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

AMBASSADOR MARK PALMER

Interviewed by: Charles Stuart Kennedy
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INTERVIEW

Q: Today is the 30th of October 1997. This is an interview with Mark Palmer. It is being done on behalf of the Association for Diplomatic Studies and Training. I'm Charles Stuart Kennedy.

To start with, could you tell me when and where you were born and something about your family?

PALMER: I was born in Ann Arbor, Michigan in 1941 just as the Second World War had started to break out. My father, a career naval officer, had started the NROTC program at the University of Michigan. However, he was immediately summoned, not long after my birth, to the Pacific to take command of a sub and go to war. We moved from Michigan right away back to New London to the naval base. That's where we spent the war.

Q: Your father was a submarine commander?

PALMER: Right. He was career Navy. He went to the Naval Academy. I wanted to, but unfortunately I'm color blind. So they wouldn't let me in.

Q: My brother was Class of '40 at the Naval Academy, and I had hoped to get in but I'm short sighted. And your mother was a housewife?

PALMER: Right, right.

Q: What was your father's family's background?

PALMER: Seagoing. They were from Maine and did the China trade as did my mother's family, actually. My mother's family were from Vermont. We were the first white, non-Indian settlers in the state of Vermont, I think. My father's family helped to settle Mount Desert Island where Bar Harbor is. So we're old New Englanders.

Q: Oh, I see. Where was your mother's family from in Vermont?

PALMER: Westminster, which is on the Southeast corner near Brattleboro, that area.

Q: Did you go to school in New London or you were pretty young then?

PALMER: I went to school everywhere because of my father. I went to school in Boston; Newton, Massachusetts; in Alexandria, Virginia; in London, England and in Seattle, all following him around; and I ended up at Yale.

Q: Your father was mainly a submarine officer?

PALMER: He was in submarines and communications, those two things.

Q: Where did you go to high school?

PALMER: I went to school first in Seattle for two years. Then, I spent two years at Vermont Academy in Vermont, which my family had started in the 1870s.

Q: While you were in high school, what kind of reading did you do? What were your interests?

PALMER: Well, they were very diverse, as I guess you are generally in high school; but I was more and more interested in Russian literature. One of my uncle's family's forefather's middle name was Czar. We inherited his library, and it was full of books about Russia. Dostoevsky was my favorite writer when I was in high school. I went on in college to major in Russian area studies, Russian literature and history, and all of that sort of thing.

Q: You were at Yale for four years?

PALMER: Right.

Q: So you started Yale when?

PALMER: In 1959.

Q: So you were at Yale from '59 to '63.

PALMER: Right.

Q: What was the state of Russian studies in those days?

PALMER: I think it was really very healthy. Yale was one of the best in the country. We had some really good professors such as Fred Barghoon and many others. We had an exchange program with the University of Kiev, so I was able to go to Russia as a student several times.

It was a lively and very much an interdisciplinary approach. We studied everything from Russian and Soviet economics to central planning to history and literature. It was a very interesting, comprehensive approach to looking at another society over time, through its history, and through its present politics. Through political science we studied communist theory, political philosophy, all kinds of dimensions.

Q: You're right on the cusp of what became known as "The '60s." Was this hitting or affecting you all at that point or had the '60s movement, which was quite strong at Yale, gotten going at that point?

PALMER: Yes, I was very involved in all of that. I was a Freedom Rider. I was in SNCC and CORE and I organized demonstrations in New Haven, Baltimore, Atlanta, and Tuskegee, Alabama and all up and down the East Coast.

Q: When you say Freedom Riders, you're talking about the effort of particularly students and others to desegregate the South.

PALMER: Right. And the North, too, because New Haven was racist. We spent a lot of time with the Southern Connecticut Telephone Company trying to integrate the job situation there. We did a lot of marches to open up housing for Blacks in New Haven. I

helped start a project at the Whaley Avenue Jail called "Yale In Jail," which was an effort to try to help Black prisoners with education in the jail.

Q: This was also the time that Kennedy became president. Did that have an effect, do you think?

PALMER: For me personally, no. I was very disappointed with the Kennedys. You know, they were supposedly liberal but in terms of their willingness to sacrifice for civil rights, I felt that they weren't there. I am a sort of radical libertarian in my own value system. I was simultaneously a member the Party of the Right at Yale, which was Bill Buckley's party; and I was in SNCC and CORE, which was considered far on the left. Maybe students are always this way, but I was idealistic. I didn't think that the Kennedys were sufficiently idealistic.

Q: In a way it sounds like the liberal, not the libertarian, part of you was turned internally in the United States, but you were studying the Soviet Union. Did you get caught up in Marxism, central planning? How was it presented and how did it fit with your ideas?

PALMER: Well, I think I was consistent. For example, I had 350 buttons that said "Freedom Now," from my CORE organization. I actually took these to the Soviet Union and distributed them all in the Soviet Union. I got in trouble with the KGB as a result of that. I didn't like communism any better than I liked certain aspects of the United States. I've been, from the beginning, anti-big government and all of its aspects.

Q: How did you find that your approach fit with the predominant feeling at Yale?

PALMER: Generically, my sense of students is that a small percentage of any student body are interested in causes. My sense of the student body at that time at Yale was that roughly five percent were interested. The Vietnam War cause hadn't really taken off while I was there, but the civil rights cause was definitely there. Yet, we never could turn out a very high percentage of the student body, and virtually no Blacks would ever join us in demonstrations.

Q: What about the faculty?

PALMER: Not tremendously strong. Even William Sloan Coffin, who was sort of famous, did some things; but not as much as some of us thought he should.

Q: So you went to Kiev University. When did you go there?

PALMER: In 1962 and 1963. I spent about three months in Kiev. I also spent time in other cities, but that was where the exchange relationship was.

Q: What was your impression?

PALMER: I liked the people immensely. I had a girl friend. I thought that there was really no difference between their aspirations for their lives and their families and what they wanted individually for themselves. They wanted to travel. They wanted to have a good life. They wanted to be able to read. I remember friends who wanted to learn about Freud and things like that. Those were books that were not available. I felt that they kissed the same way that we kissed; and that had a tremendously important impact on the rest of my career and my Foreign Service career.

I thought that there were a lot of misunderstandings and wrong lessons being taught by professors, many of whom were of Polish and Jewish extraction and had a bias against Russia. I thought that was unfortunate based on my own experience with Russians and Ukrainians and others.

Q: You came there just about after the 1962 Cuban Missile Crisis. Were you finding any tremors after that or any concerns?

PALMER: Well, I remember that in the U.S., people were hiding under desks. I think that was similar in Russia, too; that people were also concerned about that. But what I most strongly felt was the enormous affection that people in these countries have for Americans. It seemed to me right from the beginning, that there was a possibility for a profoundly different situation in those countries and in their relationship with us. One of the reasons that I wanted to join the Foreign Service was that I thought that our policy in so many areas was just wrong.

Q: We are now talking about, not after you joined the Foreign Service, but while you were in college. Where did you feel it was wrong?

PALMER: I thought that we supported the status quo almost everywhere, such as in the Middle East and in dictatorships everywhere. I thought that was just against our own value system but, equally importantly, against our own interests. I thought that we didn't see the possibility for radical change in the Soviet Union. I thought that we were very stasis oriented.

I thought that Dulles and others had gotten us into a mentality, really, of not believing in our own revolutionary message and in our potential for leading the way to a radically different world. So I joined the Foreign Service in part to continue doing demonstrations (laughter). I really thought that it was an opportunity to try to force change from inside.

Q: You mentioned that your professors tended to be anti-Russian. Was it anti-Russian or anti-Soviet?

PALMER: Well, I think it was both. You can see that in later years, too, with very senior people like Pipes and Zbig Brzezinski and others, all of whom were friends of mine. But they all, I think, have an historically understandable but, in my judgment, wrong headed attitude toward Russia and the Ukraine and other places. It wasn't just ideological, it was historic and cultural. It wasn't just communism, it went back before.

Q: Were you getting any feel, when you were in Kiev or from your university, that the Soviet Union was a really diverse area? Did you feel that when one talked interchangeably about the Soviets or Russians, that actually there were a hell of a lot of other peoples there, the Ukrainians but also the Central Asian countries? Were you getting that?

PALMER: Yes. I got into trouble again with the KGB in Uzbekistan, because I spent quite a bit of time with students. The same thing happened in Georgia with Georgian students, who were very anti-Russian, and who didn't want to speak Russian. I remember once while swimming with a Georgian national water polo team in the pool, they said to me, "Why don't you speak a civilized language like German?" (Laughter)

Q: When you say "trouble with the KGB," how did this manifest itself?

PALMER: Well, as I did in the United States, I continued to have my desire to be with people who were, in my view, being oppressed. In these countries, that meant spending time with people who were either doing Samizdat or who were doing music, pop music, which was not…

Q: Samizdat is "self publication."

PALMER: That's right. Or who were doing music that was not acceptable rock music. And the authorities, the security forces, of course, didn't want connections between the outside world and these people and they would break up meetings. They'd come in and tell you to get out. I remember once in Georgia a fist fight breaking out over this. I didn't get in the fist fight, but my Georgian friends did with a security fellow. So it manifested itself in their intervention. I guess that is the right word.

Q: Were you followed?

PALMER: Yes, some. I think all of us believed we were followed more than we actually were; but yes to some extent.

Q: What about your other fellow students who were in the exchange program? What was their experience?

PALMER: Well, at least in one or two cases, people who were close to me felt the way I did. That is, we felt huge affection for Russians, Ukrainians, and others; and we felt a great bond to those countries. There were some who then spent a lot of the rest of their lives working with these people because of this early bonding.

Q: Looking beyond the Soviet Union, with other people and all, how did this sit with your family, a military family?

PALMER: Well, the good thing about being from Maine and Vermont is that they are full

of iconoclasts, and I think that my parents always encouraged me in this. Occasionally, they would say, "Don't take risks." But on the whole, I never felt that they did anything except feel that what I was trying to do was good, in terms of values.

My family is very internationalist. My parents were married in Shanghai. One of my sisters was born in Tsingtao. So I think they thought that it was natural that I was mucking around on a world stage.

Q: Oh, yes. Was your father with a ship?

PALMER: My father was there with a ship, yes. On the Yangtze River.

Q: The Panay or one of those?

PALMER: I can't remember the name of the ship because it was before I was born. However, an interesting family connection is that of his grandfather, Peleg Young, who was my great-great grandfather, I guess. I have a picture of him in the 1860s. He was the captain of a Chinese government revenue cutter on the Yangtze River. I have this really neat painting of his boat. When he left China, a garden party was held for him. At the party, they beheaded three pirates that he had captured for refusing to pay their taxes. (Laughter)

Q: Well, that was a nice little touch!

What was your impression of the leaders, not from Yale, but who would come from outside? SNCC was what?

PALMER: Student Non-violent Coordinating Committee.

Q: How did you find the leadership of this?

PALMER: I didn't actually have much to do with the leadership, I have to say. I worked at local levels in a number of cities, but I don't remember actually ever meeting the national leadership. It was not a very super organized movement. It was kind of spontaneous. I'm not even sure that we always even knew what organization was responsible for anything. I think a lot of things just sort of happened. It was a mix of local groups and, to some extent, national groups. I never met people like James Farmer, who was the head of CORE.

Q: You graduated in 1963. What were your plans at that point?

PALMER: I had wanted to be in the Foreign Service, really, since I was 11 years old. It was at this time that I discovered I was color blind, and couldn't get into the Navy. So in my junior year at Yale, I was interviewed. Or no, I guess it was the beginning of my senior year. No, I passed the exam at the end of my junior year and then my senior year I did the interview. I guess that's how it went. Or just before the beginning of my senior

year.

At that point, I already had a fellowship to go to Harvard to go on in Russian studies and do at least a master's. My Foreign Service board said no, that I had too much learning and not enough real life experience, and I should not go to graduate school. I should come directly into the Foreign Service when I got my B.A.. So I gave up the fellowship.

I was all set to go in June of '63 when I was told that I didn't have a security clearance. The security people had interviewed me several times. It became clear after a little while that the reason I didn't have a security clearance was that the F.B.I. didn't like me much. I had been thrown out of several American cities for organizing things. A lot of local police forces didn't like me.

And worst of all maybe, I had a Russian girlfriend. I had spent a lot of time in the Soviet Union and I was wildly anti-communist. Although they didn't like me any better over there than my own security people did, I couldn't get a security clearance. So I went to work at *The New York Times.* And at night I became an assistant producer of a TV show in New York.

My father kept saying, "This is ridiculous! You've got to let me intervene with friends, with Senator Aiken," who was a great friend of my grandfather's.

Because I was idealistic, I kept saying, "No, I'm going to do this on my own. I don't want anybody to intervene."

Finally, my father just ignored me. After a year he called Senator Aiken and four days later I got a security clearance. In the meantime, I spent a year, an interesting year. But I didn't come into the service immediately because of the security problem.

Q: Well, let's just go back a touch. Do you recall anything about the oral exam? Your time in the Soviet Union and all of these other things… how did this fit?

PALMER: Well, it was actually a disaster or a near-disaster. There was a three member board. One of the men on the board had served in Czechoslovakia, which I didn't know. He asked me my attitude toward central economic systems, centrally planned economies. The question he asked me was, "Is it conceivable that they could grow? Not flourish exactly, but could they grow?"

And I said, "Of course." And I made an argument about that.

Well, based on his experience in Czechoslovakia, he was convinced that these were disastrous economies, which of course they were. I didn't disagree with that but we had a very unpleasant exchange about that which included a discussion of the Cuban economy.

Then I was ushered out of the room. In those days, as you remember, you were told immediately. So I sat in the outer room and I could hear this discussion. I couldn't hear

the words, but I could hear that there was some kind of disagreement going on. Finally, I was called back in.

Everybody looked sort of strained. Then, the head of the board who was a wonderful older man said, "We had this long discussion and two of us felt strongly that you would be good in the service but one of us felt not," and explained why. Then he said, "We voted two to one and overruled this other man, finally. However, we wanted you to know that there was some concern about your views about this." So I almost didn't get in as a result of this issue. (Laughter)

Q: What about The Times*, what were you doing on* The Times*?*

PALMER: I was a copy assistant which was the lowest job; but I did get to do a little bit of interesting work on religion. I went to cover church services and sermons and stuff like that. It was the sort of beginning level job at which enormous numbers of over qualified people were working. Ph.D.'s were filling glue pots, cutting copy, and servicing the wire machines for the reporters. (Laughter) Aspiring reporters. That was what we were.

Q: You said you produced something?

PALMER: Right. A show called *The World at 10*. The youngest editor in the history of *The New York Times*, John Wicklein, left *The Times* to go over to set up a program called *The World at 10*. It was on five nights a week for a half an hour from 10 to 10:30 PM. It was news, interviews and culture. He asked me to go with him. I was assistant producer of that show for close to a year.

Q: What kinds of things were you doing?

PALMER: I produced the news. I wrote the news. I figured out with him whom we might invite as guests. I took care of the guests and prepped them for the show. Also, I helped with some of the last five minutes of the show which consisted of movie reviews, play reviews, and that sort of stuff. This has a direct relationship to where I went, because I've started a large television company, since leaving the Foreign Service.

Q: When you came into the Foreign Service, it would have been '64?

PALMER: Right.

Q: I assume you took the A-100 Course.

PALMER: Right.

Q: Could you discuss what the group was like?

PALMER: Well, I remember there was not a single Black. There were some women, and they were very good. One of them, Genta Hawkins, went on to be director general of the

Foreign Service. It was a good group, you know. I guess I didn't feel that it was an extraordinary group. I don't mean to be unfair to my classmates, but I thought it was good but not super special, I guess.

Q: What was the impression you were getting? I mean that you had been sort of on the outside and all of a sudden you are in the State Department. You are getting lectures and being shown around. What was you impression?

PALMER: I guess I felt like a sponge, you know. I was immensely interested in everything and also somewhat distant. I mean I was proud to be a Foreign Service officer. I wanted to be a Foreign Service officer. My father had been proud to be a naval officer. I saw a direct kind of a connection in terms of service. On the other hand, as I listened to people who had come to talk to the A-100 Course, I found myself always asking rather fundamental kinds of questions and being skeptical.

Q: Did you sort of point your self towards the Soviet Union?

PALMER: Yes. I fought very hard to go immediately and was told that first term officers never were assigned to Moscow. So I actually did get a job in INR. That is, I went to INR, to the Soviet desk and was offered a job. Then I went to the junior officer program people and they said, "No, you're not allowed to do this. You can't find your own job. We assign you, not the other way around, and you're going to India, young man!" I was very bitter about this but I went to India.

Q: You were in India from what, '64 to ...?

PALMER: '64 to '66.

Q: What were you doing in India?

PALMER: I was doing rotation. I worked for the ambassador, for Chester Bowles, as his aide for a very short time. Then, I worked in the… I'm trying to remember the order now…let's see…I worked in the political section. Then he changed the whole embassy into political-economic internal and political-economic external. I worked in internal on both political and economic issues. I worked in the consular section. Then for my admin rotation, I set up something called the visitor center.

This was the idea of Chester Bowles, who had founded Benton and Bowles Advertising. It was his idea that an embassy in a developing country ought to reach out to visiting Americans of all types, including just ordinary tourists. It should try to help them understand what America's role was in that country. In India he felt that it was very important for us to be helping India. He wanted to have a more consistent effort by the embassy to have materials and programs that educated Americans about India.

Q: What was your impression of Chester Bowles and how did he operate?

PALMER: This was his second time as ambassador, so he certainly knew India and he was very much loved in India. I felt he was a little bit beyond his time in a certain sense. India no longer really wanted to be told how to suck eggs, and he loved to tell people how to suck eggs. He did it with all the good will in the world, but Indians didn't necessarily react to that very well. They didn't always say it to his face.

I was very young and I immediately got Indian friends. I ended up marrying an Indian whom I had met at that time. You could see when you got inside Indian families that this was not something that they particularly wanted, even though they loved him. I mean it was a rather complicated attitude toward Bowles.

Q: I was talking to somebody who was public affairs officer not too long ago. This person was saying that the dealing between the Indians and the Americans is really a dialogue of the deaf. Each loved to preach and was not very accepting of preachment from the other side. Were you getting any sort of emanations of this?

PALMER: Yes, absolutely. At that time Nehru, Mrs. Gandhi, and what's his name, who had been their ambassador at the U.N.?

Q: Krishna Menon?

PALMER: Krishna Menon, who really did not like our foreign policy.

Q: It was reciprocated!

PALMER: Yes, and he loved to lecture us. I dated his niece for a while so I used to go there to pick her up. So I had some contact with him. So, yes, I think that "dialogue of the deaf" is a good phrase to describe our relations.

Q: From your perspective, what was the political economic situation in India during this '64 to '66 period?

PALMER: Well, all the problems that still persist of poverty and hunger, etc. were certainly dominant in the scene, as was all of the ethnic strife. War broke out while I was there in 1965 in Kashmir. Ostensibly, from the KashmiriPakistani point of view, it was local people.
Actually, it was the Pakistani army fighting the Indian army, but the local people in Kashmir were clearly anti-Indian. So the interethnic strains in India were very visible at that time, as they are still. I was in Kashmir when the war broke out. I stayed there for a good part of the war, reporting or doing whatever the hell I was doing. It wasn't clear.

But I would say also very visible were the strong connections between India and the United States, and the fact that we are both democracies. Despite all of the "dialogue of the deaf" business, there are still and were then many things that brought us together and made us closer than we are in certain ways to others.

Q: Were there still residual effects of the Chinese-Indian War? This was what, '62?

PALMER: Right. We had an active intelligence cooperation as a result of that business. Our military mission had grown because we had supplied the Indians with military equipment. So, yes, that was all still very present.

Q: What about the Kashmir problem, which remains a problem? Was there sort of an accepted attitude on the part of our embassy, particularly at the junior officer or senior officer level about who was right, who was wrong, or what we should about it?

PALMER: I think there was at a minimum a clear understanding of the dynamic among the professionals, the Foreign Service group, and people in the agency. Bowles, on the other hand, because he was so immensely pro-Indian, really wanted to suppress embassy reporting on that. When I came back from Kashmir from the fighting, he did not want me to send out a cable reporting on the views of the people in the valley. I had talked to dozens and they all were anti. And so a cable never went. We did some back channel stuff that he didn't know about.

I think that a few people like Howie Schaffer, Nick Veliotes, Roger Kirk, Lindsey Grant, Dave Blea, who was the station chief…there was a very distinguished group of people in the embassy at that time. Brandon Grove. I think all of us understood…I was by far and away the most junior…but anyway all of them understood what the facts were. And I think Bowles probably understood, too, but he just didn't want… it was an inconvenient thing.

Q: Well, did you have the feeling, particularly with our ambassadors…one always thinks of Bowles and Galbraith and a few others…that they, or at least it seems that they kind of fall in love with India; and that they have a coterie, a very important coterie, in the United States who also have this? Yet we're Foreign Service trying to look at this in a practical measure and the two aren't necessarily in synchronization. Do you find that?

PALMER: Yes, and I think it's a terrible mistake that ambassadors do this again and again. It's bad enough to fall in love with a country. That at least I find a little bit excusable and sometimes even beneficial.

What's much worse though is to fall in love with a leadership in a country, a particular leadership, and to promote their interests. That happens almost without exception in my experience, including with career ambassadors and American presidents. There is much too much of a tendency, which Bowles definitely had, to identify with the local leadership at that moment in time.

Q: Were there any sort of strains in the embassy? You did mention the fact that you couldn't get out through regular channels your impressions of Kashmir. Were there any strains in the embassy?

PALMER: Yes, I think there was a general perception, and this is really making the same

point again, that Bowles was not objective about our interests and about India. There was a perception that we were to some extent not taken seriously in Washington because that perception pertained. Therefore, there was resentment that we weren't thought of as highly as we should have been, as objective reporters and as a group of professionals pursuing America's interests in an objective way.

Q: This is, of course, always a problem: that if you have, particularly an ambassador, who does fall in love with a country, its very apparent back in Washington. Soon whatever he or she proposes for the mission comes to be somewhat dismissed.

PALMER: Right, and that was definitely the case then. It was also a perception that Bowles had been sent out there during this tour by Kennedy to get him out of Washington. This was because the inconvenient fact was that he'd been right about the Bay of Pigs as Under Secretary of State. Kennedy didn't like that nor did Dean Rusk. So they sent him back to India to get him out of their hair and out of their faces. In terms of his credibility in Washington, that was another inconvenient fact.

Q: Was it a feeling that he didn't have clout with the administration? Of course, by this time it was the Johnson administration. But was the feeling that he didn't have the clout that somebody of his caliber would have had?

PALMER: Should have had. Right. That was very much the impression. And of course he, also, was not unaware of that; and that made it difficult for him. He also had very bad Parkinson's disease, so that was another factor.

But I don't want to sound anti-Chester Bowles. I worshiped Chester Bowles. I thought he was a wonderful man and with much of what he did, I absolutely identified. With his concern about village India, the poverty in India, and the necessity for American health, he was a role model for me in many ways.

Q: Did you find as a junior officer, coming out of the civil rights movement and your activism, that you had a problem internally or with your other officers? After all, if you want to deal with problems of racism and poverty and so on, this is the world's greatest playground for that. Were you running around trying to save the world or save Indians as opposed to being a Foreign Service officer and looking at this rather dispassionately? Was this a problem?

PALMER: Well, I guess I sort of did a little bit of both. The first Christmas I was there as a bachelor and I was very lonely. I found an orphanage to go and spend Christmas in. I didn't know who these people were that ran the orphanage, but I found out about a year later. I then started to spend about two days a week there. As it turned out and as I later realized, it was Mother Teresa's. At that time she wasn't known as anyone in particular.

I worked with her order to establish a home for homeless men and I actually slept in this place. I spent a lot of time in the slums. So, totally separately from the embassy and unknown to the embassy, I did my thing to try to relieve part of India. However, I think

that in terms of what I did in the embassy on my official time, I tried very hard to be intelligent. I tried to use common sense and not to get into this kind of pro-Indian stuff.

Q: You mentioned on the Kashmir issue you used a back channel. I've designed these talks also to explain to people who study foreign affairs how it really is. Could you explain the process?

PALMER: Well, it was possible to do letters, long letters to the desk. That was one of the forms of back channel. To do a telegram that went out front channel, through the communications center, meant that everybody in the embassy was reading it. You couldn't very easily do that without the ambassador's being aware. So one of the back channels was to do official, informal letters which is what I did with the encouragement of some more senior officers.

Another, of course, was to talk to visitors from Washington or to talk on the phone in slightly guarded ways, but nonetheless to make clear what the message was. Then there was always the agency. The ambassador didn't always see what the agency was sending and you could talk to the agency and they could get stuff out. And I'm sure there were other ways that as a junior officer I didn't know about but anyway, those were ways that I was aware of.

Q: Did you have any contact or feeling for our embassy in Pakistan? I suppose it was in Karachi in those days or was it in Islamabad? I'm not sure. It moved.

PALMER: It did move, but I think it was Karachi also.

Q: Was it an us and them type situation?

PALMER: I didn't really work very much on the international side. I was in the internal side of political economic affairs. I don't really remember an "us/them" vis-à-vis the embassy in Pakistan. Maybe Bowles had a little bit of that, but I don't think the others in the embassy did have that perception.

Q: What about when you did consular work? What did that consist of?

PALMER: The usual run of things: people who had gotten sick and you had to try to help them in hospitals; who were in jail; accidents; both immigrant and non-immigrant visas. I really loved consular work. It was great because you could deal with people.

I got particular satisfaction because at one point I was left alone in the consular section. The consul had gotten sick and had to go for rehabilitation.. I had noticed that Indians were expected to wait in a long line when they came to apply for visas. It seemed to me that they had to wait forever and that Americans were immediately taken care of. I thought that was discriminatory, so given my sort of civil rights-y kind of nature I thought, "This is outrageous!"

So I called in all of my local employees, all of whom were twice my age and had worked in the embassy for years. They were quite used to this sort of system even though they were also Indian. But mostly they were south Indians and they were mostly Brahmans. They didn't really like north Indians. So I think they got secret pleasure out of having everybody wait in the long lines and telling them to come back and this sort of thing.

I said to them that we were not going to treat Indians differently than Americans. We were going to treat them on the same basis and the same time frame. They were going to get answers. If we had to refuse visas, we'd refuse them; but we weren't going to discriminate against.

Well, there was a whole lot of grumbling. We made a lot of headway in doing things faster. Then, unfortunately, the consul came back and didn't like what I'd done. So it was all reversed, but at least for a short time I had some success. I think consular work is terrific work. I did it also in Moscow for a year and loved doing it there.

Q: This is my specialty.

PALMER: I didn't know that so I'm not saying it because of you! (Laughter)

Q: Well, the '64 to '66 period was at least the beginning of the great sort of student wanderjahr, which was intimately tied to particularly hashish from Nepal and all of that. Were you getting any reflection of this as far as kids coming over and getting into trouble?

PALMER: A little bit but I can't remember any massive problem that we had in dealing with that. Maybe there was more than I was aware of. I didn't stay in the section too long. I don't remember a lot of that. I do remember going up to Kathmandu and it was a major thing up there.

Q: What about in India? You were working on internal matters. Was there any sort of difference in the reporting attitudes picked up by the reporters? Those in Calcutta, Bombay, Madras are among the ones I can think of.

PALMER: Do you mean that they saw India differently?

Q: Yes, differently, or were they all pretty much in line?

PALMER: I think they were pretty much in line. I wouldn't swear that my memory is right about that, but I don't recall any stark differences.

As I recall, Bowles was very good about bringing the consuls general and their staffs to Delhi, or our going out often. So there was a lot of interaction, as I recall. We were encouraged to do things in the consular districts as political officers or whatever. So I don't recall any particular tensions or differences.

I had a distant cousin and A 100 classmate who was serving in Madras as a Foreign Service officer, John Washburn. So I used to go down to see him and stay with him; and he came to see me in Delhi. I think that we had good relations, as I recall.

Q: Did you get out into the field and talk to Indian politicians at the local level?

PALMER: To some extent. I guess probably because I was so junior I didn't do a lot of that. I certainly did get out a lot to travel, but I don't remember seeing politicians so much. One of my things was youth politics, that is, dealing with youth organizations.
Q: There's a youth officer, isn't there?

PALMER: I was the youth officer, and so I did see a lot of young political types. Not members of parliament or ministers, but younger people. So I remember doing that. I spoke a lot to colleges. Bowles urged us to get out and we did get out.

Q: I've heard somebody in another interview say that Marxism in the Indian colleges was not something that had been imposed on them. It was something which they felt comfortable with and so, unlike most places where Marxism was expected, the Indians accepted this and the philosophy behind it. Did you find this in dealing with the students and, if so, how did you deal with it?

PALMER: Well, a sort of soft Marxism, yes. I would say it was more London School of Economics socialism than hard core, brutal Leninist Marxist thinking. Indians are very tolerant by nature. Hinduism is a very tolerant faith or set of faiths.

I think that among students there was a dominant left socialist mentality, but the worst communism…I never it felt was a strong strain in India. It didn't seem to fit, to root really well. When communists were in power, they were in Calcutta. It wasn't the same as communism in Russia or in China.

Q: Was it your impression that the Soviets had made much headway in India as far as competition with the United States?

PALMER: Yes, they had done very well. They had a huge presence in terms of their aid projects. They had big cultural programs. They were very visible and present. They were thought of as India's number one friend. You know, the Nehrus and everybody thought of them as a big friend. So they got big play.

Of course, I like Russians a lot. I am very definitely a Russophile, but I never liked their government. I thought it was terrible that they were in that position in India, that Indians didn't look realistically enough at what the reality was in Russia. This was no role model for India.

Q: Did you have the feeling that Nehru and his group were just by training, by attitude anti-American? Was this an accepted thing?

PALMER: Bowles used to say that the big problem is that they were insecure, that they didn't believe in themselves, that they had a "little brown Englishman complex." I think that's right. It wasn't so much that they were anti-American as they weren't secure in their own skins. As a result of that, they had built up a whole set of defenses by which they defined themselves, partly in opposition to the United States, but also in other ways. Some of that persists up until today, unfortunately.

Q: Was there a difference between, say, the British who had been the colonial rulers, and the Americans, I mean as far as what you had been able to sample?

PALMER: Yes. The British were not perceived to be as big of a threat and challenge as we were, even then. The British Embassy had a softer time with India. When there were demonstrations, we were the butt of the demonstrations, not the British Embassy, usually, even though we may have had the same positions on an issue. We were the imperial power, not the British at that time.

Q: I would imagine that at certain points it would have been rather frustrating. Here we are trying to be friends, only to have the students come out and demonstrate against us. Particularly, you were young and sort of in the "demonstrating mode," not too far away. "So what the hell are you doing? Go down the street to the Soviet Embassy or something!"
PALMER: Well, I used to go out and talk to the demonstrators. I demonstrated yesterday on human rights. I mean I was there in Lafayette Park. I think it's a good thing to demonstrate. I think it's a very important part of the democratic process. So the fact that people demonstrated against us, I never thought it was so bad. I thought it was a good thing in a way.

Q: At this time, did you marry a woman from India?

PALMER: Yes. More or less. I met her in 1964 and I proposed in '66 before I left India.

Q: Was there any problem marrying a girl from a foreign country then?

PALMER: Well, we had to resign from the Foreign Service right away. I did, and then I informed the ambassador. I said I was really concerned because as far as I could tell, there had never been a marriage to an Indian in the Foreign Service. I said that I'd heard that if you wanted to marry a Brit or a Canadian or an Australian, there was never any question. There had been questions and people had been turned down for trying to marry people from other countries. I said I was really nervous but I loved her and I was going ahead. I had done my letter.

So Bowles said this would be outrageous if they turned down an Indian so he sent a cable in support. I had an amazingly fast response. I gathered they liked to take six months to make sure the marriage was solid. And I got my clearance in two weeks! (Laughter) I remember being astounded. The security officer was told by Washington to go up and do his thing quickly which he did. That was to look at her family.

Q: You mentioned at one point you were dating a girl who was a niece of Krishna Menon. Krishna Menon is one of these interesting characters. He was one of our devils during the early-late '40s, '50s, and slightly into the '60s. What was your impression of Krishna Menon?

PALMER: Well, I remember once Malati, his niece, wasn't ready to go out. So I sat with him while I was waiting for her to get ready. We had talked about the Soviet Union and he knew that was my main interest and that I spoke Russian. He said, "I bet you think that I really like the Soviet Union and I've spent a lot of time there." And he said, "And I bet that you think that I really hate Americans and that I don't like the United States at all."

And I said, "Yes, that is my impression."

"Well, that's absolutely reversed," he said "I've spent very little time in the Soviet Union. They invite me all the time, but I've rarely ever been there. I love New York. I don't dislike the United States at all. You Americans simply don't understand anything about me." (Laughter)

How much truth there was in that, I don't really know. I don't know, but my sense of him was that he was an extraordinarily arrogant, opinionated man; and that communism was not his cup of tea. A regimented, unthinking, monolithic kind of thing was not Krishna Menon, who was a free-wheeling, brilliant, difficult person. He wouldn't have lasted a minute in the Soviet Union, and probably understood that at some level; but loved provoking the United States.

He adored doing that, but it didn't necessarily mean that he disliked us. I think he probably did love New York City. New York City was his kind of city. Irreverent, messy, bright, creative, full of people just like him. Half of New York is full of people just like him. Arrogant everybody. (Laughter) Taxi drivers with opinions, you know. So anyway, for what it's worth, I think it's important not to demonize people, and not to worship them either.

Q: How was Krishna Menon? What did the people think about him in the embassy?

PALMER: Strong dislike. (Laughter) Including Bowles, as I recall. I don't think Bowles had any use for him, as I recall. I mean, I might be wrong. My relationship with him was really just the niece.

Q: Oh, I understand!

PALMER: It didn't have anything to do with the embassy. I don't remember ever even mentioning to the embassy that I had this relationship with his niece.

Q: How about with Nehru? What was the impression? How did Nehru feel about the United States, that you were picking up?

PALMER: I don't know, actually. I was much too junior, I guess. I don't remember even thinking about that now. I worried about the Youth Congress, the youth wing of the Congress Party. Those were my kind of people, people that were 21 and 23 and 25. I really don't know. Krishna Menon was through a twenty-whatever-she-was year old niece.

Q: Oh, yes. Did you find with the students you were dealing with sort of loved debate?

PALMER: Yes. And a liking of engaging Americans in that debate. I think that was a big satisfaction. And in that sense, India was palpably, clearly a democracy. There was plenty of open and free debate in the press. It was wonderful. It was a politically mature society, in a way.

Q: Did you change your mind about an assignment to India while you were there?

PALMER: Yes. In hindsight, I thought it was good for me that I was forced to look beyond Russia as a country to be interested in. And the mission was an extraordinary place because it was the largest Peace Corps, the largest A.I.D. mission, the largest USIA. It was huge everything.

So, in that sense, it was a good place for me to get started to see all of this. And if I hadn't done it, I never would have had it in the whole rest of my career. This is because then I ended up just doing "Commie countries," where we didn't have any of those things. We had no Peace Corps or A.I.D. missions.

Q: This is early in the height of the enthusiasm about the Peace Corps. What was your impression of it in India?

PALMER: Well, I didn't have a lot of experience. I remember that they did have a very good chicken and egg program. Beyond that I don't really recall much. Sort of results kind of things. I don't know how they did.

Q: In '66 you left New Delhi, and whither?

PALMER: I came back to Washington, and I worked on NATO political military things in the European bureau.

Q: From '66 to when?

PALMER: To '68.

Q: What type of work were you doing then?

PALMER: We did military planning, logistics, pipe lines, and everything to do with the military side of NATO and the political military aspects thereof e.g. war games, relations

with our allies in this dimension, political military stuff. It was tremendously interesting.

Q: Yes. It was a fascinating time. This was when DeGaulle pulled his thing, wasn't it?

PALMER: Yes, and a lot of my work was the recovery of that. All of the logistics lines had gone through France, all the pipe lines, all the storage depots, all this stuff. All of it had to be redone. It was still in the process of being redone so that we could fight if France stood aside.

Q: Here you are in the guts of the machine and DeGaulle has pulled France out of NATO, at least the military side of NATO. What was the attitude of the people you were working with about the French?

PALMER: Real hostility! (Laughter) I remember going to Paris a couple of times because NATO still had its headquarters being relocated. There was a real strong dislike of the French, of the government, for doing this. So, hostility.

Q: Were you aware that there were still fairly good ties with the French military?

PALMER: There were sort of layers. There were attempts by the French military to sustain some dialogue, but it was difficult for them. Basically, the ties had been cut off. So, there was some level, but it was much different than it had been. We'd been integrated together in the command structure and that stopped. When I came, it was over and we were just cleaning up with them.

Q: Did you find a switch from thinking about the French to seeing the Germans as our bulwark and our major ally at that point?

PALMER: I wasn't a West-Europeanist. I have to say that I hadn't thought much about our relations with our NATO allies before that. I didn't think very strategically then. I guess that's true, but I'm not a very good witness to that. I don't remember thinking about it. My mind was really much more dealing with the Soviets and the East Europeans. So I'm not sure how much there was a transition going on.

Q: During this period, what was the feeling of the quote "Soviet threat" unquote?

PALMER: We were still very transfixed with the Soviet menace period. It was at the heart of our foreign policy. It was sexy stuff for the people that I worked for, who had direct relations with the secretary, who in turn did with the president. So I think that the perception of the Soviet Union was still very much that this was the big game.

Q: Was there the feeling that the Soviets might launch an attack, or that it would come by inadvertence? What was the feeling?

PALMER: I think there was still the feeling that they might; that it was a real threat, not just a theoretical threat. The feeling was that we really did have to be ready; that they

could overwhelm us with their manpower. They had so many more tanks, so many more pieces of artillery, that the only way we could hope to sustain a defense would be by going nuclear. There was just this strong sense of inferiority in conventional forces, and that the French had made it that much worse.

Q: Were you getting anything from the people looking at it or was this sort of out of your bailiwick as far as what were Soviet intentions?

PALMER: I think there was a perception then that the Soviets remained an aggressive expansionist power. The perception was that they were still involved with communist Parties in Western Europe, in Italy, and elsewhere; and that they remained a real threat. The containment was, of course, our doctrine and what we were trying to achieve. It wasn't a foregone conclusion that containment would work, however.

Q: Had the Prague spring started while you were there? That was in May of '68 or so.

PALMER: No, it hadn't started yet. I was just leaving RPM, the NATO desk to go to the Russian program at Garmisch, when the Prague spring was just starting up.

Q: What about in Berlin? Was this seen as maybe the catalyst that might start something?

PALMER: Yes. We had all of this Four power group there with the Germans also participating in a way. Yes, Berlin was still considered very volatile and dangerous.

Q: As you were moving through this, trying to change supply lines, and trying to reconstitute our defense posture, were you feeling that Vietnam was causing problems?

PALMER: Well, it was a deflection and, of course, a tremendous problem in terms of our relations with our allies in Western Europe, Congress, etc. So, yes, it was a problem.

Q: Did you yourself start getting involved in the anti-Vietnam movement?

PALMER: No, because I didn't entirely agree or sympathize with the anti-war people. I remember when I was going through the A-100 Course in '64, two of us were asked to take the pro and con. We were asked to get up and talk about the Vietnam War and where we thought it was going to go. We were asked about what our views were on where we should be going as a nation.
I remember saying then that we should do one of two things. Either we ought to really build up strongly and win, invade the North and win; or we ought to get out altogether, that mushing around was no good.

So I never felt that it was immoral to be on the side of the government fighting against communism. And that argument, the morality argument was dominant. At least it was the ostensible dominant argument among the anti-war people of my generation. I just didn't sympathize with the argument. I thought it was legitimate to try to overthrow a

communist government by any means. I still feel that way.

Q: Was there sort of a junior officer movement going on during this period? I remember there was something called "JEFSOC" or something.

PALMER: Right. But I don't think that it was particularly anti-war. Maybe it was.

Q: I'm not familiar either.

PALMER: There may have been. There were people, of course, who left the Foreign Service, like Tony Lake and others, over the war. I was never sympathetic with that. I thought that a lot of people who were against our participation in the war, were against it because they didn't want to go out and serve.

That was not a point of view I was particularly sympathetic with. I thought that, you know, you had an obligation. I even volunteered at one point. In fact, a number of people in my class volunteered to go and serve in Vietnam, in my A-100 Course. None of us were taken which was a surprise to all of us.

Q: Who was the head of NATO at the time? I mean your office.

PALMER: Let's see. Leddy was the Assistant Secretary and then George Springsteen was the Deputy Assistant Secretary for NATO and Gene McAuliffe was the office director and George Best was the deputy director. Then, George moved up to be office director while I was there. And Walter Stoessel was assistant secretary for part of the time, Leddy and he.

Q: Were there any issues that you had a piece of during the '66 to '68 period that we haven't talked about?

PALMER: I can't say that that was…I mean I think it was a very good interesting experience but it wasn't really what I was all about. I don't think I have anything interesting to contribute about it.

In '68, I did help to organize the poor peoples' march and the poor peoples' city in front of the Lincoln Memorial. And I did organize about 50 people in the State Department to go out, march out of the building and down to the Lincoln Memorial, and participate in that, and we walked around the C Street entrance afterwards. So I did a little bit of continuing activism but it wasn't on the Vietnam War. I was chastised by one of my bosses for doing it. (Laughter)

Q: This, of course, was still the Johnson Administration. The Nixon Administration got nastier. Well, in '68 whither?

PALMER: I had been fighting and lobbying to get into Soviet affairs. I was selected to go to Garmisch to the Army training program there. As you probably know, for many years

two to four Foreign Service officers were selected to go there.

You had to have already advanced Russian language skills and you normally had to have had some other experience with the Soviets. You went there for one year and then you went to Moscow. It was guaranteed that you went first to Garmisch and then to the embassy.

You were trained along with Army officers who were going either as attaches or as intelligence or whatever. There were people there from NSA also being trained. And it was wonderful! It was the greatest program!

Q: Of course, this program was run completely in Russian, wasn't it?

PALMER: Right.

Q: Was it lectures mainly?

PALMER: Lectures by people who were all Russians or Ukrainians or whatever. They were émigrés and had come out, many of them, after the Second World War. Some of them were quite recently defectors. And they taught everything. They taught Soviet economics, Soviet politics, Soviet military stuff.

We were allowed to do a lot of reading, too, on our own in Russian. We were allowed to speak only Russian while we were in the institute. You could speak with your wife otherwise, but in the institute you could only speak Russian. Also as part of the program, we had a long trip to the Soviet Union as a group which was very, very useful.

Q: Was there a Soviet counterpart to this?

PALMER: Not to my knowledge. They trained people as interns in their embassy in Washington, but I don't think there was. Well, there may have been and I just wasn't aware of it. There was at that time already Georgy Arbatov's institute for U.S.-Canadian things and some of their people did train here but it was a little different. That had a more academic flavor, I would say, than what we did. We were really being trained functionally.

Q: What about the military officers who were going there? Was there a difference between the attitude of Foreign Service officers and military officers that was noticeable, or not?

PALMER: Well, I think we had debates; but on the whole, no. A lot of people established strong relations there, inter-service and strongly continuing relations. This kind of joint training together is a really useful thing. It breaks down a lot of barriers. We used to ski together. We traveled together for two and a half months. We lived together in the same compound. I think it was a very good experience in that sense.

Q: Did you find that you were getting a pretty heavy dose of émigré thought?

PALMER: Yes, and we used to have a lot of fights. There was one guy, Yuri Marin, who was there who had come out more recently. He'd jumped off a ship off San Francisco and swum over to another ship. He played the role of the Commie in the institute. The older émigrés used to fight and argue with him, etc. Many of us used to argue with the older émigrés, too.

The older émigrés were always bad-mouthing this guy and saying, "No, no! He really is a commie!"

And all of us were saying, "No, that's preposterous! He defected. He's just been asked by the Army to play this role of the commie so that you have some richness here. After all, we're going to be dealing with communists there." Well, lo and behold, this guy re-defects! (Laughter)

So, he may have been planted. I don't think anyone really knows to this day if he was planted and this whole thing was their penetration of Garmisch. Was this really a very successful KGB operation to spot all of us, to get all of our bios?

We spent hours with him alone one on one. A lot of the work in Garmisch was very individual. It was wonderful to be able to do that, to spend hours talking in Russian about different aspects of Russia. So I spent a lot of time with Yuri, as did many others. He must have known everything about us for what it was worth.

Q: What sort of picture were you getting? We had the Soviet crushing of Prague's movement towards some liberation. This is early Bergen. What sort of feeling did you have about the Soviet Union?

PALMER: Well, I guess that in my own mind, and I guess in the minds of the other Foreign Service officers, in all of our minds it intensified our dislike of communism. We were in Lithuania the morning that Soviet forces invaded the Czech Republic. They had been moving over a period of a day or so through Lithuania into Czechoslovakia.

We were spending time with Lithuanians, talking with them in cafes and restaurants. They were acutely aware of what was going on. A lot of them thought that world war three was breaking out. They thought that the West might react. Also some of them bought the line that was then being distributed. This was that the Germans had actually invaded Czechoslovakia and the Soviet army was moving to meet the Germans. (laughter) This, of course, was complete crap but it was surprising how many people bought that line.

So I think it made many of us really hate the Soviets, hate the government and the system. It certainly did with me. You know, they were going against what was really the great hope of the region.
Q: Is there a difficult problem in going to a place in which you love the people and hate

the government? I'm talking about before you went there. How did you feel about this?

PALMER: Right. I was desperate to go there. I had thoroughly enjoyed my student times. The thing I most wanted to do in my life was to spend time there so, no, it didn't change my desire to go at all. If anything, it intensified my desire. I wanted again to be in this environment of dissidence and of people who were fighting against the system. I wanted to try to figure out ways to help them.

Q: You went there in '69…

PALMER: Right. To '71.

Q: What was your immediate job?

PALMER: I first worked in the consular section and that was really, really interesting. Among other things, it allowed me to visit prisons, Americans who were in prison. Traditionally, people coming out of Garmisch had gone into either consular or admin initially.

It was thought of as a year where you continued your language polishing, but also had the time to get out. I, for example, spent a lot of time going to court, to trials just as a way to try to understand the society. I went to a lot of civil trials, and criminal, but not political. Political trials were closed.

Q: Were the civil trials just civil trial or were Americans involved?

PALMER: No, they were just Soviet. There weren't Americans.

Q: What was your impression?

PALMER: Well, it was immensely interesting in that you see a society in a different way through a courtroom. For example, I remember thinking that Russians really weren't so scared of the police or of the judges.

I thought that one of the great stereotypes about the Russians, which is that they 're sheep, was totally wrong. Stalin was right about one thing. He had to kill a huge number of people to control them. These are people who are inherently rebellious and not sheep.

I don't want to go on about that at length, but for me that was a fundamental kind of fact. From that proceeded a whole lot of things that I want to talk more about with you later. These things include what I did when I got more senior in the service, what I'm still doing, and where I think American foreign policy should be going. Still, today, it isn't quite yet there.

Q: Here you'd had "Yale In Jail." What was your impression of the Soviet prison system?

PALMER: I visited a prison. When I was doing the student Garmisch trip, I actually went and I asked our arrangements guide to take me to a prison. We visited about 12 cities, I guess, on our tour. She kept saying, "Next city. Next city." And, of course, she didn't want to show me a jail.

So finally I saw a jail, actually, from the bus when we were touring around. I told her I was sick that afternoon. I went and I got in this prison by fooling the guard at the gate. I went up to what was the administrative block where the head of the prison worked and the guards changed clothes.

I spent almost the whole day talking to the guards going on and off duty before they realized that something was funny. I said I was Czech, that I was a Czech expert on prisons and that I had been authorized by Moscow to be there.

Anyway, my impression from that and from other research on the prison system there is that, in some ways, the Soviet prison system then and up until today, is better than ours. They do a lot of job training or work while you're there. I think that both as punishment and as preparation for getting on, it's psychologically healthier, in some ways, what they do.

Now, there are other aspects of the Soviet prison system which are just truly terrible. These would include the level of food and that kind of stuff, the level of hygiene. And for political prisoners, of course, they shouldn't be there at all. There are some things, though, that are worth studying and registering for American legal practice.

Q: The American prison system is really not very good. It's getting worse.

PALMER: It's terrible. Really terrible. And the recidivism rate is just terrible. Of course, Russian recidivism exists, too; but not as much. It's not as high as it is in the U.S.

Q: In the consular section, what were Americans getting arrested for?

PALMER: Drugs. We had people coming through from Afghanistan through Tashkent and then they'd get caught at Tashkent Airport. There were other miscellaneous things, but drugs was the main one.

Q: How were they treated?

PALMER: Not well. Not well. They had a lot of problems, particularly health problems. But we tried to be helpful to them.

Q: Was there much we could do?

PALMER: We met with them every month. They were brought up to Moscow. We were allowed to carry one box of supplies for them. As a result, we developed the ability to

carry extraordinarily heavy boxes. They were absolutely jammed with things that they could trade, like chocolate for eggs, coffee.

So actually, I think that we maybe saved some of their lives because this gave them physical possessions that they could trade to get proper medical care. Stuff like that. But they had tuberculosis, they had very bad skin diseases. One of them had a nervous breakdown. It was, you know, not easy for these guys.

Q: How about protection and welfare of U.S. citizens? Did you get involved?

PALMER: Yes, I mean I did all the standard stuff. I did lot of hospital visits, people dying. I had 12 Americans die. At the time, I was responsible for that. And I had a very interesting disinterment case. I had to dig up a body that was buried against the will of the American relatives, buried there in Russia. I had to dig it out, get it shipped back. It was something!

But the most interesting part of my time there was the second year when I worked on internal political affairs and I was allowed to do…and there had been a person who had done this in the embassy in Moscow traditionally and well over half of them had been PNGed and been thrown out…focusing on the dissidents, on the writers, theater directors, painters, the musicians, the Samizdat, the writers for the drawer and all that kind of stuff. The Solzhenitsyn's, etc. And so my second year in Moscow, I did just that. I just focused on that group in the society. My first year, I knew I was going to do that job so I was already beginning to do it even during the first year. I was moving into that, making the connections, taking over the connections my predecessor had that he was passing on to me. So the second year I was really able to function and do good reporting.

Q: One wonders about that looking back on it. I mean we spent a major effort… I mean both the press and the embassy and all… on dealing with the dissidents. Was this, in a way, worth it? Were they really representative of anything?

You know, one could do the same thing, say, in the United States or somewhere; and you could end up with really a very peculiar view of the world, because this is not overly representative.

PALMER: Right. I thought they were the representatives of Russia and that the government was not. It was not legitimate; it wasn't elected. It didn't represent anything. It represented a narrow group of people who had a completely wrong view of history and of the interests of the people. So I thought these were the only people who would speak the truth about what was going on.

I thought that we spent entirely too much time taking seriously what Communist Party officials were saying to us. And this is still true today. I mean I had lunch with George Shultz yesterday. Still people tend to think of what Gorbachev did as opposed to what ordinary Russians did.

So, anyway, not to jump ahead, but yes, I think it's profoundly valuable in societies where dictatorships exist, including in Saudi Arabia today, or China today, or Nigeria today that it is in many ways the most interesting and useful things that an embassy can do. Its an outpost to the people of another country, not to the dictators.

And this is something unique the Foreign Service can do that really no other part of the U.S. can do this in the same way. This is because in most dictatorships, other things are not allowed to function. They're not allowed in very often. Also, our embassies are protected places where you're not worried that you're going to get thrown in jail. The worst that happens is that you get thrown out of the country. You get PNGed for your relationships with these people.

So I would say that this is one of the very most important functions of our embassies in the 40 percent of the world that still remains in dictatorships. Even in transition situations, in unstable transition places like Ukraine or Russia today, it still remains terribly important for the embassy to relate to the opposition and to the dissident voices, to the voices of change, not just to whoever is in power at the moment.

Q: You say most of your predecessors had been persona non grata-ed, PNGed. Here you've spent a hell of a lot of time studying Russian and all of that. And all of a sudden to have the Soviet Union denied you. And once you're PNGed, that's it, you know. You can work around the periphery, but that's it.

I would think that, not only for you, but for anybody else in that job, this would be something that…you're putting your all on the line and it's up to some apparatchik to decide whether you can continue or not. How did this play with you?

PALMER: I think I was so caught up in it that I didn't even think about that. You're absolutely right. Logically, you should and there would be a temptation to trim your sails as a result.

The only thing I can remember trimming my sails about was that a friend of a dissident artist type offered me 10 Kandinsky watercolors, which would today probably be worth about 10 million dollars or something. I don't know, a lot of money. They were beautiful. I love Kandinsky and they were beautiful.
But I was not sure whether he was doing this really illegally, in which case I had no problem with it. That is, I would have bought them. Or if it was a set-up to trap me, in which case I would have been kicked out. So I didn't do it.

Others in the embassy actually were doing a lot of this. And journalists, American journalists were doing it. Dusko Doder, who was *The Washington Post* correspondent, had an immense collection and he got them this way. But I didn't because of that, but I was tempted.

In terms of my work, I don't remember really thinking about this. I just knew it might happen and of course it could happen with no relationship to what you were doing. Very

often PNGs took place because we'd kicked some Russian out of here. So then it was just…

Q: …your turn. (Laughter)

PALMER: And of course, I never served again in Moscow anyway, although I've been back dozens of times already. So in that sense it's future danger.

Q: Can you talk about some of the dissidents that you dealt with and your impression of their role?

PALMER: Well, the hardest core dissidents one couldn't get to because they were in prison. But there were people who were sort of in the middle layer of dissidents, for example theater directors, actors, writers. Their role was to try to work the edges of the system; that is, to sneak into plays at the Taganka and Sovremennik theaters, messages that were not welcomed by the system and could get them into trouble.

So there was this game that was always going on. So they were always pushing the margin and it was interesting to be with them and to be sitting in the audience. I went to 50 plays in a single year. One of the main ways to communicate was through the theater, including classics. Use the classics to do it. So it was fun to be even just a witness and partly to encourage them by your presence.

I don't think one should exaggerate our role then or later in bringing about changes. Yet I do think it is of some assistance to dissidents in these kinds of societies that Americans will come and stand next to them; be in their apartments; bring literature for them; connect them with the outside world; sympathize with them; hug them, you know.

They're very lonely, very threatened, and it's important for them to know that the world appreciates them. They should know that we think they're on the right side of history. Clinton, yesterday, said about Ziang Zemin, "You're on the wrong side of history." I love that phrase. It's one of the few things that I think Clinton has done in this field that I think is a powerful thing.

Q: You know, one thinks of the Soviet Union these days as being a very intense police state yet activities are going on, including your being able to go see people and all this.

PALMER: Well, it was tricky because you never knew. Some of the people you went to see, of course, were reporting and may be full time KGB people. So it was complicated. Then, sometimes you'd go and then the people wouldn't open the door. They had been told, you know, "No more with him." People would call you and say, "We're sorry. We'd love to come tonight for dinner, but we can't." So it was kind of not easy.

I think a lot of us developed techniques that perhaps in the normal world would not have been thought of as sensible. But, for example, one of the best things to do was simply to go to public lectures and listen to the questions that were being asked by ordinary

Russians of the lecturer.
There was a very elaborate system called the Znaniye Society of public lectures on all sorts of topics, foreign affairs, everything. People would ask really interesting questions and we did a lot of reporting based on what was on the minds of Russian people who went to these lectures.

Ed Hurwitz, who was my boss, and I used to go to railway stations buffets and just sit next to workers. These were really grubby railway stations and ask them, you know, what were they thinking about? They weren't dissidents necessarily, but it was a way of trying to feel what really was going on in the society.

So, I think again, this side of what the Foreign Service can do in these kind of dictatorships is really, really special. It's one reason I would change the way our embassies are organized. I would have two types of embassies: an embassy in a normal place like England or France and an embassy in a dictatorship. I think they should be organized differently, have different resource bases, different objectives.

Q: Was there the problem of being concerned about compromise, provocation, and all of that? Were you ever troubled by the KGB?

PALMER: Well, they did a lot of harassment of one type or another. They broke my windshield. They unplugged the refrigerators in the apartment. They threatened my wife, threatened to murder my wife. They roughed me up. I was on the front page of *The New York Times* in '70 or '71 because they roughed me up.

Q: What happened?

PALMER: I was coming out of the Taganka Theater which was the big dissident theater. It was a wintry day and three goons came up and started shoving me around. I've had that done to me before in this country, too, by security forces, so I wasn't surprised, particularly.

Q: What about your wife? How did that work?

PALMER: She fought, argued back. She wasn't intimidated. But some awful things happened. For example, Ed Hurwitz's wife was in the car when they broke the windshield and glass went all over and into her scalp. So it wasn't always done nicely. They made a major effort to intimidate us, but I think none of us were shaken off course. The dissidents went through much worse than we did. We knew they weren't going to kill us or it wasn't likely that they were going to kill us.

Q: With the dissidents, for the most part you were not performing the normal information gathering business of finding out what they knew and all of that. It was really more to say, "We're with you." and "Keep up the work." Was it that?

PALMER: Yes, it was certainly that, but it was also very much what was happening in

the society. They were great sources of perception about what was happening in the country, honest sources. That was hard to come by. So, I think, because I was in the internal side of the political section and because in Washington there was a lot of interest.

There still is today in what happens inside Russia. That was a valuable part of our reporting and we reported all the time. I reported on these plays. I wrote 50 play reviews. I didn't just go to the play. I wrote the plays up.

And you'd think nobody in Washington would be interested, but we got commendations for all this stuff; conversations with dissidents and all of that stuff. And I think that's true today. You know, in Saudi Arabia (or in China or Nigeria) if you talk to modernizing elements and report that to Washington, it is a valuable source of intelligence or whatever you want to call it, information about what's happening.

Q: I would think that going to a play, despite how good you are in the language… the subtleties of trying to slip something over… obviously these people were trying to slip something over on the goons who were monitoring it… and you coming from outside won't have the context. Were you able to go up to someone and say, "What's this all about?" or something like that?

PALMER: Sometimes, if I didn't understand, I'd ask some old lady who was sitting next to me but usually I knew enough. I knew actors. I knew the directors. I knew what they were trying to do. So, it usually wasn't difficult to understand.

And the audience would react. You know, the audience would laugh or cheer. The audience knew what was going on, too. So you could get indications from the audience. Sometimes people would even see that you were a foreigner and tell you. You know, "Did you understand?" (Laughter) And I often went with friends, with Russian friends and they would help.

Q: How important were the intellectuals there? One knows that in France the intellectuals do have an importance far outweighing, you might say, what the intellectuals would have in the United States or maybe Britain or Germany. What about in the Soviet Union?

PALMER: Well, I'd maybe put it slightly differently. I think that ideology or intellectual context, that the assumptions that people have in their heads, ordinary people have as well as the intellectuals have, determines history. In that sense, in Russia the role of the intellectuals in shaping the assumptions in peoples' heads was very important in determining what was legitimate. This role resulted over time in the revolution that we have seen and the change that took place.

It was this intellectual context changing and coming to fruition. It wasn't Gorbachev standing up and saying, "I want to be a democrat." It was the efforts of hundreds of thousands of people around dinner tables and in newspaper articles; and all the ways that these things happen that change the assumptions in the society about where they're going

and where they want to go. And I think in that sense, the intellectuals, theater directors, etc. have been absolutely critical to how we've seen history move in that country.

Q: Were you aware of a disillusionment? You know, we're talking about the railroad workers and others. Did you feel that the communist ideas, the lectures, all this had really taken root? We're talking again about the '69 to '71 period. Did you feel communism had really taken root?

PALMER: No. And this again is something that used to drive me crazy as a student in listening to professors. And it used to drive me crazy about the Foreign Service also. Because it was absolutely clear, if you spent any time with villagers or with workers in railway buffets, they always talked about "we/they."

Who were the "they?" The "they" were the government. The "they" were the party. The "they" were the czars. The "they" were, throughout Russian history, the elites. And they never identified with the elites. Never. There's never been a time in Russian history when they've really felt that those people in the Kremlin were "us."

That is a fundamental truth about the nature of that society and I think of all societies. It was absolutely clear, then, that they were alienated from the system. You'd watch their attitude to cops on the beat, for example.

So, as you'll hear about, not very long after that I started to agitate for quite a radically different approach to seeing the future of that country. It goes back to this rooting, my time as a student, and my time in the embassy where I really thought that to believe that these were sheep or these were people who've always wanted it to be that way or these were people who liked communism. All that was rubbish. It is not true.

Q: Well, I interviewed Ed Hurwitz and he was talking about going to these Znaniye lectures. Could you tell your experiences and what you were gathering, because he said this was really one of the greatest ways of getting the pulse of things? Could you explain more or less the context that they were put in and then what you were getting from them?

PALMER: Absolutely. Well, I'm interested that Ed said that. My memory of what was valuable stands out. What was really valuable was that, of course, you could hear what the party line was on subjects that weren't necessarily always in the press. There was a layer of sensitivity with which they were dealing which was not closed, exactly, but anyway these sessions were a link that you didn't see in the press. So you could learn a little bit more even of the official position on things.

But what was much intensely more interesting was what was on the minds of people as they reacted to this kind of stuff. The example I'm about to give you wasn't the Znaniye Society but it was sort of similar. Ed and I were always looking for notices for these lectures and trying to find some that weren't listed in the papers because they might be more interesting.

There was an apartment building right near the embassy, one of these tall Stalin designed "seven sister" kind of buildings. I saw this notice for a talk and I thought it was Znaniye Society. So I showed up that night, and went in, and they closed the door. It was a small room, and that seemed a little bit unusual to me. Then they started calling the roll and I thought, "Wait a minute!" because at the Znaniye Society lectures they never call the roll. It was just people off the street, usually large. It turned out this was a communist cell group of people who lived in that building, mostly older people.

The reason I'd gone was that the lecturer was a central committee staffer who was lecturing on the power of Western media on the Soviet Union. He lectured for about two hours on the subject. Then there was another two hours worth of questions. Early on in the thing, he asked people what their source of information was, their main sources of information about certain events.

For example, he cited Svetlana Alliluyeva's defection, you know, Stalin's daughter. You know, "How did you learn about this?" He said that the central committee had done surveys of sources of information. He wanted to compare people in that group and how they learned about things, with the survey results.

Well, what was immensely interesting is that the number one source of information for all the people practically in the room and in their surveys was what Russians call spletnya, which is gossip. So then the second question was, "So, where did the gossip come from? What was the source of the gossip?" Well, the main source of the gossip was foreign radio broadcast: Radio Liberty, Voice of America, BBC, and Deutsche Welle.

So we were having an immense impact on that society. They were getting most of their credible information about things, including things going on in their own society, including Party members who were getting most of their credible information from word of mouth that was based on foreign radio broadcast. I wrote a long piece about this.

Q: Fascinating.

PALMER: I tried to memorize the whole four hours and wrote a big thing. Frank Shakespeare who was then head of USIA wrote me a commendation for this long thing I'd done because, of course, it was wonderful for them in reinforcing the importance of their programs.

Q: Well, one almost has the feeling that during those times that Pravda and Izvestia, the two large official newspapers, were read more diligently by foreign embassies and by people trying to pick apart than by a normal Soviet citizen, who would probably turn to the back and look for the sports section or something. Did we give undo attention to the press?

PALMER: Yes, I think so. Much too much. In hindsight, we spent to much time reading it and I did, too. I used to read it also but I think it was… I wouldn't say that we shouldn't have read it. We should have. People in Washington were reading it, too. The embassy's

function should have been more distinctly understood as different than that.

You know, we should have glanced at the press, but…Ed was wonderful about this actually. Ed was a really good role model. Ed believed that the important thing was to be in the street and that was right. We should have done even more of that than we did. Embassies in general should do more of it than we do.

Q: Who was the ambassador or ambassadors during the '69 to '71 period?

PALMER: Jacob Beam was the only one.

Q: What was his attitude? How did he operate from your perspective?

PALMER: I hardly ever saw him, I have to say. I was layered and I hardly ever saw him. I really have no idea what his attitude was about this stuff. He was a man of few words; a wonderful man, charming and all that, bright, but hardly ever said anything. I never saw any reporting that he did. I'm sure he did do cables, but I never had access to them. So I had no idea what his views were even, nor did I really care. I don't want to say that but I loved doing what I was doing and I had no interest particularly in anything else.

Q: I always treated the ambassador as like the normal Russian peasant: the Czar of Far Away (and may he stay there!) (Laughter)

Were there any sort of splits within the embassy as far as interpretation of events, whither the Soviet Union and all of that during the '69 to '71 period?

PALMER: I don't remember any big debates. Boris Klosson was the DCM. He was very encouraging of doing internal political reporting. He did some himself, I remember. He did a wonderful long piece about churches. I don't remember any particular debate or any real big difference. I don't think with Ed Hurwitz, for example. I don't recall any big ideological debates.

Q: Well, now we're speaking in 1999 when the whole thing has sort of come apart. Two of the things that one would hear people talking about, but almost on the margins then, but now have become all-important. One was the Soviet economy and the other is the nationalities issue. Did these play much of a part?

PALMER: Yes. We tried to do reporting on the nationalities issues. This issue was the specialty of Fred Barghoon, who was my advisor at Yale. I think many people were aware of the differences there. So we tried but I don't think we did a really good job on that, frankly. I don't think that was a side of the embassy's strength. It was difficult to do. The KGB was particularly sensitive about that and, as I recall, I don't think we did terrific stuff on that. I think we did some but I wouldn't say this was our crowning glory.

Q: Could you get out much into Central Asia and the Caucasus?

PALMER: It was hard. They'd let you go to certain cities. There were certain cities they'd always give travel permission for. And you had to have travel permission. You couldn't leave the city without travel permission. But I got fed up with that, with only being able to go to cities I'd always been going to. I'd been going to them for years, Leningrad, etc.

So I just dug in at one point toward the end of my consular section tour. I dug in and I decided that I was only going to apply for cities they'd never give permission for anybody to go to. So I applied and I think I got 18 turn downs in a row.

As they got up to around 12 or so, I got the embassy to push on the department to start turning down Soviet embassy travel requests and to say it was because I was not being allowed to travel. Finally, they got fed up, the foreign ministry got fed up and said, "Okay, you can go to Tambov," (laughs) which was one of the ones I'd been trying to go to.

Q: Where is Tambov?

PALMER: It's southeast of Moscow. It's part of Russian literature. Chekhov wrote about it. It's a kind of sleepy sort of place. It had been off limits. I went and, of course, the authorities turned out a huge array of people to follow and to spend time with me. I was there for three days and didn't achieve very much, but at least I broke through. (Laughter)

Q: What about the economy? I served five years in Yugoslavia a little earlier and the thing I came back with was a sign saying "Lift ne radi," "The elevator's not working." This was the real Achilles' heel of the whole Soviet system. Were we able to evaluate it properly, do you think?

PALMER: Nationalism.

Q: I was thinking of the economy.

PALMER: Oh, the economy. Sorry, my head was back in this other stuff. No, I think we didn't evaluate it properly. If you look at the CIA analysis year after year, on the whole I think they were much too accepting of the… perhaps because of the lack of any other way of dealing with it …you know the Soviets always had X percentage of growth a year and they had much too high GNP per capita figures.

The CIA used to do a sort of discount factor on the official statistics. But basically they took them and that was the U.S. government's view. It wasn't just the agency's. It was the inter-agency, intelligence community view. I think many of us thought it was crap.

If you just went around and looked, if you got into places like Tambov, and you looked at what was in the stores; and you looked at what people's per capita income was in terms of their apartments, how they lived, it wasn't anything like what we were being told. This was not a formidable economic engine. So, I think this was another area where we didn't

do enough "in the street" comparison with the official reality and come up with our own views.

Q: You had dealt with the Soviet threat from the NATO perspective before you started this Russian training. What was your feeling and maybe within the embassy about the Soviet threat? You'd had the Czech invasion by the Soviet forces. Brezhnev was a fairly formidable character at that point. What was the feeling?

PALMER: I can't really remember what my own personal assumptions were exactly at that time. Because I didn't tend to think about those issues. That wasn't what I was working on in the embassy. It wasn't even my real interest in life. I know it sounds funny, but I can't remember what I thought about them as a threat, a military threat, etc. I'd hate to speculate because I'm not clear in my head what I thought at that time.

Q: Well, it could have been one of those things that was just there. You know, you had other things to think about, and the Soviets are a problem and... How did your wife find living in the Soviet Union as an Indian?

PALMER: She loved it. She loved it. It was a really good experience for her. She managed to attend classes in the medical school there, Second Moscovski Medical Institute. She had a corral in the Lenin Library, the big library downtown. She had colleagues in her field of nutrition and public health, biochemistry. It was helpful that she was seen to be Indian, partly.

She almost got into Lumumba University. She almost got admitted to Lumumba University …she said that she was married to an embassy officer. They thought it was an Indian Embassy officer. Then, of course, unfortunately, we couldn't carry that all the way. So when they discovered it was an American Embassy officer, they wouldn't let her in at all.

But she was able to do a lot. She liked my work and participated. She enjoyed going to the theater. She had good Russian, too. She has a remarkable gift for languages. It was a wonderful time. We had a lot of great friends in the embassy and in other embassies. I think for many of us looking back in our whole Foreign Service careers, an early Moscow experience is very special.

Q: I've found this in my interviews. We might stop at this point. We've taken care of your first Eastern block tour in Moscow. We'll start the next time in 1971 and we'll pick it up wherever you're going.

PALMER: Great. Just to think ahead a moment, I was trying to think of what I'd done in my career that was of any interest to anybody. I think that the period from '73 to '75 is of some interest. I was Kissinger's only speech writer during that period.
Then I was in Yugoslavia, like you, from '75 to '78. That was moderately interesting. I don't know whether I'd have anything particularly interesting to say about that. Then I came back and I did arms control. I was director of the arms control office in PM from

‘78 to ‘81. That was, also I think, sort of moderately interesting but not wildly interesting.

Then, from ‘81 to ‘86, that was interesting. I worked on the Soviet Union. I wrote speeches for Reagan. I got the National Endowment for Democracy started. I organized the first meetings with Gorbachev and participated. I think that was an interesting period. And Hungary, from ‘86 to ‘90, was interesting.

So in terms of looking ahead at where I personally see where it’s useful to spend any time, Yugoslav stuff, marginal. I think my arms control stuff, marginal. The other things, the Kissinger stuff and the Reagan stuff, Soviet and then Hungary, I think those are interesting.

Q: Good!

PALMER: …in 1990. You know, I’ve set up a number of companies. I am a successful businessman.

Q: I’d like to talk about that.

PALMER: It might be worth it, only because I know there’s a sort of perception in the Foreign Service, that there’s this terrible void out there. The perception is that nobody knows what to do, and that the best you can hope for is to be a consultant or something.

Not to say that it’s easy necessarily to be hugely successful in business, but it’s possible. It’s possible. And I think that it would be helpful for officers, as they’re thinking about their lives, to at least know that some people have gone on beyond the service to use their service experience.

The knowledge that you gain in the Foreign Service is relevant to business. It certainly has been in setting up all of my TV stations and doing what I’m doing. You know, I couldn’t have done it without a Foreign Service background.

Q: I want to touch on that.

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Today is the 8th of July, 1998. Mark, you left the Soviet Union in 1971. Is that it?

PALMER: Correct.

Q: Where did you go?

PALMER: I came back to Washington.

Q: What was your assignment?

PALMER: I came back to the policy planning staff.

Q: And you were with policy planning from when to when?

PALMER: More or less until 1975.

Q: Policy planning has always been sort of an amorphous thing. I mean sometimes it's the speech writers. Sometimes it's just a place to put somebody's personal assistant, if the secretary wants to use them for other things. Sometimes they actually policy plan. Could you talk about policy planning when you arrived there in 1971?

PALMER: Well, William Rogers was secretary and Bill Cargo was head of the policy planning staff. I think it's fair to say that in '71, Henry Kissinger and President Nixon, working pretty much as a team, were dominating policy planning. That is, the strategic direction of our foreign policy was not being arrived at in the State Department.

So, what was left for policy planning? Well, what was left was an attempt to try to keep the game honest, to try to keep up with Kissinger and Nixon, and to provide Secretary Rogers with the best guidance we could on issues. And of course Rogers did have a direct relationship with President Nixon. Right up until the end, as long as he was secretary, he did fight on a number of things that were important.

So we backstopped him. We did things like global studies. I was involved very early on in looking at the next 10 years, at looking out at where the world was going in the next 10 years. We looked at issues like interdependence which was a kind of a term then that was a state of the art term at that time.

Q: Interdependence meaning what?

PALMER: Meaning kind of what now is called globalization. That is, the world growing smaller, more integrated, the inter-relationships between economic and political and social growth and change.

The policy planning staff did do speech writing which I got very involved in. Each of us had a specialization. I had been brought to the policy planning staff as a Soviet specialist. So I did the Soviet Union and Eastern Europe. There were other people who did South Asia and Africa. We tried to work with each of the regional bureaus and also the functional bureaus to provide larger thinking.

Q: In a minute, I want to talk about your impressions and what you were hearing about how William Rogers operated, because we want to get a key on the man, a feel for the man. But who was also on policy planning at that particular time?

PALMER: Let's see. Joe Neubert, who was a career Foreign Service officer was deputy head of the staff and also, like me, a Soviet expert. I could be wrong but I think Mike Armacost was on the staff then. David McIloppe, a career Foreign Service officer. It

wasn't huge. I'm trying to remember now. It'll come back to me.

Q: We can go back. Where did William Cargo fit into this. How did he run things, what was his outlook, and how did he serve William Rogers?

PALMER: Well, I think Bill Cargo had a very comfortable personality. He was in a sense very much like Bill Rogers. He was a normal, bright human being without an overextended ego. I think they worked very well together and I think Rogers turned to him for honest, independent advice on a very broad range of issues, including global issues, also regional issues. I think he saw in Cargo someone who was an honest viewer, analyst, another thoughtful mind. He had no ax to grind.

Q: I wonder if you could talk about what your impressions were at that time and maybe what sort of emanations you were getting from the staff?

It was a peculiar time when you had this man (talking about egos) Henry Kissinger as national security advisor; and Richard Nixon as president, both loving to do things in a secret way. You had the feeling of a certain amount of maliciousness on the part of Kissinger at that time, until he came to the State Department.

One has the feeling that Rogers in a way put up with this. I would have thought that this would be devastating to the morale. You were sort of in the middle of this. How did you feel about it?

PALMER: It <u>was</u> very difficult for morale. A lot of people were, of course, very conscious of what was going on. He and the department were being excluded from major issues and there was deep resentment. He'd had a much longer and richer relationship with President Nixon than Kissinger did. So I think for him personally this was very difficult.

Of course, in some ways it was difficult for Richard Nixon also. This was because Nixon, I think absolutely justifiably, believed that <u>he</u> was the architect of his own foreign policy. Increasingly, Kissinger claimed that mantle.

Rogers' view was that this was wrong, that Nixon should get the credit. Rogers was <u>entirely</u> comfortable, and he used to talk with us about the need for the president to be out in front. The issue was not Rogers' relationship with the president. It was Kissinger, and Kissinger's attempt to claim credit for foreign policy initiatives and for progress in relations with China and whatever. That was what bothered Rogers.

Q: In an interview I'm in the process of doing with Warren Zimmerman, he mentioned at one point that he was working for Rogers writing speeches. He was saying that Rogers told him, "I don't want to be on the front pages of the newspaper." In other words, this was up to the president, as opposed to the Henry Kissinger operation.

Did you find that you were in a way indulging in a certain amount of the art of

Kremlinology, of trying to figure out what was happening in the NSC and all of that? Were you and the others trying to figure out what was going on there?

PALMER: Yes. I think the NSC or at least a certain part of the NSC did not view us as friendly. So it was not at all easy. But I think Warren, whom I succeeded as the secretary's speech writer, accurately depicts Rogers' view of his role. He was the good counsel to the president. It was as his counsel gradually was listened to less and less that he became bitter, but he was not inherently uncomfortable.

In fact he was very comfortable with his playing this secondary role, but to Nixon not to Kissinger. Part of the reason for Rogers' growing discomfort was that he didn't agree with Henry on the merits on some issues: on Vietnam, on the Middle East, on a number of things. He had a different approach, so that was a frustration.

Q: On Vietnam, where did you feel that Rogers was coming from?

PALMER: I think Rogers really realized earlier that this was a losing proposition and wanted to get out faster and was willing to take more risk.

Q: And on the Middle East?

PALMER: I think he was more balanced on the Middle East than Kissinger and Nixon. I think there too he was willing to take more risk. I remember… and this is tangential to the Middle East but… I remember on Iran because I went there with Rogers that he was much less enthralled with the Shah than Kissinger was. And I went there with Kissinger as well, so I was able to sort of make a direct comparison.

Q: We'll talk about that as we get to it, because I think that this is a fascinating thing how the Shah sort of entrapped our people with his personality or trappings of power or whatever you want to call it.

When you were there in policy planning, what was the view of the Soviet Union? You'd come from Moscow and what was the view from the State Department policy planning people?

PALMER: Well, there was an acute awareness that they were the enemy. At the same time, there was also a genuine willingness to explore how we could change the relationship. So I think we perceived at that time a greater willingness to engage them than we initially thought Kissinger and Nixon were willing to do. Then it turned out they were doing it behind the scenes. They were doing it secretly.

Q: Was there much contact with Dobrynin or was this pretty well limited to Kissinger?

PALMER: As I recall there was some, but it was limited. Dobrynin was, of course, a very experienced Washington hand. I think that he understood that Bill Rogers was not where the game was.

Q: What was the feeling you were getting from your Foreign Service colleagues toward Richard Nixon?

PALMER: I think there was very considerable respect for Nixon and for his abilities. I certainly felt that way. And I think that was the general view, at least in the European Bureau which was my bureau, that this was a man of real quality in terms of his foreign affairs views.

At the same time, there was a keen awareness that Nixon did not trust the Foreign Service. So you had a kind of ambivalence. But on the merits, on his foreign policy perceptions, his understanding of the world, and his general strategic direction, I think there was strong support.

Q: Were there any particular crises? You were dealing with the Soviet Union. I take it you moved around in different capacities.

PALMER: Right. From '71 to '75. That's right. I did a variety of different things.

Q: Looking first at the Soviet Union, were there any initiatives or any thoughts about whither our relationship with the Soviet Union at that time?

PALMER: About initiatives?

Q: Or about how things were going to develop? Brezhnev was very much in power at this point.

PALMER: Right. Well, I think you know, there was a willingness to try to engage Brezhnev and to try to broaden the relationship, to find ways that we could cooperate in a whole range of issues from arms control to human rights. To try to go beyond just sterile posturing.

Some of what was achieved during that period came out of efforts in the department. Jack Matlock was then the head of the SOV, the Soviet desk. He and I, Joe Neubert and others worked together with summits and other things to try to shape a creative dialogue with them.

Q: Was there any feeling that the Soviet man or the Soviet woman were changing, that ideology was not really driving what the Soviet Union was doing, that the new generation would come along and might change everything, which, in fact, it did?

PALMER: It's hard for me to remember exactly what the general perception was. I remember what my own perception was because in Moscow I had been responsible for internal. I was on the internal side of the political section and worked almost exclusively on dissidents and the political side of culture, the Jewish question, etc. So my own perception went back not just to my time in Moscow but to my time as a student there. It

was that Russians were not the stereotype that many Westerners and Americans and experts on the Soviet Union have.

My perception was that they were already much more independent minded and that they were definitely part of the West, and that ultimately they would be free. And I think that there were people like Neubert and Matlock and others who shared certainly at a minimum a great feeling of sympathy for Russians. They shared a liking for them, and again, a feeling that they were capable of greatness.

I'm being a little careful about saying whether there was any consensus that the Soviet Union would change soon in a radical way. I think on the whole at that time there was not a consensus that there was going to be radical change.

Q: Were we at all looking at the fact that the Soviet Union was an empire, and looking for cracks in the surface?

PALMER: Absolutely. There was keen support for Radio Free Europe and Radio Liberty for the nationalities services of our Radio Liberty. Matlock, for example, was keenly interested in the whole nationalities issue as was I. Both of us had spent considerable time in places like Central Asia and the Caucasus, Ukraine. I'd studied under Fred Barghoon at Yale whose whole academic specialty was the nationalities question. So, yes, I think it was an interesting dynamic and awareness that this was the Achilles' heel of the Soviet Union.

Q: Well, our principal tool at that time to play on this was the radio, wasn't it?

PALMER: Right, but that wasn't the only thing that could be done. There also every year was the Captive Nations Event. We continued our relations with Latvia, Estonia, and Lithuania. They have had embassies in Washington. We maintained diplomatic relations with them. We went each year to their annual days. So there were a few other things that allowed you to try to keep this set of issues, to some extent, alive.

Q: Was it a feeling that this might work, that something might happen?

PALMER: I think it was not in the forefront of peoples' minds that it was going to happen soon, no. To be honest in looking back, most people did not think it was going to come soon. I think they wanted to keep working away at it, but I think there were very few people who thought this was close.

Q: I think this is true by the people involved both on the Russian side and the ethnic side. Nobody thought that.

PALMER: Right. I think the combination of '53 and then '56 and '68, each of which didn't work…the Czechs didn't get freedom in '68.

Q: The Germans tried it in East Berlin. The Czechs tried it. The Hungarians tried it. So

that's what we're referring to.

PALMER: Right. So I think that chastened people. People became a little bit discouraged about that possibility for either violent overthrow or peaceful, non-violent resistance a la Gandhi. You know, there was a widespread sense that we should keep at it, but also very little consensus that anything radical was going to happen soon.

Q: How did we view the Soviet actions in the Middle East and in Africa at that time?

PALMER: I think we painted them larger than life. There was a total preoccupation. I think if there was any central theme to our entire foreign policy in every region of the world, whether it was looking at Brazil and Argentina or at Africa or the Middle East or wherever, South Asia, India. All of our embassies were geared to this issue, to the Soviet issue. The CIA Stations had the penetration of the Soviet Embassies as their number one objective.

Following what the Soviets were doing in all these places was, if not number one in every country, certainly number two at least, or number three. It was very high everywhere even where the Soviets had basically very little going on. We still were para…well, paranoid or whatever, we were preoccupied with what they were doing.

Q: How did you see policy planning working with the Soviet desk and others? At that particular point did it seem to be well plugged into the various bureaus?

PALMER: Yes, I think so. There's always been a rivalry, a certain tension between policy planning and regional bureaus, because regional bureaus really think they know everything. Policy planning is small. It doesn't have clear power. It doesn't have embassies. It doesn't run crises and stuff like that. So there is, I think, on the part of regional bureaus always a kind of condescending attitude toward policy planning, and there was at that time.

So I don't want to say the relationship is always perfect; but at that time I think on the whole, it worked pretty well. Bill Cargo was seen as part of the Foreign Service, as part of the building. He was not seen as some enemy alien thing that's been put on top of everybody else, who's trying to spy or do something unhelpful.

Q: Which had been the case at other times.

PALMER: Right. I think that, therefore, on the whole policy planning…actually then it was called S/PC: Planning and Coordination, I guess, was what it stood for... that, on the whole, it was a good relationship.

Q: You mentioned the coordination thing. I think this would be where the problem would arise. I can see saying, "Okay, EUR, get together with ARA and do this…" Did this happen?

PALMER: Well, not easily, no. But that was part of the purpose, of course, of a global effort. The purpose is to try to make sure that things aren't falling between the cracks. Where there are synergies that bureaus work together, and that our policy functions in a comprehensive way. I don't think that S/P had as much power as it really needed to do that. I think later, in '73, when Win Lord took over and Kissinger used policy planning somewhat differently (and of course Kissinger was different), that there was more of that function.

Q: You say you took some trips. I want to stick to the Rogers period first. We'll divide this up into the Rogers and Kissinger periods.

PALMER: Right.

Q: Do you recall any of the trips you took with Rogers?

PALMER: Well, I remember going to Iran with him. And it's terrible, I can't think of where else we went on that trip. And I remember going around with him in the U.S., but I'm drawing a blank about where else I went with him overseas.

Q: Iran is very important because we developed this relationship that turned septic later on.

PALMER: Right. I think I must have gone to Western Europe with him.

Q: Let's talk about the Iran trip. How were you received and what were their reactions when you were there? What did you do?

PALMER: Well, the Shah believed he had a global view. So anybody who visited him, including Bill Rogers, was treated to his global view at great length. So we were treated very well, although there was a lot of nervousness because an American colonel had been murdered. It was the week before we arrived, as I recall. So there was a sort of a very heightened state of security.

What I recall was this effort on the Shah's part to act like, not just a major partner of the United States in the Middle East, but as our major partner on a much broader basis and to try to tell us that around the world. Rogers was polite about that but I recall his being not overly impressed. I think he had a healthy skepticism about what all this represented. And there were junior officers in the embassy then including my cousin.

Q: Who is your cousin?

PALMER: John Washburn, who was the petroleum officer in the embassy and who was a Farsi speaker. He and others were skeptical about the Shah and about the durability of his regime. He thought that we should broaden our approach there, a view not shared, as I recall, by our ambassador.

Q: Who was that?

PALMER: Either at that point or slightly later, Richard Helms, the then subsequent head of CIA. So, what I remember was this kind of, in the aftermath of that trip, Rogers being cautious about the Shah.
Q: Well, there was this problem with our embassy in Tehran… and I think it got worse when Kissinger became secretary of state… of only reporting what the Shah wanted reported.

PALMER: Right.

Q: Was that the feeling also?

PALMER: Yes, even at that point. And I went back with him to Tehran in '74, I guess it was. There was near rebellion among the junior officers in the embassy because of this.

Q: All right, we might as well keep on the Iranian thing. When you went back with Kissinger, how did he relate with the Shah?

PALMER: Well, we had the oil crisis in '73 and all the lines of cars in the United States.

Q: This was the aftermath of the Yom Kippur War.

PALMER: On the plane going in… we had visited on that trip I remember, 18 countries in 19 days. And this was toward the end of that trip. But on the flight from Pakistan to Tehran, a number of us beat up on Henry and said, "You know, you've really got to beat up on the Shah about the oil crisis." And Kissinger absolutely swore that he was going to do that.

And we arrived and the Shah met us at the airport with, as I recall, three black helicopters. Kissinger and Nancy were flown off to the palace where his wife met them. There was three or two days, I guess, of unbelievable kind of talking and entertaining. This included a trip to Persepolis on the Shah's 727 Boeing, which was loaded with champagne and caviar.
I wasn't in all of the meetings, but to the best of my knowledge, Henry never made a forceful presentation about the oil crisis. And the same sort of pattern that had happened with Rogers went on. That is, the Shah did all of his "globaloney" and Henry did his "globaloney" and nothing really happened in terms of our basic relationship.

In the meantime, my cousin took me to the homes of middle class Iranians who were afraid to speak in their own homes because they were afraid they were bugged. This, for me as a Soviet expert, was extremely relevant. (Laughter) And the universities were guarded with people with machine guns. So, you know, this wasn't very, very far away from the end. The ambassador and Kissinger were completely, as far as I could tell, oblivious of the basic dynamic in the country.

Q: It was a period where Kissinger and Nixon, really, at one point came and gave the Shah a blank check to get anything he wanted which helped precipitate the crisis: too many Americans, too much of American goods.

PALMER: Right.

Q: Again, on the Rogers time, were there ever any times when all the gals and guys would sit around the table with the secretary or the under secretary and say, "Whither the world?" and that sort of thing?

PALMER: A little bit but he wasn't, as I recall, sort of given to that very much. At least, I don't recall now any session of that sort.

Q: Yes, because I've gotten the impression that…

PALMER: But I don't want to say that this was a man who didn't have a larger view of things. This was a man who had been the highest paid corporate lawyer in America before he became secretary of state. He'd been attorney general. He was a very bright and thoughtful man and somebody that you could have a very interesting conversation with. But he thought Nixon had a strategic view. I think he didn't feel the need for us to come up with our own strategic view. He respected Nixon's ability to do that.

Q: Also, I'm just wondering, I'm throwing this out: as a corporate lawyer, as a lawyer, we've just gone through the Christopher period where you had the feeling that Christopher thought as a lawyer. You know, "There's a problem. You consult me. I tell you how to get out of the problem." A view of the problem. Did you have this feeling about Rogers?

PALMER: Yes, I think Rogers thought he was the counsel to the president. He was a person who gave his best advice and tried to deal with specific issues. I think that's right. I think he was similar to Christopher, though he was also…well Warren was political, too. Bill Rogers was a "Washington animal." I mean he knew his way around Washington. He knew his way around the Senate and the House. So this was not just some kind of detached lawyer figure. He was also very political.

Q: What about going with Rogers on trips in the United States when you were the speech writer? Can you give an impression of what and where he was coming from, and how he dealt with the domestic side of things?

PALMER: Well, I think what Warren said is right. I think that Bill Rogers did not see himself as a very visible, dramatic, theatrical power broker in public. Therefore, in his speeches in traveling around, he really wanted to just complement the president. He did not want to make headlines.

I worked for him as a speech writer for a relatively short period and did these trips, etc. very limited. He also was a very proud man. I think the period I worked for him, when I

worked directly as his speech writer, was already the beginning of the end.

Q: We're talking about the '72 election?

PALMER: I think he had more or less resigned himself to not being the secretary of state in the fullest sense. So I'm not sure that my time with him as a speech writer was really a particularly interesting time in his evolution. I think it was basically over by then.

Q: Did policy planning get involved in anything during the election of '72? Of course, this was Nixon's election.

PALMER: Well, Foreign Service officers are not supposed to do this, but I remember being asked; and I did contribute thoughts for the Republican platform on foreign affairs. I remember doing that twice actually during that election and then one subsequent election. (Laughter) I can't remember what else we did vis-à-vis the election.

Q: Well, it was McGovern versus Nixon, wasn't it?

PALMER: Yes.

Q: I can recall this personally. I was a Foreign Service officer and grew up in a district where Nixon had beaten the local incumbents in a congressional district. So I was brought up in a family that hated Nixon. But I voted for Nixon. When I took one look at McGovern's platform, I thought this was a guy who just wasn't with it. So I'm trying to get a feeling. Were you and others almost rooting for Nixon at this point?

PALMER: I honestly can't remember. I knew George McGovern. I was in the civil rights movement, and so part of me was very sympathetic to him. I actually can't remember who I voted for. It's possible I voted for McGovern.
In the State Department there was a lot of respect for Nixon as well as dislike, personal dislike because of what he'd done to the Foreign Service. But there was also a feeling that the man had his act together.

I know my reaction to his resignation and the whole Watergate thing was that this is just terrible for us as a nation. I regretted it. There was a little teeny part of me which said he'd gotten his comeuppance; but my basic reaction and I think most FSOs' basic reaction was, "This is a loss for the nation and shouldn't happen."

Q: I think this is an important thing to capture because I think there's a tendency to put the Foreign Service over to one side. Whereas there are professionals looking at our foreign relations and this governs…I mean if the person is good at foreign relations then they're good for us.

PALMER: Right. I think the Foreign Service, in that sense, is apolitical. I never identified myself throughout my whole Foreign Service career with any party. I never registered as a member of a party except because my father ran. I'd registered as a Republican so I

could vote for him in the primaries.

But, in terms of feeling as a Democrat or a Republican, I never felt that I was either. And I think that a lot of Foreign Service officers, like a lot of military officers, avoid identifying themselves in their own mind as one or the other because we feel we serve the president, whoever he is.

Q: Yes. Absolutely. I'm a bit hazy. Did Rogers resign basically after the '72 election?

PALMER: Right. Well, let's see. Henry came in '73 and I'm trying to remember exactly. I can't remember the precise sequence, although I was with Kissinger the first day he was physically in the building, before he was secretary. He came over to look at the office and Larry Eagleburger brought me in to introduce me to him. But I can't remember the exact sequence.

Q: What was the feeling in policy planning when Kissinger came over to be secretary?

PALMER: Well, I think virtually everybody in policy planning knew they were going to be out of jobs (laughter); that he was going to bring in his own team. And that's what he did. I don't know how many people in S/P, survived but I think not many.

Q*: What happened to you?*

PALMER: I had become Rogers' speech writer and I thought I knew how to write speeches. I said to Eagleburger, who I'd known, that I wanted a chance to be Kissinger's speech writer. Larry said no, that Henry had already hired some journalist who he knew to be his speech writer as secretary. I said, well nonetheless, I wanted to meet him and make my case. So Larry said fine.

So I was brought in on a Sunday. Kissinger ignored me when I came in, I remember. Anyway, finally Larry insisted on his paying attention to my being in the room. And he laughed and he said with great condescension, "This is really a ridiculous idea, the person who was Bill Rogers' speech writer being my speech writer. We are totally different and obviously his speech writer cannot write for me." He treated this as just a joke.

I'm a Vermonter and I'm not shy and so I said, "I've read all of your books. I've virtually memorized them. I am certain that I can write in your style. And I am a Foreign Service officer and we (meaning the Foreign Service) have a right to be considered for any position and you've got to give me an opportunity to write one speech for you. If I fall on my ass, I'll go away quietly. But you've got to give me chance to write one speech for you." And I knew what his first speech was going to be.
And he turned to Larry and he said, "Who is this asshole?" or something like that. (Laughter)

And Larry said, "You should give him a chance," or something like that.

So Kissinger sort of dismissively said, "Okay, you can write something." And I had the feeling that he wasn't even going to read it.

Q: Yes.

PALMER: And I went home. About two hours later, still on the Sunday, I got this call which said, "Just a moment for Dr. Kissinger." And I thought it was a friend who knew that I was over there and that it was a joke. So somebody comes on with this German accent and starts to talk to me about the first speech and I was just about to say, "Oh, go bug off!" because I was so tense. And actually it was him.

So we talked about his first speech and I did a draft. He called me in very quickly thereafter and we started working. And I don't know what happened to this journalist. Then I went on for three years and I kept trying to hire help; because I not only wrote his speeches, I wrote Nixon's and Ford's, and a lot of other people's, and ended up being the speech writer on foreign affairs.

Every time Henry figured out that I'd hired somebody to help me, he would fire them. So I had three very intense years doing his speeches and other peoples'. Kissinger wanted to control everybody's statements on foreign affairs, so he insisted that I write all the initial stuff for everybody.

Q: Let's talk about the process with Kissinger. In the first place, could you comment on the role of speeches with the secretary of state? We're always talking about a period of time, so we're talking about '73 to '75. Could you explain what was the role of speeches as Henry Kissinger saw them, and how they played in the world?

PALMER: Henry thought that speeches were a way of creating policy, not just enunciating existing policy, but of creating new policy, of making history. He really saw them as the way to make history. Therefore, he, in working on a speech, developed a policy.

And he worked on the speech in a way that I had never experienced before. Not that I had done a lot of speech writing, but I had done some for two years. My experience with Bill Rogers and with others in the department was that we would do kind of two drafts or three drafts and the thing would be given.

Henry's practice ended up that we did about, on average, 15 drafts of every speech. And he was involved in every single draft, not writing so much, particularly in the beginning, but commenting. So it was a process that he took very, very seriously. And it was enormously satisfying for me because he was engaged.

Whereas writing for Rogers or some of the people I wrote for later was frustrating, because they weren't engaged and people didn't really care. I wrote for Reagan, for example. Reagan would improve the speech. He'd add something, a vignette or something or other. So Reagan was good and he was a wonderful giver of speeches, but

he wasn't as intensely involved in the process as Henry was.

Q: Well, you know I've heard stories about Kissinger taking something and saying something like, "Is this the best you can do?" and then people going back and doing this three or four times. Then he'd say, "Good, now I'll read it." Did he play games with you?

PALMER: No. I never had that. He certainly pushed on you which, of course, that's an example of. He certainly got out of me stuff I didn't know I had in me. I have to say I loved working for him. I didn't agree with him about a lot of stuff but the process was intensely satisfying because he was so engaged. And he's so bright.

Q: Yes. Can you talk about… I mean we're into something I'm sure you're not going to remember a lot about but I'm just trying to get a feel for this, when you say " engaged." What would you do? Would he come up with a subject and say, "Go at it"? And then how would you go about it and then how would he get involved?

PALMER: Well, it was kind of fun the way. That first time I met him, among his arguments for why I couldn't do this job, he said, "You Foreign Service officers think everything that matters is in Africa and the U.N. and I want to tell you that's not my view of things. What I believe matters is China and the Soviet Union, nuclear balance, and Japan and Western Europe, NATO, and that's it."

I remember saying to myself, "You're wrong and you're going to learn that you're wrong as secretary; that stuff happens and that the stuff that happens is elsewhere. And you're going to end up working on a lot of stuff that you've never thought about before."

So, in terms of speeches, what happened was that we ended up having to do a lot of speeches on subjects that he didn't know anything about. And he said to me once that he wanted me to get the best minds, the best ideas, the best thinking on any subject. So at the very outset of the speech – and I usually knew well in advance what speeches he had to give – and, therefore, I knew with some degree of certainty what the subject was.

And so what happened with the first draft usually was that I would network. I would try to find people either in the State Department or at Harvard or wherever who knew something about something like energy or food or Africa or whatever or nonalignment or whatever. I would just talk to people on the phone or go meet them and get ideas.

Then I would hole up in my little office on the seventh floor and look at the wall and write. Then I'd send it in to him. Then he would call me in, and he'd pace around in his office and react. That was the process.

Q: When you say you knew what subjects were coming up, how did you know?

PALMER: Well, partly because we'd talk and partly there were things that were scheduled like a general assembly or a special session or a trip or something like the

American Legion Annual Convention or whatever. There were just things that were on the schedule and I knew he had to speak. And then there were times when we wanted to make policy on something like the Middle East or something. So we'd find a forum and decide, "Okay, in six weeks there's going to be a Middle East speech," and start to work on it.

Q: One of the great battles…you say speeches make policy.

PALMER: He thought that, anyway.

Q: Well, in a way, they do set up the agenda. I've talked to people who absolutely felt the great point of their life was that they got a sentence in the State of the Union Address.

PALMER: Right, right.

Q: Because from then on, people can say, "Well, the president said this." You know. It's absolutely true.

PALMER: Absolutely right, yes.
Q: So I would think you as the speech writer…I mean you're making lots of sentences…and obviously you're seeking information, but I would think people would be coming to you and saying, "You've got to say this."

PALMER: Right. We had a lot of that. I interacted a lot with the regional bureaus, for example, and functional bureaus, Tom Enders, who was then assistant secretary for EB, because we ended up doing a lot of stuff that related to economics. So yes, there was a fair amount of lobbying.

They would submit sentences or paragraphs or sometimes whole speech drafts. That wasn't very often because the Secretary really didn't want that. He wanted to control it and he thought I was his agent. He didn't want me talking sometimes to people and that was another whole problem. He'd threaten to fire me if I talked to so and so or did this or that.

Q: Well, when you say talking to so and so, would this be somebody within the government or are you talking about the outside?

PALMER: For example, when Ford became President, the Secretary Henry said, "You're going to write Ford's first foreign policy speech."

I said, "Fine." And then I started working and produced a draft and I gave it to him.

He said, "Now I don't want you to talk to any of these people. You cannot talk to the White House."

I hadn't even thought about talking to the White House, but Ford's people started calling

me and saying, "Where's the draft?"

So I told the Secretary, "They're asking for the draft. What have you done with it?" I thought he'd given it to the president. He didn't want to give it to the president, because he didn't want the president's people working on it. (Laughter) So when I kept saying, "This isn't right. The president has got a right to see the speech, his first speech on Foreign policy as President, and work on it;" he threatened to fire me over this because I was being insistent.

So it's that kind of thing. He was very paranoid and control oriented.

Q: Well, what about, say, a subject which became more important later on but it was still batting about? What about things like human rights? Did that come up? This is something I could almost have a picture of: you putting human rights in, him shoving it back, you shoving it in. Can you talk about that?

PALMER: This is in a way unfair to Kissinger, but not completely. My own sense is that Henry's world view has been, and maybe it's changed, that the best you can hope for out of history is to slow the decline of the West. I think he believed at least at that time that democracies are inherently weak relative to dictatorships.

And partly because his own historic German experience was pessimistic. Therefore, somebody like me who came out of the civil rights movement, who is basically very optimistic and who believed that democracy was going to triumph. Henry didn't share that view.

I tried to get him to give a speech in 1974 on democracy as the future of the world. Henry just laughed. He just thought it was a ridiculous idea. We did finally in 1975, or around then anyway, give a speech on values, American values in foreign policy. It was a very dialectical speech. It was a speech basically on the tension, in a way, between national interest and power on the one side and values on the other side. This is not the way I see it and so it was frustrating, actually. That part of working for him was frustrating.

Q: What you are saying is something that I certainly have gotten from both my reading and from my long discussions.

PALMER: *Pacem en Terris.* That was the name of that speech.

Q: Peace in the World.

PALMER: Yes. That was a great values speech. Not great in the sense that I'm proud of the speech but it was the Secretary's attempt to come to grips with this issue of American values and values in foreign policy. It was as close as he ever got to a real human rights kind of speech.

Q: I think in a way what you are pointing to – and I may be ranging a little far from the

subject – but that the great weakness of Henry Kissinger was that he really didn't understand the tremendous power that the United States represented in the world.

PALMER: Right. In the sense of who we are as a people and the system, the ideology, the way we are. That's right. I think he did not understand that this ideology was more powerful than nuclear weapons; and that this was our national interest in the direct sense that people don't live by bread alone.

They also live by ideas and by political systems and by dreams. He's never been comfortable with that, at least then. I don't know - again he may have changed. But at that time, this was not the way he saw the world.

And it is to this day not the way that many people in the State Department and the foreign policy establishment see the world. They tend to be very uncomfortable with this, most recently evident in Indonesia. The State Department, the White House, the Washington Press Corps, and virtually the total Council on Foreign Relations, the whole foreign policy establishment still is having trouble coming to grips with this.

Q: I got my first dose of this, a massive one, about the reaction to the death of President Kennedy. I was in Yugoslavia at the time and, you know, the president's dead. He'd accomplished something, but not as much…you know. I mean I was kind of a good Foreign Service analyst and all, and the depth of feeling about this down at the village level.

God, I remember going to the market in Tuzla and seeing little pictures almost like icons of Kennedy and this was true throughout the world. You know, this was an indicator. Obviously, there had to be part of you in these speeches. Was this something that came bubbling out from within you?

PALMER: Yes. I'm very proud of a lot of the speeches because I think that we did some very interesting things. For example, in the area of food we did a very important speech and created a lot of new things that came out of that speech. The well known World Food Organization, etc. were created as a result of Henry's focusing on the food issues. We created a research institute in Third World agriculture including fertilizer which exists to this day. So, yes, there were a lot of things. In energy, in a lot of different areas, our policy toward the Soviet Union, lots of things that he spoke about which I thought were right.

Q: I can understand his looking at the Soviet Union and saying this is the major relationship. Did you get any feel about how he looked at the Soviet Union at that time and where we were going because you mention a certain pessimism about where things were going. Could you talk about that?

PALMER: I think he had an exaggerated sense of the Soviet Union's power, almost a need for them to be powerful so he could do the "great game," the balancing and all this stuff which is really his forte. Henry Kissinger, in my view, is not a great strategist. He is

the greatest tactician I've ever seen and the greatest seducer of other men that I've ever seen.

So in order to do that, to play that chess game, you have to have other pieces, there has to be major players. For him, the major player was the Soviet Union, China, and to a much lesser extent the West Europeans and Japan. So he liked dealing with that, dealing with Dobrynin. He liked going to Moscow. Whether he recognized it fully or not, he needed them.

Q: Well, did you ever have the uncomfortable feeling that he might be, because of his proclivity towards dealing one on one and controlling everything, that he might in a way be to a certain extent the tool or be used by the Soviets?

PALMER: Yes. Absolutely. Absolutely, and those of us who are sort of old Soviet hands used to get very pissed off because Dobrynin had this direct channel in to him. Literally, he had a phone on his desk that Dobrynin picked up on his desk on 16th Street and it rang on Henry's desk. There wasn't even a secretary in between. Dobrynin could get to Henry, and could have a meeting with him at the drop of a hat. We (meaning the Foreign Service) were frequently just not aware that the meeting was taking place.

Dobrynin would push for things, some of them rather petty, that would nevertheless get us really angry. We felt that Henry was just ignoring a number of things that we felt strongly about. So, yes, there was a lot of that.

At the same time, he was working in a constructive fashion with them on a lot of very serious issues such as arms control and other questions. He was moving the ball ahead, moving things ahead with them and with the Chinese and trying to correlate those things. In that, of course, he was very, very good at those interrelationships, at maneuvering.

Q: Did you find in doing the speeches… let's say we're talking about relations with China, talking about relations with the Soviet Union… that Kissinger was the complete master of the subject as far as his speeches were concerned?

PALMER: Yes. Yes, on those areas like nuclear weapons questions for example, there was no question that Henry was very much on top of his brief. It was on Third World issues, which is where stuff happens the most, it was third world issues that he was not familiar with and U.N. sort of functional issues he was not on top of.

Q: You mentioned how proud you were of what was done with food, particularly in a speech, but somehow I don't see Henry Kissinger being… I can almost see him say, "Oh my God, I've got to talk about what!?"

PALMER: Right. No, that's absolutely right. At that same time, if he was going to do it, he wanted to do it well. So, to give him credit, he spent a lot of time on the food speech.

Similarly, we went to India and gave a nonalignment speech. Henry hated nonalignment.

As a history, as a group, everything about nonalignment drove him crazy. A number of people in his inner circle, Hal Sonnenfeldt and others fought against even doing this speech. But it was my perception and others that he had to if he was going to go to India, to make up for the tilt in '71, Pakistan and stuff, that we had to address the issue of nonalignment.

It was also my view that he had a ridiculous attitude toward non alignment, that these nations had a right to represent themselves. Yes, they had a stupid view of how to represent their interests but the way to deal with that was to address it, take it on, not just do what Foster Dulles did and treat it as the ultimate evil.

Q: "If you're not with us, you're against us."

PALMER: Yes, and that's just stupid. These nations are independent nations. They have a right to fight for whatever it is. The unfortunate thing is that they were too affected by socialism in their economics. Anyway, he spent a lot of time on that speech also, a speech that he hated giving. But he worked on it right up until just minutes before he gave it.

Q: On nonalignment, what was the approach that was coming out of the speech?

PALMER: Well, it was a kind of, for the first time I think at that point in foreign policy history, it was an acceptance that this was a legitimate part of the international system. It was not a praising of it, not an endorsement exactly, but a willingness to engage the nonaligned on a serious strategic level.

So, I think that was along with a lot of… you know, I'd have to reread the speech. I don't remember exactly. I can remember some sort of fun things. I don't know in your Oral History Project whether you want any of these fun things.

Q: Oh, sure! Absolutely!

PALMER: We'd been working on the speech. Pat Moynihan was our ambassador in India, and therefore the host ambassador for where this thing was going to be given. Pat's a wonderful writer and so he and I kind of co-wrote this speech.

Pat flew up to Moscow because we were coming to India from Moscow. Henry knew that he was coming, and he had a certain kind of rivalry with Moynihan. So he ordered our security people to tell the KGB people that if somebody named Moynihan showed up at the guest house in the Lenin Hills where we were staying, that he should not be admitted.

So he had invited Moynihan to come to Moscow and then told people to not allow him any access. So I was in the guest House with Henry and Moynihan arrives and he's told to go away by the gate guards.

So he goes back to the hotel, a dreadful hotel in Moscow, and he calls me. And he says, "You know I've come here to work on this speech with you and I've been told that I'm

on the list of people not to be given access. How can this be?" And I was dumbfounded even though I'd worked for Henry for a fair amount of time.

At that point, I still was dumbfounded that he had done this. So I looked into it. I thought it was a mistake. No, it wasn't. I found out he had done it personally. So anyway, I went down to the hotel and worked with Pat in the hotel.

We got on the plane and we were flying into Delhi. We were half an hour out of Delhi, or about an hour out when we got this message from the embassy. The message was that Mrs. Gandhi, who was prime minister, had just given a press conference in which she made the following points:

"That Henry Kissinger thought his visit was of real importance and she didn't think that this was correct."

"That the United States thought that Indians were beggars and she was not going to beg."

"That she was only going to be there for a brief time and was then going on vacation."

We had scheduled three days in Delhi. So Kissinger gets this thing from the embassy, you know, a flash message to the plane saying these things. And he goes ballistic, and he starts bounding around in the aisles and screaming, "Pat, this fucking woman…where's the pilot… Am I the secretary of state? Turn this plane around! We're not landing!" And while he was doing this jumping around…

Oh and then… so Pat and I looked at one another and Pat then sends a message to the embassy saying, you know, "Is this correct?" hoping that somebody in the embassy is going to have the wit to… you know.

Boom! comes back a message from the embassy (laughter). "Yes, that that was verbatim what she said." Oh, Christ! At that point we were only about 15 minutes out, we were still flying in, you know.

So Kissinger again goes ballistic and starts screaming. He realizes that he's got in his hand my arrival remarks and he looks down and he starts screaming at me, "Just because you're married to an Indian doesn't mean you have to write this drivel about India." And you know, "this God awful woman" and "we're not landing!" And boom, we land!

The doors open. There's Henry Kissinger standing at the top of the steps. Down below at Palam Airport is half of India, you know, the foreign minister and the defense minister and the press. It's a big event. We hardly ever go to India in those days. And here's Henry Kissinger, and he has this really terrible expression on his face. And I remember Pat and I looked at one another and sort of said, "Oh, Christ! This is it! It's the end of the relationship!"

He marches down the steps, marches out to the microphone. All of a sudden this sort of

stupid expression comes on to his face and he says [Palmer imitates Kissinger's voice with a low, gruff, German accent], "India and America are the two greatest democracies in the world's history. Indira Gandhi is von of the greatest, wisest women in politics in the history of statehood. I am so delighted to be here to take her advice on how we should be doing our role as leaders, etc."

And he goes on and on with stuff I never would have dreamed of writing. So positive! Unbelievable stuff comes pouring out about how wonderful she is. Christ! (Laughter) So we go in and he has this meeting with her. Forty-five minutes and she goes intentionally on vacation. Henry obviously thought that, well, he'll do his best. You know, he'd send all the right signals, and things will work. Well, they didn't work. She was determined to show that she was who she was, and that he was just some visiting secretary of state.

So then the next act in this drama: the next day he's giving this nonalignment speech. (Laughs) So the head of the Indian foreign policy council or institute or whatever is this ancient man. He's almost 90 and is basically "gaga." The Indians were hosting the speech, they were providing the forum. A variety of Indians tried to persuade this old man that he really should be there but let somebody else do the introductions and run the event, but he was determined.

The morning of the event he fell down and broke his arm. And so everybody thought, "Oh, well. At least he can't come." Well, sure enough, he's there in the sling and everything. He gets up in front of this crowd. Henry's sitting there with the foreign minister, the defense minister, etc. Everybody is sitting on this dais.

He has cards in front of him to introduce Kissinger and he says, "Henry Kissinger, whose only other trip to India was when he was an assistant professor at Harvard and he was of course of no importance…" the same thing that Mrs. Gandhi had said. "No importance." Henry starts to bristle.

Then he says, "Henry Kissinger was born in the year 1827." And the crowd starts to laugh, you know. So anyway, this old man goes on says, "He's become secretary of state." All of a sudden, he gets the cards mixed up. He starts all over again and I swear to God he says, "Henry Kissinger was born in 1827." (Laughter)

At this point the crowd starts to roar. This old man was sort of only slightly there with you. He gets really mad because everybody's laughing; and he wants to know why they are laughing because, for him, being born in 1827 wasn't inconceivable, I guess. (Laughter)

So he starts shouting at the crowd. "Shut up! Shut up! Why are you laughing? This is an outrage! I'm insulted! You be quiet and let me introduce him. There were people who did not want me to introduce this man, but I'm up here now and I'm president of this thing and you shut up and you let me finish my remarks!"

At this point, the defense minister gets up and literally picks up this old man. He picks

him right up off the ground and moves him sideways, seats him and says, "Now we'll have the remarks of the Secretary of State Henry Kissinger."

Henry gets up and he's just livid, you know. He's livid with Mrs. Gandhi. He's livid that this charade has just happened. He's livid with a speech he doesn't want to give which acknowledges nonalignment's existence. And he gives it like a machine gun, like he's just going to get it over with.

It was a disaster of a visit. It was just terrible, but we did all the right public things. We gave all the right signals and I think, in a sense therefore, it was the beginning of our healing of our relations the Indians.
Q: Going back, let's take energy and food. These are obviously not subjects that Henry Kissinger would put on the top of his plate. But when he did it, where would you get your ideas for this, because for most of us the supermarket is as far as we think about food? Where would you get your ideas for food and how would he get engaged in it?

PALMER: Well, on the food speech, I remember I went to Les Brown who is now head of World Watch Institute. He was one of these Malthusian sort of gloom and doomers, but he was a legitimate expert on food. And he had been thoughtful for many, many years on the question of food shortage and the third world. So anyway, I spent a lot of time with Les picking his brain. I went to people at Harvard. I talked to my wife who is an expert on nutrition. I talked to people in the building. I went to everybody I could think of and accumulated ideas and then put together a framework.

Q: But then how would Kissinger engage in this?

PALMER: Well, he looked at the first draft and, you know, he'd say that he thought this was wrong and that was wrong. I have another story. This one is actually my most favorite Henry Kissinger story. But that wasn't on that food speech. It was another speech, but it relates to food. So I have to tell this story because this is a really good story.

So anyway just to stay on this one speech, he would ask questions about whether this was sensible and that was sensible. He would push. He would say, "No, this isn't good enough. You've got to come up with some more." He was always wanting a big framework. He always wanted to have something that would make a big difference. He didn't want to just give routine stuff that was just caring. So he wanted to know how could the world's food problem be solved; and he wanted to state that in a speech.

So he would demand. He'd say, "No, this is not at my level. These are interesting ideas, but this is not a solution to the world's food problem. You've got to go further. Talk to more people." So he'd push you back into trying to come up with still more stuff, and the direction being more comprehensive, more fundamental, more far reaching. That was what he wanted.

Anyway, my favorite story relates to the speech he gave at the U.N., but it's an

agriculture thing. It was at the Sixth Special Session of the U.N. where he was supposed to address all kinds of third world issues.

Somebody had told me, I think it was Les Brown actually, that there was a real problem with Western fertilizers for the third world. They were too expensive, burned the fields if misused, etc. He thought that we ought to set up an institute to do research in fertilizer developed specially for third world purposes.

So I put that in the first draft of the Sixth Special Session, an institute for fertilizer. Kissinger looked at this and he said to me, "This is a terrible proposal that you've got in here. This is not at my level and he said this will become known as the Henry A. Kissinger Memorial Bullshit Institute." (Laughter) Fertilizer: bullshit.

And so anyway, I did the second draft of the speech. I still was being told that this was an important thing to do so I put it back in again. He got really annoyed that it was in there and he said, "Oh no. I'm going to be the laughing stock and I can't do it. Take it out."

I put it in the third draft and he got <u>really</u> annoyed and said, "I'm going to fire you if you put it in again. So I went to Peter Rodman, who had been Kissinger's graduate assistant at Harvard and who came to the policy planning staff. He was almost like a son for Henry and really understood Henry in a way that no one else did. He was also a good friend and had been immensely helpful to me on speeches.
I went to Peter and said, "I'm at my wits' end. You know Henry much better than I do. I'm convinced that this is the right thing on the merits to have this institute, but he will not put it in. I know if I put it in he's going to fire me. He was really, really angry."

So Peter said, "Well, the whole trick with Henry is you've got to come up with the words that he's using this week, the 'flavor of the month' words, so let's make a list." Well, we knew what he was into at the moment. He was into action plans. He loved "comprehensive."

You know, there were a bunch of words so we made a list. We came up with comprehensive research action program for fertilizer. So I put that in. And Henry said, "Oh, wonderful! Why have you been wasting all my time with this other stuff with this institute? This looks good! Comprehensive research action program."

So we went on, draft after draft, and this stayed the same, until about two days before we were leaving to go up to New York to give the speech. Larry Eagleburger had seen from the beginning that the acronym of comprehensive research action program was CRAP (laughter). And of course we'd done that on purpose.

So Larry said, "Okay, you've done this joke now for all these drafts, but now you've got to get it out of there. You can't have him get up and say "crap."

So I said, "Well, you tell him; because we've got to do <u>something</u>. And I'm not going to back off and we're going to <u>do</u> this institute."

So Larry said, "No, no. This is your responsibility. You got in this mess. You're going to have to tell him." So I was scared. So I didn't do anything. We were on the plane flying up to New York.

Of course, I realized I couldn't actually let him get up that afternoon and say this. So I said, "Mr. Secretary, we've really got to focus on this part of the speech again because it's got to be changed."

"We've got to change it," I said. "Will you please look at it?"

He looked at it and he finally saw the acronym CRAP. He was so pissed off. He was so pissed off that he couldn't speak, you know, that we had done this to him. And he didn't say anything. He just was really, really angry and didn't say anything.

So, fortunately, he had taught me to always keep the early drafts of every speech. So I had the first draft with me. So I went back and I put in this fertilizer institute. He got up like three hours later and announced that we were going to establish this fertilizer institute! (Laughter)

And A.I.D. funded it. 40 million dollars. Anyway, that is not a fundamental kind of thing. But it maybe is of slight interest in the sense that it is an example of where the system, a speech writer, and people who have a particular view, if they're stubborn enough and keep pushing, actually can get something done. And this was a worthwhile thing to get done.

Q: It also shows that with all his anger and everything else, he kept engaged.

PALMER: He's a very fundamentally serious person. For all of my disagreements with him on some things, he is a very committed and serious person, and very bright.

Q: What about your dealing with him during the Helsinki Accords? In many ways, and I'm getting this from other people, this was something that Henry Kissinger kind of missed.

PALMER: Right.

Q: That the importance of the Helsinki Accords and the Basket Three and all this really turned to be one of those chinks in the armor of the Soviet Union that brought it down.

PALMER: Right. Right. Absolutely.

Q: It was not <u>the</u>, but one; and that Henry Kissinger had dismissed this whole thing. I often had the feeling it was because he wasn't doing it. Could you talk about this?

PALMER: Right. I think that's right. But it isn't only that. It's also this conceptual

question that we talked about before. That is, that he did not believe that human rights, democracy, whatever, was of any particular political importance. He didn't think that it had to do with power. What he thought was really important with the Soviets were the nuclear issues and issues dealing with Berlin and NATO and the Chinese and those kinds of things. He did not see the Helsinki process as being important.

Q: Did that ever come up in speeches or was it sort of ignored?

PALMER: I honestly can't remember. I'm trying to think back. We must have addressed the process in the speeches; but in any case it was not something he considered to be of real importance.

Q: Was there, and I'm probably using the wrong word, a fixation on China at the time? Was China something that came up a lot in speeches, because this was sort of the main initiative that came out of the Nixon/Kissinger assumption of power?

PALMER: Right. The Chinese relationship for Henry and the Soviet/Chinese equation was of fundamental importance. I don't think we did a lot in the way of speeches about it, though. As I recall, it was not talked about as much as done. And some of it was done…When was Nixon's trip? It was done…

Q: …in '72, I think.

PALMER: In '72. So I was not involved with Kissinger until '73. So I don't recall our doing, Henry's doing very much speaking about China, or my writing much about it. I don't think I did.

Q: You're saying you were writing his speeches. Does this mean you went with him on all of his trips?

PALMER: Almost all of them, yes. Not every single one, but almost all of them. Some of the shuttle in the Middle East I didn't do. But I was with him a lot, including within the U.S.

Q: In the U.S. context, was there an overall plan that he had of people, where he would talk, what he would be saying? Was this sort of getting up support for foreign policy or did he go to power centers? How was this planned out?

PALMER: Yes, I guess like every secretary that I've worked with, he was very concerned about what he took to be the fundamental isolationist proclivities in the U.S. He wanted always to provide a rationale for why we should be engaged or why we should be doing something whether it was Vietnam or whatever it was.

So his approach to the domestic side, both in his dealing with newsmen (to which he gave a very, very high priority) and his speech giving, was very geared to influencing domestic opinion, particularly to influencing the press. In thinking about speeches and

other things, he was very geared to the press.

Q: He obviously was a product of the academic world, but the Vietnam War had turned off much of the academic world. This was particularly true at the higher levels of the some of the intellectual establishment. Was he making any effort to re-reach that group?

PALMER: He may have been but I don't remember. If he was, I don't think I was involved.

Q: Did you have problems? You say you would go to the experts at Harvard or wherever on speeches. I imagine the academic world and the non-profit agencies would be the two places one would go to for the most part.

PALMER: Right.

Q: Did you find any reluctance on the part of those you would go to?

PALMER: Not that I remember. I remember people sometimes being surprised that Henry wanted their ideas. But no. I think that the possibility of getting your ideas into his or Nixon's or Ford's mouth made it definitely worth overlooking whatever disagreements you had.

Q: I can't remember the exact timing but were you involved in Vietnam?

PALMER: No. Again it was really pretty much over. The only involvement I can remember is when he was nominated for the Nobel Prize with the North Vietnamese leader. I had to write his acceptance remarks in about one hour. Because he was notified and he wanted to go down to the press room and make a statement right away. So he stood behind me while I typed on my manual typewriter. I typed the remarks and he pulled them literally out of the typewriter. That's the only Vietnamese thing I can remember doing.

Q: Winston Lord came over. Incidentally, I'm doing a series of interviews with Win Lord right now.

PALMER: Good. Good.

Q: He comes down from New York and I do a day so we've done about 12 hours so far.

PALMER: Oh, my word! Well, that's wonderful!

Q: And we're only getting started.

PALMER: Terrific!

Q: How did he run things? You know, this is not Bill Cargo. It's Winston Lord.

PALMER: Right, right. Well, Win of course, had been with Henry in the White House. He was very much a part of Henry's intellectual apparat, and he had been writing. The White House, the NSC, had produced for Nixon global reports. I've forgotten now what they were called, but it was an annual report on the world. Win had been very involved in that.

And so he came to the policy planning staff with a definite global conceptual ability. What he brought to the policy planning staff was people. And if you asked me to say who they were exactly, I won't be able to remember exactly. But he brought people who were in their own right recognized high quality people.

But he also continued to work very much as… not a special assistant exactly, but Henry had a few people: Hal Sonnenfeldt, Win, Larry Eagleburger, Peter Rodman. He had a few people…those were really the ones that I remember… that worked as a kind of personal secretariat. Not secretariat in the sense of moving papers, but as a brain trust, I guess is a better word. And not just brain trust but operational group also. Win was part of that group of four or five people. So that meant that policy planning, because they were backing up Win, suddenly had quite a different smell about it.

When in '71 I went to S/P and then when I became Rogers' speech writer, I was sort of detached to the counselor's office as the speech writer, but I still was in S/P then when Win came, I was still in S/P but I didn't actually sit there. I had continued to sit over on the other corridor over where the under secretary for political affairs sits. Win tried to get me to physically move over to the main place where S/P was.

I didn't want to because I liked where I was. It gave me direct access to the secretary. I walked through one door and I was in his office. I didn't want to be under Win. I wanted to have a direct relationship with Henry. So I refused to move over there which was a real sore point.

I kept thinking, "One day I'm going to arrive in my office and it won't be there any more." You know, my stuff will have been moved over to the three corridor where S/P was. I go through this only to say that when Win was head of policy planning, although I was attached to it, I didn't actually function as part of it. I was physically separated.

I worked directly for the secretary, or for Larry to some extent. You know, I obviously talked to Win, but I didn't go to their staff meetings most of the time. You know, I was sort of semi-autonomous from them. And therefore, I don't know precisely. Win is going to be a much better source of how S.P. related to the secretary than I am. I had a very definite function, and it was a function that was performed largely independent of S/P.

Q: I would have thought, again because we've noted the importance of speeches as far as setting the map, that Lord and the policy planning would want to have a part in the speech making.

PALMER: Well, they did and though none of them wanted to, they did have a part in it. I got ideas from them. They certainly saw all the drafts. But Henry also liked to play this game of pitting the sort of inner group against one another to some extent.

He did this with Sonnenfeldt all the time. He would direct that Hal be cut off from certain sensitive information, intelligence stuff. You know, from week to week Hal would be cut off. And then Hal would get really, really pissed and scream at Bremer and me and others and say, you know, "You're conspiring. I'm quitting." Hal quit about once a month.

Q: These were two guys who were very much alike: Kissinger and Sonnenfeldt.

PALMER: Right. And so Henry didn't mind the fact that Win was trying to kind of control me and didn't. He didn't mind that actually, nor did Larry; because Larry Eagleburger… I knew Larry really well. I didn't know Win at all when this started, and so Larry didn't mind it either. Larry sort of liked the fact that I kind of worked for him as well as for Henry.

And I kind of worked for Win, too. It was kind of complicated actually but… and Win wrote my efficiency report as I recall. I think he did. Maybe I wrote it and then he signed it or something. I don't know actually but… or maybe Larry signed it. Well, it doesn't matter.

Q: What was Eagleburger's position at that time?

PALMER: Well, Larry was, let's see…he was initially special assistant, I think. But he was really operating like under secretary for political affairs. He was everything for Henry. He was very, very important. And Win was very, very important. I'm not trying to put down Win at all. Win was definitely one of these three or four key people around Henry. Henry certainly trusted Win a lot more than almost anybody else. And Win was wonderful to work with. I am to this day close to Win and Betty.

Q: To just get an idea… This is 1973 to 1975 now…how old were you at this time?

PALMER: Let's see. I guess I was thirty…let's see '73, I was…'41… I was about 33.

Q: About 33 and Win Lord would have been…

PALMER: I think Win's about my age.

Q: Yes. So we're really talking about some government speaking, where very young people… I mean not very young, but young people… are very much around Kissinger. And this was what he was working with.

PALMER: Right. Right, and he liked working that way. He liked having a few people that he really knew. And he knew, literally - I mean he knew <u>exactly</u> - what you were doing all the time. When I went on trips with him, he wouldn't let me out of the hotel and

he'd tell me, "You stay in your room… and write." (Laughter) And with Win, too. And much more with Win and Larry and Hal than with me, but even with me he micro-managed.

Q: What about on trips? I mean there's the usual thing of, you know, you're in Venezuela or something and you've got to think of what would be nice to say about Venezuela. Where would you get your little…?

PALMER: Right. ARA, you know, they would help and the bureaus helped a lot. Particularly, the assistant secretaries personally would help because they understood the problem that you faced with Henry. They understood that he wanted to always do some big thing. And frequently desk officers don't quite understand that; or maybe they understand but they don't know how to do it. Whereas the assistant secretaries, people like Chet Crocker, they know. They have a better sense of how to do this.

So it was great that the assistant secretaries were willing in a sense to address what were frequently just arrival remarks or toasts or things like that. These were things which were in a sense just stupid to spend time on, but Henry didn't want routine stuff for that. He wanted something better than routine.

Q: Did you get involved in his going to Latin America, because this is really terra incognito for Kissinger?

PALMER: Right. No, I didn't go with him to Latin America. I don't know why I didn't go actually. It's funny. I guess Luigi Einaudi did the Latin American stuff. He must have done whatever Latin American stuff there was. I'm a little cloudy in my memory of what Henry was doing on Latin America. I can't imagine that he went more than once.

Q: I know he went to a Chiefs of Mission event in Mexico City. Nobody knew anything about NATO and he wanted to change the whole Foreign Service assignment system.

PALMER: Right. This was what's his name? Eton. Sam Eton, who made this impression on him and who rightly or wrongly deserves the blame for this. Yes. He was the DCM. Yes.
Q: Did you find that he had any sort of bêtes noires, either ideas or persons, or you just knew that you just don't touch that thing because it gets him mad? Leaders or anything?

PALMER: (Laughter) I have to say Mrs. Gandhi! Well, he certainly did have strong views about a lot of people.

Q: Was Pierre Trudeau up in Canada at the time?

PALMER: I can't remember.

Q: Palme?

PALMER: Yes. It was people like Palme, of course, that he absolutely detested. I don't know whether Palme specifically, but I assume Palme included. He didn't like the soft, liberal type like Palme, and in general Western Europeans. He was frustrated with the French and others that were not cooperating the way he thought they should.

Q: Did you get involved in any dealings with the French? I would have thought that intellectually Kissinger might like to be engaged with them, but policy wise they would drive him wild.

PALMER: Yes. I'm trying to remember now the context here. Yes, I'm sure he was mad with them, but I can't remember what the issues were then.

Q: Well, now what about with Ford? In the first place, how did Watergate play, the effect of Watergate? Did this change things?

PALMER: Well, I think, and this is hopefully not just something I realized later. But I think to some extent it strengthened Henry's hand, as Nixon became more preoccupied. Nixon and Kissinger, of course, had their own dynamic; but I really can't remember how it directly affected our work. I remember when Ford came in and what that was like. That I have a pretty clear recollection of, but I can't remember exactly how it affected.

Q: What about when you were writing for Ford? You were doing this for about a year or so when Ford came. Did this dynamic still stay the same? In other words, that Kissinger was taking care of the Ford foreign policy speech writing more or less from the…

PALMER: Right. It was more pronounced because, of course with Nixon – and I hadn't been there earlier – but with Nixon, Henry obviously had to recognize that this was a man who had his own views on everything.

Before, he had complete, well, contempt is probably too strong a word; but he did not respect Ford's foreign policy abilities. And that was crystal clear in doing these speeches. He did not want him freelancing. He did not want him in any way out on his own. And I wasn't comfortable with that. I didn't think that was right. I thought you had to pay some respect to the president. I don't know. This side of Henry I didn't like.

I remember Ford's first foreign policy speech. He gave the speech in New York and Henry came over to me after Ford had spoken and he said, "That idiot!"

"What do you mean?" I said. "You gave the thing to him and he didn't change anything." There was not a single sentence changed from my first draft. It was unbelievable, actually, how little changed that speech was.

[Palmer imitates Kissinger's low voice and heavy accent] Henry said, "Dere vill come a time when I need his praise but I do not need it now and he vasted it. [There will come a time when I need his praise but I do not need it now and he vasted it.]" Because the only thing that had been changed in the speech was that Ford wrote in a paragraph praising

Kissinger, which I thought was stupid to do, but anyway he did. And so this is Kissinger's reaction.

Q: Did you get involved in State of the Union addresses and things like this?

PALMER: Yes. Yes, we always did at least the initial stuff on foreign affairs.

Q: Did you feel that there was any developing of a White House cadre around Ford? Was there any "push and shove" there?

PALMER: If there was, I didn't see it. And then I left in '75, so I didn't follow it after that. I don't know exactly what happened; but up through the time I was there, Henry was really dominating the scene. He was cohatted for a while. He was both NSC advisor and secretary of state. So at least through that time there wasn't any sense of people who were over there doing anything independent.

Q: How was family life during this time? You know, talk about cohabiting, you were practically doing it with Henry Kissinger.

PALMER: Well, I remember after this long, long trip when we did all these 18 countries. Coming back, it was Saturday and we were flying in and the secretary said, "I'll see you tomorrow." And that would have been Sunday.

So I said, "Mr. Secretary, I haven't seen my wife now for three weeks and I really would like to not work tomorrow."

And he said, "Oh, all right." So then we landed at Andrews. My wife was there and he walked over to her and he said [Palmer imitates Kissinger's low voice and heavy accent], "You have a vonderful husband and I couldn't say anything vithout his help. [You have a wonderful husband and I couldn't say anything without his help.]" She sort of melted and he said, "He really loves you and he said he couldn't work tomorrow because he wanted to be with you."

And I thought she'd say, "Oh, that's wonderful!" Instead of that, she said, "Oh, of course he can work tomorrow!" (Laughter) Which I'm sure was why he did it.

Q: Yes, he had that great charm. Did you find that Nancy Kissinger was helpful on trips as far as substance?

PALMER: I don't remember. I mean, she was there and she was certainly pleasant, but I don't remember exactly that she played any kind of substantive role. I mean, she was always sort of there, but Win would know better than I about that. I didn't get a good sense, even of her. I hardly ever talked to her.

Q: Well, I thought we should probably stop about now.

PALMER: Fine.

Q: After two hours, that really talks a person out. Also, it's easier to pick it up the next time. In '75, after this hothouse atmosphere, where did you go? What did you do?

PALMER: To Yugoslavia, to Belgrade. I was political counselor first under Larry Silberman and then Eagleburger. Your old post.

Q: So we'll pick this up again in '75 back to Yugoslavia. Well great!

PALMER: All right.

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Q: It's July 31, 1998. Mark, we're now at 1975 and you're off to Belgrade. You were in Belgrade from when to when?

PALMER: From '75 to '78.

Q: How did this assignment come about?

PALMER: I was concerned that I was going to be a speech writer for the rest of my life. I had been for Rogers and then for Kissinger and I felt that it was time to go overseas. Lawrence Eagleburger had served in Yugoslavia. He basically controlled assignments to a substantial extent in the department. I asked him if he would help me to go there. After a little bit of hesitation about having to face Kissinger over this issue, he agreed. So I was sent off. My major interest was Eastern Europe and the Soviet Union anyway. So it was a logical place to go.

Q: When you arrived there, how would you describe in 1975 the situation in Yugoslavia?

PALMER: Well, Tito had been in power for a long time at that point. I think everybody had kind of settled into thinking pretty much that Yugoslavia was stable and that he was enduring. So it was not a place where rapid change was expected. People were constantly doing the death watch. That is, how long Tito personally was going to survive.

Q: We're talking about since the end of the war. We're talking about 30 years at this point.

PALMER: Right. But he was still strong, politically invincible and had all of his palaces and wore white uniforms and did his thing. He was a very strong leader and had managed to bring together all of these peoples into a not always happy union. There had been, just before I arrived there - I think it was in '71 - Croatians within the communist Party had exercised their kind of independent spirit and desire to have some more autonomy. So that there were stresses and strains within the Communist Party as well as more generally.

Tito had at that time a higher per capita prison population of political prisoners than the Soviet Union. People in the building I lived in (a building with Yugoslavs, not an embassy building), middle class professional Yugoslavs, were extremely nervous about even the most modest political conversations. So, although we rather favored Yugoslavia and Tito because of his foreign policy and nonaligned status, as opposed to being a member of the Warsaw Pact; nonetheless, it was a dictatorship in a full blooded way.

Q: Were we beginning to feel uncomfortable with this political imprisonment and all that? How did that sit with you when you first arrived?

PALMER: Well, for me personally, it didn't sit well at all. As I'd mentioned before, I joined the Foreign Service out of the civil rights movement. I felt very strongly that, whether it was a communist dictatorship or a Saudi dictatorship, in my judgment, American foreign policy should be getting rid of these dictatorships.

Then, my ambassador when I arrived had formerly been deputy attorney general. He was a conservative Republican, Laurence Silberman, was very anti-communist. He was very much determined to keep a spotlight on these issues. And in addition to that, I remember Bob Dole coming out at one point to help us get a political prisoner out of jail.

Q: He was a congressman from Kansas and later became a presidential candidate and leader of the Senate.

PALMER: Right. So it wasn't only just the embassy. It was also some people in Washington. But I would say that the common wisdom at that time toward Tito was much more supportive than antagonistic. And Silberman, in that sense, was out of sync with Washington in a very serious and fundamental way.

Q: Yes. It came through. I didn't serve there at that time, but you could pick it up through the newspapers and all of that.

PALMER: Right. There was a real disconnect because there was an old Yugoslav Mafia or crowd, group of people who had served together in Belgrade. It was a particularly distinguished group, that had served there in the early '60s; and who went on to extraordinary success both in the Foreign Service and outside.

So this group, I think, felt strongly that in Yugoslavia we needed to understand it's special characteristics. It felt that we should be sensitive and not to push too hard, particularly not in public. Silberman had a different view and frankly, I did too. I was in sympathy with his view more than I was with Washington.

Q: In retrospect, I can see that I fell into the Yugoslav Mafia. I think the thing that drove me - I'm not sure about my colleagues - was the fact that Yugoslavia is a country that could be fractured easily, not necessarily internally but by external forces. It had seven neighbors, all of whom had claims on it; and that these could be stirred up.

And, God help us, World War I started there. And there was no reason to think that world war three couldn't get involved there. And so for that reason, really, this is sort of my guiding light. But this is sort of realpolitik, I guess.

PALMER: No, I think that's an accurate reflection that there were a variety of these elements. There was what Indians would call fissiparous tendencies which you mentioned. That is, the danger that the place would fly apart.

And there was this concern, this geostrategic concern that, after all, he wasn't part of the Warsaw Pact. He could not do military planning with the Soviets. This was a strategically important piece of turf relative to Greece and Turkey and Italy, the soft underbelly, etc.

So I think there was a legitimate debate or argument. But it was an argument which, in the State Department, really hadn't been had. This was because there was this very strong consensus about the one side of this. And I would say that consensus carried right on through 1990-1991 and heavily influenced our initial attitude toward Milosevic.

And in my own judgment, it was wrong and is to this day to some extent wrong. I don't agree with our current Bosnian policy. I think this is a kind of classic example of where radical thinking has not been permitted. If you look at Kosovo today, I think that there should have been radical thinking in the department in 1991.

I think a grand deal should have been done, a strategic deal under which the Serbs would have gotten the genuine Serbian parts of Bosnia-Herzegovina. The Croats would have gotten their part, and the Muslims would have been given a territory and a state which was viable. And in return for that with the Serbs, most of Kosovo should have gone to Albania, in my judgment.

Now I'm not saying I'm right. But I think it's a mistake not to have in our foreign policy establishment that kind of thinking that is bigger and more radical, as opposed to more incremental or stasis thinking. Our general tendency is to think in stasis terms. That is: "How do you sustain the status quo?"

Q: I think you are absolutely right. Status quo is sort of the operating principal. When you went out there…I mean you'd been writing Kissinger's speeches, did Yugoslavia cross his radar at all? I was wondering what he thought.

PALMER: Hardly ever. I think virtually never. I don't ever remember him talking about it. And I remember his reaction when I wanted to go out there. I wasn't in the room, but he said to Eagleburger, "Why would he want to do that?" He meant why would I want to leave his inner group and go to a place like Yugoslavia which, as you're indicating, he didn't think about.

Q: I think at this point we should discuss the Silberman period, the embassy, the tensions of the people, and where you fit in. In a way so much sort of flows from the dynamics, as you just pointed out, of feelings toward Yugoslavia. It's not just a country. For some

reason, it arouses more emotion than say Czechoslovakia, or Germany, or almost anywhere else. Then we'll talk about issues.

PALMER: When I got there Silberman had been there for, I think, two months. It was an extremely strained internal situation in the embassy. Ken Hill had been running the political section after Don Tice left, who had been political counselor before I arrived. Ken had had a very difficult time managing this man.

Silberman had been acting attorney general for a while, and managed something like 58,000 employees, I think he told me. He was used to having a huge staff and was very aggressive. He was a very, very bright… he is a very bright guy. He's a federal judge now and was recently quoted about President Clinton in the press in the appeals court.

I think Silberman was restless. He was full of ideas and creativity. He was wildly anti-communist and here he was in a communist country. Then, on the one side, there were the stresses and strains of Ken Hill, Dudley Miller who was DCM, and other professional Foreign Service officers to try to educate this man in the arts of diplomacy.

On the other side, there was Silberman's understandable, I think, frustration with what he took to be a kind of leaden, unimaginative - I remember my first day in the embassy there was a staff meeting. Silberman chaired the staff meeting and went around. About five minutes after the meeting, he asked me to come to his office and I did. And he said, "You know, that's the first time that anybody in the staff has actually looked me in the eyes when I was talking at a staff meeting, and seemed to be relating to me."

You know, rightly or wrongly, this was the perception of this political appointee: that the career Foreign Service was just there to oppose him and was asleep at the switch. I mean that was kind of his attitude.

The career FSOs who were there, Dudley and Ken and others, who were good officers, felt that he was crazy, well not crazy, but that he was irresponsible. They felt that he was dangerous, and they knew what Washington wanted, and they could see this.

So it was difficult for me, as somebody who was sort of in a certain sense in between. This was because I sympathized with a good deal of what Silberman wanted to do. Yet I also thought he was very - well, not irredeemably - harsh with the staff, but he wasn't subtle. I tried to protect my staff and that got me into terrible fights with Silberman. So it was difficult.

He ended up firing the DCM. He fired other people in the embassy. He brought in a guy from the outside as his special assistant. But he played a larger role than just special assistant. He thought of himself as an expert on economic matters. Therefore, he got into the economic section's business a lot and that was difficult. So it was a complex stew.

Q: Yes. One picked this up just from being outside, just hearing. When you look at it, I mean it's nice to be violently anti-communist. What did Silberman want to do?

PALMER: That's a good question. At a minimum, he wanted to vigorously represent our interests. For example, when an American citizen who was of Yugoslav origin got into trouble there, he wanted to really vigorously defend him. So whenever there was an issue that involved us, he wanted to fight hard for the American side of that issue. And he certainly saw himself as part of a larger roll back of communism. Whether he believed that during his tenure, he could get Tito out of office? I don't think he had illusions of sudden change, sudden overthrow. I didn't sense that.

Q: You talk about when an American got into trouble. I wonder if you'd talk about this. I remember reading about this. Normally, I took the normal Foreign Service line. This guy Silberman, from what I heard, was sort of a bull in the china shop. He might start the wrong war at the wrong time.

But at the same time, as former chief of the consular section and as a good consular officer, I thought, "By God, he's 'right on' in trying to defend an American." Too often, it's too easy for people at the top, for political considerations, to say, "We don't want to upset. We don't want to do this." And I thought he was dead right. So I wonder if you could talk about this and what you thought?

PALMER: Well, I thought that Larry Silberman did exactly the right thing, all the way up until the end. That is, I also had been a consular officer and I also felt very strongly. When somebody gets put in jail and threatened the way this guy was, you go and fight for him. This is particularly so if it's fairly clear that the basis for his problem was wrong. He had <u>not</u> done anything wrong.

Q: Do you remember the circumstance and could you explain it?

PALMER: Yes. He had been taking pictures in a sugar beet factory. He had permission to do this. He was offering to bring in new technology, sugar beet technology. It was a cooperative economic endeavor, but there were some tensions. He was a rich guy. I've forgotten the name of the town where this was, but it was a smallish town. Some of the local people there resented him, because he was a guy who'd left; made good in the United States, and made a lot of money. He'd come back and they thought he was sort of showing off. So there was this kind of resentment. Plus, the local Commies were kind of thugs.

So they claimed he was doing industrial espionage in this sugar beet factory. I mean really ludicrous, and implied more than just industrial espionage. But he had permission in writing to take these photos of this antiquated sugar beet stuff.

So we bombarded the foreign ministry, etc. We did a lot to bring pressure, got Washington to raise it. We did a lot, and I think Silberman did everything exactly right. Until we got Tito to finally agree to let the guy go, which we did.

And at that point Larry, unbeknownst to me… the ambassador did not tell me he was

doing this. If he'd told me, I would have opposed it strongly. But that's probably why he didn't tell me. He went out to the airport to see the guy off. Fine. But then he held a kind of press conference there at the airport. And that he should not have done.

Q: No.

PALMER: Because Tito had made this - grudgingly - but had made this gesture. It was clear that it was Tito who had personally done it. We should have just swallowed it. Instead of that he, Larry, kind of crowed; Tito took personal offense; and that was the beginning of the end.

He was more or less persona non grata after that in Yugoslavia. The foreign ministry made clear to me that they would not deal with him any more. They just wouldn't.

And if Larry hadn't had a rather complex situation in Washington - including some people who didn't want him back in Washington, and others who strongly supported him - if that hadn't been, then he would have been withdrawn. Because he really couldn't function normally from that time on. He could not go have some appointments. I was the one who had some of the appointments. We had a new DCM. at that point.

And I did, by the way, tell him. As soon as he got back from the airport, I told him. He told me what he'd done, and I said, "For God's sakes, why did you do that!?" And then we went into what we went into.

Q: How did you deal with the officers in the political section, and maybe others? You have a difficult ambassador, and you're trying to have a functioning embassy. You're trying to function. You know, the job has to get done and people have to work together. Can you talk about any problems or how you dealt with this?

PALMER: Well, it isn't easy. On the one side, he is the ambassador in a democracy. You know, I feel strongly that the Foreign Service has two obligations. One is to tell a political appointee exactly what you think, without lacquering it. And second, you have an absolute obligation to support him outside the embassy.

And vis-à-vis the staff, you have to constantly be reminding them of those dual obligations: "Don't be intimidated by him." In fact, Larry loved to fight. He loved arguing. And one thing that drove him crazy was that he felt he wasn't getting it from the staff. That he wasn't getting intellectual interchange, that they'd just sort of cringe. He could see that they didn't agree, but they wouldn't engage.

Q: Well, I think it's the type of personality. I mean you see somebody who sort of grows up in the law enforcement atmosphere, being a lawyer, you know. And then the Foreign Service really is different. I mean a real battle is raging. It's easy not to miss the fact that you're in the midst of a red hot battle between two people.

PALMER: I think that we, among ourselves in the Foreign Service, do talk a lot about

issues. But sometimes they're hesitant to take on a political appointee.

Q: Yes.

PALMER: Sometimes. But there are many Foreign Service officers, many who do. And they are the best of the Foreign Service. They are the ones in my opinion who go the furthest.

Q: Well, Larry Eagleburger and....

PALMER: The Sam Lewises and the Eagleburgers, etc., who have instincts, including with presidents, of telling them right out, "I don't think you're right!" But publicly will fight hard to defend them and, you know, do whatever.

So I think actually, the McCarthy era taught many FSOs the wrong lesson, and their own self-image of the service suffered very badly. I think there was a sense that you did well if you went along. And that's wrong. It has not been my experience - that the people who do the best, who rise to the assistant secretary level or above, who become ambassadors in important countries or whatever - it has not been my experience that they are milk toasts.

Q: No, this has been mine, too. I've also had the strong feeling that, for the most part, the Foreign Service - particularly from the McCarthy period - had the feeling that the secretary of state would not fight for them. With Dulles…

PALMER: Right. He was not somebody who wanted this.

Q: And Kissinger unfortunately, I think, fell into that.

PALMER: Yes. No, Henry would not fight for the Foreign Service. But Henry did respect individuals, either serving FSOs or former FSOs and he had a number of them around him: Win Lord, Eagleburger, me. Sonnenfeldt wasn't an FSO but he'd served in the department forever. Actually, most of the people close to Henry either were Foreign Service officers or had been Foreign Service officers. But to the institution of the Foreign Service, he definitely had a different view than George Shultz.

Q: I remember hearing again and again, you know when secretaries would say they wanted loyalty from the Foreign Service. The stock reply is, "It's a bloody two way street. If you want loyalty up, you've got to give it down."

PALMER: I think that's fair although the Foreign Service has to be "up," even if you don't get the "down." But it's right to demand the "down." It's right.

Q: Oh, yes, that's right. Well, back to this. As a political officer, and again we're talking about the Silberman time, what were your contacts, what were you seeing?

PALMER: Well, you know, I did what every political counselor does. I had as broad a range of domestic contacts as I could have. That is, people who were involved in internal Yugoslav things. People in the party but I also tried very hard to have a range of dissident contacts and just people who were not very political, who were ordinary Yugoslavs.

So I guess my primary interest - then and in all of my Foreign Service jobs overseas - was the domestic scene, as opposed to the foreign policy scene. That, maybe, was slightly different than some other people who had done that job. Those who thought of Yugoslavia as a fairly important player in the nonaligned. Those who saw their relations with the Soviets and us and the Greeks and others as being of some real importance. Those who then, you know, spent maybe a little more time than I did on the foreign policy side.

I didn't really take the Yugoslavs terribly seriously as a foreign policy player. I don't know, maybe I shirked that side of my job, is what I'd say. So I knew people in the foreign ministry, of course, and dealt with them but mostly on bilateral issues. I didn't spend an awful lot of time - for me - paying lip service to their pretensions to be a great world leader.

Q: Well, I think it's interesting you mentioned the people who served in Yugoslavia in the '60s. I heard later on that this was considered sort of the golden period. Those of us who were there didn't understand. You know, it was great but we didn't realize how golden it was.

Because of Tito's crackdown - particularly on the Croats, and putting more people in jail - I take it this (politically, I mean) was not a particularly happy period within Yugoslavia?

PALMER: Well, I wouldn't say it was particularly happy. On the other hand, I didn't think it was particularly turbulent, either. During my watch, the three years I was there, there was no single, big blowup on nationality issues, interethnic issues. So, no - it wasn't particularly a happy country. I did not think of it as a stable, warm and fuzzy country.

And its' attitude toward Tito: you could not tell jokes about Tito on a bus or you'd end up in the slammer. And as I mentioned, my neighbors in our building were scared, even though they were reporting on me. One of them admitted that they were reporting on me; but despite that, they still were nervous about talking. I guess it was partly because they thought that their apartments were bugged and you know whatever.

Q: Were you able to take many field trips?

PALMER: Yes, I traveled a lot. I went to Kosovo several times, for example. I took a particular interest in it and helped get our USIA post there reopened. It had been closed and I felt very strongly that we needed to be there physically. So, I worked hard on that. I spent time in Macedonia. You know, when Larry Eagleburger came out as ambassador. I took him to Macedonia on in his glorious return as (laughter) to his former stomping

ground…

Q: To his village.

PALMER: So I had a particular interest in Macedonia. I did not spend much time in Croatia. Herb Kaiser was our consul general there and a very good officer. He didn't need any hand holding from Belgrade. He knew what he was doing in the northern part, in Slovenia. And in Croatia, I relied wholly on Herb to do the political and economic reporting and all that stuff.

Q: Was there sort of difference between people in our consulate general in Zagreb and those in the embassy?

PALMER: Well, actually, that's an interesting question. Herb should speak for himself about this but my sense was that Herb was more sophisticated about the Silberman phenomena than most of my fellow officers in the embassy. His relations with Larry were much better than most officers in the embassy.

And Larry, for example, liked another FSO Bob Pelletreau, whom he had met at some point and thought very highly of Pelletreau. And if you know Bob Pelletreau, this is not a firebrand kind of Foreign Service officer. Bob Pelletreau is a very button down, but very smart and Larry loved talking to Pelletreau.

Q: Where is Pelletreau now?

PALMER: He's in the Middle East now. I've forgotten exactly where he was. So it wasn't with Silberman, I think, that he had a mindset against the Foreign Service; but he definitely had a mindset against what he thought was bureaucrats, domestic or foreign service. And he thought he saw some of them around both in Washington and in the State Department, on the Yugoslav desk and in his own embassy. But he didn't think that of Herb Kaiser, as I recall. I think he had respect for Herb.

Q: Well, I assume that, as with every team that's in Yugoslavia, you're always watching the fractures. When I was there, there was no such thing as a Bosnian fracture. It was Croatia and Albania. Albania wasn't a big deal.

PALMER: No, that's right. I went to Sarajevo a number of times. Vic Yakovitch was the USIA officer, head of our USIA post there. No, the general assumption was that - it was some kind of miracle, but actually - Bosnia -Herzegovina was pulling together better than Croatia-Serbia. There was more Croatia-Serbia worry and more Albanian worry.

Q: I think Slovenia was taken as that it was an unhappy baking there and they were just too small to really be particularly viable somewhere else.

PALMER: My sense of things, as I recall of Slovenia, was that this was a place that was really working pretty well by Yugoslav standards. I particularly remember Elan, a

company which makes skis and they make boats. I bought a boat. I had a boat they made that I kept on the Danube. And I had their skis. And, you know, Elan today is a good company. It was then a good company.

They, you know, the Slovenes in their way were just making things work. I remember Tito was quite proud of that. He used to point to them as an example of what could be. There were quite a significant number of Albanians who were Kosovars or whatever who lived in Ljubljana and that seemed to work, too. No, the big things we focused on were Croat-Serb and Albanian.

Q: Were there any problems with the Greeks or the Bulgarians on Macedonia during that time?

PALMER: Yes, there were. No big thing, you know, but there was sort of a verbal cauldron there. And the Yugoslavs, of course, were very sensitive on that, so were the Bulgarians and the Greeks. It was something you kind of kept an eye on, but I don't remember any single big event around that.

Q: What about the Yugoslav lobby - not lobby, but there are two groups - the Serbian Americans and the Croatian Americans. They obviously didn't speak to each other. But did they play any part through Congress or anything like that while you were there?

PALMER: Yes, and in fact they are among the main reasons I left the Foreign Service. The Chetnik groups were very active on things like statues to what's his name, Mikhailovich here in Washington. They had gotten to Jesse Helms about that and so they were active.

And then there were these Croat Ustashi - all of them very unappealing - but mostly in Canada; but also in the U.S.. So yes they were active. I don't remember during that period that those groups did any particular thing. Tito was still alive through the whole time I was there. And there weren't a lot of openings for them - I guess is one way to think about it - during that period.

Q: The Carter Administration came in early in '77. Did that make any difference?

PALMER: Larry Eagleburger came out around that time. And that made a difference and maybe it was both. No, it really was Eagleburger coming out, I think, that made a difference. Because the Ford/Kissinger thing was not the reason why there were bilateral tensions. It wasn't that Kissinger, as secretary of state, had decided to sort of take on Tito. It was Larry Silberman who had done that.

Q: Who had been sort of put there to get him out of town.

PALMER: Partly, yes. Not only - because he'd been offered another embassy, too. It was a complicated fabric, actually. So, I wouldn't say that it was really the change of presidents and secretaries of state that altered things. It was much more Larry Silberman

leaving and Larry Eagleburger arriving that - sort of in terms of the atmospherics of our relationship - made it somewhat of a shift.

Q: I would have thought with the arrival of Larry Eagleburger and also the arrival of the Carter Administration you'd almost have two different trends:

The Carter Administration, human rights, and Tito's got a lot of political prisoners; and

Larry Eagleburger, who belonged to I would imagine belonged to more of the old Yugoslav hands. I mean this is a crucial state and you don't mess around with it too much and poke a stick at the tiger inside there. Did this play out that way at all?

PALMER: As long as I was there and my memory of it after that, the Carter crowd from what Patt Derian and company did not from Washington focus on Yugoslavia as a human rights violator in any particularly activist way.

Q: Yes, I've been interviewing her and I can't recall any real talk about it.

PALMER: And you're right. Larry's view was, "Don't provoke them." And Kissinger and Silberman had had some difficult discussions, too. So, that's again why I think it's important not to see this as so much a change from say a Republican administration to a Democratic administration.

There was a pretty broad consensus about how to handle the Yugoslavs. Silberman was outside that consensus and, again, I want to say I was, too. I think highly of Silberman in many ways to this day and don't want to be seen as joining in the jump on the Silberman attack band wagon. I was not then of that point of view and am not now.

Anyway, so when Larry Eagleburger arrived, Larry of course…But it was interesting when Larry arrived because I'd worked for Larry once really before I guess, at that stage. I've worked for him altogether four times so I know Larry really well. Anyway, when Larry arrived that afternoon, that first day he was there, that afternoon, he asked like Silberman asked me to come in and he said, "I don't know…"

Q: We're getting our Larry's mixed up.

PALMER: Larry Eagleburger asked me to come in to his office the first day he was in the embassy and he said, "I don't know what the f--- and 'blanket blank' I'm doing here." And I said, "Well, you're here and this is an important place." And he said, "Well, you know, I don't know why and what am I supposed to do and how to use my time." I mean he had come from running the world…

Q: Yes. Yes. (Laughter)

PALMER: …with Kissinger, down to this country, you know. And there wasn't much to do, frankly. I mean, what the hell was there to do? We didn't have an A.I.D. mission. We

didn't have Peace Corps. We had a limited USIA presence. There were no big wars going on. What were the issues?

It was a maintenance sort of situation. And from my point of view, of course, it was an ideological combat situation. But Larry didn't see it that way. He didn't have that so what did he have? What he had was sort of repairing a little bit and maintaining. And that wasn't something that he was extremely excited about doing.

Of course, the Yugoslavs were delighted - the foreign ministry, Tito personally - delighted when Larry was appointed. They knew his history. They knew he'd gone down to Skopje in the earthquake in '62 and lived in a tent in a muddy field and helped; and that he'd cared passionately for Yugoslavia.

He genuinely liked the people, as did and do I. You know he was intensely…you know he had a big case of "localitis" in the good sense of empathizing, liking the people, liking the country. He spoke the language, not perfectly, but he could cope. And so he was very much welcomed. It was Lawrence of Macedonia. I mean, here this guy arrives and people were very pleased all over the country.

Q: Yes.

PALMER: But he was bored initially. Anyway, it worked well. I didn't stay with him too, too long. I was offered a job in the department. So after a certain amount of tension, I went off and did that. But for Larry - particularly in the beginning - it was kind of a triumphal return to a country that he knew well, and where he was liked. He focused a lot on economic issues, on trying to build an economic relationship.

Q: What was your impression? You were in charge of political affairs but, obviously you were part of the country team and all, of the Yugoslav economy. At one time it looked great, because it was compared to the Soviet one which was dismal. But were we away from that and beginning to look at it realistically?

PALMER: Well, I have a slightly tangential way of explaining my view. My wife was doing her Ph.D. there at the University of Belgrade in biochemistry. She got her degree, and defended her dissertation in Serbian. So she was really integrated into a samoupravleniye unit, a self management unit at the university. She was unique in that regard. There was no one else in the embassy community who actually was a member of a worker self management team-- supposedly the core of the entire Yugoslavia ideology and economy.

And, although, that was not a factory, it had all the same characteristics basically of decision making and the relationship to the Communist Party. So, partly through my wife's experience and partly obviously through other conversations and intelligence and work, I concluded early on that worker self management was a complete shambles. I concluded that this was a terrible way of trying to run industry, or anything.

And, of course, it was both run that way and not run that way, because there were - as you know from your own experience - there were various systems that were at work. There was direct political control as well as this self management stuff going on. So I did not think that the Yugoslav economy was great.

If you looked at why were they doing relatively well, part of it was that there were huge numbers, I mean several million Serb, Croat, and other "gastarbeiter"guest workers in Bavaria and throughout West Germany sending back large amounts of money. You saw all these houses being built. Well, the money that built those houses was coming back into Yugoslavia from these "guest workers."

So, I did not share in the view of some. I don't know that that was a widely held view within the service: that Tito had somehow found a way economically to make a place work relatively better than, say, the Soviet Union. I didn't think he had. I didn't think this was a really much, much better way than the way things were run in Czechoslovakia or Moscow.

They had a tourist industry. That helped, but even that wasn't run particularly well. So, no, I didn't think that the economy was sterling. And they had potential. They do to this day have potential.

Q: Did you have many visitors or official visitors coming there that you had to deal with during this time?

PALMER: We had some CODELs, some disastrous CODELs, classic disasters.

Q: It's kind of hard to be too disastrous in Yugoslavia, or not?

PALMER: Right. No, that's right because in that sense because it doesn't matter, really. If it goes badly, it goes badly and it's not going to change anything. Embarrassing, I guess, is the right way to put it. We had, what's his name? The guy who had Fanny Fox. He was a congressman.

Q: Hayes?

PALMER: No, not Hayes.

Q: He was from Arkansas. He was chairman of the Ways and Means committee…

PALMER: No. It was another important Ways and Means guy. Wilbur Mills. He arrived with a large co-del. They unloaded from the plane something like 24 cases of hard liquor. It was because he drank all the time. From morning to night, he drank. He was just drunk all the time.

The first night he was there, Gligorov, who was then the president of Yugoslavia, gave a very nice dinner, with white gloves and everything, a really splendid dinner, the best that

the Yugoslavs knew how to do. And he got up and said [Palmer imitates a heavy Southern accent], "I want to tell you about my wife." And he talked at great length about how wonderful this little lady is, before he got into anything else.

Then, he turned from that to saying, "I am so happy to be here in Czechoslovakia."

(Laughter) And so Silberman passes him a note, you know, "Yugoslavia."

"Oh!" he said, "I am so happy to be here in Yugoslovakia!" (Laughter)

Q: Oh, God! This is one of the crosses that the Foreign Service has to bear are these people who come and go and who leave…

PALMER: We got him down to Montenegro, finally. In the morning he was so drunk that he literally fell off of a bar stool in the hotel. Literally fell off, at which point the Yugoslav security people came to me and said, "He's going to hurt himself. You've got to put him to bed."

And we had a whole series of appointments that day and we just had to force him to go to bed and try to cut off the liquor supply. I mean, it was just awful, just awful. On the other hand, when Dole came out, he was wonderful. And he was very helpful.

Q: Did Dole have a particular interest in Bosnia at that time because later he showed a very strong interest during the civil war on the Bosnian Muslims and I think he had somebody who had a connection to Bosnian Muslims on his staff and I was wondering whether that connection had developed at that time or not?

PALMER: I don't remember any Bosnian thing with Dole. What we were working on was a Serb political prisoner.

Q: I might just point out for the record that the gentleman from Congress Wilbur Mills, he was from Arkansas and t he received his comeuppance when his girl friend in Washington, who was a stripper named what was it? Cindy Fox?

PALMER: Fanny Fox.

Q: Fanny Foxx, with two x's on the end. And he got in an argument and didn't she end up in the Tidal Basin?

PALMER: Jumped out of the car.

Q: Jumped out of the car into the Tidal Basin and ended his career (Laughter).

Anyway, where did you go in '78?

PALMER: So, I came back to the Department. Les Gelb was Cy Vance's arms control

guy. He wanted me to take over as director of the arms control office within the Bureau of Political Military Affairs. This was the office responsible for SALT, strategic arms talks, for mutual balanced force reduction, chemical weapons, biological weapons, basically the whole of the arms control agenda. And I was extraordinarily eager to do that and Larry Eagleburger… I left post early and he was unhappy.

Q: I can just imagine Larry saying, "What the hell is this all about?"

PALMER: Yes, he was unhappy that I left and left early. And I understood that, because it was not easy not having a political counselor for some period of time. On the other hand, I think Larry should have understood at least that this was really a great job for me. I was a Soviet expert. This was then the heart of our relations with the Soviet Union, doing arms control. So anyway, I went back to Washington and took over PM/DCA.

Q: Also, I can think of Larry Eagleburger being, he's very hard nosed, but he's very skeptical about this going anywhere anytime. Maybe I'm wrong.

PALMER: Well, I don't know. He may have had substantive skepticism, too, but I think that was secondary to his own self interest of having a political counselor on staff.

Q: You were with the Arms Control Agency?

PALMER: No. Bureau of Political Military Affairs. It's on the seventh floor of the department. It directly serves the secretary of state. And it has been a very important, I think, part of the policy establishment on the seventh floor, including the policy planning staff. It is physically right next to the policy planning staff. And on security issues - on hard core security issues - it is comparable in many ways to the policy planning staff.

Q: Location is everything within the Department of State. If you're up on the seventh floor, that means you're on the secretary of state's floor.

PALMER: Yes, right. It meant, for example - during that period with Cy Vance and Warren Christopher, who was deputy - that we directly served them. I mean we gave them memos all the time, we were in meetings with them all the time. Cy Vance was passionately interested and committed to SALT.

Q: You did this from '78 to when?

PALMER: To '81.

Q: When you arrived in '78, what was the status of the Strategic Arms Limitations Treaty?

PALMER: We were in the guts of the SALT II negotiations, with Paul Warnke doing the direct negotiating. On the one side, we were trying - of course - to reach agreement with the Soviets. On the other side, we were constantly trying to reach agreement with Zbig

Brzezinski, who was national security advisor; and with Harold Brown, who was then secretary of defense. So there were what were called VBB meetings: Vance, Brown, Brzezinski meetings at least once a week on these issues, on the nuclear issues. And we ultimately got an agreement.

Q: Well, Brzezinski and Brown and Vance, were they seeing these things differently?

PALMER: Well, there was - of course - a lot of consensus, but there were differences. Zbig was more hawkish, more anti-Soviet, more doubting, etc. certainly than Vance. But he was also more so than Harold Brown, despite Brown sitting in the Pentagon, where they tend to have a more hawkish point of view.

If you had to do a spectrum, Cy Vance was sort of the most willing to accommodate, do things. Brown was in the middle. Zbig was on the hard-assed end of this. It created tremendous problems for me, for our part of this. This was because, you know, we were trying to get an agreement with the Soviets.

Zbig was constantly leaking to Rick Burt in *The New York Times.*. Rick was then the national security correspondent for *The Times.* Zbig would himself meet with him. Or Bob Blackwell, who is a Foreign Service officer in the NSC, would meet with Rick practically daily and brief him on all the VBB meetings.

I'd get a readout faster by reading *The New York Times* of meetings that had taken place that I had provided the staffing for. I got it faster by reading *The Times* than I could get it out of Vance. This was because Zbig was giving it directly to Rick. And Rick was putting it in the paper with Zbig's slant, you know, which was extremely irritating.

I remember thinking how terrible this was. I ended up being so angry about it that I went around Washington at cocktail parties saying that Rick Burt was a fascist. Which of course I should not have said. It came back to haunt me later.

Anyway, it was not an easy relationship. And Vance was extremely unhappy about this; because Vance was an honorable man who just didn't do this kind of stuff.

Q: Well, I was wondering, it does supposedly one of the great faults of Jimmy Carter was that he was a micromanager.

PALMER: Right.

Q: Was it a matter that Carter wouldn't tackle Brzezinski or was it a matter that Carter was promoting this?

PALMER: I don't think Carter was promoting it, because I think Carter instinctively was more in sync with Vance. So no, I think this was Zbig - who is also, by the way, a good friend of mine to this day.

Q: But he worked for the president.

PALMER: But so did Henry Kissinger work for Richard Nixon. NSC advisors very often are off the reservation in this regard. They're pursuing their own egotistical agenda and policy agenda. And Zbig has never been reluctant to pursue those two sets of interests.

Q: Did you find yourself here getting involved with theoreticians of nuclear war? "Well, if we lose 20 million and they lose 25 million, we come out ahead?" You know, at one time there was this - with Teller and others - sort of intellectual exercises which were appalling, about how you could have sort of "good" nuclear wars?

PALMER: Yes. Well, I don't remember doing that. However, once we got the SALT II agreement done, negotiated, we then went into - and I was particularly involved in trying to sell it to the nation and to the Congress because it had to be ratified - and in that context to try to explain deterrence to the country; and you know, MAD and all this stuff.

Q: Mutual Assured Destruction is MAD.

PALMER: Right. So, yes, in that sense we did get into those kinds of issues. Unfortunately, the Soviets then invaded, went into Afghanistan.

Q: This was in December of '79.

PALMER: And so we lost it. We kept fighting for a little while to ratify the treaty. I mean we kept talking about it, still trying to get it ratified. Vance never gave up hope. But before Afghanistan, it was politically difficult to get it ratified. After Afghanistan, it was out of the question.

Q: Well, let's talk about was what your particular role in these negotiations; and talk about sort of where the Soviets were coming from.

PALMER: Right. Well, when I came back from Yugoslavia I had five officers. I built it up to some or more 10 officers, so I did a classic empire building operation.

We were the key office backing up Cy Vance on these issues. Cy Vance was theoretically in charge of our foreign policy. He was a very important player. He and Paul Warnke were very close. So we played a key role in setting policy and breaking through the last issues with the Soviets.

We played a key role in getting consensus within the executive branch on what needed to be done to get a treaty. And so there were a whole lot of issues that had to be resolved at the end. There were various Soviet mobile intercontinental ballistic missile questions and questions of verification that were very important. Could they hide stuff? Could they cheat? So those were the kind of issues.

Now on the Soviet side - you know dealing with them - Paul did most of that.

Q: Warnke

PALMER: Yes, Paul Warnke I personally didn't do really any direct dealings with the Soviets. It was all policy and then to the negotiator. Then the negotiator in Geneva - Paul –worked with the Soviets. But Vance cared enough that he was more or less willing to put his whole secretary of state-ship on the line with Carter to get the last issues resolved--and successfully. We had a treaty.

Q: How did you find as you were going along on this working with the European Soviet Bureau. How many European Soviet officers were involved?

PALMER: They had very little to do with us. This is a classic case, I think, of where a functional bureau in the department - whether it's EB or narcotics or HA or whatever it is - the functional bureau has such a great strength on the issue that's involved. In this case it was a very complex set of issues.

And so it's very difficult for a regional bureau to compete, in a sense. You know, they have one officer to try to cover what I had 10 officers to cover. They didn't even have one officer where I had 10. They had kind of part of an officer. So, in this case, I'm not saying they just sort of went along mindlessly. That wouldn't be fair. EUR provided some political guidance which was useful on how the Soviets were seeing things.

But in terms of the real hard issues and how to resolve issues, I think it's fair to say EUR played a very little role. P.M. played the main role and my office within P.M. and of course, ACDA acted as a separate agency. It did it's thing as did the Pentagon and the White House and CIA and various others. Because in the strategic arms business, there are just a lot of players. You've got the whole intelligence agency. DIA is playing a big role. You know, there are just a lot of players.

Some agencies people don't even know exist are playing important roles like NPIC, the photo-intelligence people. On verification issues, they had great say. What could they, in the future, vouch? What could they actually ascertain? Where was the level of confidence? And that, in turn, had a very important role in deciding how far we could go in the negotiations.

Q: Did you have the feeling that the intelligence people were, in a way, with the general idea this would be a good thing or were they saying, "Well, you know, we just can't be sure?"

PALMER: Well, DIA was classically sort of difficult on things, skeptical. But CIA was, on the whole, very much part of the State Department team, on the whole. They were trying to find solutions and to make things work. So within the intelligence community you had splits very, very often. I don't know how it is today, but certainly during that era you had that kind of problem.

Q: What about the British and the French in this particular thing?

PALMER: Not much role. They didn't play any significant role.

Q: I take it the French were sort of holding themselves outside anyway?

PALMER: Right. And the British, of course, they had nuclear weapons and they wanted their interests represented. And they were represented, but we briefed them and little else. It wasn't a major role.

Q: Well, during this period, one of the major issues was the introduction of the intermediate SS20.

PALMER: Right.

Q: Then, after much agonizing, our counter-introduction of the Pershing missile and the Cruise missile.

PALMER: Right.
Q: Was that part of, in a way, our negotiating: the Soviets were using theirs, we were using these? Was this part of the negotiating?

PALMER: Well, that introduced a whole new dimension then. What initially was called theater nuclear forces was eventually called the INF, Intermediate Range Nuclear Forces. It had just surfaced in the middle of the war in Afghanistan, actually. So we - really only toward the end of my time - began to come to grips with this.

Just before the elections…

Q: The 1980 elections.

PALMER: …we set up a team of which I was the deputy negotiator and the deputy director. Spurge Keeney was the negotiator from ACDA (Arms Control Disarmament Agency). We went off to Geneva for the first TNF (Theater Nuclear Force Negotiations) with the Soviets. Then that, in turn - after the elections and Reagan was in office - became the INF.

Negotiations went ahead with Paul Nietzsche running them. So you're right. That was a very important new element in the arms control scene. Initially, none of us really knew exactly how to handle it. Then I kept on being involved in it in my new job when Reagan was elected. The Reagan Administration came up with a radically new way of looking at that.

Anyway, during the Carter Administration, we were basically marking time on those issues. We did start the process of negotiating. We did take positions. But everybody understood - including the Soviets - that we were not really in a position to do very much

then; because there was going to be this change of administration.

Q: The Soviets, in December of '79 went into Afghanistan. Was it clear from that moment on that this was going to put everything on hold?

PALMER: Yes. Yes. Let me just give a personal example of just how clear that was. Before the Soviets got really thoroughly involved in Afghanistan directly with their own troops, I had worked almost all my time on SALT in the Arms Control Office. I spent almost all of my time in the strategic arms negotiations, and the effort to ratify the treaty.

Once Afghanistan hit, there I was with 10 officers, and what the hell to do day to day? I mean, you know, do something. So, I turned my attention to chemical weapons and biological weapons. I turned specifically to this question of whether there had been anthrax released as a result of biological weapons research by the Soviets, which we suspected. Or, if there had been some kind of natural outbreak of anthrax.

I ended up spending, I guess, well over a year - maybe half of my time - on this issue of biological weapons. This issue had previously had virtually no attention by anybody. There was no inter-agency working group on BW. There was just no concern or interest even.

And I had to crank it up and create an inter-agency group. I ended up taking a whole team to Europe to convince our NATO allies, that we had credible evidence that the Soviets were developing biological weapons. We tried to convince them that this was an outbreak caused by their things. And at the same time, of course, there was huge skepticism in the U.S.

Q: Yes.

PALMER: A professor in the U.S., at Harvard and MIT, Matt Messelson, believed this was all fabricated. He said so publicly and campaigned vigorously against us. I think Cy Vance didn't really want to hear about this. I didn't get very much support for doing this. Les Gelb thought it was not terribly important. He sort of let me do it, because he didn't know what else to do with me.

But I feel very vindicated because the Soviets have admitted that, in fact, they had this BW facility in Sverdlovsk. They denied it at the time. We now know that this was actually an outbreak caused by a release. So in a certain sense that was the beginning of a whole new concern in the U.S. government about biological weapons. It was the beginning of the concern, secondarily, about chemical weapons which we now see in the Iraq context, etc.

And we built up the capacity in CIA, DIA. That's where we got more positions devoted to this. We started to do papers on it, you know, studies. As I said, we started to build the Allied expertise. We got the British to devote time to this, the French. We met with huge skepticism in Europe about all this stuff. But it was an important beginning, I think.

But that also makes the point that dealing with the Soviets directly - because with this all we dealt with the Soviets - was trying to get them to admit something. And they kept denying it. So there was no negotiating. So it was not productive in that sense that you could - at that point anyway - hope for Soviet cooperation. So with the Afghan situation, we were in a real "mud in the eye" kind of stance, and they with us.

Q: To what do you attribute the European skepticism? Was it just that they didn't like balances upset?

PALMER: Right. This was inconvenient. You had - particularly with the Germans, but not just the Germans - a real kind of detente desire. There was a desire to work things with the Soviets and not to create problems. They thought - and they even said to us - that we had sort of fabricated all this; and that the evidence was not credible.
And in fairness to them, the evidence was complex. It wasn't ideal. We didn't have a human source. You know, we didn't have some Soviet come over and say, "Yes, I was there, and this is the nature of the program." We've since had this, but at that time we didn't.

So when you briefed people - which I did repeatedly, such as the British Foreign Office, or in Bonn, Paris, etc. - when you briefed people at length, you know, three hours briefing on the intelligence - at the end of it, they could legitimately say, "Well, yes, that's sort of interesting, but we don't know."

And it was very frustrating to then say, "Okay, you've got to join us because this is an important issue. We've got to have a demarche with the Soviets that we all join in. You know, we've got to stop this stuff. This is not something we want. We don't want biological weapons. It's not a good thing."

Q: Where did the Chinese fit into this whole thing? You know, they had a nuclear program and they may have been doing other things.

PALMER: I think it was pretty early. At least in terms of my radar screen they weren't important. Later, during the Reagan years, we did get involved with the Chinese in it. And of course, Henry had had some discussions with them about some of these issues. I don't recall during the Vance/Carter years, but it may have been done by somebody else. I just wasn't aware of it. At least, in terms of the arms control office, we didn't do much with them.

Q: Vance was still secretary of state during the Afghan invasion and resigned, I guess, in the summer of '80 because of events in Iran. Did anything change or things were just on hold anyway?

PALMER: Yes, they were on hold anyway. Muskie didn't really have - that I remember anyway - any impact on my issues. Maybe he did something else useful, I don't know. No, practically speaking, you could not do anything on arms control issues during that era

except go through the motions, which we did.

Q: You had ACDA at that time, that's Arms Control Disarmament Agency. And you had this in the State Department, Political Military which was doing SALT. These two seemed to be the same thing.

PALMER: Well, yes and no. ACDA's mandate was to do arms control, pure and simple. P.M.'s mandate and the State Department's mandate is much broader. We have to weigh a lot of issues as we look, including national security. So I always thought of the relationship as friendly, mutually constructive, and certainly Paul Warnke and Cy Vance got along very well.

But we not infrequently disagreed with ACDA and sometimes sided with the Pentagon against ACDA. So it's a good thing to have an agency that's exclusively devoted to that set of issues and is a kind of advocate for arms control. We did not see ourselves as an advocate for arms control.

We saw ourselves as trying to look at the broader national security interests of the United States, as well as, of course, arms control. We were advocates in a minor sense, but that wasn't our primary purpose. Our primary purpose was to look at this bigger picture - but with enough understanding of the hard issues, of throw weight, etc, the technical side of this - to be able to relate those two, the technical to the political.

Q: What about dealing with Congress before the Soviets cut you off at the knees with Afghanistan? Did you find much support in Congress on this?

PALMER: We were worried because, of course, with a treaty you have to get two thirds support. So we were concerned. And in trying to decide how far you could go in reaching agreements with the Soviets, we very often looked over our shoulders at the Senate. We tried to think and talked, of course, with the Senate. We briefed them a lot to see whether or not we could end up with the necessary majority in the Congress or not.

I think - in looking at SALT II prior to Afghanistan - we recognized that it was an uphill struggle to get it ratified anyway. But I think we also believed it would be done. And we had done a lot.

I mentioned that we started the national campaign to help Americans understand the issues. We set up a special office to do that. This was unusual. As far as I knew, it had never been done in the department's history. It was a five man office to exclusively sell the treaty. We had developed materials, radio programs, TV, etc. We were into a major marketing effort. The reason we were into it was that we recognized that it was going to be hard.

Q: Well, I think actually the Carter Administration had done this once before and that was for the Panama Canal Treaty.

PALMER: That's true.

Q: That was even more emotional. And so this is really the first time ever since Woodrow Wilson was running around the country on the back of a train.

PALMER: That's right, yes. Ambler Moss and what's his name, who I just saw recently. He's a lawyer, who was the Panama Canal Treaty negotiator. They had to have a major effort to sell the treaty.

Q: During the '80 election campaign, Reagan versus Carter, was there - on the part of the professionals - a certain concern about Carter earlier on, a lack of follow through? He was a difficult person to analyze. He talked about a great malaise and all this. Was there sort of a professional concern about this man?

PALMER: Yes, and I can give one example of that. There was going to be a special session in the United Nations devoted to disarmament. Initially, President Carter was going to present the American speech, give the American address in New York. Relatively far into the process, he decided to have Vice President Mondale do it. I had written the speech. (I'd continued to do speech writing as I did through much of my Foreign Service career.)

So, I went up to New York with the vice president. We were sitting in the suite in the U.N. Plaza Hotel. This was, I guess, about four hours before Mondale was going to give the address. We got President Carter's handwritten comments on the margins and between the lines on what was supposed to have been the finished speech.

In the margins by the first paragraph, President Carter had written, "We should mention that Eisenhower was concerned about the military-industrial complex in the United States biasing our policy and we should attack the military-industrial complex in the speech." And Walter Mondale looked at me. We were alone working on the speech. And he turned to me and went like that.

Q: You're shrugging your shoulders and looking sort of as if to say, "What the hell is this all about?"

PALMER: Yes, and we didn't even say a single word to one another. We just went on to the next comment. And of course, nothing like that was ever in the speech. So there was concern, particularly later in the Carter years. The concern was that this was a man, who - occasionally at least - and I don't mean to put him down. I think he was and is a fine man and in many ways a good president. But there was a feeling that he occasionally just got off onto a tangent that wasn't right. And this was one example of that. So I think there wasn't - among many career officers who were close enough to see things - there wasn't real confidence in him.

Q: Well, one of the great examples and I don't know where you were. You may have been in Yugoslavia at the time, was with the so called neutron bomb. Did you get involved in

this?

PALMER: No, and I'm not sure why but that was dealt with by somebody else. I was, of course, familiar with it but I wasn't responsible for managing it.

Q: He had pressed the Germans to accept this. And after the Germans had made great commitments to do this weapon, he backed off leaving everybody with sort of egg all over their face. It was considered a very bad show. I would have thought that, in a way, this might have been hovering over the negotiations: "God, will the president change his mind?" or something like that.

PALMER: Yes. No, as I say, I think that there was not a solid confidence in him, particularly toward the end. I'm not sure that was there in the beginning. I don't remember that in the beginning of his presidency.

Q: I don't either, no.

What about how you and other were looking - and I'm not talking about politically, but just from a practical point of view, as professionals in the field of foreign affairs - at the arrival of Ronald Reagan on the scene after the election of 1980? How did this hit you all?
PALMER: Well, it hit me personally in the most disastrous way. (Laughter) Here I was running this office. I was very proud of the work we'd done. We were hardly comsymps [communist sympathizers]. Here we'd been running this Sverdlovsk thing which was wildly conservative. Even the conservatives weren't on board this thing. I was out to the right of them on this issue.

So President Reagan gets elected. And the very first thing that happens when Secretary of State Al Haig made his appointments is that he appointed Rick Burt to be the Director of Political Military Affairs. Well, Rick Burt knew that I'd been bad-mouthing him for some period of time.

Q: You had been calling him a fascist around the cocktail parties of the time.

PALMER: Right, and so as far as I remember - and I think this is true - his very first administrative act as the new head of the Political Military Affairs was to disband my office and, of course, remove me. That was the purpose of it - or one of the purposes anyway - to get rid of me.

So I had nowhere to go. I had literally no seat. I didn't know what to do. Fortunately, one of the junior officers in DCA, in my office took pity on me and said, "Look, there's an extra chair in here so please feel free to sit here." (Laughter)

So, Larry Eagleburger was still in Yugoslavia as ambassador at that point. Then Haig eventually asked Larry to come back as assistant secretary for European affairs. Larry asked me to become his deputy for policy. This was a new position created for me to

allow me, with a small staff, to do what I sort of had been doing: big thinking, policy speeches, rabble rousing, and other stuff. So I moved from this little cubby hole situation of being a non-person. I mean for several months I was really kind of a non-person. I moved down to EUR and took over that job.
Q: You were in EUR doing this policy from when to when?

PALMER: '81 to '82, I guess. When Larry went upstairs as under-secretary for political affairs, I went with him. So while he was assistant secretary, I was there. We went upstairs. I worked for him as his deputy for policy there doing again the same thing but on an even bigger scale.

Then - life being the strange thing that it is - (laughter) Rick Burt, who had gotten to know me better in the meantime, he wanted a deputy assistant secretary to do the Soviet Union and Eastern Europe. He recognized that I knew that stuff. So he asked me if I would come back down to EUR. So at some point in '82 and until '86, that's what I did.

Q: Well, let's talk about the European side first. Looking at the big picture - particularly at the Reagan Administration on board - you had this peculiar thing of Reagan being sort of an unknown figure. Obviously - I mean, he was talking about the evil empire and the Soviet Union and all. I would have thought the Europeans would be looking skeptically at it.

At the same time, the secretary of state who was Alexander Haig, who had been the NATO commander and was a NATO and, obviously, a European hand of the first water. How did this play out from what you were doing?

PALMER: Well, particularly in the first six to 12 months, it was very tricky because you had within the Reagan crowd, the new people who came in, a lot of different currents. You had some people who, as you mentioned like Al Haig, had a very strong history of on the ground running things. Then you had other people like Richard Allen.

Q: He was National Security Advisor.

PALMER: Right. He really as far as I know had never done run anything within government like this; and whose knowledge of national security affairs was to some extent theoretical. Then you had people who were very ideological right around the president. So you had kind of a lot of things going on at the same time. You had Bill Casey, who loved to kind of posture; and the secretary of defense, what was his name?

Q: Yes, Cap Weinberger.

PALMER: Oh, yes. Cap Weinberger who liked to posture. And you had some very peculiar cross cuts. For example, Al Haig really, really wanted to go aggressively against Qadhafi, and against Castro. I got very involved with that stuff with him. Casey and Weinberger and Dick Allen, all of whom publicly were these wild men, you know wild anti-communist, all kinds of stuff.

Q: Wanting to do things.

PALMER: In fact, when it came down to making decisions about doing something against Castro and Qadhafi that involved either covert action or military force, they didn't want to hear about it. They advised the president strongly against doing anything. So the reality I guess as is often the case was much more complex. On some things, Al Haig was very moderate, much more so than Casey and Weinberger and company. On other things he was much more radical.

So it was turbulent. And I think that President Reagan himself hadn't yet settled down to exactly what he wanted to do. But certainly the effect of what he did during that period was to take a stand that communism is evil, we're going to defeat it, and freedom is going to win. And of course, I loved that and I was thoroughly involved.

Q: Yes!

PALMER: I wrote three of his most important foreign policy speeches on that. I was very involved in working on a range of issues including Afghanistan, getting missiles to the mujahideen and I created something called Afghanistan Day in the United States to rally support for the mujahideen and did a demonstration at the Washington Monument. I mean I was really into this kind of stuff.

Q: You're doing this but I take it that in your job you are basically a free floater.

PALMER: Right. I did more or less what I wanted and what I thought Eagleburger, Al Haig, and the president would want. And it was wonderful. I loved having the freedom of action.

I fervently believe that this is a good thing. I think we should build in the capacity for this in bureaus and in our foreign policy establishment. Whoever does this should more often than not be told that, "That's a crazy idea!" and "Go away!" and "You're not going to do that! Shut up!"

But there are times when this kind of free floating stuff really is very important. There are times when it can make breakthroughs. There are times, I think, when it can help us to be dynamic as a nation in our foreign policy and to be American.

That's what really drives me crazy about a lot of our stuff. I think our values don't get sufficiently reflected in what we do and our values are our greatest strength, our power, more powerful than our weapons.

Q: Oh, absolutely! Well, I think this is the thing that Carter essentially did was unleash human rights. It was done poorly but…

PALMER: Yes, but he did it in such a dreadful way. He didn't, but Patt Derian did. But

they did this stuff that just played into the hands of the dictators. They focused - and I fought hard against this with them - they focused on getting somebody out of jail. They focused on episodic events.

It was so easy for somebody like Ceausescu to let somebody out of jail and the next day put three in. And, you know, we'd think, "Oh, great! There's some presidential visit or something. Let a few people out." I mean they just played us to a fare-thee-well. Patt Derian was too narrow in my judgment about this stuff.

What's important to do and what Reagan would do - and I don't know that he fully understood what he was doing. But anyway, what we started to do during the Reagan years was to understand what's important. And what's important is the institutions of democracy, and changing power relationships, introducing the rule of law, political elections, trade unions. You know, the infrastructure of democracy. That's what's important and then you can relax. People are not going to be put into jail and taken out. This game stops because the power is in the hands of the people. Anyway, I think it's fair to say that this started more during the Reagan years than during Carter. But you are right. Carter did focus on human rights. He did do that.

Q: He put it in the vocabulary in a way that it hadn't been before, and it developed from there.

PALMER: Yes, that is true and we should remember that. We should remember that.

Q: Well, I want to get into a more general thing. But first, I was wondering whether during this EUR business with Larry Eagleburger, did you get involved with the pipeline business?

PALMER: A little bit but not much.

Q: Well, then, what about I mean here you'd been writing for Henry Kissinger and all of a sudden you have Alexander Haig. Were you sort of called in and told, "Will you help me write a speech?"

PALMER: More on the presidential things. Haig asked me to help with the White House. He had a difficult relationship, as we know, with the White House. So I was thrown in to help in that regard because I had good relations with the White House. They trusted me.

Q: I would have thought they wouldn't, because Kissinger was probably…

PALMER: Anathema.

Q: …anathema, much more so than any Democrat would have been.

PALMER: Yes, that's right and I don't know why it happened exactly, but anyway whatever the reason I …

Q: Did you have a friend on the White House staff?

PALMER: Not particularly, but I ended up being able to do stuff and worked directly with Reagan and wrote speeches and stuff. I don't know. Anyway, it happened. Maybe it happened because I had been advocating a point of view for a long time and maybe somebody knew.

Silberman certainly knew where I stood. We sat there in Belgrade and fought for hours and days. I made him use the word revolution in a positive sense. I got Larry Silberman finally to understand that revolution is a good thing and we should lay claim to it as our thing not let the communists say revolution is their thing. So, it may be that there were people in the White House who understood that I was, in that sense, on their side.

Q: We talked in some detail about writing speeches for Henry Kissinger. How about for the White House on foreign affairs? Can you talk about how a speech was done and some of the conflicting forces on it as it went up to Reagan because I can't imagine Reagan drafting a speech?

PALMER: No, he never drafted any speech. But he did play a really critical role because he had certain critical things that he believed in deeply. And he wanted those in speeches. So in the most fundamental sense they were his speeches, and that was good. I loved him for the fact that he had a point of view, that he wanted to achieve certain things.

That's the most important role a president can play. He played that well. But in terms of the content of the speech, the fights were between… for example, on the Zero Option speech, on INF there were many people who were opposed to the Zero Option.

Q: Zero Option being…?

PALMER: That there should be no intermediate range nuclear forces at all. I would say that the bulk of the State Department was opposed to that, and thought it was just an anti-communist game. It was thought that it was a way of not having negotiations with the Soviets, of just posturing. It was thought that we in the State Department should oppose it. And we, the system of the State Department, did oppose it violently. And many people in the Pentagon who opposed it, thought it was wrong.

I thought it was right, because I thought that our taking a radical position was a good thing, that it set a marker. Ronald Reagan wanted to do away with all, repeat all nuclear weapons of any kind, and nobody would understand that. Nobody listened to Reagan. They all thought he was crazy. All the system, the bureaucracy thought he was crazy, and lightheaded. Even his own political appointees like the "two Richards" Burt and Perle in the Pentagon thought he was wrong on eliminating all nukes [nuclear weapons]. They wouldn't listen.

There were some good things about Ronald Reagan. I didn't vote for him. This is not a

partisan comment, but there were some things to work with there. I think part of what the Foreign Service does, at its best, is to find what's good in a new president and to reinforce it.

Anyway, Reagan really loved the Zero Option thing because he wanted to get rid of all weapons. He didn't want to have to introduce a whole new generation of nuclear weapons into Europe. So most of the bureaucracy was opposed to the Zero Option approach.

Al Haig was sort of alone more or less in the department, I think, in his thinking, in his partial support maybe there were a few other people who thought that it was something actually worth doing. Although he was kind of also pretty skeptical about it, but he sent me over to the White House to work on it.

Then over there what were the forces? They were the NSC, of course, but also the speech writing staff. There is a staff, generally speaking, of five people under any president. They have their own influence and their own jealousies. They have their own, you know, "Nobody else gets into my stuff."

All of that, and so my relations with them were always a little bit tricky, though I had allies there, too, during the Reagan years. Bud McFarlane was there. Aram Bachshian was somebody I got very close to and who Reagan really liked a lot as a speech writer. Jack Matlock came eventually.

So, I mean, what to say about the process? Part of it was done in the situation room in the White House. You'd sit there and you'd write out speeches. And part of it was done in the Oval Office, and part of it was done on the road. I remember working with Reagan on a speech in New York at one point. And I traveled with him throughout Europe.

Q: Well, also, too, it was an odd time in that you really didn't have a particularly strong national security advisor.

PALMER: Right. Allen was not strong. That's right.

Q: Yes, and who followed him?

PALMER: Bud McFarlane.

Q: They weren't of the Brzezinski or Kissinger caliber?

PALMER: No, although Bud was good. He was very competent.

Q: They weren't ideologues. They were more managers.

PALMER: Well, Bud had his own ideological streak, but not like Richard Allen. A more sensible person.

Q: Both Kissinger and Brzezinski had very strong feelings for theoretical things.

PALMER: Yes, although they were quite different. Zbig, for example, was much more radical in his views than Henry. I mean Henry was much more stasis oriented. Zbig is much more dynamic in his orientation. So they're quite different in basic ways.

Q: You were writing speeches for the president sort of off and on, but I assume this was on foreign affairs.

PALMER: Right.

Q: How long did this continue?

PALMER: Until I went to Budapest as ambassador.

Q: You went there when?

PALMER: In '86. But this wasn't my job. It wasn't my job to do speeches.

Q: Yes, but I'd like to continue on this. Did you see an evolution foreign affairs wise in Ronald Reagan.

PALMER: Absolutely.

Q: Can you talk about that?

PALMER: In the beginning, we were basically just kind of confronting the Soviets. I can't remember exactly when it was, but by '83 roughly, he started to get really more interested in the content of how you actually get something going with them directly. At the same time you had to continually push on them, and to try to get rid of them, the communists. So, yes, there was substantial change. Of course, there were big fights to get him over to that point, to get him to understand that you could do both.
That's actually the hardest thing - including with the Foreign Service - to get people to understand that you can have with the Chinese today a civilized working relationship that allows trade to go ahead, etc. At the same time also it must be recognized that the Chinese government, and at that time, Brezhnev's government, are evil and they should be gotten out.

But you have to do both. You have to recognize that they are there, and that you have an important interest that can only be met by dealing with them. You have to accomplish this by respecting them as the government, but not feeling that they are a legitimate government. They're not a legitimate government. Brezhnev was not a legitimate leader of the Soviet people nor was the Soviet Union a legitimate country. It was an empire.

I set up in 1981, a nationalities working group in the US Government, based in the

department. I had 45 people in this interagency working group. The purpose of the working group was to really try to get into detail about the nationalities issues and to develop policy relating to the Soviet Union.

Q: This was part of the EUR?

PALMER: Yes, when I was in EUR. This was a sufficiently radical endeavor and we wrote studies and policy papers and everything that finally the White House, Richard Allen and these people, got nervous about it and stopped it.

Q: What were they nervous about?

PALMER: They never ordered me to disband it but they refused to respond. I would send them papers, you know recommendations.

Q: Do you think it was a bureaucratic response or was it a policy refusal?

PALMER: I think that they thought that it was something that was going to explode in Ronald Reagan's face politically. I think they thought that it actually would get out that there was such an effort; and that this would look like we were trying to break up the Soviet Union. This would be another charge that, "He's crazy and he's dangerous. This is going to cause an even bigger war."

I believed it was not crazy. I had studied under Fred Barghoon at Yale who was the leading authority on the nationalities problem in the Soviet Union. I thought it was the core issue there and that we needed as a nation to understand what the hell was going on among the nationalities and to develop policies. Not that you suddenly say, "Okay, Uzbekistan is going to be free tomorrow." It involved things like budgets for RFE and RL. Budgets for VOA. There were practical issues. Language training in the less usual languages. Opening posts in Ukraine and elsewhere.

Q: Yes.

PALMER: It related to the question of "Do we try to get a consulate in Tashkent?" You know, was that an important issue? Well it is if you look at it in a context of an overall policy. If you have no overall policy, it seems like just like a waste of money. Nothing's going on in Tashkent. Why should you have a consulate there, or a consulate in Kiev? I mean that you need a framework for this kind of thing.

Q: Yes.

PALMER: I loved this group. We had wonderful meetings. We had great people. We had people like Paul Goebel, you know, who really knows this stuff. We had great people from USIA, from CIA. I was very depressed that it just fell apart because the White House got nervous.
And you know, nobody ever pushed us to do this. This was a good example of the

department - seeing a serious set of issues - and the Soviet experts in the department, of which I was one, saying, "Hey, this is something we ought to come to grips with." And President Reagan should have loved it.

Q: Was this at the time when Haig was secretary of state or was Shultz in?

PALMER: Haig initially

Q: How did Haig respond to this sort of thing?

PALMER: He loved it. Haig was always supportive.

Q: Yes. What about when Shultz came on? Was there a difference?

PALMER: No. Shultz was terrific, too. I remember my very first meeting with Shultz. In introducing myself to him I said, "I guess I'm a little bit crazy about democracy. I've had this thing, you know; and I helped get the National Endowment for Democracy going." I was sort of being slightly apologetic, I guess, about having this fixation.

And he said, "Don't be apologetic about it! This is the best thing that Ronald Reagan has done! I am totally supportive of this and you can count on me. If you've got any new things, you can count on me."

And that was absolutely right. This was not a man who was apologetic about American values. He was not like Henry Kissinger. George Shultz believes that America is a great country. He believes that democracy is a universal system and that all people should some day be free. He is very clear headed about that. In that respect, he is very unusual in the American foreign policy establishment.

Q: When you got involved in Afghanistan, I take it you had moved farther up with Eagleburger?

PALMER: Right. Well, actually I did some of that in EUR but when he became under secretary for political affairs I got very heavily involved in that. And I was also very involved in Central America and the Contra business and all that stuff.

I have to tell you my worst story about the Al Haig period, because I know you want to wrap up for today. I was still in EUR and I was working with ARA and the White House. Al Haig was still secretary of state.

We were trying very hard to get out the story to the American people of what was really going on in Central America. What was going on was that there were communists fighting in El Salvador. We were trying to help and bring democracy.

Anyway, so I had been thinking of events, and one day the CIA comes to me and says, "We've got this 19 year old kid that's been captured in El Salvador. He's a Nicaraguan. He was trained in Ethiopia in subversion and fighting and all of this stuff. He tells a great

story. We need to bring this kid to Washington."

So I said, "Fine, bring him up." So they brought him up to a safe house and they spent two weeks talking to him. Then I debriefed him for something like an hour. He struck me as great. I mean he had this story.

You see, one of the problems that we had faced with the American press and with Congress was the argument that, "No, no. Whatever is going on in El Salvador is all domestic to El Salvador." And that this was not the Commies intervening out of Moscow and manipulating and all of this stuff. This kid told an incredible story about how he'd been taken off to Ethiopia and trained in subversion, terrorism, and all of this junk. So, I organized a press conference with four people of *The Times, The Post, The Wall Street Journal, Time Magazine.* Each reporter was somebody I knew well. We got them in a little room in the department to bring this kid in. I was standing in the back of the room.

Whoever was the press spokesman at the time was standing up in the front. He introduces this kid. He says, "He's from Nicaragua and he's going to tell you his story."

And this kid starts and he says, "I've been tortured by the CIA They tried to force me to say that I was sent into El Salvador. It's all a lie. I'm a patriotic Nicaraguan and I've never been to Ethiopia. They forced me to come here today but I'm not going to lie."

Well, these journalists, these friends of mine turn around to me, standing in the back of the room thinking that I've just wasted their time, that this had just been a joke of some kind. And then all of a sudden it dawned on them that no, it wasn't a joke. The kid's turned on us and it's for real and it's a fantastically good story. (Laughter) Oh, shit! I mean, it was a complete and utter disaster.

And of course, the kid was lying. He was in El Salvador. He was trained. You know, but he decides this is the best thing for him to do this, that it's going to be a big embarrassment. He's a smart kid. I mean hat's off to him, in a sense. Of course the press doesn't then focus on the real truth but just takes his story at face value. And a big deal ensues about our getting the kid safely out of the United States.

So I went up to see Eagleburger straight from the room to Larry's office. I said, "We've just had a complete disaster." I explained to him what it was and I said, "You know it's going to be all over the press tonight. Awful. It's going to set our whole thing back, our whole effort to get out the truth."

So he says, "We've got to go in to see the secretary." So we rushed down the hallway to see Al Haig. So I explained, you know, and was just sick! I said, "Look, somebody's got to take the fall for this. I will resign from the Foreign Service because somebody's got to take the fall. I mean this is terrible and you shouldn't be blamed. You didn't meet this kid. You shouldn't be blamed. It's not your fault. It's <u>my</u> fault."

So Al Haig - and this is one of the reasons why to this day I really like him - Al Haig just laughed. He said, "This kind of thing happens. Don't be ridiculous. Of course you're not going to leave the Foreign Service. This is, if anybody's fault, the CIA's. They spent two weeks with this kid. What do you know?"

Anyway, the fact was that this kid just fooled us all, but what lesson to draw from this? I don't really know exactly but it was a measure of Al Haig's stature, for me at least.

Q: Yes.

PALMER: For example, if this had happened with Kissinger, Henry would have been livid. I suspect he would have screamed and yelled and blamed you and it would have been a real bad scene. Haig wasn't that way nor was Shultz.

Q: Okay, why don't we stop at this point and we're going to…you told the story about the 19 year old Ethiopian trade to Nicaragua (laughter. But what we want to do is pick up couple of themes of while you were in this working with Larry Eagleburger: both the Afghanistan promotion and the Central America one neither of which we've touched in our major things. And I don't know, did you get involved in the Middle East at all or did you stay out of that one?

PALMER: Not much, no. I traveled there but no I didn't get involved.

Q: So we'll talk about these two. We've also talked about your writing policy speeches for Ronald Reagan. So we'll get the Afghanistan and Central American themes the next time.

PALMER: Good!

Q: Great!

PALMER: All right.

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Q: Today is the 3rd of November 1998. Mark, let's talk about Afghanistan when you first came in. You might explain what the situation was in Afghanistan at the time you were dealing with it.

PALMER: The Soviets had invaded in what was it, '78 or '79.

Q: December of '79.

PALMER: And in the course of doing that, of course, they had taken off the agenda the possibility of ratifying SALT II. This had been my major effort in my previous job in political military affairs. Anyway, so we were in the 1980s as President Reagan took

over. Our foreign policy was heavily colored by the ongoing fighting by the Soviets in Afghanistan.

Secretary Haig was very keen about getting them out of Afghanistan, and making them pay as high a price as possible while they stayed there. So I became involved in a series of actions, which I dreamed up myself to try to make them pay both a political and a military price.

Specifically, I came up with the idea for an annual Afghanistan day in the United States and around the world to the extent we could encourage other countries. This was a governmental semi private effort to rally support and keep visibility. For example, we had a biggish rally at the Washington Monument here in Washington on the first of these Afghanistan days. President Reagan was very pleased with this initiative. He thought it was the kind of thing we should be doing.

Q: From your perspective, what was the response Europe, India, China, Japan to the attack on Afghanistan as far as we were concerned? How much did we feel they were with us?

PALMER: I think on the whole the rest of the world was with us but not as vigorously, not as materially as we had in some cases hoped. But I think there was a genuine and generalized widespread reaction to what the Soviets were doing there. But it wasn't exactly what we wanted in terms of material support.

Q: I was wondering about the French. Often when we try these things, the French are often going on a different tack. What about this time?

PALMER: I can't remember, actually, what the French position was. The Pakistanis, of course, were strongly with us. The Saudis were with us. The Chinese were supportive. We had important countries that were helping us, and the British were. But I don't actually remember what the French were doing. I remember their humanitarian effort, their doctors; but I don't remember what the government as such was doing.

Q: Doctors Without Borders. What about the Indians?

PALMER: The Indians, of course, were vacillating and trying to play all sides basically and did not distinguish themselves during this period. (Laughter)

Q: I'm just curious. From your perspective, from looking at the White House at that time, what was the general impression you were getting? This wasn't your specialty, but India and its role in the world?

PALMER: I think the general impression was that the Indians were still not serious players because they had all of this hangover of nonalignment, inferiority complex, etc. The impression was that they were still too close to the Soviets; that they really had not grown up to act in an independent sphere of their own interests; that they still had a long

way to go at that time.

Q: You were working with Larry Eagleburger on these matters for the new administration. What was the status of Central America? It became such a focus during at least the early part of the administration. What was the status of Central America as seen from the State Department?

PALMER: Unlike the case of Afghanistan, where there was really no liberal/conservative divide domestically about what we should be doing, in Central America, of course, there were very great divisions on Capitol Hill, in the press, etc. about what our role should be: Should we be all out supporting the Salvadorans? Should we be behind the Contras, etc.?

There was a real division in the country and I don't know to what extent that was reflected in the department. I think on the whole that division did not exist as strongly in the department.

Although I can remember George Vest and even Larry and some others cautioning me when Elliott M Abrams offered me a job as deputy assistant secretary for Central America. (This was a little later.) There were great reservations on their part about my getting involved. At that point George was Director General of the Foreign Service. There was a sense, I think, among the career officers, that things might get off the rails.

Q: Yes, which they did!

PALMER: Right.

Q: What were you doing regarding Central America?

PALMER: I was doing the same kind of stuff that I mentioned about Afghanistan. I was doing what I call political action. That is, trying to bring the light of truth to what was happening, trying to dramatize the nature of the struggle, and overall trying to be supportive of the democratic forces.

But, as I mentioned, previously, some of that didn't work out very well. This young 19 year old kid backfired on us. Otto Reich and I tried hard to do within the United States public information efforts: talk to journalists, hold events, try to get out the word.

We had a sense that the American press - *The Post* and others - were not well disposed to what the administration was trying to do. So we were trying to provide another side of the story. I think this is a challenge that the department very often faces and I'm not sure we've ever really mastered it.

It's not an easy challenge and, in some ways, its of questionable constitutional nature. Where is the line between trying to educate people about what our foreign policy is on the one side - which is clearly a legitimate objective - and on the other side, actually using government money to go out and propagandize or lobby people at the grass roots?

Clearly at some point you cross that line and I was never myself very clear with Afghanistan Day. You know, is that across the line or isn't it? I don't know.

Q: Yes. Well, I would think - particularly with the Reagan administration - that you had maybe newspapers, the publishers were probably prone towards Reagan. Certainly the press came on with a bias against him, I would say - the media, not just the press. It was the TV, the people who were writing articles, or were on TV, or what have you. Their appetite had been whetted by Vietnam.

Did you find yourself up against a new generation or even an old generation trying to either emulate the success of the media - dubious success - in Vietnam, or trying to start their generation as Vietnam?

PALMER: Yes, I think there was a very great sense that journalists had made their reputation in Vietnam and now they could make their reputation by in some way siding with the Sandinistas. So there was great frustration both in the White House and in the department about what kept coming out daily in the press and in terms of what really was going on there. There was no clear view of what to do about it either.

Q: What was your impression during this time of the press corps in the State Department?

PALMER: I think you had people like Bernie Gwertzman, for example, who had been there for *The Times* for a long time and who was very, very professional. But even the Bernie Gwertzmans of the world were constantly looking for this kind of thing.

And I think that's not only the case when you have a president like Reagan in the early days, when some were absolutely predisposed against him. People had a view that he was a lightweight, and didn't know anything about the world, and that he was dangerous. You know, there was this whole set of prejudices against him. I think that's also true with other presidents, in maybe a slightly different context.

But the press had a built in bias toward sensationalism and trying to uncover something. They were biased toward trying to question basically whatever our policy was - which is, of course, partly a legitimate function.

But in another sense, this makes it very, very difficult to conduct coherent foreign policy. This is because they are constantly looking for where on the margins maybe something is wrong, or where fundamentally something may be wrong.

Whereas in fact what really would be helpful, would be to try to convey to a people who are in some ways neo-isolationist, that there is actually a reason for what we are doing. It would be helpful to convey that it is in the interest of the readers to be supportive of our national interest as opposed to undermining it.

Q: Unfortunately, it goes almost exactly contrary to, you might say, the Zeitgeist of the

media today.

PALMER: Right. And therefore there is a tension, always has been, always will be, I guess. But in many ways, it's not good for the foreign policy of this country.

Q: How did Larry Eagleburger work with the press?

PALMER: He had, I think, in Kissinger's shadow learned very skillfully how to befriend the press, how to have relations with a number of key journalists. He was accessible. He was candid within the limits of what one could be. So I would say that Larry was a real master with journalists, very good.

Q: Well, you moved from this job down (I mean visibly) to the European Bureau, back to the European Bureau?

PALMER: When I was doing Central American stuff, and Afghan stuff, I was already in the European Bureau. (Laughter) It may sound strange, but…

Q: Were you doing other things, too?

PALMER: I was doing some speeches. I did policy papers. I worked on events and things. So I had a broad range of more or less whatever Larry was interested in I got interested in. Or things that he wasn't necessarily interested in but was willing to let me play on.

Q: From your vantage point, how did Larry use the job of under secretary for political affairs?

PALMER: He's very good on the seventh floor. He's spent a huge amount of time during his career on the seventh floor. He is very good at the inter-stices between the Congress, the White House, other executive agencies, the Pentagon, etc. and the State Department. He's a masterful staff officer in the sense of moving paper and decisions. He's very good at understanding the relationship of politics and foreign policy. He was very good at maintaining relations with people across a huge political spectrum, both liberal and conservative.

He had a real Washington network for many, many years both in the department and in Washington. So I would say that of all the career Foreign Service officers I've worked with, no one had any better set of Washington skills than he had. But at the same time, of course, he was an FSO. He had served overseas. He knew the rest of the world. He was very oriented towards trying to have us be involved in the world.
He is an unusual combination of things. He had, for example, at one point early in his career, written speeches for Dean Acheson, when Acheson came back on special things in the 60s. This, for me is sort of a test of somebody's quality, I think, because of Acheson's demands. His own speeches were among the greatest speeches given in foreign policy since the Second World War.

Larry could do that as well as do operations, politics, etc. He had a very broad range of skills which made him ultimately, of course, the only FSO that became Secretary of State. He had an unusual kit-bag of stuff.

Q: Was his staff pretty much from the Foreign Service, I mean the people around him?

PALMER: Almost without exception, yes. Ken Jester, when he was deputy secretary later with Baker. He had one lawyer, Ken Jester. But generally speaking, yes, they were career people.

Q: How about his working with the White House? Because this is still early Reagan and you had - as usual - sort of power struggles within the White House. Reagan was a relatively - not even relatively - he was a laid back president. And he allowed his circle around him to have quite a bit of power. But they were kind of pushing and shoving each other. I would have thought that this would have been a difficult group to deal with.

PALMER: Well, it was and I think Larry had real doubts about some of the people in the White House, about their soundness. But Al Haig, of course, had his own set of problems from early on. Larry ended up in part mediating those and serving as a bridge. So, yes, it was a turbulent period in some ways. There was some shaking down to be done. There was a lot of posturing in the early Reagan era.

On the other hand I felt - and I'm sure Larry felt, too - that President Reagan, right from the beginning, was enunciating certain things that were profoundly right. So it wasn't a situation where you were embarrassed to work for him.

Q: Yes.

PALMER: I certainly didn't feel that way and I don't think Larry did either. And then there were some very peculiar situations. I think I may have touched on this before. But you have the image that Cap Weinberger, Bill Casey, and some people in the NSC were "crazies" and that Ronald Reagan himself was kind of a "crazy." You have the image that they might go off and start a war or do something.

Whereas in fact - when it came down to a question of either using covert action or military force - there was a great deal of caution on the part of all of those gentlemen. Al Haig was the one that was more willing to be venturesome.

Q: Yes, Weinberger set up what amounted to the Weinberger rules which were essentially, "Don't do anything unless there's no blood spilled and we can come out looking beautiful," which is a recipe for inaction.

PALMER: That's right. So it was a peculiar thing. Here on the one side you wanted to prevent nuclear war by somebody through negotiations. On the other side, when we were actually dealing with specific issues and proposals, etc., I remember very well the

stingers, for example. I wanted very badly to get stingers for the Mujahideen in Afghanistan.

Q: Explain what a stinger is.

PALMER: A stinger is a shoulder-held, fired surface to air weapon…

Q: Sophisticated…

PALMER: …which you can use against helicopters and the mujahideen didn't have anything like this. And so the Soviets' use of helicopters against them in the mountain areas and the passes was devastating. The CIA under Casey and the Pentagon under Cap Weinberger did not want to give them stingers. The reason that they didn't want to give them was that the technology - as you say high technology, a relatively sophisticated technology - would fall into the hands of terrorists, and the Soviets, and others.

My view was that there was a war under way. We had to win the war and they didn't have the means to win. This was the single weapon that could make a big difference. So I fought very hard - with Larry's support and other people's support and by going directly to the Congress - to get them and ultimately, of course, we succeeded. But it was not because of these fire-brand conservative Republican types in the Pentagon or in the CIA or the White House.

Q: It is an interesting view that often it's the State Department that wants to be more active. The military particularly understands the costs. I'm told that in War College exercises that it's usually the State Department goes more quickly to nuclear weapons. The military officers will often say, "Let's use diplomacy," each one not understanding the limits of what the other one can do…

PALMER: Right.

Q: …but thinking that there must be a solution: "I know that my expertise won't work so let's use the other guy's."

PALMER: Right. Right.

Q: When did you leave Eagleburger's office?

PALMER: In '82.

Q: Where did you go?

PALMER: To EUR to become deputy assistant secretary for Eastern Europe and the Soviet Union, senior Kremlinologist.

Q: You were there from when to when?

PALMER: From ‘82 to ‘86.

Q: Now this, of course, is a fascinating period. Let’s talk about how we saw the situation in ‘82 when you arrived there - particularly in the Soviet Union - but you can also talk about the other countries.

PALMER: Well, the Soviet Union was going through what became an epidemic of leadership illnesses and falterings. Brezhnev was barely copus mente. Then you had a series of leaders: Andropov, Chernenko, and ultimately in ‘85, Gorbachev emerging.

It was a period in which, in the beginning, President Reagan really didn’t see having a Soviet counterpart as an important objective anyway.

However, he gradually began to see that it wasn’t enough to just shout at them, you also had to deal with them. He became more and more frustrated that he didn’t have a partner on the other side, that they kept declining and dying.

George Bush, at one point, joked with me about having always kept a bag packed. This was because no matter where he was - whether he was in Africa or in Latin America or in the U.S. traveling around - some Soviet leader was going to die. Then we all would have to trot off to Red Square and stand there in the freezing weather. And if he didn’t have warm clothes with him, he was in trouble. (Laughter) And that was true.

We used to joke also that the funeral book - which was a huge briefing book about a foot thick - we didn’t really need to keep redoing it. We’d just change the names because we had done so many of these funeral books. (Laughter) We did three of these books. Three funerals in a period of three years.

Q: I think at one point President Reagan was asked, “Why don’t you have closer relations with the Soviets?” and he said, “They keep dying on me!” (Laughter)

PALMER: Right. So on the one side there was that kind of lacunae. On the other side, we did actually get back to endeavoring to do a number of things with them, even before Gorbachev came into office. And, of course once he came into office, we geared up a lot. But we did even earlier; and unfortunately, I can’t remember the exact dates. My recollection is that by ‘83, we were back into the process of trying to negotiate things and cooperate in various areas. I was particularly keen about having regional experts from the Soviet Union and the U.S. sit down to talk about hot spots and what we could do, Central America included. That was very unpopular. There was a lot of resistance on the part of certain conservatives. Ollie North, for example, kept trying to disrupt meetings and prevent us from meeting with the Soviets on Central America.

We had talks on Africa… Chet Crocket was supportive of this.

Q: What did you do with the Soviets?

PALMER: We had with the Soviets, not a working group exactly, but we met with the Soviets on Africa, etc. and on the Middle East. And I thought that was a useful initiative. President Reagan supported that and George Shultz was very supportive of that.

Q: How would one of these go? Let's say you're talking on Africa. You know, there's the idea, but how did it work out?

PALMER: Well, we talked about problem areas, about Angola, for example. We talked about all of the history and from our point of view, what the Soviets were doing irresponsibly. There was a certain amount, in these meetings, of just punching each other in the face, But I think also to some extent - I don't want to exaggerate the importance of these meetings, because in my view they were the beginning of something, not by any means the end - I think they gave an opportunity for each side to set out how it saw what the problems were.

It gave an opportunity also to develop direct relations between - say Chet Crocket and his Soviet opposite number. These were relations that had really either not existed at all before that or were certainly very fragmentary.

When you looked at the Cold War and you realized what had gone wrong so much, it was not just because of misunderstanding, certainly. It wasn't that. In part it was just because we didn't have much in the way of contact. We didn't talk. There was no real working together on a whole host of problems.

Today, it's so much easier to think, "Well, of course, you should talk with the Soviets about this or that." We actually work together in many countries, but at that time in the '80s and before the '80s, we were arguing opposite sides. We were basically trying to defeat each other. There was very little perception that there could be places where we actually could work together.

Q: Where would you meet, who would come, and how would the meeting proceed?

PALMER: We alternated between Moscow and Washington. It was at the assistant secretary level. I always participated as the person who was fostering all of this. There were, as I recall, four or five member teams on each side.

Then, they reported in a sense to the two ministers, to Shevardnadze once he became foreign minister, and to Shultz. I can't remember exactly when Shevardnadze took over. But there was a sense that there were these regional sub-groups. Then they reported to the ministers and the ministers began meeting themselves very regularly.

Q: Were you seeing a sort of new Soviet man coming out of these meetings, a more sophisticated operator, not an apparatchik. I mean that you'd seen it before, and I was wondering whether you've seen a progression?

PALMER: Many of the people on the Soviet side were older and they'd been around for a while. I'm not sure that I saw suddenly… What struck me as changing was the way we were talking to each other then. Instead of just pontificating and punching - in addition to that, because that went on, too; we were beginning - in a very fragmentary sort of way - to ask what we could do to mitigate problems.

Shultz was very much geared to that. He was never reluctant to tell Shevardnadze very bluntly when we were unhappy. But he also was always looking for some way to try to deal with issues.

Q: And Shultz was in there. By the you time got this going, Haig had left?

PALMER: Right. He didn't last very long.

Q: Schultz was also an old labor negotiator, dealing on both sides which in a way is comparable.

PALMER: Right. Even President Reagan prided himself on his time in the Screen Actors Guild, where he also negotiated.

Q: He was president of the Screen Actors Guild.

PALMER: I remember he said to Gorbachev once, "Everything important takes place in the men's room," meaning that when the two guys go out to take a leak, the two head guys, they can talk. So he felt that he had the ability to do this and the inclination to do it. And he certainly did have that inclination, once he got beyond the first two years. He was looking for that.

Q: As the person who was looking most directly, say, at the Soviet Union during this time, a time when you were watching the failing health of a series of leaders. It was incredible. Unfortunately, right now we're going through it again with Boris Yeltsin, who is - I don't know, I think we should send some doctors over there.

PALMER: Well, they did, of course, Dr. DeBakey was there to try to help... (Laughter)…and, in fact, we were trying then. I don't even know the full story of this despite being responsible for our relations. There were things going on the medical side with Andropov, for example, with his dialysis, etc…

Q: His kidney problem, yes.

PALMER: … that I didn't even know, but there were doctors from Johns Hopkins and other places going to help him. So we have actually tried over the years to help even when we weren't in the best of a relationship.
Q: Well, while we were doing this, what was our feeling about it, because within the Soviet Union, the leadership was very important. Were we feeling that this was an almost irresponsible - or at least a rudderless - type of organization that was developing there

during this particular period?

PALMER: Well, I don't know that we thought it was rudderless, exactly; but I think we thought it was on auto-pilot. That was a problem, trying to get it do things that were new initiatives. To change course was difficult for a country where, as you say, the leadership, particularly the number one guy...

Armand Hammer once said to me, "You should always think of the Soviet Union as a pyramid, with everybody having to report to the guy above him, and nobody being able to make any decisions at all, even on minor matters; until you got to the very top because everybody down below was scared."

And I think that was right. Unfortunately, the number one guy is incapable of making decisions. They're not nimble.

Q: There must have been a lot of speculation about a very critical decision that's never been very clear to me. Certainly at the time didn't seem to make much sense. And that's the December 1979 invasion or takeover of a communist country, a communist government and just killing them, disposing of them - in Afghanistan. A lot of things developed from that, but we must have been thinking about this. What was the process? How did it happen?

PALMER: Yes. I wish I could give you a good sense of what we were thinking at the time. I honestly can't remember. Clearly, there was a communist leadership in Afghanistan that the Soviets grew to distrust, that they thought was going to make a deal.

I remember very clearly Gromyko saying to Al Haig once, "We're on the same side in the region in Central Asia and the Middle East." And what he meant by that was that the Islamic fundamentalists were the big threat to the Soviets and to us. I think that was what colored their decisions in Afghanistan. I don't want to pretend that I fully understood what the dynamic was. But I know they lost confidence that - what's his name? who they killed - the president - that he was continuing to report to them.

Q: You mentioned Kremlinology. I would have thought that this was a time of sort of a decaying Kremlin, you might say.

PALMER: Right.

Q: The good old days was when you had a real leader in there. It must have been very difficult to figure out what was coming out.

PALMER: Well, of course, in a way it was the flowering of Kremlinology because you were trying to figure out who was moving up when there was change. Stalin was in power for a very long time. Then Kremlinology - it was certainly an art form - but it was kind of frozen in aspic. Because you had just one leader, and he was a big thug and he was doing his stuff, a clever thug, but a thug. Then you had Khrushchev for relatively

quite a while.

Now you've got into a period of real flux. So in a sense, for all of us who thought of ourselves as experts on the Soviet Union, our services were in demand. People would ask questions: "Why?" and what really was happening.

President Reagan himself, started to get educated about Russia. He'd read books that we'd recommended to him, that Jack Matlock and I had recommended to him. So you know it was good.
George Shultz started to have seminars on Saturdays to understand what is this thing that we're dealing with. That might not have been so much the case under Dulles. I mean that I would have been a bit surprised if Dulles was really trying to understand what Khrushchev was all about or how to deal with Khrushchev. Maybe he did, but I think more, if he had Saturday seminars, they were directed simply at how do you contain them, how do you fight them?

Q: What sort of contribution were you getting from the think tank and academic community and how beneficial was it? Dealing with the Soviet Union at the time was sort of immense and well financed and all of that but when the rubber hits the road…(laughter)?

PALMER: I'm sure that they played an important role in various ways. I have to say that my own immediate reaction to that question is negative. That is, I remember people like Steve Cohen at Princeton who were writing what I thought were apologesis kind of stuff. It used to just get me mad as hell. Trying to justify the Soviets doing this or that.

So, I guess in thinking back on it, I can't remember thinking that the academic world was providing us with stuff that was really useful. But I'm sure that's not a fair and balanced view. I'm sure there were ways in which they were playing an important role. I'm sure that analysts in the INR and CIA and others interacting with that part of the U.S. were finding benefit. I personally used to just get angry.

Q: Yes. Well, what about the role of our intelligence as far as what was going on both from the CIA direct and also within the Pentagon and the INR? I mean it was sort of filtering to you. What was your impression of what you were getting as opposed to straight reporting?

PALMER: Well, I mean this is revealing another prejudice and bias. I think biases are sometimes important. I was the senior person in the U.S. government who spoke Russian and had spent a lifetime working on stuff to do with the Soviet Union. I was not given access to the most sensitive intelligence. In fact, the assistant secretary - my immediate boss - also was not given access. And I think that the under secretary was given only partial access.

If you think through about how much stuff comes at a secretary of state or a president or an NSC advisor - how much information, how little time they have to distill it, and how

specific some of this intelligence is (that is, sort of detailed nitties) - then to take a whole part of the foreign policy establishment, responsible really for recommending things to the president, and exclude it from some of the key information, I personally think - now I don't know what's happening today, but if this is still going on - I think it's really, really wrong. There's a structural fault in the system when that happens.

So I know that, for example, in 1980-81 about Solidarity, I now know we had people - that the CIA had sources inside in Poland, in the Polish military and elsewhere - who were providing important information. I know that if people who had had the time and area knowledge to look at it, this might have made a difference in what we did. But none of us saw it.

So, now putting all of that aside, what I did see? You know, how much of an effect did that have on our policy decision making? Some, I guess. I certainly read it every morning or was briefed orally every morning. I can't remember thinking any particular piece of information or analysis had a fundamental effect on me different than reading The New York Times or reading Foreign Service reporting which I did also very assiduously.

I think, on the whole, Foreign Service reporting at that point was better than the analysis of the agency. The agency had some very peculiar biases. For example, they were constantly reporting that the Soviet economy was growing. I mean they used to simply just take what the Soviets officially announced, discount it a percent or something, and put it out.

And it was just wrong and anybody who had spent time in the Soviet Union in the villages and towns could look around and see that this was just crazy. It didn't make any sense. You had a kind of developing country and it was being given per capita income levels of a developed country.

And this was being done in some cases by analysts who, in my judgment, had never spent any time there. What's his name who became head of the CIA? Robert Gates. He got a Ph.D. at Columbia in Russian Studies and Soviet Studies. Then he was in the Agency, was Deputy Director during the Reagan years, and then became Director under Bush. He'd never actually been to the Soviet Union! He'd never once been there, and he was the top so-called expert in the CIA on the country!

Q: Yes, I think this is something that used to trouble many of us. I'd never been to the Soviet Union, but I would talk to my colleagues who were in the Soviet Union. And, you know, it was…I always think of it in Yugoslav terms: "Lift ne rady," "The elevator's not working."

PALMER: Right.

Q: You'd say, "God, if Yugoslavia is seen as way ahead of the Soviet Union by those who've served in both places…" and this from tourists, too!

PALMER: Right.

Q: The place was kind of falling apart.

PALMER: That's true.

Q: You were mentioning the person who rose to be head of the CIA and a Russian expert.

PALMER: Robert Gates.

Q: Was there concern about Bill Casey on the State Department side at this time?

PALMER: Yes. Very considerable, that he had a conspiratorial mentality. There was concern that he might do things that none of us would know about.

I might tell a vignette about Casey. I don't know really what this reveals, but he started as you'll recall in the State Department as under secretary for economic affairs. Because I was the sort of all purpose writer of speeches, he asked me if I would do his first speech.

So I wrote something quickly about the world economy and trade. He read it and he called me in and he said, "You don't know a thing about economics, do you!?" (Laughter)

And I said, "No, I don't. I'm a political officer."

And he said, "Well, that's okay. I understand. In any case, I really like to write my own speeches." And he did. He then proceeded to write his own speech. And he was the only one in my experience in writing for - I don't know how many people I wrote speeches for - the only one who actually wrote his own speech and gave it. And it was terrific.

He was one of the most incomprehensible men. He sounded literally like he had marbles in his mouth. You could not understand a word he said. But he wrote very powerfully and this was a really good speech. (Laughter) He did have solid grounds for economic stuff and it was a very good speech.

Q: In dealing with this whole situation, the real question in looking at this… we're talking about a Soviet Union that was almost decaying visibly in front of us and yet it didn't seem to be apparent. Was anybody saying, "Look, the place is falling apart!"? Because we're talking within the time you were there of a period of five years or so. I mean it would have pretty well fallen.

PALMER: Well, Ronald Reagan deeply believed that it was going to change. Now, I don't think it was fair to say that the president foresaw that it was going to collapse. I don't know that he did in his own mind do that. I don't know that he didn't do it either, but I can't cite evidence.

But what I can cite evidence of in my own work with him on the speech in 1982 that he gave to the British Parliament is that he really did believe that some day it was going to be a democracy. We said that in that speech and everybody lampooned the speech and said, "This is absurd. Russia had never had any history of being a democracy. These countries are not going to be democracies."

I think it's important to remember that he at least saw that there was going to be radical change. He didn't say when but he said it would happen without any equivocation. So there were some people who had that kind of a quote "radical vision" about that country. I certainly did. From the time I was 19 and was there and had a Russian girlfriend, I profoundly believed that Russians were like Americans. I believed that sooner or later they would have a decent political system.

I believed that that was the central purpose of our policy. I still feel that way today, that our central purpose of American foreign policy should be with the Chinese and the Saudis and the Nigerians, etc. to help them achieve a normal government.

In terms of the "coming unglued" stuff, no. I had a working group on nationalities that I started in 1981, I guess it was, or '80. It was an inter-agency group. There were a huge number of people who participated in this group and we wrote up a paper on what we should do basically to encourage nationalities in the Soviet Union.

Q: You say that this was in '80?

PALMER: '81. It must have been '81. And we had a number of meetings, you know 50 people and everybody participating, a lot of interest. Then, basically, I was told by the White House to forget it, that this was dangerous and that we shouldn't be doing it. So we stopped meeting.

And that was an effort to recognize that the nationalities structure of the Soviet Union was fundamental. Fred Barghoon had taught me this way back when I was an undergraduate. People like Paul Goebel and others inside the CIA and INR and elsewhere, the radios, etc. recognized that this was not a stable country. It was an empire. And it <u>could</u> come unglued.

I don't want to say he'd predicted when or whether or exactly. But earlier in the Reagan years there was this effort, which I think has gotten no attention at all, to look at what we could do to encourage nationalism.

A number of us were really excited about the possibility of encouraging Uzbeks and Georgians in their own stuff and that, of course, is what did happen not very many years later. They all said, "Hey, we've got enough of these Russians. We want to have our own country."

Q: In a way, one would have thought the thrust of the Reagan administration would be towards this. For example, the Baltic countries have had a big presence for years. You

have statues to Ukrainian heroes in Washington. I mean there are all these ethnic groups that have been promoting this sort of thing. And the Republicans have sort of used this, because they're anti-communist. And so this has been one of the major sources.

PALMER: Right. Well, it was a paradox actually. I thought, " Here's a political crowd that actually might be supportive of this sort of thing and get resources for it, get money, have exchanges, and all kinds of stuff."

Partly, I think they were worried that they'd be tagged by the press and the center - if you want, the establishment - as being crazy, as encouraging irresponsible and stupid, destabilizing stuff in a country that had nuclear weapons. I think it was also partly just because they were conservative that they backed away from what was really a solid thing to do.

I was a career officer. Maybe I wasn't exactly mainstream, but I certainly thought this was a solid thing to do. A lot of other people did too and we were very disappointed when we were told to stop doing it.

Q: When you were doing this, were things coming to you about the instability or the potential instability?

PALMER: Yes, anybody who has spent time in, say, Central Asia, knows that there is a lot of anti-Russian feeling, growing Islamic interest. I have witnessed fist fights in Georgia between Russians and Georgians. So, yes, there was that endemic ongoing.

Now, did we spot increasing of this stuff? I don't think so. I don't think that there was a clear understanding that things were getting more turbulent in the early '80s or that the country was getting close to falling apart. I don't think people had a clear perception that it was going to be there in a year, two years, three years, no.

Q: What about the economy? You say that the CIA almost had a formula. And you had a head of the CIA, Casey - who in a way - wanted to show that the Soviet Union was more powerful than it was. There was a built in thing.

PALMER: Right, right.

Q: But what about our own economic apparatus over there, our people that were looking at it?

PALMER: I don't know that the State Department, INR, and the embassy, etc. I think we did incidental reporting which was accurate. One would really have to look. I really can't remember that we took footnotes, for example, on the annual estimates saying that this was wrong. I can't remember.

Q: Anyway, you're not of the impression that we were taking a very firm stand that economically the place was a disaster waiting to happen?

PALMER: Well, it was a disaster! It happened! (Laughter) It was a disaster! And I think FSOs knew that and reported that: that the place was a disaster. The hospitals didn't have any hot water. I mean, you know, it was just a disaster.

Q: We lived with it for so long, I suppose, that we just got used to it. That this is just the way it is.

PALMER: Yes, I think there was a lot of that, a lot of that. We may have touched on this before, but I think there is a real role to be played in a bureaucracy by having people who are free-floaters. There is a role for people who can ask kind of crazy questions, and pursue kind of crazy things, who are not tasked with daily operational stuff. I think you need to build in people who will ask these bigger questions, even though they're a nuisance and quite often can be wrong.

But the Department has been, at least - and I'm not close to it now so I don't really know - but has not been good at that. If you assume that the world is always changing, and that we should understand and predict the change and shape the change, then we as an institution are not very good at asking radical questions about where is the change coming next. We're not good at it. We tend to deal with the "what is."

Q: So much of our agenda is based on the article in the Washington Post or The New York Times in the morning or dealing with a new visit coming up.

PALMER: Look at Indonesia. Look at Iran. Just in the last 12 months. Our embassy in Indonesia was at least giving off all the wrong signals about what was happening there. Maybe in its analysis it was doing something different, I don't know, but at least in what was coming out and through the press was just wrong.

I think the same thing in Iran. It was predicted not too long before the election, but if you look at the larger sense of Iran, we've just been off. And we're still trying to play catch-up ball, I think, about Iran.

Q: Well, what about the other side, which is the military side? One of the men I interviewed, a political appointee, I think during the Reagan administration, Phil Merrill was saying that no matter how you sliced it, the Soviet military are really the major threat. He still had a map - he was at one point at the Defense Department at NATO - showing how many tank armies were opposed along the side. I mean this was the problem.

PALMER: Yes.

Q: How did we view this? What were we getting in this '82 to '86 period?

PALMER: I think there was still a perception that they were the major threat and that we were still very preoccupied with new ICBM development, and with their theater nuclear

forces. There was still a commonly held perception that in a conventional war, they could beat us. You know, those old perceptions which had some merit were still very much there.

I think if you look at people like Richard Burt, who was assistant secretary for European affairs, or Richard Perle, who was assistant secretary in the Pentagon, to these questions, this was their main interest, the military balance, where it was going. They were much less interested in questions of political instability in Russia, of the domestic political dynamic in Russia, how to bring about change inside Russia. Those were not their central interests. The old classic strategic balance issues were their central interests.

Q: I would have thought that Richard Burt and Richard Perle…he was called sometimes the prince of darkness.

PALMER: Right.

Q: Meaning that they came from the quite far right wing of the political equation: that the Soviets were a menace, that whatever we did, they were the enemy and that was that. Being the assistant secretary of EUR, I would have thought your role would have been an uncomfortable situation.

PALMER: Yes, it was!

Q: Could you talk about his view and how you dealt with it? It sounds like not a very easy role.

PALMER: No, it wasn't. Bob Blackwill was Rick's principal deputy assistant secretary, and was a career officer. We had daily staff meetings. I found myself virtually daily arguing for something that I knew Blackwell and Rick were skeptical about. Jim Dobbins was my colleague deputy assistant secretary for western European things, NATO stuff. I mean, it was like there was this group of them and then there was me.

The only person who occasionally would support my stuff was Tom Niles who had a background in Moscow. We had served there together. Although he was not at that time as deputy assistant secretary responsible for my part of the world, he had some comprehension of why dealing with the Soviets or the Poles or the Bulgarians or whatever was of some merit.

So, yes, it was not an easy thing. Rick didn't want to pay visits to these countries. He was very, very skeptical about the Soviets, as was I. But we came to different conclusions about how to deal with that reality. Maybe Rick wouldn't agree with this, but I still - and we're very close friends, still - I think he changed at least a bit over time. And of course Perle, was much harder line always than Rick Burt was. Perle was definitely further to the right in his perception of how you deal with the Soviets.

Q: What was Richard Burt's background?

PALMER: He'd been a journalist at *The New York Times* and was very close to Zbig Brzezinski when Zbig was the NSC advisor during the Carter years. Rick had an open line both ways to Zbig and that was why *The New York Times* was consistently reporting stuff before anybody else.

Those of us who worked for Cy Vance were just livid on a daily basis because Zbig was leaking stuff. He was leaking in a manner that was very damaging to the department and to Vance and to what I believed in. And he was doing it in sort of an anti-Soviet kind of way. Before that he had worked at the ISS in London. He had a background in think tank kind of stuff. Very bright, very able guy.

Just to make one more point about Rick Burt and with Richard Perle, I think the basic problem is the problem we still have in spades in our foreign policy today. That is the ability to walk and chew gum at the same time.

That is, to both compete - and in some cases try to overthrow another government - and counter and contain another government is on the one side. And at the same time, deal with them. This is a kind of necessary schizophrenia in the real world.

With Castro, for example, in my judgment, we have been totally wrong for now 40 years in our understanding of how to deal with Cuba.

Q: Yes.

PALMER: I think we are morally responsible for Castro still being in power. I believe he would have long ago disappeared from the scene if we had been able to walk and chew gum at the same time. That is, if we had been able to try to continue actively - and in fact more actively - to overthrow him, and at the same time deal with him.

As Machiavelli demonstrated, there is no necessary contradiction in those things. You very often have to do that in the world. And we need to learn how to do that. In very many situations - in Burma - in very many situations, we are much more effective in bringing about democracy in these places - and bringing about a situation which from our national security point of view will be better for us - if we're up close. We are much more effective if we're inside penetrating and dealing, rather than isolating and reinforcing the ability of these dictators to stay in power.

Q: One of the things that has always struck me as being an oddity and a stupidity in traditional diplomacy is when relations get very difficult with a power you immediately call away your chief representative. You know, you withdraw your ambassador, which is stupid. On the face of it, you withdraw your top person to show a sign of disgust. I always thought you could show the flag upside down or something to show that we're not happy.

PALMER: Or you can figure out a whole series of programs to smack them in the nose but they should be targeted. For example, in Poland in 1981, when they banned

Solidarity, etc. and declared martial law, we were first to draw up a long list of penalties.

Well, what were the penalties? Cutting off exchange programs. Well, who the hell favored exchange programs? The KGB equivalents in all these countries hated these exchange programs. They tried to infiltrate them and control them and all that, but the fact was that they really didn't want them. We were the ones that benefitted by opening up these countries and bringing people to the U.S. to see how much better we were.

But to this day we consistently do this. We did it in the Soviet Union throughout that period until we finally started to stabilize and move ahead. From '83 on we were - some of us - able to fight again for traditional programs and to expand them. In the summit in '85, the thing I fought for hardest - both within the U.S. government and then with the Soviets - was massive expansion of youth exchange.

Q: When did Reagan finally meet a Soviet leader?

PALMER: I think Gromyko was the first one he met or Shevardnadze and I'm trying to remember now when it was exactly. He never met Andropov or Chernenko. Gorbachev was the first one but he did meet… was it Gromyko first? I think it was Gromyko first. Yes, Gromyko and then Shevardnadze. So, to the extent they were leaders, and they were. He met them in '83 or '84. '83, I think. There were big objections to that, I remember - Weinberger, Casey, and others being very, very unhappy about that.

Q: How did we feel about Gromyko? I just was watching a film of 1950 in the Korean War showing Gromyko there meeting Kim Il Sung in Moscow. And here's Gromyko - we're talking 30 odd years later - still a figure. What was our analysis of his role and what of him?

PALMER: Well, I think he was the continuity in Soviet foreign policy. He was the Primakov, in a way, of his time. He was extraordinarily difficult to deal with: very wooden, very ungiving. I think Henry Kissinger, for example - who had to deal with him - didn't find him somebody he really enjoyed in the way he enjoyed dealing with Chou En Lai or some other world leaders. He came across as just kind of reading his script. It was frustrating dealing with Gromyko.

Q: In other words, he was not what one would call a positive force or a negative force. He was just doing his job.

PALMER: Right. In his own narrow definition. You know, coming out of the Soviet Stalin era, you can understand why he was the way he was. Again, the pyramid that Armand Hammer described was right.

These guys were all scared. We shouldn't forget. You know, somebody like Gromyko, he was worrying always about how he was going to survive. And the way to survive was to please whoever your boss was: first Stalin, and then Khrushchev…and then Brezhnev.

Q: He took his shoe off at the United Nations.

PALMER: Right. But Shevardnadze, of course, was a real breath of fresh air when he came in. Shultz really enjoyed working with Shevardnadze and they have stayed close to this day. Because Shevardnadze was very different.

Gromyko was kind of like Dobrynin who had a similar long run as ambassador here. Gromyko was almost condescending to whoever it was he was dealing with. Because he'd been there forever. And so you know, he'd seen five or six or eight or whatever secretaries of state, American ambassadors in Moscow, etc. So he kind of treated you as a child. Dobrynin even did that with secretaries of state.

Whereas Shevardnadze, it was almost a reverse. When Shevardnadze came it was almost that he was … well, I wouldn't say he was apologetic or whatever, but he was paying a little bit of deference actually to Schultz. Shultz was somebody who had been around in a way more than he had, certainly in the world and in different positions, as head of Bechtel, labor secretary, and treasury secretary, etc. I think Shevardnadze paid a certain amount of deference to Shultz. So it was nice to see.

Not that you have to have that. But it's nice to have somebody whom you feel you can kind of interact with. I felt that way about Sasha Bessmertnykh who was sort of my Soviet opposite number who was responsible in the foreign ministry for U.S. things. Sasha was somebody that I could talk with. Or Oleg Sokolov here in the embassy who was Dobrynin's deputy and with whom I did a lot of things. These were somewhat younger Soviets who had spent some time outside the country in their foreign service and who were not like Gromyko.
Q: Most of the time you were doing the desk, Dobrynin was still the ambassador?

PALMER: Right.

Q: What was your impression of him? You've given some, but was he of the Gromyko type…

PALMER: Not exactly

Q: …would you say, a survivor?

PALMER: Yes, he certainly was a survivor, but he'd had to survive in this peculiar role of being here. So he developed layers and layers of sophistication. You know, different than Gromyko. I mean he could joke. He came across as very affable.

And, in fairness to Dobrynin, I think that he sometimes he did exert himself to move in a constructive direction. I think that in that sense he was more motivated than Gromyko to try to find things that could be done.

At the same time, he was constantly covering his butt in his reporting back to Moscow

and meetings in Moscow. He knew that his role was inherently suspect as being out here. And I think he sometimes did damage because of trying to protect himself.

Q: Well, he had to report directly to Gromyko.

PALMER: Right. And to the Kremlin. Dobrynin was really well known in Moscow and everywhere, not just in the foreign ministry and had standing. He had earned his spurs in a variety of ways; not always, of course, in our interest.

Q: Yes.

What about the rise of Gorbachev? I mean, obviously in Kremlinology, here comes this upstart? What was our feeling about him? Had we had any prior reading on the man?

PALMER: Not much. Not much. He'd been in the politburo for a little bit but the portfolio he had, agriculture, was not one where we had much interaction. So, no, we didn't really. We, of course, knew his biography and things like that; but in terms of having a really sound feeling for him, no, we didn't. I mean, you know, why was Gorbachev ultimately made general secretary? I think he was made general secretary partly by default. He got to Moscow, first, because he was the Communist Party secretary in a region, Mineralnie Vodi, where leaders, particularly Andropov, used to spend their vacations.

So he was sort of like a concierge, a man who had arranged houses, women, food, cars, and things like that for these leaders. And that was the beginning of his relationship with these guys. He had obviously made a good impression with this kind of maître d' stuff. And Zhang Zemin actually was somewhat similar in China with Shanghai, although of course that was a much bigger and more serious job and base. He took care of visitors from Beijing. There's a history of this in the Communist Party.

So, anyway, then he got to Moscow at a relatively young age. He was in a politburo where the older guys, the guys who were in sort of pecking order being put up as general secretary, died one after another. And I think a sort of desperation started to set in in Moscow in '84. They couldn't any longer keep putting up the guy who was oldest.

I've forgotten now who the next guy after Chernenko was supposed to be. But it was another one of these guys who was sort of doddering in his seventies, who was the other sort of logical next general secretary. I think people must have said to themselves, "We can't do this again. This isn't working. We've got to find somebody who is going to survive and somebody who is more dynamic."

And Gorbachev, I think, had come across within the politburo as not a liberal at all. If you look at what he said first when he became general secretary, this was not the elevation of a liberal. I think it was the elevation of a physically healthy, energetic, tough minded guy who had been very close to Andropov, who after all was a career KGB guy. So that's how he started.

But I think he and a lot of people of his generation and younger inside the system - whether it was in the central committee apparat or in the KGB or in the military or in the military industrial complex - I think a lot of people in their thirties and forties and fifties had become profoundly concerned about what was happening - this sort of marching in place, and in some areas going backwards.

That motivated him to start thrashing around looking for some way of getting out of this mess. And his initial ways of doing that - if you look back - were not those of a reformer. He was trying to ban liquor sale, for example, you know, to get more labor productivity. He kept talking about how to make the existing system work better. He was not talking about changing the system.

I guess I don't share the views of many that this is a guy that really deserves huge credit for what happened. I think he kind of fell into it the way a lot of leaders do, including in the U.S. They kind of fumble along from day to day depending on whatever the pressures are and they put out this fire and then that fire. And they fumble their way ahead or behind or sideways. In his case, he was fumbling…well, of course, a lot of Soviets think he fumbled backwards.

But anyway, Zhuganov and people like that think he was a disaster. And in fact, I think most ordinary Russians… if you look at his opinion ratings now… one percent at the last presidential election. Whatever.

Q*: Yes.*

PALMER: From our point of view, he was fumbling forward, he was going in the right direction. But he was doing it in a very unorganized, unthought through way. I was with him several times and to me he was and is a lightweight, maybe not as much of a lightweight as Chernenko. But this is not a …I mean I don't know what to say exactly, but this is not some kind of great strategic brain.

Q: Did Reagan meet Gorbachev during the funeral?

PALMER: Yes, I was the head of the advance team and did all of the arranging for the first meeting which took place in Geneva. I participated in the meetings and negotiated the draft statement that was issued which was a huge statement. It was 19 pages, as I remember. I started negotiating it about four months before the meeting. So I did both the content and the logistics and then participated in the sessions.

Q: As you said, where was the initiative for this meeting coming from?

PALMER: Both sides.

Q: Both sides.

PALMER: Yes.

Q: Do you think it was like, "For God's sakes, let's do something!"?

PALMER: Well, Reagan had wanted to meet with a Soviet leader really going back to '83 or '84. He was moving more and more and Mike Deaver, and Nancy - Mrs. Reagan- - the press were all pushing in this direction, you know. Shultz was pushing, the country, the Congress. There was a general move toward this.

I think we might well have had a summit earlier if there had been a healthy enough leader. But anyway, finally, Gorbachev did come on the scene. And relatively quickly after he took over, we had the Geneva meeting.

Q: How did you find the reception when you were on the advance team?

PALMER: My opposite number was a KGB general. He was the head of the ninth chief directorate of the KGB, the guards' directorate, head of the body guard and secret service. He and I ended up becoming good colleagues, drinking together.

We talked fairly intimately about the two wives. For example, we talked about how Raisa Gorbachev and Nancy Reagan were going to get on. We both understood that was really important. We actually figured out what we thought they should talk about in their first meeting. We didn't quite compare talking points, but close to that. And so it was very good actually. We worked together on the locales, where the meetings were going to be, on the scheduling of the meetings, on the outcome of the meetings.

In fact, we did so much that at one point President Reagan got very, very unhappy with me. He told Shultz to stop me because he was worried that I was pre-cooking everything and leaving nothing really for spontaneous combustion. I got into what - by my standards anyway - was fairly serious trouble in working out the details of this statement.

I wanted to achieve a lot. I wanted to use this meeting to move us ahead on a very broad range of things from the regional talks, to bilateral relations, to exchanges, to trade, to arms control. This was a chance to move on all these fronts. So together with the people who were working for me, Tom Simons, Sandy Vershbow, and others, I tried very hard to move us on this big, broad front. I think the president wanted that, too; but he for good and understandable reasons didn't want to just be a puppet.

Q: Yes.

PALMER: So we stopped. At one point, Sokolov and I had been meeting almost every day for hours and hours, working over all of this stuff and negotiating and that was stopped.

Q: Was he, your counterpart, given leeway on this, too?

PALMER: He was, of course, reporting back to Moscow. Of course, I was, too - reporting upwards although there weren't many people involved. So I'm sure he was not just freewheeling.

Q: In a way, you're talking about unbreaking a log jam of things that had been hanging around during this time of aged people dying or in the process thereof.

PALMER: Right.

Q: So each of you probably had a folder you'd pull out and say, "My God, let's get going!"

PALMER: Right. And this was a great opportunity and in fact that's what we did. The meeting was very productive. And I want to say - because I really believe this - that Ronald Reagan deserves immense credit for developing instantly a terrific relationship with Gorbachev, a relationship of respect and warmth.
It was very, very important what he did and <u>he</u> did it. Jack Matlock and I had written the talking points, you know, for their first moments together and he just put them aside and did his own thing. And that was good. They spent much longer alone together with just the interpreters than we had scheduled them for.

All the rest of us were sitting in this room waiting for them to join us. This made both the Soviets and us extremely nervous. We were all out there sweating! (Laughter) You know, "Are they fighting? Is the whole thing going off track? What's happening?"

And then they came out arm in arm. And obviously, after 45 or 50 minutes, had established a very good relationship. Then that, I think, made possible what happened through the years after that.

And I might say that - if they had been allowed to go still further - if they'd been unencumbered, not just in Geneva (because I think in Geneva they were as unencumbered as they could have been) but if they'd been unencumbered later by the bureaucracy in Reykjavik, I think they could have achieved even more. I was not present at Reykjavik. I'd gone off to Budapest by then.

As it was, I think they achieved a lot, but much more was possible. They were both committed to getting rid of nuclear weapons altogether. Ronald Reagan was not persuaded by Gorbachev to do that. He believed from the beginning that we should get rid of nuclear weapons. Way back in '81 he believed that, before he'd ever met a Soviet. But of course, the whole system worked against them in that regard. It was too bad.

Q: The final communiqué… it's the sort of thing that the bureaucracies of both sides operate on… was this pretty much the one that you'd worked out?

PALMER: Yes. Yes. And it was really a good document. I haven't looked at it in years, but as I recall…a really good document.

Q: It sounds like the good relations between the two men propelled this. But the negotiations beforehand, it sounds like your counterpart and his backup and you and your backup really had been weighty. This is where bureaucracy does work.

PALMER: Right. Absolutely.

Q: Each has a list but it wasn't polemics and stating obvious positions and all of that sort of stuff. It was, "Let's get on with it!"

PALMER: Right. Well, there were some polemics, too, and we didn't get everything we wanted. But it was definitely a productive exercise and the beginning of what had been a total transformation of our relations, a total transformation.

Just to sort of fast forward for a second: Igor Malashenko, who ran President Yeltsin's last campaign, is one of the owners and the head of the leading commercial television station in Russia today. Last night, at a Council on Foreign Relations meeting, Igor came right out and begged us all to back Yavlinski Gregory in the next presidential election.

Now the relationship has gone from a point of frozen in aspic - total hostility, we're about to have nuclear war, holocaust and the end of mankind as we know it - to a situation where Russians come to the United States and aggressively lobby us to support one or another candidates.

Primakov has people here doing the same thing. I mean we've gone from being enemies to being totally intertwined. They are dependent on us in many ways. We are extremely close now.

Their medicine… this guy Malashenko last night was saying that - no Soviet leader, even if Zhuganov became president, a communist became president - they don't have the possibility of becoming our enemies again. We could cut off the medicine to the country, cut off food. So, what was beginning then is of very profound historic importance and Reagan deserves credit for some of that. I don't want to say for all of it.

Q: He was primed and ready.

PALMER: Yes, and he was making it possible. He overruled people in the system who did not want these things. He made it impossible for Richard Perle, for example, to make my job impossible. Without his support, we wouldn't have had this document.

Perle was very suspicious. He knew that I was trying to do something in advance. He kept trying to get copies and get wind of it. Of course, I wouldn't show it to him until the very end. Then we had two all nighters in Geneva with the Soviets to work out details of a shorter statement and also to work on this bigger document.

I was the chairman of the three person U.S. team to do this and then Roz Ridgway came

to help me toward the end. Perle was there. He was the Pentagon representative. If Reagan hadn't been there behind us, it would have been a shambles. We would have ended up in a confrontation in Geneva.

Q: How does this work? You think of the president sitting up there in the Oval Office and here you all are laboring away on a meeting or other. You were in Geneva at the time, but how did it work that the president was setting the tone?

PALMER: Well, he did it, as I'd mentioned in the first place with his meeting alone with Gorbachev, and their coming out arm in arm which was a very clear signal. And then for three days we met. He met with Gorbachev with all of us. We went through a very long list of things from strategic weapons to theater nuclear weapons, regional issues, you know, we went over the whole agenda.

At great length, they had more meetings where they could really talk to each other in an unstructured way. I had found a chateau in Geneva that had what the Russians would call an izbah, a hut down by the water that had three birch trees. I looked at about 20 chateaux (Laughter) in Geneva. I wanted to find a place that I knew both the president would be proud of as his place to host Gorbachev and that Gorbachev would like.

Q: And birch trees is a Russian thing, right?

PALMER: Yes, right. Birch is magic. And it was just wonderful! This izbah, this hut, had a big field stone fireplace.

Q: Yes, the fireplace is very important in the pictures!

PALMER: So we put a big fire in the fireplace and there were these birch trees and they could sit there alone in big stuffed arm chairs and just talk and relax. And Reagan was very good at that. He loves telling stories and Russians love stories. Gorbachev told anecdotes. You know, I think it's important: the glue between leaders can be of very, very great importance, as we are now witnessing with Arafat and Netanyahu. That dynamic is really a very important dynamic. It obviously is extremely difficult, too.

Q: One always thinks of John Foster Dulles and Donmala up in Masik. Really, an awful lot of things in the Middle East started from that antipathy there, particularly on the part of Dulles. You know, it didn't work!

PALMER: Right and so, both ways, it either can help or it can be very harmful.

Q: When you were having these meetings - going over the last things, I assume as you were having these meetings you had your Soviet counterparts there.

PALMER: Right.

Q: Was there a Perle on the Soviet side, I mean somebody who was…

PALMER: Somebody who was very hard nosed, etc.?

Q: Yes.

PALMER: Well, all the Soviets, in a way, are pretty hard nosed. I'm trying to think who I could have identified at that point. No, I can't say that there was one person who stood out as being particularly difficult.

Their military, of course, when it came to specific arms control issues provided real problems. Unlike in our situation where we have developed a whole cadre of civilian experts on weapons issues, they were very thin that way at that time.

The Soviet foreign ministry had very few people who could talk even knowledgeably about nuclear weapons issues. So their military had a disproportionate and heavy role in limiting how far you could drive things. So as hardnosers, that is one area.

Q: I'm told that in some negotiations we were having to supply the civilian side, even some of the military, with figures of Soviet stuff which they couldn't get themselves.

PALMER: Right, and which the Soviet generals objected to our giving them. So that they're not cleared to this day. (Laughter)

Q: Were there any issues that sort of reached a deadlock and that you'd say, "Okay, we'll defer this to another time," that you recall?

PALMER: Well, there definitely were a whole lot of things that weren't agreed on, but I can't remember anything that we attempted that we didn't get. The last issue to be resolved was this question of youth exchanges, strangely.

Q: That would have been a no brainer.

PALMER: That went until five in the morning. The leaders were going to appear at this joint press conference at the end of the summit meeting at nine or nine thirty a.m., something like that. As of very late in the morning, (we'd been working all night long) we were down to just one issue. And that was the definition of what is youth!

The Soviets wanted youth to be 35 and under and I said, "No, we've got to have a better definition. 25 and under." And Bessmertnykh just wasn't going to budge on that, for reasons that we can all understand. And so I said that I wasn't going to budge.

We argued and Perle kept saying give in, because Richard didn't care about this. By that point he'd gotten sort of wedded to what we had agreed on: theater nuclear weapons and things like that. He didn't want to futz around and he was trying to pressure me to give up and I just wasn't going to.

So finally, Sasha Bessmertnykh woke up Gorbachev. He called him in his place at the mission. He woke him up and asked permission to agree to my definition and that was that. And we agreed.

Q: Well, I think for the record: as I understand, one of the problems had been that we'd talked about youth things. They were sending 35 year old or older people, who were well indoctrinated in the system and we were trying to… we were sending young people like yourself!

PALMER: Yes, we wanted high school students and undergraduates. They wanted post-doctoral types who were already mid-level government or party apparatchiks. I wouldn't say it's of zero value to have them, but it's of much less value, much less value in every sense.

I mean even if you were only looking at language studies and only trying to build language capability, it's much better to have younger people. But beyond that, if you're trying to build up a web of connections and of affections, and of skills and of change agents, then it's much better to get young people.

We've, of course, for many years had these kinds of exchanges: high school and college exchanges with other countries. But with the Soviets, they had really, really resisted sending young Soviets here. They didn't mind having young Americans go there, but they didn't want to have young Russians and Uzbeks coming here. It was a fundamental point.

Q: Oh yes, very much so!

Was there sort of a feeling on both sides while doing this - now I'm talking about the support staff - a sort of euphoria?

PALMER: Yes! Yes! It was a good feeling. I think all of us who were Soviet experts felt very good about Geneva and the process that ensued.

Q: Because things really did change, attitudes changed very much in the United States from all of this. I mean that it was a sort of era of good feelings, in a way.
PALMER: Yes, yes. And, as I said, it changed our strategic military situation from night to day. It's totally different.

Q: Yes.

PALMER: And now, if we can do the same thing with the Islamic world and with the Chinese, the United States will end up still with some security problems but no profound security problems. So we still have a couple of fairly big long term challenges ahead of us.

But I think we should draw some sustenance, some lessons, and some encouragement

from our ability to profoundly transform that relationship and that nation to now do it with the Saudis and the Chinese and the others.

Q: I have to ask the question about a profound relationship: what about you and a KGB general discussing Mrs. Gorbachev and Mrs. Reagan, and what they should discuss? These things are part of the web and woof of diplomacy. (Laughter) What were you imparting about the personalities of the two?

PALMER: Right. He talked about them. He was very close to them. He was personally with them a lot of the time. He talked about what she was like, what her interests were, what her hot buttons were.

I didn't know Nancy Reagan nearly as well as he knew Mrs. Gorbachev. But I did know something about her and I had one person on the advance team who worked in the White House and who knew her better. This person had actually been advancing presidential trips in the U.S., including campaigns.

So, together I think we had enough, but in the end it didn't work. Their meetings were bad in Geneva despite trying to lay a sound basis, it didn't work. They didn't like each other and they weren't helpful, which was really too bad. Fortunately, the cement between the two leaders was strong enough, that it didn't matter. But what we had really hoped would be an added dimension was negative.

Q: Yes. That pretty well, on the Soviet side, ended your sort of "regime," didn't it?

I was wondering if this might be a good time to stop. What do you think?

PALMER: Well, it wouldn't be too bad to keep going because I've got an hour. Then I have to go to Anacostia to work on my stuff, and if I quit now I've got kind of a vacant space. So why don't we continue for another hour, if that's all right.

Q: Oh, good! All right, why don't we now turn to the other countries. You had Eastern Europe which would be Poland, Czechoslovakia, Hungary, Bulgaria, and Yugoslavia?

PALMER: And Romania.

Q: And Romania. Why don't we look at each of these. Poland is probably the most important one during this era. What was the situation in Poland when you got there in '82 and how did it develop?

PALMER: Well, I started doing Polish stuff in '81 when I was still with Larry in EUR. We were, of course, in martial law coming out of the Solidarity burst. And so our relations with General Jaruzelski were very negative.

Our main interest, really, from '81 on was to try to help Solidarity and the underground. Both openly and in other ways, we supported them on quite an extensive basis, providing

all sorts of things.
And morally tried to support them, as well. Charlie Wick, who was then the director of USIA, and I came up with the idea of doing a film, a TV show on the situation there called *Let Poland Be Poland,* which we then did manage to produce.

I had the horrendously, it turned out, bad idea that we would get statements by world leaders to include in this film. I didn't pause to think that if you invited 23 world leaders to make statements and they all agreed, it would be about the most boring piece of television ever thought up. And that's precisely what happened. (Laughter)

So, unfortunately, we had all these wonderful statements. We had originally thought that we would allow people up to three minutes, but then it dawned on us that these people were really all agreeing to give these statements. They were all sitting prime ministers and presidents. You know, with horror we realized we couldn't do three minutes, because that would have been the whole hour just with these statements.

So we went back to the leaders and said, "Please, 90 seconds and if you can do less than that, great." Everybody more or less agreed to that except the Italians, who were very offended. You know, under three minutes for an Italian was impossible (laughter).

Q: And you can't very well cut leaders.

PALMER: Well, we did - a bit. But anyway, we produced that to try to help and farmed it out all over the world. We were doing other things to try to keep the spotlight on the struggle in Poland.

Ultimately, we had some second thoughts about cutting off everything. I had mentioned before there was an instant list drawn up of cutting off all of these things in our relations with Poland.

There is a man named Jan Novak who is sort of the most respected leader of the Polish-American community here in Washington. Jan and I worked extremely closely. He had been the head of the Polish service of Radio Free Europe. He was the best known voice in Poland and a real hero during the Second World War and a resistance leader in Poland.

Anyway, Jan helped me to keep some people in the Reagan White House and some people on the Hill from kind of destroying the very fabric of a relationship with the Polish people. By the way, I was recently given an award by the President of Poland for my efforts during this period for supporting Solidarity and for fighting for change in Poland.

Q: You talked about, "We did some things." What can we talk about?

PALMER: Well, I'm not sure. That's why I was a little Delphic. I don't still quite know. This is a sensitive issue in Poland, and I'm not sure actually so I probably should leave it alone.

Q: All right. Well, then, let's talk about how we viewed the Solidarity movement and Lech Walesa at that time.

PALMER: As heroes, as the real voice of Poland, as the legitimate democratic voice of the Polish people. And of course, the Soviets were in this sense the enemy of freedom. They had been threatening to invade if Jaruzelski didn't do martial law. We wanted to support the people who we believed would be the future of the country.

Q: Was there any caution on our side about say from, say, the political military analysts saying, "Look, the Soviets will just take so much."

I mean after all Poland is sitting astride its main army, the Soviets' main army. So if nothing else it represents a supply line, but the main army which is poised to do whatever it might do in East Germany and that area and obviously they're not going to allow a democratic Poland which would sever their supply lines to exist. And the realities are that you can play with the Soviet beast so much, but this would be beyond the pale. Were we thinking in those terms?

PALMER: Yes, I think there were people in the system in Washington who were concerned about that. There were others of us who believed it was in the Russians' own interest to have political change in Russia. There were those of us who believed that the cutting edge of this change was Poland. That is, that the Poles were out ahead of everyone else in the region, out ahead of the East Germans, the Hungarians, and the Czechs. We felt that the Poles had the most courage and that it was very much in our geostrategic interest to encourage this kind of democratization.

So yes, you're right. This was a very profound threat to the old Soviet regime and ultimately of course it was one of the things that led to the collapse of the old system. So it was tricky. I mean if you overplayed your hand you could bring about even worse things. But what were you going to bring about? Was this a situation where you were risking nuclear war? I don't think so, because we were not talking about moving our own forces into Poland.

So I don't think it brought us any closer to nuclear conflagration. What was tricky was to know how much you could help the process without accelerating a Soviet reaction that made long term change even more difficult. That question confronted us right up through 1989. Bush, for example, and Baker had one very strong set of views about that in '89: that we should not provoke the Soviets, we should not create so much rapid change in Eastern Europe that we would destabilize Gorbachev. Bush and Baker both lectured me about this at one point and thought that I was wrong. So what I'm saying is that was a legitimate question, a difficult judgment.

Q: One has to think beyond just each individual country, how it will play. Some countries are off to one side and you can argue either way and it probably wouldn't have a major effect.

PALMER: Yes, and we face that to this day. People will argue the same point about destabilizing Saudi Arabia and bringing in the fundamentalists. This basic issue is still with us all over the place. In China some argue you destabilize the Communist Party of China, you're going to end up with every region, every province of China going off and creating civil war. You know, all of these nightmare scenarios.

I personally err strongly on the other side. I think that democracy is not inherently destabilizing. It's inherently stabilizing and that we should strongly be on the side of democracy. We should not be on the side of dictatorship, which I think is unstable, undesirable, and against our strategic interests everywhere. We need to get that clear in our heads.

Q: How do we view - and I'm not going to pronounce it correctly - Jaruzelski?

PALMER: Jaruzelski.

Q: Jaruzelski. Did we see him as the enemy or did we see him as somebody who was trying to get along as best he could or trying to keep Poland from being submerged by the Soviets?

PALMER: I think, certainly, the White House saw him as the former, as a bad guy and as somebody we didn't want to do anything with except vilify. There may have been others, you know, John Davis and others who had spent their lives thinking about Poland and Eastern Europe who had a more nuanced view of him. Not that they thought he was wonderful. I don't know anybody who thought that.

But there were some who thought that he'd saved bloodshed, avoided bloodshed. I don't know what the truth is. That's where our not having access to some of this intelligence really was, I think, unfortunate. It made it harder to make that kind of judgment.

Q: Yes. Did we see the Pope as a factor?

PALMER: Yes.

Q: We're talking about John Paul who was Pope.

PALMER: Right. Who kept the light of freedom, I think, very much lit through that dark period of martial law. Who made Poles believe that they could some day succeed in this struggle which was a struggle that had gone back for centuries, of course - vis-à-vis the Russians and Swedes and others who had overwhelmed Poland periodically. That Poland could ultimately be an independent state.

I think John Paul deserves immense credit for the role he played not only there, but the Poles really were larger than life. I mean, they were for the Hungarians and many others in the region, the leading force, and even for Russians.

I remember my first visit to Moscow in 1962. I was in a youth café on Gorky Street that had a band. I started doing the twist with a Russian girl that I knew. The manager of this café stopped me and said, "This is not cultured." And there were some young Polish students there and they got up and they said, you know, "Fuck this guy, this manager. He's just a jerk. These Russians need to be taught what the world's all about."

[The result of this was] that they closed the café. We ended up sitting on the curb drinking and commiserating with one another. But I think, historically, the Poles have played this in part Europeanizing role for Russia. It's a very valuable thing that they are doing: bringing the E.C. up to the border of Russia now as they will be doing during this next period and bringing the border of NATO up to Russia is a very profoundly good thing. It deals with Russia's isolation.

Q: Did Brzezinski, obviously out of power but still a force, did he play much of a role in our relations. Is he somebody you sort of had to deal with?

PALMER: I think he was playing a role and he was consulted, but I think that Jan Novak was actually much more important. And I think that's an interesting case by itself. Well, Zbig, of course, is Polish, too. I think there's somewhat of a prejudice that many people in the foreign policy establishment have: that ethnic groups are somehow unfortunate in the role that they play.

What I can say with absolute conviction about Jan Novak and the Polish American Congress, which he was a representative of was that they played a hugely positive role. They kept interest alive in this country. They helped me generate resources for programs, OPEN and other programs. They were really very, very useful.

Now, there are examples I would cite such as some Cuban American groups which I think have played an immensely unhelpful role vis-à-vis our policy in Cuba. So I don't want to say that this is always true, but I don't think we should have a knee jerk attitude toward ethnic groups. Sometimes they can be really helpful.

Q: I remember talking to the Polish consul general back in the '70s in Chicago. He said, "I've got the second largest Polish city in the world right here in Chicago!" Did you address Polish groups at all?
PALMER: Some, not a huge amount. Al Haig went out to address the Polish American Congress in Chicago while he was secretary. I thought he was going to announce that he was running for the presidency. (Laughter) He loved that so much! They were so supportive, you know. This was during the martial law period. So he was giving, you know, a rabble rousing kind of a speech. We did stay close to them.

Q: What were some of the issues you were saying that there were those in Congress who wanted to shut down everything. What were some of the issues that you wanted to keep?

PALMER: Well, these exchanges, for example. I thought the exchanges were really

important. I thought that some level of trade was very important. After all, who do you really hurt when you close down all the trade? You hurt the people of Poland. Jaruzelski is going to still live in the palace. So those things, dialogue, the ability to affect individual human rights situations.

This means you've got to be able to talk to them in a cooperative, constructive sort of a way, as well as meeting more publicly, doing all the rest of it. So it's again this question of walking and chewing gum at the same time. Can you pursue things that seem to be in one sense in conflict, but are actually reinforcing one another? Can you move along these two tracks?

Q: Did you find that there was a Polish type of martial law as compared to some of the other satellite countries? I mean was it more benign or tougher?

PALMER: Well, you know of course, the people who were in jail were in jail and its not good to be in jail. I think that another paradox that Larry Silberman may have pointed to was that the general perception was that Yugoslavia was somehow nonaligned and in some ways better than the rest of Eastern Europe.

But there were more political prisoners during Tito and after Tito per capita in Yugoslavia than there were in any of these other countries. This includes, I think, the Solidarity period in Poland, the martial law period in Poland. So in that sense I guess you could say Jaruzelski wasn't the worst. Tito was in some ways the worst. Ceausescu was certainly the worst in his kind of crudeness, roughness with anybody.

Q: During the time of '85, had things changed in Poland?

PALMER: Yes, they got a little bit better. It was sort of easing. I can't remember exactly the timing of all of this but, of course, sometime around '85-'86 it started to get considerably easier. Eventually, it went over to the other extreme, that is to a time where Poland was tighter in '81-'82. It was tighter than any other place.

It eventually got to the point that it was more liberal than any place else. By '88-'89, it was already over on the other side of the spectrum. It was out ahead of Russia and out ahead of East Germany, out ahead of the Czechs. You had then a kind of race between the Poles and the Hungarians for the leadership position in political change.

Q: Were you able to maintain the student exchange program?

PALMER: Yes. I can't now remember the details but with Jan's strong support, we were able to get back to things that otherwise had been cut off or were endangered. It was a kind of a soft sanctions package as it ended up. It was much softer, for example, than the sanctions package we instituted in '79 against the Soviets because of Afghanistan, and sustained. In Poland it was much softer which was good. That's a credit to the Polish American Congress that they were able to help us to do that.

Q: Yes.

What did Shultz think about all of this?

PALMER: From the very beginning when he first became secretary, Shultz cared a lot about human rights and democracy. He had this understanding of walking and chewing gum at the same time. He didn't see that isolating by itself was enough, or good.

I may have mentioned the first meeting I had with Shultz. I was asked to help him with his confirmation statement for the Senate. In introducing myself, because I'd never met him before, I said something to the effect, "I'm sorry. I guess I'm a little bit crazy about democracy stuff." I said that I'd done this now for quite a while, that I'd been involved in this and that, including President Reagan's speech in the British Parliament.

He said, "Don't be apologetic about that! That's really important!" That was very different. Kissinger, for example, didn't see the world that way at all. So I felt from my very first contact with Shultz, that this was an unusual man, a very American man. He was not spoiled in the way that some of our foreign policy establishment is spoiled. That is, in the sense that they sort of believe that the world is the way it is and it's always going to be this way. He wasn't that way.

Q: Going on next down the line, what about Czechoslovakia?

PALMER: There wasn't much happening during that period in Czechoslovakia. I went there with Bill Rogers, whenever the hell it was - in 1971, I guess it was. It was the first visit there after '68. He was roundly criticized for going because it was kind of breaking out of the earlier sanction regime.

Q: Yes.

PALMER: And that was a completely unproductive visit. The Czech communists loved it, because they saw this as kind of legitimizing them. Maybe this is unfair, but this is my memory. I would say that from that time on into the '80s, right up to '88 or '89, the Czechs basically were doing nothing.

There was no big underground dissidence, etc. People have this perception today that in the velvet revolution in Prague and everything that the Czechs were somehow these great change agents in Eastern Europe. I think it's completely wrong. During that period when I was deputy assistant secretary, from '82 to '86, they weren't doing anything.

This was no great change agent. They were doing what they did, you know, when Hitler invaded. These are not a people who are given to fighting for anything. They were engineers. This is a sort of stereotype and not fair in a way, but they're not revolutionaries. They're lawyers and engineers.

They are perfectly admirable as a society. Prague is one of the truly great cities of the

world. They have many, many good qualities. They had the highest per capita income in Europe before the Second World War. So they are a remarkable people; but in this dimension: in fighting for political change and individual courage in this area, forget it!

So during the period I was deputy assistant secretary, we had virtually nothing going on with the Czechs. I listed a number of times that we had some minimal USIA exchanges going on, minimal trade. Nothing much.

Q: Did East Germany fall under you ?

PALMER: No. The Department treated Germany as Germany East and West. I did visit once during that period, but in the end there was very little going on.

Q: For the record, I'm doing a series of interviews with people who served in Germany during this period. Well, then, back down to Hungary.

PALMER: Right, and there, you know, of course Hungarians had '56. Then by '61-'62, Kadar was beginning to realize he had to make peace to some extent. So goulash communism came in.

Q: This is a term for the Hungarian form of communism, goulash communism.

PALMER: Right. It is somewhat more consumer oriented. I don't want to exaggerate, because it wasn't night and day different than communism in the Czech Republic or somewhere else; but it was somewhat easier. In 1968, they'd had an economic reform which took them somewhat further than the Czechs and others toward a little bit of private sector activity.

So, during this period, '82-'86, the Hungarians were a half -step ahead of most of these other countries. There were not political prisoners in any number. And when there was more freedom of travel, people were able to get over to Vienna relatively easily. For example, Russian friends of mine who would go to Budapest, felt they were going to the West during that period. They felt a distinct difference.

Now, what were we doing in our bilateral relations? Not a lot. There was some stuff going on but it was relatively low key, low visibility. We finally did… let's see when was the crown returned? No, that was a little bit earlier. We returned the crown of St. Stephen in '78, I guess it was. Yes, '78. That was a big symbolic move forward in our bilateral relations.

Q: Oh, yes.

PALMER: During the '82-'86 period, things had sort of largely "normalized," I guess is the right term. There was no big issue in our direct relationship that overshadowed everything else. It was still a communist country, but one with whom we had a set of relations and much less tension.

Q: Were there many people who would flood in '56, Hungarians? Were they going back to visit and that sort of thing?

PALMER: Yes. Yes, there was much more of that than with the other countries. There was much less fear that you were going to get thrown in the slammer if you came back. People who had lost property were already beginning to think about getting it back during that period. Educational exchanges were getting fairly well developed. It was approaching a normal kind of relationship.

I don't want to exaggerate it too much because, when I arrived as ambassador in '86, there was still a lot of fear among dissidents. There were still very tight limits on what they could do. There were no active, open press dissidents. There was no independent media. You know, there were a lot of things that were missing still through '86, but the tone was much better. Individuals could live a somewhat more normal life: living, traveling, seeing relatives.

Q: Moving to Romania, this is a very different area.

PALMER: Yes, if you compare it with Hungary, there things were both worse and better. Our bilateral relationship was actually closer, which is peculiar. It was closer in one sense, that they were not part of the Warsaw Pact.

They were not militarily integrated the way the Hungarians were. There were Soviet forces in Hungary during this period, Soviet air bases, Soviet tank forces. In Romania, there were no Soviets. Our trade relations with Romania were more developed than with Hungary. We had the largest amount of trade of any East European country during that period with Romania.

But there was Ceausescu, who despite his claim to being a global statesman, and all of this stuff, was really a brutal dictator. In terms of things like Jewish issues we had a lot of problems. Larry Eagleburger and I went there to try to negotiate with him to try to get Jewish people out. We had those kinds of problems with him.

So it was a funny kind of thing. On the one side, it was more developed than with Hungary. On the other side, it was more difficult than with Hungary.

Q: Were the people either within the State Department - particularly I'm thinking of the younger officers who are usually more fermenting; I mean usually that's where the ferment comes from - or were outsiders saying, "What the hell are you doing having these better relationships with this Ceausescu person?"

When you look at his things, which became very apparent after he left - his things such as making women have more children - I mean up and down the line he was a bit like Mao Tse Tung. He was kind of crazy with crazy ideas, but also he was enforcing them. He was really doing some very nasty things. Was this apparent at the time?

PALMER: I don't really remember younger officers that sort of fastened onto him in this sort of human rights issue. There was a generalized distaste for him.

Our ambassador during part of that period (in '82-'86, and I can't remember exactly the years, but a considerable part of that period) was David Funderburk from North Carolina. He was a protégé of Jesse Helms, who subsequently ran for and was elected to Congress and after that defeated. Anyway, he was our ambassador there. He had been not a Fulbright scholar but some kind of …he'd studied Romanian history. His Ph.D. was in Romanian history. But anyway he was our ambassador there.

Of course, he thought that not only Ceausescu, but the whole communist system, was ultimate evil. He tried very hard to have us fight with them all the time. So you did have an ambassador, give him credit, who saw how bad it was. He actively argued that side, which was unusual for an ambassador. I mean most ambassadors, rightly or wrongly, sort of play the "Let's Try To Improve Things" game."

Q: We have an interview with him in our system now.

PALMER: David was very determined, you know, to fight. This in turn led to tensions between him and the State Department. There were some other reasons as well that led to tension.

Q: I would think, just by the fact that he was so far out ahead, that what he would say would be almost discounted. "Oh, it's that guy," the same way you do with an ethnic ambassador. For example, we had a Greek American in Greece, who ended up carrying very little weight. I would think that in a way Funderburk would have had the same sort of thing.

PALMER: Right. I think there was some of that. And I ended up in a kind of peculiar situation. Because on the one side I was very sympathetic to his basic attitude on communism. I had, myself, done a lot of fighting against the communists in a variety of ways.

And I felt, as the deputy assistant secretary responsible for the region, that I owed him loyalty. And he owed me loyalty. I felt that we were a team and that we should protect and defend each other. So I never criticized him, never. And I can even cite some specific examples of this. But I know he felt that the whole State Department, including me personally, were his enemy and that we were out to get him. In the end, he did real damage to my career. So, it was not easy, not an easy period.

Q: Were there any major trips to Romania or did Ceausescu come to the States?

PALMER: No, he didn't come to the States, but we went there on a larger tour. Bush was vice president and Funderburk was ambassador. It was a relatively uneventful kind of a visit. Bush had one meeting, as I recall, or two meetings with Ceausescu during the trip.

They talked what I call "globaloney," you know. Ceausescu gave his world view. Bush gave his world view. We pushed on certain human rights things.

What maybe is unfair… but I haven't said this story to you before. Going in on the plane, Bush asked me who was the ambassador and to give him a briefing about him. I gave a positive briefing saying that he had a Ph.D. in Romanian history and was really familiar with the country. I said everything positive, but I could see that Bush had heard something.

While we were there, Funderburk was peculiar. In particular, he went to bed at about 9:30 when we were waiting to hear whether or not Ceausescu was going to see us that night. This, of course, also was peculiar but that was known in advance. Anyway we were sitting there waiting. I was with the vice president trying to think whether we were going to have dinner or not have dinner with Ceausescu. Funderburk, in the meantime, literally had gone back to his residence and gone to bed.

And then we got word from Ceausescu's office that it was on. So we had to call Funderburk, get him out of bed and tell him this which was also strange. He should have been with us.

Anyway, on the plane leaving Bucharest, Bush asked me to come forward and he said, "All right, going in you said that this was a real good guy and so on. Now I want to know. What is this about him? He was very strange during this visit. What is he all about?"

So then I just said that he was a protégé of Helms. I didn't say anything negative. But, anyway, Bush had a negative impression of him after that visit.

Q: Was there any Romanian ethnic group in the U.S. or not?

PALMER: A little bit, but not very well organized or very influential, no.

Q: Well, let's do Bulgaria.

PALMER: Well, I did get Rick Burt to go there as assistant secretary, after repeated fights with him. I reminded him about this the other day. He remembers how hard I fought with him to get him to go there. He absolutely did not want to go. He made jokes while we were there and still makes jokes about how awful it was.

But it too, sort of like the Czech Republic, was frozen in aspic. There was nothing much happening. I remember during that visit, one of the deputy prime ministers. No, no; it was the leader then, the Communist Party secretary…said that they wanted to be the Japan of the Balkans. I thought that this was really ludicrous. So I asked another senior Bulgarian what this meant, that they wanted to be the Japan of the Balkans.

He said, "Every single minister of the government has been sent to Tokyo to spend a

month or more studying in each area," whether it was in pharmaceuticals or whatever. You know, they were going to try to be like Japan. I don't know whether this was a holdover from the war when they were with the Germans. I don't know where exactly this came from but they were quite serious. And they had developed certain industries, but it was not great basically; not great.

Q: How about Albania?

PALMER: No, you know, there was sort of this little thing all together cocooned and isolated with nothing going on. Nobody ever went there. Our embassy was occupied by the Italians. There was nothing. Sad.

Q: What about Yugoslavia? Back to your home ground during the '82 to '86 period?

PALMER: Well, I don't recall anything very strikingly different about the dynamic of our relations during that period. I think we continued on in the way we had been for decades which was to treat them as an independent country, which they were. We continued to believe in the integrity of Yugoslavia, that is that they should stay together. You know, there was nothing that I can recall.

We kept them informed of what was going on in our relations with the Soviets. We treated them with respect. But I don't remember any kind of defining event during that period where any particular different problem or direction. I think it was more or less just a continuity.

Q: Tito was dead at this point.

PALMER: Right.

Q: Were we seeing the government as just a transitory type of government?

PALMER: I don't think we paid very much attention to them. There was nothing much happening. This was not a period of ferment, particularly, in Yugoslavia. They were not in turn leading the process of their northern neighbors. I mean they were not out ahead really, in terms of political change or democratization. They were not providing a model for Hungarians or Poles or anyone else. They were just kind of sitting there. That's kind of my impression.

Q: By this time the nonaligned movement was essentially, as a force, dead.

PALMER: Right. Not a serious player.

Q: Yes, it just sort of faded from view. I think they were still having meetings or something.

PALMER: They do to this day. They still have meetings but without these sort of

charismatic big figures such as Nasser and Tito and Nehru…

Q: Sukarno.

PALMER: And Sukarno. Without them, the excitement or whatever of the thing, the glamour of the thing…

Q: That was about it.

PALMER: Right. But it still carries on. It does have its own kind of peculiar kind of logic. Yugoslavs, of course, were always playing that, saying that this was what made them more than just any other state, that they had this larger role. But I don't think we were taking it very seriously.

Q: At one time, Yugoslav diplomats around were quite well informed. But I suppose by this time - I mean, we had relations with China, you know - they weren't playing that role anymore.

PALMER: That's right. I don't think they added much value by that time. People had - as I guess you and I have - a vestigial sort of liking for them, and so there was that. I'm trying to think whether or not for example in our relations with the Soviets whether their advice or whether they did anything particularly useful. I don't recall anything. If I went back and looked I could find something, but I don't remember anything really.

Q: Well, you left this job in '86.

PALMER: Right.

Q: Whither Eastern Europe and the Soviet Union when you left it? How did you see things going at that point?

PALMER: Well, I remember Shultz asked me once what I wanted to do and I said I really wanted to go to Hungary and he said, "Why Hungary?" And I said because I thought that the prospects of change were greater there than anywhere else.

I was actually slightly wrong. Poland, I think, but maybe that wasn't available as an ambassadorship at that point. Yes, I had just managed to get John Davis in as ambassador. So, I guess my perception at that time was that there were some possibilities for doing interesting things in these countries, that the relationship with the Soviets was moving in the right direction. So I guess I felt that '86 was a time where we had gotten some things right and there were some prospects, some possibility.

I don't want to say I thought there was going to be sudden change. I don't think I felt that way. But there were some opportunities. I remember when I arrived in Budapest - in my initial talks with Hungarians, with dissidents - saying that. So I guess that was that was my mindset.

Q: One last thing on this time as a DAS, what about George Shultz at the summit meetings, I mean at the initial meeting? Could you talk about his role?

PALMER: Well, I think I've said before, I'm totally biased in favor of George Shultz. I think he was a great secretary. He's a very sober, balanced kind of person, very easy to be with.

There had been some rough moments between Shultz and the White House, but not with the president. I think that the president, by Geneva, had developed a lot of confidence in him and in his team. Because his team, Paul Nitze and others was, you know, a very good quality group. So I think he played the role that a secretary of state should have played in that setting - advisor - but not overshadowing the president. Unlike Kissinger, he was very conscious that he was number two. He was conscious that he was not the president and that he should not be running around doing press interviews in Geneva, getting attention for himself, that this was the president's meeting. He worked very hard with Shevardnadze. They had a really good working relationship. They met very often and had a lot of respect for one another and that made a big difference.

Q: During this period, what about your old boss, Henry Kissinger? Was he sort of a free floater? I don't recall but I think it would be very hard for him not to be involved.

PALMER: Yes, I think it was hard for him not to be involved, but the Reagan White House didn't have a lot of use for him. There was a fair amount of mistrust. So, I think he may have been used on one or two things. I'm trying to remember now.

Q: You said Central America.

PALMER: That's right. He did the commission. But in general he was not integrated. He was not constantly being sought out for advice.

Q: During this period, did you run into any particular problems with the White House, with its dynamics in all of this?

PALMER: I think the very early period when Dick Allen was there in '81-'82, there were some problems. But then it smoothed out. I remember Haig once said to me, "Mark, you go over and deal with this. You have good relations with them." This was the "Zero Options" speech for the president on theater nuclear forces. Actually, I didn't have a lot of problems with them.

Jack Matlock eventually became the head of Soviet stuff when Dick Pipes went back to Harvard. Jack took the job as sort of my counterpart - the guy in the NSC dealing with Eastern Europe and the Soviet Union. Matlock, of course, was a career officer and very, very competent. He had, in turn, developed his own good relationships within the White House. That was really important because then there were two us. We worked well together. And he had confidence in people in the White House and I did, too.

So, actually, from relatively early on, I didn't have any problems with the White House. I liked working with the people over there including the speech writing staff. I had very good relations with President Reagan's full time speech writers.

His '82 speech was one of President Reagan's favorite speeches. When he left the presidency, he did a tape about his time as president and he singled that out as one of his two or three defining moments and his favorite speech.

Q: That was the one to the British Parliament, wasn't it?

PALMER: Right. I have a letter from him thanking me for being the idea person for the speech. So you know, on the whole relations were good. Now, Shultz, as he relates in his book - which I've not really read thoroughly - but anyway, he had from time to time various problems. I had a good relationship.

Q: Well, you'd done your four years which was a long time in that hot spot. You were mentioning you wanted to go to Hungary, and I take it that Shultz backed you up?

PALMER: That's right.

Q: Were there any problems getting the nomination?

PALMER: No. No, it went through without any controversy at all.

Q: Any problem with the Senate? I would think that Congressman Funderburk (a former ambassador to Romania) might have raised problems.

PALMER: He got me later but not then. I don't know why. Maybe he tried, but I was not aware of any problem at all. It may have been because Rick Burt and Roz Ridgway were going through their confirmations at that point and Helms did focus on them. I was close to both of them: Rick because I worked for him before; and Roz because I was working for her at the time.

And they had real trouble with their confirmations and I was there when Helms went after them. I mean I was in the room, a relatively small room in the Senate, when he did his attack at both of them. And they performed magnificently, I mean absolutely squashed Helms. It was really a wonderful performance!

Q: Isn't it dangerous to squash a senator?

PALMER: They did it in their own ways. They really are quite different people. I don't know whether you've interviewed both of them. Roz did it in a very contained way, but hugely powerfully. Rick did it in a very aggressive, finger-pointing, shouting fashion. Maybe this is the difference between a career officer and a political appointee. Anyway, they both squashed him, to my immense and continuing delight! (Laughter)

Q: Well, often I ask somebody who goes out as ambassador, "What sort of briefing did you get in the United States?" because that could have taken place as you're lying on your bed, right before you go to sleep. (Laughter)

PALMER: Right. Obviously, I was well briefed. Actually, the person who was most helpful to me in that sense was Nick Salgo, who was our ambassador in Budapest. He was of Hungarian origin. He speaks Hungarian better than he speaks English. Nick and I spent an immense amount of time before I went out there with him making me "Hungarianized," to a degree that I certainly wasn't. I was a Russian expert and not a Hungarian expert.

Q: He has been interviewed by our program.

PALMER: So Nick was very helpful to me. I cannot say enough about how good he was to me during that period.

Q: You served in Hungary from when to when?

PALMER: From '86 to '90, early '90.

Q: We've already talked about the situation there. What were you packing in your ambassadorial attaché case as far as an agenda? Everybody has one. What did you want to accomplish?

PALMER: Well, I've had this sort of civil rights thing in me since I was in SNCC and CORE at Yale. I thought, "Well, finally, now I'm running my own show overseas." In Moscow, I'd been in the political section and done the dissidents, you know, etc. In Yugoslavia, I'd been particularly been interested in the internal political stuff. Anyway, so I thought, "This is really terrific. Now I can make the whole embassy focus on this stuff."

Fortunately, I had people in the embassy who were sympathetic to that also. So, when I arrived, the first thing that I recall at least, was to ask my political officer to gather the number one dissidents in the country for dinner in the Gellert Hotel dining room, which was a very public place and sit down with them and say to them, "I'm here and I'm yours." And that's what I did, in the presence of course of monitors, of their watchdogs and mine. So that was one part of what I wanted to do.

Another part of what I wanted to do, which is what every good ambassador wants to do, which is to build out the bilateral relationship in all of its dimensions. And I certainly started out trying to think creatively about what could be done. I had early on gotten to know George Soros, here in America. We worked very closely together to do things I wanted.

It occurred to me fairly early that it would be good to have a business school there, an

MBA kind of school which didn't exist anywhere in the communist world. I went to George and asked for the money.

After much fighting - because he had never given more than about 30 or 40 thousand dollars to any individual thing up to that point - I finally bludgeoned out of George 10 to one matching. He agreed that if I could raise four million dollars, he would put up $400,000 to build a business school.

And I did. I raised the rest of the money, no U.S. government money at all. I didn't go there with that, but very early after getting there, I had that idea and did make it happen relatively early on.

Q: Where did Soros' money come from?

PALMER: He's a trader/ investor, both trades in commodities and currencies, stocks and bonds, he's a hedge fund manager. It's also his own money. He started with virtually nothing and built up what has been the most successful single investment vehicle in modern financial history along with Warren Buffett, I guess, but George is broader than what Buffet does.

Q: How does one raise non-government money as a government official?

PALMER: Go around, put your hand out, beg with everybody. Completely unlikely sources and obvious sources. Foundations, other ambassadors, bankers. I mean, anybody, I hit up everybody I could find.

Q: With the business school, did the Hungarian government go along with it?

PALMER: Yes, and I don't recall any skepticism, either. They didn't go out of their way to help it happen. I'm sure there was a little bit of nervousness probably by somebody, but there was never any criticism, never any praise either but never any criticism.

Q: From the beginning, was it going to be a school that was based on the Western system? I would think it would have to be.

PALMER: Yes, absolutely. We partnered with Pittsburgh University, with their business school. We brought in American professors from Pitt and from other American business schools to team teach with Hungarians. The idea was to make it a regional business school so we, from the beginning, had students coming from a variety of countries, Bulgaria, the Czech Republic, etc.

So let me think what else were my things that I wanted to do in the beginning. A broad bilateral agenda I wanted very much to do. I guess I was not particularly interested in the larger questions of Hungary in the world. I mean Hungary and Western Europe, Hungary and the Soviets. We did spend some time on that. I got to know the Soviet ambassador well. We even ultimately ended up doing some things together.

I tried to get close to the leadership. I got to know Kadar fairly well and had access to him whenever I needed it. I got to know all the hierarchy within the Communist Party and played tennis with them very regularly.

So I tried to play both sides. I think when the crunch started to come in '88 and '89, that was important that I had in depth relations with everybody. I think and hope that they all trusted me because I was very up front about what I thought Hungary's future was.

Q: You said that civil rights was a major concern. On the ground, what did you find was the situation there and were you able to do anything?

PALMER: Well, I remember at this dinner at the Gellert, I asked Janos Kis, who was the kind of godfather of *Samizdat*, and…

Q: Samizdat means "self publish." It's the underground paper.

PALMER: Right…of the dissident community such as it was in Hungary. And it wasn't very robust. I asked Janos what he wanted, what I could do to help? He said they'd been having their passports taken away, that they couldn't travel. So if I could manage to get their passports back, that would be a good thing.

So I said, "That's fine and I will certainly work hard on that, but surely we can be more ambitious than that. Why don't we start thinking about how to get some trade unions set up that are independent of political parties eventually, some independent media? We should be thinking a whole range of things here beyond just getting your passports back."

Janos was sort of nonplused by this. He didn't really think that was something that was going to happen very quickly. I don't think he knew how to come to grips with what I was saying. And of course, I didn't either. I mean I was willing to say that, but then to actually get about doing it wasn't so clear what you could do. So I guess what I'm saying is that the movement at that point was pretty minimal…there were some very, very good people. And they had been trying. But there wasn't much in the way of organization.

The most interesting thing that started to come about then were the environmentalists. There was this growing controversy about the dam on the Danube River with the Slovaks. So they had a cause that was sort of a legitimate national cause, that the Commies had a hard time putting down.

They were the first ones who actually demonstrated in the streets so I did spent some time with them. Ultimately, I actually helped to create a regional environmental center which the U.S. funded most of in the beginning which provided some resources for them for that movement.

Q: I would have thought that your working with the dissidents would have caused a certain coolness in the relations with the Hungarian authorities.

PALMER: From time to time, it did and they complained. Gyula Horn, who was then foreign minister and subsequently has been elected a leader of his country in the democratic era. Anyway, Gyula complained to Jim Baker personally about me at one point and I was recalled to Washington and reprimanded. So there were times when this surfaced and it wasn't always easy to deal with.

Q: Well what happened? So you're called back to Washington and reprimanded. I mean what did this mean?

PALMER: Well, you know, I took it very seriously. Maybe I took it even more seriously than it was meant. I don't know. And I did subsequently leave the Foreign Service. Now, how much these all played together, it's not always easy to know.

But I think Jim Baker didn't like me. I think saying he had it in for me is too strong, because I don't think he thought much about me period, one way or the other. But I think he had a basic negative view of me and this played into it.

I think the negative view went back to an earlier stage in '81 when I did the debt restructuring for Yugoslavia and for Poland. I chaired the interagency process on that. I did debt restructuring and he thought Treasury should do that. He was then Treasury Secretary. So there was a sort of bad blood from that time.

But you know, I think Foreign Service officers, when they get into certain situations - and this happened most recently with a desk officer for Bosnia - that there are times when, if you feel strongly about something, you have to stand up for it. And it might be career ending.

Q: Bush came in '89, so Baker was secretary of state. It was in '89 that you were called back?

PALMER: Yes, in March of '89.

Q: Yes, this was before the whole place imploded or exploded or whatever the whole of Eastern Europe. Was it that we weren't sort of supposed to be sort of stirring up the natives, is that it?

PALMER: Right. That was the concern. Horn said that I was making it more difficult for them to deal with the Soviets. He said that the Soviets were focusing on me and what we were doing. He said that the Soviets were saying that we - the U.S. - were destabilizing things and that they - the Hungarians - weren't standing up and stopping it. Rude Pravo had an editorial, the main communist newspaper, calling for my being thrown out and the East Germans had also attacked me. During a visit to Washington in 1998, Hungary's President Gonz, a former dissident, commented to Vice President Gore in my presence that I had been "The best Governor that Hungary ever had."

Q: Well, this is quite a bit of a focus on one lowly ambassador in Hungary, in a way. I mean to have the Czechs and the East Germans come in. What were you doing that was enough to raise a stink?

PALMER: Well, not because I was doing it alone. Obviously, there were much larger forces at work. I was part of this process of trying to help the democratic forces in Hungary get organized and make demands.

This is including the fact that I marched in the street in March of '89. I went out and walked with the opposition for four hours through the streets of Budapest. I was filmed by ABC and others doing this and was on Hungarian national television.

But I think that if you looked at it through the eyes of the East Germans or the Czechs or the communists in Moscow, here was an ambassador who was sort of not acting in a traditional fashion for an ambassador and was getting away with it. They were all worried about their own internal situation - particularly the Czechs and the East Germans - and the prospect for them of getting kicked out of power.

They all saw themselves as one, you know, all the East German leaders, East Europeans saw themselves as part of the same thing - and that if any one of them got thrown out it could start a domino effect. So they talked a fair amount among themselves, the leaders of these countries, the security services.

They didn't like change agents, let alone dissidents or, in my case, an embassy. The French press, called me the "proconsul of Hungary" during this period, that I was like a proconsul, that I was dictating what was happening.

And it is true that I had, we had considerable influence, but we had it because of these larger things that were going on. So, anyway, I look back on this period with great pleasure. I know it wasn't the normal way people do things in diplomacy, but Harry Barnes had done some things like this in Chile. And I think the Foreign Service in its finest moments does do these things.

Q: Were you sort of holding seminars with the opposition and the dissidents telling them what they should be doing?

PALMER: Right, including in my living room, yes. We brought people in to train them. I brought people in from the AFL-C.I.O., from the National Democratic Party Institute, the Republicans, etc. to train them in trade unions and party formation. You know, how do you do all of these political things? How do you organize trade unions? We became increasingly and extensively involved in setting up a democracy.

Q: Did you have the feeling that, looking at it maybe at the time, that the Bush administration was in a way less revolutionary than under Ronald Reagan?

PALMER: Yes, absolutely. Bush had much less vision, much less vision. It was very discouraging for me. I had a lot of respect for George Bush, but this is not his strength.

Ronald Reagan was a much greater president in that regard.

Q: It seems that Reagan gave a thrust, a vision.

PALMER: Right, and that's a very important thing to do. Many people don't understand the importance of a single or a set of ideas in foreign policy. They are really, really critical. We are the leaders of the world. We have a set of values which are inherent in the way we are. And they are good and right values. They are the future of the world and we should strongly voice them and strongly stand up for them and operationalize them.

I don't think Bush was comfortable with that. Baker was definitely not comfortable with that. He's too conventional and it's sad when that happens. There's no reason for that. This is not our strength.

Q: What about the events of later in '89, coming from Czechoslovakia and East Germany? In fact, Hungary was sort of ahead of everyone, wasn't it?

PALMER: As I said earlier, if I had to rank order peoples - not nations - but peoples who deserve credit for their process of change, I would put the Poles first, the Hungarians second. And the Russians are certainly in there, too; then the East Germans. I'd put the Czechs down on the list in terms of change agent.

But, certainly the Hungarians were important. They really did get going in that period in 1989 and in some things earlier. But particularly in '89, it really got rolling. And by the time President Bush came to Poland and to Hungary in the summer of '89 - July, if I remember correctly - things were really rolling then.

I was very, very disappointed with the attitude he and Baker had towards what was going on in Eastern Europe, because they were nervous about it. They didn't want to encourage it. I think it would be unfair to say that they actively discouraged it, but they did caution the opposition in Hungary - in my presence - and even, as I recall, the leadership in Hungary about not going too far too fast.

I don't want to demonize anybody. Bush and Baker were not saying, "Let's go backwards." They weren't saying that we shouldn't keep going forward. But they were very, very cautious.

Q: Did any of the dissidents and opposition or even the Hungarian apparatchik, the leadership, make comments? You know, "You, Mr. Ambassador, seem to be going this way. And your president seems to be not quite on the same course."

PALMER: No, I think we managed fairly successfully. I, of course, always acted as if we had complete clearance from Washington. And if they sensed something, which they may well have, they never brought it to my attention. If they had, I would of course have firmly said no, that it was wrong.

I felt myself that I knew what the American people would want me to do, that I knew what Ronald Reagan wanted me to do when he sent me there. And George Bush in his finest moments also wanted that. Baker, I always felt, was more cautious.

Q: Did you see things changing, I mean as '89 was sort of moving along in Hungary?

PALMER: Yes.
Q: Was this coming from within the leadership?

PALMER: No, it was mostly coming from outside of the leadership. It was coming from these dissidents, from Fidesz, which is the youth group. Victor Orban has now been elected prime minister. He was then one of the leaders of FIDESZ, this youth group.

He was here in Washington two weeks ago. He said very nice things about what I did during this period to the whole meeting. At Freedom House there was a luncheon for him, that I co-hosted. He went through this period a little bit and said how important the embassy's role had been in encouraging them.

So FIDESZ was very important as a change agent. And there were others. This man, Janos Kis that I mentioned, a somewhat older philosopher and teacher, these types. The environmentalists were very important. I never felt then and I still don't feel that the Communist Party types, the system, was really a change agent. I think they were reacting. They were playing catch up to what was going on in the streets and at the dinner table.

Q: Well, didn't they at one point open up the border?

PALMER: Yes, but, again, under pressure. One of the border opening questions was whether they were going to let East Germans who were there go on out to Austria or force them back to East Germany. And they dithered about that for weeks. And went to East Berlin to talk with the East Germans who were, of course, demanding that these people be returned. Horn told the East German leaders that they and the Czechs should close their borders--- hardly the position of someone favoring progress and freedom.

Q: Yes.

PALMER: They went to Bonn to talk with the West Germans about what to do. They talked to me. I told them they could forget about trade and investment from the U.S. if they sent the East Germans back. There was a big "kafuful," you know. I think they really wished it would just go away. They said it wasn't their problem and in a sense it wasn't. In another sense, it was.

What's sort of bothered me since then is that Gyula Horn - who was the foreign minister then - has become a real hero in West Germany. In Germany, he's seen as the person who opened the border and let all of these East Germans go. Well, I think he would fully deserve the credit for that if his immediate instinct had been when the issue arose, "Yes, of course, we ought to let these people go!"

That wasn't his immediate instinct. He had to be bludgeoned. Now the East Germans were bludgeoning him, too. So he was getting pressures from various directions. I guess one can understand that this wasn't something where you could sort of just say, "Okay, screw these East Germans, even though we have all these ties with them; and we've been working with them for years; and even though they're our fellow Commies; and we're in the same boat." You know, he and the others, mainly he as Foreign minister and the others, had to pause and reflect about this. Okay.

But that they then should get this immense hero position in West Germany - Chancellor Kohl treating Gyula Horn as some kind of godsend, like Gorbachev has been treated by many people - has always struck me as disproportionate to what actually happened. And the people who really made things happen, people like Janos Kis, had been forgotten by the German Government and others.

Q: Yes.

PALMER: Westerners never paid any attention to them. When I introduced Jim Baker and the president - George Bush - to Janos Kis in my living room, it was like, "Who is this strange guy with a beard who looks like Woody Allen?" you know.

Q: Yes.

PALMER: But in fact, it was Woody Allen who made this happen.

Q: Well, what about Woody Allen being a movie comedian, sort of a commentator but not a serious figure?

PALMER: Right.

Q: What about the youth movement?

PALMER: It was just terrific! FIDESZ, this youth group… Fiatal is the Hungarian word for youth. And that's what the [fi] in FIDESZ is. Anyway, they were really wonderful. They were, far and away - even more than the Janos Kis,' the older generation of dissidents - the young Hungarians, (those who were 18 and 19, 20) and they had the clearest perception of Hungary's future, which was to be part of Europe:

No ifs, ands and buts. No third way, no bullshit. Just take your economy and your political system and become West European. Become normal and join the world and get the hell out of the Warsaw Pact and Commie Con and all this bullshit. Just be normal.

That is the great advantage of youth in political change situations. They can have a black and white and correct vision. And they had that. And not only did they have correct vision but they were willing to act on it. To go into the streets, to demonstrate in front of the Soviet embassy, which took real courage. Because there were still troops there,

Russian troops. And, you know, people disappeared. Nobody knew. Anyway, they demonstrated in front of the Soviet embassy. They did a lot of things.

When Bush came that summer, I arranged it so that Fidesz, its leaders - that he had a meeting with Fidesz alone. I arranged they went around with him, traveled with him in the city, introduced him to the university where he gave his main speech. These things were symbolically very well understood.

And of course the communists hated what I was doing. They summoned me five times before Bush arrived to complain about these things. They said I was being irresponsible and all this stuff. They said, you know, that I should not do all this junk. And, why was FIDESZ…and was going to bring about bloodshed, you know, all this kind of stuff. But you know, Bush obviously didn't understand at all why it had any meaning. But in the Hungarian context it had a lot of meaning because FIDESZ stood out clearly as the voice of no compromise.

Q: How did you respond to the Hungarians, because I think they would be calling the shots on a visit?

PALMER: I'd just stall them. They wanted him, for example, to lay a wreath at the Heroes Monument, which was a kind of communist monument. Every leader who'd ever been there had always done that. And I just said, "No. You want a presidential visit? There are certain things we're not going to do."

So somebody else laid a wreath there while he was there. I've forgotten who did that. Baker or somebody did but I was <u>not</u> going to have the president do it. And I was going to insist on certain things and they badly wanted it. So I knew I had a lot of leverage.

It was a great visit in many ways. The symbolism was great. And no American president had ever been to Hungary, ever, at any time in the history of the nation. So it was special that way, too. And Bush was in all public ways wonderful.

Q: Well, Mark, should we just conclude here, do you think?

PALMER: Fine.

Q: Because you left, I take it with sort of a… I won't say a sour taste in your mouth.

PALMER: No, I actually... We might at some point…. I'd better not do it now because I've got a meeting. We might spend another 15 minutes on what happened when I left. Because, at least for me…it may not be for anybody else, but for me it was an extraordinarily bitter ending to my Foreign Service career. And I wouldn't mind having it on the record, what in my view actually happened.

Q: All right. Okay, good.

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This is the 6th of January 1999. You wanted to talk about your leaving. I think it's always interesting when we're doing this history to understand some of the currents that flow within the - you might say, the diplomatic or foreign affairs, Foreign Service, Department of State - community. Because it's not always all peaches and cream and champagne and truffles. And I wonder if you'd talk about that? You mentioned the bitterness. Would you talk about that?

PALMER: We're sitting today - as 1999 opens a new year - in Washington, which is full of passion and bitterness over issues of corruption or scandal or alleged misbehavior.

I want to tell my tale because I think it is one example of where a Foreign Service officer got caught up in something - which in his own judgment, biased as that is and subjective as that is – was not his fault, not his doing. It was, however, part of the way Washington has become and is very unfortunate, I think. So, let me tell my tale and anybody who ever listens to this or reads it can make his own judgment.

In 1989, as I looked forward to leaving Budapest the following year, my ambassadorship being for four years and coming to its happy conclusion, because I loved both the Foreign Service and I particularly loved my time in Budapest, I started necessarily to think about what I was going to do next.

I most of all wanted - as I had wanted virtually my whole career in the Foreign Service - to go to Moscow as ambassador. I was a Russian expert. I had been the deputy assistant secretary responsible for the Soviet Union and the senior, therefore, Kremlinologist in the State Department.

I had been told by a variety of people, including Larry Eagleburger, that along with one other Foreign Service officer, my name had been tried out before the Senate Foreign Relations Committee to be one of the career candidates to go to Moscow to be the next American ambassador. And I understood from a variety of sources that Jesse Helms had strongly opposed my name for reasons that go back a long ways. So Larry told me that Moscow was not possible but that the Philippines was likely if I wanted to do that.

As I was sort of mulling that over, some business friends of mine came to me in Budapest. They said to me that they also had understood that I couldn't go to Moscow. They wanted to know if I'd be willing to join them as president of a new investment company focusing on Eastern Europe. This had the major advantage for me of allowing me to stay in Eastern Europe. This was the region that I had spent my whole Foreign Service career dealing with and for which I had great passion, particularly as the Berlin Wall had just come down.
This conversation took place in December '89, the Berlin Wall had just come down. The barbed wire between Hungary and Austria had been down for some months. It was clear that there were extraordinary things under way.

For me to leave the region and go off to the Philippines - though I thought the Philippines was very interesting - meant going away from the region to which I had a personal commitment going back to my time as an undergraduate. I had lots of friends and an emotional connection. I had a desire to be helpful at a time when finally we as Americans were achieving our objective with bringing radical change in countries that had suffered under communism for so long. So the fact that these friends were prepared to finance me in my own company-

Q: Excuse me, were these European, American or mixed or what?

PALMER: Americans and Canadians, almost all of Hungarian origin. They included the Lauder family - Ronald and Leonard Lauder of the Estée Lauder Company; and the Bronfmans of Seagram's. They included a variety of Canadians such as the Reichman family, who were the third wealthiest family in the world. Peter Munk was a very wealthy Canadian also of Hungarian origin, Sam Zell and Mel Simon…. among the largest owners of real estate in the U.S. etc.

So there was what I ended up calling, and *The Wall Street Journal* quoted me as saying, "my eight gorillas," each of whom was worth a billion dollars, personally, net worth. So these were eight very wealthy men all with personal connections in Eastern Europe. All were extraordinarily smart, successful businesspeople. And they were willing to back me. They just walked into my office and volunteered this.

So I thought this was really an extraordinary opportunity to help myself - that is, to make some money - and also to do an immense amount of good in Eastern Europe by creating new businesses and creating jobs, creating wealth.

My wife and I thought about it - not for very long - and I decided that I should come back to the U.S. and see whether or not this was really serious. Was this just this one conversation or were these guys really serious? I came back and met with my potential future partners in New York and in Toronto, Canada.

It was clear they were very serious and wanted me to leave the Foreign Service immediately and start the company in January of 1990. So, having concluded - after two days of discussions in New York and Canada - that they were serious, I knew we had to be serious. So my wife and I sat, looked at each other and said, "This is great!"

But I wanted to find out what the State Department thought about it. Particularly I wanted to see what Larry Eagleburger - who had been my boss four times - what he thought about it. So I came down to Washington immediately.

I went to see Larry and said, "This is the situation and obviously I will stay in the Foreign Service, if that's what people think I should do. But it seems to me that this is a really good thing and I'd like to know what the president, President Bush and Secretary Baker wanted me to do, and the career Foreign Service. Was this something people thought would be good and I should do or should I stay in the service?"

And Larry said that it was clear to him that this was precisely what Bush and Baker and he and others thought was needed in Eastern Europe - that is, American investment and American involvement in the private sector. That it seemed to him a very good and normal thing, because he had gone through something similar, that is leaving the Foreign Service, going into the private sector, making some money, and then coming back in.

Q: He worked for Kissinger and associates as a consultant.
PALMER: Right. He was president of Kissinger Associates. He did a variety of business things, including serving on business board, a variety of things. Anyway, Larry said that many Foreign Service officers had gone through this process. That is, had left at a certain point in their career, some of them had come back into government subsequently.

Therefore, in his view, this didn't mean the end of my being involved in foreign policy. In his view it was a very good thing to do. He was confident that the secretary and the president would support my doing this, my going off and doing it. I said, "Fine. I'd like to see the secretary." He said no, that it wasn't necessary, that he would talk with the secretary.

He said that I should meet with the legal affairs people in the department immediately and take the actions one needs to take to insure that as you leave the Foreign Service you don't do anything inappropriate.

He asked me to meet with Ken Jester, who was a lawyer on his immediate staff. Larry was then deputy secretary. Ken was a lawyer and sort of oversaw"L" the legal affairs people in the Department. Larry said, "Go talk to Ken and Ken will advise you who to see and how to do this."

So I immediately walked from Larry's office to Ken Jester's office, talked to him about what I should do. Ken said, "Go see Jim Thessin, who is the deputy legal advisor for ethics and these kinds of situations. You should do a recusal letter. You should not involve yourself from this moment on in any business, trade, investment questions involving your embassy. You should recuse yourself and remove yourself from any dealings where there could be any potential conflict."

He mentioned to me that many people in the State Department including at that point Secretary Baker, Deputy Secretary Eagleburger, Abe Sofaer, the legal advisor; and many other senior people in the department were themselves recused. That is, they had signed letters of recusal and they were not allowed to involve themselves in various aspects of business -related things where there could be a potential conflict.

So I went down to see Jim Thessin in the legal affairs bureau that same day. He volunteered to draft the letter of recusal. I asked him a bunch of questions. I said that I thought that it was important for me to leave within two weeks, to leave Budapest within two weeks. I said I was eager to get going in my new life and that I'd like to go back to Budapest, say my farewells and leave. Jim said that sounded sensible to him. The next

day he got me a draft of the letter. I looked at it and it looked fine to me. They typed it up.

Anyway, the same day I saw Thessin I went to see the European bureau because that, of course, was my parent bureau in the department. I saw Curt Kammon, who was the deputy assistant secretary responsible for Eastern Europe. I went through this with Kurt. He said that it seemed to him, also, to be a wonderful opportunity both for me personally and for the region, a good thing to bring these heavy hitters in with a lot of money.

We were talking about a hundred million dollars of investment dollars. When you leverage it (that is, multiply it) you're talking well over a billion dollars of investment activity. So this was not some little thing. In fact, at that time it was the largest investment opportunity directed at Eastern Europe.

But Curt said that he felt, and he thought the bureau would feel, that I should stay until the Hungarian elections which were in March. This was because I'd been ambassador and my embassy had been very involved in the process of bringing democracy to Hungary. He felt that the Hungarians might not understand if I suddenly left, and couldn't I wait until March?
Q: We're talking now -

PALMER: 1990.

Q: When are you talking? Is it still '89 when you're talking?

PALMER: No, this was in January of 1990.

Q: '90. You're talking at the State Department.

PALMER: Right. It was the end of January 1990. So it meant, instead of leaving in two weeks, it meant leaving in two months, roughly. So I said to Curt that I was a little bit apprehensive because, of course, I was going to do this recusal letter, etc. but I didn't want a perception that I was doing anything inappropriate.

Curt said no, not to worry, that if I'd signed a recusal letter, that everybody had also signed recusal letters. This was normal and, you know, it was no question that I was in the process of leaving anyway. It was just two months as opposed to two weeks. It was not in my interest to stay longer, I wanted to leave to get my new company started but, you know, I'd been a Foreign Service officer for a long time. And I did what, by and large, I was asked to do. And this was what I was being asked; and I thought that, well, I should be flexible.

I knew my new potential business partners were not going to be happy. They also wanted me to leave immediately and get the company going, not keep diddling around. So, anyway, I agreed. I notified EUR and L and went back to my post, went back to Budapest.

Immediately, I sat down with my whole staff at the embassy, the DCM, the commercial attaché, everybody. I said, "I am now recused from doing any business matters. You need to help me to avoid any situation where I could possibly be doing something inappropriate." I signed the recusal letter in front of my staff, gave the DCM a copy.

Within a day or so after that, my partners wanted to announce that the new company was being set up and that I would be heading it. I had told the department that there would be a press announcement. I had sent the department a draft of the announcement, the press announcement.

Meantime, my future partners had been negotiating without my involvement. And without my knowledge had been negotiating their first investment. This was of a small Hungarian bank, that I had actually never heard of, that was part of the Hungarian national banking communist state owned system. It was a very insignificant kind of a bank., really a department of the government more than a full-scale bank. But anyway, my Hungarian Canadian new partners had decided that they wanted to get going fast, not wait for me. And so they had been negotiating this bank.

And in hindsight, unfortunately, they reached agreement on the bank at the same time that they announced the new company being set up and my leaving the Foreign Service. So, the announcement was sent to Washington and the announcement then was a day later made. And *The New York Times* put it on the front page with my photo and three of my partners' photos: Ronald Lauder, Albert Reichman, and one other Canadian partner, Andrew Sarlos.

So, that peaked a lot of interest in Washington because it was on the front page. It was the lead article in the upper right corner. And Walter Pincus of *The Washington Post,* in a certain sense I guess, was scooped because they didn't carry this. I think they carried it inside or didn't carry it at all.

Q: Yes.

PALMER: Walter Pincus, walking in the corridors of the department, as I subsequently learned, at about 10 in the morning, saw what's her name, who was the press spokesman for Jim Baker.

Q: Tutweiler.

PALMER: Tutweiler. Margaret Tutweiler, and went up to her and said, "How is it that Palmer can stay in Budapest as ambassador when he is now going to be involved in a new company in business in the region?" Margaret then went, as I reconstructed the events, to Bob Kimmitt who was Under Secretary for Political Affairs and Abe Sofaer, who was the legal advisor. And they then went to see the secretary. The secretary decided that I should leave Budapest the next day.

At the same time, the press announcement about the new company had been given to EUR and P.A., the public affairs people, in advance. The bureau EUR and public affairs had prepared Q and As for the noon press briefing which was going to be that day. Margaret had not looked at the Q and As. And she was not supposed to take the press briefing that day. But in the Q and As, the department and the bureau, etc. had done their home work. The professionals in the building had done their work. They had foreseen there could be a question about this. And they had said that I had done everything right. They said that I had been to see the legal affairs people; that I had signed a recusal letter; I had informed my DCM. They said that I was not involved in any of this, any business matters or whatever and there was no conflict or any problem. They said that I was leaving, but that the department had asked me to stay until the elections.

Q: Yes.

PALMER: So there were perfectly good answers to Pincus' question. Tutweiler didn't take the time to look at her stuff, rushed to see the secretary. The secretary didn't much like me anyway, and hadn't for a number of years. And he decided to just yank me out without, of course, consulting me.

And by doing that, he was creating the impression that the department was somewhat taken by surprise by the press announcement and what I was going to be doing. And he was creating the impression that there was something inappropriate, that I had done something wrong.

Well, I was livid. Ivan Selin who was then under secretary for management called me that day and said, "You're leaving in the morning."

And I said, "What are you talking about!?"

"You're leaving in the morning," he said.

And I said, "But Ivan, I haven't said my farewell calls and that's going to look terrible. It's going to create the impression I've done something wrong. I haven't done anything wrong. I did everything the department asked me to do. And I don't want to leave tomorrow. I want to do my farewells. The Hungarians are going to think and the world's going to think I'm engaged in some sort of criminal activity. In fact, quite the reverse. I'm engaged in trying to help out and I was encouraged to do this by the department. Why are you doing this?"

"Well," he said, "the secretary feels that otherwise the story's going to go on for days. People are going to keep asking why are you there. You should not be there because you're going to be doing business in the region. You should get out immediately."

I said, "Ivan, I request respectfully that you reconsider this because this is not good for the department. You all will look bad that you didn't do your own homework and this isn't right. It's not right to me. I've had an honorable career. I'm an honorable person and

I don't accept this. You've got to go back and review this again."

I called Larry and pleaded with Larry. I said, "Larry, you know the whole story. How can this be happening!?"

Larry said, "I wasn't involved. The secretary just did this." And in the meantime, they told the press. Without waiting to tell me, they told the press that I was coming back the next morning. So the press then called me in Budapest. *The Times* and *The Post* called me and asked for my side of this.

And I didn't want to piss all over the department. So, I didn't say, I didn't go through the whole thing with the press. I didn't think that was right. I should have given them chapter and verse, mentioned exactly who in the Department leadership had recusal letters on file and were still in their jobs not for a matter of weeks on their way out as was my situation, but indefinitely. Virtually every senior officer in the Department was in this situation, including Baker, Eagleburger, Sofaer. But I just said, "I haven't done anything wrong and I've followed the procedures that were explained to me to follow."

So finally, Ivan or Larry, I can't remember - Ivan finally called back and said, "You can take three days." I've forgotten if this was Friday or something. "You can come back on Monday." But meantime the Times and the Post went ahead with stories that made both me and the Department look awful - exactly as I had stated to Selin would happen. I looked like I had wanted to stay on and simultaneously and clearly inappropriately begin doing private business [which, of course, was the opposite of the truth] and the Department looked like it was incompetent.

So the embassy scrambled around. I scrambled around. We did one farewell reception. I rushed around and did one or two farewell calls on the government and left, leaving my poor wife there to clean up this awful mess and move us.

I came back to Washington immediately and went to Larry's office at least expecting an apology.

But Larry said, "You'd better get a lawyer."

And I said, "What!?" Because I thought that at least he would explain that they had screwed up and he was sorry.

He said, "There's an investigation."

I again said, "What!"

He said, "Yes, Helms is asking for an investigation and the Justice Department is involved, the Department has gone along and you'd better get a lawyer."

Well, I was absolutely dumbfounded! And shattered! Among other things I didn't have

any lawyers. I didn't know what to do. I went to see Max Kampelman who had been in the department and who was an attorney and who I knew knew Washington well. I said to Max, "What am I supposed to do!? What is this!?"

So Max called the department immediately while I was in his office. He was at Fried Frank, a major law firm. He was told, I think by Larry, that, yes, indeed I needed an attorney because indeed there was a potential criminal investigation going on. So Max agreed to be my counsel. I retained him, had to pay for him of course. He in turn got a litigator, another attorney.
And this process began with the I.G. and the department sending, among other things, a team. I think there were four of them who went to Budapest. They not only interrogated my former staff, my DCM and everybody, junior officers, everybody in the embassy. But they also interrogated Hungarians - the head of the national bank and others. Took three months doing this. Deposed me twice. And others - my business partners, all of my business partners were deposed by the department.

And then somebody from the department finally called my attorneys and said, "It's over." This took three months. "It's over." That was it. "It's over." Nobody ever called me. Nobody ever wrote me anything.

And I waited for about a year to see whether the department would <u>ever</u> have the decency to apologize to me for what I'd been put through. Nothing. Never a word. So I finally heard - somebody had been at an AFSA meeting where the I.G. - what's his name - who was the sort of terror then appointed to sort of be the barn yard dog on top of the department.

Q: Well, we can fill them in later.

PALMER: Whatever. Anyway, he bragged in a speech that he made to AFSA about what a good I.G. he was and how objective he was. He cited me and my case as an example of where he had vindicated a Foreign Service officer who had, you know, been accused of various things and he had vindicated him, found him to be innocent.

Anyway, so I thought, "Well, if he's now saying to the world, to a big AFSA gathering what a good job he did with regard to me and how innocent I was at the end of the day and how hard he'd worked to prove me innocent, he at least owes me something in writing."

Well, I wrote a one sentence letter saying, "I understand you've said this at an AFSA gathering. Would you have the decency to send me a little note saying something about your conclusions?" So I got a letter saying that they had found that I had done nothing inappropriate. So that's my story. And of course, it cost me about $60,000 in lawyers fees. And it could have cost me my new company and it forever tarred my reputation.

Q: Did you look into getting reimbursed on that?

PALMER: All I wanted was to forget this whole thing.

Q: Yes.

PALMER: Stuart, I can't tell you how traumatic and awful this was for me. I wept in the depositions. I was just shattered by this. I've always thought of myself as a principled human being. I was in the civil rights movement, in the State Department. I loved and love the Foreign Service with a passion. I adored representing the United States, particularly against the communists. I had a wonderful and honorable and respected career. I always fought hard for causes. And to be accused of doing something criminal was just absolutely shattering for me. And to have it on the front pages of *The New York Times* and *The Washington Post*, you know, it was just shattering. This was THE worst way to wrap up a life inside and was totally, totally unwarranted.

And, of course, it directly endangered my future with my partners.

Q: Of course it did, yes.

PALMER: They went around and interrogated all of my partners! If it hadn't been for the character and the strength of my partners, who stood by me through all of this, I would have both been out of the Foreign Service and lost my future business opportunity. So, yes, I could have turned around and sued the department both for my lawyer fees and for character assassination and whatever else. But I didn't want to have anything more to do with this. My whole feeling was, "I have to put this behind me. I've got to get on with what I deeply believe is the right thing for me to do," which was to bring investment dollars into Eastern Europe, to create companies and jobs.

And this is what I then did. And did on a very, very large scale. I think it's fair to say I did more investing in Eastern Europe during that period than any other individual or VC company. I created the first independent national television stations in six countries, which was of immense importance to the political development of these countries, to democracy stabilization.

I did a lot of very good things: built the American Business Center at Checkpoint Charlie, the largest single development in eastern Berlin. I did a lot of things that I'm proud of. I was the first American investor in the Baltic states, in Estonia, where I bought a cement plant and cleaned it up. It was the worst source of pollution in Estonia. So I did a lot of things that I'm proud of.

But looking back on this, what lessons are there to be learned? Well, I guess I should have understood better that - I mean I knew there could be a perceptions problem and that was precisely why I had asked originally to leave in two weeks. But maybe I should have done something more about the perceptions problem before the press announcement.

I'm not sure what more I could have done. I sent in the press announcement precisely so that there would be no surprises. I had done absolutely everything the Department had

asked me to do. In fact, the department itself had prepared itself to do the right things. But because Margaret Tutweiler didn't take the time to find out what her own professionals had done, the department screwed up.

Anyway, maybe I should have done something I didn't do. And if that's the case, I regret it, because it not only brought disrepute on me, it also brought disrepute on the Foreign Service. And that, of course, I deeply regret. I didn't obviously want that.

But I also think that this is an example of rush to judgment. This was Margaret Tutweiler, in the span of about 15 minutes, ruining a Foreign Service officer's reputation and bringing disrepute on the Foreign Service and the State Department, for no reason, for absolutely no reason.

If she had paused, talked to her deputy who was taking the press briefing that day, he would have explained to her that everything was fine. He would have explained that Walter Pincus' question had a perfectly good answer and they didn't need to do this. There never would have been any problem and none of this would have happened.

And Jesse Helms, when he went to the Justice Department as part of a long term vendetta against me, which was a vendetta that was due to my being a good Foreign Service officer, Jesse Helms should have been told to stuff it. The department should not be weak kneed and give in, as it's just done on Cuba, to Helms and all of his creeps.

Anyway, now that I'm a successful businessman (laughter) and I've made and make plenty of money, I don't shut up. I mean that's one reason I wanted to give you this little history because I think it's important, particularly for people who are at a position in their life where they don't have to worry anymore about anybody, to say what they think.

And what I think is that the department professionals did everything right. Jim Thessin and the press office did the right things. Larry Eagleburger did the right things. All the professionals did the right things, including I did the right things.

But the political types didn't. And the press didn't. Pincus knew me. He'd known me for years. Pincus should have known that I wouldn't do anything inappropriate. He was just doing what *The Post* has been doing about Clinton, you know, and all this other garbage.

Q: You're talking about the impeachment the Senate starts tomorrow.

PALMER: Right. So it's white hot right now. And I think this town is immersed in this muck. It hurts the Foreign Service occasionally, fortunately not very often, but it does occasionally. And this is an example of where it hurt us.

Q: In a way, doesn't this point out one of the things that I've always found disturbing about the Baker time in the department. Things were confined to such a small circle. With Margaret Tutweiler, one simply came away with the impression that her main concern was not the welfare of the United States but the welfare of James Baker, to make him look

good.

This I think had repercussions, major repercussions in his non- involvement in Iraq when they knew he should have. I mean other kinds of that nature. Here it's a small example but a horrendous example as far as you personally were concerned, this whole idea that, "We've got to do something immediately and make sure that the secretary is all right."

PALMER: Right. And in fact it made him look worse in my eyes. And I think in many other people's eyes because while this investigation was going on, I was being invited to join the boards of the most prestigious human rights groups in the United States: Freedom House, The National Endowment for Democracy, etc. They all asked me to join their boards so obviously they didn't think I had done anything wrong. Really who it reflected on was on Tutweiler and Secretary Baker.

And Bob Kimmitt, who as I mentioned was involved in this, came to me about a month into it. It was in February, or March. He asked me to come by. He was still under secretary. He said that he was sorry that this had happened. So, I mean, I don't know that he understood exactly what they'd done wrong, but at least he said he was sorry that it had happened. Margaret, of course, never said boo to me nor did the secretary.

Q: What about - the interview has gone over a long period of time - what were the roots of Jesse Helms' feeling about you?

PALMER: Well, I think it goes back a long way. First I was in SNCC and CORE in the civil rights movement and that was not well received by him. I had done a little bit of activity in North Carolina, although that had not been my main place of action in the civil rights days. But I think the more serious problem with him was when I was Deputy Assistant Secretary of Eastern Europe and the Soviet Union, he had a whole lot of things he wanted to do. For example, there had long been a part of the Serbian community in this country a desire to put up a statue to a man who during the war had been a leader of the Chetniks.

Q: Mikhailovich?

PALMER: Mikhailovich. They wanted to put a statue up on federal land in the District. Well, you know, there were a lot of questions about Mikhailovich and what a great democrat he was and what his values were. So the department for years, much before my coming along, had resisted doing this but I had-

Q: At a certain point, the British - I think it was McLean that made a judgment that he was overly collaborating with the Nazis and that's essentially why we withdrew our support of the Chetniks.

PALMER: Right - why we opposed putting up the statue in his honor.
Q: He was supporting Tito during the war.

PALMER: He was not an honorable man and in addition to that we had to fight Helms and his staff over the issue of slave labor in the Soviet Union where they wanted to stop trading with the Soviets over an issue that we were never able to really prove but proof wasn't necessary for Senator Helms. And there were a number of other issues.

What was, of course, particularly peculiar about his going after me was that at the same time, Ronald Reagan loved me. I wrote one of Reagan's three - his three favorite speeches I wrote. I was being given Superior Honor Awards by the Republicans. I worked very closely with Secretary Haig and with Secretary Shultz. I ran our very tough relations with the Soviets for a number of years. I had been beaten up by the KGB in Moscow. I mean I had a whole long history of anti-communism.

But I think the thing that really got Helms more than anything else was that his protégée, David Funderburk, who had been our ambassador in Romania when I was the Deputy Assistant Secretary - Funderburk felt that the department was against him and I was sort of the individual identified as being against him. Funderburk, then, when he left Bucharest as ambassador, came back and ran for Congress, worked directly for Helms on his personal staff for a while and then ran for Congress. Anyway, during this period, Funderburk was influential and I don't know for a fact but I wouldn't be surprised if that hadn't played a role in Helms' opposition to me as well.

So, whatever. I think the important thing is not to cry over spilled milk. The important thing is to try to learn something from this and I think the main thing to learn is that there shouldn't be rushes to judgment. The press should not be encouraged in their bullying tactics. We should not give in to them when they ask questions or push lines or whatever. We should have the courage to step back, look at the facts, and if there's something inappropriate going on, of course you should take action, but if there isn't, you shouldn't act as though there is something wrong going on.

Q: Did you find that The Washington Post particularly make any announcement about that nothing had been found?

PALMER: No, because of course the good news the journalists generally don't write up. And in fact the department never said that nothing had been found, never made a public statement except for whatever his name was - the I.G.'s statement to AFSA. The department never issued anything.

Q: Well, it's a sad note but I'm very glad we put this on your record here.

PALMER: Well, I appreciate the opportunity for the first time ever, really, to go through this in a recorded fashion.

Q: Yes, it's important.

PALMER: And I guess the last thing I want to say, Stuart, I was talking to Christy Kenny, who's now the first woman executive secretary of the State Department, who

used to work with me. I was talking to Christy a couple of days ago at a party. Christy had never heard of this. I made a passing reference to my bitterness and stuff about the way I was treated at the end of my career. She said, "Oh, what was that?" I mean I was delighted that she didn't remember.

But then what we turned to was that there is a perception within the Foreign Service that FSOs are not trained or suited or seen by the market place to be very salable commodities in their post Foreign Service career. I think that that's something that hopefully as you do all of your interviews that will come out. For it is not true.

Foreign Service officers are an extraordinary group of people. We, by the nature of the whole examination process, are the best. And the best are certainly capable of doing things after the Foreign Service and I think that lots of us - there were a number of people at this party - who have gone on to do good things afterwards: some in business, some in teaching, some in another aspect of public service, in a variety of different ways.

And I think it's important that that side of my story also kind of be part of my tale. That is, we, (as Larry Eagleburger) many of us can make contributions after the Foreign Service. And while people are in the Foreign Service they should look forward to that last stage.

I mean, Frank Wisner is another example, current example, of somebody who's going on and doing really well. Jack Maresca, who is vice president of an oil company, is doing really well in really interesting work in Central Asia now and in the Middle East. So people should think about their lives holistically and Foreign Service officers should, with pride, look forward to their post Foreign Service days. That's my last word.

Q: I'll agree heartily.

PALMER: It might make us more attractive.

End of interview