INTERVIEWEE: HERBERT N. BLACKMAN (Tape #1)

INTERVIEWER: DAVID G. MC COMB

January 8, 1969

M: To identify this tape, this is an interview with Mr. Herbert N. Blackman. He is the administrator of the Bureau of International Labor Affairs in the Department of Labor. The interview is in his office in the main labor building in Washington, D.C. The date is January 8, 1969, and the time is 2:05 in the afternoon. My name is David McComb.

First of all, Mr. Blackman, I'd like to know something about your background, where were you born and when.

B: I was born in Brooklyn, New York, in December 1913 and I was educated in the public schools in Brooklyn, and I have my undergraduate degree from Brooklyn College and a Master's degree from Columbia University.

M: What was your major?

B: My major in undergraduate was history--economic history--and my graduate work and subsequent courses afterwards switched more heavily into economics.

M: Was your Master's degree in economics?

B: History basically, history and economic history. Subsequent to coming to Washington I took a whole series of courses, entirely in economics and statistics in American University, Department of Agriculture, George Washington University, none of which led to an additional degree.

M: What is your work background? Career background?

B: Well, I came to the government first in 1936.

M: Is that right after you finished your degree?

B: Shortly after my education at Columbia, and it was really the result of the beginnings of what we now call the management intern program. It was one

of the earlier attempts on the part of the Civil Service Commission to bring into the government service people with college training, and as a result of an examination called the Junior Civil Service Examination. The kinds of assignments of those of us who came in this period received in the government were very far removed from anything of a professional caliber; in fact I was one of a rather large group of people who came to Washington in connection with the payment of the soldier's bonus of 1936. Some of us were in the Veterans' Administration, some of us were in the treasury department; I was in the treasury department in the Division of Loans and Currency, I think it was called, and the function there was to mail out the bonus bonds, to count them, to put them in envelopes. And subsequently when they were being redeemed to stamp them with appropriate redemption certificate / numbers. It was a very strange experience in many respects because the people who were doing this were, with the exception of some of the employees who had been in these divisions for a long period of time, highly trained professional or hoping to be professional people, with masters degrees and doctorates. The range was, as I recall, people who later became opera singers to historians to economicst and social workers. There was a good deal of intellectual stimulation as far as the coworkers were concerned. The work itself was about as dull and deadly as it possibly could be.

M: Of course those were hard times, weren't they?

B: Those were hard times and the important thing in 1936 was to find a job. Quite different from what it is now, there was no one knocking on our doorsteps trying to recruit us. So that the opportunity even to earn $1,440 a year was a magnificent opportunity. We came down to Washington and lived in boarding houses for the early period.

M: So what did you do after that, go to the treasury for what--a year?

B: Oh, I was in treasury for a year, year and a half, and then I was one of the "fortunate" people who was offered a job in the Internal Revenue Service, which, again, was a very routine kind of operation. I guess I stayed there until the fall of 1937; I went back to New York, taught in the high schools in New York for a year and a half, and returned to Washington, I believe it was in the fall of 1939, and came to the labor department in the Wage and Hour Division at that time, as a statistical or research clerk, at an improved salary of $1,620. There I worked on such problems as "what is an isolated mine." That had relevance under the wage and hour law to the number of hours that a minor was employed in relation to his distance from work and the issue that later was to be the portal-to-portal issue.

M: Now was this involved with the Fair Labor Standards Act?

B: This was involved with the Fair Labor Standards Act. This was about a year or so after the Fair Labor Standards Act was passed.

M: Then you were working out guidelines in effect for that act, is that right?

B: Well, we were trying to determine what would be appropriate measure of the work week in a mine. When the mine was out in a very remote place it makes sense in some cases, or it was contended that it made sense for the miners, perhaps to work through for eighty hours and then have two or three days off so that they could get into civilization. That was the problem. I don't think the problem was ever solved, at least not in my time there. I also did some work in industrial homework, which was a problem at that time. There was a research project on to determine the extent of industrial homework, and I worked under the direction of a then senior economist. In the summer or fall of 1940 as I recall when the defense

effort was starting, I was off at a job in the advisory commission on national defense, [I think it was called], which was the forerunner of what later became to be the War Production Board. And from 1940 until, as I recall, about 1946 I was involved in the work of the War Production Board, which had several different names during that period, ending up as the Civilian Production Administration. And then it even moved into the area of the commerce department, where it was called the Office of Materials Distribution. There in the War Production Board, I moved up fairly rapidly, I guess by the time I left--by 1946--I was a P-7, the equivalent of about a GS-14 now. I worked mostly in the area of what was called the Requirements Committee, which was the group in the War Production Board that allocated materials among the different claimant agencies, military and civilian. During a good part of that time I worked on problems of military requirements. I was involved with negotiations with the Armed Services, which were then separate, as to what share they might have of the available resources.

M: Did politics bear in on you in that kind of work?

B: No.

M: You could actually sit back and allocate materials as was deemed necessary?

B: Well, politics were present not in the sense of party politics. There was a good deal of rivalry among the separate services and the civilian areas.

M: But you didn't have congressmen calling you up and persuading you to--

B: No. I guess the congressmen devoted themselves to the members of the board per se. The people I worked for during that period, not necessarily in the correct order, included people like Robert Nathan, Bert Fox, who's I think up at Harvard last I heard, Eddie George, who came down from Dun and Bradstreet, Lincoln Gordon, I guess now president of Johns Hopkins, and

Sam Anderson, who was during the period of that time, chairman of the Requirements Committee, later assistant secretary of commerce. The two areas of concentration I was involved in, if you can pick out two areas, were the areas of textiles and the area of lumber and forest products. There I was one of the people who helped establish the control system that we used in each of those industries for allocation and distribution of the resources. But this was primarily at the staff and Requirements Committee level, not so much at the operating level. In the later part, somewhere around ------- '46, maybe '47--I had a year as chief economist for the textile, clothing, and leather division of what I think was then called the Civilian Production Administration. The program that I remember best at that time, I guess the one that created the most problems, was something called the Low-Cost Clothing Program. This was an attempt to assure the returning soldiers would have garments at a reasonable price, and this involved a good deal of contact with the industry, with the Office of Price Administration, which by then may have been called something else. The programs were in effect joint programs of the Civilian Production Administration and the Price Administration.

M: Well, then at the end of 1946 what did you do?

B: I guess I probably had the longest record of employment in that defense agency, the War Production Board, of anyone. I started in 1940 and I think I lasted until 1947, and the last thing I remember really is staying on a little longer than I might have otherwise to write an article for a little publication that the commerce department was putting out then. By this time the function had moved over to the commerce department, the residual function. [The article was] on prices and production problems during the war and immediate post-war period in textile and apparel field. I remember

being puzzled as to whether to predict there's be stability or not; I've now forgotten what I predicted, but I came out right. I think it was more chance than analysis, perhaps. Between the time I prepared the article and the time it got published, whatever prediction was made turned out to be the correct one, having been three to four months hiatus between those two periods. I was then unemployed for several months during a period when jobs for the government were not easy to come by and ended up in a temporary job in the commerce department working on export control problems. That job finally became a permanent job, this must have been somewhere around 1948, towards the beginning of the Marshall Plan Program and also the beginning of the cold war, which in effect was triggered by the unwillingness, if you want to call it that, of the Russians to accept the offer to participate in the Marshall Plan.

M: Did you get in on the administration of the Marshall Plan at all?

B: Only indirectly. I was involved in some phases of the preparatory work in terms of commodity analysis. All these various commissions that were established at that time to make studies of various aspects and I was involved I would say in the main peripherally. But in the commerce department really at that time there weren't too many people who had generalized expertise. So to some extent I participated in some of the analytical work. In the period immediately afterwards, in connection really with the cold war problems, we went into a program of control of strategic materials to the Soviet bloc, and I became deeply involved in that. This was under the terms of the Export Control Act which in essence provided controls--export controls--for two purposes. One was a strategic purpose and the other was a short-supply purpose. There were short supply problems during that period. So we were involved in both of those

operations. I think I was principally responsible for drafting the first report required by the Congress under the Export Control Act as it then existed somewhere around '48 and '49.

M: Do you remember at that point if the realization that we were in a cold war with Russia came gradually or all of a sudden recognized, or how did this work?

B: Well, I'm not sure I remember with too much accuracy. I think there were perhaps three--maybe two events--that were significant. One was the schism represented by the Russian and ultimately the Czechoslovakian refusal to participate in the Marshall Plan which was I think the real signal. The Czechs had originally said they would participate and the Russians pulled them back. The other was really the Churchill speech, the other signal. And it was pretty soon after that that the operation that related to strategic controls of commodities came in operation. My best recollection is that the time interval was not very great. The implementation took a little longer, but in 1948 and certainly by 1949 this program was fairly well underway. Its intensity varied over time.

M: Was it fairly obvious what materials would be restricted?

B: No, this was never obvious, and the program of strategic controls continues to this day. I guess I was involved in it roughly from '48-'49 to 1955 in different capacities, which I will come back to in a minute, but the problem of selection of a products that ought to be embargoed or ought to be limited was always an extremely difficult one. Depending on concept of war potential, depending on analysis of what the Soviet bloc had within its borders and how it might use the different materials and the list varied from time to time and became reduced really over a period of time as the Russian economy improved. The operation was essentially an inter-agency

operation which had state department, defense / department and commerce, which was chairman of this setup. I guess those were the principal agencies. Other agencies were involved in different degrees, because there was a mixture of short supply and strategic--if you're dealing with lead and zinc why interior had an interest. Agriculture was involved almost continuously and I guess still is. The CIA was a participant. A good deal of the analysis that we had to make in terms of what was strategic and what was not for purposes of control would be based on information the CIA could make available or the defense department intelligence agencies, or state department intelligence agencies could make available. Plus, I suppose, the technical know-how that we could get from the commodities specialists in the commerce department. The problem was in many cases to draw some sensible line, and to make a broad evaluation as opposed to a purely technical evaluation. The technicians, the commodities specialists or the products specialists would almost invariably take the view that their product was the most important in the world and they wouldn't have it go anywhere else other than in the United States. This was a judgment that if we had followed it we would have had everything on the list and a complete embargo. But instructions we were operating under were to try to use a little discrimination. And the path always was not easy.

M: Did you get criticism on this program during the early '50's when Joe McCarthy was trying to scare out communists--the red-scare so to speak?

B: Yes, we did. Let me approach it this way and tell you what my role in the thing was and describe the structure and I'll come back to this point which is relatively valid.

Somewhere around '49 or '50 in the commerce department they established a staff in the office of the secretary which was in effect the staff for

the secretary and for two committees that were established. One committee was chaired by the assistant secretary, was called the Advisory Committee on Export Policy--at least that's the name I remember most, these things change names every now and then. The other was called the Operating Committee, which was staff level committee. For a period of time I was a member of the staff of that and then I became director of that Export Policy staff and chairman of the Operating Committee, reporting to the assistant secretary. We had a small staff, four or five rather high-level people who would do staff analysis which would become the basis for the discussion. This operating committee dealt, as I said, both with the problem of strategic controls and the problem of short supply controls. And the short supply issue re-emerged during the Korean war period as a factor, so we had to deal with that. At that time we were subject to all kinds of involved industry pressures--how much steel scrap can go out of the country, or copper, or what have you. So that was the general structure.

Coming back to the strategic controls, which I think are perhaps more significant--we not only had a U.S. setup, but it was obvious that controls on the part of the U.S. alone would not be effective unless other countries, particularly in Western Europe, who had the potential for producing these same goods were also controlling them. An international organization was set up, operating out of Paris, in which the principal western countries were members. It aimed at trying to develop a common policy. There were at first two levels of this committee--one was a consultative group, as it was called, which was the senior policy group supposedly, and the other was something we called COCOM. It stood for Coordinating Committee, and that was the operating level.

It may be of passing interest, Chip Bohlen, I think, was our first representative on the consultative group. He was then in Paris. He got involved in the early stages of that operation. But our problem in terms of this operating committee function was to not only be concerned about what the U.S. should not send, but also how far we should bring the other countries along. This involved a series of international meetings also where we tried to persuade other countries to conform to our list of those strategic materials. It was a double operation all the time. Somewhere in the early '50's, I can't remember the date, a new element was added to this with passage of something called the Battle Act, which set up the Mutual Defense Assistance Control, which came theoretically under the aid program, then I think called the Mutual Security Agency. We're now in the Eisenhower administration. And that became one of the focuses of the multilateral control effort, because the act in essence provided that we could cut off aid to a country that was shipping strategic goods to the bloc, unless the President made a special exception.

These two operations in the commerce department and in the mutual securities setup never quite merged, but worked very closely together as they had to. At one point, oh, it must have been '53 or '54, a so-called joint operating committee was set up which was responsible to two senior committees. One the Commerce Department Advisory Committee on Export Control and the other what was then Harold Stassen's senior group headed during most of that time by Admiral [Walter S.] DeLany, called the Economic Defense Advisory Committee. This was an attempt to coordinate the effort. There was, to answer your earlier question, almost continual congressional criticism of the operation from those associated with Senator McCarthy; from Senator McCarthy himself, and, as I recall, from Senator O'Connor of

Maryland, who was chairman of the subcommittee, there would be periodic investigations of the export control operation.

M: Did you ever have to testify at a hearing?

B: I did, and I'll come to that in a minute if you want to follow this sequence through.

M: Sure.

B: I don't know how much of this is relevant to the more current period.

I remember, if you want, a small anecdote. Beginning at one of these investigations--I think it was one of the O'Connor investigations of export control, the problems of trans-shipment of goods through Europe--that when the investigation was announced at a meeting with the then-Secretary of Commerce, Secretary [Charles] Sawyer, assembled the operating people in charge of the export control operations, our councils, and the staff people, including me. The secretary looked at us and said, "If you've been following my instructions we have nothing to fear from this investigation." We all looked at each other and said, "What were his instructions?" We couldn't remember having had a detailed discussion with him beforehand. Maybe we didn't know and he had instructed us, but we survived that one. It was always painful to go through, because the rationales were never really that clear.

Perhaps the most significant series of events during this period came somewhere around 1954 when the National Security Council reviewed the whole program, particularly the pressures which we were feeling from the European countries to expand trade with the bloc really for economic reasons. Also, there were some internal pressures in that same direction. I guess it was during one of those stages of relative rapprochement with the Soviets, which I guess at a later point got to be known as the Geneva Spirit after the Eisenhower-Khrushchev meeting at Camp David--no, I guess

they metin Geneva and later at Camp David--but as a result of that review, in an attempt to recognize the changes in Russian technology which had occurred--Soviet technology--and to meet some of the problems the Europeans saw, we were in effect directed to reduce the very long strategic lists that we had. This became a very difficult and painful operation which was centered in this joint operating committee of which I was chairman. It involved a rather detailed review of all the commodities, the several hundred, four or five hundred perhaps, on our lists, in an attempt to decide which should be continued to be controlled and which could be dropped.

M: Well, now at this time did you ever sit back and try to think about how effective this program had been in hindering the Soviet bloc?

B: This was part of the consideration almost continuously. We would get from time evaluations from the CIA, from the other intelligence agencies, as to where the Russians stand--also from other countries--in technical terms, and how much delay in their advance and technology would the denial of these particular range of goods cause. Now the answers were never very easy, and you always had differing points of view. For example, on something like steel, did it make sense to deny only highly processed stainless steel products and allow more raw steel to go, or the simplest steel fabricated products. In strategic terms it was the higher grades of stainless steel that were most important for direct military uses, but you could also make the argument that if you provided other forms of steel then they would simply concentrate on other areas. This line of argument really would lead you to a complete embargo because the same thing was true all across the board.

M: Well, were you satisfied that your program was effective?

B: We were never completely satisfied. We never had enough information to evaluate, but what we were doing really was trying to make pragmatic judgments, if you will. I don't know whether we ever articulated this, but as far as I was concerned we were dealing at the margins all the way and were making judgments which seemed sensible and not too arbitrary. The information that we would get would frequently be contradictory. So you had to assume you had some impact; the extent of the impact was always extremely difficult to evaluate. We would tend to try to avoid shipment of things which were clearly prototypes. The experience would show that there would be one shipment of this--obviously for the purpose of analysis and disassembly, if you will, and reassembly.

M: Did you treat the Soviet bloc as one unit, or did you treat different countries of the Soviet bloc differently?

B: During most of this period, the Soviet bloc was treated as a unit. When the Korean war broke out and Communist China was involved, we did put a complete embargo on all trade with Communist China, so that at that point it was treated differently. Later on, I guess it was in the later '50's, I was out of the program by that time, we did begin to differentiate, for example, with respect to Yugoslavia, and the purpose there was to try to, in effect, continue whatever breach might be existing by providing assistance to a country like Yugoslavia to remain independent in economic terms at least of the Soviet bloc. So that did become an element in the program at later stages and I guess continues at the present time.

M: Did you get strong pressure from the American business community to open trade with the Communist bloc?

B: The attitude of the American business community was a difficult and very cautious one. This was the period of what we call the McCarthy era. We

would have complaints when there was a particular order that if the American company didn't get it, it would be shipped from Germany, or U.K. or France. But also individual companies were hesitant to start trade with the Soviet bloc less they run into domestic problems. Their image might get destroyed. So there was a certain ambivalence in their attitude when at the National Foreign Trade Convention, or some such place, they passed a resolution saying, "We ought to expand trade with the Soviet bloc." "Fine, I'll1 vote for that." But when an individual company was involved and it might become known that they [they would say] ship to the Soviet bloc, then they hesitated. They wanted to get involved only to the extent that the government would take the responsibility for authorizing--for urging them to do it. The government was frequently reluctant to go quite that far; we were never quite sure ourselves.

M: What about the labor unions? Did they support this policy?

B: During the period I'm talking about, which was the '50's roughly, the labor department was only rarely present and involved, and not involved in this mainstream of this strategic stuff. In the commerce department where I was then we really had no direct reading of the labor union--the trade union movement's attitude. Now we know, fairly aside from that experience, the AFL-CIO has been quite strongly opposed to East-West trade expansion in almost any form of intercourse with the Soviet bloc and basically continues that way now. They did, oh, in the last year or two, sort of reluctantly go along with the administration's bill on East-West trade, but always with a notion that any e xpansion of trade ought to be in terms of political advantage and not for economic advantage. Their assumption being that any trade with the bloc helps their total economic potential. During the '50's they were not an active

factor in the implementation of these strategic controls.

M: You seemed to indicate in the '50's, when you were working in this program there was seemingly a dual purpose, a political purpose in restricting trade with the Soviet bloc and hindering their progress, but then also to protect our own strategic materials. Is that correct?

B: No, not really. You may be referring to my reference to short supply controls. Short supply controls on things which were not strategic in the usual sense of the word which would be limited in their export to the friendly countries as well. The problem there was the reserve supplies--it might be of copper, which in some respects is an essential material in a period of mobilization--if you have few or were building up your stockpile at that point which we were doing, not trying to get rid of them all. But it was not essentially to preserve our supplies of strategic materials as such. Short supply controls were in a sense applied where there were scarcities, where prices were rising, where there was potential inflation in prices, and shortages perhaps for defense purposes. But they would be applied across the board. As I recall where an item was being controlled for a short supply reason we would not send it to the bloc in any event, we would not allocate to the bloc.

M: Let's pick up your story.

B: Going back to the '54 period, we did about two years work in six months, by working more or less around the clock, reviewing the lists, and I think accomplishing the purpose of reducing it very substantially which was the instruction that we had. I guess not very long after the conclusion after that exercise I moved off into another area. About two years later, somewhere around 1956, there was a congressional investigation by the McClelland Committee which was the successor to the McCarthy Committee,

and Robert Kennedy was then counsel. I'm not very clear what this was all aimed at--whether it was an attack ultimately directed against Harold Stassen who was still the aid administrator, or the Mutual Security Administrator, or a deep concern about the nature of the problem. But I guess at that time we faced most severely--certainly I faced most severely--the issue of what we have done in terms of lowering the bars on the strategic controls. The technique used by the committee was sort of to work from the bottom upwards and start with the technical products specialist, let's say, in the commerce department and some of the other departments. "Why did you allow this important machine with two hundred spindles to go to the Soviet bloc?" The technician would tend to say, "Well, I told them it was very important. I appeared before the committee; they didn't listen to me; they overruled me."

"Which committee was this? Was this the operating committee, and who was chairman of the committee?"

"Herbert Blackmon was chairman of the committee."

So I was one of the key middle points in the process on the way up. This went on for some months. I was called to testify. My experience was a fascinating one in a number of respects. There had been a shift in the top command. Sam Anderson who had been assistant secretary at that time had left the government and [there was] essentially a new team in the commerce department except for the secretary, Sinclair Weeks. They didn't know much about those of us who were directly involved in the program; we weren't quite sure that they cared. Also the issue of executive privilege came up because the committee was asking for the minutes and the advice that was passed up. That finally became an issue which was important enough to get the cabinet and the White House directly

involved. By the time I was called to testify I had written instructions, as all of us who were involved did, from the various secretaries saying that we could not reveal the internal advice. In executive session the committee could be given the end results of the product but not how we got there. That made life a little extra difficult. Now when I was preparing to testify--this is a bit of history maybe I shouldn't talk about--

M: We'll put a restriction on it then.

B: Well, we can see later. You can perhaps make an evaluation. But an illustration that civil servants sometimes face--

M: We might clarify your position at this point in time.

B: Well,I was no longer head of the export policy staff, I was then working in the Bureau of Foreign Commerce, I think it was called then, in a small staff that handled fairly generalized international trade problems.

M: But you're still in the Department of Commerce.

B: Yes. Mostly import problems, and had been there, oh, a year and a half at this time. This is pulling me back into something. But I talked with the general counsel of the department, and the deputy general counsel and I was a little bit dismayed when I was told the deputy general counsel would accompany me to the hearings. But he also made the statement that he was there to represent the department and not to represent me and if things got very rough on me at the committee hearing, and I felt I was running into some difficulty, I ought to tell the committee that I wanted a recess until I could get my own personal counsel. And I thought this was a little outrageous.

M: Did you feel abandoned?

B: I felt quite abandoned, I sort of felt I was being thrown to the wolves.

But at the same time when I went up, I also had this letter that I couldn't reveal what went on in the meeting.

Well, anyway, I testified, first in executive session. Robert Kennedy was then counsel and did some of the questioning. I guess my response to him was not very friendly. He treated me a little bit as if I were Jimmy Hoffa. And I never became an admirer of his as a result of that personal experience. I remember a moment during the executive session when I think it was Senator Mundt, who was presumably one of the people friendly with the administration, who asked me--maybe it was a friendly question--"Have you ever belonged to any organizations that are on the attorney general's list?"

I said, "I don't know what's on the attorney general's list." But I later supplied for the record that I did not belong to any organization on the attorney general's list. It was uncomfortable bit of business.

During the hearing, if you're interested in these gory details, it was basically a series of questions designed to find out what it was we recommended and what the procedures were. Of course I could not say what we had recommended. When they said, "Have you heard the testimony from all the technical people who said these were all important goods, and how could any red-blooded American have agreed to send these ninety-nine strategic materials to the bloc?" That was one of the rhetorical questions that, as I recall, Senator McCarthy asked me. I don't think I had to answer that because he wouldn't let me--he continued with another statement. I said in effect that everything we did was reviewed by political officers of the department, we only recommended. Our committee procedure which I still think was a good one was that we would have the discussion. At the end of the discussion, or when I felt the discussion had gone far enough,

I would summarize and say, "This is what I'm prepared to recommend to the assistant secretary, or the administrator of the Battle Act. Anyone who disagrees has a right to ask for a meeting of the senior committee."

That put a little extra pressure on the dissenters. I tried not to encourage dissent and to work out something approaching concensus, and by and large we were successful in doing that. I had questions that were asked me, "How often were your recommendation overruled?"

The answer was, "Not very often, by the nature of the process."

And, "How did you know what kind of standards to apply?"

The answer was, "Well, we had a written set of what we called standards and criteria that had been developed."

"Well, who developed those criteria?"

"Well, they were developed in the operating committee and approved by the higher authorities."

"Oh, you mean you developed the standards yourself?"

"Yes, but they were approved by the higher authorities."

"What was the basis on which these things were developed?"

"We were following the decisions of the National Security Council that set the general policy."

"Did you particiate in preparation of the National Security Council, papers?"

"Yes."

"So you wrote your own instructions, made your own decisions, and they were also always approved. You're the fellow who was responsible."

Maybe only two other highlights to this, they asked me the standard question with respect to the minutes of the meeting. I said, "There's nothing in the minutes that would bother me if you saw them."

They said, "Well, if you were the secretary of commerce, wouldn't you give us the minutes?"

And my answer was, "I couldn't put myself in the psotion of secretary of commerce and take into account all the things he had to take into account." That was a little better answer than some of the other people had given, which was, "Yes, of course we would." I'm not sure the committee liked it. And they threatened me with contempt of Congress a few times. The way my exposure to this finally ended was a rather strange note. Senator McCarthy started reading from a letter. He said, "Did you write a letter to Admiral DeLany in which you said thus and so?"

It was somewhat distorted, but I said, "Yes, I wrote such a letter and I'll be glad to read it."

There was a half-hour discussion among the committee saying, "See, the administration witnesses when they want to put something in the record will, otherwise they won't put the unfavorable things in the record."

I said, "This is a purely personal letter, written on the occasion of my departure from this particular scene." They finally let me read it into the record, and it was a sort of bread and butter letter in which I said, to Admiral Delany, "I enjoyed working with you over this period of time. I'm sorry I won't be with you for the next phase. I hope that pendulum doesn't swing too far." The phrase, "pendulum doesn't swing too far in the direction of liberalization," whatever the exact phrase I used, was the thing that apparently made an impression on Senator McCarthy.

He finally said, "Well, this poor fellow is in a hell of a mess. If he doesn't answer our questions we'll hold him in contemp, and if he does answer the questions the secretary of commerce will fire him." And somewhere along there they finally let me go.

I think this is interesting, really as a reflection of the kind of congressional interest which still continues. There are periodic investigations of this East-West trade. It's a pretty tough problem that continues to be.

M: Well, you would seem to indicate, but let me confirm this, is your general feeling about that hearing that you were treated unfairly and unjustly?

B: Well, I think it certainly appropriate in terms of the congressional responsibilities for them to investigate what had happened in any situation. It is never a pleasant experience. I felt that as far as my participation was concerned I would have welcomed much stronger support from the commerce department and a feeling that from their knowledge that what I had done was consistent with policy. As it was, I had the feeling that they didn't really care, and maybe after all I was guilty of some nefarious doings. This was hardly a comfortable feeling. So I don't know whether unfair is the right word for it. It was unpleasant and not one of my best memories of my government experience.

Well, we really haven't gotten anywhere near the present era yet, you're much more interested in that.

M: We'll keep going. It's now 1956, you finished the hearings and then what happened to you?

B: Then I went back to work on other problems and I was involved in some of the work of the then White House Council on Foreign Economic Policy which was headed by Clarence Randall in an attempt to coordinate foreign economic policy. Such problems as commodity policy, government procurement policy under the Buy-American Act, a few other things like that. Perhaps during that period my most significant activity was in relation to textiles

and the development of the first major Japanese voluntary control of exports to the United States. This started to some extent in '55, really in '56. In a brief word when the Japanese textile industries got rehabilitated after the war the volume of shipments started coming in in very lage volume to the great distress of the American textile industry, which was perpetually , or had been perpetually, in relatively bad shape.

There was great pressure on the goverrment to do something about it. The situation was complicated by the fact that there was a two-price cotton system established, I guess in 1956. The effect of which, in an attempt to move exports of cotton, to get rid of our very large surplus, was that foreign produers could get American cotton cheaper than American mills could get it. That intensified the problems of the textile mills. And there was much to do about what to do about it.

And out of that came an idea I think I probably had something to do with. I was one of the authors of the paper that the Council of Economic Policy considered which led to a decision to try to negotiate some arrangement with the Japanese. There were other recommendations, such as getting rid of the two-price cotton system which didn't come until about five or six years later. Anyway, out of this, under the leadership of the then assistant secretary of commerce, Chad McClellan , and of course with the state department participating, came an involved series of negotiations--two or three way negotiations, really. One series on the part of the government with the textile industries, the leaders of the textile industries, and the other with the Japanese. On the international side of the commerce department I was a principal staff person working on it; Henry Thurston, who was the domestic expert on textiles, worked with me.

The industry wanted a very comprehensive control system established,

and for a period of time all the discussions were between the industry and the assistant secretary, and they really weren't getting too far. Some of the discussions with the Japanese who were appalled by the proposals that were being made to them. We went through a period--this is not unusual, with assistant secretaries newly appointed, confidence in the staff was kind of limited, it takes a little while to get rapport. I remember one time pleading with Assistant Secretary McClellan to let us two experts sit in on the meeting with the industries so we could find out what they're really talking about. Finally he allowed how that might be a good idea, and we started making a little more progress then, because we were able at least to get rid of some of the technical, more or less technical, underbrush.

In any event, the negotiations with the Japanese went on almost continuously from July of '56 into January of '57 and it was pretty much a full-time operation with almost daily negotiations with the Japanese, with the industries preparing new pieces of paper to do it. The Japanese would turn down all our pieces of paper. I think I made one important contribution one day. I don't know if anyone else would evaluate it the same way, but we presented something to the Japanese which they turned down, and the industry came in just fit to be tied at this. The problem was that the proposal was too complicated. We were sitting around the assistant secretary's office moaning at each other, I suppose. I was just listening. I finally suggested that perhaps a couple of us staff people get off in a corner with the staff people for the textile association and perhaps we could work out an accommodation and approach. Since the others in the room were getting desperate and they said, "Go ahead." We went off in the corner and I cooked up something which the

staff people in the association agreed to and as soon as they said anything approaching "yes," I ran to the other group and said I think we have something. And we did, because that developed three or four months later into the kind of program that we had.

Now perhaps of some interest is this was election year 1956, and there was very heavy pressure on theEisenhower administration at that time to move this forward. Sherman Adams was brought into the act on the climactic day. He called in the Japanese ambassador on the last knotty point and I don't know what he said, but I assume he said it firmly and we got it worked out. In the background of this was a series of actions before the Tariff Commission under the escape clause of the then trade legislation which the President had to act on. One in particular which had come forward with an affirmative recommendation by the Tariff Commission where imports caused injury. That related to velveteens. So part of the final arrangement was that that escape clause action would be put aside and the Japanese issue--or we had a joint press release actually--the voluntary arrangement covering all this cotton textile shipments to the United States for a five year period, with built-in growth. Stanley Nehmer, now in the commerce department, then in the state department, and I had to brief the press and explain this was a voluntary agreement. The press was a little bit skeptical about that because they knew we had been negotiating for seven months, but we insisted it was voluntary. The Japanese insisted that it was voluntary. That in a sense became the forerunner of some of our current programs in the textile area.

M: Did the voluntary agreement work?

B: Yes, it worked quite well. It provided a certain amount of stability as far as the domestic industry was concerned and the Japanese in the main

lived up to the agreement. We had to reshuffle our statistical system to conform and there were problems of trans-shipments, but by and large it worked.

I'd better get up to the present. I was sort of involved in textiles during a good part of this period since then and still am to some extent. Once we took care of Japan, Hong Kong became a problem and other places started breaking out, and we were never able to get Hong Kong to come into line during that period in spite of a visit by the new Assistant Secretary Henry Keanrs to Hong Kong. Hong Kong and other places started emerging.

M: When is it you switched from the Department of Commerce to the Department of Labor?

B: I'm just coming to that. This went on until 1960-61. When the Kennedy adminis tration came in, President Kennedy promised in his campaign letter to Richard Russell or Governor Hollings, I think it was Governor Hollings of South Carolina, that he would see that something was done. Pretty soon after that a cabinet committee was set up to look into it and a whole series of operations began at that point in time. Meanwhile back at the ranch I was trying to develop a basic paper with some of the other agencies which would provide some guidance and background what the trade policy implications were and so forth. Apparently, the way that paper was coming out didn't please some of the people up the line. They thought I might not be cooperating adequately and I found myself out at the Cenus Bureau.

M: Good heavens!

B: Where I spent about a year or a year and a half.

M: This paper you prepared was a paper on control over cotton textiles?

B: Yes, that was basically it. It provided the background, the kinds of

alternatives, discussed them, and what not. There was a certain single-mindedness about the approach which the new administration took and the commerce department was taking. There was only one right course and that was to move immediately regardless of the trade consequences. It was not popular to raise questions when you had to look at some aspects of trade policy.

I don't know whether that was the reason or whether there were other reasons. In any event I was out at the Census Bureau for about a year and a half. In 1963, I think, [I went] with the labor department, to work, among other things, on textiles. I had a brief turn in the Bureau of Labor Statistics, but the kinds of things that I was doing seemed to be more closely related to the function of this bureau, the International Labor Affairs Bureau, and I was transferred. The function was representational, then really supporting the labor department member on the Interagency Textiles Administrative Committee. So there I am in the labor department, this was '63.

M: When did you become administrator?

B: Oh, September '67.

M: Well, between that time, '63 and '67?

B: I was in the division of foreign economic policy. I was the deputy director, and then became director of that division somewhere around '64, acting [director] for ahile, then deputy administrator and then administrator. The dates escape me, but it was within a relatively short period of time. My only distinction during that period was with less than a year's service I received a meritorious service award for the department "for my work on textiles" and I'm not quite sure what I did. I was involved in textiles and also with other trade policy matters at the beginning of

the preparation for the Kennedy Round. In the textile area during that period I worked most closely with Stanley Ruttenberg, who was then economic adviser to the secretary, and he, when I came into the picture, was given the textile assignment, which was always considered at least semi-political at least.

M: Now your work in this capacity was that mainly to evaluate the labor consequences of a trade policy, or precisely what?

B: Well, really two phases. If you deal for the moment with textiles alone it was representational in terms of being labor department member. The basic function of the department as far as foreign economic policy is concerned is to bring to bear on trade problems (monetary problems to the extent that we got involved in it, but mostly trade problems and related things) the labor impact--the potential impact that it has on employment opportunities, what kind of exports will produce the most employment, where are imports going to hurt. It's an area where we have inadequate information and really continue to have inadequate sources. So we tend to do a lot of this still, in spite of the presence of computers, on a judgment basis. Partly because the product structure that's used for tariff and trade purposes is so different from that which is used for gathering employment statistics. You have to bring to bear not only product analysis, but data about communities--where the material is being produced and where the impact might be, and what the effect that might be on a community which may be a single-industry community.

M: Is there any way to judge that until after you adjust the trade? How can you judge what the impact will be?

B: Well, you have to make assumptions obviously. And the kind of assumption you make is that [for example] if you're dealing with some place in Appalachia

which is producing pottery, chinaware. You know that imports are increasing very rapidly; you know that there are communities in Appalachia, West Virginia or Ohio, Pennsylvania border there, which are wholly dependent on that industry; there are no other industries around; the unemployment rate is high alread; [then] the likely effect of further increases in imports, assuming that they are truly competitive, would be to reduce the growth potential of the company or perhaps force it out. There are all these cases where some of these are forced out. Now you would assume, or it's reasonable to make the assumption, that those industries and communities are particularly vulnerable to import competition. Now the extent of their vulnerability is extremely hard to measure.

M: Well, your task then is to measure the labor implications in this. Now it's conceivable that the consumer might benefit from, say, a lower tariff on china, but that would be somebody else's responsibility to measure that?

B: Well, I think essentially it's someone else's responsibility except that the labor department has always viewed itself as fairly close to the consumer. So there has to be some weighing of the balance. But the part of the problem that you face in these things is, if you assume that the worker is the consumer, his ability to consume is dependent to his ability to have a job. To have a reasonable income.

M: Of course, the china makers are only one part of the labor market.

B: Yes. Which comes first. You have to strike some balance obviously between the preservation of jobs, the increase of employment opportunities and the effects of the import competition.

M: What about the overall economic or political impact of such trade negotiations? Who judges those?

B: Well, I might describe the trade structure that we have in the government and where we fit in. I might say that one of the significant, I think, achievements as far as the labor department is concerned in the trade field in the past five or six years, has been that the labor department has become an integral part of the interagency team which determines trade policy and works on trade policy, both on the technical and policy level. And this is a function to some extent of our efforts in the bureau, those of us who work on trade, and in part the extent to which Assistant Secretary Weaver has become interested in trade matters and has recognized its importance in terms of the total economy. One of the prods in this direction has been that the labor movement has become increasingly concerned on trade matters and quite vociferous on it.

One of the developments with respect to trade policy that has been a cause of much concern has been that though the AFL-CIO as an entity has supported and continues to support the general notion of an expanded trade, or a liberal trade policy, the individual unions have turned protectionist in their attitudes, in urging protective legislation and quotas in different shapes and forms. I'm now talking about the unions in the textile and apparel field, the Textil Workers, the ILG, Amalgamated Clothing Workers. They've been in this arena for some time now as a result of the textile program. The steel workers have become protectionists in urging quota legislation. The electrical workers are very much concerned about imports; they've been seeking legislation. In some of the smaller industries like the glass and ceramic workers, the footwear unions have been protectionists.

There's a good deal of concern aside from the general problem of imports with what's going on with the Mexican border. As the result of

efforts by the Mexican government, to some extent assistance from the United States, and with the encouragement of President Johnson, there has been a fair amount of border development stimulated by Mexican centers. This has encouraged what we sometimes call run-away-plants, plants looking for lower wage scales. The problem is intensified because the American plants that are established on the Mexican side of the border are established for the purpose usually of assembling materials, sometimes producing them, but only for export to the United States. They are in effect barred from entry into the Mexican market. Well, it creates a one-way pressure.

Now in a sense what I call the run-away-plants syndrome for lack of a better word is evident in what happened in places like Hong Kong, Taiwan, and places in the Far East where American capital and sometimes American companies have established operations primarily for export to the United States. But Mexico was different. It's closer at hand and the Mexican problem in terms of trying to find a way of dealing with it has been complicated somewhat by the scene in the government. President Johnson is deeply interested in Mexico, and his frequent meetings with the Mexican President has encouraged Mexican border development. Very hard to say that it doesn't make sense to have sound economic development on both sides of the border. Lord knows we need it on both sides of the border, because the situation along the Mexican border on our side is not very good.

M: Now you get labor union pressure. Do you also get industrial pressure on these trade negotiations?

B: Yes, of course.

M: Say, like the people--the owners of the china plants, you were using as an

example.

B: Well, what you had, we'll come back to textiles and illustrate this also, what you had in recent years is a merging of the interests in labor and management as far as trade policies are concerned. We have delegations visiting us that are as likely as not to be both management and labor. Or there will be a management group presenting the same case to the commerce department as the labor unions are presenting to us. Now they may differ very sharply on the approach to collective bargaining, but on trade issues almost invariably in the past four or five years the views of the labor unions are presenting to us. Now they may differ very sharply on the approach to collective bargaining, but on trade issues almost invariably in the past four or five years the views of the labor unions and of management have been identical. I'm talking now about the particular labor union in the industry that's involved.

Now in the textile structure, if I can go back to that for a moment to illustrate this point. In 1961 I guess it was President Kennedy set up a seven-point program for textiles. This included among other things the negotiation of an international agreement, which was successfully negotiated. [It is] something now called the long-term cotton arrangement, which is administered by a cabinet textile administrative committee which has six agencies on it. I am at the present time the labor department representative. This program has involved a whole series of multilateral and bilateral negotiations. It has given me an opportunity to see the world, particularly in the early stages, because we've been all over on this one. That was a fine opportunity. Sometimes the more I travel the more I'd rather stay home. The trips tend to be too short and not enough time in-between, so that you can rest up, and see the world. But nevertheless

you see a little bit. In addition to the governmental structure in textiles we have a management-labor advisory committee, textile advisory committee, which meets with us each month. There are about thirty-five people on this and it represents the major textile associations, the hierarchy of the--

(End of tape 1)

INTERVIEWEE: HERBERT BLACKMAN (Tape #2)

INTERVIEWER: DAVID G. MC COMB

January 8, 1969

M: Okay, we're going once more. And you've been telling me about this structure--

B: This management-labor textile advisory committee meets with us every month. There are about thirty-five people in it. All the major textile unions are in it, the hierarchy of the American Textile Manufacturers Institute, which is the main trade association, the Apparel Institute, and a good scattering of high officials of the major companies in the textile area. They not only meet with us every month and complain about how inadequately we're controlling imports but they also will normally accompany us when we go out on a negotiation, either at the GATT-annual GATT meetings, or the particular negotiations. There will be several of them who accompany us as advisers. This is a unique thing in my experience at least in the closeness of this relationship. This notion was fostered with the consent of the highest levels of the government. I guess it developed from the days of Mike Feldman in the White House.

I remember one incident which is illustrative. Some documents we were discussing with the management-labor people and they asked for a copy. A fellow from the state department, who is now a distinguished ambassador, said he didn't think it was appropriate for them to have that document. The next day he got instructions from the White House, these people are all cleared and the whole thing's in confidence, this kind of document should be made available to them. And it has been, and they have also

maintained the confidence of the documents. But perhaps the point that we're getting at was that labor-management in this respect are as one on the import problem. Man-made fiber textiles have grown to a point where it is equal and beginning to surpass the imports of cotton textiles. So their main thrust at the present time is to bring the man-made fiber textiles and wool textiles under the same kind of control mechanism either through an international arrangement or through legislation as we have cotton textiles. But union and management take the same view in their presentations to the government.

M: Have you had adequate support from the White House on other trade negotiations?

B: Well, I have to separate textiles from the other trade negotiations on this. The White House support has varied through time. On textiles now, during the period when Mike Feldman was in the White House (both from President Kennedy and President Johnson he had the responsibility among other things for following this program) he kept the pressure on pretty strongly for a fairly tight implementation of the program. Since his departure there hasn't been anyone in the White House who has followed it as closely or who, to the same degree, had whatever background there was to have.

There has been sharp differences of opinion among the agencies on the direction of the program and on the problem of extending it to other fibers, since the existing program only deals with cotton. Essentially it has been the state department and the special trade representative opting for the greater relaxation and commerce department, more recently the labor department, and agriculture for somewhat stricter controls; and treasury wandering around somewhere as an uncertain factor. They're the

other members with the Customs Administration which runs this. I might say in passing that in the early stages of the program '62, '63,'64, the divergence in point of view between the state department and commerce department was so sharp that the labor department's role was a little more of a mediator. But we've become a little more polarized now. And the labor department comes a little closer to the commerce department point of view, not always consistently. When they talk about the commerce-labor merger we wouldn't have had any problems in the textile field, at least in terms of policy.

So this difference of approach among the agencies sometimes gets up to the White House level and the decisions usually some kind of a compromise of one kind or another. There are other factors which sometimes get involved--the Council of Economic Advisers , which is not normally involved in this problem, have been concerned about price inflation, and accepts the notion of more imports the better in terms of prices. I'm not sure whether this is a complete characterization of their position but for our present purposes perhaps it is. We haven't subscribed to that, first because we have the pressures from the unions and secondly because our own economic analysis doesn't lead us in that direction. In large measure some of our approaches to this has been based on a rather special study we did on textiles last year for the Vice President at the time the Tariff Commission was preparing a report. This was a report on the labor force. The things that we found, in a very summary fashion, were that there are roughly 2½ million workers in the total industry, 33 thousand establishments scattered all over the country, a lot of that in towns, some in Appalachia, places like Wilkes-Barre, which I used to think was a coal town. It turns out it's an apparel town really--40 percent of its

labor force was making dresses or pants.

M: Let me fire out a few miscellaneous questions, because we're running out of time. You indicated earlier that you had only minimum contact with the President, is that correct?

B: That's right. I've been at several large meetings where he has talked, but I've had no direct contact with him.

M: Another miscellaneous question. According to the books, and the information that I get, President Johnson has tried to increase the number of people of minority groups and also women working in the government. And you've been around a long time, is this true?

B: In our bureau it is certainly true. We have Negroes in a wide range of positions, including professional positions. The head of one of our divisions of the Office of Foreign Economic Policy is a Negro woman, another senior Negro person on the staff there, our area specialists who work on backing up the labor attaches, one of those is a Negro, one of the principal officers in our international exhibition which gets involved in labor exhibits abroad is a Negro, one of our senior budget people is a Negro.

M: Has this noticeably increased--the number of Negroes in government increased during the Johnson administration?

B: Well, as a general observation, I think yes. In terms of my own experience in the bureau it doesn't go back beyond that. But certainly in terms of my experience in the commerce department, there are more Negroes in high places.

M: Is there any problem of prejudice?

B: I'm not aware of any at all in the labor department.

M: You've never had any problem?

B: No, we've never had any--

M: The assistant secretary, for example, Mr. Weaver is a Negro.

B: Yes, he is.

M: And you've had no problem? Racial prejudice?

B: No.

M: With him or vice versa?

B: He's well aware of what he is and what his abilities are. He makes no bones about it, and such discussions we may have are entirely free of this kind of thing.

M: And what about the number of women moving into responsible positions? Is this happening or is it still a man's world in the labor department?

B: In our bureau, there are quite a few women in responsible positions. None of our major office directors are women, but some a step below are, and there's certainly no conscious effort to keep women out and then some effort to bring them in. Sometimes to the point where we may be overdoing it. This is a very hard thing to--

M: I have another miscellaneous question. Have you had anything to do with the Bracero Program? The Mexican labor program?

B: Not directly. It's impinged upon some of our concern about the Mexican border problem, but that's primarily a program with the Manpower Administration and Bureau of Public Security. Of course the secretary himself is deeply involved.

M: Now, we've got five minutes left. Is there anything that you want to bring out? I'll give you an open-ended question. What do you want to bring out that we haven't talked about?

B: Well, there are two things, perhaps. I might describe, very briefly, if I can, the total function of the bureau. We've talked about the trade

operations which is one piece of the bureau. The other major pieces involve technical assistance programs in the Manpower field overseas. We have what we regard as one of our major achievements in recent years, a thing called the Department of Labor International Technical Assistance Corps, which goes by the acronym of DOLITAC. That's the assembly in the Bureau of a group of highly technical specialists who now number some twenty-five to thirty, who are available for short and long-term assignments overseas, working with the AID missions or with the labor ministries abroad, to help guide them in the development of their assistance programs--their basic programs.

M: Are these manpower training programs abroad, or what?

B: Well, they're really not manpower training programs as such. They are people who help organize the ministry, who help teach the labor ministry people or whatever they may be called--they're not always called that--how you go about occupational anaylsis, how you set up an appointment service, or how you set up a skilled training setup, or what to do about collective bargaining. The range of skills vary, but they're all technical people. This program which is financed by AID. The contract between AID and the labor department is one of the more successful.

M: You train these people here and then sort of put them out on their own?

B: The people who are in this corps are trained. They're drawn from the major bureaus and they go out and they work either with our AID mission in Indonesia, let's say, or with the labor ministry in Indonesia, or in Viet Nam, or in Thailand, or Brazil. We have a whole series of teams going to provide, not training in the sense of school training, but working with responsible officials in those countries.

M: In other words, you're providing reservoir of experts.

B: That's right.

M: That AID and the embassies can draw upon.

B: That's right. And usually the labor ministries of the countries involved. Now, another part of this technical assistance program is formal training which we do through various ways. The most important perhaps is the International Manpower Institute, which is in the Manpower Administration, but which gets guidance from us. That's a program which brings in officials--middle to high ranking officials of labor ministries all over the world--for a formal structured course of about three months. There are usually two of these a year, and that's run like a college, with a series of seminars. Some of us will go over and talk to them about our particular specialties, but they have faculty some of which is brought in from the academic world. Usually have at least a faculty chairman brought in from the academic world.

We have in the same technical assistance context the trade union exchange program which involves in a somewhat similar way the bringing to the United States of trade union officials. This is the program AFL-CIO is very much interested in. And they also go through a more or less formal training period, about trade union operations and the labor movement of the United States. They will then visit around to various cities, where they'll be exposed to the United States and to trade union people in the field, so they can see firsthand the operations. This program is based on the assumption that the trade union movement will help the development of labor ministries, will help democratic institutions in other countries. This is also financed largely by AID with some money coming in from the cultural affairs part of the state department.

Finally, in the technical assistance field, we have this international

exhibition program where we set up labor exhibits at various trade fairs, usually accompanied by the special seminars on particular topics and these have occurred in all kinds of places--Montevideo, Poznan, Zagreb. There's a couple more on the way in Latin America. That's financed mostly by the USIA. In this bureau we get more money from outside than inside, which presents some very difficult accounting problems.

Another important function that we have is the international organizations operation, where there's labor department representation. Most important of which of course is the ILO, which the assistant secretary is the government representative of.

M: He's also chairman, is he not?

B: This year he's chairman of the governing body of the ILO, and I assume that whoever took a tape from Mr. Weaver has a full story on the ILO. In addition to the ILO, we're involved in the OECD, the Organization for European Cooperation and Development, and the Manpower Social Affairs Committee over there. We've worked that with the help of the Manpower Administration. We are involved in participation in the human rights programs of the United Nations, and from time to time in the regional economic organizations I don't know how we do it with such a small staff.

Finally, we have a group which is concerned with following labor developments abroad and reporting them and supporting the labor attaches, and also assisting in our participation in the foreign service. Mr. Weaver is a member of the Board of Foreign Service and we're involved in selection boards of foreign service, the assignments, particularly of labor attaches, which is one of the most complicated operations I have ever encountered anywhere. So the four main pieces of our operation are the trade or economic policy operations, work with international organizations, the technical

assistance and all its phases and the backup, if you will, of labor developments and labor attaches.

Let me make one more point, which was the second one I wanted to make. And really one that I made in passing before. I think one of the significant developments in this area has been the extent of our involvement in trade matters, which was a new and highly significant development. One which we're trying to encourage other countries to do, because the welfare of workers, their work standards, their employment opportunities, all are affected by what happens in the field of trade. And under the Trade Expansion Act, the Labor department or the secretary of labor is a member of the committee which under the special trade representative in effect makes trade policy and implements it for the United States. We were very heavily involved in the Kennedy Round of tariff negotiations and among the major considerations in the selection of the items to be covered either by / tariff cuts or to be withheld from tariff cuts. One of the major considerations was our appraisal, combined appraisal if you will, of the employment impact in terms that I referred to before--the effect on the communities and vulnerable industries. During the last stages of the Kennedy Round, Mr. Weaver and I were shuffling back and forth between here and Geneva. We participated very actively in the last stage of the Kennedy Round. Now this we think is a very healthy development, one which we very often have to explain to all kinds of people, including the Budget Bureau--what's the labor department doing in trade matters. And the short answer is that trade, exports or imports, have a real and serious impact on employment opportunities, either good or bad. This is something that must be weighed in the balance and we must weigh in the balance the attitude of the labor unions movement also in

terms of where we're going in trade.

M: Very good, and I wish to thank you for the interview.

B: Thank you for this opportunity to say too much!

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By Herbert S. Blackman

to the

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