INTERVIEWEE: John W. Black, Former Director, United States Travel Service

INTERVIEWER: Paige Mulhollan

October 18, 1968

M: Let's get a summary here on your background, Mr. Black, as a means of identification as much as anything else. You came to work originally in the late 1940's for the State Department, I believe.

B: That's right.

M: And were then a Foreign Service officer between 1950 and 1955 when you moved over as a professional staff member of the Senate Commerce Committee where you stayed until 1961.

B: That's right.

M: Then you were for a time special assistant to the Secretary of Commerce and then Deputy Director of the United States Travel Service.

B: Right.

M: And then you became Director in 1965? Is that correct?

B: Yes. I was acting Director for about fourteen months before I became Director.

M: I see. I understand you were instrumental in the original framing of the legislation that created the United States Travel Service. Can you go into that some for me?

B: Yes. That was an interesting story. Along toward the end of my service for Senator [Warren] Magnuson's committee, I was assigned to a special study group that was looking into the problems of our balance of payments deficit which was very bad in '59 and '60 particularly. Our group was trying to find out some answers as to how it could be improved; we took

a look at all of the elements in the balance of payments, particularly the trade balance, though, since that's the primary element that determines whether we are going to have a favorable or an unfavorable balance. And really sort of as a subsidiary question, some of the people from the travel industry who had been anxious to have a national tourist office established quite apart from balance of payments reasons for some time and had not been successful in the Eisenhower Administration.

M: Had they made a strong effort in the Eisenhower Administration?

B: Yes, they had. They had made a strong effort with the Administration; they had never been up on the Hill. I think they would have gotten--I've always felt, and this is one of the reasons that I admire President Johnson--that he in a very real way was running the government toward the latter years of the Eisenhower Administration. Much of the initiative and enterprise in our government toward the late fifties was coming out of the Senate and out of the Congress. And the fact that something as definitely needed as a national tourist office, the case that was made by private industry and others fell on deaf ears in the latter part of the Eisenhower Administration, I think is significant. It did not fall on deaf ears when it got up to the Senate. So, as a part of this balance of payments study, we looked at the travel side of it; we brought some figures to light that had not been given too much play. The first thing we discovered was that about a billion dollars of our net deficit could be attributable to the imbalance in travel between this country and foreign countries.

M: What was our total balance of payment deficit then?

B: It was very bad in '59. That was the worst year--in the order of $3-4,000,000,000, I think.

M: So 25-35 percent of it was a travel deficit.

B: Yes, the equivalent of 25-35--of course, you have pluses and minuses all the way. But there was no question that foreign travel was an important element in our balance of payments deficit. Looking at this from a balance of payments point of view and getting the advice of people in industry who felt that not only for economic reasons but also for cultural reasons, international political, or international public relations reasons, it would be nice if the United States had a positive program of attracting foreign visitors.

Out of all this grew the International Travel Act, which was first passed in 1960 by the Senate. Although I had started out with the primary interest in our trade problems, particularly vis-a-vis Europe because that was my area of assignment, and also having some rather strong thoughts which I still have about the inadequacies of our trade promotion program, I started out with these things as my chief interests in that trade study, but when I got into the travel field and saw how interesting and exciting and easily remediable some of the problems were, I put most of my effort into that. And I was one of the people who drafted--I think the original Senate draft of the International Travel Act was my work. I wrote both Senate reports on the act. I managed the hearings on it, and I played, I think, a rather considerable role in getting that legislation off the ground. Now, once it had been passed by the Senate and looked as though it were going to be passed by the House early in that Congress, I've forgotten--the 1961 Congress, the Secretary of Commerce, Mr. Hodges, asked me to come over to the Commerce Department and help set up the organization--do some interviews for jobs and generally get the thing ready--for the time when Congress would

approve it.

M: You say that the motivation for it was, then, definitely primarily in the sense of trying to do something about the adverse balance of payments.

B: Yes, that's true and this is something that the industry people have not concentrated so much on. They did it mainly on the basis of, wouldn't it be nice if the United States, like every other country, had a national tourist office to let people around the world know that we would like to have visitors. But when that idea was tacked with the balance of payments problem, it provided, I think, the push and the leverage that was needed to overcome what few objections there were to the whole plan.

M: Did President Kennedy, who I guess came in at the same time that Congress started, play any specific role?

B: Absolutely. I'm glad you mentioned that. One of the people who had most to do with getting the legislation passed and, let's say, making Senator Magnuson who was the author of it to take an even deeper interest in the whole thing and make sure it would get passed, was a very close personal friend of President Kennedy, a chap by the name of Lemoyne Billings. I think Mr. Billings was probably the President's closest friend outside of the--. Mr. Billings was President Kennedy's roommate at Chote, the prep school, and beginning then and from there on to the end of his life was, as I say, very close to him, he was a pallbearer at President Kennedy's funeral, he was a pallbearer at Senator Kennedy's funeral, and has been very close to the Kennedy family.

Well, anyway, along about December of 1960, Mr. Billings was coming back from a trip to Europe, and he happened to pick up, I think it was Time Magazine and saw a little squib about what the people in Congress were doing toward getting a travel act established.

And he thought this was a great idea, and he pointed it out to then President-elect Kennedy; and Mr. Kennedy thought that this was an excellent thing. He said to Lem, as we call him, "I want you to get in contact with Senator Magnuson and make sure that bill goes through, because I would like to make this program a part of the New Frontier." I'll never forget the day Mr. Billings arrived on the scene in our office and said, "I'm a friend of the President's", or about to be the President; I guess at that time he actually had been inaugurated. And he said, "The President would like to have this program go through and we want to give you all the help we can." Well, this was wonderful because, as I say, it inspired me, it inspired Senator Magnuson, and it inspired all the rest of us that were with it. And he was the right man to have at the right time.

M: Was he in government then?

B: No. Lemoyne Billings at that time, I'm not sure what he's doing now, but at that time he was an officer of an advertising firm in New York.

M: He was a private citizen, then, acting as the President's friend, your informal representative in this case.

Once the agency was created then in 1961, exactly how does it fit into the Commerce Department? What's its relation to the Commerce Department?

B: Well, this was one of the things that we wanted to be very sure of--that the program didn't get lost in the bureaucratic maze of a large department like the Commerce Department. And one of the things that we who were backing the bill insisted on was that the head of the Travel Service be directly responsible to the Secretary of Commerce. We were one of the few agencies over there that did not report through an assistant

secretary. We reported directly to the Secretary, and that is part of the International Travel Act. Actually, President Kennedy wanted to go even further. He wanted to set up an assistant secretary for travel, and there's a letter in the record from President Kennedy to Senator Magnuson urging that. The original Senate bill did provide for an assistant secretary for travel; but the House didn't want to go along with it, so we had it set up as a director but reporting directly to the Secretary of Commerce.

M: But the Director is a Presidential appointee subject to confirmation by the Senate?

B: That's right. So he had the rank, in a sense, of an assistant secretary, without the title. This was very important because it enabled me and my predecessor to get a lot of things done and to be able to walk in on either the Secretary or the Undersecretary and tell our story and not be subjected to a lot of clearances and bureaucratic stultification, I guess is the best word for it, down the line. This tends to happen in any large department, and I think was one of the crucial aspects of the bill that made our operation as successful as it was.

M: You called it stultification--did you find some bureaucratic opposition in the Commerce Department to this operation?

B: Oh, yes, obviously; and I say this not because there's anything peculiar about the Commerce Department, but I've been in government long enough to know how bureaucracy works, I think, and you find people who for one reason or another seem to go out of their way to make life difficult for you. A lot of this was well-meaning. I think that if we had heeded a lot of the bureaucratic advice that we got in the beginning, we probably wouldn't have run into quite so much trouble with Congress.

This was the whole story of the U. S. Travel Service, its problems with Congress, or I should say one Congressman, Mr. [John] Rooney from New York, who was the chairman of our House Appropriations Subcommittee. I think possibly if we had listened more--the bureaucrats perform a very useful function in the government, I think. It's when they overperform it, which sometimes happens, that it becomes deadly. But throughout our time there, we did run into some suspicion, hostility; part of it I think was jealousy, in a sense, because we were in an area that was very much involved in the real world; we were involved with advertising agencies, people in the travel business; we were doing things that were new and different and completely unlike not only anything that the Commerce Department had engaged in before, but different than any other federal agency, and are today, the only one in the sales program and the marketing program, going out and selling a product in a sense in the same way that a private producer would. We used advertising, sales promotion materials, public relations techniques and so forth. This is unheard of, was unheard of, and still is, except for USTS in the federal government.

M: Is there some resentment that you were perhaps a sort of chosen agency at the time?

B: Yes, I think there was a little of that. The fact that our first director, Mr. Gilmore from North Carolina, was a close friend of the then-Secretary Hodges, and in addition to being able to report directly to him, that personal friendship, of course, was something that perhaps others in the department were jealous of. But that, plus the terms of the International Travel Act which did give us quite a bit of authority, enabled Mr. Gilmore to really start the agency off with a bang and to

accomplish some pretty incredibly good results in the first few years which I tried to capitalize on and did to a certain extent while I was Director.

M: What about other agencies then in the Commerce Department; did you run into any of this obstructionism, say, with the immigration people?

B: No. Absolutely not. I can say fully and frankly that the cooperation that we got from every other agency of government that was involved in our program was excellent, particularly from Immigration Service, from the Customs Bureau, too, which is a little mossbacked; but at the same time we were getting started they hired a public relations man for the first time in their life, and they became very public relations conscious. Right up and down the line, I think the only problem that we had outside of the Commerce Department within the Administration was in some areas of the State Department where--well, for a variety of reasons, there was somewhat of a suspicion. You see, although we were a part of the overall balance of payments program--export expansion program, in the sense that travel is an export too, we didn't go through the State Department the way the Trade Promotion Program did. I think the great weakness in our whole trade promotion effort is that nobody is in charge of it, and it is partly Commerce's responsibility and partly State's. And trade centers and so forth are run partly by Commerce and partly by State people. Communications between Commerce and the trade promotion people abroad have to go through the State Department. Well, we didn't have those restrictions, thanks again to the International Travel Act, we dealt directly with our people abroad. We didn't go through State, and I think there was somewhat of a suspicion and feeling of, well, "We should be more in charge of this."

It wasn't a policy thing on the part of anyone in State, and again I say that generally speaking State was very helpful to us, particularly the visa people and so forth that were directly involved in our program. But occasionally we would run into an Ambassador who wanted to put one of my people into striped pants and take orders just from him instead of from us. I think the worst thing that happened in our relations with State happened about three years ago when a study was made; this was an economy project--it was called EROP, the Executive Review of Overseas Programs, and under this, each ambassador was asked to list the federal agencies in his country which, if he had the sole authority for parceling out funds to them, which ones would he give funds to first and which ones would he give funds to last. He was asked that and then he was asked, "If next year your budget for total non-military programs in your country were to be cut by 10 percent, how would you parcel out the total federal budget?" Well, this was an interesting exercise and I'm glad it was done, but of course USTS people came out very poorly on it, primarily because the Ambassador is concerned about relations with his country, and the kind of program we were engaged with was not aimed in that direction. This was a balance of payments program to help strengthen the United States and not help necessarily, in the short run, strengthen relations between the country and the United States.

M: Now, were your people attached to the Embassy staffs?

B: Well, they were a part of the total U. S. mission the way any government agency is, but they did not come as much under the Embassy as a foreign service officer would. You have some other examples like that.

Well, anyway, this EROP program did show that some ambassadors, feeling of course that their budget for the total federal effort in that

country was pretty low, and that they would like to have more vice-consuls, and they would like to have more effort put into something which would contribute directly to immediate relations with that country--of course, we had a very low priority. The point was that this information was highly classified. And when our next appearance for our budget before Mr. Rooney came around, somebody had told Mr. Rooney, knowing, of course, that he didn't like the Travel Service, that in some cases the ambassadors, under this exercise, would have closed up our offices. Now, whoever did that in the State Department wasn't playing fair, I think, because Rooney immediately used it, and to our disadvantage; and it was the only recommendation of EROP that was ever spread on the public record, and I was forced by Mr. Rooney to admit, even though this was highly classified, that this was the recommendation of some ambassadors. But whoever did that to us, I think, was not playing very fair. That would be the only real bad example, I think, of where the State Department--and I have no idea how this happened.

M: What does Mr. Rooney have against the Travel Service? Anything specific?

B: Oh, that's another subject. No, he started out having supposedly personality differences with the first Director, Mr. Gilmore, and a lot of his hostility toward us in the beginning was attributed to that personal hostility; but as time went on, I think he was just opposed to the program. Knowing Mr. Rooney and how he has made his reputation--it had been on the basis of opposing representation funds from the State Department, he had made a career out of this. He's simply the type of gentleman that does not believe in anything that smacks of good public relations if it involves taxpayer's money; and our program, which was representation funds for the State Department multiplied by a hundred

with all of the activities we were in, I think was a ready-made target for him. Of course, he pretended to have a lot of other objections to it, but if you look at the things that came out in the record, they were of no substance at all. He was against the program and I think remains against the program, in principle.

M: After President Kennedy was assassinated in 1963 and Mr. Johnson became President, did you have any indication that he had any special interest in or position regarding the Travel Service in the early part of his Presidency?

B: I wouldn't say in the early part of his Presidency. I think the first indication of interest came about 1965 or '66, when our balance of payments problem again became very bad. And the Treasury Department, which takes the primary interest in the balance of payments area, was urging--first, they urged him to put a tax on outbound travel, and he very wisely, I think, ignored that advice; and instead in January of 1966 [he] made a very significant statement which said that the way to solve our problem, to narrow the travel gap, is to encourage people to come to this country rather than discouraging our people from going abroad. Now, of course, this was the whole philosophy of the Travel Act, and it was the whole philosophy of our operation. And this did strengthen our efforts considerably. The problem in travel, though, remained acute, not because our agency wasn't functioning properly, by no means. The gap as far as overseas spending was concerned got very, very little larger during the whole Kennedy-Johnson Administration. But the problem arose in Canada where we went from a positive to a negative balance; the problem arose in carrier fare payments, more and more Americans flying foreign flag carriers, but this was all added in to

the travel gap. Excuse me, I said in January of '66 he made that nice statement; it was in January of 1967 that he made it. But in January of '68, as you know, he did propose a travel tax which I think was very, very unwise, and probably, if he had to do it all over again, he wouldn't have done it because it was probably his most thoroughly unpopular legislative proposal in this Congress.

M: And was not enacted.

B: And was not enacted, no. No one was in favor of it except people in the Treasury Department. As I say, I think that if he had to do it all over again, he would not have proposed it. But it did create many problems for us and for the travel industry generally.

Unfortunately, in the field of international travel, this will be the thing that he will be remembered for more than anything else--this proposal for a travel tax, and that is unfortunate because he did, even more than President Kennedy, on the positive side, encourage us. I can give you some examples if you want.

M: Yes, by all means.

B: Well, one of the things that I wanted to do was to boost the morale and let our people abroad know that they were very valuable and a functioning part of the Administration. I wanted to get them together with the President if I possibly could. We used to have meetings of all of our overseas office directors every other year, and last fall, just a year ago, was one of those years when we brought them all back. And keeping my fingers crossed, I put out some feelers to see if the President would meet them and have a few words to say and have his picture taken with each one of them--there are eleven of them. I was very pleased when he agreed to do so, and he spent a half or three-quarters of an hour

with us in the Cabinet room and shook hands with each of our boys and had the pictures taken and said a few kind words about the service. This was the kind of thing that, when you consider all of the things that a President has to do during the course of a day, although we do have an important program, I think--but still, to take that much time out of his life to give us that pat on the back, I thought was very nice.

M: This is a subjective question, I know, but you are in a position to have seen how it operated in this particular case. Does this type of personal attention make a genuine difference in the morale or the efficiency of the--?

B: Oh, my Lord, yes. Every one of those pictures were immediately framed--and they were autographed, of course, and they appeared in the offices of all of our people around the world. Many of them were reproduced in the local travel press and sometimes in the public press of the countries in which they operated. This kind of a thing adds immeasurably to the status and prestige of a federal employee abroad, to say he was to see the President and the President shook his hand and here is the evidence of it. Oh, this was tremendously helpful to us, of course.

M: Can you think of other examples of encouragement by President Johnson in your agency?

B: Well, that's the primary one, of course, besides the January, 1967, statement. I can't right offhand think of any other specific instance. Oh, wait a minute, let me go back to the early days of the Administration. This wasn't the President, this was Mrs. Johnson. Back in the spring of '64, we started a new program called Americans at Home which was designed to tie together all of the hospitality committees that we have in many

cities in the United States who are engaged in one way or another in inviting foreign visitors into their homes. We wanted to put this all under one umbrella and in some cases get some of these communities to expand their efforts. Many of them were simply entertaining sponsored guests, guests who came over on a State Department grant or something. And we wanted, particularly in our larger communities, to get women's groups and service organizations and so forth to support a program for inviting the normal visitor--the regular commercial visitor, you might say, so that if he found himself in a town and wanted to spend a few hours with an American family, he would have a telephone number to call and arrangements would be made for him to visit a typical American home. So, we kicked this off in 1964, Americans at Home program, and the first guests we had were a Peruvian couple and a Dutch woman who were very kindly received by Mrs. Johnson in the White House.

M: The first Americans.

B: The first Americans at Home activity was right here in the White House, and that was another very kind thing, we thought.

M: What about the Commerce Department under Mr. Johnson? Through the changes of leadership through which it has gone, has that affected the agency?

B: Well, yes.

M: In what way?

B: Well, from the point of view of our program, there have been good Secretaries and there have been not so good Secretaries. My own personal reaction would be that although Luther Hodges, I think, was an excellent Secretary of Commerce--there's no question about that, as far as our program was concerned, I was very disappointed with him,

and I think that eventually Mr. Gilmore got very disappointed with him because despite the tremendous immediate showing that we made, and I would like to interject here what the record of the agency was--.

M: Yes, this is a fine place.

B: In 1960, we concentrated on overseas--that's people coming from every country but Canada and Mexico because this--

M: Why is that? Why are Canada and Mexico excluded?

B: They are not excluded--Mexico certainly isn't. We had a program in Mexico and we had a good record there. But the places where you need the work of a national tourist office are overseas where you've got cost problems, you've got lack of information, you've got language problems, etc. In Canada you don't really need the same kind of a program because most Canadians have been to the United States. In Canada you need the efforts of states and cities to attract people. Canadians don't come to the United States; they go to California or South Carolina or New York or something like that. Well, anyway, our principal effort was in these overseas countries, and the visitors, business and pleasure, that had come from those countries in 1961, which was the year we were inaugurated, were just a little over a half a million. Last year they were just short of a million and a half. In other words, we tripled in six years. The average rate of growth in visitors from overseas countries had been ten percent a year in the decade prior to 1961. Beginning in 1962, and up through last year, it was twenty percent a year. So, on the record, just on the basis of statistics, I think we've turned in a tremendously good performance, and most unbiased observers would agree with that. As a result of these gains which were, percentage-wise at least, much,

much heavier than the gain in outbound travel, the part of the travel deficit which is attributable to overseas travel, which I mentioned before, grew very little compared with some of these other deficit items over which we had no control.

M: Wait, let me stop you there. The deficit continued to grow, is that right?

B: Yes.

M: But grow at a decreasing rate. But there was no absolute decrease in the deficit.

B: No, because we were starting out with a four-to-one imbalance against us, whether you talk about people or dollars, and we brought that up to less than three-to-one.

M: I just wanted to be clear about what the figures were doing there.

B: But if you look at the curve of travel, you will see it going up and then it hit '62 and then it starts going up in '61.

Well, from 1952 up through 1961, our best increase percentage-wise had been 15 percent. In '62 which was the first year that we really made an impact it was 17 percent; and in '63 it was 21 percent; in '64 it was 31 percent. With this kind of a definite payoff coming in and people and dollars and everything else, we were never able to get the Commerce Department to allow us to go to the Hill with our full budget authorization. And I hold Mr. Hodges responsible for that--leaning on the advice of some of the bureaucrats in the Commerce Department who, going back to what I said before, didn't think we ought to have so much money. With all of this going for us, with a very small authorization really, 4.7, the Commerce Department would never let us go for more than 4.2 and that got down to 3.5 before--

M: 3.5 million--you are talking about?

B: Right. Which I thought was very shortsighted. If we had had our full authorization, if the Commerce Department in the beginning had gotten behind us as strongly as it should have, I don't think we would have had a problem with John Rooney. But they didn't. They sort of agreed with him in a way. So this was bad and, as I say, I have to put the responsibility for that on Luther Hodges.

Now the next Secretary was an improvement, Secretary Connor.

M: John Connor?

B: Yes. From the point of view of our program--I'm not making any judgments on his overall performance of the job. But at least he, for the first time, went up to the Hill with a full authorization for USTS. I was a little disappointed because when we didn't get it from the House, he wouldn't let us appeal the full amount. But at least it was an improvement. The greatest Secretary of Commerce that we had was Sandy [Alexander B.] Trowbridge, from the point of view of our program, and I will even say from the point of view of the overall department. I think Sandy was a tremendously fine person. But he fought for our program tooth-and-nail and in every way, shape, or form. Secretary Smith, I do not think too much of. I think that he, frankly, sold the program out by making a deal with John Rooney in which we closed down offices, and John Rooney agreed for one year to give us more money than he did before. This is one of the reasons I resigned. I just couldn't see the program--

M: When did you leave the directorship?

B: I left in July.

M: In July of this year?

B: Yes. I handed in my resignation in May.

M: Mr. Smith has been Secretary since March, so he was responsible for the appropriations for '68--for this year only.

B: For what happened this year. Yes. For what happened just this year.

M: So you think with the unevenness of these Secretaries that have served Mr. Johnson, that probably their attitude doesn't necessarily reflect Mr. Johnson's here. I mean, the fact that Mr. Trowbridge was very favorable, and Mr. Smith perhaps not so--

B: No, I wouldn't say that reflected the President's attitude at all.

M: That was a personal matter as far as they were concerned?

B: Yes.

M: Let's switch over here a little bit on the other side of your operation. What's the attitude that you run into of foreign governments toward the USTS operation in their countries?

B: Well, the foreign governments have been some of our strongest supporters actually.

M: Isn't that maybe a little bit surprising?

B: No, they became very much our supporters, at least the touristic elements of foreign governments--the national tourist offices and so forth, because they had followed our progress and they had seen that by getting a little more muscle into the program, we could have avoided the need for travel taxes. Now one of the worst aspects of the travel tax proposal of the first of this year was that it turned many governments against us. Many of them live off the American tourist, as you know. And it was very disappointing to them to find that we were taking this course. And the support for a positive program on the part of various foreign interests was simply because they felt, as we did, that if you did put the kind of effort behind a positive program it would make a

negative program unnecessary.

M: I see. In other words, they were interested enough in protecting the tourist dollars spent in their country that they didn't object to your trying to recapture some of them through your operations?

B: Absolutely not. No, the foreign governments themselves never objected to our program at all with the exception of--well, I was going to say Japan in the early stages. But that's not even true. I think that if there was any objection on the part of a large program, it was our own State Department people trying to interpret what the foreign governments would think. The foreign governments themselves, as far as I know, were never opposed to our program. Even in the case of the British, for example, in '66, when they cut down their own citizens' travel allowance, they never objected to our remaining in business in the United Kingdom. So I think there was a great deal of support.

M: What about the potential foreign tourists? Have they utilized the services of your offices, do you think, widely?

B: Yes. It all depended on how much money we could put into an advertising campaign, because the relationship to the number of tourists themselves coming into our office overseas, to the amount of money we would put into an advertising campaign, they march right along in step. More and more people were coming into the offices, until about 1965 or 1966 when, because we weren't getting any money from Mr. Rooney, we had to almost completely cancel our consumer advertising, and then the number of people coming into the offices dropped down. But our main role was not so much serving the public; as it turned out with a small budget, we had to concentrate most of our efforts on serving the trade.

M: Now when you say the trade, you mean the travel-connected trade?

B: Travel agents and carriers.

M: Travel agents and carriers.

B: People who had a commercial interest in getting more people to the United States. And there was a survey that was done by the American Express Company, late in 1966, where they had asked a group of about three or four hundred travel agents from Europe who had come over here on an indoctrination tour--a familiarization tour, under American Express sponsorship. And after they went back there was a questionnaire sent to them by American Express in which they asked, "What do you regard as the single most important source of Visit USA information?" And 42 percent of them said the U. S. Travel Service, which I thought was great because in Europe we only had six offices; and compared with the, let's say, several hundred offices that all of the Transatlantic carriers maintain in Europe, to have that high a percentage say that they regarded us and used us as their chief source of Visit USA information, I thought was quite good.

M: That's another thing I was going to ask about. You had eleven offices; you say that has been cut down now to fewer than eleven?

B: Well, it has been cut down now to seven. And all of our street-level offices have been abandoned, too, which is most unfortunate.

M: Do you make any effort in countries where you have no offices? Is there a program for those kind--?

B: Yes. The countries where we do have offices receive the primary attention because they are the primary traffic-generation areas; but all of our overseas people are assigned an area which extends beyond the country they are concerned with so that we do try to cover all of Latin America, all of Western Europe, and about five or six countries in Asia.

M: What about Communist countries, particularly European satellites?

B: No. Primarily because they don't offer a good market commercially.

M: It's not a policy on the part of our government of not wanting to encourage their citizens?

B: No, not at all. That's not it at all. It's just that with limited resources you attack your major markets, and no Communist country is a major market for travel to the United States.

M: What are the major problems in getting foreigners to want to come here? What are things you have to overcome in working with them?

B: Well, the basis for the USTS was the lack of official up-to-date comprehensive information about travel in the United States, and I think that is still probably the main obstacle to attracting more visitors although, as I say, I think tripling the traffic in six years--it isn't as though these obstacles are insurmountable.

M: No.

B: But I think that's still probably the main one.

The second one is the relative lack of good tours offered in this country for the foreign visitor as compared with Europe, for example.

M: Are you talking about package tours?

B: Package tours, that's right. They can be package tours, group tours, whatever. The number of them that are geared to the needs of the foreign visitor could be improved. They've been improved radically over the past several years, but they still could be improved; somewhat further down on the list, lack of language capabilities on the part of people in the travel industry in the United States. Even further down on the list is the red tape of getting into the United States. This used to be one of the biggest problems back in the early--

M: You're talking about immigration requirements?

B: Immigration, visas. But the progress that has been made there, thanks to the immigration service, thanks to the State Department, with a little proding from us, has been remarkable. So I don't think the visa problem is anywhere near as bad as it used to be. But those would be, let's say, the four things that are most important.

M: Cost is not one of the ones you mentioned there.

B: Yes, cost is, but the cost problem is an awfully complicated one. I would say lack of information, which I put as number one. The problem in cost is not the fact that our costs in this country are so much higher than what they are abroad. It's that most people abroad who have never been to this country think that they are higher yet. And the whole emphasis of our first two or three ad campaigns was to say, "Look, a hotel, a nice, clean, decent hotel in New York City will cost you blank dollars a night. You can see the United States for as little as $98 a week." We kept hitting them with specific examples. And this is what I had in mind when I said lack of information. We still need to get through the fact that travel in some areas is more expensive than travelling in Europe; in other areas it is much cheaper. Our domestic airline fares, for example, on a per-mile basis are much cheaper. Gas is cheaper. Cigarettes are cheaper. Lots of things are cheaper. And even hotels where people tend to make the final judgment--when you consider the facilities that are offered by our hotels in comparison with the better hotels in Europe, I think you get what you pay for. Our motel system, if we can ever get these people to rent cars and get out on the road, is unequalled anywhere in the world, both from the point of view of facilities and cost, for what you get.

But these are the questions that you have to keep hammering at, and I think just by plugging away at it you make a dent. You see, the problem in cost is that people in Europe and around the world generally get an impression of the United States that is based pretty largely on what they have seen in American movies and in American television. And our movies and our television are geared to the American audience, they are escape mechanisms, whereas the European movie is an art form. It tries to show life as it is, and they think when they see an American movie that this is the way life is in the United States. Consequently, you will see so many products from Hollywood that--you know, the hero and the heroine are a childless couple with no visible means of support; they live in a penthouse; they never pick up their change when they pay a bill; they give $20 tips, and all of this. And people around the world over for years and years, have begun to think, "well, this is the way Americans really live." And, of course, it isn't the way we live.

M: What about hospitality of Americans, once foreigners get here? Did you ever run into difficulty in this regard?

B: Well, no.

M: Or, is this one of your jobs?

B: Well, yes, it is; very much so. This is what the Americans at Home program and some of the other programs we have, domestic programs, were all about. The American people, once they know that this man with this strange accent is a guest, a paying guest that is coming over here to see this country, once they know about foreign tourism and the importance of it to both our balance of payments and our standing in the world generally, there is no one more hospitable than

the average American. I think the problem we had to overcome and still do to a large extent is the feeling that, well, there aren't very many French visitors in the United States; therefore, if I hear a man with a French accent, he's an immigrant who just hasn't bothered to learn the language or something like that. But, generally speaking, the Americans are terribly hospitable.

M: Of course, none of your offices were located in Africa, and so you didn't run into racial problems through your offices. Is that a problem in tourists?

B: It would be. Of course, the Japanese provide a great number of people; we never run into any examples of discrimination as far as Orientals are concerned. I suppose you might for colored people, but most colored people who come to this country from abroad, they are either immigrants, they're coming from the Carribean, or they are diplomats of some kind from Africa; and they are looked after very specially by the State Department. We never got into that kind of a problem.

M: Is that because there is just not any economic ability for those people to come here?

B: Yes, that's it. Most of the developing countries, and that includes all of your African countries, either prohibit their people from taking pleasure trips to the United States or else they put such great restrictions on it that it just cuts the market down.

M: So the fact that there are no, or have been no travel offices in those countries, is again a matter of economics?

B: Yes.

M: And not a matter of discrimination against--?

B: No. Absolutely. There just isn't the market there.

M: What about the cooperation that you have received from private American travel companies?

B: Well, fantastic. As I said in the beginning, in a very large measure they were the originators and the first sponsors of the idea of a national tourist office. And, really, I can't imagine getting more wholehearted cooperation from our private industry than we got--from hotels, from the airlines, from the bus companies. We had a group called the Travel Advisory Committee which met regularly about once every three months, which included representatives of private industry and through the TAC and through our own contacts, because many of our programs were run in conjunction or in cooperation with private industry. Our relationships with private industry were very, very close, more so than any other federal agency, I would think.

M: What kind of things did they do as examples of their--?

B: Well, there were several. The whole move toward lower fares, for example, and for special promotional fares in the United States--and I'm glad I thought of that because one agency of the federal government that I haven't mentioned that probably was the most helpful of all of them to us was the Civil Aeronautics Board, particularly Charlie Murphy. That was a great fellow. But the airlines, through the prodding of CAB, did do a great deal to lower fares and so forth, so that more people could come to the United States.

M: Is this package ticket thing a product of the USTS activity?

B: Yes. Well, we helped, yes. Wherever we could, we would speak up for the idea of lower cost fares and more package tours and so forth. This again was a part of the International Travel Act; we were obliged to do that. But I think the airlines and the others in their own interest saw that this

was something to do, and they did go a long way toward offering more tours and offering cheaper fares and offering promotional fares, once people got to the United States.

The other area in which we cooperated with the airlines was in the strictly promotional field abroad. Whether it was a Visit USA evening or a tour by the New York Convention Queen, whatever it was, we would work with a company like Pan American or TWA or one of the others to make sure that this kind of promotional program was successful.

M: Originally, was it Delta and Braniff who were the ones who broke through for you on the reduced fare trunk line ticket, or have all the other trunk lines now gone along with--?

B: Most of them have now--our big Festival USA '66 program where they offered these various Visit USA fares or Festival fares. Yes, but Delta and Braniff were the pioneers.

M: But they pretty well all now have gone along with that too?

B: Yes.

M: The bus and railroad transportation have also cooperated?

B: Yes. The bus industry was actually the first one to get in on the act. They announced their 99 days for $99 fare, even before USTS was established, but they did it as a result of the action on the Hill leading up to this. They saw this and said, "Here is a place to make points with the federal government. We're going to go into a Visit USA program," and they came out with their $99 fare about a month before USTS was even in existence. So they were pioneers in a way--the bus companies.

M: I have several questions regarding administration and personal activity within the department. Is there anything else about the USTS itself that you would like to talk about?

B: I could go on and on, and I didn't get my thoughts too well in order, but I think I've answered your questions to the best of my ability.

Before we get off of USTS, I just hope that the new President, whoever he may be, and I hope it's Hubert Humphrey, will pay more attention to the problem of the National Tourist Office and do it in Congress, and do it with Mr. Rooney. This is where all of our Secretaries and both of our Presidents, if I may so, have let us down a bit by not banging heads over there.

M: Has your successor been named?

B: No. I don't think there will be a successor to me between now and January. It's very difficult to get a man in at this late date. The chances are that he may be out of a job in January.

M: That was in line with some of the questions I had in mind here to go into. The job stayed vacant technically for fourteen months?

B: Yes.

M: Why is that?

B: Well, I don't know. I think it was unfortunate; I don't know who to blame for that, but I suppose a combination of Jack Connor and President Johnson. But I don't think that the job, no matter who's in the running for it, ought to be kept open that long. There was no excuse for it then. And this is another area where I think you need to pay a little more attention to what you are doing.

M: How is a director chosen for something like the USTS?

B: Well, I'm probably the worst man in the world to ask that question of. I suppose when they were looking at candidates back in '64 and '65, they looked at who was qualified in terms of association with the travel business--who knew the business. And this is terribly important. Travel

is just as much a specialized field of endeavor as almost anything else. You can't just bring anybody in. This would be one area, and I suppose his political acceptability naturally is going to be another one. I don't know.

M: This is again a pretty broad question, but you have experience in your particular area. Does the man who is President at any given time make a lot of difference in the way an agency the size of Commerce or even the USTS operates?

B: Well, he certainly makes a difference as far as the way Commerce operates; less of a difference as far as the USTS is concerned. I think the fortunes of USTS, aside from the things like the travel tax, which of course goes beyond our program, are almost entirely something that is going to be determined by the Secretary of Commerce. The Presdent normally doesn't, and shouldn't have to get into this area in terms of appropriations and things like that. You need a strong, dedicated, believing Secretary of Commerce, and if you do have that, USTS will be all right. But he's the key man.

M: He's the one who judges, I suppose, the performance of whoever is director of things like USTS.

B: Absolutely.

M: The President wouldn't be involved in that consideration?

B: No, he wouldn't and he shouldn't be.

M: I see. One of the questions that is extremely interesting to me, and I suppose this can be judged a little bit irrelevant from the Johnson Oral History Project, but you are one of what is apparently a great number of people who prepared himself rather thoroughly for foreign service and then spent five years in the service. Why?

B: Oh, that's simple. Joe McCarthy.

M: Oh, is that right?

B: Absolutely. It wasn't just McCarthy. If you will remember, he was running rampant there in 1954, which is when I decided to leave. It wasm't just him, but it was the way the State Department knuckled into him. I saw more good officers sacrificed up to him. My boss in Munich, for example, the Consulate General, Charlie Thayer, was absolutely crucified. It was either Thayer or somebody else--there is a whole story, it has been written up, but the State Department junked him. The State Department did a lot of things there that I thought were very disloyal to its own people. And I said to myself, I was just about thirty at the time, I said, "Is this the kind of an organization I want to devote my life to?" And the answer came out, "No."

M: You weren't personally attacked by the McCarthy people?

B: No.

M: It was just a general lowering of morale?

B: Way down. Yes, the lowering of morale and the way personnel was squeezed, and they just didn't support the Foreign Service the way they should.

M: How does a man who has decided to be a career public servant, as you were, manage his career? Here you are a foreign service officer, and then you are on the professional staff of the Commerce Department.

B: Well, when I decided to leave the Foreign Service, I looked at these two characters, Kohn and Shine, who were Mr. McCarthy's hatchet men and what they were able to do by being attached to a powerful Senator. I said, "That's what I'd like to do." I had made friends and happened to run into him down in Haiti, with a very powerful Senator, who at that time was the Majority Whip, Senator Earl Clements of Kentucky. And when I came back I said, "Well, here I am, and I would like to go to work for the Senate."

And he said, "Isn't this nice because your senior Senator, Warren Magnuson, has just been made chairman of the Commerce Committee. Let's get you a job there." But I left the Foreign Service with the idea of working for Congress.

M: So you actually had your career planned out?

B: Well, at the time I left Foreign Service, I did. Now, from there on it was just sort of an accident. I mean, the balance of payments problem came along; this travel study came along; it was just natural, in a sense, that I move from there over to the Commerce Department.

M: Earl Clements was a very good friend of Lyndon Johnson. Did you ever have any contact with Johnson when he was a Senator?

B: Yes, I met Lyndon Johnson first by being introduced to him by Earl Clements.

M: This was when he was still Senator?

B: This was when he was a Senator. He was the Majority Leader, and Earl was his deputy.

M: Did you have any particular relations with him then?

B: No. I just met him.

M: Well, you've certainly been cooperative and helpful. Is there anything that you would like to add?

B: Yes, I would like to add one thing, and then I've got to run, I'm afraid. My greatest impression of the President was not in anything that I've mentioned so far. And it happened earlier this year--I think it was in March or April, when he had a group of travel executives come into the White House. He met with them for about three-quarters of an hour. This was the members of the Board of Directors of a private organization called Discover America, Discover America sort of being the domestic counterpart of USTS.

M: But not connected with USTS?

B: No, not connected. This is strictly a privately funded organization with official blessing, of course, and their primary objective was to get Americans to see more of their own country rather than going abroad. He spent, as I say, about three-quarters of an hour. We were in the Cabinet room; I was privileged to be there along with one or two other people from the Commerce Department, the Vice President was there too, but the primary audience were these twenty or thirty executives from the travel industry. And he completely off-the-cuff talked, I suppose the time he spent talking to us was at least half-an-hour. It was the most interesting experience, I think, of my entire twenty-two years in government because there was the President of the United States--I think he was trying to justify the travel tax, but he went from the economic problems of the United States into the political problems of the United States, into the whole Viet Nam problem; he just in a sense poured out his soul to all of these people around there, most of whom he had never met before. And it was the most refreshing insight into a man that I have ever had in my life. He spiced it up with a couple of funny stories and a couple of jokes; but you really got the feeling that this man was a human being; and of course unless you do have a little bit of personal insight a President can sometimes become sort of a God, whether you agree with him or not.

M: Wasn't C. R. Smith a travel executive, incidentally?

B: Yes. He really was American Airlines president and then chairman of the board.

M: It seems sort of odd that he's not particularly a supporter of the USTS under those circumstances.

B: Well, he's a supporter of the USTS in a way, but not in the way that I

think it ought to be done.

M: Mr. Black, I certainly want to thank you. We certainly appreciate your cooperation very much.

B: Okay. It was a pleasure.

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By John W. Black

to the

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