

INTERVIEW I

DATE: SEPTEMBER 11, 1969  
INTERVIEWEE: ERNEST CUNEO  
INTERVIEWER: JOE B. FRANTZ  
PLACE: Mr. Cuneo's Office, Washington, D.C.

Tape 1 of 1

F: Mr. Cuneo, to start this let's talk a little bit about where you came from, how you happened to wind up with Corcoran, Foley, et cetera.

C: Much of the New Deal was happenstance because the President [Roosevelt] liked personalities around him. He was absolutely enchanted by the new idea and to that extent was an Edwardian. It was said of the Edwardians that they were in an intelligent state of ignorance about most things, a more or less eclectic kind of an education, as a result of which they held a key to what many men were doing and could both contribute and receive from all of them.

I came onto the scene because I had been at Columbia University. There in those years the teachers were men who subsequently became of great importance in the Roosevelt Administration. They became of importance because Governor Al Smith had taken the advice of one Belle Moskowitz. She told the Governor that New York State needed modernization, and that he should call upon the professional best of the community for their concept of what was best for the state and to make it law. Governor Smith turned to Columbia University, and he employed its best professors to formulate law. This was the

CUNEO -- I -- 2

incubus, the beginning of the Brain Trust.

F: Did you have Raymond Moley as a professor?

C: I did not have Raymond Moley but I had Adolf Berle, who was the mainstay of the Roosevelt Administration and whose book will be out in a few days, William O. Douglas, Rexford Guy Tugwell, Dr. [Harry] Carman. And Leon Keyserling was my classmate; I sat alongside of him. He was a high formative influence in the Roosevelt Administration through Senator [Robert] Wagner and subsequently became chief of the Economic Bureau for President Truman.

F: We've interviewed Mr. Keyserling, incidentally.

C: At that time I worked at the [New York] Daily News during one summer only, and there met Lowell Limpus. This resulted in a lifetime association.

F: I don't know Lowell Limpus.

C: Lowell Limpus is now dead, but Lowell Limpus was night city editor and military expert of the News, and it is my opinion that out of that genesis came much of the Roosevelt Administration, at least press-wise.

Lowell Limpus, as a military historian, took the laws of Clausewitz and applied them to journalism, plain military tactics and politics also. At that time the news media was undergoing a very vast change. Captain [Robert] Patterson had started the News, and it was essentially a picture newspaper. It was challenged by Hearst's Mirror. There was a war of tabloids which drew in all of the newspapers of New York.

CUNEO -- I -- 3

F: I remember Bernarr MacFadden had a paper.

C: The Graphic.

F: Right.

C: It created an atmosphere of vastly accelerated tempo, because any newspaper which uncovered a story in effect had its own play running for it, and millions would flock to read it. Captain Patterson also took as the motif that the news was not at the center of government but with the man in the street. He dramatized each man, so to speak, as each little thing came up.

Now the technological progress in the newspapers was so vast at that time that you couldn't get more than a seven-minute scoop, and now it's down to three. So the newspapers were confronted with the problem of pouring more and more capital into their basic operations with less and less time to sell the product. Thereupon Herbert Swope invented the op-ed-page, so-called. The op-ed [opinion-editorial] simply took great writers, newspaper writers, and gave them their columns, and these columns of course could not be duplicated by the competition; therefore, they sold the paper. They were an instant success in New York--FPA, Heywood Broun and that group. They emerged as great personalities.

Then by happenstance in the trade the syndicates formed, that is, these writers who demonstrated they could sell papers in New York and perhaps Washington were syndicated throughout the country. And being a by-product, they were offered 50 per cent of the take. This resulted in several of them getting five and six

CUNEO -- I -- 4

hundred newspapers, and they were in business for themselves, because it not only brought them in vast income, but even their home papers were an infinitesimal part of their circulation.

As this turned into the thirties, Drew Pearson and Walter Winchell emerged with the largest circulations. In the meantime, in New York Scripps-Howard started the Seabury investigation, and Lowell Limpus handled that for the Daily News. I was at his house every night. We were the dearest of friends. He knew my family before he knew me. And using Clausewitz, Limpus just conceived of the whole newspaper business as an army in the field. He went after the manner and before Lincoln Steffens to the reformers, because they were news and were constantly uncovering scandals. He became a very close friend of [Fiorello] LaGuardia and, I might add, of Senator Wagner, and this resulted--

F: LaGuardia was in Congress at this time?

C: LaGuardia was in Congress at this time. LaGuardia produced terrific stories for the News, and the News gave him its support because he was absolutely authentic on his facts. The first tryout of this, in effect, was when the News supported Mayor LaGuardia's investigation of the coal and iron police in Pennsylvania. People today do not realize that the United Mine Workers could not organize, and there was a local fascism. Limpus went out there and covered the story, and the country, as well as the mine owners I think, were shocked by the revelations. There were strike breakers brought across state lines and prostitutes furnished to them, which was the breaking point.

CUNEO -- I -- 5

Senator Wheeler went out there.

F: This is Burton?

C: Burton K. They brought the fight to Congress, and it was the beginning of the Norris-LaGuardia Injunction Act. But at this time, while it all looked as if it were mere newspaper work, it was actually the shrewd command headquarters of Lowell Limpus, who used the Daily News as a covering artillery for LaGuardia. As soon as he would give him the information the News would publish it, He marshaled public opinion, and he could do it overnight.

Now LaGuardia was defeated in the 1929 election, just practically the day the market crashed. He had a note in his pocket from a magistrate named Vitale to the worst man in the city, Arnold Rothstein, who financed the gangsters. Now the gangsters had been of no account, of not much import on the American scene until prohibition, at which time a huge industry was turned over to them. They had vast resources, and Arnold Rothstein was among those who showed them how to run gangsterism as a modern business. He was shot and killed in a game at the Park Central, and LaGuardia pursued this with the greatest of vigor and so did Limpus.

One night into the Daily News there came a pimp who said that his conscience troubled him, not because he was a vice squad informer but because they were framing innocent women. Limpus asked him what his background was and discovered he was a Chilean army officer and of good background, and then took him at face value.

CUNEO -- I -- 6

This resulted in an investigation of the magistrate courts by Seabury. The governor of the state was Franklin Delano Roosevelt after 1928, and as the Depression deepened it became obvious that he was the obvious candidate for the presidency.

F: Roosevelt had taken over this group of intellectuals from Al Smith?

C: Completely--whatever their differences were, and the differences were said primarily to be that Mr. Roosevelt did not take Al Smith's recommendation of continuing Mrs. Moskowitz. But whether or not he continued Mrs. Moskowitz, he certainly elaborated on her ideas. Roosevelt ducked as much as he could the Seabury investigation because it meant removal of Jimmy Walker. He had to do this until he was nominated, because if he had gone against the Tammany machines the other big machines wouldn't give him the nomination. He therefore remained adamant. His paradox was that if he continued faithful, so to speak, to the big city machines, he couldn't get the election; he could get the nomination, but he'd lose the election. As soon as he got the election, he reversed himself and Walker stepped down.

F: What were you doing during this period?

C: I had finished law school. I was playing professional football. Under the law of New York state I had to serve six months' clerkship, and Lowell asked LaGuardia to accept me as a clerk, which I did without salary. I wrote a little book on this. In the great landslide--

F: Whom were you playing for?

CUNEO -- I -- 7

C: Brooklyn Dodgers. In the great landslide of 1932 LaGuardia was swept out, paradoxically enough, by the Roosevelt sweep. But everyone from John Lewis and Bob Wagner, and I believe some intercession of then-Governor Roosevelt, tried to get him the Democratic nomination. But Jimmy Hines, the Harlem leader, would have none of it, and LaGuardia was defeated.

In the 1930 elections, however, La Guardia had been left virtually in control of the House--virtually in control. The progressives held the middle block. An immense friendship had developed over the years between him and the Democratic leaders, particularly a man who did not believe in La Guardia's philosophy-- Jack Garner. And Jack Garner as majority leader, I believe, and Henry Rainey were on the phone constantly with LaGuardia. In point of fact, after the Roosevelt defeat LaGuardia was his floor leader. There were secret meetings of Roosevelt and LaGuardia, and the integer of their meeting, the cause of it, was Berle.

Amazingly, Berle converted LaGuardia to the moderate views of Roosevelt. They put through the 77B Bankruptcy Act, which saved the railroads, which assuredly LaGuardia never would have done before. And the Brain Trust which had written Roosevelt's speeches, more particularly Moley, Tugwell, and Berle, were elevated to high position. When the banks closed, for instance, such was the ingenuity of that group that while they could not loan the banks the money to open they devised what I regard as a stroke of sheer genius, the purchase of three billion dollars worth of preferred stock in the banks, which

CUNEO -- I -- 8

gave them the money without interest, all of which was repaid.

At this time it's highly noteworthy that the tenor [that] the President's administration struck was the application of those principles distilled at Columbia to the national scene as they were to New York State. These were utterly dedicated men. They lived on nothing almost, often at great personal expense, but they were fired with what is now less than clear--that is, they regarded America as almost a religion, terrifyingly dedicated, you might say.

Now at that time, and this is quite typical of the Democratic party--Gertrude Stein described it at the time, saying that, "The Republicans are unquestionably fitted for governing by their sternness, but the Democrats are so seductive." Well, seductive is not quite the word to apply to the President, but he was human and he loved incandescent men and he surrounded himself with them. He in that respect conducted a court. He used to bring both sides of any given position together and let them argue at the White House, and about eleven or twelve o'clock at night he'd turn to Missy Le Hand, having heard both sides, and say, "Well, Missy, I think this is the best we can do." And he would then dictate his decision.

But now lost, it is nevertheless a fact, that he more or less arranged for his own Holmesian free market of ideas. I suppose the weakness of it was that the President detested bores. He couldn't stand them for a moment, but he loved the batting back and forth. Now this was, so to speak, the debate on the bridge, but the

CUNEO -- I -- 9

President was always a magnificent politician, and the engine room was run by the party as headed by Jim Farley. They would take, as did Al Smith, the ideas up from the bridge and they would put it through the legislature, and it took a knowledge of getting it through the legislature which the men on the bridge--the intellectuals--did not have. They were arrogant. You will find there, as Learned Hand said, and Arthur Krock, "They are at once the most arrogant and attractive, the most unfeeling and deeply sentimental group of men that ever came to Washington." This was the genesis of the New Deal.

Now traditionally the Democratic Party was the party of the theater. There was always a very warm relationship there. It was the joke--what was then the religion of the time, the quick comeback--the snappiness, and Eddie Dowling was a mighty factor in this. He was an actor, his name was Eddie Goucher, and a very talented one. He was full of fun, but he was also an important factor in the formation of policies in the Democratic Party. He knew everyone, and everyone liked him. He had access to the highest councils starting from Mr. Wilson. The President knew and liked him, Jim Farley knew and liked him, and he was a fixture. I knew Eddie Dowling, and through Eddie Dowling I met Robert Jackson, who was the secretary of the Democratic National Committee. Bob Jackson was the instrumentation of the nomination of Franklin Roosevelt, because he put, through a little bit of juggling of the fact you might say, [Sen. Thomas] Walsh [D. Mont.] in charge of the gavel.

CUNEO -- I -- 10

Walsh gavelled through Franklin Roosevelt, ousting Al Smith's nominee, who was Jouett Shouse. Shouse arose and loudly declaimed that the Roosevelt forces had said they would recommend him for the chairmanship, and Bob Jackson arose and said, "No, I agreed to commend you to the convention, which I now do, but I recommend Walsh." The Roosevelt steamroller broke through after that.

In the 1934s and 1935s, I having completed my clerkship, LaGuardia going down to city hall didn't attract me in the least. I was from the Columbia group and I wanted to see the pattern of Columbia applied on the national scene, and I was enabled to do so. I had a little money--my father did, I should say--so I was in and out of the Democratic headquarters acting as associate counsel. There I was attached to the filing of the President's certificates, and Charlie Michelson, who handled the press, and I became the closest of friends. We spent hours and hours together. As a matter of fact, I did a little book on his brother Albert Abram Michelson.

But as the groups around the President formed, they were for the most part Harvard people. Corcoran and Foley came down--Corcoran had come down under Hoover--and the Harvard Law School had an excellent brotherhood by which people were recommended for positions. Frankfurter delegated this to Corcoran for the most part, and a regular assembly line was put up by which Harvard graduates--and Corcoran also had intimate knowledge, having worked down the street, of the various men--adopted the pattern which is still in effect of

CUNEO -- I -- 11

borrowing from the large law firms. Now they came down, and everything was provided for them. As a matter of fact, [it was] a place of indoctrination. They lived with the men who were already guiding affairs in what was called "the little red house on R Street," which was actually a big house, but they'd come in virtually as an officer's candidate school. They would be indoctrinated for the most part in the RFC, then moved over to Ed Foley's PWA, which with Ickes was one of the most honorable major enterprises in our country's history, they having erected about thirty-eight thousand buildings, all of which paid out.

From there they were transferred to other groups. So the workings of the government started there; then it was the beginning of the agencies which are now virtually a major governing factor in the United States. They were all peopled by Harvard men, and they went from there either to the bench or to the companies which they had governed. But they really created. They put in order for instance the air waves, the energy business, the stock exchange, which Corcoran and Cohen themselves [did], and changed the complexion of the country. This was the administrative building of it. This didn't interest me particularly. But by the same token that they took that stair for themselves, I was the only one of the group who had any press experience, you see. Michelson and I talked by the hours, as I did with Swope, on the change of press.

Now going back to the original, Hearst said that the only major function of a newspaper was circulation. You will see here that the people who had the most circulation at that time were the columnists.

CUNEO -- I -- 12

It was no longer a case, as Lord Bryce said, that the publishers were the uncrowned kings of the American democracy. There were about six or seven columnists who were its emperors.

Now when the banks failed in the sense that they could not meet their obligations they were frozen too deeply, and secondly, they were under duty to their stockholders in such manner that they couldn't undertake the vast new programs of the government. They couldn't put their money into that sort of thing. Thereupon there arose the RFC under a very great man, Jesse Jones, and he was the banker of the New Deal. At times I thought there was going to be a constitutional crisis by reason of the fact that so great were his lending powers that it was something of a parallel power to that of the appropriation power of the Congress. He became an enormous power on the Hill. It was said that he had forty congressmen and some fifteen senators which he could deliver at any time. I believe it was much greater, because of the projects going into their states and whatnot.

It must be said that Mr. Jones was a man of soaring ego, but his abilities were even greater. For instance, the President called him in and said, "I don't know how I am going to get this through the Congress; the South faces insolvency at eight-cent cotton, and the Congress is already alarmed at the appropriations." Jones said to the President, "Well, how much does the South need?" He said, "It needs ten-cent cotton." Jones said to the President, "You have it. I hereby find that cotton is worth ten-cents a pound as a loan." Now,

CUNEO -- I -- 13

this was a mighty man. At the same time you will appreciate the constitutional question presented. It must be said of Mr. Jones that he not only loaned in the tens and tens and tens of billions, but he returned a profit to the government when it was liquidated. He was a masterful man. He didn't like me, but he was a masterful man.

F: A curious combination really of big financial insight, and at the same time almost a puritan penuriousness in some ways.

C: Terrifyingly puritan. We used to say that Jesse Jones would have loaned his brother a dollar, but he didn't like the watch he was going to ask for security. Once one of the President's secretaries went over after it was all over, and when he came out one of Mr. Jones' attendants who knew him said, "I'll bet I can tell you what he gave you. He offered you a cocktail." And he said, "That's right." "And he gave you a cocktail of three-quarters of a glass full of bourbon and a pinch of soda." The President's man said, "Yes, how did you know?" He said, "Well, I know because he has to pay for the soda."

But nothing can underestimate Jones. He went to the bankers and he told them to do what they're doing now. He said, "You have got to get out consumer loans, and if you don't you're going to be in grave trouble." This was in 1937. He tried to elaborate the banking system into what it is today.

But in any event this was the essential as we saw it. The money power had gone out of Wall Street. It didn't have enough money, and it did not have enough freedom of action because they have to protect

CUNEO -- I -- 14

their stockholders, and it went to the United States government. It more particularly went into the executive branch of the United States government. The executive branch is dependent for its money in the final analysis on the Congress, but the Congress in the final analysis is dependent for its position on public opinion. Therefore if the President attached himself, or if he could mobilize the columnists in his behalf, he had a leverage on Congress, and that was my job. I knew I would not have the amounts of money necessary for a metropolitan newspaper, but I did become counsel for a large number of the columnists, and more particularly Winchell. Winchell had such a coverage as to stagger the imagination. Between nine o'clock Sunday night and noon of Monday, for instance, he reached eighty-nine out of every hundred adults in the United States, and he absolutely regarded the President as having assisted Moses in carrying down the stone tablets. He thought he was God, or next to it.

The result was that tremendous waves could be sent up, which Berle will describe in his book on popular support of the president. It was just a matter of translation, that is to say, using a Limpus technique. If eighty farmers, as in one instance, were washed out in Arkansas, a regular WPA project and some emergency funds would be sent routinely. But to dramatize that and translate it, one simply said, "The President and the White House--" Winchell would say, "The White House" [or] "The President tonight moved to assist eighty stricken families. He has ordered the Coast Guard to bring in the medicines, and food is being rushed from the armories," which was

CUNEO -- I -- 15

true. But if it had not been translated--

F: You highlighted it.

C: But everybody in the country believed, and quite correctly I might add, that the President was Great Heart in the White House, because he was concerned, and Mrs. Roosevelt particularly. So the President had an enormous popular following.

In the 1936 campaign it really wasn't necessary to campaign at all. When the President went up through New England he himself was astonished, because the people turned out for him as if he were Gandhi. It was not a campaign crowd. Forlorn people would line--I had seen this with LaGuardia--the sidewalks, or they'd press about the car, quite moving, and saying, "You saved me." Well, the President himself was astonished.

At the conclusion of the campaign in 1936, I've never seen anything like it, nothing like it. It was a vast tabernacle. It was a religious thing. The President took the stand, and no Hollywood man could have so picked a character. He threw back his magnificent head, and he spoke. At the conclusion of it I was seated up on the platform. The unions up there had provided little American flags, and that vast amphitheater broke out into flags and the organ pealed out the "Battle Hymn of the Republic." I can only tell you I looked down and Herbert Lehman was crying. I mean it was the most terrific thing; it was a great catharsis. Well, I've never seen anything like it. It sounds silly, but it was transformed. I mean, you could hear the steamboat whistles up around Seattle and

CUNEO -- I -- 16

the lumbermen waving. It was the big Feller, the greatest accolade.

I think this had a great deal to do with the President's subsequent action. He went back to Washington convinced, indeed, at that time, that he was the spokesman for the American people as no man before. I had gone through this with Michelson, which is another story, but we felt it was something of a personal triumph and a hell of a lot of fun. It was a laughing, laughing--it was like a winning team.

Here he went back to Washington. He had had an unusual experience. In this, as is so often in politics, great forces grow like atolls beneath the sea, and you do not realize they are in existence until they break surface. Perhaps the principal effect of the Roosevelt Administration was NRA. Now NRA, the National Industrial Recovery Act, was passed. But as it was going over, the draft to go up to the Hill, Jerome Frank told me he had worked on it, Cy Rifkin had worked on it, and I believe Leon Keyserling. I'm not so sure about that. But I do know what Jerome Frank told me, and Jerome Frank was the supreme cataloging intellect of the New Deal. There was nothing like it. The man could read a page by glancing at it. He told me that as the NRA was going over he said, "Hey, fellows, just a moment. We forgot to put in labor." And they put in 7-A. Section 7-A provided for the recognition of collective bargaining and such. The authenticity of Jerome Frank's statement is attested by the fact that 7-A was an addition.

John Lewis, when shown it, said he couldn't believe it. He

CUNEO -- I -- 17

said that he had fought all his life for it. David Dubinsky told me that his union was broke, and twenty-four hours later it was not only on its feet it was rich again almost. He said, and this may be overemphasis, "I do not mean two weeks, Ernie, I mean overnight! Our members couldn't pay their dues." Herbert Lehman had come into him--they were about to be dispossessed--and I don't think he knew Dubinsky before then, but he said, "This is such a great social force. It has stopped the slum sweatshops. I think you ought to allow me to give you one hundred and fifty thousand dollars." Dubinsky said, "I can't accept." Herbert Lehman said, "I don't know whether you have the right to receive it, as a union leader, but as a citizen you have no business refusing it if you believe in your organization." So Dubinsky said, "I will accept it as a loan, 6 per cent bonds," and Lehman said, "So be it." Herbert Lehman's loan saved the ILGWU until NRA.

Now comes the interesting thing as far as I'm concerned. It will be noted that the NRA was held unconstitutional. But in that eighteen months John Lewis had sent down trucks saying, "The President wants you to join the union," and these were very powerful unions on the day that the NRA was struck down, so powerful that they could not have been dislodged. When it was apparent that it was going down Bob Wagner introduced the National Industrial Relations Act, which everyone assumed was going to be held unconstitutional, and all hell broke loose. Subsequently of course the Supreme Court validated it, but that was in the dim future. Mr.

CUNEO -- I -- 18

Roosevelt, expecting these to be struck down, attempted his Court-packing plan. This was a tragedy from start to finish, because the Supreme Court was already retreating rapidly; it was going to hold all those [constitutional]. That I think is as much as I want to [say]. What time do you have?

F: I have twelve o'clock nearly.

[End of Tape 1 of 1 and Interview I]

GENERAL SERVICES ADMINISTRATION  
NATIONAL ARCHIVES AND RECORDS SERVICE  
LYNDON BAINES JOHNSON LIBRARY

Legal Agreement Pertaining to the Oral History Interviews of Ernest Cuneo

In accordance with the provisions of Chapter 21 of Title 44, United States Code and subject to the terms and conditions hereinafter set forth, I, Ernest Cuneo of Washington, D.C. do hereby give, donate, and convey to the United States of America all my rights, title, and interest in the tape recordings and transcripts of personal interviews conducted on September 11, 1969 and April 23, 1970 in Washington, D.C. and prepared for deposit in the Lyndon Baines Johnson Library.

This assignment is subject to the following terms and conditions:

(1) The transcripts shall be available for use by researchers as soon as they have been deposited in the Lyndon Baines Johnson Library.

(2) The tape recordings shall be available to those researchers who have access to the transcripts.

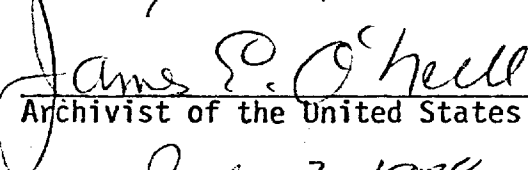
(3) I hereby assign to the United States Government all copyright I may have in the interview transcripts and tapes.

(4) Copies of the transcripts and the tape recordings may be provided by the Library to researchers upon request.

(5) Copies of the transcripts and tape recordings may be deposited in or loaned to institutions other than the Lyndon Baines Johnson Library.

  
\_\_\_\_\_  
Donor

  
\_\_\_\_\_  
Date

*Acting*   
\_\_\_\_\_  
Archivist of the United States

  
\_\_\_\_\_  
Date