WILLIAM J. CLINTON PRESIDENTIAL HISTORY PROJECT

INTERVIEW WITH TODD STERN

January 31–February 1, 2008
Washington, D.C.

Participant
University of Virginia

Russell Riley

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Russell Riley: This is the Todd Stern interview as a part of the Clinton Presidential History Project. Thank you for allowing us to be with you.

Todd Stern: You're welcome.

Riley: I'll note for the record that we've had a conversation about the ground rules of the project, the most important one being the absolute confidentiality of the proceedings. You are the only person who may report on what happens here until you've had a chance to review the transcript.

How did you come into the orbit of Bill Clinton? Were you involved in the campaign in '92?

Stern: I was involved a little bit in the campaign. I went to work for Senator [Patrick] Leahy on the Judiciary Committee in June of 1990. He was up for reelection in '92. I did not feel like I could pitch out and go into the campaign full-time, but I knew a lot of people in the campaign. All of the political stuff for me started in '88. I worked on the Presidential campaign in '88 with [Michael] Dukakis, so that's where I started to meet people in the political world.

Riley: What were you doing for Dukakis?

Stern: I had a longstanding itch to get into political life, and I had not up until then. I contacted Susan Estrich, who was a law school classmate. I read a story in the *New York Times*. She became the campaign manager when there was a little problem. You may recall the [Joseph] Biden tape incident. There was a change at the top of the Dukakis campaign, so there was an article about Susan. I sent her a note saying, "I'm in New York, and I would like to get involved." I went in as a volunteer in the local New York campaign. I started off scheduling surrogate speakers. This was around Thanksgiving, roughly, of '87.

Then I became the issues director for New York City and State. When that was over, I talked my way into the national campaign and went up to Boston. April 19th was the primary in New York. I moved to Boston in early May. I was there for six months, initially doing a grab bag of issues, issue briefings and stuff. Then I was put on the team of about five people who did the research behind the Vice Presidential selection. After that I worked for John Podesta, who was running the opposition-research side of the campaign. In the course of that, I got to know a lot of people.

In any event, I was very interested in Clinton and in the campaign. I took my August vacation in ’92 and went to Little Rock, and I worked with friends of mine who were in the campaign full time.

Riley: The friends were?

Stern: Ricki Seidman, Michael Waldman, Bob Boorstin. I knew other people there as well, but those are the people I worked with. Maybe Podesta pulled me into this, but in any event, I ended up working from Washington on the debate book for the debate prep. At that point, I was back in my job in the Senate, but on the side I would do preparation for part of the debate book.

Riley: Was this focused on judicial nominations, or was this across the board?

Stern: No, the debate book is like a notebook with all of the potential issues that might come up in the debate. They’re set up in a particular kind of format: points to emphasize, what you might expect, how you would respond, things like that. There are maybe 40 issues or something like that. I wasn’t making this stuff up out of whole cloth. There were experts who would have submitted a few pages on XYZ issue. I then turned that into maybe one page of points to emphasize or to use as a response. It’s a particular kind of exercise, a specialized thing that happens in campaigns. I did that for, I don’t know, eight or nine issues or something like that. After the campaign and after the election, I worked on the transition also.

Riley: Also in D.C.?

Stern: In D.C. I don’t remember exactly what I did in the transition. I was helping do the write-up of the Justice Department, but that wasn’t the main thing I did. I may have been doing some research on potential Cabinet people, but I did a bunch of work. Again, I was still in my Senate job, and I was doing this on the side.

Riley: Were you on Leahy’s personal staff or on the committee’s staff?

Stern: On the Judiciary Committee staff. I was senior counsel.

Riley: They were comfortable with you doing this stuff?

Stern: Yes, I was doing all of my regular work. I was working long hours. I wasn’t ever in the campaign full time, but I ended up doing a lot of work both before the election and after. Then I was hoping that I would find something to do in the administration, but I got a call from Podesta, with whom I became very friendly. When I first came down to Washington, I worked with John and Tony [Podesta] at their firm before I got my job on the Hill. John had been a longtime Leahy guy, so John helped facilitate my getting that job. Anyway John called me up one night and said, “They’re asking me to be the staff secretary. Want to come and be my deputy?” That was it. That was probably in early January of ’93.

Riley: OK, but was it before the inauguration?

Stern: Yes.

Riley: So it was during the transition period.

Stern: Yes, and I think I officially started at the White House on February first or so. But starting January 20th, I was there probably five hours a day or so. I was transitioning between the two jobs, but I started working there on Inauguration Day.

Riley: What was the nature of your portfolio? Did you talk with John specifically about what your points of responsibility would be?

Stern: To some extent, but it's not a job that you find anywhere else. That's probably true with a lot of jobs in the White House, but it's really true with the staff secretary job. If you're working on health care policy on the Hill and then you go to work on health care policy in the White House, it's different but there's a lot of commonality. But the staff secretary work, what the heck is that?

Riley: Did you know what the heck it was when he first contacted you?

Stern: Only in the very most general way. We talked about it. In terms of responsibilities, the main thing I remember discussing was that it was obviously where all the paper going to the President had to come. Then you had to do various things with that paper. There are a lot of tasks involved in it, although I'm sure the job is different from administration to administration and even within administrations, depending on who does it. It can morph up or morph down. It can be, at the minimalist level, an almost ministerial place, or it can be quite substantive, a quite-engaged place, which is very much integral to the decision-making process of the President, which it was.

Riley: Did you get a sense from John whether he had an expansionist notion of this when he was first offered the position?

Stern: There would have been no need for me to ask John that question, because I knew John so well. John was at that time, as he is now, one of the absolute smartest political people in Washington. He truly integrates substance and politics. He's one of the best. There was no possibility that John was going to do a job that wasn't significant.

Riley: Sure.

Stern: I didn't worry about that. I'd always been interested in foreign affairs and international stuff, so I talked to John about wanting to be the focal point for a lot of NSC [National Security Council]-type material that came to us. He said fine and that happened.

Riley: Do you remember being surprised that John got this position as opposed to something else? Was he angling for something that had a larger public profile?

Stern: I don't think I knew that one way or another. I remember, from reading the paper and stuff, that there had been some talk—I don't know if I heard about this at the time or if I only heard about it after it didn't happen—about Tom Donilon—who I know is a friend of the Miller Center and of the University of Virginia—potentially doing a combination of this job and

Cabinet secretary. He ended up not doing that, and he went off to State with [Warren] Christopher.

This seemed to me to be an important, if not a particularly high-profile job right from the get-go, although one where you had to make it. You had to insert yourself. As I said, this job can be small or large, but I pretty much had complete confidence that it would be significant with John.

Riley: Did you do anything to prepare yourself when you came in? Did you talk to any of your predecessors, or was there anything that you read?

Stern: Yes.

Riley: Can you tell us a little bit about that?

Stern: A bit. John more than me. I went with John and we met, back before the inauguration, with the executive clerk, who at that point was Ron Geisler.

Riley: That's a career person.

Stern: Yes, that's a career person. There have been something like seven or eight executive clerks since [Abraham] Lincoln. It's true.

Riley: That's a guy we ought to talk with then.

Stern: Ron left after a year or two, and Tim [Saunders] replaced him. I wanted to talk to the executive clerk, because I wanted to know what I absolutely had to make sure I didn't screw up. So if you have a bill that has to get signed, or you have a proclamation or an Executive order, there are certain things that have to be done that you want to make sure you don't mess up.

The career people are incredibly good. There are only about a half dozen people in that office, but they're very professional; they're completely nonpolitical; they don't miss anything. We spent time with them and established a good relationship with them right away. John, I'm pretty sure, met with Jim Cicconi, who was the staff secretary under [George H. W.] Bush. I feel like there was another. I'm forgetting his name now. There was another staff secretary who I'm pretty sure John met with who also was under Bush I. [Ed. note: Phillip D. Brady]

Riley: But your sense is that he had gone to try to get information by word of mouth.

Stern: Yes. I was not with him at those meetings, but he spent some time getting his arms around what it was all about. I can't recall whether we met with the two superlative assistants who were in that office, Sharon Wagner and Fran Wessel, who, again, were nonpolitical and had been there for a long time. They made the trains run. It's a very small office, just a handful of people. There are a lot of people who report to you, if you count correspondence and record management and all that, but the office itself is just a handful of people.

Riley: Where were you located? Where did they set you up?

Stern: It's always in the same place, I think. It is in the West Wing on the ground floor. If you walk in off of West Exec—have you?

Riley: I've been in, but it has been a while.

Stern: You walk in from West Exec. There's a Secret Service desk right there. You turn right to the NSC, you turn left down the little corridor, and you get to a suite, part of which is us. There's another pretty large office there, where I think Marcia [Hale] might have been. David Gergen ended up going in there and then Mack McLarty and ultimately me. We were in the West Wing on the ground floor. I morphed into a climate change person.

Riley: Do you remember your first impressions of coming into the White House when you began working there? Was it what you expected it to be? You may have been in there before as a result of your job with Leahy. I don't know.

Stern: No, I had never been in there. At one level I think I was dazzled. It seemed unbelievably cool, to be honest. I remember being struck by the fact that there was basically not a paper clip there. It's a strange system, because everything is gone. The hard drives are gone from the computers. There was nothing there. We had nothing to work with, really, other than the conversations John had had and our meeting with the executive clerk and stuff. You start with the most minimal things, making sure that you at least get them working so that the President has a schedule, has events, has a briefing book. The briefing book has to come through you. People who are responsible for the various events have to write briefing papers. You have to do some of that stuff. You figure that out. You feel your way forward. But it was very exciting to be in that situation.

Riley: Were you the only deputy?

Stern: No. There was—I'm bad about names.

Riley: That's OK. We can come back and put them in later.

Stern: Initially there was a woman who ended up being there only a couple of weeks because she got an offer to go work in the NEC [National Economic Council]. She decided to take it. She was a smart woman. If you get an old directory, you can find her. I just can't remember.

Riley: Sure.

Stern: The longer-term other deputy was a guy named Paul Richard, a very nice guy. But there was another young guy who was in there for a few months.

Riley: Were there any big things happening at the outset that you had to contend with that were unexpected? In a position like that, I guess you have the day-to-day routine tasks that you have to contend with, but then there maybe are things that intrude themselves on top of that routine.

Stern: There were big things happening in the White House. It was an eventful beginning. There were the nomination problems of Zoë Baird and Kimba Wood, and there were the gays in the military. There was a lot of stuff flapping around the White House generally. The organization

was a bit helter-skelter early on. For a while at the beginning, a morning meeting was held in the communication group's area of the Old Executive Office Building, room 160. There seemed to be a million people in there. It had the feel of what you would expect in a campaign or something. After a while things changed, but there was still that feel to it.

In terms of our stuff, I don't remember anything standing out. At a silly level, I have a vague recollection of a guy from San Francisco, I think. He was Asian American, was another deputy, whose name I forget. I don't remember exactly when this was, but it was probably in that first few months. Somehow or other he got mixed up about what to do with a disc that had the President's speech on it. The President was about to speak at an event in Washington. The motorcade is leaving, and people are running around looking for him. He's sort of panicked, and he ran out and hailed a cab. You can't get where you have to go if you're not in the Presidential motorcade. [*laughter*] It was a disaster. John was running all around.

Riley: Was he the only one with a copy of the speech?

Stern: I think there had been changes to the speech or something or other, and he had the disc they needed. Some way or another, John got in touch with the Secret Service guys and they found him. This is a good job to have a certain amount of sangfroid. There are a lot of time pressures and deadlines and stuff like that.

Riley: Outline for us what the main components of the job were.

Stern: There are a bunch of different elements to it. At the simplest level, you have a briefing book that is going to the President every night, and you have to make sure that people are tasked to do briefing memos in the scheduling process. But at least for a while, that didn't always happen, so as early as you could, early in the afternoon, let's say, when you knew for sure what the schedule was going to be the next day, you'd reach out to the given office and say, "He's going to make this speech. He's going to meet with these people. We need some points. We need some background. We want it to look like this." We interacted with staff.

By the way, one of the interesting things early on is that people didn't use email very much at the beginning. It's only 15, 16 years ago. There was email, but people didn't have the habit of it initially. After a while everybody lived on that, but not at the beginning. There were memos that we sent out to people saying, "Here's what you have to do. Here's when you have to get it to us. Here's what it is supposed to look like," all that. So there's the briefing book.

Riley: Are you manufacturing what that ought to look like, or do you have templates from prior administrations?

Stern: We had a little bit of both. We had some things that we looked at from prior administrations that Fran and Sharon had and showed us. We modified them the way we wanted.

Riley: OK.

Stern: That had to happen every day. It was not a big part of the day. It just had to be done, and it had to be done properly. For the President in particular, if there was a speech or remarks he had to make, you had to make sure it was done.

Riley: And it's your responsibility to make sure that the book is in the right shape?

Stern: Fundamentally it was our responsibility to make sure that everything that went to the President was good, shipshape, and high quality in every way. This went from typos to substance to politics. Again, there were various elements to think about with this job. But at one level, we were the goalie. If something that was screwed up got all the way through the defensemen, we had to stop it, and that happened. That happened plenty of times. Something would come to us that was politically off or substantively wrong.

There's a briefing book, but there are other materials too. With the briefing book in particular, you'd want to make sure that anything that was being offered up to the President for him to say was fine for him to be saying. What you're dealing with there is of panoramic breadth. It's like, everything. It's some budget issue; it's a health care issue; it's what you're going to do with the PATCO [Professional Air Traffic Controllers Organization] workers who were fired by [Ronald] Reagan; it's "What about Kazakhstan?"; it's everything. It's all coming in. Obviously you don't know—that is, someone in my position or in John's position—a lot about all of these different areas, but you have enough breadth and substantive sense of things to have a good-enough ear and political antenna so that if there's something problematic or something that looks wrong or doesn't sound right, then you don't let it go forward. You kick it back and try to figure it out and talk to the people.

So you have the briefing book. You also have other kinds of paper that are coming to the President. You can break that down into memos that are asking the President to make a decision on something, which almost by definition is of some consequence or else it wouldn't be bubbling up to him. There are sometimes informational memos that don't require his decision, which we ended up handling in a particular way after a while, but not at the beginning. There are speeches; there's legislation to sign; there are signing statements or veto messages, everything having to do with legislation. There are Executive orders and proclamations that roll forward in a predetermined fashion. Such-and-such a day is whatever.

Then there's a certain amount of correspondence. The correspondence all goes to the staff secretary. There will be a certain amount of that, but only important stuff will actually go to the President. It will all come to us, but we will only send him the congressional correspondence or the other important correspondence to look at and sign.

Riley: Did you also get his private correspondence? Didn't he have a private zip code or something?

Stern: I can't say for sure what we didn't get. One of the things you do in this job is enforce the notion that it should all come to you and that there shouldn't be separate channels. We did a pretty good job of that. You never do a perfect job of it, and Presidents always have their own kinds of relationships and stuff. But I think that people within the White House did not end-run us. There were exceptions to that rule once in a while, but basically I think that was true.

But did stuff ever go in privately, such as friends sending things up to Nancy Hernreich or whatever? Sure, that happened. Sometimes we would know it because we would send stuff up to the President, but we would also get everything that came back down from the President, or at

least most everything. Sometimes we would get things back that we hadn't given to him, but not that often.

Riley: That's a bigger question. I had asked the narrower question about the correspondence that would come from his old pals in Arkansas or from Georgetown or whatever. There was a big network of those, right?

Stern: Yes. We did not get that.

Riley: Do you think maybe that went directly to Nancy?

Stern: I guess. I don't know.

Riley: Then the broader question is about how disciplined the process was. Were there any difficulties that you had with Cabinet members or with other people in the White House?

Stern: It was pretty disciplined. John is a pretty tough guy, and I'm pretty much of a stickler for that stuff too. [Robert] Rubin is a deep believer in process. Rubin is the opposite of an end-runner, and he would not tolerate it in anybody else. That was helpful, because that's one big chunk.

Riley: Right.

Stern: You had Tony Lake and Sandy [Samuel] Berger at the NSC, and I think you'd have an NSC thing once in a while that they would walk in separately, but they didn't have an instinct to go around us either. Similarly the Cabinet secretaries usually would funnel things through the Cabinet secretary in the White House, who also was not inclined to go around us. It was a combination. There was respect for John, and I think also for me. I also think that in pretty short order, there was respect for the work we did.

With the stuff that came to us—at least with respect to decision memos—we would always write our own substantive cover. Let's say you have a five-page memo. First you decide who you're going to circulate it to. That's a critical function of the office. There are sheets you make up with the names of all of the assistants to the President. With every memo, you rip off a sheet and then check the boxes of the people the memo should go to. This one needs to go to George [Stephanopoulos] and Mack and Leon [Panetta] or whatever.

You'd circulate that around and then give people a certain amount of time to get back to you. Sometimes they would; sometimes they wouldn't. Sometimes you cared; sometimes you didn't care. We would have a sense of who we thought it would be important for the President to hear from. In some cases you're giving paper to somebody because you owe it to them to keep them in the loop. If they don't get back to you, you don't really care. In some cases the President is not going to want to act on this unless he knows what George thinks about it or unless he knows what Howard Paster thinks about it or Rahm [Emanuel] or whoever it might be. So that process of running the decision-making and the input to the President's decision is a critical part of the job. We would do that.

Then we would write—and I did an awful lot of this—covers that would generally be on 6- x 9-inch paper. You'd be amazed at how much you can say, if you have a knack for it, in a small amount of space like that. I would take a three- or five-page memo or whatever and say, "Mr. President, attached is a memo that does" blank, blank, blank. "The gist of it is this. Here's what you need to decide. This is what Tony thinks. This is what George thinks. You can do A, B, or C." We never had the slightest worry with Clinton that he was only reading that summary, because Clinton is a reader. It wasn't a question of dumbing it down so that he wouldn't read the underlying, but we were framing it. We were framing it so that he could then go through the memo more quickly.

Somewhere along the way, after I had become the staff secretary, not the deputy, I remember somebody telling me that they'd keep notes of the conversations that the President had with foreign leaders. He was talking to John Major, I think it was, and he was telling Major, "I have a staff secretary. They're great. You have to get one of these. They give me these little synopses, and it makes my work go so much faster." So it was useful for him.

Riley: That's perfect praise. That's the highest praise.

Stern: Exactly. So what do you do in the morning? What are you doing all day? There's a lot. You're seeing everything that comes in. You're saying, "OK, this is important. This is less. This has to go today. This has to get circulated to people. This can wait." You're reading the stuff. You're saying, "This is fine. This is not perfect, but I can frame it up enough with my cover that it's good enough," or, "Oh, my God, this is a mess. I have to send this back." Interestingly there wasn't that much of that. There was plenty that I would not give an A to, but if it was solid, then with the little framing that we would do, it was fine.

Riley: And you're under time constraints. If you had to circulate this back, you would lose time.

Stern: Yes, sure.

Riley: It was easier for you to just fix it.

Stern: Absolutely. I don't remember who gave it to me, but I remember one time getting a decision memo that was about 19 pages long. It was intolerable. There's so much coming at him, you just can't do that kind of thing. So I sent it back and said, "You have to give me half that much." But it didn't happen that often.

Riley: And your cover memos went only to the President. They didn't circulate to other people?

Stern: They went only to the President on the way up. On the way down, he'd do one of those, like, backward checkmarks of his. He might write, "George, Gene [Sperling]," whatever. Indeed, even if he didn't, there would at least be a decision noted. If he wrote a note to somebody, then it would have to go back to them.

So it was absolutely imperative for us, and we always envisioned the job this way, that we had to be completely honest brokers. I had plenty of opinions on everything, but you had to play it straight. You can take a cover memo like that and tilt things a little bit, but you can't because different people have different views, and different people are going to see what you wrote.

That's part of what I meant when I said that after a fairly short period of time, we had a very good internal reputation because people would see what we sent up. Generally they'd say, "Wow, you kind of got the whole thing on that."

Riley: On a 6 x 9.

Stern: Yes, and it was straight. We weren't tilting this toward Rubin, or away from [Robert] Reich, or for this one, or against this one. We didn't do any of that. It was straight. People had confidence in that after a while. If they hadn't had confidence, I think that there would been a greater likelihood that people would have tried to end-run us.

Riley: Do you have any recollections of any instances where this didn't happen, where somebody complained to you about the pitch?

Stern: One. Not about the pitch. I have one recollection. I heard that there was a memo from [Lloyd] Bentsen maybe. Rubin was reportedly a bit miffed. Something from one of the people on the economic team—I think it was Bentsen from Treasury—had gone up without him seeing it. I sent a little note to Bob—This was early on, April or May—saying I literally didn't know what he was referring to, and we were scrupulous about trying to do this right, but he should let me know if there was something we screwed up and I'd try to make sure it didn't happen again. He wrote me back a very nice note saying, "No, don't worry about it. I tell everybody, reporters and everybody else, that you guys run a terrific operation and that you make the decision process work very well." So I have that recollection because there was a little back-and-forth exchange, but I don't remember anybody ever complaining about a slant. I don't think it ever happened.

Riley: What were you learning about the President and his decision-making style? Did he ever give you trouble with fostering end runs or with communications outside channels?

Stern: No, he didn't. He was very faithful. I have no doubt that he was talking to all sorts of people all the time in his vast network of personal friends and all that stuff, but in terms of the White House process, he just followed the process. Having Nancy there was probably helpful. She was a longtime career person, somebody that he trusted. It went from us to her. She'd give it to him when he was ready for it, and he'd kick it to her, and she'd kick it back to us. He wrote his notes all the time. There were a million people he'd write notes to, but it never went to them directly. I'm sure that at some point something went to somebody directly, but usually not.

Riley: Generally, then, he was following the process in a way that was helpful.

Stern: Yes, that's right. There are probably a lot of interesting questions about the President's decision-making process, which other people will have better insight into. Most of the time, if something was developed enough so that a policy was to go to the President in a decision memo, it usually was framed up so that he could make a decision.

There were two circumstances when that wouldn't happen or didn't happen. One was when a memo would come to us and half the advisors were on one side and half the advisors were on another side. This definitely happened after a while. I can't say that this was the way it was at the beginning, but we would try to work with the Chief of Staff. I don't remember this as well under Mack; I remember it a lot when Leon was there and thereafter. We'd say, "Leon, we have a

memo on this issue. These guys are here; those guys are there. Maybe you want to call a meeting and bring people into your office." He'd do that. We'd be part of that. People would try to hash their way toward something that was little more than "Half your advisors say black and half say white and you pick." We never thought that was a particularly helpful way to present something to the President.

There were also situations, undoubtedly many, where there were some big, tough issues, such as working through the budget, working through welfare, working through all sorts of health care decisions, working through all sorts of issues where it's not as if it came to us in a decision memo. There were meetings with the President. There were tough decisions to be made by people on both sides. Somebody who was at the table watching the President hack his way through what to do on welfare reform, for example, where you had a real split in the administration—or what to do on Bosnia, or what to do on any number of issues—would have more of a firsthand sense of that than I do. I have some sense, almost by osmosis.

On issues that were very difficult, I think the President had a capacity to go back and forth a certain amount. He's very different, at least from what you read as a civilian on the outside, from the current President. He is going to look at every side, and then sometimes go back and look at every side again, and then look at every side this way and think something through. He has a great mind, and he's going to process it at very much the substantive level, also at the political level. Both of those things interacted in a very organic way for him, as opposed to, "It's this, it's that, here we go, I'm done," which may be a caricature of the current President, but it's the sense you get from what you read. At some level, it's a strength and a weakness of Clinton. It certainly is a strength at one level to be able to see all of that. There are undoubtedly times when you worry through a decision too much, and I'm sure that happened with him.

Riley: Do you recall it happening when you were in the staff secretary position? Were there occasions when you needed to process paperwork on a deadline? I'm phrasing the question vaguely because I can't think of a specific instance. But were there occasions where you thought, *This has to get done if we're going to get it done*?

Stern: Usually not. There's one recollection that is maybe not exactly on point, but it is triggered by your question. It relates to that. It was the veto message for, I think, his only overridden veto. It was certainly his only overridden veto up to that time. Or it wasn't yet overridden when we were working on the message. A draft had gone to the President. There was a securities litigation reform bill. I don't remember all of the details, but the bill was a favorite, if I'm remembering this right, of the corporate side of life and not by the plaintiffs' lawyers. I don't remember the details, but it did something to make it somewhat more difficult to bring shareholder lawsuits in some fashion.

He wasn't pleased with the draft he had. He was struggling through where to be on the thing because I think he didn't want to be reflexively on the trial lawyers' side of things. He was a New Democrat and all that. I'm not sure I even knew for sure if what was bothering him was substantive or if it was political. I don't know if this surfaced on the ninth day or on the tenth day we had the bill. In the staff secretary job—again, because of the way that John and I approached these issues, which was always to be thinking substantively about them, even though we weren't the ones who were working up the policy—any number of times I would find myself in the

middle of the policy piece because I would have raised some issue, whether I was dealing with other staff people or whether I was dealing with the President. This was one of those occasions.

I was in the Oval Office with him, and I think Elena Kagan was there also. I feel like maybe Bruce Lindsey had done an initial draft, but the President was not happy with it. Whether it had started on the ninth day or on the tenth day, this was the tenth day. So we talk with them. I'm taking notes. He's rambling on about what he wants to say, and Elena and I are running down to my office and banging out a new veto message. Then we're going back up to the Oval, and he's reading it and getting it signed off.

It is terrible weather. It must be winter, and it's icy and very difficult to drive. I'm literally looking at my watch. Is the guy in the car going to get the thing up to the Congress before the time runs out? If he doesn't, it's law. It's the tenth day. Well, he did. The trusty executive clerk made it there. I don't know if he rode a horse or what, but he got there. I was in the President's office. He was working the phones. I think it was still that same night. He was working the phones, trying to get them to support the veto, but he was overridden.

Riley: In the secondary accounts of this President, certainly in the early stages of his Presidency, there are accounts of his—indecisiveness is not the right word, but it builds on the point that you were making about his wanting to see something from every angle and perhaps wanting to preserve his options until the very last moment.

Stern: Yes, I think there is a lot of truth to that. Your question was, did that reflect in our work? Did stuff get hung up? Generally not. Most of the time, it's not that the stuff we sent was easier or that when we would send a memo up that there was only one obvious decision. That's not true. It's just that the hardest stuff was often happening in meetings.

Riley: It's a very important point, because for people in the future who will come back and look at the paperwork, you're telling us that the decision memos are a subset of a larger set of Presidential decision making that may not be representative of the tough kinds of decisions that have to be made.

Stern: It is and it isn't. Look, it is true that you might have a decision memo on this or that tough issue, but there is another set of decisional discussions and worrying and thinking and agonizing that is happening outside the ambit of our decision memos.

Riley: But were you often a party to those?

Stern: More often not, I think. When I started doing full-blown policy, not from the staff secretary angle but in the form of the climate change stuff, then I was with him and the other leading people in the Oval Office talking about, "Do we want to go into Kyoto with this proposal or this or this?" People were arguing on different sides. That was very interesting to me because I usually was not part of that as the staff secretary or as the deputy.

Riley: Was there a learning curve for you in terms of figuring out how much the President wanted to read?

Stern: Oh, yes. I probably can't describe the exact arc of that curve, but after a while you'd get a sense. John probably got some feedback. You'd get it from Nancy. "This much? That much? When does he want it?" "He wants it in his phone and office time in the afternoon. He wants a lot or a little at night." There was certainly a learning curve that way.

I started to say earlier that after a while—This was probably at least a year into it—John got the good idea of just holding the informational memos and packaging them up. Let's say there were maybe ten information memos. We'd put them in one folder, and we'd write a cover that would say—not on the 6 x 9 but maybe a page and a half where maybe I'd do three lines or the other deputy would do three lines on each—"This is a memo that talks about," blank, blank, blank. You don't have to say so much, "Here's the issue," because it's not an issue for a decision. It is to inform him about something. He's just being told about something.

First of all, you have to decide whether this is something he needs to get at all. But usually it's not coming to us unless it is cleared through a top level. I haven't said that. Maybe that's not obvious, but people in the NEC or the DPC [Domestic Policy Council] or the NSC, at the midlevel, are not sending us stuff directly. They're going up through their own chains. If something is clearing *up*, it's coming through Sandy Berger; it's coming through Rubin; it's coming through Carol Rasco or effectively from Sperling or Bruce Reed. They're sending it because they think the President should get it. It could be a case where we say, "He doesn't need that," but usually we'll give it to him.

We would package it up in this way so that there wouldn't be ten folders that would go to him. There would be one that we would give to him on a Saturday. We'd hold it until the end of the week, when things were a little quieted down. We'd do a cover that would have a dozen items on it, a few lines on each one. Then he could read it or not read it as he wanted. We started handling those things that way so as not to be throwing too much at him all at once. As I said, he's a fast reader and a voluminous reader, so any number of times, we'd get back some 25-page policy-journal article all underlined and marked up. "Bruce Reed, you should see this. Why aren't we doing this?" We didn't send it to him.

Riley: It's coming from someplace else.

Stern: It's just coming from him. He's reading a few books a week, and he obviously sucked it up and could read fast. I don't know when he slept.

Riley: That was going to be the next question.

Stern: I had a funny occasion once. I'd probably been there a year or more, and I went up. It was kind of late. You hate to give him a briefing book late, but sometimes stuff would happen. Or maybe it was a memo. I don't remember if it was a briefing book or a memo about which somebody said, "He really has to get this." It was probably 11 o'clock or something. I went up to the usher's office in the main building and I said—I don't know who it was—Tony Lake or Rubin or somebody "wants the President to get this, but if he's sleeping, don't wake him." They started laughing. "No, this guy is not sleeping yet." It was about 11 o'clock.

Riley: Would you get the phone notes from conversations that he had overnight, or who did that circulate back to?

Stern: I don't know.

Riley: Assuming that there were notes—maybe there weren't—he was famous for making these calls late.

Stern: No, as I said, the one time I saw phone notes was when some nice person at the NSC came to tell me that thing about John Major because it involved me. But if it was foreign, there was an NSC process. We didn't get that. There were some things that didn't run through us, a few. One was personnel—initially Bruce Lindsey and other people. But that stuff, by and large, was memos saying, "You should appoint this person" or that person, or "Here are the options." Those usually didn't go to us. The health care stuff did not come to us.

Riley: Care to comment on that?

Stern: I don't know anything about how the arrangements got made, but I think what Bob Rubin always thought about the importance of the staff secretary process. Having worked the office as I did, I am a believer in the process, and I think it did not redound to the benefit of the process that it didn't run through us.

Riley: You think it would have been a more disciplined process if you—

Stern: It's not the case that everybody who mattered was cut out and never saw anything, because I'm sure they did see things. But I also surmised that there were things that would have been run quite differently through the process. Maybe additional people, maybe people who we would have included in the loop, whose views might have been important, weren't included. As I said, I know that when we would send things up and put our frame on them, they never had any spin. I don't know how the stuff went to him on health care because I didn't see it and John didn't see it. Not being a part of that process was probably not helpful. By no means do I mean to suggest that if it had gone through us then everything would have been fine, because I'm sure that's not true. There were more fundamental issues going on there. But at the same time, I think that there is a fairness—

Riley: But certainly discipline.

Stern: Discipline and a capacity to draw out all the best reactions from people who, after all, are pretty talented people in the first place. That is important. To the extent that stuff didn't go through that process—and there wasn't much of it, as I said—it was probably not helpful.

Riley: In two ways, right? One, the disciplining of the non-Presidential decision-making process evidently benefits from coming to you because you have the capacity to help shape and vet things that are teed up for Presidential decision making. So if the organism outside the Oval Office is functioning properly, then it is going to create decisions that are better teed up for the President, right? Maybe I'm missing the point.

Stern: No, that's probably right. We obviously were dealing only with things that were meant for the President's decision.

Riley: Exactly.

Stern: We weren't dealing with things that were teed up for, say, Sandy Berger's decision.

Riley: That I understand. But the other side of the coin was that there is also a disciplining, perhaps, in the stuff that is going to the President, and the way he makes his decisions can be affected and influenced by—

Stern: I agree with that.

Riley: OK, so it's that the other actors are better disciplined as a result of this process, and the President's role even within his own White House is more disciplined by working through this process.

Stern: It's more disciplined, but also, as I say, you benefit from—If there are people who are relevant players, who aren't going to agree with what you, the policy person, are doing, it doesn't serve to get around them, because it actually matters that the President hears from them, not from everybody. As I said, we probably had 25 names on our list, and we might send something to five or six or eight of them. But again, what you're trying to get from somebody who is operating our office is a feel for who ought to be heard from. That's a decision that we're making.

I wasn't inside the health care discussions, so I don't know if this analogy is quite apposite. But because it is something that I am familiar with, I'll mention that there was tremendous disagreement on the climate change policy process leading up to Kyoto. It was a very contentious policy process. If one side had been running that—for instance, if the environmental guys had been running that and had cut out the economic guys or vice versa—it wouldn't have served the President in the end. Again, that's probably not quite a fair analogy, because I don't know what the issues of contention were with health care, but certainly there were various ways to go about things. And it may be that even though it didn't go to us, everybody had a fair shot to say what they had to say. I don't know because it didn't come to us.

Riley: It helps the President be more effective. It's not just the question of discipline; it's the question of effectiveness. Maybe not so effective that the health care thing passes but—

Stern: It just helps him. It is a good thing that he hears from people who have perspectives that flow not only from their own abilities but from the particular vantage point that they have. If you're running congressional relations, you have a particular vantage point that is important.

Riley: Sure.

Stern: If you're running the economic side of life, you have a particular perspective, and that's important. So there are different perspectives. The President has to process that stuff, but if a piece of it isn't coming into him, he's not going to fully process it.

Riley: This is a President who was comfortable with dissenting voices?

Stern: Yes. I never experienced any yes-man mentality in the White House. That was absolutely a strength for him. He is extremely intellectually comfortable in his own skin; he's an intellectually confident guy. As I said, he likes to look at all sides of things. He's very happy to hear different sides of issues and to work things through. It is inherent in any White House that

anybody who works for the President wants to make the President happy. There's a certain amount of that. But I didn't think there was ever a yes-man mentality that developed around the President. If you look at the people who were the Chiefs of Staff, and in particular if you look at Panetta or Erskine [Bowles] or Podesta, they're not that kind. Neither is Mack, but Mack was a different deal. It's not that Mack is a yes-man, it's just that Mack was a less-dominant figure as Chief of Staff than the other guys.

Riley: I would like to get your characterization of the White House under the various Chiefs of Staff. I guess you experienced all four of them in different positions. There is a conventional portrait that the first year of the administration was a little chaotic in terms of organization. I'll give you a chance either to knock that down if you think it is an inappropriate picture or to comment on it.

Stern: No, I'm not going to knock it down. I was personally very fond of Mack. The President put him in that job advisedly—mistakenly but advisedly. Mack wasn't a Washington player. He's a smart guy, and he's an incredibly charming and decorous kind of guy, but he's not going to run a policy/politics process. He didn't have it in his bones. After a while, certainly when Leon came, it turned out that the morning senior-staff meeting bifurcated. There was a senior-staff meeting, and then there was the *really* senior staff meeting. But there wasn't any of that for a while, at least with Mack, that I recall anyhow. I guess there was after some time.

You asked me if anything big happened right away. Nothing big happened right away, but something big happened after a few months. In my gut I believe that the whole damn thing—I'm talking about the travel office incident—would not have spun out of control like it did if Panetta or Bowles or Podesta were there. It would have been shut down. Mack didn't generate it, but I think there was a time there when Mack could have said, "What the hell are you doing?" and he didn't. He was not that strong. He was a personal friend.

So you had Mack, and then his deputies initially were Mark Gearan and—was it Roy [Neel]? Not right away.

Riley: No, Roy comes in after about nine months.

Stern: Was it just Mark alone?

Riley: No, there was somebody else, but I can't remember.

Stern: It wasn't Phil Lader?

Riley: No, he came later. Phil Lader comes in afterward, right? Mark Gearan's position was supposed to have been Harold Ickes spot originally, right?

Stern: Yes, I think that's right. Roy came in after a while. I just don't remember whether Roy replaced somebody or—

Riley: There were two deputies from the outset, but I can't remember who the second one was.[1] Mark also was not somebody, at least by reputation, from what we heard, a disciplinarian in the Panetta mold.

Stern: No, he's not. He wasn't a real tough guy. He was a great guy. He was very able, but if you're looking at Mack and Mark and whoever else it was—it wasn't Harold; I know it wasn't anyone like that—there just wasn't a lot of strength in that. Clinton must have wanted to be the hub, not anybody else. But the President can't be the hub. The Chief of Staff can be the hub, but the President can't. Maybe at some historical point that was possible, but not anymore, given the size and complexity of the executive branch and the White House operation now.

So there were policy problems, and there were those wacky things like the travel office. You didn't have disciplined policy. You didn't have a Chief of Staff's office that was on top of everything the way you did much more with Leon.

Riley: There are those who will claim that Clinton is to blame for this. Maybe you're making a similar point. He didn't want to farm out that portfolio to somebody else. Is that consistent with what you're saying? Was inviting McLarty into this role a sign of this?

Stern: I think that has to be true. I don't think about it in a casting-fault sense. It was "You're not in Kansas anymore." Running Arkansas is not the same. I don't know what he was thinking, but I know that he knew Mack McLarty perfectly well. He also had an unbelievable range of knowledge and acquaintances and everything else. He certainly knew that there would be people who would be stronger figures who could have been put there. I assume that, for whatever set of reasons, he didn't want to do that. Ultimately you'd have to ask him or someone who was privy to his thinking about that. I most certainly wasn't.

It wasn't as if everybody thought that Mack McLarty was the guy and that they brought him in and gee, it didn't work. He knew Mack. I don't think you need to know Mack for a very long time to realize that it would be a very challenging job to throw him into, particularly in the beginning of an administration. There was probably a desire to not have too much power centralized in any other figure. There was him, and obviously the First Lady was going to be a strong advisor to him in a private way, private and not private. That had to be pretty deliberate.

Riley: It got better when Leon took over, or did it get better before that?

Stern: I don't know. Maybe it got better before, but I'm not sure. When did Gergen come?

Riley: Gergen came in the first year, I think.

Stern: Was that June of '93?

Riley: May 29th, and I think that was a piece of this too.

Stern: When did Leon come?

[1] Ed. note: Neel was appointed May 7th and joined Gearan as deputies. Before that, there was only one.

Riley: It must have been mid-'94.

Stern: I think it was mid-'94.[2] It does not feel to me like it was—I don't think Mack was in that job two whole years. I think that Leon—

Riley: You're probably right.

Stern: Gergen was a bit of a mixed bag, but I think that in some respects, he was helpful for a while. The ship was a little bit rocky there. It was probably useful. He had his detractors, to be sure, but I think it was probably useful to have that voice of experience and reason and moderation, somebody who had been through it. That was probably useful for the President.

When Leon came, all of a sudden you have a very different situation. Think about what the Chief of Staff office becomes then. You have Leon, who brings in four longtime, high-ranking aides who had been with him forever on the Hill: John Angell, Martha Foley, Barry Toiv, and Jodie Torkelson, right? Then you also have—I may be mixing up the exact timeline here, but somewhere in there—Harold and Evelyn [Lieberman]. Is it Harold and Evelyn?

Riley: Harold comes in pretty soon.

Stern: Evelyn was there for Leon too, wasn't she?

Riley: Yes, I think so.

Stern: She was also there for—

Riley: Yes, the end of the first term.

Stern: But Erskine—

Riley: Erskine was small business. Was Erskine there to begin with? Was Erskine the deputy we forgot?

Stern: No, but I think it was Harold and Erskine. Erskine was small business, but I think he came over—

Riley: Did he go from deputy to—

Stern: That's what I was going to say. He may have come over as a deputy.

Riley: Yes, I think he did too. All of this can be pieced together.

Stern: I have a visual image of myself in the small office across the hall talking to Erskine at points. I think Erskine was a deputy. Anyway, the point is that you had Leon, and you had these four quite-senior, 20-year Hill people with him, who were quite good in and of themselves. They were all Leon's assistants. Then you have a combination of Harold, Evelyn, Erskine, whoever it was. It was a completely different deal then. You had the small senior-staff meeting and the

[2] June 28, 1994.

somewhat bigger one. The small one was where we set the course day by day. Leon was on top of the policy process. As I said, if there were issues, they didn't always have to come through our office, but they sometimes came through our office. It was very common for Erskine to bring in the relevant people to try to hash out where we were on this or that issue and to tee things up for the President in an orderly way.

I loved Leon. He's a great guy. In addition to everything else he was—I don't know what the Italian word is for mensch, but I just loved Leon. I thought he was great. He was a completely decent person.

Riley: Was your view of him universally shared, or were there those in the West Wing—

Stern: I guess John and Leon had a little friction at some point, I think.

Riley: John left not too long after Leon came over, right?

Stern: John left in about May or June of '95. Then I moved up.

Riley: So that clearly dates Leon before then.

Stern: Yes, Leon is before then. I remember that John wasn't in the small morning meeting, which was stupid. I always had a completely happy relationship with Leon. I'm sure that there were some people—There could be friction there. The man is tough in his own way too.

Stern: Do you think that there was some history with them on the Hill?

Riley: No, I don't think so. I have no idea. It wasn't a big bad thing. It just was whatever.

Stern: Do you want to keep going on the Chiefs of Staff?

Riley: Sure.

Stern: Erskine, I think, was much less of a policy/political guy than Leon. Leon was a creature of the Hill and all that. Erskine was very efficient. He was very businesslike. He ran a very good operation. The roles of mediating, of driving policy issues—the process that I talked about—of holding meetings in the Chief of Staff's office to work things out, of being more involved in things like communications and day-to-day strategy, they all started getting driven out of the Deputy Chief of Staff's office, meaning John.

I don't think Evelyn was there anymore at that point. John brought Sylvia [Mathews] in pretty soon after he got there. So Sylvia played more of the Evelyn role. John liked the policy strategy and politics. All of that was John. Nineteen people would squeeze into John's office, which was the size of a large closet, in the morning for the daily plan. Erskine would have a senior-senior staff meeting. I'm getting mixed up with the meetings. There was that, and then there was a somewhat-larger senior-staff meeting generally. One was at 7:30; one was at 8 o'clock. The 7:30 one would be in the Chief of Staff's office; the 8 o'clock one would be in the Roosevelt Room. Then sometimes after the Roosevelt Room, a set of people would go into John's office.

Erskine got very involved in the politics and substance of the budget. He took that on, and he got quite deeply into it. He did a good job with it. Was it still Leon, or was it Erskine at the time of the big shutdown?

Riley: Panetta.

Stern: Panetta still. Erskine, I think, played an active role on budget stuff going forward and less so on other policy matters, so John would tend to do that more. Erskine had no hesitation. It wasn't so much that he was deferring to John; he was delegating to John. He just didn't have the same set of interests or the same skill set that Leon did, but I think he had the President's confidence, and he was an efficient, good manager. People liked Erskine. Erskine could be plenty tough, but I think he was good.

A few months after I became the staff secretary, I talked to Leon about coming to the early-morning meeting. It was difficult to do the job when you would have some decisional thing you were working on and you'd be trying to get answers and somebody would say, "We decided that at 7:30." "OK, nobody told me." So I talked to Leon and said, "I can't do this job the right way if I'm not hearing everything." He said fine. I didn't know what the issue was before that, but he didn't give me a hard time. So from that time on, I was always part of it. It was useful. It was interesting but it was also useful.

When John did it, John was great. As I said, I don't think there's anybody who brings the whole skill set to the table quite like John. He can completely get into technical levels of policy. He has a great sense of politics and communications, and he's a good leader. He can be a complete pain; John can be difficult. Anybody, no matter how much they love John, will tell you that.

Riley: What was it [Harry Robbins] Haldeman said about himself, "Everybody has a son-of-a-bitch, and I'm Nixon's"?

Stern: No, I wouldn't put it like that. I'm not going to associate John with—that's not John. John is a great guy. I'm a huge fan of John's. I couldn't tell you how much I had to do with it, but I know that when Erskine was becoming Chief of Staff, he came down to talk to me. I can't remember how it came up; he must have brought it up. I very strongly encouraged him that if he could get John back in the White House, he could not do anything better for himself.

I had a job offer to go to Treasury right around the time that John was leaving, and I was going to—

Riley: This was in the first term?

Stern: Yes, this was around '95. This was right around the time I ended up staying to become staff secretary, but I got annoyed and started talking—I can't even remember how it came up. Rubin was there at that point. I was talking about being the deputy general counsel over there. I was thinking about that pretty hard. I don't know how he found out about it—I don't think I had talked to him about it—but somehow or other, Erskine heard about that, and he was probably still the deputy at that point. I'm quite sure it was Erskine. He came down and said, "We want you to be the staff secretary." We talked about it, and I decided to stay.

Riley: I want to go back to the staff secretary period. You talked a little bit about the First Lady with respect to the health care situation. I wonder if you had any more general observations about her role in the administration, particularly in the first term and whether her office routinely moved stuff through you or not.

Stern: Well, you can't separate it out from health care for the first two years. I don't know how much else there was. The answer is generally no. That's probably a better way to think about it. I don't think that much First Lady stuff came through us, although, again, the First Lady's stuff was health care, by and large. I'm sure she was weighing in on nominations and that sort of thing, but a lot of that was done without any paper involved. It was just talking to her husband. To the extent that there was paper on things like personnel, as I said, the personnel stuff didn't come to us anyway, so I never regarded that as an end run. It was set up differently. I had a perception that that was conditioned to some extent by the travel office episode.

But apart from that, I think that everybody understood that Hillary [Rodham Clinton] was a very important person. She had an office in the West Wing, which was historic. She was heading up one of the very top priorities, probably the biggest priority, it is probably fair to say. It had its own war room. It had a million people working on it. It was big. Her coming out was quite formidable. When she testified on the Hill and all that, she dazzled everybody. She absolutely was regarded as a force, but not in a bad way. By April of '94, I had met my now wife, who was Hillary's domestic policy advisor, so I had a pretty positive view. I married into Hillaryland. I had a pretty positive view of that side of the operation.

Riley: You talked earlier about having that circulation sheet that you were responsible for. Was she included on the circulation sheet, and did you learn over time that you needed to make sure that either she saw this or that Maggie Williams or somebody else in her shop saw this?

Stern: Maggie was absolutely on it. I don't think Hillary herself was on it. That would have been weird. But her Chief of Staff was on it. If we didn't send her everything, we sent her an awful lot. We certainly erred on the side of giving her anything we thought she could conceivably want to see. Maggie was great. I wasn't really tight personally with Maggie, but I always thought she was terrific, and I had a lot of respect for her. I liked a number of the people.

Riley: I'm raising the question because there is a perception that there is a different orbit within the White House related to Hillaryland.

Stern: There definitely was a different orbit. They were tight knit. It was much smaller, right? You had the East Wing side, which is part of Hillaryland but not so much what people tend to refer to. Although that's not fair. That's part of it too. It was all part of it. But if you add up the East Wing people and the West Wing people who were Hillary people, it's not a lot of people. What was it, 15 or 20 people? You have hundreds working for the President, both in the West Wing itself and in the OEOB [Old Executive Office Building]. It was a loyal, tight group. They would walk on nails for Hillary. The interpersonal dynamic was different than with the President. If Hillary gets elected President, it's not going to be a little tight-knit Hillaryland group because she's going to be the President. There are, like, a million people. It's different. And there obviously are some differences because they're different people, different personalities. But she really inspired loyalty among the people who worked for her.

My wife was one of the few people on both sides. She was on the President's domestic policy staff, and she was the domestic policy advisor for Hillary. Hillary had a big office here, and Jen [Klein] sat in what was literally a former closet right in that Hillary suite.

Riley: What I was trying to get at is, are there any other implications for this other than the fact that it existed? One could have been that because it is a more prominent fixture of this White House, they're going to be circulated in the paperwork in a way that they hadn't been before. Then the question is, is it something that you have to be cognizant of if you're elsewhere in the West Wing, if you're in the national security shop, for instance?

Stern: It depends. More so to the extent that you're working on an issue that feels like it might potentially be of interest to her. At a certain point Hillary started to get pretty international too, but earlier on she was less so. Did Sandy or Tony feel that? I don't know. Again, I think it would be interesting to see our old circulation sheets on the foreign policy stuff to see how much we didn't send to Maggie. My guess is, on important stuff, we did; on stuff that was more technical, it would be important for the President, but they were technical. But I may be wrong about that.

Riley: Do you have any recollections of stuff coming back down to you from the President with the note, "This needs to go to the First Lady's shop"?

Stern: Once in a while, not that often. On occasion you'd see a note to Hillary, or "Send to Hillary" on it. It was right. He was following the process. It seemed almost funny because obviously—

Riley: He could show it to her.

Stern: Right, but he was doing the right thing.

Riley: That's a good sign that he's bought into the process.

Stern: I think he did. If you asked him, if he were sitting here, he'd tell you the same thing.

Riley: I'll ask the same question about the Vice President's shop. Was there a discrete, insular operation within the Vice President's shop? Were you always cognizant?

Stern: There was a completely different dynamic. I don't think the Vice President ever had a sense that there was a tight, personal, loyalty kind of thing. But because it is inherently small, it's like, are you in a law firm of 500, or are you in a law firm of 15? If you're in a law firm of 15, everybody knows each other and is hanging out together. You're at all the meetings together. It's different, so I'm sure that there was that. It didn't affect me particularly. We circulated anything that we felt was important to the Vice President's Chief of Staff. It didn't say "Vice President" on it; it would say, "Roy Neel," or "Ron Klain," or whatever—"Jack Quinn." Everybody understood that there were certain areas that he either had an historic interest in or that he had been asked to take on, such as the famous REGO, reinventing government—That was always one of my least favorite—and obviously environmental issues.

Initially we were leaving CEQ [Council on Environmental Quality]. I don't know if we weren't staffing it or what. Katie McGinty was the head of the Office on Environmental Policy. OEP was

the acronym. At some point, I think resulting from some congressional action, it all rolled into CEQ, OEP went away, and Katie became the head of the CEQ. I'm not sure I ever knew exactly what was going on there, but somehow or other, CEQ was going to be left on the vine to fade away, but then Congress had other ideas. But it doesn't matter. It was the environmental shop, and everybody understood that the Vice President had particular reach into that area.

He also was completely interested in all the NSC stuff. [Albert, Jr.] Gore was always a player. He had his weekly lunch with the President, which was quite scrupulously adhered to. The President didn't blow that off. At the end, after Monica Lewinsky and the Vice Presidential campaign—I was there for part of that and then off in Treasury for part of it—things got to be a lot more frictional, but I don't think they were early on. They're extraordinarily different personalities.

Riley: How so?

Stern: Clinton is this wonderful raconteur, and he's personable. He could charm a bird out of a tree. Whether he's talking to a thousand people or he's talking to just you, there's this gift of personal connection. All this stuff you hear about—The first time you meet him and he does this eye lock on you, you feel like it's some movie or something, like all the rest of the world is melted away and it's just you and him. There could be 500 people around you. He has this extraordinary gift in that way.

I used to tell people that I had this perfect vantage point from the deputy staff secretary's office. It's a smaller office, but my window looked right into West Exec, so I could see everybody walking into the West Wing. West Exec has a little street where people park and you walk across the street. Just as a difference between the two people, you'd see Clinton sometimes. The President would have a reason to go over to the OEOB, and it was as if he had all the time in the world. He was walking over there, this southern guy, stopping and talking to people. Of course he had a million things to do, the weight of the world on him. He's just chatting. You see Gore, like, bang, right across. He had something to do; he was going to do it. They're just different people. I'm not the person to know. I didn't have an impression that there was anything problematic at all for a long time.

Riley: And there probably was not.

Stern: No, I don't think there was.

Riley: At least between the two principals, but I was digging just to see if there was any friction or tension at the staff level.

Stern: I don't think so. Roy was the first Chief, wasn't he?

Riley: For Gore? I think so.

Stern: People liked Roy. Then I think he was the Chief and Jack was the general counsel, and then Jack moved up to Chief, I think.

Riley: I think that's right.

Stern: Everybody liked Jack, and Ron Klain was great.

Riley: I'm not saying that I picked up anything like that. I'm raising the question, if you have these various orbits within the White House, the natural question is, how well did the various orbits function with one another?

Stern: My impression was that it functioned fine on the Vice Presidential side.

Riley: And you should have been in a good position to see that because of your location.

Stern: Yes. I didn't think there was anything.

Riley: When you were doing the work in the staff secretary's office, were you at liberty to make contact with people outside the administration for purposes of getting feedback on things?

Stern: I wondered about that before we started. I didn't know whether we would be an intake point for the Cabinet agencies and stuff. We weren't, by and large. We would sometimes get memos from the Cabinet secretary, but that flowed through Christine Varney.

Riley: Christine is not affiliated with Wilmer Cutler, is she?

Stern: She's at Hogan.

Riley: A different law firm. Because she is somebody else I interviewed up here, and I was thinking that's what—

Stern: Did Kitty Higgins take that job after—I forget.

Riley: That I don't remember.

Stern: Anyway, Christine was there, so she managed that process. Two things, Christine managed the process, but the other thing is that a lot of that would come through the policy councils. So if it's State, it's Defense, it's CIA [Central Intelligence Agency], whatever, that's flowing through the NSC. If it is Treasury, Commerce, blah, blah, blah, it is flowing through Rubin or [Laura] Tyson. Or it's the domestic. They're sucking up a lot of that stuff from the agencies, and then it is coming down to us. So their offices would often say, "Ron Brown is here. Reich is here." We weren't getting that directly very often—once in a while, but not so often.

Riley: Then, for example, with Members of Congress, are you completely reliant on the CL [congressional liaisons] shop?

Stern: Yes.

Riley: And you got along well with them?

Stern: It depends on which one you were talking about.

Riley: Let me ask you.

Stern: We got along fine.

Riley: But there must have been variances in your cooperation or confidence.

Stern: I loved Howard Paster. Who took over?

Riley: Pat Griffin.

Stern: Pat was great. Pat was fine. I rubbed up a little bit against [John] Hilley. Hilley was a little hard.

Riley: How was that?

Stern: It was something that I was working on. It might have been when I was doing—

Riley: Hilley would have come fairly late?

Stern: I might have been on climate change at that point.

Riley: He must have preceded Larry [Stein].

Stern: He preceded Larry. I feel like maybe I was doing climate change. He was basically telling me to go play in traffic.

Riley: OK.

Stern: I pushed back and he didn't like that.

Riley: But your sense is that it probably took place when you were doing climate change apart from the—

Stern: No, I think we were absolutely fine with [Susan] Brophy and [Stephen] Ricchetti. They were great to deal with.

Riley: But if something needed to be vetted on the Hill, you wouldn't do it. You would have gone through the CL shop. Was it the same for press contacts? Did you go through the communications or press office if something needed to be announced?

Stern: Reporters would call in. John knew a lot of reporters, and they would call in to troll for information. The phone didn't ring as much when I became the staff secretary because they must have decided that I was too tight-lipped.

Riley: It shows up when we were putting the briefing book together. You didn't give us much to work with here. The press accounts are a little thin.

Stern: I did a lot more of that when I had occasion to run something substantive, and not just for climate change. I probably spent four months quarterbacking Alexis Herman's confirmation. The shape of my job was that I had my main job, and then as early as the travel office, we also got

things that were outside the four corners. First that was with John, and most of those things were, in one way or another, damage control.

Riley: Why did he inherit that portfolio? That was a core question.

[BREAK]

Riley: The question about John.

Stern: How did that happen?

Riley: Yes.

Stern: I'll answer that in a second. There were varying elements to that. There was the travel office. There was some involvement with Whitewater and with commodities trading, but also with things like tough nominations, Henry Foster and Larry [Lawrence], the very wealthy guy who became the Ambassador to Switzerland and who had a somewhat problematic nomination that I worked on with John. Larry was very wealthy, and he had a young, extremely attractive blonde wife.

Riley: The guy who had the controversy about putting him in Arlington, right?

Stern: Could be.

Riley: You had a piece of the nominations portfolio that I'm not sure I was aware of, so go ahead.

Stern: It's very ad hoc. In other words, when things would be complicated—There's a nomination process that had nothing to do with us—or if there were a problem. Anyway, it started with the travel office.

Riley: OK.

Stern: When John left, after a while, I ended up with a staff secretary job that had a lot of elements that were outside the four corners of the job, the two biggest of which were the Alexis Herman confirmation and then, ultimately, climate change, which ended up swallowing the whole job. Although I guess both John and I went straight to the travel office. The travel office, per se, was an immediate problem—maybe not a crisis, but it was certainly a problem. It was a fairly lively dimension. George had a press conference where he couldn't answer a question about anything else. The counsel's office was involved with what had happened. I don't know if it was—I wasn't exactly privy to the decision, but my guess is that because the counsel's office was involved in various activities and decisions and what not, they weren't quite the right people to look into it.

Riley: The counsel's office through Vince Foster or—

Stern: Vince was there. He was the deputy. Bernie Nussbaum was the White House counsel. But in terms of who was involved in the travel office, is that what you're asking?

Riley: Yes.

Stern: Vince, and Bill Kennedy also had a role. John and I were looked at as people who could handle this. We were both lawyers, even though I hadn't practiced law for some time, and John hadn't practiced law for even longer, but we could do this. We were looked at as having the combination of substantive and political skills to be able to do it. Something had to be done quickly, and we got drafted.

Riley: Sure.

Stern: But in general, John did more of that stuff after that than I did. He would pull me in from time to time, but sometimes not. What would sometimes happen is, if he would get completely engulfed in other things, I would keep the staff secretary's office running. John would focus sometimes less on the business of the staff secretary's office and sometimes more, depending on how many other things were going on. But why John? Because he's good at it, I think. There are skills that are necessary for handling difficult situations, such as combining substance and message politics and being high octane and tough. They're all things that he's very good at. I think that's why. You have a difficult situation organizationally.

After a while, the counsel's office became the place. Obviously Whitewater and the extended problems became an institutionalized feature of life there. The counsel's office ended up getting set up to handle that, but not initially. With respect to nominations, you had an ordinary, run-of-the-mill nomination process, but if Henry Foster, for instance, suddenly becomes a lightning rod, who do you give that to? It's kind of like the ghost busters: you call Podesta. He ended up doing a bunch of that because he's really good at it—the same with the suddenly big flap over these ancient commodities sales from the First Lady. It ends up coming to him. For a bunch of those things, he was much more involved than I, but he would pull me in sometimes. There would be a reason why. I helped a bunch with the commodities stuff, I remember, and I wrote some stuff for Henry Foster and whatever.

Riley: Can you begin to tell us your version of the travel office business, how you became involved?

Stern: Why don't I tell you how I became involved, and then I'm thinking that's going to be a bit of a longer conversation.

Riley: OK, we'll get started, and then we can interrupt and pick up tomorrow.

Stern: I might have been home; I don't remember if I was home or someplace else. John or Mark called me and said, "Guess what? How would you like to—?" They said it was for the White House travel office. I said, "What's that?" I literally did not know there was such a thing. I don't think I had any reason to bump into it. I reached pretty broadly around the White House because of the nature of the job.

Riley: You didn't have a travel check-off box on your circulation?

Stern: No check-off box. They had never contributed to the briefing book. They weren't on my radar screen. I heard that there was some news or something. Maybe I heard it on the news and I asked, "What's that?" Maybe even later that day, either John or Mark Gearan called me, and before too long, I think John or somebody said, "How would you like to—?" I feel like I said to John, "With you, right? We're doing this together? You're not just dumping me into this alone." Then I remember meeting with John in Mark Gearan's office and getting the most basic lay of the land, what had happened. I don't think I got many facts. I must have gotten some idea of people to talk to.

Riley: Roughly when was this?

Stern: May. The first person we interviewed was Harry Thomason, May 27th or May 28th. It was very short, because on July 2nd or 3rd—I think it was July 2nd—we produced the report and did the press briefing.

Riley: That's in the book, so that's checkable.

Stern: I was actually standing up there. John was doing the talking. He'd ask me a question, and I would tell him something. I wasn't the spokesman myself. The whole thing, start to finish, was six weeks, not even.

Riley: At least within that iteration.

Stern: That's our iteration, except when we have to answer questions about the work we did. There were numerous iterations. Our initial work was essentially May 27th to July 2nd, I would say roughly.

Riley: We won't go much longer with this, but did you consult with the counsel's office, or were you instructed that this would have to be its own product apart from the counsel's office?

Stern: I don't remember exactly who said what, but we knew that this was John and me. We certainly shared work product with them. I don't remember. As I said, we must have had a basic sense of the broad outlines of the story even to know that we wanted to start with Harry Thomason and then speak with this one and this one and this one. We probably talked to 40 people. We talked to a lot of people.

Riley: Let's go ahead and pull up stakes here.

[END OF DAY ONE]

February 1, 2008

Riley: This is the second half of the Todd Stern interview. Was there anything that occurred to you about the material we covered yesterday that we ought to double back and pick up on before we move ahead?

Stern: There were a couple of things that I wanted to go back to before we get fully into the travel office thing. One was, the President, during the course of the '92 campaign, had made a pledge to cut the White House staff by 25 percent. There were some offices in the White House where evidently that was a problem early on.

Riley: Did that came back to haunt the staff secretary's operation in any way, or did you have any observations about that?

Stern: It didn't affect the staff secretary's office, per se, in its narrow sense. It affected the larger staff secretary world in the sense of correspondence. There were about a hundred or so people working correspondence, and there were, I can't remember, 30 or 40 or so who worked in records management. It didn't affect the executive clerk's office because they were so leanly staffed to begin with. John was handling this stuff, and I wasn't. I don't think people got terminated, but I'm not sure. In other words, I'm not sure if there was attrition or if it was something else, but there was some tightening in that sense.

Riley: I don't think we said anything yesterday about those two ancillary pieces that you're responsible for. Do you want to say anything about that?

Stern: They are important functions that are managed by the staff secretary. They're not the most substantively or politically riveting, but they're quite important. Clinton cared a lot about the correspondence stuff. The way correspondence works, in a nutshell, is that there are basic letters that cover the range of all major questions and issues that people write about, so there would be a form letter that gets done. There was a correspondence director, of course. They would send drafts of those letters over to us. We'd look at those carefully, and we didn't just say fine. We looked at those carefully, and we would edit and whatever. That was one big category, and that obviously accounted for a lot of the letters that are handled by correspondence, certainly the biggest percentage.

There are also important letters that, for one reason or another, go to the President. As a matter of practice, there were also a handful of letters from people that would get picked out as being particularly moving or interesting, and those would get to Clinton as well. Of course there were also letters from Members of Congress, which were handled through the congressional shop. Those we would, again, edit, scrub, and look at quite carefully. They would also do the drafts of proclamations: It's National Arbor Day or it's national this, that, or the other day. There are an awful lot of those. Again, there are people out there who care about those things. I would personally make sure that stuff was in good form, or somebody who was working for me would do that. What else? Things like the Medal of Freedom. There would be maybe ten of those given out, and they would do drafts of those things, and I would also rewrite them or edit them if need be. The correspondence shop is usually important. It is important that you don't get a backlog.

It's important that it runs. We would interact mostly with the director, and we would hire the director.

Then records management is essentially the internal archive. We control it, but that was who physically had the autopen. There are obviously lots and a lot of documents that are signed by the President that he doesn't personally sign. The autopen authority is the staff secretary's. Nobody else has the authority. Records management knows that they don't. It doesn't matter who else it is; they don't use the autopen if they haven't gotten permission from us. That's obviously very important. You can use it for almost anything, but not for signing legislation or vetoes.

Riley: What about the awareness of the Presidential Records Act? That comes through records management also?

Stern: Yes.

Riley: Do you recall there being any memoranda, or were there meetings or anything to communicate to people the nature of the Presidential Records Act and so forth?

Stern: Yes, I think so. I don't have that much recollection of it. People understood that you're not supposed to take documents out of the White House and that sort of thing. I don't remember all of the provisions of the Presidential Records Act with respect to how long things stay around or remain confidential or how it all processes out. John was quite expert in this stuff on the basis of prior interests that he had had.

Riley: What about your own note-keeping practices? Were you attentive early on to the problems of overrecording your activities? This is something we get a fair amount of comment on. People became aware over time that it wasn't safe—

Stern: It wasn't over time. I don't know if this is true for everybody, but my guess is that it is true for a lot of people. Josh Steiner, a good friend of mine, was connected with the issue of Treasury contacting the White House, which was connected with an element of Whitewater, Madison Guarantee Bank. Josh had kept a diary, and he was hauled in on a congressional hearing. That wasn't right away. Was that a year into things?

Riley: Late '93, early '94.

Stern: I guess that that had quite a negative impact for history. Seriously. I had not done nearly as much as I had intended, but I had intended to keep a diary or something like that and I didn't. I just had to pass on that, so it had an impact.

Riley: Then let's turn back to the travel office. We got started on that story yesterday, but why don't you tell us from your memory what happened, what you were doing in your investigation, who you were talking with?

Stern: I don't remember as much as I should. As I said, I attempted to look at the old report. My pretty-vague recollection is that this episode was significantly driven by Harry Thomason. There was a Peat Marwick audit report of some kind that was critical of some of the travel office

practices. I don't remember who asked Peat Marwick to do that. I don't remember how that got generated. I think they found some sloppy accounting practices or whatnot in the travel office.

Harry had a friend, Darnell Martens or something like that, who proposed to be able to do it better, to bring our own people in. "The travel office people were not running things appropriately. They were misbehaving in ways that Peat Marwick indicated" or whatever. It was that kind of tenor. There were a couple of more junior people. I didn't know Harry until we interviewed him, but he had pretty free access to the White House in the early days. I don't remember enough on how it all transpired.

The FBI [Federal Bureau of Investigation] was brought into it somehow or other. Bill Kennedy, who was in the counsel's office, I think, had some contact with the FBI. I know that an FBI investigation got started. I'm not sure that I fully knew what motivated the FBI to do that. Clearly there was interest being expressed by the White House, but there was also what I guess looked like some substantive concerns. Again, I don't remember that well. If I had the thing in front of me, I'd read it and I'd remember it. I'm trying to pull threads of this.

Riley: The basic chronology is pretty well known and documented.

Stern: There have been a million reports.

Riley: You get brought in to do an internal investigation.

Stern: What happened? Why did this happen? How did this happen?

Riley: Do you remember anything about that?

Stern: What we did? Yes. I remember that we interviewed everybody we could think of who might have anything to do with this. We interviewed Harry first, and we interviewed Bill Kennedy and Vince Foster and the First Lady.

Riley: Can I ask about any of those particular interviews?

Stern: Sure. Just to finish the sentence, I would guess that there were some more junior people. Clarissa Cerda, I think, was somebody we talked to. But the number of somewhere around 40 or so sticks in my head. We cranked through a lot of interviews. We talked to anybody who seemed like they might have a connection to any part of this story.

Riley: Do you remember if you tape-recorded those?

Stern: I know that we did not.

Riley: You did not tape-record.

Stern: We just took notes.

Riley: Would it have been standard practice to tape-record?

Stern: It depends. Standard for what? This wasn't standard. If this was a Justice Department-type formal, legal investigation, sure. Although if you go up to the Hill right now—I represent people in congressional investigations fairly regularly now as part of my practice. We take people up for interviews with staff people on the Hill. It is usually not recorded. Usually we take notes. Occasionally you'll give formal deposition. That's recorded. But it is quite common that it is not. So is it standard practice? That wasn't how this thing was conceived, for better or for worse. It just wasn't.

Riley: Do you remember your impressions, in your talks with him, of Thomason's involvement? We haven't interviewed him, so I haven't met him. I don't know anything about him.

Stern: I have a general sense that I thought he was a nice guy. He, like everybody else, was unhappy to see us; if you saw Stern and Podesta walking down the hall, it was not a good sign. [*laughter*] Nobody particularly wanted to spend time with us, but everybody did. I remember that we met with Harry in the Roosevelt Room. That was the only one that we did in the Roosevelt Room, as I recall. He told us pretty much what he thought had happened. As I said, I don't know if somebody jacked him up in the first instance, which is possible, but he got at least a little bit of the bit between his teeth. Of course David Watkins, to whom we obviously talked, was an important player in this, and Mack was part of it.

Harry, at some point, had talked, maybe more than once, but certainly at least once, probably more than that. Again, as you say, there are probably five different investigations on this. Ours was the first and the shortest and the most spare. But Harry certainly talked to the First Lady. In retrospect I think that it was early on, and I think that there were people who probably got more buzzed up than they needed to: "Harry Thomason says" blah, blah, blah. Obviously I don't know, but I don't think that this was a big deal for the First Lady. It's hard for me, having talked to all these people. She certainly took some interest in it, and I think that had an influence on people. It probably had a larger influence on people than she probably recognized or intended.

Riley: Sure. You sometimes don't recognize how other people are going to react to something that may be a casual—

Stern: Right. I'm by no means blaming Mack, but I think that if Erskine had been there—or Leon, or somebody who had different relationships and different experiences—and this issue had gotten to his desk, he'd have said, "What the heck are you talking about?" I would have been very surprised if you would have seen a lot of pushback from Hillary. I doubt it. But I think there was a certain tone created by some people. "Oh, the First Lady cares about this. We'd better do this."

Riley: Exactly.

Stern: That was probably—

Riley: An overreaction.

Stern: If just one person in the chain had been able to say, "Wait a minute. What are we doing here?" It doesn't even mean that the travel office people were all perfect or innocent or anything else. It's just that it was manifestly not done the right way from a political standpoint. It was a

crazy thing to do. What did the travel office do? They were the travel office for the press. They were there to take care of the press. They had strong relationships with the press. If you mess with the travel office, you're going to upset the press.

Riley: And you already had a problem with the press.

Stern: You already had various kinds of stresses and tensions that are built in and that exist in various ways. I don't think that people thought, *Oh, yes, that's fine*. I just think that people weren't thinking it through properly. Again, if somebody with a broader view had stepped back and said, "Wait a minute. What are we going to do?" I don't think it would have happened. It was a totally self-inflicted wound.

Riley: It's really interesting going back and reading it. This is in the briefing book. When Mack has a press conference to announce, I believe, the report, the nature of the questions that you get from the White House press corps are different than you would expect from a disinterested third party. I'm merely saying this to confirm the point that you're making.

Stern: Well, in the briefing that George held, the one that occurred shortly after this happened, I think there were 40 questions in a row on this. The whole briefing was this. He couldn't get out of it. People were completely upset.

Riley: I was just confirming the point that you were making. It may not be here. It may be something that I was reading online in the last day or so in preparation. I think it is a press conference. This would have been the press conference that Mack held when your report was rolled out. If you look at the nature of the questions that are coming at you from the press, it is all that you trampled on the constitutional rights of the presumption of innocence and things like that.

Stern: There were things that were done that, again, the better part of wisdom probably wouldn't have taken on. This briefing book is reminding me that Leon was asked to be part of the group looking over this. Catherine Cornelius, old names come back to me. Jeff Eller, yes, we talked to all of them. Eighteen thousand dollars of unaccounted-for funds, no formal financial-reporting process. No reconciliation done, no documentation, no this, no that. There were a lot of problems there. You might have decided that this needed to be done in some fashion. One of the things that was particularly troubling to people was that there was an announcement that the FBI was investigating. You have five people who worked in the travel office. That's not the way the FBI works. That's not the way anybody who is being investigated is supposed to be treated. When you read comments about constitutional rights being trampled, I think that's what people are referring to.

Riley: That I understand. It just struck me, maybe not in that particular question, but I would direct anybody who is looking at the transcript—the briefing book will go into the records with this—to look at the tone of the questions that you're getting. The point I was making, and I think it confirms your point, was that the press corps wasn't a disinterested party in this enterprise.

Stern: No, they took it personally. These were their friends. These were people who arranged their flights and took care of things for them in various ways. If they were trying to bring back a rug from Afghanistan or something, the travel office would help. They would facilitate things. I

have no idea whether everything they were facilitating was supposed to be done, but they took care of the press. We just came in. Plus, it seemed that the perception, again, from the point of view of the press, was that not only were their friends getting stomped on but that they were getting stomped on on behalf of the cronies of a crony. Harry Thomason was viewed as a crony, and these were cronies of the crony. It made the press corps nuts.

Riley: Do you have any recollections of the interview that you did with the First Lady?

Stern: Only that it was brief. John asked the questions. I didn't. It was the first time I met her. It was formal. She was very cordial, but it obviously was a rather awkward way for us to meet. I don't remember the substance very much. I generally have a sense that she acknowledged that she knew what it was and that she had heard about it, but she didn't take ownership of the actions. I don't think she should have taken ownership of the actions. I honestly did not read the other investigations, never have. I never read the independent counsel or the Hill or the GAO [Government Accounting Office] reports. I don't know how many there were. There were at least those. We did our thing and I moved on.

Riley: Were they alone when they were interviewing with you, or did they have lawyers with them?

Stern: Who are you asking about?

Riley: This group of White House people, the First Lady or Harry Thomason or others. I'm trying to get a sense of whether it would have been standard practice for them to do it by themselves.

Stern: Not lawyers.

Riley: There were notes that you had taken at one point that got a lot of press attention, not here but later. I wonder if you would tell us your memory of the notes and what the purpose of the notes was, what they said, and would you give us your interpretation of that episode?

Stern: Is the most famous one in here somewhere? Can you remind me?

Riley: I'm not sure that there is a copy.

Stern: I know there was one that came up on the ABC [American Broadcasting Company] News. I think I saw it here somewhere, but I don't know if I'm going to find it. Generally I took a lot of notes. That was how we did our work, as I said. I took notes of interviews, and sometimes I did notes. I got to the point of drafting or outlining things. Occasionally I would jot something down that I was thinking about. Here it is.

Riley: That's in the timeline.

Stern: It's tab 4, page 2.

Riley: There's a parenthetical reference that doesn't show up here, something about "without HRC [Hillary Rodham Clinton] involvement" or something like that, "run the risk of turning this into a cover-up." That's the basic.

Stern: When I look back at this, I have a few thoughts. One is that this was early and I was still green, because I think there was a fundamental point that I think is accurate, that I would stand by now, that I thought at the time, and that I think was true. That is, you're much better off, in situations where you have damage control, as it were, to try to get the facts and the story out and to lance the boil and to not get into a situation where you look less than forthcoming or like you're dissembling or whatever and thereby make it worse. So I thought it was important—and John and I talked about this at the beginning—that we do something that would stand up and look like it was self-critical and would get the facts out. It didn't have to be absolutely flagellating ourselves.

Riley: Sure.

Stern: That sensibility is reflected in this note: I think you run the risk of turning it into a cover-up. As I look at it now, it feels a little bit overheated and certainly not the kind of thing I would write now. You write it and then it ends up on ABC News and you have to answer questions about it. The underlying point is right, which is that we need to get the truth out. If that includes some reference to the involvement of the First Lady, then we have to do that, even though I think the natural instinct of a lot of people would be—and I don't mean with respect to Hillary, I mean probably with respect to anybody in that position—*Don't go there*. But I felt that we had to go wherever. That's what I was saying there. By having run my mouth onto the page like that, I had to deal with some questions about it. But that's fundamentally what I meant.

Riley: Just to be clear, the critical interpretation of this was that you knew more than you were saying at the time, that the First Lady's engagement was more thorough than the internal reports were suggesting. What you're saying now is that that is not so.

Stern: That is fundamentally not so. If you look at our report, it is spare. It is not a highly embellished document, but if you look at what is there, you can see that there is enough indication of who is involved and who isn't. Internally there was definitely a sense of, *What's going on with those guys down there? What the hell are Stern and Podesta doing?* So I can well understand, particularly in light of much longer, more formal legal processes that produced much more fleshed-out accounts later, that people could say, "You didn't say everything." But I can also say, from the inside view at the time, that it was from a totally different perspective. It was like, "What do you mean you're saying all that?"

Riley: Did you get any particular instances of hate after you let the report go? Did people grab you in the hallway and say, "You guys shouldn't have done that"?

Stern: No, but it was clear as we were writing and as we were getting close to coming out with it that there were people who had obviously read it. The counsel's office read it; various people read it. I have no doubt that there were plenty of people who were not real thrilled and who, as I said, looked at it not from the point of view of, "Gee, you didn't say as much as you could have," but rather from, "What are you doing?"

Riley: Exactly.

Stern: I can't remember if it was the *Post* or the *Times*—I think it was the *Times*—but one of the editorial pages referred to it as "a strikingly self-critical report." That's the way we saw it. We pretty much said, "This White House screwed up. There are all kinds of people at quite high levels involved." As I said to you, I don't think that the First Lady was scheming. I think that Harry said whatever he said, and she said, "Yes, go ahead," and wasn't thinking about it that much. People then ran off and started invoking her name. Certainly guys like David Watkins, I think, got all buzzed up about what the First Lady wanted. Look, I can't say for sure. Again, I know what we knew. What we conducted, start to finish, including all of the writing and all of that, took five weeks. That's nothing. You don't really get started in five weeks in a real investigation.

Riley: But the fact is, as you noted, there were other investigations, including the independent counsel's, and basically all of them came back and confirmed what you said.

Stern: That's what I mean. I don't think anybody said, "Boy, they got it all wrong. It wasn't that way; it was *this* way." It went from a somewhat bare-bones story that gave you the whole thing, but sparely—it kind of went from Japanese spare to a novel, from Japanese to Russian. [*laughter*]

Riley: Very good.

Stern: I think John would probably tell you the same thing. He probably already has told you the same thing. I don't think that anything we said was ever fundamentally contradicted, found to be inaccurate, or fundamentally askew. I don't think so. That little report, with the various attachments and what not, was 70 or 80 pages. It wasn't so little. Under the circumstances, I think it held up pretty well.

Riley: I'm reminded of my old teacher Dick Neustadt, the Presidential scholar, who refers in his book to the dangers of the President issuing hunting licenses. I've never thought of it in these terms before, but it seems like this is a case of the First Lady absentmindedly issuing a hunting license, and it came back to bite her.

Stern: Yes.

Riley: You interviewed Vince Foster about six weeks before he committed suicide. In your interview with Foster, did you detect any particular anxiety? Was this somebody about whom you thought, *Boy, this is*—

Stern: I always thought that Vince was a nice guy who seemed to me to have a fairly uptight personality. When we interviewed him, I thought he was quite uncomfortable. At least in retrospect, and I think I even thought this at the time, I think that he was kicking himself in some ways, that he thought that he shouldn't have let this go on, that he could have gotten in the way of this. The truth is, he could have gotten in the way of it. There was a meeting, I think, up in Nussbaum's office pretty late in the day. There was a draft circulating. I can't remember whether we were imminent, just about to release it, or whether it was a week before or whatever. We

were doing a lot of writing. I was writing most of the drafts. Obviously John was heavily working it over also. But as a drafter, it was mostly me.

There was a meeting one night we were there. I'm not even sure that Bernie was there. He probably was, but John and I were there. I don't think Vince was there the whole time, but I remember Vince walking in and being quite perturbed about some aspect. Again, I think that Bernie's general view was—He didn't say things this way, but I'm giving my impression—that he would have done this much more like a lawyer doing a brief in a litigation—defending your client irrespective of—and would have punched back. "These people serve at the pleasure of the President, and there was $18,000 unaccounted for, and this accounting irregularity," and this and this. "There was nothing wrong with it," and bang, bang, bang, and not a lot of contrition. I think he saw us as contrition and hand wringing and that all of that was not necessary. That's Bernie.

Riley: Right.

Stern: Bernie is a feisty guy, and he's a very good lawyer. He's more of a New York lawyer than a Washington lawyer; let me put it that way. But Vince was perturbed about—It wasn't one thing that I remember. He might have been perturbed about a particular passage, but I think he was perturbed about the tenor of the thing, and he was very unhappy. But nobody, not John or I or anybody, was walking around saying, "Vince is depressed. He's about to jump off a bridge," or whatever. I remember very clearly sitting in John's office. When did Vince commit suicide?

Riley: Late July.

Stern: I was in John's office. It was at night. There was somebody else there. I forget. We were sitting on the couch, and the phone rang. John picked it up, and he audibly gasped. I remember being so struck by it because John is a tough monkey. He's not an emotional kind of guy. There was a gasp. I don't remember who else was in the office with us. It could have been Gearan, but I think there was somebody else there. "Vince killed himself." It was terrible.

Riley: You didn't have any knowledge of what was going on in the counsel's office after that? There were a lot of questions about what to do with Foster's office.

Stern: No, I didn't have anything to do with the office, closed or not closed, moving stuff out of it. Did Maggie go? These are things I read about. I wasn't part of it.

Riley: I was wondering, because of your role in paper flows, whether that might have overlapped.

Stern: I don't think that John even did. I don't remember. I didn't.

Riley: You said that Vince was unhappy with the draft and that you showed it to Bernie.

Stern: Yes.

Riley: You were allowing the counsel's office to see this as you were preparing it. Were you also vetting it with the other people you had interviewed?

Stern: A handful of people read it. We certainly didn't pass it around to everybody who we interviewed or anything like that. But counsel's office and, I'm sure, the Chief of Staff's office looked at it. I'm sure that Maggie did. That's probably all. It wasn't broad.

Riley: Again, the documents, when they come out, eventually will have circulation lists for these things. Is there anything else on the travel office situation that we should talk about? Did you take a lot of heat when this memo came out [May 27, 1993]?

Stern: No. It was later, wasn't it? I think it was '95 or '96.

Riley: It had to be.

Stern: I think I was sitting in the big office by then.

Riley: If I look at the stuff that we have here, the records on the First Lady are yielded January of '96.

Stern: Right. Sometimes I have spatial memories. I feel like I was in the big office, not the small office. No, I think I was like, *Oy, oy, oy*.

Riley: Just for the record, you slapped your forehead.

Stern: I don't remember anybody giving me a hard time of it. I just remember thinking, *Oh, God, this is awful*. But also, you get used to some knocks, so I didn't get real upset. I wasn't happy about it, but I don't think I walked around wringing my hands about it. At that point, I was, if your dates are right, married to the First Lady's domestic policy advisor. That probably helped. [*laughter*]

Riley: Did John's relationship with the First Lady suffer because of this? I don't know whether it was good or bad, but it strikes me that it could have.

Stern: I don't know. John might have been more on an uprising trajectory. John has two runs in the White House—two years, then he's out, then he comes back, and he is deputy and then Chief of Staff. I could have imagined that John would have had more of a straight, upward arc, that he would have become Deputy Chief of Staff or something like that. I'm sure that there were people—I don't know if it was the First Lady or the President or other people—but I don't know that from any personal experience. It was just my surmise. This was not particularly good for his immediate personal advancement. But on the other hand, I also think it was—taking into consideration all the various inputs and pressures and factors and stuff—a useful thing to have done, and he did it well. I think I did it well. Of course he came back in a very successful second round. A straight answer to your question is, I don't know.

Riley: You mentioned yesterday that one of the extra chores you picked up was occasionally handling difficult nomination battles. Alexis Herman, was that the only one?

Stern: That was the only one I did myself. I did a lot of work on Larry Lawrence, and I helped a little bit on Foster. But Alexis, I ran that.

Riley: Tell us how you come by the portfolio?

Stern: The same way I came by everything. The Chief of Staff or the Deputy Chief of Staff would knock on my door, or ask me to come up, and he would say, "OK, I have a good one for you." I think everybody understood that there were going to be certain issues. Alexis was great. I got to be very fond of her in the course of this. But it was a challenging nomination.

Riley: When did this take place?

Stern: She was announced in December of '96, as we were rolling into the second term. Basically January, February, March, I think, by April or so—I can't remember when she was confirmed exactly, but it was pretty much winding down and getting quieter by then. But there were probably about three months that were very intense.

I had a team of people who worked on this with me. Neil Eggleston was out of the counsel's office, and he was out in private practice again. He had been in the counsel's office with us, though. Alexis retained Neil as her personal lawyer, but he was an integral part of our team. Mark Childress was not in the White House. He was a former [Edward M.] Kennedy guy. He was working at the Environmental Working Group, and Kennedy asked him to come back and work on this because Kennedy took a personal interest in this. So Mark was very much a part of the team. Sally Paxton, in the counsel's office, was part of it. Joe Lockhart, who had just come to the press office, was part of our team. So we had a bunch of people.

There were a number of issues that we had to deal with. Some of them involved the famous White House coffees and donors. There were issues that dated back to Alexis's tenure at Labor the first time she was there, and there were issues that related to some of the work she did right after she left there. Many of the issues weren't disqualifying, but they were of great concern to Senator [James] Jeffords, who was the chair of the committee, and his staff. There was a lot of press. That was when I was dealing directly with the press a lot. There was a reporter at *USA Today* who was writing it up a lot, and I think the *Times*. Everybody was writing stories about this.

The nature of these things is that you get a set of questions that are basically derogatory. So there was a great deal of straight, substantive, "Figure out the facts. What happened? Let's explain it." There was some political work, working with people who were strongly supportive of her, and some going up to the Hill to sit down, sometimes with her. We might go and walk Senator [Trent] Lott through exactly what happened on this one, or walk Senator [John] Edwards through what happened. There was a lot of work on that. In the end, she was confirmed by a pretty heavy vote. There were issues that related to her tenure at the DNC [Democratic National Committee]. I don't remember the specifics. There was a variety of issues that she was hassled about. In any event it was done.

Riley: On something like that, is the inside game more important than the outside game? Is it more important to be tending to the individual members on Capitol Hill, or do you need to be working the press more?

Stern: They go together. With all of these kinds of situations, you have to do it with facts, not just with spin. You have to bore into it, completely understand what happened, and then present

it in the best way you can. This is more of lawyer-type work, although knowing that you're operating very much in a political context, so you have to do that. Now, it is inside and outside in terms of the press and the Hill because the press writes stuff, and it affects the Hill, and it drives the Hill in very significant ways.

You hear that the press—They call you up or whatever—is about to write a story that is saying the following, which might be completely wrong or partially wrong or unfair the way it is being presented. It is important to work with the reporters, but you can't do it through just spinning. You have to be able to walk them through what happened as effectively as you can. So it was all of those things.

Riley: Was there anything in particular that you remember about either the Foster or Lawrence nominations that you want to talk about, or are those pretty much the same thing?

Stern: I was much less engaged in those. I remember writing some pretty hard-hitting talking points on Foster, pushing back at some of the right-wing attacks. There was some really off-the-wall, unfair stuff thrown at him, blaming him for the Tuskegee experiments and stuff like that. It was very unfair. So some of my work was political punching back that John asked me to do because I'm pretty good at writing like that. With Lawrence, I don't remember the issues so much now. There were some technical tax issues that I remember, and I think we spent a bunch of time with some lawyers to understand the issues and to work through them and explain things, but I don't remember the details.

Riley: There was a period after the midterm elections in '94 and '95 when Dick Morris is beginning to show up unofficially. Did you get any early warning that there was somebody else in the loop on some of the paperwork, or was it later that you became aware that Morris was back?

Stern: Everybody became aware of it at some point. I don't have a specific answer for you. It was clear that there was some other force. You know what physicists call a "dark force"? [*laughter*] You can't see it, but it's there—something moving, gravity, whatever. There was something else going on. It became apparent at some point that there were other inputs going to the President that we weren't sending up. But everybody, I think, was in the same boat there. I don't remember anything in particular.

[BREAK]

Riley: Let's shift gears and get into the other big part of your portfolio. How and when did you come into the global warming business?

Stern: Once again, one of my senior colleagues came down to my office, and I don't think it was Erskine. It probably would have been late June or so of '97. I know it was a short time before the [Robert] Byrd-[Charles T.] Hagel resolution, a 95-to-nothing resolution, was passed in the Senate, which was basically anti-Kyoto. I know that was in July and that by the time I was asked

to do this, there was little opportunity to do anything about it. I know it was a little bit before that, but not much before that.

Riley: OK.

Stern: It was on the heels of the G8 [Group of Eight] meeting in Denver. As I understood it, the President had been meeting with his counterparts, and there had been a lot of discussion about Kyoto and the upcoming negotiation. At that point, the United States did not have an announced position. One way or another, and I don't know what the source of concern was, there was a sense that there needed to be a more intensified effort in the White House than had taken place up to that point. I was asked to manage the communications and outreach aspects of this issue, to try to engage the public more and to engage the relevant stakeholders more than had happened.

I said that I would do that, fine, but part of the deal for me had to be that I would be in the inner circle of figuring out the policy itself. I would have a seat at the senior policy table, as it were. First of all I would be interested in doing that, but more importantly, I didn't think I could effectively deal with the stakeholders, or even with the public, if I were not in the room when the policy discussions were going on.

Riley: Sure.

Stern: That was fine.

Riley: Did you have any experience with environmental issues?

Stern: No, but on the other hand, I had this portfolio where I saw everything and was exposed to everything. Both as a result of, I think, my work in the staff secretary's office and partly as a result of being a litigator by training, I was a pretty quick study. I learned it pretty quickly. Obviously I had to spend some time with it. There was a White House Task Force on Climate Change. I was not the head of that. I don't know if that group was created by Katie McGinty or by someone else in the Gore world or CEQ world, but it was a group of five people who worked on climate change. They were over in an office on Jackson Place.

Riley: Was this created after you were brought on board, or did it already exist?

Stern: Preexisting. I initially thought, *Great, I have five people ready-made to work for me*. But in about two days I figured out that they were fine. They had a thing that they did, but I needed shock troops. I needed some people who were going to be a little bit different. They did a lot of outreach activities of their own. They continued to do that stuff. That had been going on for a long time, and yet somebody came to me to say, "We need this effort." What was going on there wasn't responding to what the President was trying to do. I was trying to operate at a somewhat different level.

Riley: Who would you report to?

Stern: The overall group is Katie McGinty and Gene Sperling—Gene as the NEC person. I think Gene was head of the NEC at that point. Katie was head of CEQ. They were jointly in charge of the policy side. Who did I report to? I reported to the President, I suppose, or through the Chief

of Staff. It was like any other person running some policy piece, although I was not running the whole thing, as I described to you. I was quite independent, though. I wasn't checking in. I was given this ball, and I was supposed to go run with it.

I recruited a few people to be my immediate deputies. Bill Antholis was one; Nick Lapham was another. But Nick and Bill both came from State. Nick came directly from State; Bill had been at State and then he was at NSC, but whatever. I talked to various people to find folks who would be good at this. I got a press person. Natalie Wymer, from Labor, came over. So we had a small group of people. We just started doing stuff. We brought Nobel Prize winners into the East Room, and we had a meeting. We brought ten CEOs [chief executive officers] into the Cabinet Room to meet with the President. We had a big White House conference on climate change in the fall. That was a big thing.

Riley: This is '97?

Stern: Yes, '97. That was a large, all-day event with the President, the First Lady, the Vice President, and Madeleine Albright, one after another. It was held at Georgetown. There were a few hundred people. We brought 90 weathermen from local TV stations all over the country to meet the President and the Vice President and to report back to their local markets from the White House lawn. We did all kinds of stuff.

Then I was meeting with Labor, and I was meeting with the business guys, and I was meeting with the enviros, and I was meeting with everybody all the time. I was working quite intensively with the internal White House policy process, which ended up generating various memos along the way for the President, and I had meetings with the President with respect to what fundamental position should be taken at Kyoto. It ultimately led to a speech he gave late in October that articulated the U.S. position. Then I worked a lot with the State Department guys on planning for Kyoto, so I was doing virtually nothing but this reasonably soon after I got into it.

Riley: Just to be clear, you're the preeminent White House person on this issue?

Stern: Yes, I think that's right. It depends. Do you count Katie as a White House person or as CEQ? Katie was obviously important too, and Gene was too. But I got very interested in it. I liked it. I thought it was interesting stuff, important stuff, and I had the capacity to sink more time into it than the others, so I started to take on more and more. I would bring State Department guys over to my office to sit and strategize about it just because I could. I was interested in it, and it was useful. I wrote the memos that went from me and Gene and Katie, this one and that one. Pretty much I would write them and circulate them around. Katie and Gene, as I say, were heavily involved in all of this and so were Jim Steinberg and Dan Turillo. A bunch of people were involved. I just had more time than any of them.

Riley: So you have two parts of your portfolio. A part of your portfolio is to raise public awareness that this is a White House issue?

Stern: That it is an important issue.

Riley: But there's a secondary policy portfolio running up to Kyoto, which is, OK, if this is a crucial White House issue—

Stern: What is the negotiating position? Just to make it more specific and concrete, the Europeans, for example, were saying that the agreement out of Kyoto should call for a reduction in greenhouse gases to levels that were 15 percent below 1990 by, let's say, 2010. Was the United States going to be there? Was the United States going to say no, that we should reduce them gradually and not have them go down until 2030? Should we say 1990 levels flat? Should we say 1990 plus 10 percent? What should be our position? What are the economic impacts of doing that? What are the environmental impacts of doing that? What are the political consequences of doing any of that? It was an extremely complex interaction of factors. I got into all of that ultimately.

Riley: You've already identified who the other key internal actors were. Was Labor a problem?

Stern: In terms of the other actors? If you looked around the table at the people at the regular policy meetings that were held in Gene Sperling's office, it would typically be Gene and Katie, Jim Steinberg from NSC, Dan Turillo from NEC and NSC, me, sometimes Larry Summers from Treasury, and sometimes Tim Wirth from State. At the end of the day, Stu Eizenstat, from State, ended up going to Kyoto. Stu would come once in a while to those meetings, as would Janet Yellen, from the CEA [Council of Economic Advisers]. That was more or less the group that was working it hard, and then some junior people under them.

Riley: Can you tell us how you ultimately reached the conclusion as to what the negotiating posture was going to be?

Stern: As a general matter, I think you had maybe a more ambitious approach that was favored by the environmental side, if you will, represented by Katie, and a more cautious approach from the economic guys who were trying to tote up how much it was going to cost. People on the foreign policy side were not quite on that axis; they were on a little bit of a different axis, that this was an important international—

[BREAK]

Riley: You were telling us about the stakeholders. You didn't mention anybody from the Vice President's office in this operation.

Stern: No, but Katie, from CEQ, was there. I don't think the Vice President's office generally sent someone separate from that. Katie was understood to be handling it. She was close to the Vice President in handling the environmental side of it. Anyway, there were those policy discussions. They were all quite cordial, but at some level everybody carried their own institutional perspective.

Riley: Sure. How did you hammer out the final decision?

Stern: We ended up framing different options for the President. There were at least a couple of memos that went to him. There was at least one meeting that I remember in the Oval Office. The

President was quite green on this stuff. He wanted to push. I don't remember if he came out exactly with the most robust option or not, but it was definitely in that direction.

Riley: Green as in enviro-green, not fresh green.

Stern: As in environmental, wanting to do as much as it seemed we could feasibly do. There were also, in addition to the differing substantive views, a lot of politics to be figuring. There was no love lost for this issue on the Hill. There had been the Byrd-Hagel Resolution, which was a 95-to-nothing vote. There were plenty of people, I think, who were sympathetic to the issue, but if you had had a more genuine vote, it probably still would have been 70 to 25 or something. The resolution basically said, "Don't enter into Kyoto if it is going to hurt the economy or if developing countries aren't included and don't have to do more or less the same things." We were working with that kind of constraint at the same time, and there were big coalitions on the business side that were quite antagonistic. There was that famous set of ads with a map of the world and the scissors were cutting out China and India and those countries. They were getting off without any requirements.

Riley: You said that the President was green here. Do you think there was an evolution to his thinking on environment issues?

Stern: Probably. In general? I don't know. Again, I did not focus on environmental issues broadly. If you look at his record on the environment overall, it is probably pretty strong. At some level, this certainly became the issue that he was most interested in, although he did a lot on, for example, protecting lands and things like that. I'm sure that there was an evolution in his thinking, although a lot of the evolution predated me. He said many times that he learned this issue from Gore. I'm sure that Gore took him through his charts and all of those things at their lunches. Gore was spectacularly knowledgeable about this stuff.

Riley: Was Gore happy with the position that the administration was taking into Kyoto?

Stern: I can't speak for the Vice President. I think Katie thought it was a pretty sound, solid position. You asked about labor. I had a meeting, I remember, with the heads of a lot of the big labor unions, and I remember thinking that I was one of the few people in the White House who could bring business and labor together, because they both hated what I was doing. It was all very cordial. By the way, this is 1997 we're talking about. The world of 2007 is dramatically different, both on the business and the labor side. But there were a lot of serious concerns about whether jobs were going to be affected and whether the economy was going to be adversely affected and things like that. It was all perfectly understandable.

I don't think that the physical reality and science of the issue has transformed in the past ten years. It has accreted. This issue was a full-blown serious problem ten years ago, but people have just started to appreciate it. It's not so much that there is dramatic new information. What has happened is that what scientists were predicting is happening faster and more disturbingly than had been predicted. In any event, there were a lot of people who were concerned, opposed, and all that.

Riley: Were there any disputes that you recall over the makeup of the team going to Kyoto?

Stern: I don't recall that. It was notable that Stu Eizenstat ended up going instead of Tim Wirth. Tim was a passionate advocate on this issue and a very good one, and he has continued to be ever since. There were various internal reasons why.

Riley: It would be helpful if you would elaborate a little bit.

Stern: Tim had decided, and it was publicly announced probably a month before, or it was at least leaked—It got into the press about a month before Kyoto that he was going to join Ted Turner in a new foundation that Turner was starting. I heard about it from Tim, and I let Podesta know. John was the deputy at that point, I think, and Erskine. There was a lot of effort being made by us, through me fundamentally, to try on the one hand to take the policy in the direction that it should go substantively, but by the same token to take people along in a way that seemed to be balanced and that we were hearing both sides. I remember Bob Rubin saying to me after I had been tapped to do this that he was glad to see me doing it because I had a reputation of being evenhanded and balanced, always listening to both sides and that sort of thing, as distinguished from having either an economist or an environmental person take charge of it.

Riley: Wirth had been way out ahead of the curve on these issues for a long time?

Stern: I wouldn't say that. Ted Turner had a very particular reputation, fair or not fair, as being on the quite-green-activist side of this, in a way that I quite admire. But that wasn't the issue. The issue was about thinking in terms of the White House equities. The question then was, did it make the most sense for the U.S. delegation to be led by somebody who had now announced that he was linked up with Ted Turner?

I didn't make the decision. The decision that I made was that this was an issue that I should tell John and Erskine about. I didn't think that this was information I should just sit on and think, *No big deal*, so I discussed it with them. In fairly short order, there was a decision that maybe it would make more sense to have Eizenstat go. I never talked to Tim about it after that. I obviously worked with Stu. It wasn't that there was any unhappiness with anything that Tim had done in his policy role, to my knowledge. I have no reason to think that.

Riley: Had Stu been in the loop on these things earlier?

Stern: Yes, he had been in the loop. He had not been as involved by any stretch as Tim, but Stu was the head of the economic bureau. He was Under Secretary for what they call EB at State—Bureau of Economic and Business Affairs. Stu had the economic portfolio as an Under Secretary at State. So he had been to some of the meetings in Sperling's office. Obviously the issue, as I've already said, implicated the business and economic side of the equation quite considerably, so he had been involved, but not as much as Tim. But when the President asked him to do it, he said, "Sure, I'll do it," and he quickly got up to speed. He was very good in Kyoto.

Riley: Were there any questions about the delegation beyond that hitch?

Stern: I don't think so.

Riley: It was a big group of people that went over?

Stern: It wasn't a big group from the White House. There was a slew of people from State. I'm sure there were a handful from Energy and EPA [Environmental Protection Agency] and places like that. There were people from Treasury. For the White House, there was me, and David Sandalow from NSC would have gone. Bob Boorstin, who at that point might have been at Treasury, went. My climate deputies—Bill [Antholis] and Nicholas Lapham—went. I think that Natalie, the press person, was there. I wasn't in charge of deciding who was going. My guess is that it was probably run out of State.

Riley: What can you tell us about what happens in Kyoto?

Stern: Kyoto was a fascinating experience. Fundamentally the core of it was a three-way negotiation between the EU [European Union], the U.S., and the Japanese. Obviously there were a million other parties, and there were many smaller meetings taking place on various kinds of technical issues that the people from State were going to and were manning. So we might have a meeting on how deforestation was going to be accounted for. There were a million of these somewhat technical issues. But the big questions of what's the core target going to be, and who is going to do what, and questions like that were—There was a room with a big table up in the conference center, where you had a lot of people from EU, of course, and from a bunch of different countries. There were Eizenstat and me and Katie, and then back-bench people were sitting around, a bunch of Japanese.

I was probably there for four or five days. It was probably six hours, four hours, two hours, no hours of sleep. I ate the candy bars in my minibar at 2:00 in the morning. That was dinner. It was about 40 hours straight to finish it. The hall on the last day, the last night, in the middle of the night, looked like a painting from [Pieter] Bruegel. People were sprawled out on couches, on the floor, all over the place. The Vice President came early in the proceedings.

Riley: Was there ever any possibility that he would have headed the delegation?

Stern: I don't know. It was not discussed around me. He made a personal decision that he was coming. I was in a meeting in his office when we were still in Washington when there were any number of people advising him not to go. It was not at all clear that any agreement was going to be reached. It was a difficult negotiation, particularly with the Europeans, and there was no hope of getting anything significant from the developing countries, so it was not at all clear that we were going to come out of this.

For him to go was to put a lot of his political credibility on the line, and it would be distressing for him to go and have it fail. So there were people—I can't remember who—but this was a meeting mostly with people from his office and a few others of us. He was saying, "I'm going." This was personal for him. I think he made a difference. There was a sense that other countries took that as a sign that the United States meant to reach an agreement and meant to go further than they were saying they were going so far.

If I'm remembering correctly, we basically took into Kyoto the position that we would go to 1990 levels between 2008 to 2012, so 15 percent less than what the Europeans were calling for. There were a lot of issues. The U.S. architecture of this thing was to include missions trading and the so-called market mechanisms that the Europeans at that point were uncomfortable with. It

seemed to them inappropriate and like we were just trying to get out of reducing emissions. Their concern was that we were going to be buying rights from other countries and not reducing emissions ourselves. It all seemed vaguely immoral to them. They have an emissions trading system now, but it was completely, from a policy standpoint, the right thing to do in Kyoto.

Anyway, when the Vice President came, he gave his speech. He announced that we would go to something like 3 to 4 percent lower. We ended up going still lower at the end of the day. He was just there for a day. There's a picture in my office of him and Katie and me and a few other people sitting around a table after he had given his speech. Again, we'd only been there a day or two and I was already looking bad. It got worse than that. We called back to the White House from time to time.

Riley: So the President didn't pass to Gore the responsibility for making these calls on Kyoto?

Stern: No.

Riley: He reserved the right to do all this himself?

Stern: Yes. He made some calls to foreign leaders. There were various things that we asked him to do. The ultimate decision was to go to, I think, 7 percent below 1990, although there were certain elements about the way you counted. There were some technical details that I don't remember anymore, something about the way the counting was done. We thought it wasn't a full 7 percent move from where we had started. It was a little bit less than that. But anyway, we went there. We obviously got the President's sign-off to do that.

I stayed quite close to Eizenstat all the way through this. I was always sitting right with Stu. Then he'd go into side meetings with the Japanese or side meetings with the Europeans and come back into the big room. This went on interminably, but it was extremely interesting. There would be other meetings too. You'd have small meetings with a few states or with some of the developing-country folks and all that. Then the session ended. It had been going on for a long time, but we ended up in the big hall, sort of the plenary session.

Riley: I guess the critical problem that comes out of that, at least from the perception standpoint, is the developing countries not buying into this. I'm a little surprised—as an outsider, somebody who doesn't study this stuff—that India and China aren't a part of those crucial negotiations.

Stern: They were certainly a part of negotiations, but I'm talking about the part that I'm the most familiar with. The mandate that Kyoto was being negotiated under was the Berlin Mandate, which was done in 1995, I think. The Berlin Mandate sets up a negotiating mandate for Kyoto, and part of that says that developing countries will not have any obligations. So we were given that. We developed a formulation for how to deal with this, which was to say that we were going to try to negotiate a deal at Kyoto but that we would not submit it for Senate ratification until there was "meaningful participation" by developing countries, whatever that meant. It was deliberately meant to be somewhat elastic. We knew they weren't going to sign onto the thing, because that was already decided. You could say, for better or worse, but predating—

Riley: And there was no prospect of a reversal or concessions.

Stern: There was no prospect of reversing that. One thing we tried to do, and what we pushed—but we were not at all successful—was a provision saying that developing countries could voluntarily decide that they would take on an obligation. In other words, I'm Argentina—and Argentina actually did this the following year, although there wasn't any vehicle within Kyoto to make that work. But we were proposing Article 10 or something like that, which would allow a developing country to say, "OK, I don't have to, but I'm going to."

Riley: Right.

Stern: "I'm going to say that I will agree to adhere to a limit of 10 percent over the 1990 level, whatever it is. I will abide by that. We will put in place a program to meet that target. I will buy emissions credits. If I'm failing to meet that target—" and all of that. But it got shot down.

Riley: Was there anyone in the delegation whose special province of expertise was China and India?

Stern: I don't know about special provinces of expertise. The career people at State who did this were really good. I don't know if there was a China expert, per se, but there were Jonathan Pershing, Dan Reifsnyder, Sue Biniaz, a whole group of crackerjack smart people.

The agreement that had to happen in the first instance was that the developed countries, which are fundamentally those three blocs that I referred to, had to come to an agreement. That's why that became the core.

Riley: Were you happy with the results? Satisfied?

Stern: I think we were. I don't think anybody was under the illusion that we would waltz up to the Senate with this and present it for ratification anytime soon. We had, among other things, this developing-country problem, not only that.

Riley: Were you surprised with the reaction that it got in the States when you came back, or was it pretty much according to your expectations?

Stern: No, I don't think I was surprised. We had a pretty positive reception from the environmental side of the world. We had, I think, quite a negative reception from those on the Hill who said, "Thou shalt not." I may be misremembering this, but I don't think that the business side was in a terrible lather, because I don't think that they thought that there was any prospect that it would be ratified anytime soon. There were different business groupings. There were some who were hard against it, but there were also those who were in a more centrist place, who were willing to be constructive and to try to work with it.

Riley: So you keep this portfolio when you come back?

Stern: I do. Then the powers that be asked me to run all elements of it going forward in January or February. At that point, I had still been the staff secretary through all of this. As John had often delegated to me when he was very busy, I mostly delegated to my deputy. I made sure that the office was generally running OK, but I wasn't in the business of writing the memos for the past few months.

Riley: So this is January or so of ’98.

Stern: Yes, probably February or so when I literally moved into the office next door, out of my office, out of those responsibilities, and started running this.

Riley: Is there anything about the remainder of your time there that we should talk about? There was one other negotiation.

Stern: I went to Buenos Aires. I was running this and having meetings all over the government. I would bring people in from different agencies and whatnot. It was a combination of trying to do things in terms of domestic legislation, R & D [research and development], production tax credits, and those kinds of things on the domestic side. There was a housing partnership that we had an event for down in California that I spoke at, did some press briefings for.

Kyoto got done in ’97, but the elements of Kyoto continued to be negotiated all the way to 2001, I think. All through that year, there were still a lot of things that weren’t fully completed. The Europeans were taking the position that emissions trading could only be done up to a certain ceiling. We disagreed. There were a lot of issues that continued to be worked through. So yes, I spent all of my time doing that for another year and a half.

Riley: Then ’98 was a really hard year in the White House.

Stern: That was the year, wasn’t it?

Riley: Yes, January. Can you tell us what it was like to come into the White House in January when the *Washington Post* first has the headlines in the newspaper?

Stern: It was certainly a stressful time. The thing that I remember more than the *Washington Post* article was when the President had his interview with Jim Lehrer. That’s the thing that stands out in my mind. I was watching it in the staff secretary’s office with a couple of other people. I don’t know if I said anything or not, but I remember thinking, *Uh-oh*. He seemed really uncomfortable answering the questions. You would have been uncomfortable under any circumstances, I guess. I was worried about that. I obviously had no idea of anything, but I was concerned, obviously.

It’s funny. Everybody is built differently. I never had any kind of crisis of conscience or anything like that. He was my guy, and I was sticking with him. I don’t know that I formed any strong opinion one way or another about what happened. I thought that something must be there, but not to the extent of what ultimately came out. See, my life changed a lot because of the climate change portfolio. It took me out of the main flow. I wasn’t going to the morning meetings anymore. I wasn’t in the flow in the same way. It was going on around me, but I didn’t have my finger on that pulse in anything like the way I would have if I had been doing the staff secretary job.

Riley: Was it a verboten topic among the staff? Or were you hanging around the water cooler? Were you talking about it?

Stern: I don't think it was verboten exactly, not around the water cooler. If you were with a friend, you might talk about it. It was amazing, you might say, in terms of the President's internal capacity to do this, but the White House compartmentalized as an institution. I give credit to, I guess it was John then. It is what the President wanted for himself, and he managed to do it. To do it inside of one's own mind, I think, would have been a lot harder. But the White House institutionally compartmentalized. There was a set of people, all in the counsel's office, whose job it was to do this. They just had to worry about it, and they had to handle it. They had to do the hearings. They had to do the documents. They had to do everything that related to it.

Then the job of the rest of the White House was, though it sounds corny, like Clinton's real view, "You just keep doing the people's work." Mostly, honestly, I think people did that. Again, I was off the track a little bit. This is not the point of your interview, but the most engaged and most interesting part of the climate change piece for me was that first July through Kyoto. That was the best. It was very intense; it was working up to the Kyoto thing. I still, after all, was the staff secretary.

When I got off of that into this separate issue, it was fine, but it was probably less personally satisfying for me because the effort on climate wasn't in the same place, and I was a little bit delinked, although I obviously was still there. I felt some of the stuff. It was distressing on the one hand, and on the other hand it was notable the degree to which people kept cranking on. Once it became more obvious and he said what had happened, I think people by and large thought impeachment was absurd. It was a political farce.

Riley: Were you called on to help deal with it?

Stern: No. He made a terrible mistake, but I think people fundamentally thought that he was a really good President and a really good figure and guy. By and large, I think there were undoubtedly some people who felt that he hadn't been truthful with them, and that was personally upsetting for them. I didn't have that kind of relationship with him, but I would have been in that place. People, because of their own makeup or ethics or religious values or whatever, were very upset by the thing itself. I obviously felt that the thing itself was bad, but I was able to say, "It's bad and he did a bad thing, but I think he's a good President."

Riley: I know I'm almost out of time. Did you get a different reaction from your spouse? Was your spouse still working for Hillary at the time?

Stern: She was there. She left in February of '99, so she was there. Did I get a different reaction from her? She is deeply loyal to Hillary, so I'm sure she was upset by what happened, but again, I don't think she had a different view about impeachment or about his fundamental standing as a President or as somebody who had done a lot of good things. But anything that was going to be difficult for Hillary would definitely bother her.

Riley: What took you to the Treasury Department?

Stern: I had had enough of the White House. I was getting ready to go outside, and I got a call. I got to know Larry in the policy process on climate change. I got a call from Larry asking whether I would come over and talk to him. They were planning the transition. I had always had a very good relationship with Bob Rubin, and I think that Bob and Larry had discussed that I

would be a useful person to bring over to help manage the intersection of policy and politics as a counselor. I liked Larry a lot. I still like Larry a lot, and I thought, *I'm done*. It seemed like an interesting opportunity to learn a lot of new substance, to be in an interesting place, to see something different. The private sector could wait a little longer.

Riley: That would be an interesting subject for another conversation, getting the political side from somebody with Larry's skills and temperament, I would think. Larry has a reputation as a brilliant person with a unique perspective on politics.

Stern: I agree with all of that.

Riley: I'll leave it there. You've been very generous with your time. This has been fascinating. I always tell people that we get a little bit of the mosaic every time we sit down with you folks. We've had about a hundred contributions so far. You've given us a lot to work with, and this will be extremely useful long after we're gone. I'm grateful for it. Thank you very much.

[END OF INTERVIEW]