

COMSAT HISTORY PROJECT

Interview with U. Alexis Johnson

Interview conducted by Nina Gilden Seavey

Interview with
Ambassador U. Alexis Johnson
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NG: Let's talk a little bit. Initially, you'd mentioned the two ways that you came in contact with COMSAT. One fairly on in the game and I thought we might start there, when you were at NASA. You had mentioned that you'd been at NASA, and that you had worked on liaison with DOD [which had] had some impact on COMSAT and I wanted to know what that was all about and how it affected COMSAT's growth?

UAJ: Well, as I told you when I was Deputy Under Secretary in the Department, I was involved in the early and highly classified efforts to launch ELINT satellites and reconnaissance observation satellites, and that whole field.

NG: When you say the Department, you mean the Department of Defense.

UJ: No, the Department of State.

NG: State Department.

UJ: Yes, while I was Deputy Under Secretary in the sixties and at that time Joe Charyk was Deputy Under Secretary of the Air Force.

NG: Under Secretary.

UJ: Secretary of the Air Force, yes. And we became well acquainted and I became well acquainted with the satellite business, not communication satellites but satellites in general. Then, when -- I can't remember the dates, you've got all the dates -- when some of this began to be de-classified and it was opened up for commercial exploitation, and COMSAT was formed. I was aware of all of this, but not directly involved on the commercial side of it. George McGhee who was Under Secretary for Political Affairs in the early '60's while I was Deputy Under Secretary, George McGhee handled most of the relations with the Congress and all of this on COMSAT. So, I was not, I really wasn't directly involved in it. Although I was informed and I came in on the periphery from the NASA, from the Air Force and the NASA side. So, I cannot add very much or I don't think I can add anything really, to the initial

founding of COMSAT and all that area in which George did, George McGhee that is, he appeared for the Department in the hearings on the Hill.

NG: Exactly.

UJ: And of course, Senator Pastore was the principal one involved in it. I don't think I can really contribute anything unless you've got specific questions on that period I'm talking about.

NG: The question that sort of came to my mind, was, you'd mentioned that there had been some technology, that had been transferred from the government to, then, what would become COMSAT. And I was wondering if you could reflect at all on what those technological innovations might have been, so that we can get a better idea of what COMSAT was starting with from the government.

UJ: Well, Joe Charyk carried that over from the Department of Defense into COMSAT. I was involved with the question of

drawing a line, if you would say, between the unclassified open NASA operations, and the Air Force and the Reconnaissance Center operations. And I can't remember what the year was, but I chaired an interdepartmental committee that drew the lines of demarcation on that. That was primarily on imaging rather than on communications as such, although communications were involved. I can't remember quite when I came into the communications satellite business. It was going on during that period and I just don't remember the chronology of it.

NG: Ok. Well, then lets go to where I know that you were involved which was during, very heavily during the INTELSAT permanent arrangements.

UJ: The INTELSAT. Well, you've got the story on that. Was it, uh, the interim arrangement, 1964?^{1/}

NG: Four. And then the permanent arrangements in '69.

^{1/} change to: The INTELSAT. Well, you've got the story on that. The interim arrangement was in 1964.

UJ: And the permanent arrangement was in, it wasn't completed

. . . .

NG: Until '71.

UJ: lets see now, Leonard Marks started out the negotiations. The concept then had grown to, well communications satellites had proven themselves early -- what was it, our Early Bird, our first one. And they had proven themselves. And then the idea came of commercial exploitation of it. And then the establishment of COMSAT as the agent, commercial agent, to do this and the relationships between NASA and COMSAT at that time, details of it I just don't recall. I really wasn't deeply involved. Then in '64 came the first INTELSAT interim, as I can recall, interim agreement

NG: That's right.

UJ: Because its quite obvious if you're going to use satellites for international communications you had to have the

people on the other end of it involved as well. And by the late sixties, it became evident that the other countries were not going to be willing to let COMSAT be the sole agent.

NG: Now, you're talking 1969.

UJ: Now, I'm getting up to '69. Yes. And I came back here in the spring of 1969. I came back as Under Secretary again from Japan. I'd been Ambassador to Japan up to that time. And as I recall it Len Marks opened the meetings and then Abbott Washburn took over as the negotiator. And a big conference was called, oh I forget, it started out with some 60-70 countries I think, to write an INTELSAT, a permanent INTELSAT Agreement. And I was not involved in the details of that at all. But it quickly became evident that there was a real and important difference of view between COMSAT particularly in the United States and the other countries. In that COMSAT, the COMSAT Board in particular -- I was acquainted with them -- was looking toward maintaining, to the degree that it would be possible, the monopoly that we had. And they felt that COMSAT and the United States had the technology also, and that other

countries of necessity would be dependent on us for this. Other countries were not content with the situation in which they felt that they were going to be subject to the whim of the United States. And they wanted to have a voice in the management. And that was, you had the the issue was, one issue was whether or not there would be a single global system or whether countries would be able to put [up] individual systems.^{2/} And this broke down into differences between,^{3/} very heavily between, ourselves and the French. The French in particular wanted to put up a satellite of their own; a communications satellite of their own. Which I always have called their French speaking satellite, because they wanted to be able to broadcast and communicate with Quebec and the Franco-Phile countries of Africa. And other countries lined up in varying degrees behind us. In general, the concept of a single system established itself -- that there should not be multiple international systems.

2/ change to: Another issue was whether or not there would be a single global system or whether countries would be able to put up individual systems.

3/ delete: between

NG: Why was that decided?

UJ: Well, it was, it just gradually developed during the course of the conference -- that there would be a single international system. And the issue was, the issue became, what degree other countries would have a voice in the management of that system. And how that, what weight would be given to their voice. And you had all the extremes from the small countries that wanted to have in effect a veto to the larger countries who were willing to accept a strong role for the United States, but not a the dominant well, they accepted the idea the United States was going to be dominant for the time being. They were looking forward to the time when they would be able to develop their own satellites. So, the issue was, in general it revolved around the, as I recall it, who was going to be the general manager.^{4/} And the Board of COMSAT was very many on the Board, individuals on the Board in particular, as well as Senator Pastore at that time, were thinking in terms of the United

^{4/} change to: So the issue in general revolved around who was going to be the general manager.

States being the general manager,^{5/} and COMSAT being the general manager. And COMSAT as a commercial company looked forward to that role for itself. They agreed, in fact, to INTELSAT, but the concept was that INTELSAT would employ COMSAT as the general manager.

And that's where the real struggle developed. And Abbott Washburn did a great job of negotiating. And only occasionally, when he would run into an absolute impasse, would he come to me, and I would have a meeting of the countries involved and Abbott, and we would try to find some compromise position. And during this period it was also a matter of bringing COMSAT along. COMSAT was in a unique position in that though it was a commercial company, it was a principal in the negotiations. You had two principals. You had the U.S. Government, if you will, and then you had COMSAT as an independent entity; which made life very complicated. And very complicated for a negotiator, because he had to not only bring along his government, U. S. Government, and the other countries, but he also had to bring along COMSAT. So, it was a very unusual international negotiation and a very, very complex

^{5/} delete: general

one.

NG: Lets go back, just one question. You mentioned the French wanting their own system. Do you think that the reason that they were saying they wanted their own system was essentially to open the door for this global system in some kind of international participation? Which means that, if they were not, as well as other countries, were not given the right to some kind of stake in INTELSAT, that then they would go off and develop their own system. Was that a threat?

UJ: Yes. Yes. Well, they accepted the idea that there should be a single global system. But within this system, well, I say they accepted the idea. They really didn't. They agreed that there should be a global system. But within a global system each country would have an opportunity of developing its own and developing its own network.^{6/} And they wanted to develop a French satellite for communications with the Franco-Phile countries and Quebec. And this was an expression of course of de Gaulle nationalism and all of that.

^{6/} delete: and developing its own

NG: Was there ever a feeling that if they didn't get that they would pull out of INTELSAT?

UJ: Yes, there was some concern about that. Implicit, there was implicit the fact that the countries had to join voluntarily. Of course, they didn't want to, they didn't have to. And to the degree that it was not global, why of course it would not have carried out the objectives that people interested in satellite communications had for it -- that is to make it a single system.

And then, you had other countries of varying degrees, that didn't want to be forestalled from going their own way if they wanted to. Japan was not yet a factor, but they were looking ahead also, to the time when they would be able to develop and participate in their own system. They were interested in South East Asia.

So, you had all these special interests involved. And, as I say, without going into anymore detail, I would get involved when Abbott would come up to say, "You know, I've gone as far as I can go and now we're going to have to butt some heads together."

NG: Well, let's talk more about your particular involvement. First, let's talk about this relationship between the State Department delegation and COMSAT. During the international during the definitive agreement negotiations, obviously there were differences.

UJ: Oh, Yes.

NG: The State Department very clearly wanted a global system, and COMSAT very much wanted to make money for its stockholders. How did the relationship, from practical terms I'm talking about initially, how did it work? Who talked to whom? What was the -- how did it set itself up? How did they come to some kind of talking point with the other countries?

UJ: Well, Abbott of course worked with COMSAT. I can't remember who the direct representative was, but as far as I was concerned COMSAT was headed up, of course

NG: Probably John Johnson.

UJ: yes, and Joe Charyk.^{7/} But Joe Charyk had his Board to deal with also. The view of the State Department was if it was going to be a genuine international system, and other countries would genuinely participate in it, then, it had to be voluntary on their [the countries] part. They were going to require and demand some voice in the management of it, and not just be willing to form a paper organization, and say to COMSAT, "Here you run it." And within the delegation, primarily avid as I recall it, I can't remember who was on the delegation from COMSAT

NG: John Johnson.

UJ: John Johnson. Oh, yes, gee I'd forgotten him.

NG: That's who would have been our direct representative. So, here you have Abbot Washburn, you have John Johnson, sometimes butting heads.

UJ: Throughout it, when issues came up, as I recall it, that

^{7/} add: John Johnson was on Abbott's delegation.

Abbott felt he couldn't handle, I recall I had quite frequent contact with Joe Charyk.

NG: What were the nature of those contacts?

UJ: Oh, usually by telephone.

NG: What kinds of issues were you talking to him about?

UJ: Well, the basic one behind the scenes always was a question of whether or not we were going to have a participation of the other countries in the organization to a degree that would satisfy them [the countries]. Or, whether this COMSAT concept -- of their being the general manager without any^{8/} participation, any meaningful participation from other countries -- was going to be the case. I can't remember, it came up throughout the negotiation. This was always the background though, these different concepts with what they And they had, to a degree, COMSAT had the support of Senator Pastore on these, too. And so I had to deal

8/ change: "any" to "U.S."

with Pastore. I remember going up to see him and having some vigorous discussions.

NG: How do you think that [it came about that] COMSAT relented in a sense. Because it did.

UJ: Well, I think they saw that they just weren't going to be able to do it, that's all. It just wasn't doable. And the COMSAT people dealing with these foreign countries, like Johnson and Charyk, had a good appreciation of what the realities were, and the necessity to compromise their principles, if you will, and deal with the realities. If we were going to have the system. And it came up in various specific ways, in this article and that article, I forget exactly how it came up, but they gradually came along. And the problem with the and there was agreement between Johnson and Charyk and Abbott Washburn and other countries. The agreement was finally arrived at.^{9/}

^{9/} change to: And the final problem, although an agreement was reached between Johnson and Charyk and Abbott Washburn and the other countries.

NG: Sure.

UJ: But when Charyk presented it to his board, he hadn't kept them^{10/} informed and they hadn't gone through the^{11/} struggle of [the whole thing]. They then took the position that it just wasn't good enough as far as COMSAT was concerned. And it came down to the crunch, that the agreement was ready to be signed and he didn't, Charyk had not yet been given the authority by the Board to sign it. And they wanted to you had a lot of strong individuals like Meany of the AFL/CIO.^{12/} I forget who the Chairman, what was the name of the Chairman of the Board?

NG: McConnell?

UJ: [Joseph] McConnell, yes. These were strong minded individuals. And they were in effect taking the position, they

10/ add: fully

11/ add: negotiating

12/ change to: The Board had a lot of strong individuals like Meany of the AFL/CIO.

wouldn't authorize signing of it unless some fairly fundamental changes were made in it. Well, that was just not possible. Charyk and Johnson knew it was not possible. They'd been involved in negotiations before. And I tell the story in my book of the night before signing, well, the documents were all ready to be signed, and the signing ceremony was going to be held the next morning. And as the documents were drawn on the fashion of^{13/} two signatures were needed from the U.S., the U.S. Government, and the other was COMSAT -- it needed COMSAT's signature on it also -- and Charyk had not yet been authorized, had not been authorized by his Board, quite the opposite, to sign it. They were still discontented. I tell the story in my book -- I just happened to be over at the White House reception that evening -- I spoke to the President, Nixon was at that time, about this ceremony that was going to take place the following morning that it had been a very technical negotiation, but one of really historic significance and which the United States had taken a lead. And that we had not bothered him with the details of the thing. But I thought it was of such a historic significance and I thought that he might

^{13/} delete: on the fashion of

want to attend the signing ceremony at the Department. And he immediately said, "By all means. I'd want to come over." And so I went back, as I recall it, and I called Charyk, who had not yet been authorized to sign, and I told him the ceremony as he knew was going to be held the next morning [at] 8:00. The President was going to be there and I hoped that COMSAT would be there. And I don't know what he did. He said, "Well, you know Alex I'll see what I can do. But I have problems." And I said, "I know you do. But make this clear to your Board now, that this is down to the wire." And the next morning people were all assembling for -- in the international conference room there at the State Department -- people were all assembling and the documents were all there, the name plates were all on their assigned places, and nobody in the COMSAT seat. Just minutes before the, 10:00 o'clock I think was the signing ceremony, Joe Charyk got out of his car and came in grinning broadly at me and sat on the other side. What he did in between, I have no idea.

NG: So, you never got a glimpse, or had any conversation with him about what happened?

UJ. I never asked him. I wasn't interested in what he had to do. Whatever he did, he did it.

NG: It's awfully close for comfort.

UJ: Yes, it was. But I think that happenstance that I was able to get the President there

NG: Do you think that had something to do with it?

UJ: Oh, well, I think it had a lot to do with it.

NG: And Nixon in fact was there.

UJ: Oh, yeah. Nixon came.

NG: Did he sign on behalf of the United States?

UJ: Oh, no, it was still^{14/}

^{14/} change to: That was for the Secretary of the State.

NG: So, it was still

UJ: Yes. Yes. He [President Nixon] made a few remarks that they'd prepared for him.

NG: You mentioned in your book, that this was probably one of the most important negotiations of recent history. Why did you feel that way? Or, why do you feel that way?

UJ: Oh, I don't know. Did I say important negotiations? In many ways significant^{15/}

NG: I'll tell you what you said, ". . . . the most important and least appreciated negotiations in recent history."

UJ: Yes. Well, I did feel that way, because in the -- it was^{16/} 1) unique. Here was the world, outside the communist

^{15/} delete: Oh, I don't know, did I say important negotiations? In many ways significant. . .

^{16/} change: "in the -- it was" to "they were"

world, here is the world agreeing not on some fault or^{17/}
broad general principles or vague declarations, but agreeing to
work together to set up and to work together on a, in an
organization that was an operating organization -- that touched
everyone of them very directly. And it was the first time,
first time anything of this kind had been done anyplace,
anytime. And so I felt it had great significance. If it could
work. And I think it has had that significance. Previous to
this, you've had your individual communications organizations in
each country, and they've had arrangements to work together.
But here you couldn't do that. Here you needed to have one
bird, not two birds, uh, three birds up there.

NG: Three.

UJ: And all of them using it, and all of them contributing to
it, and all of them sharing in the profits and the losses, if
you will, of the operation. It was quite unique in that
regard.

^{17/} delete: fault or

NG: I'd like to get a little bit more, if you recall, I mean, again, this is over 15 years ago, now, some of this some of the details that may have come to you. Some of the ways in which you were able to intercede to, as you said, sort of bring together some of the countries when you had an obstacle and you sort of, you know, got these different number of countries together.

UJ: I wish that I could have a clearer recollection of the precise, precise issues that came up. What I would do would be to get the representatives of the countries, including their ambassadors in some cases, which Washburn would have picked out as being the key once, as far as [a] particular issue [was] of concern. I'd just get them in the office and we'd just talk turkey. That's all. And I'd get them to the point that we would find a common ground that they could agree on and we could agree on. The it was simply using diplomacy. I didn't bring any particular genius to it, as far as COMSAT, as far as communications were concerned. But being called in by the Under Secretary, and having representations made by the Under Secretary -- but many representations made by the U.S.

Government^{18/} -- simply backed up Washburn. Washburn they saw everyday and he was sitting as the U. S. Delegate to the conference.^{19/} It just raised it to a higher level.

NG: Because Joe Charyk seems to feel that you were a king pin in making this thing happen. And I guess what I'm trying to focus on a little bit is some of the things you brought to it other than obviously your stature as Under Secretary.

UJ: Well, I understood the system sufficiently and the problems. I think that I was able to talk about it with some background.

NG: What other countries besides the French did you deal with? Do you recall?

UJ: Oh, Yes. Well, gee, as far as these, the first particular issues are concerned, why, as I say, I just cannot be clear

^{18/} delete: but many representations made by the U.S. Government

^{19/} delete: and he was sitting at the U.S. Delegate conference

about them. What they were. But there would, in during the course of the negotiations, countries would split up into various groups. There would be a group of seven, united around this issue and this principle, and [a] group of nine that were united around this principle, that issue. And I'd call them in as groups. And once in a while, I'd call somebody in individually. And frankly, I just don't, well so much has gone on

NG: I was going to say. This wasn't the only thing you've ever done in your life. So

UJ: It wasn't the only thing.

NG: I know, I looked at your book.

UJ: And so, I wish I could identify specific issues. But you've got that from, I think Charyk would remember them, much better than I would because

NG: Yeah, but the difference being obviously that you were

there in the meetings.

UJ: . . . and Washburn and Washburn, also. Yeah.

NG: You mentioned that there were four objectives to be met in the negotiations. The management arrangements which we've already talked about; the rate settlement; profit sharing agreements; and equitability and contracting. So, those were the four things that you brought out. We've talked about the management arrangements. Do you feel that the other three, the rate setting, the profit sharing and the contracting were met both first to the United States, and COMSAT's agreement, and to their satisfaction and then to the

UJ: Well, in each of those issues, underlying it all was to what degree the U.S. or the COMSAT voice, was going to be the dominant one. And to what degree other countries wouldn't be able to participate, or felt they had the right to participate. Each one, it came up in various ways, of course, at each of those issues. It all got back eventually, to the question of who was the general manager? Was the U.S. and COMSAT going to

be appointed general manager or would it be a manager approved by COMSAT. But the general manager and the board of governors [would] the general manager only be [an] instrument, if you will, of COMSAT?

NG: And then you're saying then, that the contract and the profit sharing and the rate settlement would then fall from

UJ: Then, fall from that. Yes. Yes.

NG: You also mentioned that there was some divergent views within the United States Government, specifically, the FCC, the White House Office of Telecommunications Policy, as regarded these negotiations. And I wondered if you could recall what those divergent views were and how they were resolved and what your involvement in that resolution would have been?

UJ: Well, I was the principal in resolving them, of course.

NG: Clay Whitehead, would have been the

UJ: Yes. Yes. If I do. Its not likely. Its buried way, way back. There were some real issues there. It all revolved around, of course, one way or the other, what the, who was going to have a voice in the U.S. government -- what the relationship. It involved the relationship, of course, between the U.S. Government, if you will, and the different concepts of that, and COMSAT. To what degree was COMSAT going to be regarded as simply another communications company, subject to the FCC procedures and so on. And what degree would it have a special stature, status rather. It revolved around those things. Whitehead, I remember, was very vigorous about something and I can't remember what it was. And he and the FCC were [in conflict]. The FCC was looking to protect its turf, too. There was the same thing, you always have intergovernmental scabbles. People trying to protect their turf.

NG: Well, let me interject one thing that may, sort of, shake something loose. Whitehead was really the person who wanted to see a lot of competition in the satellite communications field. He was very, he wrote this, quote, "Open Skys", memorandum that

UJ: Yes, Whitehead. Yes, I'm thinking. Whitehead was one principal.

NG: He would have been representing the White House point of view.

UJ: Of course, the FCC [was another principal]. I'm sorry. I should be able to recall [in audible] . . . what the issues were within the government.

NG: If you'd like to think about [it] we can come back to it.

UJ: Pardon. No, I don't know that I'm going to, that its going to surface. I just can't remember.

NG: Well, you know it may also hit you in three weeks.

UJ: Pardon?

NJ: In three weeks you may remember something and you can give me a call.

was going to throw the whole thing open. The FCC had other feelings about that, in terms of keeping the clamp on. This obviously would have effected COMSAT's specialized status.

UJ: Oh, very much so. Very much so.

NG: They had a handle on COMSAT. They wouldn't have a handle necessarily on -- the FCC that is -- on an "open sky" arrangement. Do you recall if that played any, had any involvement in that?

UJ: You've addressed that properly as I recall the issues. But the point, that was the basics, that was in the background how those issues surfaced specifically, I just can not recall.

NG: Let me ask you one other question. Was there ever a feeling that you can recall that the United States -- the State Department -- was being usurped in its sort of foreign policy negotiating role by COMSAT and by COMSAT's ability, essentially, to go in and be a participant in this

organization?

UJ: Oh, I wouldn't say usurping the State Department role. But COMSAT presented a unique problem for the State Department. And this negotiation represented a unique problem in that you had dual representation in the United States, which is an unusual situation. I can't recall any precedent for this in which you have a private, non-governmental entity [involved in international negotiations alongside of the State Department]. Now, it was founded, COMSAT was founded by the Congress, of course, but it was an independent entity which had an independent position that was not necessarily the government position.^{20/} The State Department is used to battling with other government agencies to get U.S. Government positions. But here you had somebody that wasn't in the U.S. Government, also, sitting alongside the U.S. Government. And that did complicate it. It complicated it very much. And I'd say, that in general the positions of COMSAT, as put down by the Board

^{20/} change to: Now, COMSAT was founded by the Congress of course, but it was an independent entity which had an independent position that was not necessarily the government position.

and as Pastore supported them, was a oh, a it was a foreign object introduced into the negotiations that complicated it a lot.^{21/} And COMSAT, on the one hand, had an international point of view, because its [units] had to live in the world. At the same time, members of the Board in particular, looking on it simply as another General Motors or Goodyear Tire Company or that, and they were pursuing the commercial, pursuing its interest simply as a commercial entity

[TAPE TURNED OVER]

UJ: which was all well and good, except that, if you were going to get an international agreement on it, and you had to have an international agreement on it, you had to compromise with the views of other countries. That's the essence of negotiation.

NG: And you felt that the COMSAT Board was not sensitive to

^{21/} change to: And I'd say, in general the positions of COMSAT as put down by the board and had Pastore's support and thus another factor introduced into the negotiations which complicated them a lot.

that?

UJ: not sensitive to that. They were looking at it solely as a commercial proposition. That's my feeling. Not all members

NG: I was going to say do you know, can you tell me who articulated that view?

UJ: No, I can't. I just don't remember all of the names. And this came to me, well sometimes, indirectly, sometimes directly, it came to me in various ways. But this is just my sense of [Inaudible].

NG: Did you and Joe Charyk ever talk about this?

UJ: Oh, yes. Yes.

NG: So, he was it was very much at the front of his mind.

UJ: Oh, yes. Yes. No. No, it was very much [Inaudible].

NG: Do you recall how he . . . what his viewpoint was on it?

UJ: Well, Joe, Joe, had a, I think, realistic appreciation of what was doable and what was not. And if we were going to have an international system, truly so, with the real participation of other countries, there were certain things we had to take into consideration as far as their views were concerned. Otherwise, of course, the contrary to that from the strictly business point of view was that if every country would --- every major country -- would seek to set up its own separate and competing systems, then COMSAT's position, of course, would be then weakened by that much. COMSAT would simply become one among the many . . . one among many rather than the principal. And I think that the agreement that was eventually arrived at is, was a good compromise and a good agreement. I think it served, in the long run, I think it served COMSAT's interests as well.

NG: [Why] do you feel that way?

UJ: Because if the other countries had set up independent systems, then you really wouldn't have had a single, global system, and COMSAT would simply have been one among many. And that came along very fast that other countries -- Japan, France, European countries, and so on -- of course rapidly reached the point at which they could build their own satellites and launch their own satellites.

NG: Well, let's talk a little bit about the less developed countries which obviously didn't have that economic base or the technological advancement to really make that kind of a stake out on their own. One of the complaints that has been voiced is that the United States has essentially given up the technology that was developed here, first by the United States government then by COMSAT, basically not just to the European countries but to the Third World countries, and that we have aided them in significant ways that they would never have been able to develop on their own. Do you think COMSAT gave away its technology and its innovations?

UJ: Oh, no. No, I don't at all. I think that that was an

inevitable development. Technology can only a monopoly on technology can only last for so long. It was and the technology was not all that esoteric, anybody could build a dish. And that's all you need to do, you need to have a dish to communicate. Now, dishes become smaller and smaller and more and more efficient, but you can't if you're going to furnish dishes to other countries they're going to get the technology of making dishes. And you can't keep that to yourself. And as far as satellites themselves are concerned, we have no monopoly on electronic technology. And it was entirely within the capacity of, well, the developed countries of course, to do it. As far as the underdeveloped countries, the underdeveloped countries as a whole don't have the technical or industrial base to build and launch a satellite [Inaudible]. It's becoming easier and easier to do. More and more people can do it and you can make contracts to do it -- and the Soviets now are offering contracts to launch satellites. So, I don't feel at all that we, quote, "gave away," unquote, I can't think of anything that we gave away.

NG: Do you feel that, as we mentioned, that the less developed

countries didn't essentially have that lever of power to say, "Well, if you don't play the game our way, we're going to go off and take our ball somewhere else"? Why do you think that COMSAT even should have been responsive to the Third World feelings about their ability to get contracts or management or whatever else?

UJ: Because they were going to be big customers, and have turned out to be some of the biggest and most important customers. Satellite communications are really fundamentally more important to countries like Indonesia with their thousand scattered islands and their ability to communicate [with them]; and Brazil, well, some of the African countries, Nigeria. An underdeveloped country, it can make better use of satellites, of satellite communications, than the developed country. A developed country like ourselves, its simply another means we've got the wires and the connections [already in place to communicate without satellites]. But those countries are starting from scratch and satellites permit them to leapfrog over the into the satellite stage [of communications]. And its of greater benefit to them, relatively speaking, to be

able to do that than it is to the developed countries. And I think that we [the United States] have able to share in that with them by selling them satellites, by selling them circuits on satellites. I think this worked out very, very much to our advantage.

NG: Do you?

UJ: But its not something on which we could expect to maintain a big monopoly.

NG: Let me get your response to a comment that was made by Reinhold Steiner, who was the Swiss designee to INTELSAT.

UJ: Oh, yes. Yes.

NG: Who was and I'll preface this remark by saying he was not a fan of COMSAT's. But he did make this comment and I would like to get your response to it. He said in 1973, "If you consider the interest of the U.S. in improving relations with other countries, COMSAT has failed miserably."

There was a Booz-Allen report in 1979, which is a little bit later on, that says, "Because of certain personalities " and they don't say who, " COMSAT as manager of the Interim Communications Satellite Committee had difficulties." And that it obviously hampered the effectiveness of the ICSC or INTELSAT. Can you respond to those comments? Do you feel those were legitimate comments?

UJ: With respect to the present situation, is this referring to

NG: No, when you were particularly involved.

UJ: Yes, I think it was true. I think those comments are correct.

NG: Why?

UJ: I think that those countries felt that way about it because they felt that negotiating with COMSAT was like negotiating with just another American commercial company out

for its, out for the buck, and without taking into consideration their interests, broader interests. No, I think that it tended to give that impression

NG: How did the State Department feel about that?

UJ: I think that was one of the problems we had in the negotiations. The State Department felt, the State Department as represented by me, I felt that there was a lot of [Inaudible]. I felt that COMSAT was taking all too narrow, tended to take an all too narrow and short range view.

NG: Was there a feeling at any time on the part of the State Department that they would just desert the negotiations?

UJ: That COMSAT would desert?

NG: No, that the State Department out of frustration would just desert the negotiations.

UJ: Oh, no. No. No. We couldn't desert the negotiations.

We were in them. No, there was no thought of our doing that. The only thought was bringing along the COMSAT Board to something that we thought was negotiable and viable for the future -- for the long range future.

NG: Did you ever make any kind of presentations to either specific members of the Board or the Board as a whole?

UJ: Oh, gee. I can't remember whether I ever met with them as a whole. I don't think I did. I got acquainted with them. I knew some of them otherwise. And they I had a good relationship with them. They invited me out to their golf tournaments. [Laughter]. I had you know we communicated with each other. I had a good relationship with them. And they knew what I felt.

NG: So, on more of a superficial level there was a comradery, but underneath there was still a rift.

UJ: Oh, yes. We were I had lots of battles with George Meany over lots of things. George Meany and I could

agree to disagree without personal rancor.

NG: What about Joe McConnell? Did you ever speak with him specifically, do you recall?

UJ: Yes. Yes. I did. I don't know, I can't recall [that] I ever sat down and really talked things through with him they'd just come up on occasion. And I liked Joe.

NG: This is a question I don't know if you're going to be able to ask answerbut I can pose it anyway. The international common carriers -- ITT, ATT, and I guess in this instance I'm referring to AT&T -- have always had, or traditionally had good relationships with other countries.

UJ: Yes. Yes.

NG: Specifically European nations

UJ: Yes. Yes.

NG: with whom they have cable agreements Do you think the sometimes tense relationships between COMSAT and the other INTELSAT nations, specifically I guess we're referring to now the industrialized countries, do you think that encouraged foreign support of cable technology over satellite technology?

UJ: I just [don't know].

NG: Okay. I didn't know if that was something that you would ever have gotten involved in or pondered.

UJ: No. I think the conventional wisdom back in the middle sixties was that satellites would economically, were so economic as compared with cable, that they would replace cable. And that the rates and the FCC, one of the concerns was whether or not rates on INTELSAT, COMSAT, would be kept at such a level as to enable cable to maintain itself economically. Now, that has shifted radically of course in the last year or so here, with the, what do you call

NG: Fiber optics.

UJ: the fiber optics, that, I haven't followed this thing closely, but I understand that fiber optic cables now are such that they can really compete with the satellites. Satellites, of course now, the unique thing about a satellite is it doesn't make a difference what the distance is.

NG: You can go anywhere.

UJ: You can go across the block or you can go half-way around the world. Its the same satellite and the same amount of power.

NG: Same dish, two antennas and you're ready in the business.

UJ: Yes. Yes. That's right. On satellites I was it in '64? Yeah, the Japanese, the Japanese Olympics the Olympics were in Japan in '64, I guess it was. Yes. This is before, I can't remember, COMSAT helped them on satellite communications.

NG: You mean during the Japanese Olympics?

UJ: Yeah, the Japanese Olympics NASA had up, I forget the name of it, they had up an experimental satellite.

NG: SYNCOM

UJ: SYNCOM was it? They [the Japanese] desperately wanted to get their Olympics broadcast. And they came here and made some inquiries. I didn't know anything about it technically, and they got it turned down because the dish, well NASA was uncertain as to whether the satellite would work very well or not. The only dish that could be used would be a Department of Defense dish out in California. And when I got into it they were desperate and they sent Maeda, President of NHK, the Japan Communications or their t.v. and radio [Inaudible], Japan Broadcasting Company. I'd known Myada a little bit. He came to see me and, almost with tears in his eyes, they just had to do this. And, so, I got on my horn to Defense [Department of Defense]. I don't remember whether Joe [Charyk] was still over there or not at the time. I got on my horn and got the agreement that they [the Japanese] could use their [the Defense Department] dish out there in California. And I got on the

horn to NASA see I was on the space the way I got into all of this, I was the State Department member of the Space Council.

NG: The Space Council.

UJ: And I guess Jim Webb was still at NASA at that time. I got on the horn with Jim Webb and he agreed. He thought their satellite would work [Inaudible]. So, I was able to work out the hook up for the Japanese with that SYNCOM.

NG: So, you really orchestrated that.

UJ: Yeah. I really orchestrated that one. Which gave that was the first use of a broadcast satellite at that time. And the Japanese and that gave an enormous boost, of course, to the whole idea of satellite communications and an enormous boost to Japan. And the Japanese have never forgotten that [Laughter]you know, it was very satisfying to be able to put the pieces together. It wasn't too hard -- getting on the phone with the right people [Laughter].

NG: It's the Washington way. Do you think INTELSAT is the model of international cooperation between nations that Jack Kennedy had hoped that it would be when he first introduced the legislation?

UJ: Yes. I would think it is the model. That doesn't mean that models can't have bumps and cracks in them occasionally. But on the whole I think its fantastic that you got the number of countries on this we did get together. And that the thing is working. [Laughter].

NG: There's a lot to be said for that.

UJ: And it's working without too much stress and strain. Of course now, one thing we haven't mentioned, is the fact that our effort in those INTELSAT negotiations was to give INTELSAT the monopoly of international communications. Now, that's . . . that's the reason we fought the French and we fought all these battles over and really fought and the blood really flowed over this, of course. Now, the administration [the current administration] is coming along with a shift in view

and other countries are supposed to accommodate to our shifts in view -- that what we need is more competition in it. And private competition. And, of course, the technology has moved along to the point that the administration may well be right. I hope they don't do what they've done to the domestic telephone system. I don't know why we had the greatest telephone system in the world and we messed it up.

NG: Crazy business isn't it? Do you think COMSAT will be able to stake its share of the market in a more competitive situation?

UJ: Well, I think that's going to be up to COMSAT. I haven't the slightest idea. They're going to have to compete now and to a degree competition is healthy.

NG: Are there any other issues that you've thought of that have come up that I haven't asked?

UJ: No. No. I can't think of anything else.

NG: Okay.

UJ: I don't know if this [The Interview] adds very much.

NG: It certainly raises some good issues and some answers.