

## INTERVIEW I

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INTERVIEWEE: JOE.W. FLEMING, II

INTERVIEWER: STEPHEN GOODELL

PLACE: Mr. Fleming's office, 1666 Connecticut Avenue, NW,  
Washington, D.C.

### Tape 1 of 1

G: This is an interview with Mr. Joe W. Fleming, the federal co-chairman of the Appalachian Regional Commission. Mr. Fleming, I'd like to introduce you. I understand you were born in 1937 in Rogers, Arkansas. In 1959 you got a B.A. from the University of Arkansas and graduated Phi Beta Kappa. In 1963 you received your LL.B. from George Washington Law School. From 1960 until 1965 you acted as legal assistant and press secretary to Senator J. William Fulbright, and in May of 1965 until February of 1967 you became Mr. John L. Sweeney's special assistant. Mr. Sweeney was the first federal co-chairman of the Appalachian Regional Commission. Is that correct?

F: That's correct.

G: And then in February of 1967, the Senate confirmed your appointment as federal co-chairman to the Appalachian Regional Commission.

I'd like to begin by asking you, if you could, to describe, as you see it, the origins of the program of the commission, the kind of concerns that generated it, and so on.

F: Fine. I think in a very direct way the origin of the program can be ascribed to the West Virginia primary of 1960 when John Kennedy and

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Hubert Humphrey went to West Virginia, and, as the record well records, Kennedy won a victory which established his drawing power as a Catholic in a rural, southern, Protestant state. The campaign trips through West Virginia, I think, made a substantial impression on John Kennedy. This is hearsay on my part, but those who were involved in that campaign in West Virginia, and West Virginians who I've had personal experience with in this program, think he was very much appalled at the conditions of rural poverty which he found in West Virginia and carried this history, this impression, into the White House. There was a parallel effort on the part of the Appalachian governors who, from the first meeting in 1960 and a series of meetings in 1961 and 1962, sought to find some common solutions to the problems. It might be useful to briefly describe what those problems are.

Appalachia as a region is afflicted with the same set of problems as rural America at large. Basically [these are] declining tax bases in many of these rural counties as out-migration has taken people away. The age level, the medium age, is going up, with a lot of the younger people leaving. Agriculture, which was never a very viable enterprise in these mountains, became almost completely extinct with the movement of agricultural production into the Midwest and its mechanization. The principal resources, aside from agriculture, in the region were coal and timber. A lot of the timber was extracted in the late 1800s and early twentieth century, really to build the cities of the Eastern Seaboard and, to some extent, the industrial Midwest.

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Coal was the principal source of revenue for large areas of Kentucky, West Virginia, Tennessee, Pennsylvania, [and] to some extent, western Virginia, and provided most of the employment in those areas. The pattern of employment in the coal industry was very heavy concentration of labor in the early part of this century when the railroads first went into those mountains to open up lines; very heavy extraction of coal providing the residential market of the Eastern Seaboard during that period, and really fueling the industrial revolution, the steel mills, the other factories which sprang up around the turn of the century when the great transition from an agrarian to an industrial economy began.

There are some legacies of the mining industry which are not at all good. While coal mining is in a sense an industrial enterprise--that is, people work for companies; people put in regular hours; they report to a given location to work; you don't have the subsistence quality that you have in the farming situation--mining does not contribute to the growth of cities or communities. So Appalachia stayed predominately rural in character, although very heavily populated in many of these mining camps. Also the coal companies in many cases really preyed on their employees to get the maximum amount of labor and with the minimum amount of investment either in the community facilities, the schools, the housing, [or] the commercial facilities that supported these towns, which in many cases were owned totally by the coal companies.

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So when coal began to go down, partially beginning with the Depression, just because of the general slowdown in economic activity in the country--it was revived somewhat during the war because the steel mills [were] being pressed into service and every source of energy [was] being employed to the fullest extent. Then [coal] began to tail off again after World War II due to the loss of the residential market as most people converted from coal heat in homes to either fuel oil or gas, because of improvements, if you will, in the steel industry where less coal was used to produce the same amount of steel, and because of improvements in the mechanization of the mining industry itself, which led to a severe curtailment of the number of people who were required to produce coal. This dropped coal employment and the coal industry itself from a high of about six hundred thousand in the region at the end of World War II to a little over one hundred thousand today. A very, very severe decline, and particularly severe in an area that was heavily dependent upon one source of employment and without alternatives for people to switch to quickly.

So you had a predominately rural area with a few cities, but not many, [and] a heavy out-migration starting in the late forties and proceeding apace in the fifties when about two and a half million people left the region, mainly for the industrial communities surrounding the Great Lakes and to some extent the Eastern Seaboard. And [you] began to have in these cities what could be very validly called Appalachian ghettos: white, Appalachian, rural people with relatively low income, relatively low educational levels and really unprepared

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for urban or metropolitan society. This situation, with the accompanying deterioration of tax bases at home, public services at home, heavier welfare loads, is a sort of classic in our society--at least in recent times--and has many of the same factors present that we have with the central cities, where, as the demand for public services and remedial action gets greater, the local tax base gets less, and you have a continuing downward spiral.

Well, in 1960, when John Kennedy was elected, the only proposal around for any major economic improvement, as opposed to relief, just welfare, was the ARA Bill, Area Redevelopment Bill, which had been sponsored and promoted during the late fifties by Senator [Paul H.] Douglas of Illinois. This legislation was designed to help improve public facilities and make industrial loans to companies which would locate in so-called depressed areas. That legislation was, as I say, drafted, present, ready to go, and it was made one of the first Kennedy proposals and was passed by the Congress early in 1961.

The program was somewhat limited in money and somewhat limited in its--in my judgment--conception of what the problem is, because it was premised on the idea that counties should be eligible on the basis of their unemployment statistics--that is a high rate of unemployment or a low rate of per capita income or median family income. Obviously the more rural and the more depressed the county, the more eligible it was for assistance. Because of some compromises that were made on the Hill to broaden the political support, a great deal of the money tended to go to more and more rural counties, when the

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original theory of the bill was to help communities that had a history of industrial employment--the Scranton-Wilkes-Barre kind of situation--which just needed a little leg-up to get back in the main stream of the economy. Well, the kind of assistance and the level of assistance that was provided in ARA simply was not going to build up these small, rural counties with inadequate transportation, inadequate school systems, inadequate health facilities, where the environment itself was so incompatible with modern society and the demands of our present economy that they simply weren't going to be revived in many cases.

While this effort was proceeding and the accelerated public works program, which was designed simply to make work in construction, was used a good bit in Appalachia, the governors of the states involved and the state offices addressed to the problem of development and the creation of employment and improving the economy, began to recognize that some larger solutions were going to be needed, that these bandaids, these individual projects, just didn't change the overall competitive position of the region sufficiently to make any difference. So, a number of meetings were held among the governors, and I think it's valid to give John Whisman of Kentucky a good bit of credit here. John is presently serving as the state's representative here with the Appalachian Commission, and at that time, was one of the principal movers and shakers in trying to bring these problems to the attention of the country. Coupled with the governors' interest was a fair amount of attention in the national press with the problems of

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Appalachia--the classical stories of the miner on relief, the kids without shoes, and very legitimate descriptions and depictions of poverty as it's found in rural America.

So, in 1963 a meeting was arranged at the White House between the Appalachian governors and the President. At that time several actions were taken, most of them symbolic, but one of lasting consequence was a creation of a task force to decide what to do that was different from what the government was doing at that point. Food distribution had been stepped up; there was a special program to relieve hunger and just literal, physical suffering in eastern Kentucky during the winter of 1961.

G: Was that the one that was supervised by Mr. Roosevelt?

F: Not the food program, but [he was chairman of] this task force which was set up in 1963. What I'm saying is, the President took several initiatives early in that period to try to help out on actual relieving of, as I say, physical suffering. However, it became apparent that some effort was going to have to be made to get some long-term solutions in motion to try to change the economic character of this area, or you [would] just have a relief society built up there of the same type that people are decrying in some city areas today.

G: May I interrupt you and ask you a question? Did the initiative come from the governors in this project? Or, let me rephrase that, if the initiative came from the governors, who in the White House at that time, to your knowledge, would have been most friendly to this kind of action?

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F: I was not personally involved at that time. It is my understanding that Mike [Myer] Feldman was the key guy on the White House staff, and Ted Sorensen, also, had some association with it. The administrators of ARA in those days were called on for action and, to some extent, were concerned with how this action could be manifested in the agency that they had authority to run. So there was some limitation on their utility.

Out of this came the creation of what came to be known as the President's Appalachian Regional Commission. John Sweeney, who was my predecessor in this job, was recruited from the staff of the Senate Labor Committee to serve as the key staff guy in that effort. Franklin Roosevelt, Jr., who was then under secretary of commerce, was made chairman of the group.

Now the task force was somewhat unique in that, because of the state initiative, it involved not only federal bureaucrats, but state people as well, so that the deliberations of this group began to radiate out. It wasn't a closed shop operation as many federal task forces get to be, with a great suppressing of debate. There began to be more and more ferment within these state governments and state capitals, an awareness that things were going on, and contributions of ideas.

G: Again, if I can interrupt, how many states were represented at this time?

F: Only eight in that original period. Now the work of that task force proceeded through the summer of 1963 and was prepared for delivery to



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the President in the fall. As a matter of fact, a time I think had been set for delivering that report at the time of President Kennedy's assassination. In the transition period that followed that, with the obvious turmoil and the efforts being made by President Johnson to gain the reins of the government, the next initiatives were the actual presentation of this report and confrontation of the issues which it entailed. It was delayed until April of 1964, at which time this report was delivered to the President with a number of the governors present, over in Huntington, West Virginia as a matter of fact. And the President announced that he was transmitting the bill to the Congress to implement the recommendations of this task force.

G: This was a separate bill? An independent bill?

F: That's right.

G: The reason I asked that is because, I may be wrong, but it was my understanding that at one point in the Appalachian program, this task force and all this activity you described as going on concurrently with the exploration or exploratory reconnaissance in the war on poverty were to be a part of that bill.

F: Well, you can look at it two ways. Originally, a number of the recommendations of this task force involved work training programs, what became known as the Work Experience Program in OEO. It didn't involve Community Action as it developed in the OEO bill, but a Job Corps-type of thing was envisioned. These types of initiatives were deleted from the Appalachian development bill in deference to the OEO activity, which was passed in the summer of 1964. So that while the

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two efforts proceeded along parallel tracks for a while, when it got down to the point of determining what needed to be legislated in what form, a number of things were extracted from the Appalachian statute, or from the Appalachian bill that was to be proposed, and put into the OEO program to be run on a national basis.

In the summer of 1964, right after this legislation went to the Congress, it passed the Senate and did not pass the House, prior to the election. After the Johnson landslide in the fall of 1964, with enormous majorities in the Congress, this bill was resubmitted in January [and], as a matter of fact, was enacted by March, which is pretty fast. It was Public Law 89-4, meaning it was the fourth bill passed after the new Congress came back, and the first major legislation passed after the President received it in the fall.

G: In 1964, again it's my understanding that the bill passed the Senate, as you said, and did not--wasn't even proposed in the House.

F: It didn't come to a vote.

G: It didn't come to a vote, and that supposedly was because Speaker [John] McCormack didn't feel that it could pass. Would that be your interpretation as well?

F: I don't have too much insight on that. First of all, I was still on the Hill and wasn't directly involved in this other than in a very peripheral way, just as an interested bystander. My impression is that the ARA program was proposed for extension that same summer, and also passed the Senate, and it was residing in the House at the same time. It had had a somewhat jaded history without total success and

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without a great deal of support in the Congress, and I think the two became somewhat intertwined, which is a way of perhaps explaining why Speaker McCormack didn't think it could pass. I think the two were not clearly established. Appalachia did not at that point have the separate identity to the congressmen who had not directly been involved with people whose districts were intimately involved. I think maybe those were the circumstances that led to that conclusion. As I say, the bill was passed very early in 1965.

Now to relate the provisions of that bill very briefly to the economic circumstances I described, it was really premised on one central proposition, which is that the nature of our economy today is going to be urban by its very nature, that economic activity is going to take place in urban areas. First of all, any kind of industrial or commercial enterprise that is halfway viable is going to need the services that only an urban place can provide, whether it's a school system or interstate highway links to other areas for markets or for raw materials, whether it's health facilities for its people, or, in a more parochial way, whether it's auxiliary services for the business itself, like accountants and lawyers and technicians who aren't immediately associated with the plant. So that the idea of dotting plants around the landscape in small towns and rural areas, where you don't have this aggregation of effort or this quality of environment, is just simply not a very viable prospect.

The Appalachian act was premised on the idea that the alternative to migration out of the region was migration within the region, or

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further urbanization within the region, either in terms of residents or in terms of place of work--recognizing that there would be, and continue to be, a lot of commutation over fairly long distances, which is an Appalachian trait.

G: Would you say that it was a build-cities program?

F: Yes, although I don't think it was advertised that way, and I wouldn't advertise it that way today, because there's a great deal of parochialism among these county governments and among people in the Congress on that score. But the statute was prefaced by a phrase which was manifested in its preamble--vested in its preamble--that funds appropriated under the authority of the statute should be invested in areas with significant potential for growth, as opposed to most depressed areas, which is a complete turnabout in philosophy.

It also recognized--and I attribute this to John Sweeney's insight into both economics and politics of this kind of effort--that to do this, you could not achieve it through a series of federal guidelines and regulations, that this kind of planning process, to ascertain what represented the highest and best use of the funds geared to that kind of strategy, required the involvement of state governments for two reasons: one, because they were closer to the problem, more acutely aware of local needs and requirements, and [two], because it provided an alternative political lightning rod, if you will, to drain off some of the heat that a federal administrator feels from the Congress. But that lightning rod [was] geared to the achievement of a legitimate public policy objective; [it was] not just a lightning

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rod for the sake of a lightning rod. So that the bill established or authorized the establishment of the Appalachian Regional Commission, which was composed of one federal member and the governors of the participating states, and with the requirement that state governments initiate all projects that come before the commission. In other words, [it was] thrusting the responsibility for the development of plans and projects on state governments with the commission to serve as a coordinating, policy-making, technical assistance body, and--to that extent there would be regional planning--a regional planning agency.

The bill included funds for the construction of a regional highway system to try to break down this isolation which had occurred and was so pronounced and so much of a deterrent not only to economic growth but to social intercourse and . . . .

G: Tourism?

F: Well, yes. And to relive the psychological isolation that many people felt. When it's five hours to get to the next major city, you just don't ever go. So you have people who are isolated from what 80 per cent of the American public regards as America, which our economy and our school systems and our educational systems and all the rest are really related to. So that I've always billed this highway system not only in economic terms, but in social terms, also, because it provides a way for linking people with contemporary America, quite literally.

G: When you mention the word parochialism, is this what you're referring to, this sense of isolation, this separateness?

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- F: Yes, which is a common Appalachian trait. You find even peculiar speech patterns in many of these mountain areas that are quite divorced or quite insulated from life in other sections of the country. I guess the classic stories about the guys coming out of the hills to go into the army and finding how twentieth-century man lives are typical of that.
- G: How are you going to keep them down on the farm after they've been to gay Paree, sort of thing.
- F: Well, in addition to the highway program there are a variety of other efforts. To very quickly run through these: a special program to increase vocational education; construction and equipment of vocational schools throughout the region; a special health program to try to deal with the diseases, anachronistic diseases, that are endemic to the area [such as the] high incidence of TB, some things which we're beginning to understand now to have some relation to either malnutrition or at least not a very balanced diet; just improving medical services generally in an area where the doctor-patient ratio is way out of whack relative to national standards. There are programs for environmental improvements, such as the control of mine fires. This is particularly pertinent to anthracite Pennsylvania. There is erosion control or land stabilization, where a lot of these mountain farms have been abandoned and you have heavy siltation in the streams and reservoirs and very difficult problems there. There is a special program to try to induce a more effective use of all kinds of federal

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grants-in-aid, a supplemental grant program, which further eased the burden on local authorities.

G: This is the inability of the local community to match or to fit that requirement of matching funds?

F: The presidential task force that worked up this bill found that, while the region had about 8-1/2 per cent of the population in the country, it was getting only about 5 per cent of the grant-in-aid money. Presumably it should have been getting substantially higher in terms of need. It was established to the satisfaction of all concerned, including Congress, that the reason for this is that these small communities and counties, and even some of the larger cities which we were geared to try to beef up, couldn't come up with the matching money, and therefore the grants went to the richer people who could come up with the matching. So this supplemental grant program was authorized to increase the federal share or reduce the local share, whichever way you want to look at it, and has been very, very helpful in channeling a much greater share of these national programs into the region. Then there are funds for planning and research and some other activities, but that was the general thrust of the program. This was passed in, as I say, March of 1965, and funds were initially appropriated in May of that year, and we went into business.

G: Were the funds earmarked?

F: Yes, the original statute provided for funds to be appropriated to the administering federal agencies. The commission was set up as a planning body with recommendatory authority only.

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G: It is not an operating . . . ?

F: It was not an operating agency, not a federal agency in that sense; it had a federal member. The commission was to come up with plans and programs and recommend them to the departments of the government that were assigned responsibility for carrying them out. In other words, the highway program would be administered by the Bureau of Public Roads, which at that time was in Commerce and was later transferred to the Department of Transportation. The commission was to come up with recommendations for the nature of that system, with the federal co-chairman working with BPR and other interested federal agencies to bring all their talents to bear on that decision, and with the governors either themselves or through representatives working with their highway department. So that you've got a joint decision-making process. This office--the office I'm in now--was really charged with the role of bringing the appropriate federal people into that decision-making process with the final vote to be manifested as his own, but not as an independent operator. He was to go around and get the best advice and bring the best people out of the government on any given problem, and try to get it resolved that way.

G: So that the Congress passed the act which set up various programs, but then the states themselves would do the planning of these programs. Then the function of the commission or the federal co-chairman was to coordinate these plans or to seek out the skills from the relevant agencies?



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F: That's generally true, but it leaves one misimpression. The Congress wrote into the statute the idea that the states would initiate projects. That is, you couldn't impose anything on them. You couldn't approve something that the governor wasn't for, not in terms of a veto, but in terms of initiative. He had to take the initiative and bring it in. You didn't hand him a finished package and say take it or leave it, as was the case, for example, on some OEO programs. The idea was to get the states to fill the institutional void that existed in Appalachia where the counties were weak, administratively and financially weak. [The] same thing [was] true in municipalities. You needed to get some people out there who were responsible and competent to begin to pull things together, and make sense out of these grant programs, and bring some consistency to them, and try to implement the strategy. The only agency available were those state governments--I mean on any kind of uniform basis--and for that reason the states were given that responsibility.

But within the statute itself, the Congress included what was called a federal veto, to turn it around. That is, an affirmative vote of the federal co-chairman is required for any action on the part of the commission. But on the funding, all the money was actually appropriated--except for the commission's own expenses, administrative expenses--to the line agencies that would eventually make the grants. HEW got the voc-ed money and the health money; the supplemental grant program was vested in Commerce, simply because they couldn't figure out where else to put it--

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G: But Congress did the earmarking? The commission didn't do that?

F: Well, these various sections contained separate authorizations, and then we participated in the budgeting process, but then each of these items was carried separately in a departmental budget. In other words, once it was appropriated, there was no way to shift it from one department to another. And this was one of the issues we addressed in 1967 with some amendments.

G: To go back to a couple of things that you said in your opening remarks, you mentioned that one of the problems in describing some of the unique problems of Appalachia is the lack of an adequate tax base because of the migration of people, the low incomes, and so on. Were there alternative ways of providing tax money for this region? I'm thinking, for example, of corporate taxation as opposed to popular income tax.

F: You mean were there alternative modes of state taxation that could be applied?

G: Yes.

F: Sure. There are alternative means of taxation at every level of government at probably every moment in time. Some of these states had been delinquent in posing severance taxes; some had been delinquent in posing other kinds. But on the other hand, some of them have some of the highest taxation rates in the country. Pennsylvania has a 6 per cent sales tax, 5 per cent in Kentucky, and they're now talking about an income tax in Pennsylvania. When you're dealing with a number of states, you can pick out different tax policies that ought

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to be implemented in each one, but what ought to be tax policy is always subject to a great deal of interpretation.

G: Again, the bill itself deals with the problems from the framework of a regional perspective as opposed to separate, state by state, because the problems seem to be interrelated. It is a regional entity and is dealt with as such. Have you found, or could you cite any instances, where not so much parochial, but state interests would be in opposition to a regional approach?

F: No. I think that needs a little interpretation, or at least I'd like to put my own coloration on the answer. Since it was decided quite early--and for quite legitimate reasons in my judgment--that you should have state government taking the initiative here to try to build up the capacity in the state government, you have to give some state bias. I think it would have been possible to devise a regional plan, spend a couple of years and go through a lot of paper and a lot of reports and come up with a regional plan. I think it would be very hard to get that sort of plan implemented. I think the way this was approached was to move from a strategy, which I described, through a bill, which in itself was a kind of plan, because it said, "We want to emphasize this transportation system; we want to emphasize vocational education; we want to emphasize health." So that, in a sense, the Congress passed a plan, so that the planning that was done here was related to implementing that and trying to tie it into other federal efforts as they come along or as they already existed.

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In order to administratively accomplish this, in order to not get your planning way ahead of your administrative ability to deliver, which is often a problem in many programs, we felt it absolutely necessary to gear to the capacity of state government to do this, partially because even on a regional level--and we're dealing here with about 10 per cent of the country's population--the capacity of a Washington staff to know all the nuances and subtleties that go into local circumstances are limited. I am a believer in decentralization with some federal or unparochial, if that's the right word, involvement on policy and on general review to keep everybody both philosophically and politically honest. So that we had to have the states involved.

Now, that means you have to recognize a state bias in some of these [projects]. The governor's responsibility, while it may be concerned with the region, is concerned with his state. That's what he's elected to be concerned with. I really see no conflict in these things, frankly. We've had very good cooperation, excellent cooperation, among the state governments. In many cases, on tangible projects where an interstate situation exists, like a school, several states have waived out-of-state tuition for schools built on the area of a border and highway crossings of state lines. On those kinds of practical, physical considerations, [we had] excellent cooperation, and, as you know, the allocation of funds are adopted by the commission as a whole. That means the states vote for them, so they can't really . . . . There is consideration of regional objectives.

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G: What prompted that question is that there has been some comment recently that state boundaries may even be anachronistic. I'm thinking specifically of the New York-New Jersey area.

F: I think they are. I don't think there's any question about that. But to paraphrase Churchill's comment about democracy, the state government is the worse form of decentralized authority except for any other that we have available. They are constitutional entities; they have legal authority and powers. We made some efforts in the development district field, but as subsidiary units of state government. If we'd set out to create a totally new political entity for the region or for areas within it, I think we would have floundered in terms of getting anything done. You have to sort of start from where you are. And in an area that is very much deficient in institutions, be it economic, political, financial, you name it, you have to go with the strongest ones you have and try to get something out of it. And that's state government in this area.

G: Also related to that, I was thinking, for example, where a river might be a boundary between two states, and the problem may be water pollution, and perhaps all the industrial plants on that river are in one state, so that there is the need for very close cooperation between the two states. Or, there may be three or four states involved. I was thinking along those lines as well.

F: Well, of course there are ad hoc kinds of institutions like the Delaware River Commission, and there's a group that works on the Ohio. You have, as I say, these ad hoc institutions designed to deal with

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specific problems. Well, that's the kind of thing you can do to some degree. But if you're talking about an overall planning agency to deal with everything under the sun--transportation, health, education, pollution, environmental control, you name it--you just spend so much of your time trying to create and organize the institutions. In the context we started I don't think you would have ever gotten anywhere.

G: Can I ask you, how did the states themselves initiate these plans? Is it in the state legislature, or does the governor have his own commission?

F: The authority is invested in the governor by the federal statute. Some governors are stronger than others within their own state, in terms of state constitutions. But the governor is the key man; the authority and responsibility is vested in him. Generally the governors have chosen a man, either a key department head or, more often, a personal assistant, to further manifest the governor's personal involvement and the idea of using all state government, rather than a department to be responsible to him in the actual physical, detailed preparation of plans and programs.

G: Are any of these plans subject to revision or review by the state legislatures?

F: No, only in the sense that obviously any governor is going to be cognizant of the attitudes of his state legislature, partially because the state legislatures appropriate money to support this commission. The states pay half of the administrative costs of the commission, so the governor's going to deal with the legislature. He's putting up

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money either for his own staff, for his own office, or for the state contribution here in the same way that the President's going to be concerned with the attitude of Congress on major questions of public policy.

G: And, again, following along these lines, I think during your confirmation hearing it was pointed out that not one veto had ever been used either by the states or by the federal co-chairman on any of these plans. Since your coming here as federal co-chairman, has the veto ever been used?

F: No, but in the hearings in 1967 this question was asked of a gentleman from Alabama because of the problems with Alabama and the federal government generally. And he replied that they never vetoed anything, but they've withdrawn quite a bit of stuff.

G: Withdrawn?

F: Withdrawn. Which is a kind of tactful way of saying that having that power available is a good way of establishing a forum for agreement. Our tactic has always been to negotiate. If a state proposal, we thought, was lacking, we'd come back to them and say, "Look, we don't think you met the purposes of the act here, or that you've met the purposes of your own planning document." If a project came in that seemed to be unrelated to the purposes--the overall strategy or the strategies proposed by the state--peculiar to that state, we'd sit down and talk about it. And the one great advantage of this institution is to create a forum for discussion and develop personal relationships so that you do talk with people, not at arms length or in

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arguing about the shape of the table, which is current today, but you're able to do business with people.

G: Could you cite any specific instance where a state plan didn't meet the requirements of the act?

F: The problems are not so much with plans themselves. They tend generally to identify with areas that are growing; they tend generally to talk about the needs of those areas in terms of physical facility; they tend to adopt some strategies about the vocational education, for example, in areas maybe outside--you know, in rural areas, but where the people are going to move out of those areas to work--and try to relate the curriculum to jobs in other places. They adopt some strategies on health. Generally, those are quite sound and quite valid. The problem often comes where a state is under a lot of pressure to submit "X" project or "Y" project. In some cases we'd send them a letter and say, "We don't think this is acceptable." And they'd talk with their people and try to work it out at home.

G: How is the money apportioned in the states?

F: The funds are apportioned differently according to the specific program. For example, the highway program embraces . . . . Well, the authorized limitation of the act is 2750 miles. The system that was designated includes not quite that much, but almost that much, in authorized construction. Designated on a regional basis, for example, a little over 25 per cent of that is in West Virginia, because West Virginia is central to the region. Roads from other states feed in there and cross the state. One of the major corridors is really to



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augment the Interstate getting from Washington into the Ohio Valley into Cincinnati, which you just can't do now without going up and around the Pennsylvania Turnpike. This traverses three states: Maryland, West Virginia, and Ohio. Ohio is as well served in an economic sense, a gross sense, by the construction in Maryland and West Virginia as if it were building it in Ohio. So these decisions were made by taking a look at the region as a whole, by getting the collective judgments of state governments and federal highway authorities with some economic implications, rather than just traffic volume, which is the standard way that highway engineers plan. A regional system was arrived at, and then the money was allocated in relation to how many miles were going to be built in any one state. This varies all over the lot from, as I say, about 27 per cent of the money authorized for the highway program in West Virginia, down to less than 2 per cent in Georgia, I guess, which would probably have the smallest piece outside of West Virginia.

G: So it's made on the basis of need?

F: Not need in a per capita income, it's need in terms of the commission designating a regional system and allocating money state by state, since the construction is going to be accomplished by the state highway department under the supervision of the Bureau of Public Roads. Now, in some other sections we've allocated money by formula. In the vocational education field, we took population. We took need, in a sense, in that we gauged the need for vocational education by computing dropout rates by the number of kids who weren't finishing pre-college

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curriculum. I think it was figuring on a 14 to 17 year-olds, out-of-school basis. In the land stabilization field, we used a formula that included a conservation needs inventory and Agriculture Department needs modified by population. I believe [it was] a per capita income factor in that case. So the formulae that were used were related to the objectives of that particular section of the act.

G: I guess the same would apply to hospitals, libraries, classrooms, and so on, the construction of these?

F: Yes.

G: You mentioned the 1967 legislation, the amendments to the act. I wonder if you'd like to go into that in a little more detail?

F: Well, there were probably two main points to be made about the extension of the act in 1967. One is that it was passed by a markedly different Congress than the one that looked at the first statute. The Democrats lost forty-seven seats, as you may recall, in the fall of 1966, and the country and the Congress, to compound that, were in quite a different mood in 1967 than in 1965. The President's stock was not as high as in 1965. He'd say he wanted something passed, and they passed it. In 1967 everything was picked to death. We won a motion to recommit in the House by eight votes, which was pretty close.

The program was basically extended without substantial change. It included a new program to stimulate low-cost housing, made some substantial changes in the health program to try to give it a more comprehensive approach with more emphasis on services than on construction, [and] made one major change in the highway program to recognize

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the entry of New York, which had not been involved in the 1965 program. But the most important institutional change--the most important overall change really--was the change in the way the program was funded. Instead of continuing the authority for appropriations to individual, separate departments, we proposed that money be centralized in one appropriation to the commission with the authority to allocate money among departments, which meant two things: administratively it would permit more flexibility among programs as you move through the year. If you want to shift money out of highways into voc-ed or back, this could be done. But it also involved presenting to the Congress one budget for Appalachia rather than having these individual pieces around.

We discovered what was happening in the budget process was that since many of the departments regarded this as a program while they administered it, the control of it was with someone else. When it came time to take cuts in the budget, either with the Budget Bureau before it went to the Hill or in their own appropriation items that they started making agreements [about] with appropriation subcommittees, this was one of the first things that they'd be glad to drop or reduce. We found that the Commerce Department, which carried the highway appropriation--the Secretary of Commerce really volunteered a 30 million dollar cut in the Appalachian highway program because he didn't understand it. You had people testifying on programs who didn't understand them and weren't really involved in their administration, and it just wasn't a very healthy situation.

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We went to the Budget Bureau and to the White House in the fall of 1966 and suggested a central appropriation. The attitude there was that they were sympathetic to our problem, but were reluctant to have money appropriated to an agency that wasn't strictly federal in character. We had the state governments involved. We argued very strongly [that] because of the federal veto it amounted to a federal agency, and it didn't make a heck of a lot of difference, so why didn't we do it that way. Well, they have some pretty stiff-necked lawyers in the Budget Bureau, so that didn't pan out so well. We finally hit upon a compromise, which was to authorize appropriations to the President with a legislative history that the authority over the funds would be delegated to the federal co-chairman of the commission.

There were two or three other issues in the statute that were in the bill that the White House . . . . They were still concerned about that precedent because, you know, there was quite an effort to decentralize within the federal government and not have too many functions vested in the White House, try to move things out to the departments. They were still reluctant. Even though they agreed to that compromise, they were worried about the precedent it established. So, rather than the administration sending up a bill in that form, it was agreed that the President would send up a letter endorsing the extension of the act and that on the basis of our agreements we would seek to have that kind of bill enacted. So in 1967 we didn't deal with an administration bill in the literal sense of that term, where a statute down to the last comma and period was transmitted in draft form, but rather, we

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had certain agreements as to what would be produced, and we worked with the committees in the House and the Senate to produce the kind of bill that we said we would. And then it came out pretty well.

But getting that authority centralized has been extremely helpful both in keeping the budget intact--while we've had some money cut, particularly in the hard times of the last couple of years, from the budget requests, the cuts haven't been as big as they were in the period when the departments had them. And more than that, they're more easily absorbed because you have the flexibility of moving funds around to adjust to situations as the year progresses, and you see how fast the program is jelling.

G: Along the lines of the budget requests you described, the process, in a sense, of making a request, it will be reviewed by the Bureau of the Budget, and a final figure will finally go to Congress. What, in terms of money and in terms of the needs, has been the high request emanating from this commission?

F: I guess the original supplemental, which was sent to the Hill after the initial act was passed was probably the biggest one overall. It was 307 million dollars. That was in fiscal 1966. The second highest after that is the one that's pending there now, which was the last Johnson budget for fiscal 1970, which is 286 million dollars. In between the budgets were somewhat lowered, down in the range of 150 million. Those figures were a little bit deceiving because of that 300 million that was initially appropriated--I think it was cut to 301 [million] when it was finally appropriated--some of that money

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was carried over actually into fiscal 1967 for about a year and a half, because there was a 200 million dollar item included in that for initial work on a highway program in the states. Their eyes turned out to be bigger than their stomachs, and they couldn't use it that fast, so we had about a 100 million dollar carry-over. And then new requests were adjusted lower in cognizance of that carry-over. So that just the NOA [new obligational authority] requests themselves, while it looks like there was a big debt, it was not a realistic appraisal.

G: This was before you were able to move those funds around?

F: That's right. So those stayed in the highway fund.

G: Are you talking about the congressional funding, or are you talking about the initial request?

F: Well, those figures were the initial request. The first year, I think only about 5 million dollars were cut from the total request--I guess 6 million--from 307 to 301. In subsequent years cuts were somewhat bigger, partially because of the circumstances I described earlier.

G: You mentioned that--

F: The budget this year, [with] the new obligational authority available--which again has to be adjusted because of carry-over funds, expenditure limitations and so on--comes out about 245 million dollars, which is just about what we had in 1967. So we've been running at a fairly constant rate, at the 240-250 million dollar level now, for about three years.

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G: Has there been any evidence of--not so much cut-back--but you're not going up progressively?

F: That's right. There should be some peaking. It should be going up mainly because of the aggregation of big construction on the highway system. Ideally we should have started out with about 100 million dollars the first year and built up to a peak of about 300 million dollars this year in order to progress on any kind of even schedule. In that case, it simply had to be cut back because of the overall fiscal policy evoked by the President and by the Congress. It's going at a slower pace than was originally anticipated.

G: In this budgetary process, or the construction of the request, you mention that you had contact with Bureau of Budget people. Was there any coordination or liaison with the White House, or people in the White House staff?

F: Not so much. More on legislation than on budget. On the 1967 bill, for example, the relationships and the understandings that were worked out on that were with Joe Califano and with Charlie Schultze, but acting more as a White House man than head of the Budget Bureau. Charlie had been involved as an assistant director of the Budget Bureau back in the original task force efforts and, therefore, had some long history of involvement here that was somewhat separate from his position at that time as head of the Budget Bureau. Of course, the final budget decisions went to the President.

G: Did you find Mr. Califano sympathetic and understanding?

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- F: I'd characterize him as sympathetic, understanding and harassed. The man just had more things than he could say grace over. But [he was] a very intelligent, very capable and very able guy. He picked up the essence of our problems very quickly and was a good guy to do business with, and I have a very high regard for both him and Charlie Schultze.
- G: Just to shift to another topic for a moment. In 1964 the House Public Works Committee eliminated a proposed Appalachian Regional Development Corporation, which was to be financed by the government by the sale of bonds to the public. What was this, and could you comment on its need? Do you think this was the kind of thing that should have been included in the act?
- F: Well, the corporation was really a forerunner to the commission idea. The corporation was proposed in the 1964 legislation, not in addition to the commission, but in lieu of it. It was an alternative approach. The idea was that to manifest this state-federal activity, the federal government would buy half the stock, and the state governments would buy half the stock, and then you channel monies through this agency for development. Obviously, the idea of a corporation takes on a little more independence than a government agency, but the net effect [was the same.] There was concern about this; there was concern about, "Are we setting up a new TVA? Are we setting up a new government entity without a clear impression of where it's going to go?" It was determined during that fall of 1964, before the bill went back in, that it was advisable politically to shift over to a more governmental



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type of structure, which is what the Appalachian Commission is, to do many of the same kinds of things. I was not involved, though, as you know, in drafting the 1964 act, and I wasn't privy to the discussions in the Hill on it, so I really can't give you much more of an insight than that.

G: I wonder if you'd like to comment on the question that you mentioned off the tape about the independence of the agency. I think there was some talk about putting part of it into the Commerce Department.

F: Yes. Of course, the ARA program was in the Commerce Department. The initial work of the President's Appalachian Regional Commission was funded with ARA funds, with some dissatisfaction on the part of ARA, because they didn't really have any control over the work of this group. This was done under White House mandate. So Under Secretary Roosevelt--John Sweeney organized it, did the task force work--produced the report with ARA money, but no ARA control. And the commission was set up under the 1965 act as an independent entity--although the biggest chunk of the money at that time was vested in Commerce for the road program, since BPR was there--with this supplemental grant program and these research and demonstration project funds, also. There was always concern at Commerce that this program wasn't under its jurisdiction, and they wanted to get it back. [It's] sort of standard--what is it?--territorial imperative, the desire to possess, particularly when the department was losing major functions to the Department of Transportation and was more and more becoming a hollow shell.

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Well, in 1965, after the Appalachian statute was passed finally, we went back to the Congress with a revised version of the ARA program, which was enacted under the heading of Public Works and Economic Development Act [and] which set up a successor agency in Commerce called the Economic Development Administration. At that time, language was included in the statute to authorize other regional programs, partially as a fulfillment of commitments made to senators and congressmen from other areas of the country when Appalachia was passed that they'd have regional programs, too. So the White House had sent up a bill that provided for a little money for planning. The Senate committee changed that around to a full commission-structure approach so that there was then authority in the secretary of commerce to designate other regions, and in the President to appoint people to positions analogous to the one I have.

G: Would this be the New England region, the Ozarks Region, the Coastal Plains?

F: Upper Great Lakes, and one in the Southwest called Four Corners. Since there began to be an activity in Commerce--it was at least in name related to the Appalachian Commission--there was increasing pressure, or at least desire, to get it back. The amendments in the 1967 Act, in a sense, made the Appalachian Commission even more independent by giving it the money and setting it up as a real force to be reckoned with, because we not only had authority to do the planning, but we had authority over the money to carry it out. Not that we duplicated any operating bureaucracy, we still use those. We still

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used the Transportation Department and HEW and so on, but we could say, "All right, we want to do this vocational system and here's the money to do it with." That puts you in a much more powerful position than if you're asking somebody to do something with the money appropriated to that agency.

After the Appalachian statute was passed in 1967, which was in the fall, in October, there was a very intense lobbying campaign on the part of the Commerce Department, principally, I think, the Economic Development Administration, to get the President to delegate authority over these funds to the Secretary of Commerce rather than to me, even though we had made a very firm agreement in the White House and had recorded it in language to everyone's agreement in the committee reports. So I had some very lengthy discussions. Frankly, I had a meeting one night at the White House, me and Charlie Schultze and Joe Califano, in which they indicated they wanted to do this. I explained to them they couldn't do it. They'd committed to this other course, and we'd sold it on the Hill on exactly that basis, and it would just be an absolute breach of faith. Besides that, these governors would come storming down on them, mainly because the Commerce Department is about the most incompetent bureaucracy in Washington. They really are. They have no history of excellence or capacity to do anything.

Those guys were legitimately, and I think the President was legitimately, concerned about the precedent that this program established for these other regional commissions, and quite legitimately so. I'm very sympathetic to that problem. Because if the same form and

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structure were applied in these others, you'd have six independent agencies with separate line items in the budget, and it just gets to be an administrative impossibility.

So, to sort of preserve the lines of communication there with the Commerce Department--also because I think there'd been some efforts made to Secretary [Alexander B.] Trowbridge at that time--we redrafted the executive order to set up an advisory council on regional economic development. The Secretary [was] made chairman of it, and all agencies [were] supposed to have membership, and we're all supposed to sit around and cogitate about the future of these things. But the authority over the money was delegated over here. As far as my own capacity to continue to administer this program effectively was concerned, that really posed no problem, because I knew that the Commerce Department would never be able to implement it. And they had one meeting in a year, and that was that and we proceeded.

That sounds like a tale of, "Well, this guy is just interested in maintaining his own position," just more of the bureaucratic in-fighting. Realistically this program was always set up as a short-term remedial effort, not a . . . .

G: Six year effort?

F: Six year effort. I felt that if the Commerce Department authority were superimposed on it, a lot of the initiative would have been taken, a lot of the capacity to make decisions and make them quickly and effectively would be destroyed. And [I felt] that as a six-year effort, we could proceed on this basis in an independent status without establishing

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a long-term precedent that was going to be disadvantageous to the administration in other areas. In my mind it served the interest of the program, and I think public interest, to have it work out that way.

G: What you just described sounds like many of the attempts by various executive agencies either to keep what they have for reasons sometimes unknown--it seems to be sort of an inertia in the bureaucracy--or to have the control, the money control, over the programs. I know there was some conflict between the Department of Labor and the Office of Economic Opportunity in some of the delegated programs. Some of the reasons, of course, were quite different.

F: Well, I think obviously that's true in a sense. But one thing I think should be pointed out is that the Labor Department or the Department of Health, Education and Welfare, or any of these departments, are composed of a large number of people who are professional civil servants, who are there for a career, and who see the diminution of that department's power and responsibility and authority as related to their own long-term interest. I wouldn't make myself or people who've been associated with me here out as being altruistic or in some way above the normal motivations of man, but my view is [that] we had a single task or single objective, short term. I've never been interested in perpetuating the Appalachian Commission beyond its useful life. We have a staff--a very small staff incidentally, about seventy-five people--that was assembled on this basis. [We] don't have the same civil service protection. The people who work jointly with the

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states or on that state-supported budget are equally responsible to them and, therefore, don't have the same civil service protection as line agencies. I think, in this sense, our concern was not so much bureaucratic inertia as it was in getting tangled up in some bureaucracy that would keep us from doing what we set out to do. And in that sense, I think we were more goal-oriented than the average governmental group in that kind of situation. If that's an apology, it can be taken that way.

G: In line with these six commissions, or these other--what is it?--five commissions, it seems as if there was an increasing commitment to the regional approach idea, and I was wondering what your thoughts were on that.

F: I think you sort of have to understand the background of that. As I said earlier, when the Appalachian act was passed in early 1965 there was a good colloquy on the Senate floor, particularly about what was going to be done for other areas of the country. At that time I was working for Senator Fulbright, and we were talking about something for the Ozarks, so I had a slightly different view of things at that point.

In response to that, when the EDA bill was sent to the Congress in May of 1965 after the Appalachian act was passed and we were starting to do business down here, there was included a Title V which provided some money for technical support for regional planning and other areas, but without much more in it than that. There wasn't all the formal trappings of organization that we had here, where we had a

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program to administer. The Congress--really the Senate committee--just took out the administration language and lifted bodily out of the Appalachian statute, provision for the creation of the same kinds of institutions, but only for planning, without any program money and without any history of the two or three years of work that went into the generation of the Appalachian program in its public acceptance. The responsibility for designation of the areas was given to the Secretary of Commerce, but in order to put the thing on some kind of par, at least in line with the Appalachian statute, authority for appointment of federal members of those commissions rested in the President, subject to Senate confirmation.

Since this language hadn't been requested by the administration or by the Commerce Department, there was really nobody around to carry it out. When you go up there with a bill and you know what you want to do with it after you get it passed, then its implementation moves fairly quickly. When the Congress enacts something that requires executive initiative, it takes a while to figure out who's going to take up the initiative. So there was considerable delay before anything was done. Well, what happened was that the Senate committee report just mentions the places where commitments had been made--the Ozarks, the Upper Great Lakes, New England--and they proceeded to designate those, really, as the political pressures mounted to the point where it became embarrassing and they had to do it. So the first one done was the Ozarks, but it was from August of 1965 until January of 1966 before that was done. And as they proceeded along

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these other areas were designated, most of them fairly small. The population of the Ozarks is only 2 1/2 million; the Four Corners area in the Southwest [is] a little over a million. So you're really getting to a fairly small area.

The Commerce Department--there was always a great deal of tension as to who was really responsible for these agencies. Were they operating on their own, or did they respond to the secretary? Did they respond to the assistant secretary who ran the EDA program? And when government is confused, government is very ineffective, and this has been a problem. So these things sort of moved along, and in 1967 Congress authorized a little project money, not very much and somewhat limited in what it could be used for. But there has never been a clear policy position taken by the administration on whether it wanted these institutions or didn't want them, or whether the boundaries that were originally established made sense either politically or economically.

G: Have you had any contact with the people who are involved in these other activities?

F: Yes. We've had these officers charged with the responsibility here and talked with them and explained what we're doing, and what our research program looks like, what our planning program looks like, what our views of the world are, and have tried to help them as much as we can. And [in] what I've said, I've intended to imply that the lack of effectiveness, if indeed there had been, was sort of in the stars or built into the way they were created, rather than in the capacity of the people appointed to run them. Guys came into office without any



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clear idea about what was expected of them, or what they were supposed to produce, or when they were supposed to produce it.

G: What do you see in their future?

F: I frankly feel, as I said earlier, the Appalachian program is a very valid, very useful, very good activity, but I don't think it ought to be maintained in perpetuity. It wasn't designed that way and really shouldn't be. We ought to finish this highway system; we ought to finish the initiatives that we started on the vocational system and higher education and health and so on, and really, and more importantly, finish, to the extent that you ever finish. We ought to try to build up these state governments, as I think we have done, and stimulate them to get better in planning and managing and responding to the needs of their people. Then I think this thing ought to go out of business. I think responsibility for these activities ought to be--where some liquidation is required--vested in the line agencies of the government and in the state government.

I think the principles of regional development are valid principles and ought to be employed either on an ad hoc way or perhaps in terms of general administration of federal programs with the country as a whole, because I think the forum for debate and communication that is manifested in this commission is a very useful precedent and probably should be employed. It's within the province of the new administration here to take a look at these things, to see what objective it wants to pursue in trying to promote economic development in the country, what the future of the country ought to look like, whether it's going to

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try to take some initiative to reduce further migration to metropolitan areas or adopt the Appalachian-type strategy, or adopt the depressed-area-strategy, or adopt some alternative-strategy. Out of this should come some program in which these activities should be merged. I'm very skeptical about the utility or the wisdom of continuing this Title V effort in its present form. I think that it's much too ad hoc and just has never received any decent direction or focus.

G: You described this as a short-term thing, and it should be eliminated at the end of six years providing that the other kinds of guarantees have occurred. How do you measure the success? How do you know when you should abolish it? Simply because its initial mandate of six years [has expired]?

F: No. As a matter of fact, I don't think six years is going to do it, mainly because of the slowdown in funding the highway program. In one form or another, it's going to take longer than six years because the original schedule hasn't been maintained. There's no absolute measure. Appalachia is never going to be made over in the image of the country. Statistically it looks an awful lot better now than it did in 1965, or certainly than it did in 1960. A good part of this is attributable to the general times of prosperity that comes from, in my judgment, the fiscal policy of this administration, the Johnson Administration.

I would tend to say that the program should be phased out, or phased into something else, at the point where the highway program is either completed or scheduled for completion--that is, it's funded and set out. I think that would run through about 1973, maybe 1974, fiscal

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year. Some of the other things that we've done have been phased out anyway. We've dropped a couple of programs that were in the original act; we've picked up a couple, like the housing program. But I think possibly at the end of 1971, the non-highway activities could be merged into other programs.

I think at that point we will have achieved, will have played this institution building role, which, as I regard it, [is] very important. I think the states today, and in two more years, will have come to a point where they recognize the opportunities and the problems from this experience. The Development District Program--which is a way of getting multi-county development organizations and planning organizations working under states, kind of a way of bridging the gap between state government and local authorities--will be well organized by that time. But there's no perfect indicator as to when you've run your course. I wouldn't try to play it that way. I think, in a sense, that's a political decision. But, I think, probably by the end of the six year period, the institutional building job will have largely been accomplished, or be headed in sufficiently the right direction that you may not need this institution to do it with. It's going to take longer to get the physical work on the highway system done, but that could proceed independently. I think this is partially related to what initiatives the next administration takes in these general fields. Whether or not these need to be maintained as an independent effort may depend on what kind of initiatives are taken in terms of general national policy in this area.

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G: Well, let me ask you this. Would it be fair to describe the commission as a kind of spokesman for the region to the federal government? And with the elimination of that, who then would act as a spokesman?

F: Well, in a sense that's certainly true, but there are an awfully lot of spokesmen for the area: people in Congress, governors. This has been a way of getting a special kind of attention. I think, again, with this institution building role, the capacity of that region to speak for itself may have been greatly enhanced, so that you may not need a guy who's sitting in this office doing that job. They'll be able to take care of themselves, which is the original objective of the program to begin with.

G: Could I turn to another topic, and that is the circumstances of your appointment in 1967. How is it that you came to be federal co-chairman?

F: Well, go back to 1965. John Sweeney and I . . . . John had staffed the Roosevelt committee and was being appointed as the first federal member of the commission here. I had known him for four or five years casually; he worked on the Senate Labor Committee when I was with Senator Fulbright, and I talked to him a number of times about this program when he was putting it together because of my interest in Arkansas. He asked me if I'd come down and work with him in getting the program established, as his principal assistant. I did that and when the administration, the White House, asked him to go over to Transportation as assistant secretary when that department was being established, he recommended that I move into this job, and that was done.

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G: Have you had any contact, or have you since 1965 or 1967, with the President?

F: I've had two meetings with the President since I was appointed. My communication with the White House at the time I was appointed was with Marvin Watson, for whom I have high regard, not just because he worked that out, but he's a guy who gets things done. And that's a prized quality in government. I met with the President on the signing of the Appalachian act amendments in 1967. There was a small ceremony at that time, and met with him on one other occasion when he had a meeting on regional development as an activity and talked for half an hour or so about what we were doing.

G: He talked?

F: Well, we had an exchange.

G: Could you relate any of that conversation on this day?

F: Oh, it was an occasion when he had these fellows who run the Title V programs over, and I went over and he was signing some sort of document that related to their position in pay or allowances or something, which didn't affect me. I'm not even sure--I may have been invited as an afterthought. But it turned out to be a session when we really told him what we were doing.

You may recall, a little over a year ago they had a bridge disaster in West Virginia. A bridge between Gallipolis, Ohio, and Point Pleasant, West Virginia, collapsed. I had been instrumental in putting together the refinancing and initiation of work on a new bridge. We discussed that because he'd made an announcement out of the White House on it, and

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a good deal of our time was taken up on that particular problem. I think he had just walked out of a meeting with the Council of Economic Advisers and was concerned about balance of payments and the gold flow, and he said we ought to make some initiatives to get people to travel more at home and if we had anything to do with that, that that's what we ought to be doing. I was impressed again with the multiplicity of problems that man must have faced every day.

The President did treat this program well in terms of budget; [he] treated it well in public statements--some of which we helped provide, some of which we didn't. I think he was always favorably disposed to it, partially because when he talked with some of the governors involved, they'd always tell him this was a good thing and was going along well. Presidents like to hear that kind of thing when everybody else seems to be hollering at them about how something isn't going well.

G: That was going to be my last question. How would you describe the President's attitude toward this?

F: The only way I have to measure that really is, as I say, the budget process and the statements relayed to me and actions which he took with regard to transmission of the annual reports to the Congress, speeches. And in every case, he was very favorably disposed toward us. It's a fairly small, by governmental standards, activity. With OEO going at 2 billion a year, and us at 250 million, it's not hard to see why you're not right in the thick of things.

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Frankly, John Sweeney's attitude and my attitude has always been that our job was to spend the money that had been appropriated for the purpose for which it had been appropriated in an effective manner. We had never really gone out looking for a great deal of publicity and had sort of done our business and stayed out of sight.

G: Success stories don't generate news.

F: In some sense that's true. Every once in a while you get a story about how things haven't changed too much in Appalachia, but first of all I don't think . . . . In a sense that's true, and that given the breadth of the activity, the idea that you're really trying to change the competitive position of an entire region of the country, it's not going to change it in three or four years. On the other hand, some things have changed in Appalachia. As I say, unemployment is down, and per capita income is up, and more than that, I think there's a sense of momentum and activity that simply wasn't there three, four or five years ago.

G: Would you like to add anything to this tape?

F: Well, since this is going in the [Library], this is my chance at posterity, I guess. I really am very pleased with what we've done here. I feel very comfortable with what we've done; not satisfied in the sense that it's enough, but satisfied in the sense that we've taken what we had and have done a good job with it. And I will always be privileged--and I say this earnestly and honestly--to have been a member of the Johnson Administration, which I think has started some things that are going to serve this country very, very well for future

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decades to come. We made the commitments. I think the country both as a political institution and as a society, will not back off from them and, in a sense, will not be able to back off from them.

G: I want to thank you very, very much.

[End of Tape 1 of 1 and Interview I]



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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, Joe W. Fleming 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 recording and transcript of the personal interview conducted on February 19, 1969 in Washington, D.C. and prepared for deposit in the Lyndon Baines Johnson Library.

This assignment is subject to the following terms and conditions:

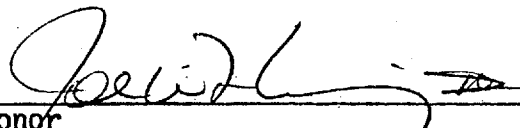
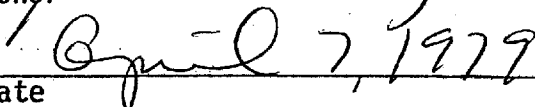
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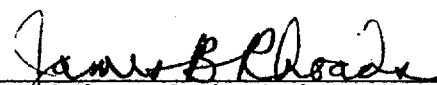
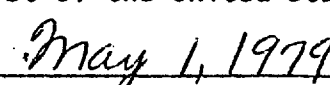
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