

## INTERVIEW II

DATE: November 10, 1982  
INTERVIEWEE: C. R. SMITH  
INTERVIEWER: Michael L. Gillette  
PLACE: Mr. Smith's residence, Washington, D.C.

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G: Do you recall how you went about getting that [Austin to Washington] route? Did he ask you to get it?

S: No. This was with the president of Braniff, not me.

G: You didn't have anything to do with it?

S: No.

G: I see. But it was established primarily for him or his constituents who were going?

S: Yes. Yes. Turned out to be a good route, too.

G: Yes. Yes. Well, now right after President Kennedy's assassination in December 1963, President Johnson addressed a group of business leaders, and I think you were there and had some recollections of that meeting, his effectiveness in dealing with the business community. Do you recall that?

S: Yes. I wasn't there. I sent my under secretary to that meeting. He [LBJ] got along very well with business people. No problems.

G: Were they at all apprehensive about him at first?

S: No, I don't think so.

G: Now, you worked on that businessmen's committee for Johnson in the 1964 campaign, I understand.

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- S: Yes.
- G: Can you recall your work there on that committee?
- S: Raised some money was about all I did.
- G: Did you get other people to support him?
- S: Yes.
- G: Did you ever meet with him during that campaign about raising money or working money?
- S: Yes, I talked to him about it several times. Johnson was always willing to talk about raising money.
- G: Is that right? Where did he get his money in that campaign?
- S: I couldn't tell you, but he got some of it from [George] Brown down in Houston. Brown was one of the best old-time supporters Johnson ever had.
- G: You know, they published the New York members of the President's Club in the Congressional Record, and the list just went on for pages and pages. And it looks like he must have gotten an enormous amount of support from New York. Do you recall this?
- S: From New York?
- G: Yes.
- S: No, I don't. Don't worry about it.
- G: I want to ask you about your view of the SST. In the files we had some memos that indicated that you had a pretty strong opinion on that, and I wanted to ask you to explain it.
- S: What year was that?

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G: Oh, I think it was mid-sixties. It was before you became secretary of commerce.

S: Well, there have been so many discussions about SSTs. The British model now that's presently operating is an economic failure. They never made a dime in their life. I thought the SST was a normal progression. See, we had the piston-engine airplane, then we had the next model, and we were going toward the jet all the time. So that was logical, a logical progression.

G: Did you feel that it wouldn't be economically sound to have an SST program?

S: No. It would depend on what kind of SST you're talking about.

G: What kind did you think would be the better of the [SSTs]?

S: Well, you have to be careful about what period you're talking about. In the early days of the SST it all depended on the engine. The engine used gasoline in tremendous quantities, so much so it wasn't economical. So what later made the SST look more probable was the government was building big bombers like the B-20, then overseas it was the B-24 and B-17. And they had the same problem we did, the goddamn gasoline was eating them up. So they spent a hell of a lot of money making the engine better, which made the airplane, for either commercial application or for military, much better.

G: I see. So that improved it.

Now in February 1968 you were appointed secretary of commerce. In your other interview you did talk about the appointment, but I

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wanted to ask you what it was like to serve in the cabinet and your recollections of cabinet meetings, what they were like.

S: Well, Johnson called me, and I went down to see him, of course. He broached the idea of my coming into the cabinet and being secretary of commerce. I said, "Look, you're in a different business than I am. I'm in the airplane business and you're a politician. I don't know a thing about politics, and I wouldn't help you much. So let's pick out a good politician and give him that job. Take John Connally. He'd do you a hell of a lot more good than I would. Why don't you appoint Connally?" He said, "If I wanted you to run my business I would have mentioned it to you."

(Laughter)

G: Why did he appoint you? He must have given you some reasons.

S: No, I gave him some reasons why he should appoint someone else.

G: But he must have wanted a businessman in there. He must have thought that you had special abilities that would help him. What do you think his reasons were?

S: No, he wanted a businessman, and I had a good reputation as a businessman. I didn't know a damn thing about the government. But I think he must have figured it was a short-term appointment anyway.

G: Yes. Did you usually attend the cabinet meetings or did you send an under secretary?

S: No, I attended every one of them.

G: Did you find them useful?

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S: Well, decisions in governments, decisions in that government were not made in those meetings. It was for the purpose of keeping acquainted with what was going on. Reports which you got at those meetings were damn good because it gave you a broad sweep of the whole thing, but very seldom did they come up and give you a problem to be decided. Practically every problem of any importance affected two or three or four or five government departments, so the first thing you had to do was have a meeting and get some common viewpoint about what would fit the four or five different departments. Then eventually you took it up to Johnson and made a recommendation, and if he approved it, it was all settled.

G: So it was mainly informational then in terms of sitting down and being briefed on what was being done throughout the executive branch of the government?

S: Yes. It gave you a good chance to get well acquainted with the other members of the cabinet, which was very helpful, because you had to do a lot of business with them.

G: Which other department did you deal with the most?

S: We dealt with Treasury a lot. We dealt with the Department of State on a lot of problems. The usual problem took four or five different departments.

G: Now, shortly after your appointment you met with LBJ during the copper strike. This was a situation where the longshoremen had refused to unload imported copper. Do you remember that?

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S: Yes. He wanted me to intervene in that. The Secretary of Labor and I had the job of solving that.

G: How did you work it out?

S: We had a lot of meetings with both sides, arbitration--not arbitration, mediation.

G: Was there any formula that meant the success of it?

S: No. You got the sticking points on this side and the sticking points on that side, and you usually try to solve them by eliminating the sticking points so that you finally came to a point where the two would agree.

G: But was there any critical sticking point that had to be removed that you feel in retrospect was responsible for settling it?

S: Most of it was money.

G: Is that right?

S: Yes.

G: Now, it was little over a month after you came on board that the President announced he wasn't going to run, March 31. Did you have any indication beforehand that he wasn't going to run?

S: No.

G: Were you surprised by it?

S: Yes.

G: Did you ever talk to him later about his decision?

S: Oh, he gave his reasons for his decision to me and to everybody else in the cabinet several times, answered questions. He made up his mind, though, to do it without asking any of us about it.

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G: He also, I understand, didn't want cabinet officers being involved in the campaigns of other presidential candidates after he withdrew. Did he talk to you about this? I think he was concerned that--well, I think Willard Wirtz and [Orville] Freeman were supporting Humphrey and perhaps someone else was supporting Robert Kennedy.

S: Yes, I remember that. I think he talked about that in cabinet meetings.

G: Okay. Now, you visited the Ranch in April of 1968, right after that March 31 speech. Do you recall that visit to the LBJ Ranch?

S: No, I don't. I went down there quite a lot of times so I have difficulty separating one from another.

G: Well, let me ask you this. Did you go to the Ranch before you came into the cabinet? Do you remember going down there before you became secretary of commerce?

S: Yes, I think so.

G: Did you? Okay.

S: First time that he talked to me about the cabinet I was over in the White House.

G: Do you know if he ever considered changing the site of the [Democratic National] Convention, moving it from Chicago to Miami or some place like that?

S: No.

G: What was his relation with Humphrey like during that campaign?

S: He wasn't paying much attention to him.

G: Is that right?

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S: Yes.

G: Did he feel that Humphrey was not staying firm enough on issues, that he was vacillating too much?

S: No, I don't think so. Humphrey was a good soldier. I guess he figured Humphrey wouldn't help him any in his own campaign.

G: I understand that he met with Robert Kennedy after that March 31 speech. Kennedy came to the White House and they had a long discussion. Did he ever talk about that with you?

S: No. I read about that in the paper.

G: What was his relationship with Kennedy like during this period? I know there had been a lot of friction between them earlier.

S: They never became friends.

G: Did he rely on you for advice on dealing with Kennedy, do you recall?

S: No. This Kennedy was a hell of a lot different than his brother. His brother was a much broader, more capable man, the President.

G: I noticed that Andre Meyer was supporting Kennedy in this campaign. That must have been a surprise to the President.

S: Well, that was a very old relationship.

G: Was it?

S: Yes. Andre was guardian [?] for one or two of their kids and took care of Jackie. There wasn't any lack of loyalty to Johnson, it was just an old relationship which kept going.

G: How about LBJ and Nixon during this campaign?

S: (Laughter) I don't know anything about it. I don't think Nixon had any intention of helping Johnson.



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G: Do you think that the President felt Nixon was trying to undermine his negotiations in Paris by getting the South Vietnamese to hold off until he himself was elected?

S: I wouldn't think so.

G: Do you remember anything about the truth-in-lending bill? That was passed and signed that spring.

S: Now that was handled by my assistant secretary.

G: Okay. He made a big push for the surtax that spring and fought very hard for it. Can you recall that battle to get the 10 per cent surtax?

S: I remember a little bit about it, but not enough to do you any good.

G: Did he ask you to help in getting congressional support?

S: He asked everybody in the cabinet to do it.

G: I think that one of the issues was a six billion dollar cut on the spending before they would approve the surtax, Congress would approve it. Do you remember that at all?

S: No.

G: Now also in April you met at the White House regarding the status of the foreign direct investment controls. Do you recall the foreign direct investment controls?

S: Very. . . .

G: In May of 1968 the U.S. supported the franc when France was having a lot of domestic problems. Do you recall that?

S: Yes, that was handled principally over at the Treasury Department.

G: Really? Why did Johnson do that? Why did he support the--?

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S: I don't know.

G: He never talked about it in your presence? Okay.

Remember they had the Poor People's Campaign and Resurrection City that spring and summer. There was a note in the press that Ralph Abernathy wanted to meet with you. Do you recall that? Do you know why? Did you meet with him?

S: No. Did not.

G: Why did he want to meet with you?

S: I don't know.

G: And was it your decision not to meet with him or was it one at the White House level?

S: I don't think he ever asked to meet me.

G: Is that right?

S: Yes. You see, I was just getting started on the job in those months and I wasn't paying much attention to some of these variations [?]. Let Johnson worry about it and people who knew something about it. All I was learning was something about the business. Wasn't any use in Johnson asking my opinion about those things, because I didn't know a damn thing about them.

G: Do you recall the details of the [Abe] Fortas nomination to be chief justice of the Supreme Court?

S: What kind of details?

G: Well, for example, do you recall why that nomination got into trouble?

S: I don't know. Of course, most people figured that was a friendship appointment.

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G: Did the President ask you to help get that nomination through?

S: No.

G: He didn't. He [Fortas] was a good man. He would have made a good chief justice. Very capable man.

G: I guess the President initially thought he had both Senator [Everett] Dirksen and Senator [Richard] Russell of Georgia behind him on that, and then both men ended up opposing the nomination. Do you know anything about their reasons?

S: No.

G: Now I want to ask you about your trip to Camp David in October 1968.

S: Of course, one thing that influenced the appointment of--what's his name you're asking about?

G: Fortas.

S: Fortas. There was a lot of publicity, you know, about him doing a lot of things for money. That influenced the whole thing I'm sure.

G: Yes. Let me ask you about visiting Camp David in October 1968. Do you recall the details of that visit?

S: What makes you ask that?

G: The Camp David thing?

S: Yes.

G: Well, I just wonder if you were out there to discuss some particular projects or was it a weekend--I see in the diary that you went out there with him.

S: Yes, I went out there several times. There wasn't anything peculiar about that.

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G: Well, no, I'm not suggesting--I'm just using that as a way to trigger memories.

S: I went out there, and I think we actually went up to a place on the mountain out there, you know, where they had all the offices.

G: Did the President go there generally to relax? Was it a device for getting together with say advisers or friends to actually discuss substantive policies?

S: It was both. He didn't need it as much for recreation. Other people have.

G: Is that right?

S: Yes.

G: Now, let me ask you about the Maine foreign trade port. This was an issue that Hale Boggs was on one side and I guess Occidental [Petroleum] on the other, and whether or not they should set up a foreign trade zone area in Maine for oil. Do you recall the issue of that?

S: Yes, very well.

G: Tell me why the administration took the position that it did.

S: Well, Johnson never thought it was a good idea. I didn't either.

G: Why not? Did you think it was an exception to the established procedures? What were your reasons about it?

S: Well, it would have given one oil company a singular advantage.

G: Was that also the view that Hale Boggs held? Was that the reason that Boggs opposed it?

S: I don't know why he opposed it.

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G: Really? Was it at all a regional thing, say the Northeast versus the Southwest or other parts of the country?

S: No, I don't think so. The thing just sort of died on the vine.

G: Yes. Okay. Now you--

S: Good thing it did. It wouldn't have worked out.

G: You're noted as being a collector of western art, and I wanted to ask you about President Johnson and western art. I know that he became interested in western painting and sculpture. Did he talk to you about western art and get your opinion of paintings and artists?

S: Well, he was interested in their commercial value.

G: Is that right?

S: I mean not only the standards of valuation. But Johnson didn't know anything about art. He didn't know one western painter from another one.

G: But he did seem to like western art, didn't he? I mean he did seem to do a lot for it at the White House or have it on display.

S: Sure.

G: Did he seek your advice on that?

S: Well, sure, he wanted to know who the good western artists were. Hell, I gave him half a dozen good paintings.

G: I think that Charles Russell that hangs over the fireplace at the LBJ Ranch is one that you gave them, isn't it?

S: No, I didn't give them any Russells.

G: Oh, really? Anything else on Johnson and western art?

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S: No, he went around the world in a big airplane several times and he always made a point of admiring some art. He collected quite a few pictures that way.

G: What did you think of the paintings? Did you think it was good art or did you think it was not so good?

S: His?

G: Yes.

S: Most of it I didn't know anything about.

G: Now, you also saw him quite a bit, I understand, in the post-presidential period after he left the White House.

S: Yes.

G: Do you recall your visits with him then?

S: Yes, they were good social visits. Nothing of any importance about them other than that.

G: I believe you met with him in New York or there was a party for him in New York or something?

S: I don't remember that one, New York. [I remember one in D.C.]

G: You hosted a get-together of his former cabinet officers also.

S: Yes.

G: Do you recall that occasion?

S: Yes. We also went to the Business Council with him.

G: And I have a note that in October 1970 you visited the LBJ Ranch again, visited him, and I think showed an aviation film. Do you remember that?

S: I remember being down there; I don't remember the film.

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G: Do you recall his work in his later years to establish the Library and LBJ Foundation and LBJ School?

S: Yes.

G: I'm going to ask you to describe his role in the Library?

S: His work was to get the money to pay for it. Everybody else has the same problem. He got more than most of them.

G: Did he seek your advice in raising money for the Library?

S: No. I helped him a little bit.

G: He also, I understand, asked you to serve on the board, is that right?

S: Yes.

G: Do you recall the reasons that he gave for wanting you on the board?

S: Well, his first discussion about that, I had helped him in raising money.

G: Any other recollections of President Johnson in his later years when he was retired?

S: Well, I had known the President for a hell of a lot of years. I knew him when he first came to Washington. That was twenty-five years before he became president, and always considered him to be a friend of mine. I saw him quite often. There wasn't anything unusual about it.

G: Do you recall the last time you were with him or the last time you talked to him?

S: Well, I went down to the Ranch I guess three or four times.

G: Well, I think you've covered about all of my [questions].

End of Tape 1 of 1 and Interview II

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