--what do you mean?

KELLEY: It was a holdover from the pre-revolutionary days and the immediate aftermath of the revolution. In pre-revolutionary days the management of corporations, the ownership of corporations, was clearly in the ascendancy, they had total control over the work place and there was a tremendous backlash against that when the communists gained ascendancy in the government and when their labor movement was unleashed and took over the work places in effect, and almost all of the factories and corporations in Portugal. They took over to the extent that management went into hiding, literally. They were prisoners in their own

offices, they were not able to run their own factories, laws were passed which paralyzed companies, which gave tremendous benefits to workers and took away innumerable advantages, or even working prerogatives, that management in any country would just take for granted even in the most socialist country. There was a real attempt to eviscerate private enterprise in Portugal. Management was traumatized, these guys were in total shock. By the time I arrived there they were still treading very carefully with their work forces in most cases. Some companies in the Rust Belt, the traditional heavy industries, still hadn't regained control of their factories or their operations. They were living in substantial fear of the trade union movement. The workers were in fear of the trade union movement too, because they used strong arm tactics to maintain their control over the workforce as well as over management.

Q: Did you have much to do with this--obviously you did. What did you do as a labor officer?

KELLEY: Some of what I did was symbolic, some of what I did was very pragmatic and very practical and some of it was just observing. The symbolic things that I was to do was to go out to visit the democratic trade unions and try to help them to establish contacts with their counterparts in the United States in an effort to get not only some kind of assistance for them but some feeling that they weren't alone. Much of the ideology which was at the base of the troubles they were having in Portugal with their enemies in the CGTP, the rival communist trade union movement. Many of the problems that they were having didn't engender a great deal of sympathy among the European labor movement which was itself substantially socialist, did not really see so much threat from the communists as we in the United States did. The leadership, however, of the UGT, the democratic movement, being right up against these people and knowing how physically brutal as well as politically brutal they were, knew that they were in some danger of being subverted and pushed out of the work place and wanted some very practical help in terms of advice and also financial help. They weren't necessarily going to get it without substantial strings attached from the European labor movement. So the United States was a substantial source of assistance to this movement and the more links they could get with individual trade unions in the United States the better. So I tried to help them establish that.

Q: Then what would happen? The individual trade union in the United States would give some financial help maybe?

KELLEY: Or they would put some pressure on the AFL CIO to direct some assistance to a particular union. They would send people over to Portugal or invite people from the various labor unions in Portugal to come to the United States, or they would see them at international meetings and try to establish closer links. A lot of it was symbolic, but some of it was practical in terms of having people attend schools in the U.S., or when they were in the U.S. have them come by and visit their headquarters and get some practical exposure to how they operate.

Q: The European unions--did you ever find yourself in competition with them? From what I gather, it sounds like they almost left Portugal alone.

KELLEY: There was some substantial contact between some of the European unions and Portugal. The Germans were always very active in the trade union movement and they were particularly active in Portugal. The British were worse than useless because their labor movement was still living in the stone age and they were off fighting their own battles.

Q: They were fighting with Margaret Thatcher.

KELLEY: They were trying to revive themselves, but they didn't have much in the way of resources left over to deal with Portugal anyway. The French were as confused as ever, they didn't have much of a meaningful effort underway. There was a lot of contact with Spain just because it was so close, but it didn't amount to much. It was more friendship than practical assistance.

Q: So in many ways the United States represented the one life preserver for the unions that were--in the American context--would seem more open and not dominated by a strong ideology?

KELLEY: To a very substantial degree, the AFL CIO refused to have anything to do with the communist-dominated confederation during the entire post revolutionary period. They held out for the creation of the UGT and the strengthening of it when a lot of European unions were dancing around the issue. There was never any question about where the AFL CIO stood and they got U.S. government money allocated to support the UGT. They put their own money into the game and made sure that there was strong support for continuing this assistance.

Q: Could you explain a little bit about what the union setup was? Would there be two unions for iron workers or something like that?

KELLEY: Yes, in almost every industry you would have rival unions. One of which would be recognized as a bargaining agent but the other would also have a presence in the work place. Both of them had offices provided by the company but the dominant union was almost always, in traditional industries, the communist union. There would be negotiations frequently and one or the other of these unions would try to out do the other one and the communist unions usually would try to mobilize their workers to try to cripple the company and bring them to their knees that way. The UGT, the democratic union, would try to strike some kind of an economically sensible deal which would allow the company to make some money and, at the same time, improve the workers conditions. They would actually try to sign contracts which would have an economic benefit for the workers. It would be pretty rare when the communist confederation or its components would try to sign a deal that didn't have a large ideological component to it that wasn't accompanied by a lot of threats of striking and this sort of thing. This wasn't the style of the democratic union. The democratic

union didn't want to resort to strikes except as a very last resort--and didn't resort to political strikes at all.

Q: Could you explain what political strikes are?

KELLEY: They would be strikes that would take place whenever there was some big political issue taking place in the country that would have nothing to do with the industry involved. There would be a call for workers to go out on strike and try to paralyze the country because the communist party didn't like some policy that the government was pursuing. As an example, something that might have to do with joining the European community or something like that. Or there would be some attempt to change the labor laws and there would be massive demonstrations and this sort of thing and workers would go on strike and sometimes they would even try to call a general strike, but as a rule those would be called off at the last second. There would be all kinds of lesser strikes, all of which would have the objective of sending a political message to the government, rather than having anything to do with the corporation.

Q: Looking at this, how did you feel about where this was going? It seems that the communist union was setting out to more or less destroy the business of the country, it sounds like a self defater in the long run. Was it perceived that way?

KELLEY: What they were trying to do was exact revenge, I think more than anything else, against management for the way it had treated the workers in the past. The democratic unions felt very strongly about this too, they recognized that past management practice had been pretty atrocious and so something needed to be done about this, but the democratic union made some distinctions between different kinds of management and tried to encourage those that were more forward looking. Where this was all going? That was largely shaped by the then-pending Portuguese membership in the European community, which would have brought incredible sums of money into Portugal for labor purposes. Being the top dog in the labor movement at that stage, or having an in with the government, would have brought tremendous advantages to a labor movement. The communists were totally opposed to European community membership. The UGT was in favor of it and the influence of that was clearly going to be to favor the democratic labor movement.

Q: How did this battle work out while you were there?

KELLEY: There was also a side battle going on which was of some interest to us too. That was while our negotiations for our continued use of the Portuguese airbase in the Azores was going on, we were concerned that the communist unions, which had a presence on the base, would continue to have a very strong influence, that they would be in a position to paralyze our operations. So one of the things that we wanted to do, not necessarily linked with the negotiations, but certainly with the negotiations in the background, was to try to strengthen the UGT and its membership on the base. Because at least we would be dealing with a union that would be striving for more traditional labor union objectives and not be the tool of some political movement. So we had that as sort of a backdrop to our efforts. It was an important component of what we were trying to accomplish there. To try to get a

more traditional labor movement established on our military base. Then we were trying to see the communist movement generally discredited and undercut. That was the other part of our effort.

Q: Where was the support coming from for what we would call the UGT type movement as opposed to the communist type movement within the society of Portugal?

KELLEY: It was largely in the non-Rust Belt industries and factories.

Q: Can you explain what the term Rust Belt means?

KELLEY: The Rust Belt is the traditional heavy industries, those that deal with steel, automobiles and those sorts of things, stuff that rusts. The non-Rust Belt would be office workers, government workers, white collar workers rather than blue collar workers. Those white collar workers would tend to be sources of greater strength for the UGT. Blue collar workers were generally CGTP, agricultural workers for example. Portugal was a fairly conservative country traditionally, so the more conservative people in the country who didn't want to see chaos reign in effect, wanted to see some restoration of balance and order and some economic improvement in the country would tend to favor the UGT.

Q: Did you deal with union leaders on both sides?

KELLEY: I was pretty circumscribed by U.S. government policy. I didn't deal with people who were communists who were at the same time officials of the CGTP. This was in part, AFL CIO influence. Most labor attachés didn't think much of that particular part of the policy. They would have much preferred to have been in a position to talk directly to the communists. I did find ways around that.

Q: Did you find the communist labor movement was beginning to look over its shoulder at what was happening in the Soviet Union? The Soviet Union was beginning to crack, not quite, but it was getting there.

KELLEY: No, not really. Portugal was one of the last bastions of the old hard line. The leadership was pretty Stalinist to the core. There were clearly people who could see what was happening, but they had an old line leader of the party who was not about to tolerate any deviation. They weren't oblivious to what was going on in the Soviet Union, but they acted like they were.

Q: What about within the Embassy--what was the role of the labor officer within our Embassy in Lisbon?

KELLEY: I tried to keep out of the purely political reporting that went on in the Embassy, although I was attached to the political section. I was fairly autonomous, I just stuck to labor reporting. We had plenty of political officers, and not really enough for all of them to do. A lot of them were young and trying to earn their spurs and so I stayed out of their work. If there was anything political going on I usually brought them in to deal with it or at least to

write about it, if they were doing a political story and didn't have any union component I would bring them in and let them meet the guys who were involved and let them write up that part of it and just check it out, rather than get involved in it directly and take it away from them. I viewed my role as being pretty strictly to deal with the unions. When it came to the base negotiations that was a different matter. In dealing with the base I actually went out to that base and was engaged in more consultations with the military on the base than anybody else in the political section--trying to help them with their labor problems and trying to get them an environment in which they could operate with some feeling of assurance that their operations weren't going to be disrupted.

Q: We both know that in Korea the labor officer also had human rights. Did you have a human rights portfolio?

KELLEY: No, I didn't have that. I regarded that as a political issue and let the officers in the political section deal with that.

Q: How about the Portuguese media? Were their newspapers and T.V. pretty much along one ideological line?

KELLEY: Different newspapers would take a particular political slant depending on which party they were loosely affiliated with. There was a communist newspaper, there was a socialist newspaper, there was a social democrat newspaper, and there was a more conservative newspaper. They were all national newspapers. The communist newspaper was put out by the party, the other papers were just editorially sympathetic to, and had their editorially staff dominated by, adherence to one or the other of the political parties.

Q: Were there any personalities within the labor spectrum that you dealt with more than other? How did you find them?

KELLEY: I obviously dealt more with the head of the international department than anybody else. I dealt a lot with the President of the UGT who was a very charismatic, very politically astute fellow. I would deal with the leaders of each of the major unions in the democratic movement, the Presidents of these various unions. Occasionally I would become close friends with maybe half-a-dozen different people below the President in a few unions. If I found somebody that I thought was more effective than the top guy, I would make a point of cultivating that person.

Q: Were you able to look upon any things that you were able to influence?

KELLEY: I think the main thing that I was able to influence was by going to Irving Brown who was the international director for the AFL CIO, who had his headquarters located in Paris. I was able to elicit his support for getting the UGT to strengthen its efforts to organize the base workers in the Azores. They were giving a lot of lip service to doing this, but they weren't really doing very much. They had their hands full with trying to get themselves established in the mainland and quickly I recognized what was going on and that they could

talk a good game but weren't doing very much and they wanted more money out of the AFL CIO if they were going to do that. The AFL CIO wasn't going to come up with more money, but by talking to Irving he agreed with me. Harking back to his days working with Eisenhower, I asked him to do the same thing he had done when we were having problems when NATO was first trying to get Europe organized in defending U.S. military bases from communist influence. He just harked back to that role and pitched right in. He told the leadership of the UGT in no uncertain terms that they really had to put forth a more substantial effort at the base. They really wanted to do more, they hadn't given it the kind of attention that they did after that. They sent some of their best people out there and started a serious organizing campaign.

Q: Were you able to use representatives from the substantial Portuguese American community, particularly in Massachusetts who were involved in the American labor movement to come and serve as an example or facilitate or anything like that?

KELLEY: There was one fellow who came out--it was a fellow with the machinists who was actually out in California. He spent a lot of time--he got his union to finance all of this of course--because he had a strong personal interest in Portugal, and he worked very closely with several unions that were in areas that the machinists organized in the U.S. He provided a great deal of assistance as a matter of fact. Very practical, pragmatic assistance. He could talk their language--he was doing this on his own, I wasn't getting him to come out. He would have done it whether I was there or not. Knowing that he had the interest, then I could go to him and point out things that needed to be done and use him as a resource, an enthusiastic supporter, who would then mobilize the right people to get more assistance channeled out to Portugal. Or he would tell me how to go about doing it if I didn't know. He was the key guy, there wasn't so much help out of the east coast though. There were people who had contacts of their own.

Q: Did you sense unease about Portugal with those in the Embassy who dealt with NATO? You had sort of a split labor movement in Portugal and NATO, of course, was pointed at that time towards the Soviet Union.

KELLEY: There was some unease and it was more noticeable when Frank Shakespeare took over the Embassy than had been under Holmes, about the strength of the communists on the military bases and their potential for being disruptive in the society and the economy as a whole. The Portuguese for the most part exhibited the same kind of behavior, I think that may have been common across Southern Europe, they tended to be more militantly anti-communist in important ways than say the Swedish, or the Germans, or other people, talking about the population as a whole. So you wouldn't get this flirtation with neutrality, this criticism of NATO from the people who were part of the elements of society that supported the government that you might get in Northern Europe, especially in Scandinavia--Sweden. There was a rejection of the Swedish model and there wasn't this squishiness about the communists that you might find in Scandinavia and in Northern Europe generally, even in Great Britain. Because there was a division in the labor movement, there was a place for the voices of those who were willing to support the

alliance where in places like Britain there is no division in their movement so you don't have any place for the voices of those dissenters in the labor movement to be expressed.

Q: How did the Reagan visit go in Portugal?

KELLEY: It went very well, it was sort of a whirlwind visit. He was out for some NATO-related thing as I recall. I think he had been up to Russia and he made a swing through Portugal. I think that was when Shakespeare was there--another reflection of his clout. It was one of these half day or maybe one full day, whirlwind, imperial entourage, visits. The Portuguese were extremely flattered, we got innumerable brownie points for bringing the President in. The President got some appreciation for where Portugal was and what the key issues were and we got excellent press from it. The whole environment was very friendly, the communists weren't able to mobilize anything of any consequence and it gave a great deal of impetus to the efforts of the government to put Portugal back into the mainstream of Western alliance.

Q: When did you leave there?

KELLEY: 1987.

Q: When you left in 1987, how did you feel things were going at that time?

KELLEY: I thought that they were going very well. Clearly Portugal was going to be part of the European community, there was already a great deal of money coming in and it was being spread around. It was largely benefitting the UGT and they were sending incredible numbers of people, by that time, to the various countries of Europe for training. There was a definite shift away from dependency on the AFL CIO on the part of the UGT. There were more independent resources. The AFL CIO money and the connection was still very valuable to them. But I felt that the UGT was going to be the wave of the future. That was a more clearly accepted view than it had been when I first arrived.

Q: Where did you go after that?

KELLEY: I went to Australia to be Political Counselor.

Q: When were you in Australia?

KELLEY: From 1987 to 1991.

Q: How did you get that assignment?

KELLEY: It was back in my home bureau, the Asian bureau and I had done a good enough job in Portugal to get promoted out of it so I was at a level where it was qualified for the job. My former DCM in Japan was DAS for Asia and he knew what kind of work I could do. I

had worked for him in Seoul as well as in Japan. He was very generous and he agreed that Australia would be an appropriate assignment.

Q: Who was the Ambassador in Australia when you were there?

KELLEY: Bill Lane was the Ambassador when I got there and then Mel Sembler was the Ambassador when I left.

Q: Were they both political appointees?

KELLEY: Yes, very seldom do we ever have anything other than political appointees in Australia.

Q: How did they operate?

KELLEY: They operated pretty much like amateurs. They operated based on what they knew, what they had done in their previous careers. Lane belonged to a family that owned the Sunset magazines, so publishing was what he knew. He concentrated on public opinion and what kind of image we projected. He didn't have any real political connections in Washington that I could determine. Sembler was in the building business in Florida and his main claim to fame was that he was a major fund raiser for George Bush. Both of them were terrific guys.

Q: What was your impression of how they were received in the Australian political world?

KELLEY: Among politicians being popular with the public was an extremely important component and so Bill Lane was a consummate worker of the public vineyards. He worked the press, he worked the public in general. He made sure that got out to meet and greet people all over the place. He would use his own money to that end. He was regarded as one of the most effective Ambassadors around by the professional politicians as opposed to the government bureaucrats and the actual members of the government with whom he dealt in Australia. The parliamentarians thought that Bill Lane was the greatest thing since sliced bread. The guys that had to deal with the issues in Australia who were trying to work out an agreement probably found him a little hard to deal with. Hard to deal with in the sense of trying to reach some kind of accommodation with somebody who understands the issues because often I think, they would get the impression that Lane was more focused in on the public perception of the issue than he was on the areas of disagreement themselves and how they might be resolved. It was particularly true of anything that had to do with military or base issues. In a whole host of areas we would often get phone calls from the Chief Assistant to whoever it was that the Ambassador had been seeing, to try to find out just how much of what he had said had been under instructions and how much of it was just creative. [laughter] I'm pretty sure that they were able to divine most of this themselves. There would be times when none of what he said had anything to do with the instructions he went over with. Sort of like a big-shot politician laying a cornerstone--you'd have a mason and a foreman standing over in the corner and the foreman would say to the mason, "As soon as this crowd leaves knock that block off and put it on right, will ya?" [laughter] That was sort

of our job in the Embassy, as soon as the Ambassador got done we had to go back over and put that block back on right.

Q: What were the major issues that you dealt with from the political point of view, during 1988 to 1991?

KELLEY: They would divide into three or four categories. You'd be dealing with the major international political issues of the region, the aftermath of Vietnam and everything derived from that. There were a host of Asian regional issues, security issues, etc. A major issue would always be trade, in particular would be wheat or any other product in which the United States and Australia were competitors in the world market. Then we got the issues regarding the various U.S. military facilities on Australian soil. All of which were actually run by the Australians, on which we were tenants. Many of those facilities had important strategic roles. We tried to keep those from being compromised.

Q: What type of government was it? Was it labor government?

KELLEY: While I was there it was labor government.

Q: Within the labor movement was there sort of a visceral sort of anti U.S. feeling do you think? Caught from the British labor movement? I'm thinking from the left of the British labor movement.

KELLEY: The labor movement was interestingly divided in Australia into left and right, it was reflected in the party was always in the labor movement. You would get a substantial sort of visceral anti-American component in all of that. You had some antiquated labor practices that were reminiscent of Great Britain and which were jealously guarded by the left wing of the labor movement while the right wing of the party, which controlled both the party and the government, was trying to do something to create a more reasonable labor market. The right wing wanted a market that would be more responsive to conditions, allow Australia to react more flexibly from changing economic conditions, etc. But, a short answer is that we did have some sort of visceral reactions out of the left wing of the labor movement which were reminiscent of what we were getting in Britain.

Q: Are there any particular issues that were particularly challenging during the time that you were there?

KELLEY: All of the problems were pretty much perennial. There was residual suspicion in the USG about any Australia labor government, although a lot of that had been dissipated in the immediate aftermath of the takeover of the government by the labor party, which happened years before I got on the scene, in 1970 or thereabouts. There were some suspicions that some elements of the labor party were still unreconstructed and sufficiently anti American that they would try to sabotage our ability to use the facilities that we shared with the Australians effectively. I must say that a lot of the problem was on the U.S. side and not on the Australian side, although the Australians brought some of it on themselves. One of the more difficult things that I had to deal with was to try to create an environment

in which we could work with the people in the Department of Foreign Affairs in particular who had been colored by past associations with politicians that had left people in the United States government suspicious of them. These were guys who rose to very high positions in the Department of Foreign Affairs on the bureaucratic side. It just became very difficult for us to work problems because of the residual suspicion in the United States government that some of these people--one guy in particular, had an agenda of their own. That was one problem, and that never did get totally satisfactorily resolved. Just trying to keep it from becoming an obstacle to a good working relationship was a constant effort. The other thing was our base agreements were constantly up for renewal--different agreements, agreements for use of facilities, and getting these extended without great political turmoil was essential.

Q: As seems to happen so often in Australia, there are revelations that the CIA is doing this, or that this base is being used for something that sounds sort of inflammatory as far as the press coverage. Did you have anything like that?

KELLEY: Most of that type of politically tainted effort was eviscerated with the collapse of the Soviet Union. The people who took that kind of approach became laughing stocks early in the piece. When I first arrived there was the peace movement, and an anti-nuclear party with a few representatives in the Australian Senate. They used their positions as a platform for anti-U.S. vitriol of various kinds. But that was only a public nuisance. It was never an impediment to our relations with the Australian government. Then, as the communists worldwide became more and more discredited, it just faded away. The anti-nuke people were defeated in succeeding elections and the Australians pretty much took care of the problem themselves. There were demonstrations and that sort of thing against the various facilities as they would come up for renewal. These began to lose force as the communist empire began to unravel. In any event, our working relationship with the Australian government and the right wing of the labor party, which controlled the government, was such that this was never a threat to the relationship in any way, shape, or form. We were able to work together with these people in the Australian government to neutralize the anti-nuclear, anti-U.S. contingent who the right wing of the labor party probably hated more than they did the conservatives in Australia.

Q: How did you find the universities? Were they "hotbeds" of the left or were they a mixed bag?

KELLEY: They were more "hotbeds" of the left than they were a mixed bag. There was a growing conservative component but it was a minority. There was more of the "ivory tower" approach to international relations and the view that Australia should be the champion of the downtrodden native peoples of the Pacific and somehow had a better claim to understanding Asia. There was some feeling there that whatever the United States did was bad and Australia should play a role in rectifying all of that. That particularly applied to the Pacific Islands more than it did to Asia per se, from the optic of the universities. Nonetheless, they were open to contact with us. There was nothing hostile about the relationship and we made substantial effort, which was welcomed, to

communicate with people on the campuses--professors and students, whatever their political complexion.

Q: What about the media? How did you find the media? One always thinks of Robert Maxwell, rather a sensationalist, and "tits and ass" type journalism.

KELLEY: There wasn't that much of that sort of thing, there was some sensationalism. Mainly the problem was just very shallow reporting. There were some very notable exceptions. You were dealing with reporters who didn't go very far below the surface in their efforts to understand international issues. There were very few people who were qualified to deal with international issues. There wasn't enough depth to the profession to allow them the luxury of that kind of specialization. In domestic politics there were some excellent people. In economics there were some excellent people. I thought that we got a very fair shake with from all of those folks. I think if anything, they were handicapped by a lack of experience and a lack of resources to really dig into the issues. Perhaps that was to our advantage.

Q: Any issues dealing with the Far East of the Pacific Islands during that period that sort of cropped up?

KELLEY: We were transporting some chemical weapons out to Johnston Island to destroy and these were being transported out of Germany and there was furor about our taking them out to the Pacific to destroy them, as opposed to doing it in the continental United States. The main issue that cropped up probably had to do with wheat trade and that sort of thing. That was really where you would get the most partisan reporting but that's to be expected, you get that in every country. People are partisans, they're parochial.

Q: Any visits by the President?

KELLEY: Reagan never made it. Bush was still Vice President when he came out, and Dan Quayle came out. Then we would have periodic high-level meetings involving the Secretaries of State and Defense, and Ministers of Foreign Affairs and Defense.

Q: Were there any other issues that I may be missing? What was Canberra like for example? I always think of it like being trapped in a small town.

KELLEY: It is sort of like being trapped in a small town. It's an artificial city, much like Brasilia, which I never visited but I've heard a lot about, and shares a lot of the same problems. The major cities of the country are still much more attractive for business people, for bureaucrats they're where the economic and much of the domestic political action is. So Canberra spends a lot of time just trying to catch up and keep in touch with what's going on in those places. If you want to see the movers and shakers in the country you have to spend about half of your time in Canberra popping off to Sydney or Melbourne. It was a delightful place to live as long as you didn't mind a little cultural deprivation. It was coming along, there was plenty of local theater to get into. There was excellent access to the politicians, to

the parliamentarians and to the Ministers in the government--provided you had the right access to start with, something to build upon, which fortunately I did. If you'd known these people before they became Ministers, you were able to maintain your access pretty well. It was marvelous for me, the Ministers were in town most of the time--I could get in to see the Defense Minister anytime I wanted to. As Political Counselor that is a pretty unusual situation to be in. I couldn't get in to see the Foreign Minister easily because I didn't know him before he got the job. But the Defense Minister was virtually my mentor in Australian politics before he got the job. We played poker together and I would go off to the Australian labor party conferences and pal around with the Defense Minister. It was a great situation and that was largely because of the informality of the environment in Canberra and the lack of pretentiousness on the part of the Australians in general.

Q: When did you leave Australia?

KELLEY: I left in 1991.

Q: Then where did you go?

KELLEY: I came back to Washington and took over as Deputy Director of the Office of East Asian and Pacific Analysis in INR.

Q: What was the main interest of East Asian analysis at that time?

KELLEY: The main focus was Korea but that was not an area that I had dealt with. In addition to my Deputy Director position I ran the Southeast Asian office in that part of INR.

Q: With Korea, was it what was happening in North Korea?

KELLEY: Yes. North Korea was being its usual difficult self and the CIA was all abuzz with the suspicion (which they thought was more than a suspicion) and we thought was perhaps less than a suspicion) that the North Koreans had acquired nuclear weapons and were squirreling these things away, ready to nail the nearest underlaying target, and trying to find a way to keep all of this from happening. Our role as the intelligence arm of the State Department was to take the same data that the CIA was working with and see whether their conclusions were justified or see if there were other conclusions that were more probable. We spent most of the time in a "peeing" contest with the CIA over this issue.

Q: Was there a discrepancy? Was there a real difference?

KELLEY: Since I was not dealing directly with Korea it's a little hard for me to recite chapter and verse of all of this. Some of it is still subject to active political interests and my information is out of date. At the time there was substantial reason to believe that most of what was being touted as fact by CIA was interpretation. There were more plausible interpretations based on past North Korean behavior to explain their behavior at the time. The North Koreans are always tough to try to fathom, it's always a career-threatening

activity to try to build your future on what the heck the North Koreans are up to. Nobody really knew what the North Koreans were going to do, but certainly on balance the interpretations that we made on what the North Koreans were trying to do were much less threatening to the stability of the region than the ones that the CIA and DIA were coming up with. I think that those were largely a product of the missions of the various institutions. DIA had to be sure that the U.S. military never got surprised by any threat, regardless of how credible it might be. If they missed it there were lives at stake. So they would paint their view of what was going on in North Korea from that perspective. We on the other hand had the luxury of being able to take a look at past North Korean behavior in a North Korean political context. We considered how they had behaved politically in the past, what bombastic behavior in the past had been designed to accomplish, and what had they actually used to accomplish, what had been their focus when it came down to the crunch? We took a less alarmist view as a consequence of what was going on in the North and almost every occasion the outcome was much closer to what we had anticipated than what the CIA and DIA anticipated. They were being paid to spot the disaster before it happened and we were being paid to try to figure out what was really going to happen.

Q: You were in INR from 1991 to 1993, what were the developments of Southeast Asia in that period?

KELLEY: Cambodia was the big thing. It was trying to get some kind of a UN military presence established in Cambodia which would oversee the winding down of the Chinese Soviet financed civil war. It was part and parcel of the general tidying up of the various brush-fire confrontations, wars, etc., all around the world that were a product of the U.S. Soviet competition. That was the particular baby that we were taking care of. Angola and Afghanistan and a few other places were similar examples of the same kind of thing that were being dealt with at the same time. Our effort was to try and find out what the Khmer Rouge were up to and provide some picture of that to the U.S. policy makers so that they could come up with an acceptable solution in the UN context that would resolve this problem.

Q: Did you feel that you and the CIA were essentially reading the same papers but coming to individual conclusions? Or did they have information that you didn't have?

KELLEY: Regarding Cambodia, no. We had more problems with our Embassy in Bangkok over what was going on over in Cambodia between Cambodia and Thailand than we ever did with the CIA. For the most part, INR and CIA saw the situation in Cambodia very much alike. In a situation where you don't have a physical U.S. military presence, the elements that drive analysis don't lead you to a need to come to a conclusion which has a particular spin to it.

Q: So it was really a watching brief rather than a policy-making brief?

KELLEY: What we had was a need to provide our policy-makers with the kind of information that they needed to craft a UN effort that would be adequate to the job. And to

persuade the other members of the UN to go along with it, to give us what we needed to do the job so that we could avoid a U.S. presence. We were fortunate in the existence of a fair degree of unanimity within the U.S. government but then you had to provide the background information that our policy makers could use to persuade other countries to go along with our position. For that our people needed to know just how strong the Khmer Rouge was and how much they needed to pound on the other governments to stop providing assistance, how much of that was actually being stopped once they said that they would stop, how much the effort was being undermined by other governments.

Q: What was our feeling toward the Cambodian situation? Was China a problem for us at this point?

KELLEY: China was a problem in that we needed to be sure that China was going to be on board for any solution. So there had to be a solution which would not threaten the Chinese interests, at least that the Chinese wouldn't perceive as threatening their interests or portrayed as threatening their interests. By the time this all rolled around China had stronger interests I think, in eliminating Cambodia as a source of conflict. They wanted to see developments take place in Southeast Asia which were congenial to their interests and they were as opposed to the Vietnamese expending their influence as we were, so China was less of a problem than Vietnam was.

Q: Did we have much to do with Vietnam?

KELLEY: As a government we didn't have an official diplomatic presence there. We were working at somewhat of a disadvantage with the Vietnamese, but it is safe to say that Vietnam was a bit more of a problem.

Q: Were there any crises in INR that you had to deal with?

KELLEY: Not really, it was more of trying to find the evidence of what was going on in Cambodia with regard to the Khmer Rouge, what kind of support they were getting and trying to deal with that effectively in the course of the negotiations for the settlement.

Q: When did you leave INR?

KELLEY: I left in 1993.

Q: Then what did you do?

KELLEY: I went on into a meaningless job for a year, in anticipation of leaving the Foreign Service.

Q: Well, sort of looking back on it John, what gave you the greatest satisfaction would you say?

KELLEY: The greatest satisfaction in policy terms was certainly my second tour in Japan, in Tokyo when I was labor counselor and was able to work with such great effect with Ambassador Mansfield to support the implementation of the agreement between the U.S. and the Japanese auto workers. This forced the hand of the major Japanese auto makers and caused them to build factories in the United States. I have no doubt that if I had not gone to the Ambassador with the proposal with which he used his substantial influence to bring Doug Frazier the United Auto Workers President out to Japan, Frazier never would have come. He never would have come, the agreement never would have happened, the Japanese auto union itself wasn't strong enough to pull it off. The auto industry didn't trust the Japanese Auto Workers Union and we needed to get our influence behind this to get the Japanese government involved. There was a lot that we needed to do, we needed to give this thing some impetus, it was just not going anyplace. I know that there would not have been the auto manufacturing plants in the United States established by Nissan and Toyota (there was already something by Honda) had this effort not succeeded. Or if they were there it would have been too little too late and we would have had major conflicts with Japan over automobiles. I think we ultimately would have avoided a disaster but it would have been too little too late, there would have been a lot of hostility and a lot of animosity and a lot of jobs that would not have been created at the time they were created and with the cooperation with which they were created in the United States had the Ambassador not taken the action we took at the time we took it. So it was tremendously satisfying.

Q: Thank you.

End of interview