

WILLIAM J. CLINTON PRESIDENTIAL HISTORY PROJECT

INTERVIEW WITH SIDNEY BLUMENTHAL

August 17, 2006 Washington, D.C.

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TRANSCRIPT

INTERVIEW WITH SIDNEY BLUMENTHAL

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[35 pages have been redacted]

Blumenthal: One America was a phrase and idea that I came up with, initially out of conversations with a friend of mine, Sean Woodward, who is a Member of Parliament. He is now the number two Minister for Culture and a good friend of mine. This might have been in '95. I could be wrong. We were talking about national unity in the light of what the Republicans and Gingrich were doing. Discussed the British notions of One Nation, going all the way back to [Benjamin] Disraeli. I just thought One America, but what One America reflects is not the same thing as the kind of paternalistic Toryism that One Nation connotes. One America actually has many meanings, but one of them is the new American identity, which is the old American identity, of *E pluribus unum*. It's that the country is changing, its composition is changing, but we remain One America. That's our goal. It's connected to questions about policy. In order to be One America you have to prevent the centrifugal force of people's varying diverse identities from spinning apart and conflict from ensuing. So that requires economic policy, more opportunity, all the social policy. That was the overarching concept of One America. I think Clinton first introduced it in a State of the Union. It's in my book.

Riley: I think so, we can track that.

Blumenthal: So that's where that came from. That's domestic. Then I started thinking about how we do this in foreign policy. I began having discussions with my friend James Chase, and I actually started with the word "nation," from One Nation. This came out of our discussions and understanding of post-Cold War foreign policy in which there was no longer a bipolar world. The United States was accused by the French of being a hyper-power. Neoconservatives were talking about the unipolar moment, and essentially the United States is the only power in the world. Essentially their version of what [James William] Fulbright said about the arrogance of power as we've seen to the nth degree under Bush.

My sense was that the U.S. remained the kind of balance wheel maintaining balances of power so that no other major power would emerge to create conflict and that there were new problems in the world, each of which required a U.S. role in order for it to be met. They were very different. They would often require international organization, coalitions of forces, traditional alliances that needed to be recast. This was a moving transformation of foreign policy. So I came up with the idea of Indispensable Nation.

I think I first told it to Jamie Rubin, a friend with whom I've had a very long relationship since probably maybe '85 or '86, who then gave it to Madeleine [Albright]. Even before I began in the administration, in the run up to the anniversary of the Marshall Plan, Madeleine held a dinner at the State Department that I helped organize with various people like Chase and other foreign policy thinkers thinking about the difference—being President at the creation as Acheson called it, the Cold War, and now being present at a new creation and how did we think about this? How was it different, how was it the same? That was the beginning of Indispensable Nation. It is not the same and is very different from any of the Bush foreign policy ideas, at least as it was conceived and people understood it and used it in the Clinton administration.

Riley: This raises a question that I wanted to ask you about your own intellectual trajectory. One of the portfolios you become responsible for in the administration later is the Third Way portfolio. You mentioned this in terms of the Clinton-[Tony] Blair relations as something you wanted to talk about. How did you develop a transatlantic agenda for your own career? We get bits and pieces of this in the book.

Blumenthal: It was pretty haphazard.

Riley: How so and what were the key moments?

Blumenthal: In terms of Britain I'd been going back and forth for a long time, but it really developed here in Washington through the embassy. We became friendly with the political attaché, Jonathan Powell. He was [Margaret] Thatcher's National Security Advisor. Jonathan is Blair's Chief of Staff. He was at the embassy here. He had hooked up earlier with the Clinton people in the '92 campaign.

When Clinton won, he held a lunch over at the embassy, maybe at his house, and Gordon Brown was there and Tony was there.

Riley: This was a kiss and make up?

Blumenthal: No, they were the brothers.

Riley: There was bad blood in the election, right?

Blumenthal: No, this is early '93.

Riley: Talking about '92, there was—

Blumenthal: No, there's no leadership fight yet.

Riley: What I was talking about was the Bushes' use of their compatriots in London to—

Blumenthal: There was bad blood between Bush and [John] Major. I broke that story through sources in the embassy who were unsympathetic to the Tories, not Jonathan Powell, I must say

for the record, but there were other people in the embassy, British civil service. I broke that whole story in the *New Yorker*. It was not good blood between Major and Clinton. Clinton tried to behave with Major and so on and so forth but it was fraught.

Riley: The meeting you're talking about then is not a makeup meeting for the bad blood that had happened during the '92 campaign. This was a different bunch of people.

Blumenthal: Tony Blair and Gordon Brown show up. John Smith is leading the Labour Party. They are sort of the fraternal twins of not yet born New Labour who have seen a Democrat win and want to know how he did it. So Jonathan brings them over and has a lunch. There is a small group of people and this is the first time I met them. They're both pretty wide-eyed at the prospect of winning because they've been out of power for so long.

I stayed in touch with both of them. I actually saw Gordon for a while more than I saw Tony. Gordon would come over here, we'd have dinner, but I stayed in touch with Tony. We went over there and saw Tony. I went over and had a long conversation with them about policy. He had already done tough on crime, tough on the causes of crime. I said he really needed to come over here and see what was being done in the Justice Department and talk about crime and policy. Also I said I'd introduce them around.

So Tony came over. I arranged for him to meet with people at the Justice Department and I introduced him to a lot of people. I held a dinner for him at our house. I'm trying to remember when this was. I think the Democrats were still in power so I had Tom Foley, who was Speaker of the House, and all sorts of people meeting with Blair. We stayed in constant touch. When I went over to London in this period I stayed with Jonathan in his apartment, lived with him for a while. We just started talking about this relationship and the possibilities of it.

Then Tony became Leader. There was a prospect of the election, which was in '97. But in '96, after he was Leader, I arranged for him to come over. Then I held a cocktail party in our house. It happened to be Jackie's and my 20th wedding anniversary. So we had a lot of people over. Hillary came. The next day he met with the President and spent an hour with him. He had met with Clinton in London at some event briefly. Clinton called me up and said, "I met with your friend." But that's how that relationship began.

Then I wrote a long profile of Blair for the *New Yorker*.

Riley: That's in the book.

Blumenthal: I went over there when Blair was elected. I was there that week.

Riley: This was before you took the White House job?

Blumenthal: Yes. He was elected on May 1, 1997. I was there during that period. I was in and out of the campaign headquarters. I saw Tony and talked about strategy, this, that, and the other thing. Afterward Jonathan and I talked about what we could do and how to do it. There was a lot

of discussion about how to develop a joint project and our common perspectives and what we should do about it. I also talked to Hillary about this while I was doing this.

In '97, we decided we would launch this project and we would have whatever it was called, International Third Way, Progressive Governance, whatever. The project—they always referred to New Labour as "the project," but it was the international project. So Hillary and I took a trip in the fall of '97, after I came in, it was one of the first things I did. First went to Northern Ireland, then we went to London and we brought an entire delegation of people. We met with Tony and his people, his Ministers and so on, at Chequers. We held a full day of intensive seminars, very serious policy talk, back and forth, about what we did, our views on economic policy and globalization and worker adjustment, education, healthcare, how you deal with poverty. Just very intensive stuff from morning till night. That's what we did, that was the beginning. There's a picture in the book of the group that was there.

Riley: Blair looks like he's about 25 in that picture.

Blumenthal: He might have been. We brought Larry Summers who was then Deputy Treasury. There were a number of people who came. That was the beginning and it developed from there, there was a lot more.

Riley: Were there concerns about the applicability of lessons learned in one place to the other setting?

Blumenthal: Sure.

Riley: Both political and policy?

Blumenthal: We understood our systems were different, not just politically, but for example, our education systems are very different. Healthcare systems are different and so on and so forth. Yet there are things that can be learned. This was a way also to develop the relationship. This is how you develop the relationship, as you talk about policy. That's the form of discourse and it's something completely new. It never really went on in the past between a British and an American government, ever, ever. It was all new.

It wasn't the traditional NATO [North Atlantic Treaty Organization] kind of talk or just bilateral trade talk. This was very serious policy talk about social policy, understanding common political perspectives from center-left parties, with a key understanding that in the new global economy, the domestic social policy is central to your international position. Discussing this with other countries is a way to deal with potential disequilibriums as well as ways to establish relationships. There were a lot of new functions being established. It was as if new synapses and nerve endings were being laid down.

Riley: That from your perspective was the most important aspect of this, or were there also specific policy—

Blumenthal: It developed. I thought over time it could have—it was a very important political development in its time, which was truncated.

Riley: Truncated by—

Blumenthal: By Bush coming to power. By the end, the whole process had developed to include 14 countries that were beginning to act as a kind of progressive consortium setting the agenda for other international processes, like the G8. So in the last summit, Third Way summit in Berlin, they talked about how to set the G8's agenda. All kinds of social issues with international importance.

[27 pages have been redacted]

Riley: Salman Rushdie you had mentioned.

Blumenthal: Yes, I was friendly with Salman. He appealed to me when I went in the White House because he was not allowed to travel on U.S. airlines once he was in the country. They wouldn't let him do it. And they wouldn't let him fly on U.S. airlines to get to the U.S.

Riley: The reason being?

Blumenthal: Because he was a terrorist target, so therefore it was unsafe. They wouldn't allow him on the airlines. I brought this up. I got the NSC to bring it up. They agreed. As I recall it Bruce Lindsey may have talked to the head of an airline. We did what we could but they weren't going to budge. So Salman never got to get on a U.S. airline despite the fact that the entire Clinton White House mobilized on his behalf.

[12 pages have been redacted]

Riley: As you look back on the President's administration, what are the accomplishments that you think are most worthy of people's attention, particularly during your time there but more broadly during the entire Presidency?

Blumenthal: I would say redefining American identity. As we come into a period when it becomes increasingly clear there's not going to be a majority race at some point in the future, just how rapidly the composition of the country is changing, and what that means. I thought that

was very important. Coming to grips with how you deal with globalization and questions of everything from foreign policy, which includes terrorism, to, importantly, how do you maintain an American middle class, questions of opportunity, and so on. How do you reconceive this? Essentially a liberal agenda, call it progressive, whatever you want. How do you reconceive this for a new era?

I thought he did a good deal of that. I think there were political achievements, which can't be slighted. I thought the Gingrich victory in '94 in many respects was a continuation of the wave that brought in Reagan. I think we can see that now. History and Clinton did as much as anyone could to blunt and diffuse it and to make achievements in any case and lay the groundwork for any future progressive Presidency. And to overcome what I consider the unconstitutional impeachment trial, which was a great political achievement. That was a contest for power and that's the counter narrative really to the press coverage of the day, which passes in the light of history.

I don't think it's a set thing, given that so many of us are around and that Clinton is alive and that Hillary is a vital political figure. I think the whole thing just keeps going. It keeps evolving. What I don't think it is is something that's set in stone and that you try to recreate and relive as it was. That means even the policies. The balanced budget wasn't just for the sake of a balanced budget. It was to create the means for social investment. That was the point really. At the price of a lot of political pain. As I said, Clinton only wished he could be that Clinton, which he thought would have been truer to his nature than the green eyeshade Clinton.

Then in foreign policy, a lot of this is in light of Bush, you can define Clinton, but eventually there will be other Presidencies and it will be redefined again. But in the light of Bush you can talk about Clinton endlessly. From creating international coalitions to operating in such a way without the arrogance of power as to achieve our national security objectives. The fact that it exists in history is probably going to be a critical factor for any future Democratic President, whoever that is, related or not.

Riley: Are there any specific things that didn't get accomplished that you look back on with special regrets?

Blumenthal: I'm sorry we didn't do everything.

Riley: That's fair enough.

Blumenthal: I'm sorry there's not universal healthcare. I'm sorry we don't have a global warming treaty. You name it. If everything Clinton proposed were done, it would be a radically different world, wouldn't it?

[five pages have been redacted]