

Timothy Naftali

Good afternoon, my name is Tim Naftali. I'm the Director-Designate of the Richard Nixon Presidential Library and Museum. I'm here today on May 23rd, 2007, with Leon Panetta, who's participating in the Richard Nixon Oral History Program. I'm accompanied by Dr. Scott Spitzer of Cal State Fullerton. Thank you, gentlemen, for joining me.

Scott Spitzer

Thank you.

Timothy Naftali

Thank you, Mr. Panetta.

Leon Panetta

Thank you.

Scott Spitzer

Well, Mr. Panetta, thank you very much for being here today. It's an honor to be with you. I wanted to begin by asking you how you came to be the director of Office of Civil Rights for Health, Education, and Welfare in the Nixon administration. How did that come to pass?

Leon Panetta

Well, I could start this, you know, early and kind of move into it.

Scott Spitzer

Sure.

Leon Panetta

I was a legislative assistant to Senator Tom Kuchel from California. And Kuchel was defeated in his primary race in California. It was actually the same evening in Los Angeles that Bobby Kennedy was shot, so it was a pretty depressing night all around. But he was defeated, and so those of us who worked for him were obviously in the process of looking for other employment. And Senator Ed Brooke from Massachusetts had offered me a job as a legislative assistant, and I was considering that. Actually, Senator Kuchel offered me a job in the law firm he was going to, and I was considering that as well. And it was after the election in '68 that I received a call from Jack Veneman. Jack Veneman was an assemblyman in California who was very much out of the Kuchel tradition. He was a progressive Republican who in those days -- I mean, this state, a lot of Republicans came out of the Hiram Johnson legacy, and so he was very much in the mold of Earl Warren, and Tom Kuchel and

others in the legislature. And so Jack Veneman was somebody that I had worked with when I was legislative assistant to Tom Kuchel. I had worked with him on some welfare legislation and some other things to make sure that it served the state of California. And so, we developed a relationship. I got a call from him in which he asked if --

[break in audio]

-- left off?

Scott Spitzer

Sure.

Male Speaker

Um, Tim, do you want to re-ask the question?

Scott Spitzer

So you were talking about how --

Male Speaker

Hold on, Scott, one second, I'm sorry.

Scott Spitzer

Okay.

Timothy Naftali

Hello?

Leon Panetta

Hello, hello, hello.

Male Speaker

And we're rolling; go ahead.

Timothy Naftali

Go ahead, Scott.

Scott Spitzer

So you were talking about how you came to HEW from Senator Kuchel's legislative assistant position.

Leon Panetta

So, Jack Veneman, who I had known as a legislative assistant to Kuchel, called and asked if I would come down and help develop a taskforce that could advise Bob Finch, who was becoming the designated secretary of HEW, Health, Education, and Welfare, whether I would be willing to participate in that kind of taskforce to assist him in the transition to that role. And I said, "Well, you know, let me think about it." And then he asked that I come down to the hotel. I think he was staying at the Sheraton. I can't remember. Went down, had a conversation with him, and next thing I knew he was asking, you know, he said, "Look, let's try to bring the taskforce together." And I think it included Elliott Richardson and a few other people that were on it. I think Pete McCloskey was on it, as a matter of fact, former congressman.

And so we developed the taskforce, and, you know, met with the newly designated Secretary Finch. And we went through and assisted him, did some briefing books on what HEW was all about, some of the issues involved with that. And then it was soon after that that he asked if I would join him as a special assistant to the secretary, which I did. I came on as a special assistant.

Scott Spitzer

But had you known Secretary Finch before this --

Leon Panetta

Had met him a few times, you know, because he was lieutenant governor and also had been involved in Republican circles, and Senator Kuchel was a Republican. So I had met him, you know, in that capacity. And he had stopped by the office to sit down with Senator Kuchel, but really didn't have a close relationship with him. But, nevertheless, he asked if I would come on as special assistant to the secretary, kind of covering a myriad of issues, really kind of being someone to, because of my Hill experience, deal with a myriad of issues.

But immediately, soon after, the civil rights issue became one of the immediate controversies, because the prior administration had basically set up about five or six school districts who were supposed to lose their money, and they did not do it. They basically kind of sent the letters out. And these districts were, you know, going to lose their money in the new administration.

Scott Spitzer

So they were on notice.

Leon Panetta

They were on notice.

Scott Spitzer

And here was the new President.

Leon Panetta

And that became an immediate crisis that we had to confront. So I got involved in that; we worked through it. And then I think it was within a month or so that the director of the Office for Civil Rights, Ruby Martin, resigned. And at that point Secretary Finch asked if I would become the new director.

Scott Spitzer

Now, when Ruby Martin resigned, did it have something to do with this initial crisis with the school districts in the South losing their funding?

Leon Panetta

Well, there was a lot of concern within the Office for Civil Rights as to how strong the new administration would be on the issue of enforcing Title VI of the Civil Rights Act. I mean, what the role of the Office for Civil Rights at HEW, what that role was about, was that the office was established in order to essentially enforce Title VI of the Civil Rights Act. Title VI of the Civil Rights Act of 1964 said that where you can establish discrimination, that no Federal funds ought to be provided for that particular activity.

So if you have a school that is discriminating or found to be segregated, then action should be taken to cut off Federal money to that district. It's an interesting situation because *Brown v. Board of Education*, the decision that basically got rid of separate but equal, occurred in 1954. And for 10 years very little progress had been made in breaking down the dual school system, except, you know, it was done at a hit-and-miss basis through the courts. But then the Elementary and Secondary Education Act was passed in the Johnson administration.

Scott Spitzer

That was 1965, right?

Leon Panetta

That's right, and suddenly a lot of money was made available to school districts.

Scott Spitzer

So there was leverage.

Leon Panetta

And now you had leverage to basically force these districts to comply with *Brown v. Board of Education* because the threat was, "We'll cut off your Federal money." So that became leverage, and that became, obviously, you know, a real tool of enforcement to use in the area. And so that was the responsibility of the Office for Civil Rights at HEW was to, in fact, implement that law.

Scott Spitzer

So when you came on as the director for that office, was your focus mostly on school desegregation and enforcement of that?

Leon Panetta

Pretty much, it was the -- you're still dealing with I think it was 17 southern and border states that by law had segregated blacks from whites in the school system. And so, you know, the real division by law that had taken place was in those states. And so the focus following *Brown v. Board of Education* was to basically bring down the dual school system.

Scott Spitzer

So the de jure segregation was the focus.

Leon Panetta

That's correct, de jure segregation that had been established by law. And it's obvious that you could easily make the case that discrimination had occurred, because by law blacks were separated from whites. So you could make the case that discrimination had taken place, that the schools had been segregated, and therefore that they had to take action then to desegregate the schools and develop plans to implement that kind of desegregation.

And that was really the role of the Office for Civil Rights, was to go to these school districts, indicate that they were obviously discriminating against the law because they were de jure, and they had to develop plans for how they would desegregate their districts. And then HEW had the role of approving those plans. If we approved those plans, then they would go ahead and implement it and their Federal money would continue to flow. If HEW did not approve of the plans, then they would go into an administrative process where you had to establish discrimination, and the ultimate end of that, the administrative process, was to terminate their money.

Scott Spitzer

So when you arrived at HEW in that position as director for civil rights, given your experiences to that point, and -- what were your expectations, what were your hopes that you could achieve from that position? And was there anything that surprised you in your experience as you started out here?

Leon Panetta

Well, you know, my background had been as a legislative assistant to Tom Kuchel. I had worked on civil rights legislation in the Senate. He was a supporter of civil rights. Actually, the leader of the Republican Party, Everett Dirksen, had worked with Lyndon Johnson on approving civil rights laws. There was the '64 Civil Rights Act. There was the '65 Voting Rights Act. And then there was the '68 Housing Discrimination Act. And so as a legislative assistant, I worked for the senator on those proposals, so I was familiar with the law, and familiar with, you know, the whole effort to try to eliminate discrimination, and had that background. Going into that office, I knew that the Office for Civil Rights had the responsibility to enforce the law as the Supreme Court had laid it out. The

Supreme Court, obviously, not only in *Brown v. Board of Education* but the Warren Court then in a series of decisions, had continued to say, "You've got to do this," because clearly what the districts were looking for was more time, more time, more time, in order not to do it.

And the court kept drawing the lines in case after case, saying, "No, you've got to do it now. You've got to do it now. You've got to do it now." So I always felt that my responsibility, you know, swearing to uphold the Constitution, was to enforce the law not only as presented in the Civil Rights Act, but also as interpreted by the Supreme Court. And I felt I had an obligation to enforce that law. I also believe that in the end it was important for children not to be segregated by race, and that the best education they could receive was in a desegregated situation. So I believe deeply not only in what the law said, but in the fact that this would be best for the children. So I approached the job of director of the Office for Civil Rights with that kind of commitment and background.

Scott Spitzer

Now, for our students who may have only had partial understanding of the politics of the late '60s in terms of civil rights and racial politics more generally, a lot has changed from 1954 in the *Brown* case, which you've mentioned, to this point in time. Given that -- so maybe you could take a couple minutes and paint a little bit of a picture of what were the main challenges in race relations at that time. Did you see some of those challenges as being things that you would want to deal with or felt that you would have to deal with from your position as director of civil rights?

Leon Panetta

Well, you know, the problems that developed were the following. I mean, obviously, in smaller school districts and normally you would have a -- throughout the rural South, if you had a rural school district, there was usually a Robert E. Lee School and a Booker T. Washington School. And so, you knew which was which. And in that situation where you had two schools, and oftentimes students who were black had to be bused to the black school and white students in this area of the rural county would have to be bused to the white school, that in those situations you simply drew a line down the center. And you could say, you know, "Students in these areas will go to their respective schools." And that was an effective way to desegregate the district, and do it relatively without a great deal of consternation. Although, it was still -- I mean, look, we're dealing with 200 years of separation and a lot of cultural and community problems in trying to confront what had to happen. This was not easy. But there were a lot of superintendents that were very courageous and made the decision, "We've got to get beyond this. We know what the courts have said. We know what the law says. We've got to move beyond it." And a lot of them put their heads on the line to get that done. So in many of these smaller districts it was, you know, not as challenging to develop a desegregation proposal.

As you got to larger and larger districts, it became more complicated, because you might have an urban center where blacks were congregated in the urban center. And in order to desegregate it, you almost had to create these pie-shaped districts that would involve, sometimes, busing black kids out into, you know, suburban school districts and vice versa. So you might have a situation where you had busing going in a very different kind of direction. And that created a lot of problems, political problems, community problems in those areas. You also had some states that were very intransigent, that didn't want to do it at all, and some superintendents who didn't want to do it, and so continued to resist. There was an approach, at one point, where they said, "Why don't we allow freedom of choice: allow the kids to have the freedom to choose what school they want to go to?" But at the same time these

kids were largely intimidated from choosing to go to the white school or either choosing to go to the black school, certainly, and freedom of choice was not working. But that was one of the arguments that was used is, "Why not allow them the freedom of choice to decide what schools they ought to go to?"

So if you look at the situation, as I said, within 10 years of *Brown v. Board of Education*, a relatively small number of districts had actually completed the process of desegregation. When Title VI passed and the Office for Civil Rights got involved, you began to get many more districts that were beginning to do it, but as you began to get the larger and larger districts, it became much more controversial. And it created a political backlash in the South, and that's ultimately what led to what we call the "Southern strategy" that became part of the Nixon administration.

Scott Spitzer

Tell us a little bit about the Southern strategy from your perspective, how you learned of it, what you knew of it going into this position. Did you have a sense that there was going to be something like this to cope with?

Leon Panetta

Well, I found out a hell of a lot more about it after I got into the job. But, you know, I had heard, obviously, that Richard Nixon in the race in '68 had appealed to a Southern contingent to try to -- he was in a race with Rockefeller. And in order to, you know, to try to consolidate his votes, he was going to the South. He sat down with Strom Thurmond and others, and, you know, the indication was that he was able to draw their support. Again, you know, what I had heard by the grapevine -- nobody ever said this directly to me going into the administration -- that they had gotten some assurances that the whole process of desegregation would be slower, that the President would be opposed to using busing. And so he would be a lot more conciliatory towards Southern concerns about what was happening on desegregation. I mean, I knew about -- I mean, and had read in the press the fact that obviously that kind of political strategy had been developed. And certainly in the convention it was pretty clear that support for Nixon was pretty consolidated in terms of the South and that Strom Thurmond had played a role in that.

And yet at the same time, at least my personal view of Nixon, was that he had been someone, because of his Quaker background, that had been very sympathetic to civil rights issues. As Vice President he had made decisions regarding filibusters in the Senate that were, you know, very pro-civil rights. He had been involved in some committees dealing with advocating civil rights. His voting record was pretty good on civil rights issues. So my thought was that the President, particularly when he had said, you know, had mentioned the fact that a little girl had held up a sign saying, "Bring us together," I just felt that deep down his instincts were to, you know, to try to promote, not retreat from, the civil rights promise of the country.

Scott Spitzer

So did you have a sense of where Secretary Finch might fit into this? And then I want to go back to what you mentioned before about Strom Thurmond, as well.

Leon Panetta

Yeah, it almost became obvious from the beginning because we had -- as I said, it wasn't very long going into the new administration that suddenly we had to confront this whole issue of what do we do with these districts that would have their funding cut off. And there was a tremendous amount of pressure not to do that, and it was a lot of political pressure. Suddenly there were a lot of people basically saying, "Wait a minute." You know, the President had made a commitment that he would go slow; this was the first test of that commitment. And Bob Finch, I mean, when I was involved and worked as a special assistant to him, I felt that his commitment was to ensuring that we would continue to move forward on civil rights. I think the words he used were, you know, "We want to continue the pressure, but we want to obviously try to be conciliatory and listen, and try to do it in a way that can create the least disruption in trying to enforce the law." But I always felt that his heart was pretty clearly behind not retreating on this, but trying to move forward with the desegregation process.

Scott Spitzer

And you said that there was some pressure right at the beginning.

Leon Panetta

Yeah.

Scott Spitzer

Was that only outside of the administration? There was a debate inside the Nixon administration. Can you talk a little bit about that debate, and who was on what side of it?

Leon Panetta

Well I think, you know, it started from the outside just because as soon as the fact that money would be cut from these districts became a reality, the individuals in Congress and in the Senate who represented those areas were very concerned, and they brought pressure. In addition, people within the administration -- I think Harry Dent, who was an assistant to the President, had worked, I think, for Strom Thurmond, had kind of helped develop, as I understand it, politically the whole Southern strategy. He was debating the issue. There were others within the administration that were debating the issue, as well, as to what should be done and, you know, whether this was the place to draw the line. And, you know, what I indicated to the secretary at the time was, you know, "The law's very clear, Supreme Court has been very clear, if you do anything that looks like you're trying to retreat on these issues, it's likely to blow up on you not only politically but legally in the courts, as well. And I think Secretary Finch knew that that was the case. And so, we tried to see if there was a way to resolve these issues in a way that was, you know, sympathetic to the concerns, but at the same time did not back away from what the law required us to do.

Scott Spitzer

Was the attorney general, was John Mitchell involved in these discussions with Secretary Finch?

Leon Panetta

Well, I mean, I'm trying to remember.

Scott Spitzer

Sure.

Leon Panetta

I think early on -- I think there were some discussions between the secretary and the attorney general, only because the attorney general, obviously, had a civil rights division at the Justice Department, and they were responsible, as well, for implementing the law. John Mitchell knew that, you know, as well, that he could not just simply, you know, retreat from what the courts had asked. And as a matter of fact, they appointed someone, a guy named Jerris Leonard, who became head of civil rights at the Justice Department. And I remember having several conversations with him.

And it was obvious that while, I mean, he understood the political pressures that were out there, he, too, was committed to trying to enforce the law because he felt you really had no other choice if you're responsible for enforcing the Civil Rights Act as well as the rulings of the Supreme Court, that it was pretty clear what had to be done. Now, having said all of that, you know, I mean, all of us are pragmatists. And so the issue was, "Can we do this in a way that takes into consideration their concerns, tries to develop plans that perhaps are less confrontational?" But at the same time, they've got to be plans that are effective. Doesn't make sense to make them less confrontational and wind up with a dual school system. You've got to take steps to break up the system, and that, ultimately, is a goal that is tough to achieve.

Timothy Naftali

I was just wondering if the secretary had set up a unit to try to work this problem. Or did he just leave it -- I mean, how did you develop this strategy that you're talking about?

Leon Panetta

Well, he did -- Secretary Finch basically relied a great deal on myself and the Office for Civil Rights. And I worked very closely with Jack Veneman, who by that time had become the deputy secretary at HEW. And don't forget Bob Finch was kind of considered the moderate or liberal in the administration. And what he was creating at HEW with Jack Veneman, he brought on -- I can't recall his name -- but a relative liberal who became secretary of education. And then he was going to actually appoint a fellow named Knowles to become secretary of health, or the assistant secretary for health, which became controversial. But it was clear that Finch was trying to get, obviously, some very talented people involved, and I worked very closely with Jack Veneman because I knew him, because he was kind of the troubleshooter for Finch on these issues. And so he would ask me what we should do and I would basically lay it out to him, and then we would bring it to the secretary.

Timothy Naftali

Did you work with people in other agencies?

Leon Panetta

Worked very closely with Jerris Leonard at justice so that we would all be in lockstep in terms of what we were agreeing to do. And so we would sit down to, you know, in terms of the larger policy questions, try to see if we could develop ways to approach it in which both justice and HEW would be headed in the same direction. But there were clearly different jurisdictions. I mean, we were working with school districts through the administrative process, and justice was working with school districts through the judicial process.

Timothy Naftali

Was there a point person at the White House that you worked with?

Leon Panetta

There was -- Leonard Garment --

Timothy Naftali

Oh.

Leon Panetta

-- became a, good guy, and somebody who kind of because of his legal background was thrown into this issue, and was very sympathetic to, again, what the courts were requiring, what the law required, and at the same time also -- by virtue of his location at the White House -- knew what the politics were that were at play. And so -- but he was the key contact for dealing with this policy issue there.

Scott Spitzer

Did you get a sense of how President Nixon himself was involved? Was he at a distance from some of these constituents with the Southern strategy versus being more aggressive in terms of enforcing that desegregation? Was he letting things happen or was he involved himself?

Leon Panetta

Well, you know, it was -- it was my impression that he was very much involved with a lot of other issues: Vietnam was going on.

Scott Spitzer

Sure.

Leon Panetta

War was going on. There were other issues that were breaking. He was by nature very involved in foreign policy issues. He loved foreign policy issues, so he was doing a lot of that. And I had the sense

that when it came to some of the domestic issues that he was leaving a lot of that more in the hands of his secretaries as well as some of the White House staff. And that was my impression when it came to the civil rights issue. I never got the impression that he directly was kind of saying what steps ought to be taken here. He was asked about it several times in his press conferences. When he was asked about it he never said anything that indicated that he was going to go in a different direction but that he was going to try to ensure that we move forward, did not want to retreat from what the Supreme Court had said. And so, when he did that it was encouraging to me that the President, you know, was understood that we were, you know, the administration, was not going to simply back off from those positions.

Having said that, it was also clear to me that some of the real top political players, whether it was Haldeman or Ehrlichman or Harlow, Bryce Harlow, that they were very much involved. They were very concerned about the political implications involved here, that the Southerners, particularly the Republican chairman and these different states, were continuing to put a lot of pressure on the White House that, you know, that not enough was being done to basically send the signal that there was going to be a different approach here. And they were -- it was clear they were concerned about those kinds of pressures coming in.

Scott Spitzer

So, along the line a different approach did -- was developed outside of your office. Can you talk to us a little bit about what that other approach was? What did the President eventually propose? How the Southern strategy --

Leon Panetta

Well -- I mean, what happened was that -- I mean, I guess the best way to describe, you know, how policy was developing in this area was by haphazard. Best way to say it. I mean, there were days when there were indications that, you know, I mean it was coming from Secretary Finch or others or myself that we were not going to retreat; we would keep moving forward. There would be other indications coming out of the White House that we were going to do that, and so it was kind of hit and miss. And every other day I kind of had a -- I was going through kind of a real storm of reactions in terms of, you know, whether or not we were going to be able to get our job done, never quite knowing -- I mean there were days when I thought, "Okay, we're back on track. We can get these things done. We're going to get support." And then, you know, within a few days something would happen. Somebody would say something that would, you know, look like we were going to retreat again.

And then I think it came down -- I mean, again, my best recollection is that it came down to some, I think it was some cases in Mississippi, in which basically the secretary said that he was not going to force the issue with regards to these districts and made the decision that he was going to pull them back from moving forward towards termination, that they he was going to reconsider the plans, as I recall. And immediately it led to a court case, which I, at the time, I'd said to the secretary that the likelihood was that it was going to lead to a court case because at that point, now, you know, the civil rights groups themselves were getting very concerned about whether or not the administration had the commitment to truly enforce the law. And so when the decision came down on those districts a lawsuit was filed. And it led, ultimately, to a Supreme Court decision that said, "No more delay. You've got to proceed." And I remember when that Supreme Court decision came down that I was over in the White House and some said -- I think Bryce Harlow said something like, "Well, why do we have to pay attention to a Supreme Court decision?" And others said, "No, no, we can't do that. This is the

Supreme Court. It's a unanimous decision. We've got to proceed to implement, you know, what they said." And so, that -- I felt that with the Supreme Court decision that put us back on track towards trying to complete the process that we were involved with.

Scott Spitzer

That was the Green decision, is that correct?

Leon Panetta

Yes, that is correct.

Scott Spitzer

Now, but soon you came to feel that your approach to civil rights, nonetheless, was being challenged more and in a more confrontational way. Tell us about that experience. Maybe I'm wrong about that. How did it emerge? And ultimately you left the administration.

Leon Panetta

Well, what was happening is that, you know, there was a gradual increase in the pressures that were being brought. There was a fellow who was assigned to HEW by the name of Bob Mardian who was general consul. And Mardian kind of, supposedly, according to Jack Veneman, he was sent over there to kind of watch over Finch and made sure that he didn't, you know, move away from the political track that the administration had committed to. And so Mardian became someone who was constantly questioning what we were doing at the Office for Civil Rights. And, you know, I found myself more and more having to go again to Jack Veneman or to the secretary to try to say, "Look, this is the way we have to proceed." Then, there were several meetings that I met with the Southern Republican Party chairman. I remember a particular meeting where I went and walked into the room. There were all these guys around the table and, you know, they were all complaining about civil rights enforcement. And I tried to describe to them what we were, you know, our responsibility under the law that at the same time we were trying to work with the districts, that we were trying to do it with the least disruption possible.

And it was pretty clear from that group that they didn't want to hear any of it. That in their view the President made a commitment that this stuff was going to stop, that there wasn't going to be anymore busing, that there wasn't going to be anymore of these plans to do this and that, you know, there was no, you know, there was no ifs, ands, or buts. This is what it was all about. And coming out of that meeting I had a pretty good sense that, you know, that they were very intent on trying to make clear that, you know, that the administration ought to back off. You know, nevertheless, I guess there was a point at some point when I myself had to ask myself the question, "What do I do here?" And I guess everybody who's in a job in the government that's sensitive has to sometimes face that crossroads where you have to make a decision: you know, do I sell out? Do I basically do what, you know, the political pressures want to do and kind of, you know, protect myself politically? Or do I stand up for what I think is right no matter what the consequences may be? And I think it was about, you know, maybe six or eight months into the job where I kind of made the gut decision that I had to enforce the law and I had to do what was right. And, you know, coming out of politics you do your best to try to

listen to their concerns, to try to resolve them if you can, but in the end you have to move forward. You've got to get the job done. And that's your responsibility.

So, I kind of made that decision. And it was I think, you know, within a few months after that that there began to be more and more rumors that people in the White House were saying that, you know, that I was going to get fired, that I was not going to be there, and others began to report that to me. But when I would mention those things to the secretary, the secretary said, "Don't worry about it. Nothing's going to happen." I mean, I found out later that there were several situations where the White House had threatened to fire me, and both Jack Veneman had made clear to the secretary that if that happened, he would quit. Bill Bagley, who's another assemblyman from California, said he was back there at that point and that there was a real crisis in terms of what would happen. It's not something I was aware of at the time, but I found out about it later. And then what happened was that there was a report in a Washington newspaper that I had resigned. And there had been several reports, so I said at the time -- I mean, my press guy had come in and asked me about it, and I said, "Well, it's just another one of those rumors and let's just deny it." But then somebody said, "Well, you know, the White House press secretary's going to be asked about this." And I said, "Well, I better find out what the White House press secretary's going to say." And so I went over to the secretary's office and said, "Look." I said -- I saw the secretary and I said, "You know, there are some reports that I've resigned." And he said, "Just deny them. It's not going to happen." And I said, "Yeah, but, you know, Ziegler may be asked about this over at the White House. You know, do we know what he's going to say?" And Finch didn't seem to be that bothered by what was going to happen.

Well, Ziegler was asked about it at the press conference, and Ziegler confirmed that I had resigned. So I went into the secretary at that point and said, "I mean, he's just confirmed that I have resigned. I haven't resigned. I haven't done anything." But I said, "Look." I said, "In order to avoid your embarrassment let me prepare a resignation letter." And I did that. I did a resignation letter and resigned. Then, obviously, held a press conference because there was so much concern in the press as to what was happening with civil rights, and did the press conference. And, you know, in the end it was pretty clear to the press that I had been fired.

Timothy Naftali

It's amazing from the Haldeman diaries -- in the Haldeman diaries Ehrlichman tells the President and Haldeman two days before that he had your resignation for a while. So you had no idea --

Leon Panetta

No.

Timothy Naftali

-- that you'd become -- really you were the sacrificial lamb.

Leon Panetta

Well, yes, I certainly had not submitted any resignation.

Timothy Naftali

No, but you'd become a symbol? Were you aware that you were a symbol to the South?

Leon Panetta

Yeah, well I think what had happened was I became the lightning rod for all of the concerns that particularly the Southerners had about what was happening. And what happened is I became the bad guy and the comments were "Panetta this," "Panetta that," "Panetta's not, you know, paying attention to the political concerns." You know, now having said all of that, I have to say that what we went through and the controversy that took place in many ways probably created within the administration a greater willingness to move forward with the process, that having gone through that firestorm and ultimately having the courts come down and be firm about this, that what happened was that these districts, in fact, did begin to implement plans for desegregation.

And you had a situation where, I think, going in something like 60, almost 70, percent of the school districts in the South were -- I mean, black students were going to black schools -- that you got to a point in 1974 where something like 8 percent in the South blacks were going to black schools. So, in effect, even though we went through that turmoil at the beginning, it may have in the end paid off in the sense that the administration actually did develop a pretty good record with regards to desegregating schools in the South.

Timothy Naftali

Well, what was the press reaction to your firing?

Leon Panetta

I mean, the press was -- there was a lot of consternation in the press that it was a clear signal that Nixon was -- that the Southern strategy was on track, that Nixon was moving away from civil rights enforcement, that there was a retreat going on. And that was pretty much the, you know, the reaction that took place. And, you know, there was some validity to that because it was, you know, it was not clear whether or not, you know, was Nixon going to simply declare, you know, that we're not going to enforce the law or was he in fact ultimately going to have to abide by what the court said. And I think in the end the President himself recognized that he had to stick with what the law required, otherwise, you know, I think he knew that you can't resist what the law says, what the Supreme Court is saying, and what the Congress was requiring of him.

Timothy Naftali

Can you tell us a little bit about Bob Finch as a man? You worked for him.

Leon Panetta

Yeah.

Timothy Naftali

He was surprised by what happened to you.

Leon Panetta

Very.

Timothy Naftali

Was he a fish out of water in this administration?

Leon Panetta

In many ways I think he was naive about, you know, how you play the game in Washington. I mean, this is the big leagues and you've got a lot of knives out, and you've got to be able to kind of know who's coming at you and you've got to be able to kind of build your defenses. And I think what happened in this situation is that a couple things. Bob Finch, first of all, became the darling of the press. He was the moderate in the administration. He was a good-looking guy and the press loved him, and I think they knew that his instinct and his sensitivities were in the right place. And I think that created a lot of problems probably not only among the staff but other members in the administration. That's number one.

Number two, I think Finch felt he had a special relationship with Nixon, that he could basically go to the President and that he could convince him to be on his side. And I think he probably relied a great deal on his ability to kind of turn the President around regardless of what Haldeman or Ehrlichman or all of other people might be saying to the President. Thirdly, Bob Finch was not somebody who would pound his fists on the table and say, "Look, I'm not going to do that." His basic instincts were, you know, not to make waves, to try to see if there was a way to at least work through it. And he would -- I mean, his way of dealing with a situation was to try to, by virtue of what he said and how he moved, to try to move an issue in a certain direction, but if it looked like he was running up against the wall, then he would basically back off. He was never willing to kind of take that extra step, and I think that cost him a lot in terms of what happened there. I mean, the Knowles appointment is probably a good example of that. I mean, he basically said, "I want this fellow from Massachusetts General to be my assistant secretary for health." The guy had tremendous credentials but ran into some political problems. He basically said, "Wait a minute," you know, because the word had already been out there that he was going to recommend him for that position. And before you know it they had pulled the rug out from under him on that appointment. And he basically in many ways had to apologize for what then took place. And I think that he was a very nice guy, his instincts were in the right place, but in many ways he was not prepared to be tough and to fight for what you have to do sometimes in Washington in order to win the issues you care about.

Scott Spitzer

While all this was happening there is another guy in the administration, Daniel Patrick Moynihan, who is writing a bunch of long memos to the President about racial politics more generally. Did you know about some of those memos and had you heard about it -- I'm curious, you know, one of them was eventually leaked to the press, in which Moynihan said maybe the right thing to do now would be enter

into a period of benign neglect with regard to civil rights and race relations more generally. What was your reaction in civil rights division and HEW to that?

Leon Panetta

Well, the Moynihan memos kind of -- because now you had a liberal from the North.

Scott Spitzer

From Johnson, right?

Leon Panetta

From Harvard who was basically saying, "Wait a minute, you know, maybe a little benign neglect isn't all that bad here." And it began to feed into the sense that, you know, the administration was not going to carry on the kind of Kennedy/Johnson commitment to civil rights. And now you had an intellectual who was basically providing, you know, the academic foundation to, you know, to basically move away from it, so.

Scott Spitzer

Did you get a sense that his views were being taken seriously from in the White House?

Leon Panetta

Yeah, because, I mean, I think, you know, you now have a Democrat within the White House kind of describing, you know, what he felt was taking place in that arena. And it got -- I think it got a lot of attention within the White House in terms of, you know, helping to confirm the position that, you know, that what had happened during the Kennedy and Johnson administrations, in particular, had been headed in the wrong direction in terms of dealing with blacks and dealing with minorities.

Scott Spitzer

Now, I've read in a couple places some people suspect that maybe you might have even been the source of that original leak with the "benign neglect" memo. I don't know. I was wondering if you want to confirm or deny that.

Leon Panetta

No, that's not one of the leaks.

Scott Spitzer

Probably came out of the concern about the fact that you had already become a lightning rod in this area already.

Leon Panetta

I don't -- I mean, I'm trying to remember, you know, at what point it took place, but it was --

Timothy Naftali

Just after you -- it was March; it was just after you left, right after, March 7th.

Leon Panetta

Yeah, well, then, yeah, what probably happens is that in many ways, you know, what Moynihan is trying to do is politically try to create at least some backstop to the erosion that was taking place as a result of what happened with me and trying to provide an intellectual or academic justification for going slow with regards to civil rights.

Timothy Naftali

Did you interact at all with John Ehrlichman?

Leon Panetta

Not that much. I mean, there was a point -- I mean, I think I met Ehrlichman a couple times at the White House early on when we were dealing with the issue. There was a time when we actually had an HEW retreat up at Camp David, and he was supposed to fly up and meet with us. And I was actually looking forward to that because I thought, you know, it'd be a good time to try to talk through some of these issues. But I think there was a weather problem and he never did show up for that. Otherwise what I was hearing mainly was that, you know, he was very concerned about what was happening on the whole issue. And I had gotten reports back from that. As a matter of fact, Martin Gary [phonetic sp] who became, I think, a deputy of mine at the Office for Civil Rights, Martin Gary was invited over to the White House, actually met with Ehrlichman. And Gary kept reporting back that everybody he talked to said that, you know, that I was gone, that I was clearly was not listening to the political messages coming out of the South. And he actually was brought into the President's office to meet the President. And the President just said, "How do you do? You're in an area that obviously is very important." But he didn't say anything about me or about the civil rights.

Timothy Naftali

What do you think they wanted you to do? Just stop enforcing them? I mean, what could you have done if you had sold out? I remember you had that discussion with yourself.

Leon Panetta

Yeah.

Timothy Naftali

What would it have meant operationally?

Leon Panetta

I think it would have basically meant that in every situation where there was controversy, that rather than pushing that district either towards terminating their money or trying to get a plan out of them that we would basically back off. It was delay. I mean, I think that the simplest way to answer your question is to say I think what they wanted is to continue the delay process that had occurred 10 years after *Brown v. Board of Education*.

Timothy Naftali

These districts weren't desegregating themselves were they?

Leon Panetta

No, the problem is most of these districts were not going to do it by themselves. They just weren't, and they were the first to tell you that. You know, if you back off, if you don't bring any pressure, we're not going to do this. It's just too much turmoil for them, and it was difficult. I mean, I don't underestimate the difficulty. I have tremendous admiration for the superintendents who took this challenge on, and a lot lost their jobs as a result of this.

Timothy Naftali

Could you tell us about a couple of heroes that you remember?

Leon Panetta

Yeah, there were some heroes in Georgia. There were some heroes in Mississippi, but I remember one superintendent who basically looked at me and said, "Look, you've got to put pressure on me, otherwise I can't do this. And if I'm going to bring my district into the 20th century and give these kids half a chance, I've got to have pressure coming from you otherwise I can't get this done. And if I'm going to do it right, I've got to have pressure from you. In other words, I want to be able to design, you know, the desegregation plan in a way that makes sense for my district, but I can't do it without your help." And, you know, I really had a tremendous amount of respect for those superintendents. It was tough.

And I remember other superintendents who would come in and say -- I remember a superintendent who brought in a black member of the board just to show that, you know, they were trying to desegregate, and it was pretty clear that the black member was not somebody who was going to stand up to him and basically was saying, "You know, why don't you just kind of give us more time, leave us alone. The black schools are okay; they're doing the job." And, you know, you knew that that superintendent was basically just kind of protecting his political rear end. I understand that, but you know, in the end it was those superintendents who were willing to be courageous and take this issue on that did what ultimately had to be done. And that was the other reason that I was concerned about backing off, because you had a number of these superintendents who put their neck on the line, and now if it looked like the administration was going to back off, was not going to push, what you were doing is basically hanging their necks out to get chopped off because you're basically pulling the rug out from under them.

Timothy Naftali

Now, one of the arguments the Southerners made was we weren't pushing hard enough on the North, though.

Leon Panetta

Yeah.

Scott Spitzer

You had de facto segregation in the North, not just --

Leon Panetta

Well, and there's some legitimacy to that argument. I remember going before John Stennis, who was, you know, the chairman of the appropriations committee that I had to report to. And Stennis started asking questions about the North, and my response to Stennis was, "You're right." You know, look, there are some areas where, you know, clearly you don't have segregation by law but you've got de facto segregation taking place because you've got housing discrimination, employment discrimination, you've got other elements of discrimination that isolate people. And so, yes, you know, very frankly we ought to be taking steps to do that. As a matter of fact, there was a school district in Michigan where we started to take action because we could make a case that deliberately they had isolated students in that district. All hell broke loose; I mean, if you thought the South was tough, try to take on a district in the North. And it became very controversial. But I think the answer to your question is that, you know, we felt it was important that we not only deal with the South in terms of discrimination but the North as well.

Timothy Naftali

You went to work for -- you went to New York, and what was it? You went to John Lindsay.

Leon Panetta

Yes.

Timothy Naftali

What was that like?

Leon Panetta

Well, Lindsay had been a member of Congress from the silk-stocking area up in New York, and there had been a set of hearings on urban America -- I think that Ribicoff, Senator Ribicoff from Connecticut, had held them. And Lindsay and my boss at the time, Tom Kuchel, had also appeared to testify. And that's the first time I met John Lindsay. But I had also met through Javits' office -- Jacob Javits' office -- some other legislative assistants who work with me on a number of issues. Well, they went to work for Lindsay. And when I lost the job at HEW I got a call from one of them, a guy named

Dick Aurelio, who was the deputy mayor up in New York. And Dick Aurelio called and said, "You want to come up to New York and work for John Lindsay?" So, I went up and talked to him; they offered me the job.

Timothy Naftali

What was the job?

Leon Panetta

The job was assistant to the mayor for intergovernmental relations, so I was in charge of --

Timothy Naftali

Talking to Washington.

Leon Panetta

Talking to Albany and Washington. And I have to tell you, it's a hell of a lot easier to talk to Washington than to Albany.

[laughter]

Timothy Naftali

Really? I thought when people saw you in the administration, "Not him again." They thought they'd gotten rid of you.

Leon Panetta

Well, you know, no, it was much easier, frankly, dealing with the Hill and going to the Hill when he had to testify there. That was much easier. In Albany -- the interesting thing was Rockefeller was the governor at the time, and you would have thought that a guy like John Lindsay could have a very good relationship with Nelson Rockefeller.

Timothy Naftali

Yeah.

Leon Panetta

It was the worst. It was the worst. They didn't get along; they hated each other politically. And so you had this remarkable potential to have the state and the city working together on a number of issues. It never happened. And so I spent a lot more time trying to deal with our Albany problems than the Washington problems.

Timothy Naftali

Do you have another Nixon administration question?

Scott Spitzer

Well, actually, I wanted to ask a little bit more about these two more liberal Republicans, or progressive Republicans, Lindsay and then Rockefeller, so to speak. and your experience with Kuchel - I'm saying it wrong.

Leon Panetta

Kuchel.

Scott Spitzer

Kuchel, I'm sorry, and soon after you left Lindsay you changed parties. You came to the Democratic party.

Leon Panetta

Yeah.

Scott Spitzer

And I was just wondering if -- earlier today you talked about this wing of the party, the Republican Party. What was your sense of how you made that transition for yourself and where the Republican Party was going?

Leon Panetta

Yeah.

Scott Spitzer

And did you think that these issues about civil rights were important in this transformation?

Leon Panetta

They were. You know, again, I came out of a tradition where, you know, I really felt it was important that we stand up for civil rights, that we try to stand up for equal justice, and in many ways that's the Republican Party. I mean, it's the party of Lincoln. And the Republicans that I worked for, the Republicans that I saw on Capitol Hill, many of them had supported the civil rights legislation. Many of them were advocates of that kind of issue and many of them worked on education issues, worked on other issues with Democrats. I began to see a change, you know, coming through obviously '68 and the politics of what was happening in '68, and then it began -- I mean not only from my personal experience of what was happening with civil rights within the administration, but I remember that Spiro Agnew went up and campaigned against Charlie Goodell. Charlie Goodell was a moderate

Republican from New York, good guy, and suddenly the Vice President was going in to campaign against him in the primary.

And that really concerned me because then it was pretty clear that they were actually going to go after moderates instead of having this big tent that, you know, that I think both parties ought to have; that it was going to, you know, they were going to narrow it. And I remember Silvio Conte, who was a congressman from Massachusetts who was always very supportive on civil rights issues, was on the Appropriations Committee, basically pulled me aside and said, "You know," he said, "I'm afraid that the Republican administration is going to back off of the commitments here." There was an amendment called the Whitten Amendment, which dealt with busing. And we went through -- Silvio Conte had always fought the Whitten Amendment and suddenly the administration had indicated that it might not oppose the Whitten Amendment to the appropriations bill. And Silvio was very angry about that, and nevertheless continued to fight it. So there began to be gradual indications that, you know, if you were a moderate Republican or progressive Republican or liberal Republican that there might not be any room for you in terms of the party. And that concerned me. And then Lindsay went through a lot of that as well. And then Lindsay changed to becoming a Democrat and I think it was soon after that when I came back to California that I decided that, you know, that rather than taking knives out of my back that, you know, the Democratic Party at least allowed for a larger tent in terms of different viewpoints.

Timothy Naftali

So they didn't view you with suspicion when you came knocking at the door?

Leon Panetta

Who was that?

Timothy Naftali

The Democratic Party. When you came to California --

Leon Panetta

No, not really because, you know, I think the combination of my history plus, you know, it helped to be born and raised in Monterrey when I ran for Congress anyway, so they looked at me as a hometown boy.

Timothy Naftali

Well, let's finish up with a couple questions about Clinton and Richard Nixon.

Leon Panetta

Yeah.

Timothy Naftali

You were at OMB when Richard Nixon died, I think.

Leon Panetta

Yes.

Timothy Naftali

Did you play any role in shaping Clinton's eulogy that was written?

Leon Panetta

No, no, although, you know, he did meet -- Bill Clinton met with Richard Nixon and really felt that he had received very good advice from Nixon, particularly on foreign affairs, that he had a very good sense of what, you know, what he as President needed to do in the world, understood the different areas whether you're talking about, you know, Asia, China, Middle East, Africa, South America, Latin America. I mean, Nixon had a very good sense of those issues and shared them with Clinton, and I remember Clinton telling me that he had been very impressed with the meeting that he had with Richard Nixon. And then when he died, the President called me and said, you know, "You served in the administration, you know, would you like to go to the funeral?" You know, that was my privilege.

Timothy Naftali

I think you are the only member of the Clinton administration who had served in the Nixon administration.

Leon Panetta

That's probably true, although there may have been a few other lower level bureaucrats.

Timothy Naftali

Do you have another question?

Scott Spitzer

No.

Timothy Naftali

Well, Mr. Panetta, thank you very much.

Leon Panetta

Thank you.

Timothy Naftali

This has been very helpful.

Leon Panetta

I enjoyed this.

Timothy Naftali

Terrific, thanks. Who wrote that eulogy?

Leon Panetta

I suspect a speechwriter.

Timothy Naftali

A speechwriter --