INTERVIEWEE: JOHN A. SCHNITTKER (Tape #1)

INTERVIEWER: T. HARRI BAKER

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- B: This is the interview with Mr. John A. Schnittker, the Under Secretary of Agriculture. Sir, would you start by outlining your career up to the time of your appointment as Under Secretary here?
- S: Yes, I grew up on a farm in Central Kansas, west of Wichita--a wheat and livestock farm--and lived there until I was a young man; went off to college at Kansas State University where I studied agricultural economics, and agricultural subjects generally. Then I managed a ranch in Central Kansas--Salina, Kansas--for a year in 1950 before going into the Army during the Korean war. I served a year in the U.S. and a year in Korea, as a lieutenant in the infantry. Then I came back and after a few months of resting in 1953, I began graduate school, earned my master's degree at Kansas State University in 1954, and went immediately to Iowa State University for a doctoral which I finished in 1956.
- B: That was in economics?
- S: That was in economics with my research work done in agricultural areas.

 Then I was on the faculty as an assistant professor at Kansas State

 University from 1956 through 1958. I spent half of 1958 and half of

 1959 on the staff of the Council of Economic Advisers in Washington

 during the Eisenhower Administration.

Then I went back to Kansas State University as an associate professor in the fall of 1959. At that time I was partly politically motivated because I left the government principally to go back and get interested in the John F. Kennedy campaign for the 1960 Presidential

- nomination. With a number of Kansas people I did take part, to some extent, in the campaign-which I can elaborate on later.
- B: I'll ask you later.
- S: Then in February 1961, after Secretary Freeman had been named to head this Department, I was brought in as an economist working directly for Dr. Willard Cochrane who was the chief economist and the chief economic adviser to Secretary Freeman.
- B: And then you became Director of Agricultural Economics in '64, did you not?
- S: Yes. After I served in that staff capacity for about three years,

 Dr. Cochrane left the Department. I became Director of Agricultural

 Economics at that time, served in that position for about a year.

 And when Charles Murphy went to head the Civil Aeronautics Board,

 I was named Under Secretary in April of 1965. I've been Under

 Secretary since that time and expect to finish out until January 20.
- B: Now sir, about your background in political activity, you said you began in '59 to work on the John F. Kennedy campaign for the nomination for the Presidency.
- S: Yes. I had always had a bit of a political interest. I minored in political science, for example, during my graduate studies at Iowa State University. Then I came to know several of the Kennedy staff people when I was in Washington in 1958 and 1959.
- B: Did your work with the Council of Economic Advisers bring you in touch with then-Senator Kennedy's staff?
- S: No, it didn't. I got in touch with these people rather accidently by meeting people at social and other occasions. There were two persons that I met. Mike Feldman and a young politican scientist

named Don Hadwiger who is now at Iowa State University but was on Senator Kennedy's staff temporarily at that time.

I knew that I couldn't take any part in the political activity if I were in the government, and so part of the reason for going back to Kansas after only one year in Washington was to take some part in the political activity.

- B: What attracted you to Mr. Kennedy and his campaign then?
- S: Well, I think his youngness for one thing, and the fact that he seemed to have some ideas--ideas like the Peace Corps, ideas like a rapprochement between East and West, which I thought were important and useful.

 Even while I was in the government, the record will show that I was a rather severe critic of the farm policy say, of the Eisenhower Administration in the Council of Economic Advisers discussions; and I was interested in doing something about those kind of questions, also.
- B: Did Mr. Kennedy in those days have any idea on farm policy?
- S: He did not have much of an idea on farm policy. He had early in his Senate career taken a kind of hands-off policy, "We ought to get out of supporting farm prices and farm incomes." In 1958 and 1959, he and his staff were reconsidering those questions and were coming to quite a different conclusion--after several years in the Senate, and after exposure to several farm bill debates.
- B: Was this reconsideration of an agricultural program deliberate preparation fur running for the Presidency?
- S: I wouldn't be surprised if some of it was. At the same time, it was facing the necessity of having an agricultural program to discuss during the primary and the Presidential campaign.
- B: Did you participate in any of this formulation of policy at that stage?

- S: Not in the very early stages in '58-'59. But later on, in the fall of 1959 and early 1960, I did provide his staff with a few memoranda on agricultural questions. I attended a number of agricultural campaign meetings in the Midwest during mid-1960; and then in September of 1960 during the campaign when the candidate was naming a number of task forces, I was the chairman of a wheat task force which formulated in the fall of 1960 a proposed reform of the wheat price support and production adjustment programs which did become essentially the wheat programs adopted by the Congress in 1962 and in 1963.
- B: I ought to break in here and mention this. Have you done an interview like this for the Kennedy library program?
- S: I have not.
- B: In that case, if you don't object, I think it's worth continuing on along this line. The future scholar will find this of some value, I think.

In addition to your chairmanship of this task force committee on the wheat program, what other kind of activity were you involved in in the preliminaries before the convention in '60?

- S: At the local level I was active with others in my county, Riley County, Kansas, in selecting a Kennedy-oriented delegation. The delegate from our county, Professor Joe Hajda, from Kansas State University--a political scientist--was a Kennedy delegate to the Democratic national convention.
- B: Did you find Kansas at that time receptive to the idea of a Kennedy candidacy for the Presidency?
- S: No, it was a rather bitter struggle even within the Democratic Party.

 There was partisans there of Mr. Johnson, Senator Symington, and

Senator Kennedy. And eventually Kansas, even at the Los Angeles convention, had a deadlock. Kansas was unable to cast its vote at the convention. And Wyoming put Senator Kennedy over the top before Kansas could finish its caucus.

- B: Were partisans of Mr. Johnson and Mr. Symington actively campaigning at the precinct and county conventional level?
- S: Oh yes, they were.
- B: How was that campaign conducted--that is, the campaign for delegates?

 Did bitterness develop out of it?
- S: No, I don't think there was bitterness. But it was conducted very much on a personal basis. Ted Kennedy came into the State; Senator Robert Kennedy came into the State; and a lot of workers were picked to travel the State. Partisans of Senator Johnson and Senator Symington were also named. As I recall, Kansas Congressman J. Floyd Breeding was the chief partisan of Senator Johnson. I've forgotten who was the head of the Symington forces.
- B: Did any of the major figures themselves come to Kansas--Kennedy or Johnson?
- S: Yes, I think they all came to Kansas. In the fall of 1959, even before they had made formal announcements of candidacy--I know Senator Kennedy was in there two or three times in the fall of 1959.

 And I recollect the others being around the State or in Kansas City, Missouri, at about that time.
- B: Kansas does not have a primary, does it?
- S: It does not. It doesn't have very many electoral votes. It has very little chance to carry the State for a Democratic candidate. This was an effort to capture convention delegates.

- B: May I ask at this stage of the game--I assume that you consider yourself a Democrat.
- S: Oh, yes, I'm a Democrat.
- B: It's a silly kind of question, but I sometimes have to ask just silly ones to get them on the record--how come a Democrat comes out of a Kansas farm background?
- S: Well, I grew up in a community in Kingman County, Kansas, which was almost entirely Catholic and, since 1928, almost entirely Democratic. This was Kingman Township, the St. Leo Parish, mostly second generation German immigratns who were almost always Democratic anyway, who went very heavily for Al Smith; and when Roosevelt ran, the township generally ran about ninety-five to five Democratic. It's still that way.
- B: Are you a Roman Catholic yourself. sir?
- S: Yes.
- B: Did you go to the Los Angeles convention?
- S: I did not.
- B: What was the reaction among your group--yourselves and those people who were working with you for Kennedy in Kansas--when you heard that Lyndon Johnson was going to be the Vice Presidential candidate?
- S: My reaction was very favorable. I was surprised, but favorably surprised.
- B: May I ask were you surprised that he was offered the position, or surprised that he took it?
- S: I was surprised that he took it. I was not surprised that he was offered it, because--well, I think I know the critieria for picking a candidate. He must be capable of being President and add to the

- ticket, and Johnson met both of those requirements.
- B: Prior to the convention down at the local level, had possible Vice Presidential candidates been discussed? I mean, had Mr. Johnson been mentioned?
- S: I think that was too remote at that time.
- B: Had you know Mr. Johnson before this time?
- S: No, I had never met Mr. Johnson. In fact, perhaps the most surprising feature of this whole relationship is that I was never introduced to the President until I was named Under Secretary.
- B: I notice that you had at one time been a consultant to the Senate

 Committee on Agriculture and Forestry. You had not run into Mr. Johnson
 then?
- S: No, I did not. I of course had seen him; I had seen him operate in the Senate. But I did not meet the President until the day I was named.
- B: Had you formed an opinion of him from a distance by 1960?
- S: I had formed an opinion of him as an effective leader, but this was always from a distance.
- B: Had you known Mr. Freeman before 1960?
- S: I met Mr. Freeman in mid-1960 during the course of campaign functions.

 Then I really had my first serious contact with him the day he was named Secretary of Agriculture in mid-December. I happened to be in town delivering the wheat task force report to Ted Sorensen and Mike Feldman, and we met in Senator Kennedy's outer office.
- B: Did you participate actively in the '60 Presidential campaign--that is, after the convention?
- S: Not very actively. Others were on the full time staff dealing with

agricultural questions. They were sometimes in touch with me asking for questions or views, but I was not active in great--I was active at the precinct level. I was a precinct committeeman, but it didn't take a lot of my time.

- B: Did you carry your county for Kennedy?
- S: I did not.
- B: Why not?
- S: Well, first of all, it's about a two-to-one Republican county. I don't think Roosevelt ever carried it.
- B: During this, did you have any idea that you were putting yourself in a position to have a job in the new Administration?
- S: Yes. As 1960 moved on and I was chairman of this wheat task force--and wheat was in a kind of crisis situation with nearly a billion-and-a-half bushels stored up--a real surplus crisis of wheat and other commodities-- it became clear to me that I might be asked to help, and I did nothing to discourage this.
- B: How is that made clear? Is it that in the conversations you have with Kennedy staffers, the conversations are conducted along the line of, "When we get in, we will do this, "and you just assume that you're included in the "we"?
- S: Surely. "When we get in, we've got to move fast on wheat," or,

 "We've got to move fast on feed grains and cotton." One simply

 knows that if you've been consulted on these questions in the

 preceding months and your ideas have not been rejected, but have been

 to a small extent woven into the fabric of the discussion in the

 campaign, that it's likely that you may be called upon.
- B: Did you have your choice of positions?

- S: I think the answer to that is no. I had calls after the election saying, "Would you be interested in this, or that?"
- B: From whom would calls like that come?
- S: Calls like that came from Congressman Floyd Breeding and from some people who had been working on the Kennedy staff, notable Dr. Cochrane whom I mentioned earlier. Cochrane had been the chief agricultural adviser to the Kennedy campaign. And I talked on the telephone with these people. But the main option was to be a member of Cochrane's staff, which I eventually accepted.
- B: Is there any connection between the fact that Floyd Breeding who was, as you described, the Johnson man in Kansas before the convention is now making recruiting calls for the Kennedy-Johnson Administration?
- S: Is now making?
- B: Well, at the time you just described--when the Kennedy staff was being assembled. Is that just because he was the Kansas Congressman?
- S: The main reason was that Floyd Breeding was the only Democrat who survived in office in the 1960 election.
- B: That's a good enough one.

So you were offered eventually the position on Dr. Cochrane's staff in the staff economist position?

- S: Yes.
- B: Which I gather is a position that is pretty close to the Secretary's office.
- S: Yes. The staff economist group was only three or four men working directly for Dr. Cochrane and really directly with the Secretary--a kind of bridge-building group. We have a number of professional economists doing research work in the Department. There has sometimes

in the past been a reluctance to have these people working directly with the Secretary, getting professional economists and political officers linked. This staff economist group was created as a bridge--a policy bridge to the Secretary.

- B: Would you say that agriculture was one of the main areas of interest and emphasis in the Kennedy Administration?
- S: No. It was one of the least. Just taking agriculture--now, if one takes the programs which this Department administers, including domestic food programs, like food stamps, like direct distribution--
- B: I was going to try to make the distinction later between the agriculture action programs—the various commodity programs—and what are now really sort of parts of the overall poverty programs. But in the commodity area itself, this sort of took a back seat?
- S: Yes, it did, and I think properly so. Agriculture got as much attention as it did in the early months of the Kennedy Administration, mainly because of the surplus crisis. If it had not been for that, there would have been even less attention. But it had to be dealt with, and the first major bill passed by the new Congress—the first major law signed by the new President was the Feed Grain Act of 1961 designed to cut down on feed grain production. The <u>first</u> executive order signed by President Kennedy was an order expanding the distribution of food to the poor by this department.
- B: Did you participate in the drafting procedure on those?
- S: On the feed grain program, yes.
- B: Did you find any difficulty there in getting the Administration to accept the Department's ideas and then in getting Congress to accept the Administration bill?
- S: In those early days I had a fairly small role in these things. There

- were a lot of alternative approaches inside the Administration, and there was quite a struggle with the Congress.
- B: These alternative approaches and the struggle in Congress, is this based on differing concepts of what the agricultural program should do and whom it should benefit most directly?
- S: No, it wasn't that sophisticated. The difference within the Administration arose from one of these campaign task forces which recommended that the surpluses should be brought in check by a long-term land retirement program like the old soil bank. The staff people who had joined the Department were advising the Secretary "Lean toward an annual approach--one-year contracting of corn, grain, sorghum land out or production." Fundamentally these two are not greatly different, and yet there are differences that had to be examined and decided. And the Secretary decided on the one-year approach as the one most likely to really cope with the surplus crisis. The Congress eventually went along.
- B: Was that decision made by Mr. Freeman? Perhaps I should elaborate upon that. What I'm trying to ask is, was President Kennedy interested and informed enough in these technical agricultural matters to make a decision himself, or in a case like that, choosing between two competing programs, did he rely on Mr. Freeman?
- S: Again, in those early days I was pretty remote from that level. But I'm quite sure that the President knew about it in the end. I think Secretary Freeman very likely made the decision.
- B: Did the Department of Agriculture have much contact with Mr. Johnson--then

 Vice President--during the Kennedy years?
- S: Very little that I know about. I remember that the Secretary and the

Under Secretary occasionally mentioned some interest by the Vice President, but it was very limited and not very often.

- B: Is there anything else about the Kennedy years in respect to agricultural programs that stand out?
- S: I don't think so.
- B: What was your reaction, both personal and professional, as a member of the Department of Agriculture, to Mr. Kennedy's assassination?
- S: My reaction was mostly personal, although I was in no sense a close personal friend of the President's. I had met him a number of times, had been in his office a number of times; and like most Americans, felt very close to him. I was just struck dumb by it.

Immediately, however, we were forced to continue with the business of government, getting the new President and his advisers, staff, acquainted with whatever Agricultural problems there were. I think it's correct to say that there was no break in the governmental process in the agricultural area, just as there was little or none in other areas.

- B: In '64 you became Director of Agricultural Economics--this is the Secretary's appointment I believe, is it not?
- S: Yes, that appointment was made by the Secretary, but the Director had also been a member of the Board of Directors of the Commodity Credit Corporation. I was eventually named to that, and that was a Presidential appointment.
- B: Then in '65 you became Under Secretary, and I believe you said earlier that now finally you're going to meet Mr. Johnson.
- S: Yes. Mr. Murphy had indicated a wish to leave the Department for a number of months. I became aware in March, I believe, of 1965

that there was a search being made for a new Under Secretary. I was advised in early April of that year that I was about to be appointed.

- B: Advised by whom?
- S: By Secretary Freeman.
- B: Had you had an inkling before then that you were under consideration?
- S: Yes, I had had some little inkling of it, but nothing direct. Then on the evening before the appointment, Jack Valenti called; told me to be at the White House at 3 o'clock the next day. These dates are a matter of record. I don't recall exactly what date it was.

I appeared at the White House--

- B: A question here--that is the sole content of Mr. Valenti's call?
- S: Yes. He did not tell me what was going to happen. He did say,
 "I believe you understand what this is all about," and I indicated
 I did.
- B: Yes, I gather you would know.
- S: And so I went, and it turned out that Charlie Murphy came; Alan
 Boyd eventually became--he was Under Secretary of Commerce, I
 believe--appeared; General [William F.] McKee appeared to be appointed
 head of the Federal Aviation Agency; and there were four or five
 others who were being named. I believe this was the first occasion
 when the President announced a group of appointments on a live
 television news conference. This was in the East Room.
- B: Did you know that was going to happen?
- S: We learned about it about 3:30.
- B: Were you expected to say anything?
- S: No. We simply had to stand up when our name was called, and afterwards talk to some of the press privately. But we had no part of the press

- conference other than being identified.
- B: You say you talked to the press privately, you mean, off the record, or did you have some small press conferences of your own?
- S: The local press tended to converge upon us. The Kansas City <u>Star</u>
 man and somebody else approached me from a regional standpoint.
- B: The reason I asked was this. I was wondering about what your opinion was of something like that being conducted so rapidly and being so thrown to the press without any chance for preparation.
- S: You mean preparation on my part?
- B: Yes.
- S: Again, I knew it was coming, and I felt prepared for it.
- B: Did you have on that occasion, or any time very soon afterwards, any private or semi-private conversation with Mr. Johnson?
- S: We had a short private meeting with the President that day--that is, several of the men who were named. I don't recall then when the first matter of business came up which I either took to the President or accompanied Secretary Freeman to the President. But I know we went right to work and very shortly I was seeing the President occasionally.
- B: What did he say to the group of you? Was it just sort of a general pep talk?
- S: I don't recall. I think it was the routine thing to say on those occasions.
- B: Have you had much direct contact with the President since then?
- S: I've had quite a lot of direct contact. It has been sporadic.

 Secertary Freeman travels quite a lot, including occasional travels
 out of the country, and so I have had the opportunity to go to three

or four Cabinet meetings each year when the Secretary was away. We have had to take a number of both legislative and administrative decisions to the President if we couldn't solve all our problems with the Budget Bureau or the State Department, who are sometimes interested in our programs, so these decisions would go to the President.

Sometimes I went along with the Secretary; in his absence I would represent the Secretary.

- B: How do you find him on those occasions? Do you find that he knows you, knows the problem you're presenting to him?
- S: He generally knows the problem I am presenting to him; and I would say after the first twelve months, he began to know me. But since he had never seen me before, it took a little time for him to look over in Secretary Freeman's place and know exactly who was there.
- B: Have you had any social contacts--dinners, parties in the White House, that kind of thing?
- S: Yes, a little. In fact, the very day I was appointed there was a big reception at the White House planned for that night for the new appointees over the past year, and we were immediately brought into that. Then I would say there have been two or three lunches a year, a couple If evening receptions or dinners--Mrs. Schnittker and I were invited upstairs to a Sunday night dinner on one occasion which was very pleasant.
- B: That Sunday night dinner upstairs--is it often that men of the sub-cabinet level participate in those?
- S: I don't know, because these are never publicized. I would suppose that persons in the sub-cabinet who may have been closer personally to Mr. Johnson, or who have become closer personally, may be there

- more often. On this occasion there were Secretary and Mrs. Freeman; Senator [Daniel K.] Inouye from Hawaii, Joe Califano and his wife, Larry [Lawrence] O'Brien and his wife.
- B: What's the conversation like on an occasion like that. That is,
 does it move beyond politics and public affairs into general subjects?
- S: It didn't that evening. This was some time in mid-1966, but before the Congressional elections. There was a good deal of talk of Congressional elections; we talked some about tobacco and cotton problems; we talked about the price of cattle; I think we even talked about the price of soybean meal, which you feed to cattle.

 But it was either political or sort of half-way official and half-way personal.
- B: Is the President any different on occasions like that than he is on strictly business occasions? That is, is there a public and a private Johnson who are different men?
- S: I've heard that there are so many different men, but on this one occasion that I was in that kind of situation, I didn't see a great deal of difference.
- B: What do wives do in a conversation like that?
- S: They looked at pictures, and they did the things that wives usually do. They tended to separate off into women's groups occasionally and had to be mixed back up again.
- B: What's Mrs. Johnson like on such an occasion?
- S: She is very gracious and kind and paid us a great deal of attention to be sure that we were well taken care of; that somebody was talking with us. We went to a move afterwards, and she sat and talked with us during the movie. The President didn't stay long at the movie.

- B: What movie was it?
- S: I don't remember. It was a new movie with Paul Newman in the White House theater.
- B: And the President didn't stay through it?
- S: He didn't stay.
- B: Before I move into specific areas, there are some other general things
 I'd like to ask you about. Do you feel that Secretary Freeman and
 you--meaning the Department of Agriculture--have adequate access to
 the President?
- S: Yes, we do. It is sometimes difficult to get that access. But when we have had a problem that we were determined to take to the President because it was being decided against our wishes, for example, time could always be found. The staff, whether it was Califano, or McPherson, or DeVier Pierson, or of course some others who were there from time to time, has always been very anxious to protect the President from unnecessary conversations and to solve as many problems in the staff offices before going to the President. But then we had a problem, we got there.
- B: Are you being very gentle with the staff? I get the implication that it is possible that the President's staff might be a little overly protective from your point of view.
- S: I've read that and I expect it's true, that staff members on occasion have seemed to assume the duties of Cabinet officers. I don't know whether they assume them or were directed to take them on some occasions. But I've never found that to be a serious problem.

 Whenever Califano or someone else saw that we were determined to see the President, we got to see the President.

- B: You said "when there were problems that were being decided elsewhere"-where would that be?
- S: In trade, for example. The Office of the Special Trade Representative—Governor Herter and later Ambassador Roth were conducting important trade negotiations called the Kennedy Round. Agriculture was a major part of that. We tried to maintain a fairly tough stance to get as much possible trade liberalization for agricultural products. We had disputes; sometimes we took them to the President; we nearly always lost.
- B: These would be inter-departmental affairs then?
- S: Yes.
- B: You did not mean to imply that matters specifically and directly within Agriculture's province would be decided by the staff, say, over there?
- S: No, not by the staff.
- B: You always lost?
- S: That's on the trade matters. We wanted to maintain what we considered a tougher stance toward the European economic community, the common agricultural policy; and generally we lost those fights there.
- B: Could you make a comparison of the Kennedy staff and the Johnson staff?
- S: I wouldn't want to take it very far; they acted very much alike. I think Kennedy was perhaps a little more accessible--that is, that the staff was a little more ready to let you in to talk it over with the President, not just get in to make a presentation and hear a decision. I think President Kennedy demanded less detailed briefings. It just seemed to me that President Johnson insists upon knowing

- many more details than President Kennedy insisted on knowing about a problem to be decided. Just a different way of operating.
- B: Does that reflect just a difference in the men or a difference in their interest in agriculture?
- S: It could have been the latter since President Kennedy's interest in agriculture was very limited, given his background in Boston.
- B: I must ask you what may be a touchy area of questioning. One of the things the future historian is pretty clearly going to find and want to learn more about is the Johnson-Kennedy rivalry that has been so much booted around in the public press. Did you ever get the impression that Mr. Johnson looks differently upon Secretary Freeman and yourself by virtue of identifying you as Kennedy men?
- S: I never had that impression and have never seen anything like that with respect to others.
- B: He, of course, has maintained Secretary Freeman in office and appointed you, which must say something about the problem, I guess.
- S: And beyond that, he didn't fire me in the spring of 1968 when I announced that I would favor Senator Robert Kennedy for the Presidency.
- B: That's the next question I was going to ask. What happened there in the spring of 1968?
- S: The President announced on March 31 that he would not stand for reelection. Secretary Freeman left the next day for a mission to Japan, and I took his place at the Cabinet meeting on the Wednesday following the announcement--April 3, I believe. The President gave the Cabinet a detailed explanation of the reasons for his decision and his announcement of the previous Sunday night.
- B: Would you summarize those?

S: Those are a matter of record, I think. He talked about the Viet Nam situation; his wish to bring it to an end; his feeling that if he were in a political campaign his options would be limited in trying to get peace talks going. Secondly, he talked about the internal crisis and his--he didn't state this directly, but clearly I think his belief that he himself had become such a factor in the internal crisis--himself and his relationship to the Viet Nam decisions--that it was better for him to make the announcement that he did. Those were the two main factors.

After the presentation he said something to this effect—that he hoped all the Cabinet members and their Deputies would stay and see it through. He also knew that some for personal or other reasons might have to make other arrangements. He knew there was an election campaign coming up. He understood that we may have views on this election campaign. He was willing to talk with us about these things if we wanted to talk with him. Out of that discussion, I got the impression and so conveyed it to Secretary Freeman by memorandum in Tokyo that there was a possibility that we were free to indicate our preferences for a Presidential candidate and to work in some fashion for the men that we would support.

- B: Did you discuss this with other people who were present at the meeting--that is, was that impression general?
- S: I did not discuss it. I tried to discuss it with several people,
 but they were so busy on their own activities that they never answered
 my phone calls. These were Cabinet officers. But I did notice
 that Secretary Wirtz went to lunch that day, after the Cabinet meeting,
 with the Vice President. The next day Secretary Wirtz announced

Presidential nomination. Within days, Mr. Wilbur Cohen announced for Senator Humphrey; a week later when Secretary Freeman returned from Japan he held a press conference announcing his support for Mr. Humphrey; a number of Assistant Secretaries, including John Baker, indicated publicly that they would support the Vice President. It was about that time that it became known that I would support Mr. Kennedy.

- B: Did you and Secretary Freeman discuss your respective stands in advance of your announcements?
- S: Yes, the morning that he mentioned to me that he was holding the press conference to announce his support of the Vice President, I told him that I was for Senator Kennedy; that I had been doing a bit of work for him in response to requests—
- B: I had better add in the record here that you mean, of course, Senator Robert Kennedy.
- S: Senator Robert Kennedy, that I had been doing a little work for him as he had made requests to me, and that I intended to let this become known publicly. Secretary Freeman said that he wished I would not make it known publicly; and I told him that to keep it quiet would, I thought, give the wrong impression.

So a few days later it had become known through the Kansas City <u>Star</u> that I would support Senator Kennedy.

- B: What was Secretary Freeman's reasoning? Was he afraid that people would suspect dissension within the Department?
- S: I think that was the prime consideration, and that's the only one that I know of.
- B: Did he try to convert you politically?
- S: No. He asked me why, and I responded, but I'd prefer not to make

those a matter of record.

- B: During this time you said you were discussing things occasionally with Senator Robert Kennedy. Did, at that time, you get any impression of Senator Kennedy's views of President Johnson and President Johnson's attitude toward Senator Kennedy's candidacy?
- S: None at all from either party. I saw Senator Kennedy only once in that period, in April or May--had a long conversation with him at his house. I worked with his staff people a great deal on the telephone in response to letters and so forth. If there was animosity, they weren't making a career out of it.

President Johnson spoke at that Cabinet meeting on April 3 of having briefed Senator Kennedy that morning, and gave the impression, you know, that Senator Kennedy, he thought, had as much chance to stand for the Presidency as anybody else.

- B: Was it the impression among people like yourself, and others in the government who were interested in the campaign, that President Johnson was really going to stay neutral even in the primary campaign?
- S: From those early remarks, it appeared that that would be the public stance. I was never sure of this however. In fact, I doubted it.

 I felt that surely he would be helping the Vice President.
- B: The exact chronology of your announcement for Mr. Kennedy--did you not send the President a memorandum stating your intention to announce?
- S: Yes, I did. I don't recall just the exact dates of this, again, but it was about the time or perhaps a day or two after Secretary Freeman's statement, I sent the President a memorandum saying that I intended to let it be known that I would support Robert Kennedy.
- B: How soon then after the memorandum did you formally let it be known?

- S: Oh, I believe certainly within forty-eight hours. I timed the two to make it in effect a <u>fait accompli</u>, an accomplished fact.
- B: I was working very gradually up to that question.
- S: I advised the President that I was letting it be known publicly.
- B: But, as I recall the timing, the President must have been reading the memorandum just about the time you announced.
- S: It wasn't quite that close, but it was fairly close.
- B: Were you afraid that the President might somehow or other stop you?
- S: I didn't really anticipate it. From the discussion at the Cabinet meeting, I had the impression that we were free to do this. But about that time--that week--there had begun to appear some signs that the President was about to blow the whistle. And as it turned out, he blew the whistle right after the word came out on my support of Senator Kennedy.
- B: What sort of signs?
- S: I've forgotten just what it was. It was either some informal conversation after meetings with White House staffers, or telephone calls from White House staffers to Cabinet officers. I had no direct signs, but I heard of some of these; that there was doubt as to whether Mr. Wirtz, Mr. Cohen, and Mr. Freeman had been following the right interpretation of the President's statement.
- B: Did you receive any direct or indirect repercussions?
- S: Oh, I had a call from the President just after the story had appeared on the wire from Kansas City, saying he hoped I wouldn't carry it any further and make a big thing of it. He just told me directly that I got it wrong at the Cabinet meeting and that all the others had, too.

- B: Was he angry?
- S: No, he wasn't angry. He was patient. Well, he may have been angry, but he didn't show it.
- B: Did not--shortly, after your announcement; that is, the chronology would have been Secretary Freeman's announcement, then yours--then Assistant Secretary of Agriculture John Baker announced shortly after that? Isn't he the one that prompted the blowing of the whistle?
- S: I do not believe that to be correct.
- B: I was wondering if he got more wrath from the President than you.
- S: He may have, but only because he was in town--I was about to leave
 Washington and had a very brief conversation with the President in midafternoon, and flew off to the West. Then it sort of blew up about 5
 o'clock I think, on the basis of some news stories on the wire. And I
 think Mr. Baker had another direct call.
- B: Was your leaving town just a coincidence, or was that similar to the timing of--
- S: Just a coincidence. I had a speech scheduled in Western Kansas and was on my way to give it, stopping off at Indianapolis.
- B: Did you then after all this participate actively in Mr. Kennedy's primary campaign?
- S: No. The President said that if we wanted to participate actively, we would have to leave the government. I decided at that time not to leave the government, so I took no further active part in it.
- B: Did you communicate your decision to Senator Kennedy?
- S: Not directly to him, but I did call the people I had been working with--Ted Sorensen and Peter Edelman, primarily--and told them what had happened. They already knew what had happened, so I was out of

it from then on.

- B: Is that far enough in the past for you to be able to evaluate that whole episode? That is, do you feel that the President was behaving correctly as President and politician, or do you feel that people like yourself should have been allowed to take a more active part?
- S: I think it could have been done either way. I did not disagree with what I understood him to say at the Cabinet meeting I thought that it was possible for some people in the government to work for Senator Kennedy and some to work for the Vice President—if he announced later on, as he did—and still conduct the government's business. The President apparently—when he saw it happening at least—didn't agree with that, or thought it might get out of hand, and so he stopped it. But I personally think it could have been done the way it started out.
- B: You feel distinctly that there was a change of mind in there-that you didn't just misinterpret the Cabinet meeting, that that is what he meant and that he changed his mind later on?
- S: No, I don't rule out the possibility of misunderstanding.
- B: It would have to be a pretty widespread misunderstanding.
- S: Yes. I find it hard to know why the whistle wasn't blown when

 Secretary Wirtz and Secretary Freeman and others made their announcements.

 It was only after my announcement that it was blown. But I don't rule out the possibility of all of us having misunderstood. The President, you know, may not have come to grips with it until it had gone a certain distance.
- B: And presumably the whistle being blown after your announcement is really nothing particular about you, but just the sum total of

- activity by that time?
- S: Yes, although a lot of people interpreted the timing as meaning that one could be for others but not for Senator Kennedy. I interpreted it that way. Many people have expressed that interpretation.
- B: Did the Kennedy staff people feel that way?
- S: Yes. They look upon it as a kind of an experiment that failed. When the Kennedy people first approached me, I think in early March, to provide some assistance--professional guidance, advice on agricultural questions-- and I wanted to do it, I thought I should leave the government. They thought otherwise. They thought that advice to candidates would not be incompatible with staying in the government, and so I stayed.
- B: And so the experiment you mentioned was an experiment in effect to see if President Johnson would allow fairly high government officials to participate actively not only in campaigning, but in Senator Kennedy's campaign?
- S: Yes. And, again, I wasn't really thinking so much about campaigning as advising on issues.
- B: I might as well ask here now--are you still a Kennedy man? What happens to them? Are the Kennedy people in somewhat disarray now politically?
- S: I'm not engaged very actively in political discussions--seriously in political discussions of any kind since the Kennedy assassination.

 I took almost no part in the campaign this summer and fall. To my knowledge there is nothing particular going on with respect to the Kennedy people, as you put it, at this time.

- B: Is that the wrong phrase? Is there a preferable one?
- S: No, that's the way it's commonly used--Kennedy partisans, Kennedy people, Kennedy supporters. It's too soon--too early after the election and the assassination--to begin planning for the next round. But I continue to be interested in the next round as I think many other people do who have been interested in Kennedy campaigns in the past.
- B: You don't intend to retire?
- S: No.
- B: Sir, I see we're just about close on that time limit.

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INTERVIEWEE: JOHN A. SCHNITTKER (Tape #2)

INTERVIEWER: T. HARRI BAKER

November 21, 1968

- B: This is the second of two tapes in the interview with Under Secretary Schnittker. You said you wanted to add so ething to your previous remarks, sir.
- S: Two additional points on the timing and the meaning of certain actions with regard to the President's announcement of March 31, and my relationship with the Senator Robert F. Kennedy campaign for the Presidential nomination. I indicated earlier that Ted Sorensen had called me a day or two after Senator Kennedy announced for the Presidential nomination, and he said simply, "Can you help us?" I said I wanted to help, but I wasn't sure that I should. And it stayed like that for several weeks. Then a few weeks later, President Johnson made his announcement, and then I immediately said to the Kennedy staff people, "I will help." I wasn't sure just what circumstances I would help. I was prepared to leave the government to help if that seemed to be necessary and was the right thing to do.
- B: The difference in your mind then was that after President Johnson's announcement, you understood that you were no longer working for an active candidate?
- S: Yes. I wanted to be sure in this record that I didn't give the impression that I was helping Senator Kennedy while President Johnson was presumably still a candidate for the Presidency.
- B: I'm glad you clarified that, although I think that was the impression in the original thing. But there's no harm in getting it down precisely.

- S: One point more then on the question of whether I was singled out because I was supporting Senator Kennedy. Joe Califano called me on the day that the President decided that these actions by Cabinet and sub-Cabinet officers were going too far and said that all of this activity would have to stop. I asked him if this was an even treatment for all the people involved. I wanted to be sure that I was not being singled out. He assured me immediately on the telephone, and he called me again as I recall in Phillipsburg, Kansas, the next day--I was there making a speech--and told me that he had again talked about this with the President and that this policy was general; that all the Cabinet officers and sub-Cabinet officers had been called or seen and had been given the same message.
- B: Was that first call from Mr. Califano immediately after you announcement?
- S: Yes. The announcement appeared in the Kansas City Star on, I believe, a Thursday or Friday morning—the day of the events, in any case.

 The President called me early in the afternoon of that day, the memo having been sent the day before, but he apparently hadn't seen it until that morning. I left town then that afternoon, stopped in Indianapolis to have dinner with the head of the economics department of Purdue. Califano reached me at the airport where I was having dinner with this professor and then again the next day in Phillipsburg, Kansas.
- B: To move into Agriculture policies, first of all, has there been any difference in general policy between the Kennedy and the Johnson Administrations?
- S: I don't think there has been. We have done somewhat different things, because the situation was different. But basically what Secretary

Freeman had laid out in 1961 through '63, that the Congress had passed bills, amendments to old acts, sometimes on an emergency timetable, sometimes for a one-year period--these were then brought together a little more into the 1965 Agricultural Act.

- B: The different situation you mentioned--is this mainly in relation with Congress?
- S: No. The different situation is in relation to the size of the surplus and the urgency of getting something done. The [Ezra Taft] Benson years, to go back a little--during the Eisenhower Administration when Mr. Benson was Secretary, there was a real impasse between the Executive branch and the Congress. Mr. Benson wanted to sweep away the farm programs. The Congress was determined not to let them be swept away. Neither side could gain a real vantage, and so the old laws of the '30's generally remained in effect, but they were not effective. The cotton surplus build-up, the corn surplus, the grain sorghum surplus, the wheat, the milk surplus--and in 1960 and early '61, these surpluses reached a kind of a crisis. The storage was all filled, even the cold storage with butter was all filled. We were spending \$1,000,000,000,000 a year to own and store and maintain the surpluses.
- B: Obviously, one of the main drives was to reduce the surpluses, but beyond that, was the thinking toward a whole new agricultural policy?
- S: No, not so much the latter. Secretary Freeman and President Kennedy had to cope with the surpluses and do it fast. But that job was pretty well in hand by 1964 when President Johnson first gave attention to agricultural policy. So the feed grain program, the wheat program, the cotton program, which the Congress had passed on

a one-year basis in '61 or '62 or '63, had been in operation, had had some effect in pulling down the surpluses. And by 1964 we were in a position to think about bringing these together, ironing out differences, making the programs more similar to one another where that could be done--in effect, codifying the agricultural policy.

Now there were certainly some differences in what I would call the Kennedy-Johnson-Freeman policy, dating from 1961 through 1968. There were major differences from the 1930's and the 1940's and '50's. One was to rely more on voluntary production adjustment by farmers—that is, turning from the old mandatory acreage allotment programs where, if a farmer planted more than his acreage allotment of cotton or wheat, he was assessed a cash penalty. The approach in the '50's was to provide direct payments to farmers in order to attract them into these programs, to give them an incentive to reduce acreage instead of a penalty if they didn't reduce acreage. That's one important difference.

The second one was that through the '40's and '50's, the price support programs of this Department had maintained agricultural prices in this country for the major commodities well above world levels. Our cotton was priced at thirty or thirty-one cents per pound, but the world price was twenty-one or twenty-two cents per pound. We had to pay a very big export subsidy out of the Treasury to sell a bale of cotton in world markets. The same thing was true in wheat and corn and several other major products.

This Administration, starting in 1962 but completing it about 1965, moved the wheat, the feed grains, and the cotton programs from what had been called "high price supports" into competitive world

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market level of price supports, supplemented by direct income payments to farmers. That's the second important change.

The third one, which I attribute mainly to Secretary Freeman, was in the amount of administrative discretion the Congress would give the Secretary. Secretary Freeman built up an amount of trust with the leadership of the Congress, a confidence by the Agricultural leadership which made it possible for us to get more administrative discretion to set acreage allotments, price support levels, than previous Secretaries had generally had. Now, this is very important. In the past too often the Congress has set rigid price supports on minimum acreage allotments, and then they found they couldn't change them, but the program wouldn't work. So the old 55,000,000 acre minimum wheat allotment, the old 16,000,000 acre minimum cotton allotment, were really basic causes of the cotton surplus and the wheat surplus problems of the '50's. We've gotten away from that, but it's, I think, really a personal tribute to the Secretary and his relationship with the Congress.

- Involved in this moving toward a new policy, was there any element in your thinking of revolt from the farmers or the landowners? For example, the rejection of the wheat referendum there in the early '60's?
- S: That was important. The 1962 Wheat Act under which the '63 referendum was held was a mandatory program in terms I described earlier. But the farmers voted, and they turned down that mandatory approach.

 That required the President and the Congress to make a choice; we could either have no programs and unlimited production and no price supports under that approach, or we could go back to the Congress with

another approach. It was decided to go back and try the voluntary approach where direct payments, partly in the case of wheat out of the Treasury and partly paid by the processors of wheat, those direct payments would be the incentives to the farmers to hold their acreage down to certain levels. That was a very important factor.

- B: Before all this gets to the stage where as expressed in the President's Message on Agriculture or the subsequent Food and Agriculture Act of 1965, who gets involved in shaping this policy precisely? Granted, as you say, there was a general movement in this direction in the Kennedy years. By '64 and '65 exactly how was this policy put into shape to present as legislation?
- S: It varies as personalities vary. But in the early years of the Johnson Administration, Willard Cochrane was the chief economist—Director of Agricultural Economics—I and several others were on direct staff. Typically, during the late summer of the year, the Secretary would have said to Dr. Cochrane, "We have these programs which are running out next year," or, "these programs which aren't working just right. Get a group together of your staff and the agencies, which would administer the program once it was enacted into law, and work out some options. Consider the alternatives." That kind of work was going on all the time, but it tended to be more intensive in the late summer and fall as we got ready for budget and legislative program the next year.

These then would come to the Secretary in September or October, would be discussed here--often advisory committees would be brought in. We had in those middle years through 1964 a National Agricultural

Advisory Commission, Presidentially appointed. We had commodity advisory committees appointed by the Secretary. We would bring these people in, sometimes we would go out to them. In the fall of 1963--

- B: These are from the private and the academic sphere?
- S: Private--farmers, trade, academic. Secretary Freeman made a series of appearances across the country in late 1963--we called them "report and review sessions"--in which he threw out these alternatives to farmers in large mass meetings, and sometimes submitted to questions for three or four hours in a single meeting before a huge audience. We found these very valuable to get public opinion. But after all of that study here and a certain amount of formal and informal consultation with the farmers and the public, then we generally got together in the Under Secretary's office--then Charlie Murphy--with the economists, the operators--by that I mean the people who run the programs, ASCS in this case--our general counsel's office, and very often the Legislative Liaison--Mr. Birkhead at that time.
- B: That's USDA's Legislative--
- S: USDA's Legislative Liaison; and began working on the features we were going to select out of these various alternatives.
- B: Up to this point, has this activity involved consultation with the
 White House staff, or with Congressional committees, or is it still
 solely within the Department here?
- S: It typically would not have involved consultation with the White House or with the Budget Bureau on a formal basis. But there's always a carry-over from the past. We may have been going through this staff operation because the cost of the existing programs was too high, and the Budget Bureau had told us it was too high-or because the President

in the case of the wheat referendum situation, was very--this was President Kennedy at first--was very uneasy about the shock to the Plains and the Midwest in 1964 if we had actually no wheat program of any kind.

And so these signals were being transmitted all the time.

Again, from the standpoint of Congress, we had passed three feed grain programs through the Congress by 1964. Congress had enacted the 1962 Wheat Certificate Program, which the farmers turned down.

We knew the Congress was agreeable to this kind of an approach, but we had to make some amendments in getting ready to turn it to a voluntary basis instead of a mandatory basis, which the farmers had rejected.

So, typically, by this time--by the time we sat down here with Charlie Murphy to draft a bill--there had not been formal consultations with the White House or with the Congress. We just knew from past experience approximately what we could do with those agencies and groups.

- B: Does all this apply specifically to the drafting of the Food and Agriculture Act of 1965?
- S: Yes. I would have to look at the record to see just when that began.

 Those records are available.
- B: I realize that you were still the Director of Agricultural Economics while that was going on.
- S: But I was involved directly, intensively, in all the drafting of the Agricultural Act of 1965 as chief economist. I don't recall that any of those decisions had to go to the White House at a very early stage. We were bringing together, as I said, the individual acts

- from the past. It was to a large extent a drafting job by that time.
- B: So there was no specific direction from Mr. Johnson on the details of the Act?
- S: No, there was never any specific direction to my knowledge either on the details or even on the broad principles except, you know, to find price support methods that would work and to get the surpluses down or avoid new surpluses—that kind of thing.
- B: Is it getting to where in a case like that you find the Bureau of the Budget as much of a hurdle as Congress?
- S: The Bureau of the Budget is a very difficult hurdle sometimes. There have been so many competing programs wanting money--needing money--medical, health, poverty. The Bureau of the Budget, usually with some kind of a general directive from the President, has been one hurdle we've had to get across--in other words, to design programs that reduced cost a little bit, or didn't increase it very much.
- B: Does this obtain regardless of who is Director of the Budget? There have been two of them in your tenure here.
- S: I think it has obtained. It has been a little different. For example, in 1964 the Director of the Bureau of the Budget Kermit Gordon went on record in a speech somewhere uptown in Washington as being very much against a continuation of the kind of agricultural price support programs that we have had. His successors, Charlie Schultze and Charlie Zwick, have been just as determined to make us invent and administer good programs, but I don't think they have been personally against them in advance.
- B: This may not be directly related to the subject, but in a time when there has been a great deal of emphasis on urban problems, does the

Department of Agriculture ever get the feeling that it's being sort of left out?

- S: I think people down in the Department do, particularly in some agencies. But around the Secretary's office, we don't. We were having so much expansion in urban related sectors—food stamp, commodity distribution, meat inspection, poultry inspection, a very big interest in the poverty—rural development—area development programs—so that the Secretary's office and some agencies of the Department felt deeply involved. But other agencies, and particularly those administering only farm programs—ASCS—I know felt that they were being left out.
- B: To get back to the Food and Agricultural Act of '65, once drafted was there any special difficulty in getting it through Congress?
- S: Yes, there was a great deal of difficulty, especially on the cotton provisions. And this is the one that I became deeply involved in as soon as I became Under Secretary. This bill, of course had been before the Congress from about February of 1965--hearings and even committee action, by the time I was sworn in on Labor Day, I believe it was, or just after Memorial Day of 1965. But the cotton section wasn't going any place, and it was the one we needed most of all. We had the wheat surplus, the corn surplus, the milk surplus, pretty well in hand and on the way to solution. But for various reasons the cotton program which we had tried to get passed had never gotten off the ground. Cotton surpluses were at an all time peak in 1965.

So we worked on it here in June to redesign something that the Congress possibly would accept and the industry would accept. Then just after the 4th of July in that year, Secretary Freeman and I,

our chief lawyer [John C.] Bagwell, and Mr. [Horace C.] Godfrey, and one or two others spent two or three days almost full time with Congressman [Harold D.] Cooley, Congressman [W. R.] Poage, [Harlan] Hagan of California, one or two others, talking through the features of the cotton program which we were redesigning.

Eventually, with some modifications, of course, we did get a cotton program designed on the same pattern as the wheat and the feed grains program. It has worked. The cotton stocks are down very low, and the surplus is zero in 1968.

- B: To back up, we've been talking in general terms about Congress being a problem. It must be more specific than that. It must be a committee of Congress or indeed individuals on that committee.
- S: Well, it's both, and it's the full Congress too. And it's very different in the House and the Senate. Mr. Cooley and Mr. Poage of North Carolina and Texas, respectively, have been the chairman on the committee during our tenure here.
- B: That's the House committee.
- S: Of the House committee. Senator [Allen S.] Ellender has been the chairman of the Senate committee during the entire eight years.

 The House has been turning a little more urban each election since we have been here, and it has been always a little more difficult to get something through the full House. It has been very uncommon for the full House to approve a major farm bill exactly as the Agriculture Committee has reported it, the House being much less agriculturally oriented than the Senate.

And so while we were working with the Agriculture Committee, made up very heavily of Southerners and farm-oriented people from the

Midwest, we also at the same time had to be working with the urban leadership in the Congress represented by Congressman [Richard] Bolling, Frank Thompson, Neal Smith of Iowa, and a lot of others. In some cases, there was the opportunity to put several bills together—a food stamp bill and a farm bill—one of chief interest to city people, and one of chief interest to farm people, and bring them through at approximately the same time.

- B: Is this about the only way farm bills can get through the full House now?
- S: Yes. It is the only way they have gotten through in the past few years, and I think the chances are very good that even this may run out very shortly. I think any time the urban-oriented legislators in the House decide to do their homework and get a little staff help on how to amend or how to defeat an agricultural bill, they're capable of doing it now--unless there is a major log rolling opportunity.
- B: Has the Department of Agriculture given any thought to sort of a Congressional education program?
- S: We've conducted many Congressional education programs. But when the interests of their constituencies are directly at stake; when it is either more money for food stamps or less money; and when food stamps may be competing directly with cotton price supports, education won't help. I think the city Congressmen are as fair as anyone, but they have a little different set of priorities. And, frankly, with agriculture changing and getting into bigger hands and with the price support benefits increasingly concentrated not among the many, but among relatively few of the farmers, the Congressmen are becoming more and more skeptical. Secretary Freeman has done what I consider

- a remarkable job of educating, lobbying, getting support. We did it mostly on the grounds of getting rid of the surpluses, providing the farmers an equitable break. But with the surpluses pretty well removed, that part of our argument is weakened.
- B: In a case like that--again to sue the act of '65 as a specific example--when you're having trouble in Congress, did you call upon the President to use the powers of his office the powers of party loyalty?
- S: Very rarely was the President brought into the voting on a farm bill. Mr. [Lawrence] O'Brien's or Mr. [Barefoot] Sanders office was often brought into it. But it was only in the last days or hours that the President was brought in. I can't even remember a specific case in which the vote was so close that the President personally was asked to make some telephone calls. I know there were some, because we had a lot of close votes. But generally this was very, very late.
- B: Do you run head counts, tabulations, of how it is going to go and if there is a wavering person who might go on your side, you bring in that kind of thing?
- S: Yes, I'm sure that the President has been asked to make some calls like that, but that would have often simply been handled by the White House Legislative Liaison. We understood that it might be done, but we probably never knew for sure whether it was done or not.
- B: At that, the act of '65 wasn't all you wanted, was it? Wasn't a time limit set on the policy?
- S: Yes, we wanted the 1965 Act to be continuing or permanent legislation, but even so, the Congress cut it back to four years--which was

practically permanent by comparison, because the Congress had been passing one year bills most of the first four years since 1960. We were very pleased with the four year bill.

- B: Didn't you try this year to get either a long range extension or the permanent feature?
- S: We tried in 1968 to get a continuing extension, to make these laws permanent legislation, which of course could always be amended or stopped by the Congress. We got instead a one-year extension.
- B: Is there any relationship between that and the President's withdrawal?
- S: I think none at all.
- B: There's no lame duck effect involved in it?
- S: No. I think that we got a one-year extension is very important for the new Administration. The new Administration some day will have to make a decision on the farm policy. The one-year extension makes it possible for Mr. Nixon to wait at least until late-1968 or even early 1969 [clarify] before he ever is forced to make a major step in agricultural legislation; whereas President Kennedy in order to forestall another year of surplus accumulation had to make that move about the 1st of February, ten days after he was inaugurated.
- B: I'm going to ask you what amounts to a prediction, which you can dodge if you wish. Do you believe that the general commodity program as it's outlined in the Act of 1965 is a sound basis for a permanent kind of agricultural policy?
- S: Yes, I do. Not that it wouldn't be amended, but taking just the basic principles of the act, production adjustment features with a lot of discretion in the hands of the Secretary so that he can have a lot of acreage taken out of production, or he can have little or no acreage

taken out of production, depending upon the situation; a great deal of discretion in price support levels; programs for direct payments to farmers to help support incomes—here's where a major change is just over the horizon.

In 1968 the House approved an amendment to the bill to limit payments to farmers to not more than \$20,000 at the maximum--a number of farmers get very large payments because they have very large farms. This failed in the Senate and was not in the final act. I believe that a major amendment within a year or two will be to limit the benefits available to any single producer. That will be an important change, but it isn't a fundamental change.

- B: No, but it's one that the Department I know has received a good deal of criticism on.
- S: Yes, and we've been opposing it. And here I'll state my own personal position. Even though we have been opposing it, I have been fighting a losing battle inside the Department for about two years, saying that we ought to be in favor of this change. And I think here's one that I'll eventually win.
- B: Again speculation--do you foresee a time when this sort of thing may be removed from Congress except in the sense the Congress just sets broad policy outlines, and that the administrative branch--the Secretary--has even wider discretion?
- S: I think that's possible. It was in fact the very first approach that Secretary Freeman made. In March of 1961 Secretary Freeman went to the Congress with a proposal for an Agricultural Enabling Act. It would have given him broad discretion to operate the price and income support programs for all the major commodities. No

specifics in the law--just a grant of authority. Well that failed. But Congress has, as I said, given him little grants of authority for wheat, for cotton, and so forth.

I can conceive of this broader grant of authority being given, and even being administered outside this Department. There have been a number of proposals to put the price support program into an independent agency of some kind--remove them from politics. Now I personally don't think that will work. But I wouldn't be too surprised if somebody gave it a try in the next ten or twenty years.

- B: Again, to get back to more specifics, in matters of getting the Food and Agricultural Act of '65 through Congress, you mentioned the difficulties with the increasing number of urban-oriented Congressmen.

 Do you not also still have a great deal of difficulty in reconciling the interests of the several farm area Congressmen?
- S: Yes. It is more the farm organizations than it is the Congressmen,

 I would say. But here the American Farm Bureau Federation, very strong
 in the Midwest and Corn Belt, has opposed us in almost everything.

 I think only the Trade Expansion Act of 1962 was favored by this

 Department and the Farm Bureau Federation.

The other major farm organizations have generally favored the approach that we have been taking. But one conflict is between the farm organizations, and a Congressman is confused when the Farm Bureau man comes up and says "Vote against it", and the Grange man comes up and says "vote for it."

Similarly we've had some difficulty in getting the areas to work together. Wheat often feels that cotton is getting the best deal, because there are so many longterm cotton Congressmen.

Senator Ellender on the other hand has often been heard to say in committee that corn is the blue-eyed girl of the farm programs—the one getting the favored treatment. So the regional competition is a very important problem. That has been worked out a lot in the past five years through Secretary Freeman's efforts and the efforts of the farm groups themselves. There has been quite a coalition of farm groups working for these acts.

- B: How much weight does the Farm Bureau carry?
- S: I think the Farm Bureau carries very little weight. We have found that first of all, that the Farm Bureau has not won on very many major struggles over agricultural legislation. They've had some victories, but the coalition of the other groups has won most of the time. The Farm Bureau, of course, is very interested in broader national issues as well as agricultural issues.
- B: Do you have a more exact count than that. That is, do you say around here that there are "X" number of Farm Bureau Congressmen?
- S: No, we don't. We know a few--Tom [Thomas B.] Curtis of Missouri, a very good Congressman, always introduced the Farm Bureau bill each year. And there were a few others that we could depend upon to introduce Farm Bureau proposals, but not very many. No, we don't count Farm Bureau Congressmen; those Congressmen who oppose our programs, we sort of lump them all together.
- B: To move on into another area, I know one of the major activities in the last few years has revolved around the Food for Peace Program-Public Law 480. What has been the major emphasis in this area?
- S: We've had to get it renewed by the Congress several times. I believe it was the renewal in 1966 where the President for the first time

asked the Congress to put into the act a criteria for self-help; that is, that the receiving countries would be urged and even required as a condition of receiving further food assistance to take constructive steps toward improving their own agricultural situation.

The President had begun to do this on an administrative basis even earlier, particularly with some of the Asian countries where they needed grain very badly. We would sometimes successfully negotiate steps in their own agricultural investment in the country as a condition of a further grant of U.S. food systems.

- B: Where did the concept of self-help as a part of the program originate---with Mr. Johnson or with Mr. Freeman or the State Department or where?
- It sort of grew on a great many of us around here. But here's where I think that it can truly be said [that] President Johnson had an important personal role in it. Secretary Freeman began to observe about 1964 or 1965 that we perhaps hadn't been using the leverage that our food assistance programs could give us to help bring about constructive agricultural situations in these other countries. People began to talk about this. But I believe it was President Johnson himself about early-1965 who began using this leverage in order to really help agriculture ministers in other countries who were fighting for financial support for agriculture to buy more fertilizer, to dig more irrigation ditches. This was to a large his [the President's] idea.
- B: Was there any particular area emphasis, that is, outside of generally underdeveloped countries. Did the involvement in Southeast Asia help bring this to the President's attention?
- S: I think India's famine helped bring it to the fore in 1965-66. The

fact that India's grain requirements had been growing. India was taking about 100,000,000 bushels a year in the early 1960's. By 1964 or 1965, even before her big famines, she was requiring 200,000,000 bushels of U.S. grain per year. This increased requirement at our expense was brought to the President's attention and I think had a major effect on his thinking. And then when the famine came along and India needed ten or eleven million tons, which would have been 350,000,000 bushels of grain, then the fat was really in the fire.

- B: When the President want this put into PL-480 by legislation, could it not have been done by simply administrative action?
- S: Yes. But administrators from Presidents on down generally want some support some place else. And so before this was formalized in any continuing sense, the President felt it was necessary--important at least--to ask for Congress's advice on this same question.

Similarly when we were granting large quantities of emergency food aid to India--greater than anyone anticipated--when we took the budget to the Congress, the President went to the Congress twice, I think, with India emergency resolutions so that when he gave another \$150,000,000 worth of wheat to India the Congress was in there supporting him.

- B: Congress was fairly receptive to this self-help idea, weren't they?
- S: Yes, I think it's fair to say that the committees and the members were very receptive to it.
- B: Although Congress in '66 did insist upon adding in the rider that--if

 I'm quoting it correctly--that aid would not be given countries aiding
 to North Viet Nam or Cuba.

- S: Even that was not a new thing. Mr. [Paul] Findley, Congressman from Illinois, had been introducing amendments since about 1963 to make sure that we didn't give any assistance to, say, Yugoslavia or Poland or Bulgaria; and this principle was then carried over to Cuba and to North Viet Nam.
- B: Did the Agriculture Department try to keep Congress from adding that amendment?
- S: We certainly tried to keep it from being added in a form which would have effectively stopped the food programs. For example, one version proposed in the 1965 Act would probably have excluded India from U.S. food assistance, which would have been a disaster for them and would have been very damaging to our farmers because the crops had already been planted to provide next year so food assistance to India.
- B: On what grounds would India have been excluded?
- S: I've forgotten just what it was. I think it was any country which had diplomatic relations with North Viet Nam, or it may have been any country which permitted its ships to land in North Viet Nam.
- B: In this matter of the self-help program--encouraging foreign countries to develop their own agriculture before they get American agricultural aid--I can see a possible conflict of interest here between the State Department and the Agriculture Department.
- S: Yes, there've been some conflicts there, and the Congress comes into this. In the 1950's and early 1960's, the Congress was very apprehensive about helping India, for example, to grow more cotton, feeling that this eventually would shut off our own cotton market.
- B: Sir, again, you said the Congress. Surely, you mean some Congressmen from cotton-producing--

S: The leadership in the Congress, which happened to be from cotton producing States--that is, in the Congressional committees. Later on it came to be observed that when poor countries have a little success agriculturally, economically, they become cash buyers of agricultural products; and there are many examples of this from Japan and Taiwan, Greece and Turkey.

There was a conflict between this Department and the State Department over the self-help question, because the regional desks at State generally argued that you can't tie any strings to foreign aid; that foreign aid should be given without any kind of leverage being applied. That was quite a struggle.

B: Does the President get involved in a conflict of ideas like that?

S: Yes. In fact, in the fall of 1965 the President had been discussing with the Secretary of State, Ambassador [Chester] Bowles, and Secretary Freeman this question of whether we ought to make a fairly long term agreement with India for her grain supply for the next six months or a year, or whether we should keep them on a short leash--month-to-month rather than year-to-year. He was concerned about India's own lack of development. There were then some provisions in the law sort of vabuely directing the Executive Branch to see to it that other countries were not neglecting their agriculture, but these had never really been spelled out and certainly had never been followed through.

So he asked at that time that an argument be put together for the self-help approach. A number of such papers were written over here, but one I remember particularly was written by myself and Lester Brown of the Department for the President's use in conversations

- with representatives of the State Department.
- B: What was the nature of that paper?
- S: The nature of it was to paint a realistic picture of India's stagnation in agricultural development. And the realistic picture up to that time just happened to be a fairly bleak picture. India has been neglecting water, irrigation, fertilizer—her fertilizer plants were operating at anywhere from ten to fifty or sixty percent of capacity. It was just a mess agriculturally in India. The agriculture minister had been turning over repeatedly. No one was in charge. I think the argument put together for using the leverage of our food aid to help the Indians organize agriculturally at home had some importance.
- B: The President wanted this report for ammunition not against the government of India, but against the State Department of the United States?
- S: Yes. And as I recall— it may be that I'm giving away confidences just talking to this microphone—but this was to be just between the President and me. Secretary Freeman was out of the country. Of course, I told him about it after he got back. But this was my staff work for the President's use in discussing it with Mr. Rusk and Mr. Bowles.
- B: Did he call you personally on the matter?
- S: Yes. He called me, told me what he had in mind, and I delivered it to him personally.
- B: And it worked?
- S: Well, I think it worked, although in a problem as complex as this--one that takes a long time in which to make progress--obviously there

- is not single incident which is the key to unlocking it. But this is one important incident that I think had some effect.
- B: Generally the self-help feature was incorporated into the aid to India.
- S: The self-help feature was being incorporated to some extent by late 1965 by administrative action. Then it was put in the bill in early 1966.
- B: Has there been time to vouchsafe a guess on how it has worked?
- Yes, I think there is time. We know that several countries have made agricultural progress in recent years, and we can trace it in India, in Pakistan, in Afghanistan, and some of the smaller countries. We can trace their additional progress to some of the leverage--I hestitate to say pressure--that was exerted by this government, because when this government says to the President of Pakistan, that, "You won't get that million tons of wheat which you need so badly until you have brought in 10 percent more fertilizer for this year than you brought in last year," they're going to scratch around, and the Finance Minister of Pakistan will be required eventually to give the Agriculture Minister a little more money to buy fertilizer. So our actions, I think, have strengthened the agriculture ministers of these countries in speeding development.
- B: Do you get involved directly in this kind of thing; that is, do you talk directly to your counterparts in other countries?
- S: Not very often. Now if they come here, of course they come to see us.

 Or if the Finance Minister from one of these countries is here for,

 let's say, a World Bank meeting, he will try to see the President,

 the Secretary of State, the Secretary of Agriculture, and the other

Cabinet officers that he has some relationship to. If we travel abroad, we of course see these Ministers. I traveled to India twice and have always been entertained by the Agriculture Minister; and I have had Deputy Ministers in here a number of times from many countries.

- B: I realize you have, at the action level, agency chiefs who are directly in charge of this. I was just wondering how much of your time, such semi-diplomatic things--
- S: Quite a lot of it, both on the Food For Freedom side and on the trade side. I've had a great deal of quasi-diplomatic activity. For example, in January of 1967 the President sent Eugene Rostow of State and myself on an eight-country mission around the world soliciting assistance from other developed countries to help out in India's second famine.
- B: Does this have a relationship to the balance of trade problems--get them to send things that we would not have to?
- S: Yes, it did. They could send some things that we didn't have.

 Secondly, we had a tremendous balance of payments deficit at that time. If other countries would give more aid we could give less, and thus our balance of payments wouldn't be quite as bad as it otherwise would be.
- B: Has that kind of activity been a continuing function?
- S: No, that kind of activity is a sporadic function. That is the kind of thing which State typically does by itself. But here, a kind of emergency, both balance of payments and India food, came up.

 So the Under Secretaries of the two Departments were sent together.
- B: If the Agriculture Department is going to get involved, as it has

to an increasing extent recently, in improving the agriculture underdeveloped countries, how do you decide where to do it? For example, one gets the impression there has been a great deal of emphasis in Asia--India and Southeast Asia--and somewhat less emphasis in Latin America. Is this kind of thing consciously decided as a policy, or is just whatever area happens to be at the crisis stage?

- S: First, I don't think the impression is correct. Now we have had a bigger crisis in Asia. The two short crops in India in '66 and -67 attracted a lot of attention. India has 600,000,000 people which is three times more than the entire continent of South America has. So there's a lot more wheat and dried milk and so forth that goes to India; a lot more money is put in there as aid because there are so many more people there. But Asia has not gotten more attention in proportion to the population than South America or Latin America. In fact, I think she has gotten less.
- B: Just gotten more public attention, I guess.
- S: More public attention, and since there are more people, a much bigger pile of wheat, more money.
- B: Do you ever get directly involved in what amount to the domestic politics of other countries--for example, directly involved in agricultural programs, or such things as land reform?
- S: We make every effort to stay out of it; yet in India, for example, we sent a number of experts to work with their government to design a price support mechanism. It was their job to sell it to their own people. Land reform—this Department got involved on the expert level in possibilities for land reform in South Viet Nam. We put

together a number of plans, none of which were ever put into force largely because of domestic political considerations and of course the fighting that was going on. But we make every effort to stay out of domestic internal politics.

- B: You used the phrase, "on the expert level." Does that mean as a consultant as opposed to a worker in the fields?
- S: Yes. Experts from Washington typically went out to Viet Nam and, working with counterparts there, developed what they took to be workable land reform schemes. These were presented to the South Viet Nam government at that time, but for various reasons they couldn't be carried out.
- B: Does the Agriculture Department originate a concept like that itself?

 Who says, "Let's do something about land reform in Viet Nam?"
- S: No. In this case it arose out of the diplomatic considerations--I don't remember exactly how it happened--but typically the mission in Viet Nam would decide that land reform was one of the real problems there--the lack of land by peasants.
- B: That would be the AID mission?
- S: The AID mission would decide, inform Washington, that lack of land held by peasants was one of the great internal political problems, could we provide some technical assistance to them in remedying that situation? So we find economists down here who know something about these issues. We had ve economists who worked in the Japanese land reform scheme, the Taiwanese land reform scheme, and many others in the 1940's and '50's.
- B: To move back into the domestic area, you've mentioned this in passing

 I think more than once. Clearly one of the main emphases of the

B:

Department of Agriculture in the last few years has been in the Poverty Program--its share of it. What stands out in your mind in this aspect?

S: Our relationship to the poverty programs and area development has been on two levels. First, we have administered a number of programs that date back to the 1930's--programs designed to help small farmers and rural people. These have been loan programs, technical assistance programs, extension education programs--both at the farm and the home level. So there's a history of programs administered mainly in our Farmers Home Administration to help low income and poor people.

In the 1960's both through increased budget support and through a great increase in the program authority available to us, this category of programs has increased, I think, more than any other. Certainly the increase in financial support and staff support in this area is far greater than in the farm price support program area.

- Increase in program authority granted to you--you mean those parts of the various Poverty Programs legislative acts that include an agricultural responsibility?
- S: Not only Poverty Program legislative acts, but legislative acts which we requested, or which the Congress directed specifically to us--Expanding the farm ownership loan program to put much more money into it through using the banks, again using the market place, and we became the guaranteers, [guarantors] instead of the group making the law; expanding the farm operator loan program; expanding the low income housing program; creating a new program to provide loans to small towns and rural communities to put in water and sewer systems, because they found they couldn't get loans any place else unless they

became an incorporated city or village. This category of programs is probably ten times as big, as well supported now financially, as in 1960. That, then, is one category of things that we do.

The second has come about through the Poverty Program as such; through the Office of Economic Opportunity Acts and through their money. By Presidential directive, this Department administers the rural features of the Poverty Programs simply because we have administrative agencies down in every county in the country. We have access to the country people. So our Farmers Home Administration has been administering what we call the OEO Loans--small loans, \$100, \$1,000-to people who want to start a small business, who want to buy a better tractor, or put a new motor in their tractor. We've administered that kind of programs. We run a large number of Job Corps camps through our Forest Service, utilizing sometimes Army barracks, old CCC camps from the 1930's, and other kinds of facilities. There's a wide category of both action and educational programs which we administer by transfer of authority and money from the Office of Economic Opportunity.

- B: This involves you in a good deal of inter-departmental activity.

 Does that always run fairly smoothly?
- It sure doesn't. It has been a great struggle with the OEO people.

 I think it has been partly our fault and partly their fault.

 Naturally, the people in this Department have come up through farm experience and from agricultural organizations. The OEO people tended to have almost a strict urban orientation. So our people tended to say that the poverty people wanted to give all the money to the cities, and the people over at the poverty office tended to

look upon our people in the USDA as strictly farm oriented. So there have been many head-on collisions over whether or not they were going to transfer the authority and money to us for some of these poverty programs; and then whether we were running it right after they had transferred it to us.

- B: There was set up originally a council--Economic Opportunity Council of OEO--which included the Secretary of Agriculture. What has happened to this?
- S: There was such a council. I think it hardly ever met. These kind of problems cannot be worked out by Cabinet officers. Maybe in the end the Cabinet officers and the heads will have to meet and make the decisions, but most of it has to be worked out at the agency head level, the sub-agency head level, the Assistant Secretaries.

 So from this Department John Baker together with assistant directors of the Office of Economic Opportunity settled most of these problems. Then Sargent Shriver and Secretary Freeman would settle the rest of them. The OEO Council had little role in that content.
- B: Is "settled" the precise word there?
- S: Decided.
- B: I mean, is it decided and settled, or is that not still going on?
- S: Of course, these things go on continuously, but if there is to be a small loan program administered, for example, Mr. Shriver and Mr. Freeman would make the decision, or it might have to be taken to the President on who would do it. But most of these things get decided--maybe nobody is happy after they're decided--but they do get decided and these programs do get out to the people.
- B: I suppose this comes in here--I have heard the Department of Agriculture

- criticized for unrealistically trying to maintain anachronistic small family farms in the urban-industrial age. Is that part of this kind of argument?
- S: That's part of the controversy, and I think a part of this criticism is justified. We've had many struggles within this Department over the past eight years on this very question. To me, and I think to most of the senior people in the Department, the change in the structure of Agriculture is something that we just accept. We may not relish it. We may wish for the old small family farm, but we know that the tide of history is not going to be turned around except at a very grave cost. So we are presiding over an orderly decline in the number of farms and farmers in this country. There are people in the Department, however—and they have argued persuasively from time to time—that we ought to have a policy of keeping the number of farms at least as high as it is now—or even of bringing people out of the ghettos for example back into country places—small farms, and so forth.
- B: And so forth--what else is there besides small farms?
- S: Oh, cooperative farms. It could be large farms associated with a resettled village or something. I think that those are anachronisms, but to me they're understandable anachronisms because the people who propose them have a deep instinctive love for the land.
- B: Within the Department here in that kind of debate or argument, do
 you find a kind of generational gap. That is, do you find your people
 here--the older hands who began their career in the Department of
 Agriculture in the heady New Deal days versus comparatively younger
 men like yourself?
- S: Yes. The people who believe that the small family farm can either

be maintained or rebuilt generally tend to be sixty and over. It has been the younger people who have opposed the programs that would go back in that direction.

- B: Would you like for me to put you on the spot with another prediction?

 What's going to happen in this area?
- S: I don't mind predicting this area. I think the number of farmers will continue to decline. We've been losing about 100,000 farms from the Census count every year for the past twenty years. Today we have 3,000,000 farms, but 1,000,000 of those 3,000,000 are producing 85-percent of all products marketed. This group—the commercial family farmers and the big farms, there are some—this group I think will stay fairly stable for a decade or two. I think that the 2,000,000 small farms, part—time farms, retirement farms, will probably decline rather sharply in number; and agricultural income, which is already very unimportant to them, will become even less important.
- B: You mean agricultural income is already unimportant to those individuals—the small—?
- S: Yes, the 2,000,000 small farms--well, a lot of them are trying to eke out a living on a farm only. Soon, as they're older, it will be Social Security or public assistance that will take care of them, and their children won't be on that small farm; their children will be some place else.
- B: Then what happens to the Department of Agriculture?
- S: I don't see why it has to be any different. There are two basic approaches to the Department of Agriculture as an organization.

 One would be to continue to expand it in farm and food-related functions.

or rural and food-related functions. Secretary Freeman has proposed to the President at least three times in the last eight years that this Department be renamed as the Department of Food and Agriculture, or the Department of Agriculture and Rural Affairs--something like that. This approach to organization would keep the farm programs, the food programs, the rural poverty programs, the foreign food assistance programs, all in this Department.

The second organization approach, which has many advocates among the farmers, would move the domestic food programs to Health,

Education, and Welfare; move meat and poultry inspection to Food and Drug Administration; move the Forest Service to the Department of Interior; move the Food For Freedom program, the overseas food programs, to AID; leaving here only the farm programs. Those who argue for this approach say then the Secretary could devote himself to the problems of the farmers.

I tend to favor the first approach, but there are a lot of adherents to the second approach.

- B: This is probably a problem you already have, but if Agriculture becomes increasingly concentrated in the hands of a fewer number of very large producers, wouldn't those producers be a little hard for the Department of Agriculture to handle?
- S: They would be more difficult. There are many examples of small groups in this country who are very powerful politically. There are examples in the agricultural area. The sugar economy is a very samll group of people in this country; the wool growers are a relatively small group; yet both are very powerful politically. I think the Congress would be a different story. It might be difficult for a

Secretary to cope with a powerful sugar lobby or a powerful wool lobby. I think the urban Congress, urban House of Representatives, would be able to do so.

- B: Is there anything else in regards to programs or major emphases that we have not, but ought to, cover?
- S: I think we've been over it pretty well. My primary functions here have revolved around commodities--domestic price support, production control, and foreign food disposal.

Perhaps trade is one area that I should say a word about. This

Department participated very actively in the passage of the Trade

Expansion Act of 1962. This act set in motion the big trade negotiation which was called the "Kennedy Round Trade Negotiations". It went on from 1963 through the middle of 1967.

I got involved in this first in 1963 in the grain and meat and dairy product discussions. Then after becoming Under Secretary, Secretary Freeman gave me more or less the direct responsibility for this operation. Eventually I went to Europe perhaps ten times from 1964 through 1967 in connection with the trade negotiations in Geneva.

- B: Participating in the negotiations?
- S: Participating in the negotiations; taking the lead substantially in the grain talks which culminated in the international grains arrangement; but working closely with Ambassador [William Matson]

 Roth and his agricultural staff in the tariff cutting for the rest of the agricultural commodities. This Department did not have the leadership role. That was the Office of Special Trade representative.

 But in individual private negotations, someone from this Department

often was the chief spokesman.

One of the most interesting periods during my time in this position was the final marathon trade negotiations in May of 1967 in Geneva, where we had practically a week of non-stop negotiations, stopping just long enough for sleep. We were in a situation where the entire discussion, negotiation of the previous four years, was going to either rise or fall on the outcome of about three big issues, two of which were agricultural. If we could get an international grains arrangement agreed to, the negotiation could succeed. If we could get the European economic community to reduce its tariffs on a substantial portion of its agricultural imports from the U.S., the negotiation could succeed. If an agreement could be reached among the developed countries, mainly the U.S., Europe, the U.K. and Japan, on a very complicated chemicals issue, the negotiation could succeed. But all three of these had to come together at the same time--two of them were agricultural. In the end we made some compromises, others made some compromises. The negotiation was a moderate success--not a big roaring success, but a moderate success.

- B: In that type of procedure, how much authority do you have to make compromises? That is, do you have to be running back home to call back to somebody, or how does it work?
- S: We worked it out very carefully here at home. I knew all the history, having been involved in the talks for four years. But, yes, I talked to Secretary Freeman; Ambassador Roth, talked to people in the State Department, in the White House even, to the President.

 There were a number of issues so sensitive and so secret at that time that a special code was created between Geneva and the White House to

carry certain messages that had to do with the negotiations. I was a member of what came to be called the "Potatoes Group". "Potatoes" was the code name for a certain series of messages between Geneva and Washington, and I was a member of the Potatoes Group.

- B: What would be an example of an issue so sensitive that it would have to be discussed in code?
- S: Oh, the question of whether or not the U.S. would withdraw its demand for guaranteed access to the European trade markets. One of our demands had been that the European countries should guarantee us -- not just assure us, but guarantee us -- that during the next three or five or ten years they would import an amount of grain equal to what they had been importing previously, plus a growth factor related to population growth. That was one of our demands. We knew for many months that that demand could never be met. We knew that if we stuck with it, the negotiation would fail; at least, we had decided that that was the case. The Europeans didn't know what our eventual position was going to be. And so in a fairly dramatic moment, only thirty-six hours before the final agreement was reached, the U.S. withdrew its demand for guaranteed access to European grain markets and this opened the way for further compromises on their part and an eventual solution.
- B: And the secret was the fact that the United States was willing to do that ultimately?
- S: It certainly unlocked something whereas--
- B: You couldn't have let that out early; you would have lost the good card in your hand.
- S: We would have lost a good card.

- B: One gets the impression that the Kennedy Round negotiations were conducted in an almost academic atmosphere, at least in the sense that they were free from domestic pressures--from Congress, producers, and so on. Is that correct?
- S: It appears that way, but it's not true. The domestic pressures were exerted quietly, but the California Fruit Council, the American Farm Bureau Federation, the National Wheat Growers Association, the American chemical industry, the American steel industry, were lobbying very heavily with the Executive Branch and the Congress.

 But it never became a big public issue.
- B: Did they also have lobbyists in Geneva?
- S: Some of these groups had people in Geneva, and some of them were invited there by the U.S. government as advisers to the negotiation, because we always tried to keep them informed of what was going on.
- B: Did you have to deal simultaneously with the other negotiators and with lobbyists?
- Yes, we did. And that was one of the real problems. We would work all day out at the Palace of Nations in negotiations. Then we would come back and find representatives of grain exporters, farm organizations, and flour millers waiting at the hotel who wanted to know whatever we could tell them about the status of the negotiations. We always tried to accomodate, but eventaully we would try to bring someone from the outside into our negotiating group. He would then serve as the spokesman to the trade and farm groups.
- B: Do you find that trade and farm groups are fairly happy with the outcome?
- S: Trade is not at all happy. The grain trade opposed the international grange arrangement all the way. The farm groups, except for the

Farm Bureau, have supported it, and they may not be happy with it, but they realize that it's valuable.

B: Thank you very much, Dr. Schnittker.

January 24, 1972

Professor Joe B. Frantz Director Oral History Project The University of Texas Austin, Texas 78712

Dear Professor Frantz:

I am returning, somewhat late, the transcript of the interview Mr. Baker held with me late in 1968. I have edited it, slightly in accordance with the general guidelines you have given. In only one case (page 26) did I alter the meaning substantially. In all cases the editing I have done corrects the transcript to my actual beliefs and judgments at the time of the interview.

The Library can make this material available to the public or to scholars at any time, and under whatever procedures you feel appropriate. I do not place any restrictions on it.

Sincerely yours,

John A. Schnittker

4107 Lorcom Lane

Arlington, Virginia 22207

a Schutter

JAS/kc Enclosure

> I could not find the release form. If the last parograph above is not abequate, please sent me the form.