SPEECH OF JANET RENO San Antonio, Texas Thursday, January 30, 1997 Speech of Janet Reno at the Marriott Hotel, 711 East Riverwalk, San Antonio, Texas, at 1:30 p.m., January 30, 1997, and the proceedings being taken down by Stenotype by Marsha N. Yarberry and transcribed under her direction. 2.2 PROCEEDINGS MS. RENO: Thank you, Justice. You've always been there in some of the more difficult moments in my life and some of the more challenging moments, and I'm so proud to be here with you today. I thank you all for inviting me. I am delighted to be here with Bill Black, the justice attorney for the Western District of Texas. And I appreciate your efforts. But you honor me by asking me to be here because this is a subject very dear to my heart, and it is one of the highest priorities of the Department of Justice. Why, may you ask? Well, in 1962 I took

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- 15 federal civil procedure from Roger Fisher. I don't 16 think I heard anything about negotiation. I heard 17 about litigation.
- And I came home to Miami and became involved in this practice representing landowners, in a small condemnation practice, and I would look at these people hold out for a higher settlement, go to trial, and get less, and I thought, "There is a better way to work it out."
- I went off on my own in a small practice, and I handled custody matters, and I watched the

bruised way that people came out of litigating custody
matters. I saw the scars, emotional and otherwise,
and I said, "There's got to be a better way to do
it." I litigated personal injury cases and saw them
come back, not really resolved, costs eating up a lot
of the verdict.

And then, as Ben points out, in 1978 I became a prosecutor, and I know that we were negotiating over 90 percent of the cases, and I know that the people negotiating them were trial lawyers who had no training in negotiation, didn't understand how to do it, and it all seemed wrong to me.

At the time I reached out to see if there were people who could train my young lawyers, and there weren't too many around. We tried. But during all of this I realized that advocacy and pliability are extraordinarily important. There were people that would try to run over me, and I litigated, and I won, and they stopped running over me. But still I kept looking for ways to resolve and solve the problem rather than just win or lose.

As I went through these years Roger Fisher 33 stopped talking about the Federal Rules of Civil 24 Procedure and started talking about negotiation. I 25 don't think he would remember me, but that man has

1 been an influence on me because I kept thinking,

- 2 "There has got to be a better way to do it." Sandy
- 3 Dalenburg from the house judiciary committee started

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4 talking about dispute settlement programs that would 5 get cases out of the courts and resolve the problem 6 rather than provide for a win or a loss.

And then about ten years ago I started hearing about your work and what you have done, and all I can say is, you, as far as I am concerned, are the leaders of the bar. I cannot thank you enough for what you have done in these ten years, because what you have done by leading the way is to show others that dispute resolution programs can work, that we can solve problems rather than just win or lose.

You have shown so many people that there are alternatives to litigation, that they can be successful. You have spread the word. You have made people believers. You have made lawyers problem solvers. You have made lawyers peacemakers. And I think that you are a little lower than the angel.

And because of you I came to Washington committed to negotiation and to mediation. I realized that there would be other appropriate dispute resolution programs, and I wanted the department to explore every one, and I wanted attention paid to

problem solving. I didn't want our components coming

into town and suing without sitting down first and 2 saying, "This is what the law requires. This is the 3 reason it requires it. This is how we can comply and 4 5 we'll help you comply. If you have questions, let us 6 work with you. But if you thumb your nose at us we're going to litigate with you until you reach the 7 8 understanding that we're here to try to solve a 9 problem and work it out, whether it be environmental

11 discrimination." And it just is marvelous to watch 12 people respond, because at first he said it is the 13 Department of Justice's account.

Department of Justice's account.

Now bankers, instead o

hazard, a civil rights violation, some

Now bankers, instead of grinning to people when we talk about lending discrimination, say, "How can we work with you," to let people understand that there may be inadvertent discrimination and if we work together we can bear it out and ensure that for all Americans they can have equal opportunity to own their

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It is wonderful when we go to a state to enforce the Civil Rights Institutionalized Persons Act and the governor and the attorney general, instead of saying, "Oh, my goodness. Here comes the Civil Rights Division, " welcomes us and says instead, "How can we

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sit down and work out this problem together?" It's problem solving. And you have made it possible as more of an accepted function than ever before in litigation in this country.

But at the same time I want the lawyers with the Department of Justice to be prepared to litigate. But what have we done? The first thing I said is I want to make sure that our lawyers are trained to be negotiators. We are training our attorneys to be better negotiators by recognizing that we must address the interest of the parties that lie behind the positions they take.

We are teaching our litigators to be problem solvers by asking them to step into the shoes of the other party in order to better understand why they take positions against us. We are asking our lawyers to be more creative in finding solutions to disputes that may not be apparent to any party unless and until all the parties engage in candid bargaining over their real interests and their real needs.

In addition, we are asking our attorneys to be candid with themselves and with their client agencies by evaluating that case carefully to determine its true value. And through their general counsels we are asking our client agencies, the

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1 various agencies in the federal government, to look at 2 a case before they bring it to us, to evaluate it 3 carefully, to understand that if they take steps to resolve it there and negotiate it at that point, 4 monies can be saved down the road, and it is exciting 5 to see how that effort is catching hold. At first 6 7 people are somewhat dubious. 8

But we're also exploring how we might

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provide incentives. I came to Washington to discover 9 that a client agency oftentimes has a judgement paid 10 11 out of a judgment fund rather than its regular 12 appropriation. It doesn't hurt. So there's not that 13 much of an incentive. Let the Justice Department 14 worry about it. How can we work together to develop 15 incentives for people to focus on the issue early on, 16 resolve it early on, and resolve the problem that 17 created the issue in the first place?

Unless we have made realistic assessments of what really is the best alternative of the negotiated agreement, we should not go to trial. But unless we make realistic assessments, we are not going to be able to negotiate through an informed procedure. Smart, tough, interspace negotiation is more likely to produce lasting results.

When we focus on a solution to the dispute

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instead of engaging in fault finding or blaming, someone else is creating the problem in the first place, we have taken a very major step in becoming better problem solvers. When we engage in active listening instead of reflexively responding to the other side, we create a much better environment for reaching understanding.

When our opponent makes an angry statement and we refrain these hard words into a positive excursion, we then have started to look at their thoughts to understand and work together for a solution that all can support and that everyone benefits from. And from personal experience I can assure you that these skills work just as effectively in your own workplace as they do when you engage an opposing party in settlement negotiations.

I hope that you all will someday be able each to visit the conference room of the attorney general. It is a very imposing room with beautiful murals, nice at the head of the table. The Civil Rights Division will be on one side, the Civil Division on the other, the Solicitor General's Office down at the end. There may be three different views or five different views, all strongly held by

25 splendid, wonderful lawyers.

It is so fascinating if we take the time to hear them out. And then when I discover that one side isn't listening, make sure that they're listening. And if I've got the time and they talk it out, we reach such a much better position representing the federal government. And, again, it is you and your colleagues and others who have taught me the skills of listening, of mediating, of negotiating, of solving a problem rather than winning a war.

At the same time we must recognize that regardless of how skillful we may be as negotiators, there will be times when negotiating one on one with the other side will not work. There may be too much hostility or distrust, anger or suspicion between the parties. The disputes may have lasted so long or been so costly that negotiating one on one with the other side is a guarantee for gridlock.

That's when mediation has become extremely valuable to the department as a technique for avoiding the tribulations of trials. Mediation is valuable because it directly involves the parties to a dispute as well as their attorneys, and it creates an attitude of cooperation in an otherwise adversarial environment.

To some here it's like preaching to the

choir. I don't have to tell you why what you do is so important. To others who are here today thinking about pursuing dispute resolution more far into the future, all I can tell you is that it has made such a wonderful difference in the very brief time in the Department of Justice. If you talk to the young people who I had a chance to hear from earlier today, they are learning what a difference they can make in their school in terms of conflict resolution. So we have focused on alternative dispute 

resolutions, particularly mediation. Peter Steenland is my senior counsel for alternative dispute resolution, and I have raised it up to that level.

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Peter is a very experienced advocate with the 14 Department of Justice, but he has been through so many 15 16 cases that he knows how important ADR is.

And I've asked Peter to make sure that the lawyers for the Department of Justice are trained in ADR techniques. We are taking it area by area across the country so the assistant United States attorneys will all be trained. Peter has taken the extra step of bringing the client agency in on occasion to be trained with the lawyers, improving our opportunity to resolve disputes even short of filing lawsuits.

At the department we have spent almost

\$400,000 during the past year to retain the services of mediators and other dispute resolution providers. We are working closely with the courts, both at the trial and appellate levels, to take advantage of their case settlement programs.

I meet on a quarterly basis with the 6 7 executive committee of the judicial conference, and 8 this is one of the areas that we regularly address. We strongly support these court case settlement programs. In one year, using both court sponsored mediation and private providers, we have tripled the number of cases in dispute resolution from less than 400 to more than 1,200. Preliminary reports indicate that more than half of these cases have resulted in settlement, and even when the case has not been fully settled some benefits have been paying in terms of reducing discovery, dismissing issues, and simplifying the litigation. We are making progress, for it's 19 changing the culture at the Department of Justice at the federal government level.

In many cases mediation is cheaper and faster than litigation; it produces better results than the litigation. Let me give you an example where the federal government has used mediation to obtain a settlement of a dispute that truly involves problem

solving. Recently the Air Force had a contract 1

dispute with a corporation performing maintenance at a

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3 certain Air Force base. There was one year to go on 4 the contract and the question of renewal unresolved. 5 The maintenance firm filed ten claims for additional 6 payments totaling more than a half a million dollars 7 that they asserted were due under the contract. All 8 claims were denied by the contracting officer, and the 9 matter proceeded to an administrative tribunal.

Before the tribunal ruled, the courts agreed to mediation. After several hours of hard work, the claims were settled for 45 cents on the dollar, including interest and attorneys' fees, and the parties agreed to modify the contract by revising the ambiguous provision that had provoked the dispute in the first place. Mediation and a skillful third party helped the parties turn a nasty dispute into a sound, working relationship for the future.

Other similar stories could be told in the context of disputes over employment and workplace issues, tax disputes, and environmental claims. We use mediation when the United States is a plaintiff in enforcement cases and when we are the defendant. We use mediation both to settle cases and to avoid filing them in the first place.

When parties remain adversarial to each other, we miss the opportunity to resolve disputes that could benefit both parties, and the Justice Department does not want to be in that position. Of course, the Department of Justice sees only a small percentage of all the disputes involving the federal government.

Last year Congress went a step further and enacted the Administrative Dispute Resolution Act to promote greater use of ADR throughout the federal government. This law now permanently authorizes federal agencies to use dispute resolution to resolve disputes before they reach the courts.

I am pleased that the Department of Justice took the lead in supporting this litigation legislation on behalf of the administration, and now we are working very closely with the other federal agencies, through their general counsel and otherwise, 19 to ensure that they take maximum advantage of these 20 provisions.

I cannot think of a better example of good government than providing a process so that citizens who have disputes with their government can sit down at a table with a responsible official and a third-party neutral to negotiate a fair resolution of

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their disputes. But we have much, much, much to do. 1 2

We haven't trained all of our attorneys yet. We have

some real callous attorneys who just like to try

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And they tell me something very interesting. They said, "Ms. Reno, you don't understand. It's easier to try the case than to go up through all the levels of the department to get approval for the settlement." So we're trying to change that to make sure that people understand that if we trust them to try the case, we trust them to settle the case in the best interest of the government and the people of the United States.

But we still have some real callous attorneys. And so whenever anybody will indicate to me who the real callous attorney is, I will push them a little bit. We try to do it gently so that people will know that we are being supportive, but we want to do everything we can to make sure that the culture of dispute resolution is part and parcel of that magnificent institution, the Department of Justice.

But we have still much to do. 22

23 I talked to you about those cases, those 90 24 percent of the cases that we negotiated. 25 cases -- most criminal cases in this country, both at

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the state and federal level, have some degree of 1

negotiation. But plea bargaining is a bad word. 2

- bargaining done only to clear crowded calendars and to 3
- handle overwhelming caseloads is wrong, and all of us 4
- have a special responsibility, even if we do not 5
- 6 practice in the criminal area, to make sure that our
- criminal courts of this nation have the wherewithal, 7

the resources, the personnel, the judges, the prosecutors, and the public defenders to ensure that everybody has the right to a fair trial.

But at the same time it is very, very frustrating to see a young lawyer prosecute a case, get a conviction, and think he has won the battle when he sees the guy go off to prison for five years, knowing full well that he will only serve 20 percent of the sentence because we don't have enough prison cells to house people for the length of time the courts are sentencing.

It is very frustrating to see that person go off to prison with a drug problem and not get drug treatment and end up back out on the streets, the same problem unsolved, but the prosecutor thought he or she won. It is equally as frustrating to see the public defender feel that he has won when he prevails on a motion to dismiss or a motion to suppress and his

client, a crack addict, walks out of the courtroom allegedly a free man but in worse bondage through crack than any prison will ever create for him, and the public defender does nothing to address the crack problem that caused the problem in the first place. That is why in Dade County and now in the Department of Justice we are trying to focus on drug courts which provide a carrot and stick approach and say to nonviolent first offenders charged with possession of a small amount of drugs, "We will work with you in treatment and job training replacement, and we'll get you off on the right foot. And if you stay clean, we'll help you and support you along the way, but you face a certain sanction if you come back with a positive test for drugs."

It is problem solving. It is working out problems, negotiating problems or mediating problems to solve the problem rather than to let it perpetuate itself through the merry-go-round of our criminal courts that see people come back again and again and again because the legal system hasn't focused on solving the problem. It's only focused on guilt or innocence.

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We need your help to learn more about how we 25 use the process of negotiation and mediation in the

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criminal justice system. We need your help in making sure that we do not have to plea bargain because of crowded calendars but that we can negotiate the right way to solve the problem in the interest of all the American people.

I think the legal profession and those involved in dispute resolution can do so much to ease the tensions in the workplace of America. Employing assistance professionals will tell you that the workplace is becoming a more violent place. Tensions are enhanced between employer and employees. People are concerned about their jobs. They wonder what their future is. They see a rapidly changing technology make their jobs become obsolete, and the pressures are on everyone. You see the results. see tension when somebody tries to discipline an employee or you see the person say, "Well, it's too hard to make the discipline stick so I'm just going to promote them, then I'm not going to worry about it, and I'm going to give them an excellent evaluation every time the evaluation comes up."

Lawyers as problem solving experts in the area of employer/employee relations can do so much in bringing the employer and employee together to solve the problems, to work them out, to understand each

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other, and they can also advise clients on how to build a better record so that we can promote excellence and that we can correct failure whenever appropriate and that we can do it fairly, yet firmly, with regard to the due process of all concerned.

And I'm so pleased to hear from Jack Hannah that you're doing another -- that you're undertaking another initiative, because I think one of our great challenges is how we use the information agent in resolving disputes. All of you have probably been involved in dispute resolution, or most of you feel like I do, that it's much better to be in the same

13 room with the person that you're negotiating with 14 rather than on the telephone or certainly over a video 15 screen.

But the world of cyberspace will bring us together as never before, and we've got to learn how to use this marvelous instrument, this marvelous tool to resolve conflict. If we don't watch out, that marvelous instrument that provides such an opportunity for education, for knowledge, for communication worldwide can also become a tool for spreading hate and dissension and conflict. Let us make sure that we use this marvelous instrument for problem solving and for peacemaking and not for dissension.

Before I came to Washington, not only did I focus on the courts, but I focused on the streets of Miami, a community I love, and beginning in 1984 I saw a dramatic increase in youth violence. I saw young people resolving conflicts, not with fists but with knives and guns, and I saw the results and increased victimization of our young people.

At the same time I began to see awkward steps being taken, a teacher who developed a peer mediation program. She didn't know exactly what she was doing, but she knew she was on the right track. A key club would come together and develop the peer mediation program. They didn't know exactly how to do it, but they were on the right track.

There was such hope in what these young people were doing and what these teachers were doing, and we were beginning to see the results across the nation. This afternoon I had a wonderful opportunity to meet with young students from Churchill High School and with representatives of the ABA who have helped spread the word that dispute resolution is not just a way to avoid the courtroom, that dispute resolution is not just a tool for lawyers, but dispute resolution, properly done, is a tool for every single American.

And I hope you take some time to talk to

l these young people because both their teachers and the

people who train them will tell you that young people are probably better at mediating and resolving disputes than anybody else because they don't think they know it all. It was a wonderful opportunity for me to hear the enthusiasm with which they were approaching the effort.

But I want to tell you how proud I am of the bar, of the young lawyers section, the section on dispute resolution, everybody coming together to reach out and spread the word. This is what lawyering is all about. It's not just about making money. It's not just about what firm you're in. It's not just about what kind of a hobby you're doing. It's how you help other people solve their problems. And to hear the young people talk about the skills that they have developed because of the outreach of the bar association is a great tribute to all the lawyers here.

I want, though, to look beyond and to think about what more we can do. I want us to look to the future of lawyers as problem solvers, as peacemakers, and as advocates. We can never stop being advocates. We can never stop being prepared to go to court to defend the rights that we hold dear, because the

moment we do, they'll try to run over us and we won't be prepared.

But we can all learn from what you have started in dispute resolution in this country, and we can make sure, through your efforts, that every lawyer has the opportunity in law school to know the skill. Law schools are teaching advocacy. They're teaching trial practice. Let's make sure that every law school has course work in negotiation and alternative dispute resolution. Let us make sure that every teacher in this country learns the skills of negotiation and mediation and problem solving in school as they regain their teacher's certificate and it is enhanced as they go to their school. Let us make sure that every community police officer who is working to build trust in the community understands and is talented in the

skills of conflict resolution.

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And lawyers can do it. Just think of what would happen if every lawyer in this room went back to their community and reached out to make sure that a neighborhood, a school, was on its way, trainer/trainee, the trainee training others, the domino effect, until what you have done for a legal

24 profession is spread across this land.

And let us think about community justice

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where the judge may be the arbitrator in terms of solving the problem as opposed to the person who calls it one way or the other. Let us think about community justice where lawyers volunteer their time in communities of children and family at risk to solve problems rather than to litigate them.

It's going to take the lawyer because in some schools you will find a situation, as you work with the young person training them, they will explain to you that their mother is having a problem with the landlord. You'll take it upon yourself to inquire, and she will say, "He won't fix any of the plumbing. He won't do anything. He just tells me he's going to kick me out if I don't pay my rent, and I don't know what to do, and I can't afford a lawyer."

You go to the man. He thumbs his nose at you. You get prepared to sue him or you sue him, and he understands you mean business, and then he starts talking to you, and he says, "Look, I inherited this from my father. I don't have enough money to make an investment. I don't know what to do."

And the good lawyer/problem solver is going to be the one that works with HUD, with community development grant monies, with other sources, and say, "Why don't you go check on this, this, and this.

1 This may be a source of some investment because what

2 everybody is trying to do is to ensure affordable
3 housing."

The lawyer who is both the advocate and the informed problem solver is what we need today, and it is what is represented in this room. The lawyer who

- 7 comes to a community and finds an environmental hazard
- 8 that might need changed in the town that is more
- 9 affluent but no one knows in this particular
- 10 neighborhood where to go to get this environmental
- 11 hazard corrected, and even if they do, doors are
- 12 slammed in their face, that lawyer is, again, the
- 13 advocate. But after he catches or she catches
- 14 people's attention by their advocacy, then they switch
- 15 to the problem solving and to the peacemaking mode,
- 16 and they start saying, "Here is the technology. Here
- 17 is what we need. These are the experts. This is what
- 18 we can do to solve the problem, to reduce the hazard,
- 19 to make sure it never happens again, and to benefit
- 20 the community as a whole."

The young people of America are a tremendous resource. They want so to participate. They want so to make a difference. They want to be involved. They want to be heard. And if you can reach out to them,

25 as the members of the bar have reached out to these

young people today and in these weeks that have passed, you can make such an incredible difference.

You have the legal profession, and I look forward to working together with you to make sure we make a difference for all America, in our communities, in our neighborhoods, and in our schools. Thank you.

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## REPORTER'S CERTIFICATE

THE STATE OF TEXAS COUNTY OF TRAVIS

> I, Marsha N. Yarberry, Certified Shorthand Reporter in and for the State of Texas, do hereby certify that the speech of Janet Reno appearing in the foregoing transcript was taken by me to the best of my ability and thereafter reduced to typewriting under my direction.

WITNESS MY HAND AND SEAL OF OFFICE, this the 3rd day of February, 1997.

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