INTERVIEWEE: BEN W. HEINEMAN

INTERVIEWER: JOE B. FRANTZ

April 16, 1970

F: I'll make a brief introduction here. This is an interview with Mr. Ben Heineman in his office in Chicago. The interviewer is Joe B. Frantz.

Mr. Heineman, first of all, tell us a little bit about how you came to be where you are in life, just as a matter of getting set up here.

H: I started off practicing corporate law in Chicago. I practiced corporate law for approximately twenty years except for two years. I was with government during the war, and then became chairman of the executive committee of the Minneapolis and St. Louis Railway Company. In 1956 I became the president and chief executive officer of the Chicago Northwestern Railway Company.

F: When did you first meet Lyndon Johnson?

H: I met Lyndon Johnson for the first time when he was in the United States Senate, I think, about 1956 or '7.

F: Was this official or social?

H: Social. I have forgotten really who introduced us. I think it was Senator Paul Douglas, but it was a very casual social occasion.

F: Did you have any further relations with him up until the time that he became President?

H: I did not.

F: Let's skip ahead then to 1964. The first trace I pick up of you, and I've done a bit of research, is when you wired President Johnson and Willard Wirtz regarding the violence down at Cape Kennedy, and the fact that there had been dynamite blasts against a train. I don't know--this may be no more than a

telegram, but did you get any response out of the White House or from Secretary Wirtz on this?

H: What was the date of that, do you remember?

F: Yes, it was February 14, 1964. The Johnson administration has now been in since late November.

H: I would have to check our files. My recollection is that I did get a response from Secretary Wirtz.

F: What you were mainly interested in in 1964, so far as I can tell, is that you were one of the top men who, mostly Republicans, who formed a National Independent Committee for Johnson-Humphrey.

H: Yes, that is true. In June 1964 I of course had extended contact with the President. I was one of a, I believe it was a six-man negotiating team in connection with a railroad strike.

F: How did you happen to get in on this--because of a previous contact with the President?

H: It had nothing to do with the President. I was appointed to it by the railroad industry. If you will recall, there was a strike in the Illinois Central and a threatened national strike. At the President's request an industry negotiating committee met with him and union presidents in the White House in an effort to prevent that strike from spreading and to end the Illinois Central strike. My recollection is we spent all afternoon and all night in the Cabinet Room, or late in the evening in the Cabinet Room with the President; and then continued to work in the Cabinet Room for a week or so with mediators Jake Kheel and Dr.--he was then head of the War Labor Board--I've forgotten.

F: I don't remember.

H: It was in that period, in June, I spent a bit of time with the President.

F: Allowing for normal presidential interest in a developing situation like this, did he show more than usual concern? Did he drop in frequently on your deliberations?

H: He spent one whole day really and very late in the evening with us, attempting to get agreement on the part of the brotherhoods to postpone the strike and to terminate the Illinois Central strike. This went on for a good number of hours.

F: Did he act more or less as a moderator, or did he sit and listen? How active was he in it?

H: He was very active. He acted as a participant because he was really urging the union brotherhoods to, as he put it, to give him a chance; that he was the only President they had; that this was a major problem for the country. In effect, he was urging them as President to postpone the strike. So he was a very active, personal participant.

F: Did you get the feeling that he tipped the scales one way or another?

H: I think it is quite clear that without his active intervention, there would have been a national strike. As a matter of fact, the brotherhood presidents were most reluctant to postpone the strike and to terminate the Illinois Central strike. And it was really on the basis of his considerable personal urging and pressure that this was accomplished.

F: Was this primarily patriotic, or was it practical--what was his approach to the thing?

H: It was an essentially highly personal pitch. He was the President, and he wanted to have the opportunity to try to work this out; that he would move promptly to appoint mediators; and that he felt that he should be given the chance as a new President to show what he could do. It was a highly personal pressure

also. He used the patriotic motive, but it was a highly personal pitch.

F: Among other things, he did not want a strike this early in his administration.

H: Of course, of this dimension. In addition, no administration ever permits a railroad strike, and would probably have had to go up for legislation and so forth.

F: Okay. You form now in September this National Independent Committee for LBJ and Hubert Humphrey. Where did the impetus for this come from?

H: I don't remember.

F: What was your role in it?

H: My role was to help formulate it, to participate in it, to help finance it.

F: Did you work mainly in the Chicago area? In a greater range?

H: Well, I don't want to exaggerate my participation. It was not that great. I did what I was asked. I spoke to people about funds and so forth, and we contributed.

F: Did you feel that the response was adequate insofar as your personal experience is concerned?

H: Insofar as my personal experience is concerned in 1964, I felt it was excellent.

F: Did this draw any lines of cleavage between you and some of your other business friends who were in the large Republican?

H: Not in 1964. After all, most of my business friends found it very hard to develop any considerable enthusiasm for Barry Goldwater. So in 1964 I would suspect that many of my down-the-line Republican business friends were Johnson and Humphrey.

F: Did the President express any sort of personal point of view on this?

H: My recollection is that he at that point wrote me a very nice note, but I don't really recall anything specific.

F: There was no suggestion at that time that he could have used you in government service?

H: Not at that time.

F: Later on quite late in '65 you were appointed to a task force to make sweeping proposals to reorganize all federal aid to cities.

H: No. That was not until 1966. In late '65 I was appointed as a member of a task force to propose an organization of the Department of Housing and Urban Development. I worked on that for a number of months as a member of that task force under the chairmanship of Bob Wood, later Secretary, and was chairman of a subcommittee on that.

F: What was your particular subcommittee?

H: Basically organizational, although--

F: What were your problems?

H: Essentially, of course, HUD had been put together as a group of disparate agencies. At this point it did not yet have a secretary. Part of the discussion was to establish an organization which would carry out the President's wishes. He felt that it was important that this be organized properly, and he was postponing appointing a secretary until the organization was established.

F: Did he ever talk with you about your becoming the Secretary of HUD?

H: He did not personally, but in what I understood to be in his name Joe Califano and Harry McPherson talked to me about my becoming secretary.

F: Was this a general fishing session?

H: Well, they inquired whether I was interested, giving me to understand at the request of the President, and if I were interested, that they felt it was at least possible. But I had no interest.

F: So you turned down the idea. Did you have any reason to observe why the President waited so long to name Robert Weaver?

H: My feeling is that the President was looking for someone whom he felt would be a better secretary.

F: It just sort of filtered down to Weaver then?

H: You understand I was not privy at the time to the President's thinking. I knew many of his staff members, and in fact they talked to me, and I'm sure that they talked to others. I had the impression that the President felt that he wished somebody who in his judgment was stronger than Secretary Weaver.

F: You knew Robert Wood quite well. Did you ever talk with him about the possibility of his becoming Secretary of HUD?

H: At that time, no.

F: Would you have looked on him as competitive to Weaver?

H: I personally would have thought that he might have been a better Secretary to start with, but I could understand why the President felt that he should be the under secretary.

F: What kind of reception did your task force get when it submitted its report?

H: A very good one.

F: Was the task force divided pretty well, or were you in general agreement on things?

H: In general agreement.

F: Was anyone on the task force sort of acting as a continual devil's advocate?

H: No. I would say that it was an exceptionally good task force, and that we were able to reach general agreement.

F: You were in agreement that there should be a Housing and Urban Development Department, that the time had come.

H: At that point, you see, it had already been established by law, so we really--

F: So you weren't turning back on that?

H: We were considering its proper organization.

F: You have a package, now what do we do with it?

H: And also out of that same task force grew the Model Cities Program.

F: Yes. Did the President receive the report of the task force in person--in a ceremony connected with it? I realize you have to segregate these things in your mind.

H: In my recollection several of us went over with Chairman Wood and presented it to him, but that is not a positive recollection. There were a number of things that I'm a little hazy about. But my recollection is that Secretary Wirtz, Charlie Haar, and several of us went over there in person, but I am not positive.

F: At the beginning of '66, you were named by President Johnson as the Chairman of the White House Civil Rights Conference.

H: Yes.

F: Where did this idea originate?

H: The idea for the conference, or for me?

F: For the conference and for you.

H: The idea for the conference was first officially put forward in a June 1965 commencement address that President Johnson gave at Howard University. My understanding is that it was put into that speech by Dick Goodwin, but I don't officially know that. Officially all I know is that the proposal was in the President's commencement address at Howard University in '65.

Where I came from in the President's mind I don't know.

F: Did he call you personally, or did it come through Califano?

H: My recollection is that Joe Califano called me and said the President would like to see me. I went down and met with the President and Joe, and he asked me if I would undertake this.

F: We have a few of these chairmen(?)

H: Yes, he did. I think the staff had a somewhat different idea. Most of the staff had originally had the idea that Philip Randolph would be the chairman, and that I would be the executive director. But either the President didn't get that message, or he decided to change the staff's idea, because the President asked me to become the chairman.

F: Did he discuss personnel with you, or had he pretty well made up his mind who he wanted to work with you?

H: Are you talking about staff or members of the planning committee?

F: I'm talking about the planning committee.

H: He did talk about personnel, and also told me that I should feel free to make suggestions, which I did do. That was a fairly interesting episode. So when you ask me where did I come from, I don't know. I do know that the President either intentionally or inadvertently asked me to be the chairman, and that this was not what the staff had contemplated until I went in to meet with the President.

F: Did you have any background in civil rights which would have made you noticeable at the White House? Of course, you had served on a task force.

H: You mean on the Housing Task Force?

F: Yes.

H: I had been active vocally in the Chicago area in what would be related activity. And I suppose that if they were looking for a businessman that they might have thought I had interests in this direction.

F: Now, Philip Randolph was made honorary chairman. Whose idea was this?

H: I don't know. It was between the staff and the President. I don't know. I had nothing to do with it.

F: As honorary chairman did he have any real responsibility, or was it just sort of about a long career?

H: It was about a long career. He had no personal responsibility of any kind. Bayard Rustin, who was president of his institute, participated as a member of a planning council, but Phil Randolph had no responsibility.

F: Okay. You are chairman of the conference. Do you have a target date for when you wanted it to begin? In other words, what's the procedure from this time forward? Do you spend pretty much full-time or nearly full-time on it?

H: I spent a good deal of time on it. Full-time is probably exaggerated. But you see, my recollection is that I was appointed in January or February.

F: February.

H: February of '66. My recollection is also that we very promptly set the date of June. You see, the President had already made the proposal a year earlier, and as I recall when he made it he thought originally the conference would be held in the fall of '65. He had set up an original planning group, and this had not been terribly successful. So we felt a good deal of compulsion to redeem the President's pledge, to get this thing finished.

F: Or get it done by the Nixon Administration.

H: So we commenced work in February. I selected a staff.

F: Did you have a fairly free hand?

H: I had a completely free hand.

F: _____?

H: Yes, although in a way that staff was very good about this. When I asked for some help, they would give it, but they left it pretty much with me. Then of course we started to meeting. The planning council was asked to meet regularly, and out of it came the conference.

F: Where did you get the money?

H: The money came, I believe, out of the White House contingency fund, but I am not certain about that. We had adequate funds. Some funds for transportation of so-called indigenous groups and others, we raised from foundations.

F: On something like that, did you have a sort of budget director or comptroller?

H: We had an administrative officer, Colonel MacKenzie, who was excellent--couldn't have been better. And I subsequently used him in other connections.

F: Was he on loan from the military?

H: He at that time was on loan from the Defense Department. He was an administrative officer, as I recall, to the chief of staff.

F: Do you remember his full name?

H: Colonel Harold MacKenzie.

F: Some of my business is picking up other names as I go along to talk to.

H: He is in Washington.

F: Yes. How did you hammer out an agenda?

H: We developed it by discussion, meeting weekends, and also with the planning group and with the staff.

F: Did you try to set up any sort of a quota system for your equality board in this conference?

H: For the most it was a balanced board. It had blacks, whites, businessmen, etc. I think perhaps that in this respect the White House felt that civil rights leaders who had been opposed to the Viet Nam condition should not be included

in the planning group. I felt very strongly that this was a civil rights conference, that it would be a fatal error to draw lines on a civil rights conference based on international conditions. I urged that we put--two or three very substantial urgings on my part. When it did go to the President, he finally agreed.

F: In your urgings did you do that by memo, or in person?

H: I did it personally. I did not put it in memo, because I did not want to embarrass the President by having memoranda floating around should he reach a different conclusion.

F: Nothing like the term benign neglect?

H: No. So I urged him personally, and I was very pleased that he saw fit to acquiesce in it finally. But it was against his judgment.

F: Did you find him easy to talk with?

H: Always.

F: On March 19, '66, midway in your planning, the President met with the conference leaders for two hours. Vice President Humphrey and Secretary Katzenbach were both present. What was the general tenor of the meeting?

H: Well, I think the President's purpose was probably to make us feel good, to show an interest to the whole group.

F: Sort of a booster session.

H: Yes, it was. And I remember the meeting very well because the President, after telling us of his hopes for the conference, spent about an hour and a half reviewing the presidency and his current problems--international affairs as well as domestic. It was a very rewarding session to the people present, in that it gave them a good deal of insight into the President in a fairly relaxed mood, talking at length about a President's problems. So I think all of the participants undoubtedly remembered it very clearly.

F: Was there any tendency on the part of some of the more militant people to in effect "beard" the President at this time?

H: No. There was none.

F: Did you have much controversy within your conference leaders?

H: There was controversy, but always within entirely legitimate bounds. One would expect controversy, but it was always well maintained.

F: Did you anticipate the sort of name calling that broke out at the time the conference got underway?

H: I did feel that there might be some controversy. We did of course take some reasonable security precautions. We didn't wish them to be extreme. I don't have any recollection of any untoward name-calling. I recall some heat, but nothing that I would regard unusual.

F: There was no case of one group aligning against another? You weren't in two schisms, in effect?

H: Within the planning council?

F: Yes.

H: No, I would say, no.

F: So that there was no problem really of resolving--it's just a matter of working out?

H: Yes, I would say that's fair. Now, of course, by the time the conference arrived in June, matters had heated up considerably around the country, and there was some heat, but nothing that I thought was out of order.

F: By the time the conference met, did you feel that you had done all your pick and shovel work, that there had been sufficient planning at the staff level?

H: I thought it was very well planned. We met for two or three full days. We put it into working groups, as you know. Except for one or two efforts and

plans to adopt anti-Viet Nam resolutions of one kind or another, which I felt were inappropriate to a civil rights meeting at that time, and a few other minor clashes, I thought that it went very well. I know the President, when he came to speak at a dinner on I think the second night, was also I thought well pleased with the way it was going.

F: You called for a multi-billion dollar program to give the Negro full equality. How did that develop as the theme? Did you start out to do that, or did it grow?

H: I think that it developed out of the planning group. We approached it, that it would be very difficult to bring the blacks up to a reasonable level without significant expenditures. We realized there were budgetary problems--increasing probably.

F: Was there ever any serious discussion about bringing in the extreme groups, the Muslims on the one hand, the Ku Klux Klan on the other?

H: No. We did have the major civil rights groups, including SNCC and CORE. These were the groups that I was anxious to include. Of course, we also had Martin Luther King. In spite of his peace position, I was very anxious at this that he be included. But in terms of the far right and the far left, the answer is no.

F: Did the President take any great part in deciding who should be delegates to the conference?

H: No.

F: This was left to the conference planning?

H: Left to the planning group, yes.

F: How did you go about deciding?

H: We first of all established an outer limit. I mean, we couldn't have 10,000. So we established an outer limit, my recollection is, of 2400. Then we began to break that up into groups and send out invitations and to get representation. We established categories and groups and pooled names together. We also were anxious that there be some grassroots people; and since we felt that they would not be able to come with their own funds and since the government did not have funds available for that kind of thing, we raised funds from foundations for that purpose.

F: Other than just being symbolic presences, did the grassroots people contribute?

H: I would think that they contributed credibility, and they had the opportunity to contribute. I don't think they contributed substantively, no! But I think they had the opportunity. After all, I would have been a little dismayed if after all that planning, if we had arrived there and found a whole lot of new ideas that hadn't occurred to us--it would reflect on the planning.

F: There was some criticism that you came to the conference with sort of a completed plan, and that it was handed to the group for acceptance or rejection. Is this valid?

H: I didn't think the criticism was valid. Nor do I think that that quite described it. It is true that we came with a plan. And if we had not come to a two-day conference with 2400 people with a plan, I don't think very much would have happened that anybody would have wanted to be associated with.

On the other hand, we did have work sessions. We did break the conference up. They had ample opportunity to pass advisory resolutions. They did pass advisory resolutions. They were not all that different, as I recall it.

F: Would you say that basically the value of the conference was in the planning, the devotion of time of men who are interested and concerned prior to the

conference, and that the conference was just sort of a climax--or does your value come in the conference?

H: I felt, given that set of circumstances, that the value really did come in the planning. Now under different circumstances, I could believe the value would come in the conference. I did not feel that it came in that particular conference. Essentially, at that point of time I felt it very important, number one, to redeem the President's pledge of a year earlier; and, number two, to provide both a plan and a result that would set goals for the whole civil rights community, having in mind that riots and burning had taken place, and that it was important to provide some hope.

F: Did you try to hold SNCC within the conference?

H: Yes. SNCC at that time of course was not quite as far out as CORE. And as a matter of fact the president of SNCC was removed, as I recall it, right at the end of the planning group, or within a very short time, and replaced with a more extreme leader.

F: Did you find you could work with McKissick?

H: Yes. At that point, I was able to work with McKissick, and it was necessary during the conference at one point to turn off the microphone before he seized it. This was in connection with a--. But speaking generally, yes, although at times he created some problems.

F: In general, was the tone of the conference one of good will?

H: In general, yes.

F: Did you have any problems with Dr. King?

H: Only temperamental problems. For a number of reasons, on the last night--the President having spoken on the second night--I concluded that Mr. Wilkins should be the speaker. Martin Luther King became temperamentally unhappy

over this since he felt that the NAACP was a competitive civil rights organization. He took to his bed and was indicating to us that he would not attend the dinner. After we held a policy meeting, we concluded the way to get him there was to invite Mrs. King to sing the "Star Spangled Banner." We invited Mrs. King to sing the "Star Spangled Banner," and at that point Martin Luther King concluded that he was well enough to come.

F: That improved his health, huh? You had this problem of voting on various measures, and the question of whether to vote or not to vote. You also had the question of a resolution on Viet Nam. Did the planning council sort of withdraw from time to time and consider these things before coming back to make the decisions? How did you arrive at the procedures once the conference was underway so that you just didn't--?

H: I think it was the night before the opening of the conference we had a very late policy meeting in my rooms in the hotel, at which we also brought in McKissick in an effort to compromise some of these matters. Many of the council people were present, the planning committee people. We pretty much thrashed it out there. It was really the opening session. It was critical, and there were one or two of the later sessions at which the entire council was together that were critical. But I think we were able to anticipate the problems.

F: From a practical standpoint, was Vice President Humphrey more nearly the representative of the Administration at the conference than the President? The President, I know, made at least one unscheduled call, but I've rather gathered from outside sources that perhaps Vice President Humphrey was around more.

H: No, I don't think so. I think the Vice President made a talk at the opening of the conference. The President made--well, it really wasn't e actly

unscheduled. Perhaps it was unscheduled so far as the public was concerned, but I think we were quite clear that the President was going to make an appearance if the temper was such as to make it--

F: You'd saved sufficient time, then?

H: That's right. So I would say that I was not surprised.

F: There was one protest that there was a lack of ghetto representation. Is that valid? Particularly during the planning stage?

H: It could be valid. We have every major civil rights organization represented by its president. And in addition to the so-called Big Six, or whatever, we had the women's groups and so forth represented. Now, whether we had some representative of the ghetto--whatever that means--I would suppose we did not. But I think that we felt that through all the major civil rights organizations, the ghetto was represented.

F: Did you consider getting beyond a black-white issue? How deeply did you go into this affair of the Mexican-American and the Indians?

H: We did not really go into the Mexican-American and Indians. It was really quite clear from the President's talk at Howard that he was thinking about the black-white issue. And later on, as I'm sure you know, there was--and indeed we practically agreed that there should be--such a subsequent conference, or commission, dealing with the Spanish-American. As a matter of fact, Colonel McKenzie was also the administrative officer for that.

F: How serious was the threat that a resolution would be passed demanding U.S. withdrawal, or at least recommending its withdrawal from Viet Nam? Did it give you considerable concern?

H: At that time it did. I think that it was a real possibility that if it had reached the floor, it might have been passed.

F: In the midst of all of this you had this Moynihan Report about the matriarchal aspect of black culture.

H: On that report both the blacks and the whites were in agreement that it should not be put on the agenda.

F: Just too hot?

H: The blacks felt that it was insulting to them and irrelevant to the civil rights discussion. The whites felt that in terms of the civil rights discussion there was no point in starting out with the welfare thing and basically offending the blacks as a starting point.

F: So far as you know, was there any pressure from LBJ to keep the Moynihan Report out of sight?

H: I would say flatly there was not any pressure from him. The decision was made, I would say, largely or exclusively by the planning group.

F: Now then, the conference ends, and you've got the problem of what you do after the conference. What did you do in a sense of mopping up?

H: I presented the conference report to the President.

F: Was that much of a problem to shape? Or was it pretty much a narrative?

H: My recollection is that it was largely a narrative. That I would have to check. There was also a transcript of all these proceedings.

F: Presumably the President was not pleased with the entire report. There were certain sections or recommendations he did not care for. Did you ever get any evidence of this?

H: Not direct evidence. The President was appreciative--not direct evidence. As a matter of fact, I had fairly direct evidence that he was appreciative of the manner in which a fairly difficult situation was handled from February through June. I haven't the least doubt that the President was not happy with

every provision in that plan. I doubt that any President would have been. But I had no direct knowledge of it.

F: You wouldn't accept the charge that some of the critics made that the President downgraded the report?

H: I think the President did what every President in my judgment has the right to do with commissions and task forces. He selected those things out of it that he regarded as sound and good and ignored the others. And this is, after all, an advisory report to the President--it's not intended as anything else. I would not personally use the term "downgraded." He certainly didn't agree with everything, and he certainly didn't have any intention of trying to implement a lot of it. That may be downgrading--I regard it as doing what every President does with these things.

F: Did you to a certain extent have a blank check from the White House to do some sort of pragmatic dreaming?

H: I never felt that the White House was exerting any retarding pressure on us at all. I felt we were free as a planning group to come up with a plan that we thought made some sense. I never felt at any time that the White House staff put any brakes on us. Maybe they were very subtle and I didn't recognize them.

F: In the planning stage, did you ever come to that point where it looked as if you had reached an impasse and you might never pull it off?

H: Not to my knowledge.

F: Everyone came at it with reasonably good will--

H: I won't say that there were not at times some difficulty. But I was confident at all times that we would succeed.

F: In the planning stage, there never was any real advocacy of extreme positions? Extreme, of course being a qualitative term and what I think extreme you may

not, but in the general--the accepted sense.

H: Obviously, some people took positions that did not end up in the plan. No, I didn't feel that there were positions that were so extreme as to be out-of-bounds or improper to discuss in this kind of a group.

F: Shortly after you gave the President the White House Conference Report, you began to have some trouble here in Chicago with discrimination in housing, marches, and riots, and so on. You were quite active in moderating some of the--

H: The mayor and the Chicago Council on Race and Religion asked me to be the chairman of the so-called "Summit Conference."

F: What did you do in this case?

H: I moderated it. We had, as you know, the city officials, the religious groups, the business community, the civil rights groups--including Martin Luther King, who was marching and the whole bit. So I moderated it and then established a subcommittee to draft an agreement, headed up by Tom Ayres(?) of the Commonwealth-Edison Company. Then we adopted it.

F: Did the White House show any concern with what you were doing?

H: My recollection is that the Assistant Attorney General, Mr. Wilkins--no--

F: Wozencraft?

H: No. The nephew of the--

F: Weisl?

H: No. The assistant attorney general--In any event he came out because he was concerned that there would be riots and damage and whatnot--Roger Wilkins, then assistant attorney general. But so far as the White House is concerned I do not recall the White House, as such. I also assume when an assistant attorney general comes out on a matter like this that he comes out with the knowledge and approval of the White House.

F: But the President did not contact you directly? He left this up to Chicago insofar as you were concerned.

H: Right.

F: There was some talk in the middle of all of this that you might replace Nick Katzenbach as attorney general. Anything to that?

H: No, there was never anything to that. This was newspaper talk, so far as I know, although I was talked to explicitly about three cabinet positions and the Director of the Bureau of the Budget. So far as I am aware, the attorney generalship was never mentioned. And if it was ever thought of, it was never discussed with me by anyone.

F: May I ask what cabinet posts?

H: I mentioned HUD. The Secretary of Commerce was officially offered. The President called me at home on a Sunday, and asked me to be the Secretary of HEW, and I had two or three conversations with him in person about that at the White House and regretfully declined.

F: Did he put any great pressure on you to accept?

H: I would say surely not on the Secretary of Commerce. I think he would have been absolutely astonished if I had said "yes" to that. I think that would have surprised him.

F: He was being polite.

H: I think he was being polite. I don't think he had any belief in a million years that I was going to say "yes" to that. On HEW I would say that he did not put any pressure, although he did urge me, and we did talk about it on three occasions--one over the telephone at length on a Sunday morning at home, my home, and twice in person, of which that is a memento over there of one of the occasions. The Director of the Bureau of the Budget--that was also

officially offered. On the HEW I would say this: that these discussions took place in January, February, and March of '68. The President called me at home around the middle of March. At that time he said to me that while he was very anxious that I take it, he wanted me to know that if I took it, that he might not be a candidate and that I should--

F: This is prior to March 31?

H: This is January. And that I should take it with the understanding that he might not be a candidate. This was over the telephone. Then when we met in February and March--

Side two of tape

H: I don't really have much to add to it. This is responsive to how much pressure he put on. As I say, he was very good about it, and urged me, but did not go through the proverbial arm-twisting--

F: You didn't feel that you were letting the country down by refusing? You weren't made to feel that?

H: No, I really wasn't, and didn't. I don't happen to think one man is very indispensable to the country, so I don't think that would have been terribly successful with me anyway. But he didn't use it. He couldn't have been kinder or nicer about it.

F: Why didn't you take it?

H: I was deeply interested in it and interested in the department. I suppose I had the feeling, too, that it was drawing to the end of an administration. I would have had to tear up a lot of roots, burn a lot of bridges, and I guess I have never had any real ambition to be a cabinet officer.

F: Did he talk with you about alternatives--Wilbur Cohen, or anyone else?

H: Yes, he did. He talked to me about Wilbur Cohen. He made it quite clear that if I did not take it he was going to appoint Wilbur Cohen. And he talked to me at some length about Wilbur Cohen. But, yes, he did talk about it. Yes, it was very clear that it would be Wilbur Cohen if I did not take it.

F: You were, in that same period of early autumn of '66, one of the several businessmen who urged the passage of a Demonstrations Cities Bill.

H: Yes.

F: Now, we know you got into that to a certain extent in your HUD task force, but how did you come to this position?

H: Really, I regarded myself as one of a half-dozen members of the task force that had been responsible for it. So I had had a year's exposure to it and a great deal of activity in connection with it as part of the task force. So I was really carrying out in doing that what I had already in effect been in favor of via the task force route.

F: Was there a period in there in which the future of the Demonstration Cities looked pretty bleak?

H: Yes.

F: How did you pull out of that alley?

H: I don't want to emphasize really, or over emphasize my participation. My participation, as I recall--

F: But you were part of the total effect.

H: Well, maybe so, but when you say--

F: One brush stroke anyhow.

H: "How I pull out of it," that implies that I had more to do with it than I did. I really wasn't very important to it.

F: You became chairman in '68 of a Committee on Income Maintenance.

H: Yes. Before that we'd had the Committee on Government Organization, which ran from '66 to '67--that was one year. Then in January of '68, I became chairman of the Commission on Income Maintenance program.

F: On this committee of reorganization of the Executive Branch, did you work rather closely with the President on this, or were you given complete independence?

H: In this one I think we really had complete independence. The President had us over to the White House at least twice to my recollection, once for lunch, as I recall it--maybe three times--and couldn't have been more interested. But I think he wanted to see what we were going to come up with. It was after all a very distinguished group and contained many people in whom he had a great deal of confidence, and I don't necessarily include myself in that group. And he was not, I am certain, concerned that this was going to be some totally unrealistic group, given the nature of the group. And in addition I think that, after all, it was a highly confidential group, and he could do with it what he pleased. So he really did on this one pretty much let us go and wait and see.

F: Throughout you maintained confidentiality. If I had depended on press reports I'd never know you existed.

H: That's right. We maintained it, and this was in part also because of the quality of the people that were involved. The only leak that ever came out of that entire committee, even so far as its existence, came from the Mayor of New Haven and I found out that he [?] . That was handled very well.

F: Did you talk with the President about what ought to be done in reorganization?

H: As I say, we had three meetings. We had a staff, which I was permitted to select. We worked for a year and came up--

F: What I'm working toward at this stage is that he has got a third of a century of experience in government, and I wondered whether he had strong ideas on the--

H: He did not express them. I don't think he felt that he needed us to repeat his ideas. This was not intended as a platform or launching pad or a trial balloon. This was intended as something for him.

F: This group could generate its own ideas.

H: This thing was intended for him, and I'm sure that if he had remained in office he would have tried very hard to do something about this. And of course he would have put his own experience and knowledge into it. But I think what he wanted was, from what he regarded as an informed group, their ideas.

F: Who was on the task force with you?

H: It was--

F: Robert Wood was on there, wasn't he?

H: No. Robert McNamara, McGeorge Bundy, Charles Schultze, Kermit Gordon, the Director of Finance of California, chairman of the Political Science Department of Yale, the Mayor of New Haven--I have the list here. There were nine or ten.

F: How often did you meet?

H: We met quite often, and then I met with the staff all the time. We met weekends--Saturdays and Sundays--at least once a month, sometimes more than that. And, as I say, I met with the staff and the staff director constantly.

F: You're into a lot of things in Washington. Did you move down there, or did you commute?

H: I commuted. We have our own airplanes.

F: What do you think happened to the task force report?

H: I know what happened to it. I think in this regard it was given to the President. I was informed that the President was deeply interested in it and included it in his night reading on at least two occasions, and sent for it on several occasions.

After the President left office, I got a request from the White House for the report. I sent it to President Nixon. I subsequently heard from several cabinet officers of the Nixon cabinet, as well as from people involved in other task forces that they had been using it, and it had been very helpful. So I know it has had by now considerable circulation.

F: Did you always find that the White House staff work was adequate insofar as your needs at the White House were concerned?

H: Yes. I regarded it as a very superior staff.

F: Did you run into any great controversy in dealing with them?

H: I never did.

F: Or did you stir up any with your reports?

H: No. While I don't think that a number of the White House staff agreed with the report, it wouldn't necessarily stir up controversy. I'm sure that the White House staff would feel that they saw the President every day, and that we disappeared back into the hinterlands. There was no reason to be terribly controversial about it.

F: Did you present the report personally?

H: My recollection is that at that time we did not. My recollection is that it was given to Joe Califano and through him to the President.

F: Let's move on to income maintenance. I presume there again you have almost an open charge, and that is to look into proposals, no matter how unconventional or far out or impractical, but just to see what can be done. What did you do?

H: First we selected a staff, and then we started to try to find the facts.

F: You must have sometimes almost felt like you were personnel officer for the government.

H: I don't know about that. But after we found the facts and held hearings around the country and developed staff papers--working papers--we met to develop the report. Now of course in the middle of this, President Johnson left office.

F: It was carried over into--

H: So it was carried over into the new administration, and after some question by the new administration, they continued it.

F: Do you think the current welfare plan to some extent is an outgrowth of this?

H: We know it is. The White House used our material. They were anxious to anticipate our report. They didn't want a Johnson commission report coming out first, so they anticipated it. But we, with my approval of course, made available to the White House the material as we were going along--the new White House--and they did come out with their report and anticipated ours, using much of our material.

F: You've had a senator from Illinois named Everett Dirksen among whose stands, but not consistently--he switched positions on the civil rights issue, most particularly open housing, when you were one of the business leaders urging open housing. Did you ever have any contacts with Senator Dirksen?

H: Yes, I did. The senator and I, although we were on opposite sides of the fence, were reasonably good friends--as a matter of fact, quite good friends. And in connection with that, I did talk to him on one occasion--only on one occasion. I would not want to say that I was instrumental in changing his mind at all.

F: At the time you talked with him, what was his position?

H: At the time I talked to him, his position, as expressed to me, was that he had an open mind, but that did not necessarily mean that he had it either way because he would be very apt to say that anyway.

F: So that at that stage then he could have gone for open housing or gone against it.

H: That certainly is what he said to me.

F: You never saw any signs yourself of President Johnson working with him?

H: I had only one conversation with Senator Dirksen on this subject. It was a telephone conversation that lasted for about fifteen minutes, and that was the extent of it, as I now recall it.

F: Did you get any opportunity, in the midst of this income maintenance study and your other welfare interests, to see the relationship between President Johnson and Sargent Shriver?

H: Yes, I did.

F: Do you want to tell us a little about that?

H: In the fall of 1966 and the winter of 1966 and '67 I was seeing a good deal of Sargent Shriver as chairman of the President's Committee on Government Organization, as we called it.

F: Why would you have been seeing him?

H: Because one of the first matters that the President asked us to take up out of order was what should be done about OEO. So we studied and reviewed OEO very carefully and made a special report to the President on OEO, my recollection is, in November or December of 1966, yes. And Sarge Shriver came over to discuss it as a witness. He came out to Chicago to see me personally to talk about it. He had dinner and spent the evening at my house with me. And I was

aware through him on the one hand, and through the White House staff on the other, about the fact that he was unhappy and constantly threatening to resign.

He would tell me that the President constantly identified him as a Kennedy man. On the other hand he would say to me, "All the Kennedys regard me as disloyal because I'm staying in the Administration." You must keep in mind that Sarge Shriver and I had known each other for many years, both in Chicago and elsewhere. On the other hand, I was hearing from staff that he was constantly trying to blackmail the President with resignations or threatened resignations and this kind of business. And I'm aware that around Christmas time of '66 that he did go down to the ranch, that he did threaten to resign, and that the President in effect accepted the resignation and Sarge crawled down and in effect withdrew it. So I'm aware of this.

F: Did you find, so far as you could tell, that Sargent Shriver did give pretty absolute loyalty to the administration?

H: I believe that he did.

F: Do you think the President was aware of this?

H: I don't think the President thought so. Now, when I say loyalty to the Administration, I mean loyalty to the Administration and to the job as against the Kennedys. I happen to think Sarge is basically loyal only to Sarge. But that's a separate question than whether he's disloyal to the President and loyal to the Kennedy group at that time.

F: Of course when he has got a job to do, he does it.

H: Exactly.

F: And whatever his purposes, he gets on with what he's there for.

H: I felt that he did not at any time try to sabotage the administration or Lyndon Johnson or carry tales back to the Kennedys or any of this. I don't think he ever did any of this.

F: Did you find, so far as you could tell, that their working relationship was effective?

H: No. The working relationship of Sarge and the President was terrible.

F: Why do you think Sarge stayed on?

H: Ambition. No alternative. It was convenient at hand. He wanted to remain in the public view.

F: This was the best forum he could get.

H: At that moment. I think I ought to say that when he came out to see me in that--I've forgotten whether it was December '66 or January '67; I think it was November or December of '66--that he also was anxious to talk to me about the possibilities of his running for Governor in Illinois in '68. So that I feel that he stayed on, as I say, for reasons primarily that he didn't have a good alternative that would still have been in the public eye.

F: Did you ever get the feeling that he thought that Johnson's declining popularity was in a sense wrecking his chances as a future Democratic candidate?

H: He may have thought so, but he never said it to me and I have no knowledge that he did think so.

F: Did you ever talk with him about his ambassadorship to France?

H: No, I did not.

F: So you don't know how he regarded that?

H: I do not.

F: Thank you, Mr. Heineman, very much.

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By Ben W. Heineman

to the

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In accordance with Sec. 507 of the Federal Property and Administrative Services Act of 1949, as amended (44 U.S.C. 397) and regulations issued thereunder (41 CFR 101-10), I, B.W. HEINEMAN hereinafter referred to as the donor, hereby give, donate, and convey to the United States of America for eventual deposit in the proposed Lyndon Baines Johnson Library, and for administration therein by the authorities thereof, a tape and transcript of a personal statement approved by me and prepared for the purpose of deposit in the Lyndon Baines Johnson Library. The gift of this material is made subject to the following terms and conditions:

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