

James Loeb Oral History Interview – JFK#1, 11/12/1967
Administrative Information

Creator: James Loeb
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Biographical Note

James Loeb (1908-1992) served as the United States Ambassador to Peru from 1961 to 1962 and the Ambassador to Guinea from 1963 to 1965. This interview focuses on working on Hubert Humphrey's campaign during the 1960 Democratic primary and Loeb's time working as the Ambassador to Peru, among other topics.

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By James Loeb

to the

John Fitzgerald Kennedy Library

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Date

March 3, 1970

Accepted

James B. Brady

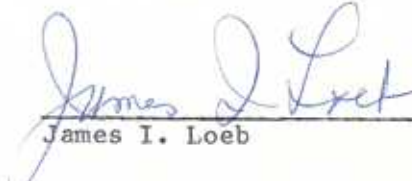
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March 10, 1970

ADDENDUM TO GIFT OF PERSONAL STATEMENT OF MARCH 3, 1970 BY JAMES I. LOEB

This is to provide that an oral history interview regarding my association with Robert F. Kennedy conducted with me by Larry J. Hackman of the John F. Kennedy Library on May 25, 1972 shall be treated by the Kennedy Library in the same manner as the earlier interviews of November 12, 1967 and February 9, 1968 for the Kennedy Library. Provisions regarding the treatment of said interviews are contained in the Gift of Personal Statement signed by me on March 3, 1970 and accepted by the Archivist of the United States on March 10, 1970, a copy of which is attached to this addendum.


James I. Loeb

*Sent Nov 21, 1974
Returned Dec 2, 1974*

James Loeb– JFK #1

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Oral History Interview

with

JAMES LOEB

November 12, 1967
Cabin John, Maryland

By Larry J. Hackman

For the John F. Kennedy Library

LOEB: Before we start this interview, I'd like to make a couple of general statements. First, I would like to compliment Mr. Hackman and whoever prepared this interview. I've got some notes here that have been given to me, and I think that they've been very well researched and I think an excellent job has been done.

I'd also like to make clear at the beginning that I make no claim whatsoever to any close personal intimacy with John Fitzgerald Kennedy. I did have some associations with him, relatively few before his presidency, and naturally some during the period of his presidency, although I was out of the country for almost the whole time--it was just on coming back for consultation. But I wouldn't want anyone to assume that whatever I may give in the way of information comes by a very close personal intimacy with the President, which I regret I did not have--a friendly relationship, but not an intimate one.

I also would like to say finally in this little preamble to what might turn out to be a long interview that I am relying wholly on my memory. I kept no diary, perhaps unfortunately. I was in two very exciting posts and was pretty busy carrying out my functions without thinking about writing a book. I hope to be maybe the only non-career ambassador that ever did not write a book. I'm so busy reading the books of others that I haven't got time. So that I would suggest to any historians that may find something interesting in these remarks that they check some of the facts. I'm depending on my memory. There are great gaps and names and places that have become somewhat dim. I'll do the best I can, but this is all from my memory. I'd like to make that by way of an opening statement.

HACKMAN: Well, we'll assume the historians then accept the responsibility to carry out their role. Why don't you just start talking then say before 1960, or did you have any relationships with him . . .

LOEB: There's a wonderful little beginning to this story. As anyone

will recall, the congressional elections of 1946 weren't very exciting ones from the point of view of the Democrats, and certainly the liberal Democrats. Some of us who had been active in starting Americans for Democratic Action, which came to be a kind of a liberal wing in the Democratic party or was intended to be, we decided we'd be a little hospitality committee for some of the new liberals who were coming down to Washington. There were darn few of them.

We had a couple of little cocktail parties. And I remember having one at my house. Then we had one at the home of Leon Henderson who was the co-chairman of the ADA at the beginning along with Wilson Wyatt. And he lived off of Connecticut Avenue. There were maybe half a dozen congressmen there and a few of our ADA friends from around Washington. And at one point I can recall very distinctly that a young boy walked in the door, and everybody assumed he was lost. Somebody went up to him, I think it was Vi Gunther, and said, "Can I help you out? Are you looking for somebody?" And he said, "I'm Congressman Kennedy from Massachusetts." That was my first introduction. So help me, he didn't look more than fifteen years old at the time, very slim. And I couldn't quite believe he was a congressman.

From that point on our relationships with him were not close, at least mine weren't. As a Congressman I don't think he was outstanding. I have a faint recollection of hearing him make a speech in the Congress which sounded a little bit like the old isolationism, with the aid program going down the drain. This is a very vague recollection. But he always, so far as ADA was concerned, managed to keep his contacts with our Massachusetts people without being involved.

I remember speaking at a dinner up there, one of our Roosevelt Day dinners. I think Senator [Herbert H.] Lehman was the main speaker. And by this time--let me see, this was 1953 or '54 because he was a senator--he managed to come in beforehand at a little cocktail party to say hello to everybody, but then he didn't participate in the dinner.

But I would have to say that the one fact about John Kennedy's life is his growth through the years. I think that's particularly true from my point of view as a liberal. He grew as he moved from one step to another. And I've often thought the great tragedy of his death was not in terms of what he did, but what he might have done. But until his presidency I had just off-and-on relationships with him, very slim, and I can't tell you too much about that.

HACKMAN: Do you remember discussing his stands on various issues with other ADA members during this period? A lot of people seemed to be upset about his lack of a stand on [Joseph R.] McCarthy.

LOEB: Well, that became a major issue. And of course his younger brother was involved in the McCarthy thing, first on one side and then another. And his father certainly was a very active supporter. Yes, this was always a question. But of course that didn't

start--until well, McCarthy didn't start his drive until 1950.

But it should be said that there were plenty of other senators who were also very leery about the McCarthy thing and didn't want to get involved. Indeed, I can remember about that, that at one of our meetings when the McCarthy thing began to get serious, let's say in the spring of '50--nobody took it too seriously for a while, it was a good newspaper story--some of us were sitting around and somebody suggested we try to get one of our senatorial friends to pass a vote of censure. And everybody else in the room, including Frank Roosevelt, Jr., said, "Well, this is absolutely ridiculous. This is the most select club in the world, and nobody's going to censure anybody."

Jonathan Bingham was there and he hadn't said anything, and all of a sudden he said, "Well, they did it to my father." Which was like saying that they called my father an s.o.b. Four years later this turned out to be the precedent for the McCarthy censure. But this was certainly one of the reasons Mrs. [Eleanor] Roosevelt was very reluctant on the Kennedy business. But I'm sure I can't add anything to what's already known about that.

So there were quite a few issues which first the Congressman and then the Senator weren't too forthright about. But I think all that is perfectly apparent in [James MacGregor] Jim Burns' book, probably the best, if you want to call it a campaign biography, ever written. And it was an honest one in which he discusses the whole question of "liberalism" in Massachusetts and the various aspects of the term. That is, the Massachusetts Democrats in general were liberal on economic issues but not too liberal on civil liberties and civil rights issues. The Republicans there were at the home of abolitionism. They were the great liberals on civil liberties but not on economic issues.

HACKMAN: Well, as you began to think about the 1960 presidential race, can you recall how your feelings developed about that and how you became involved with Senator [Hubert H.] Humphrey and his efforts?

LOEB: Well, Senator Humphrey, Vice President Humphrey is my oldest friend in political life. Since this is an interview about Kennedy and not Humphrey, I won't go into all the background except that I met him through a strange circumstance. I had written a letter to The New Republic (for which I used to write professionally) at the request of Bruce Bliven, then the editor, taking a very radical position for 1946--namely, that liberals and communists have nothing to do with one another. This was the days of the "united front." I was, in effect, kind of a premature anti-communist in the liberal field. And I got a lot of mail on it, one letter from a woman in Minnesota who said that they had some serious problems about communism in their Democratic Farmer Labor Party, and if I ever got out there, she'd like to introduce me to the young mayor.

So I went out there that following summer (1946). The woman was Mrs. Eugenie Anderson who was just beginning her political life. I met the young mayor and his "diaper brigade," as they used to call it, including Orville Freeman and [Arthur H.] Art Naftalin, now the mayor of Minneapolis, and others. We had a meeting that night, an off-the-record meeting at which I was supposed to make the major speech. But I was introduced by the mayor who, of course, made the major speech. And the whole point of it was that at the last convention of the Democratic Farmer Labor Party the mayor said that in the interests of harmony he had been in favor of compromise and he thought he'd gone too far. He was from the Democratic side of the DFL. He, in effect, said, "We're in trouble, and we've got to clean up our own mess here. And if we don't, we'll never win a statewide election or we'll never deserve to win one."

But the point is that I was very much impressed by the mayor, and I think I was the first person who ever invited him down to speak in the East. I've been very close to him ever since. So it was only natural that. . . . I was with him as one of that small group along with Eugenie Anderson and a few others in the great battle of 1948 when he overturned the Democratic Convention on the issue of civil rights.

So when 1960 approached, it was inevitable that if he became interested, and so, in effect, I volunteered. I was completely a volunteer, almost a year of my time I took off. My partner, Roger Tubby, had taken off the full year from '55 and '56 to be Adlai Stevenson's press secretary, so I took this time off and volunteered. I went out to Chicago, and before I went into this, I had a long talk with Adlai Stevenson in his office.

I had been on the White House staff very briefly as a consultant in '51 and '52, starting with a rather dull job and ending with a very exciting one which was as a kind of an informal liaison between the White House and Adlai Stevenson. We had what we used to call a Stevenson conspiracy: Arthur Schlesinger, Jr., Joseph Rauh, Monroe Sweetland, George Ball, who had been Stevenson's law partner, and I was the White House anchor man. My contacts were not with President [Harry S.] Truman directly, but rather through [Charles S.] Charlie Murphy who was the General Counsel, Special Counsel, who would just take off and go in and see the President and come back and tell me what to do.

So I went to see Stevenson because I didn't want to get involved in the Humphrey campaign if he was interested. He, in effect, said he wasn't. Interestingly enough, in connection with this interview, he made it perfectly clear to me that Kennedy was his choice for vice president in 1956. He said that's why he asked him to give the nominating speech, and he assumed that when he opened up the Convention, the Kennedy nomination for vice president was a shoo-in. And he was rather surprised that there was such a contest which the next day, of course, [Estes] Kefauver won.

Stevenson indicated his, I wouldn't say lack of interest, but that he was not going to be a candidate, and he emphasized his differences with

Harry Truman which had become rather strong. They were more or less personal, chemical differences. They didn't see things the same way. And he felt very badly about that. He couldn't understand why Truman didn't like him. He realized they came from different backgrounds and their approaches were different. So that was the beginning, and then I began scouting and organizing for Hubert in Wisconsin originally, then I went to the state of Washington, Oregon, Utah, Arizona, Colorado.

Interestingly enough, one of the first people I talked to in Wisconsin was [Patrick J.] Pat Lucey who was the state chairman. And Pat was a very nice guy. He was very close to Kennedy. I remember his advice--this isn't the first time I've been wrong and I'll be wrong again, but Pat said, "Don't bring Hubert Humphrey in here. We love Hubert. He's done more for our party than almost anybody else in Wisconsin, helping rebuild it. But he can't beat Jack Kennedy here." And this seemed absolutely incomprehensible to me. I couldn't understand how this eastern Irishman with a Boston accent would sweep Wisconsin when Hubert Humphrey from right next door was so popular. He said, "Well, I know Wisconsin, and I can tell you that Hubert Humphrey will never beat Jack Kennedy along the Lake Michigan coastline all the way up and down including Milwaukee; he may get a few delegate votes over along the Minnesota border. "But," he said, "don't subject Hubert to this. We don't want to murder him, but we will."

HACKMAN: This was, what, in '59?

LOEB: This was in '59, yes. I worked on the Humphrey thing, oh, for four or five months through these states. Then I went back to my paper. Incidentally, I want to tell a wonderful anecdote which I think should belong to history. Out in Utah I was taken around by a fellow whom I'd never met before by the name of Ernie Wilson who was a legislator from Nehi, Utah, in the southern part of Utah. And he was a turkey farmer, and I couldn't figure out what his interest was until I discovered that he had a candidate for governor he was trying to sell, and he wanted to go along with me. In fact it got to be rather embarrassing. I once said to him when we saw Elder [Hugh B.] Brown, I think the only Democratic member of the Mormon . . .

HACKMAN: Twelve--disciples or whatever.

LOEB: Twelve, yes. And Ernie started talking about his candidate for governor, and I interrupted and said, "Look, Ernie, you've got all year to nominate a governor. I've only got three days to nominate a president." But one day he said to me in that sort of half southern, half western drawl, he said, "You know, that fellow Kennedy, he's a very nice fellow." He said, "He was out here not so long ago. He's a very nice fellow. But his wife!" He said, "We had a great big public

dinner for Senator Kennedy, and his wife came in. And I took one look at her, and I said to myself, 'Jesus Christ, what's the matter with her goddam hair!'" He said, "She had her hair all over her head. There was a ladies room right there. She could have gone into that ladies room, and in five minutes she could have fixed her hair." I'll always remember that because I'm sure that now all the ladies of Nehi are wearing their hair that way. But I remembered Ernie Wilson from that.

Well, so I went back to my paper and settled down again, and then one day Hubert called and said, "Well, I've decided to go into Wisconsin, and you've got to come with me." So I did. I never turned Hubert down. And he asked me to take over that second congressional district in Madison.

HACKMAN: Going back to that first trip out, can you talk about some of the people you talked to other than Pat Lucey--I think Frank Wallick. And there was a meeting in Milwaukee at one point when you met some people.

LOEB: That's right, Wallick was in all that. Yes, the labor people. And the labor people were generally, most of them, I think, for Humphrey--not all of them. We had all sorts of encouragement, but I still think Pat Lucey's advice--well, it obviously was correct. And though most of this area, it was strange thing--I mean I'm talking about a very sensitive subject--Jack Kennedy was a new figure, the Catholic thing did play a role; it was a great asset to him in some places and a disadvantage in others.

I remember, for example, meeting a fellow who later on turned out to be one of my African ambassadorial colleagues, [William P., Jr.] Bill Mahoney. There was kind of a split in Arizona, I remember, between the liberals and the conservatives among the Democrats. There were the two congressional districts, one was--what was the name of it, around Phoenix the county, which was one congressional district [Maricopa]. All the rest of Arizona was the other congressional district. [Stewart L.] Stu Udall was the liberal representing the other congressional district. And I remember meeting Bill Mahoney, and I remember he said, "Well," he said, "I should be on your side. But I'm an Irishman, and I'm for Jack Kennedy."

And the Kennedy people were playing both sides. And I say this without any criticism; that was the way to play it. The [Ernest W.] McFarland-Johnson people were the conservatives there, and they [the Kennedy people] kept their contacts with them. But they also had some liberals like Bill Mahoney who were with them. Eventually, it all turned out to be a battle within Maricopa County; Phoenix has control of that county. And I think the liberals lost it by a very slim margin. There were divisions all through. There was still a lot of Stevenson sentiment that you found among active people, and a good many people were for Hubert but didn't think he

could be either nominated or elected. Kennedy had done an awful lot of work for the party and was generally very popular.

HACKMAN: In that trip to Wisconsin, were you successful in getting any firm commitments at all on that first trip out in '59, or what primarily resulted from that trip?

LOEB: I don't think it would be fair to say that I was after firm commitments. I was just trying to figure out what the situation was and talk to people. Many of the people that I knew were Humphrey people. Except, especially in Wisconsin--and, by the way, especially in Madison in the second congressional district--there was a great deal of Kennedy sentiment.

The Governor, Gaylord Nelson, was taking no stand. Some people in his office were more pro-Humphrey. He had an assistant, a young fellow whose name I can't recall, who said one day oh, he was for Humphrey. He remembered listening to the radio to that great battle in 1948 when Humphrey had overturned the Democratic Convention on the issue of civil rights. He said, "I remember it well." He said, "I was eight years old," something like that.

But Kennedy had some strong people in Madison. Ivan Nestingen was the mayor. Pat Lucey was, of course, officially taking no position, but everybody knew that he was Kennedy's chief advisor. They had quite a few people in that second congressional district. But then there were the Stevenson people who took no position at all--[James] Jim Doyle, who was an old friend, and a woman of Austrian birth, naturalized, who was the very active party chairman. She was for Stevenson passionately.

HACKMAN: I remember seeing that name as being a Stevenson supporter out there.

LOEB: The Lieutenant Governor, of course, was for Humphrey. Philleo Nash toured very actively for Humphrey. Things didn't look very good actually. I remember when Humphrey came in about two o'clock one morning, and we were out at the factory gates at five o'clock the next morning after three hours' sleep. And he and I got in the car together, and he turned to me and he said, "Jim, I'm going to get the four letter word kicked out of me in this state." He knew it. By this time, he knew it.

HACKMAN: When was this, do you recall about what time?

LOEB: Oh, this was ten days before the primary. He could feel it around the place. And the strange part of it is that, you know, my friend Joe Rauh has often kidded me about being responsible for the nomination and election of John Fitzgerald Kennedy. And it would take a constitutional lawyer to make this point, and it's kind of a cute

point. The funny part of it is that Ted Sorensen in his book, without mentioning me, said something of the same thing because as it turned out we won that second congressional district. God knows how we did. And that was crucial. And Ted Sorensen said in his book, if Kennedy had won the second congressional district, he might not have been nominated because Humphrey wouldn't have gone into West Virginia.

I certainly recall that night in Milwaukee. When the returns came in, we were told the Kennedy people were rather disappointed. Although they won handily, they didn't win as big as they expected. When we all got around that big room, Orv Freeman and [Eugene J.] Gene McCarthy and Marvin Rosenberg and all of Humphrey's people. . . .

HACKMAN: [James H., Jr.] Jim Rowe, wasn't he up there?

LOEB: Jim Rowe?

HACKMAN: Jim Rowe, yes.

LOEB: Yes. Jim Rowe, Joe Rauh--oh, there must have been twenty of us. There was considerable talk of, which I strongly supported, of Humphrey just stopping right then. I figured that if he couldn't carry Wisconsin, he was pretty well dead. But then everybody talked about that second congressional district. After all Kennedy, it's only fair to say, did get considerable benefit out of the fact that you had what the older LaFollette [Robert M.] called an open primary, no registration. Therefore, there was no Republican contest, and a good many conservative people from the old McCarthy district--I'm saying this with no prejudice to Senator Kennedy--did go into the Democratic primary and voted for Kennedy along the eastern section of the state.

But then they always came back to that second congressional district. They said, "Well, if you eliminate the congressional districts along the Minnesota border which Humphrey carried as expected, and you eliminate the predominantly Catholic districts in Milwaukee and the north, the one fair test was in the second congressional district. So why don't we try West Virginia where the Catholic issue should be in our favor, if at all?" So to this extent it's true. If we hadn't carried that second congressional district perhaps Humphrey wouldn't have gone--I'm sure Humphrey wouldn't have gone into West Virginia, Senator Kennedy could not have dispensed with that religious issue.

HACKMAN: Do you recall who particularly was arguing along that line? Was there much of a split among the people around Humphrey at that time?

LOEB: Well, there was a split in the Humphrey camp all the way through.

HACKMAN: Yes, I've heard that.

LOEB: As you know. There were three of us whose names were somewhat similar, and whose size and build were somewhat similar. I was the lesser of the three. The other two were Jim Rowe and Joe Rauh. And since I was mostly in the field and not here in Washington, there was a bitter battle between Joe Rauh and Jim Rowe all the way through, and it got to be very intense.

Jim Rowe, who was really with Max Kampelman--they were neighbors and friends--I suppose it is true that he [Jim Rowe] was a [Lyndon B.] Johnson man from the beginning. Joe Rauh was a hundred per cent--I'm not saying that Jim Rowe was disloyal to Humphrey in the campaign--but Joe Rauh was for Humphrey a thousand per cent. His second choice, I think, was Kennedy from the very beginning. And whenever we had any sort of nasty little problems with the Kennedy people, Joe Rauh was the intermediary always because he'd gotten to know both Jack Kennedy and [Robert F.] Bobby Kennedy through his representation of the UAW [United Auto Workers] and the labor investigating committee. They were friendly. So this was one of the issues.

I remember, if I may go back a bit. . . .

HACKMAN: Sure.

LOEB: I have one letter that certainly isn't a matter of history. Back in about 1958 I had been in Chicago, and I listened to a television debate between Mike Mansfield and somebody else from the Democratic side--I think Wilbur Mills; I'm not sure--and [Jacob K.] Jack Javits on the other side and somebody else from the Republican side. And Mike Mansfield had come out against reciprocal trade and foreign aid. Well, I was pretty incensed about this. He was then the Majority Whip, Johnson was the leader. And I went back and wrote a nasty little editorial in my paper about what the hell the Democratic party stands for. Then I clipped the editorial, sent a note to Jim Rowe, and rather facetiously asked for my twenty-five dollars back that he'd gotten from me when Mike Mansfield ran for the Senate in Montana because, as you know, Jim Rowe is from Montana and was largely responsible for Mike Mansfield being where he was because of the relationship that Jim Rowe had with Johnson.

I got a long, long letter back from Jim Rowe which is really an historic document in which he explained why Mike had to vote the way he did because of his state and copper and this, that and the other thing. Then he goes on in the letter about how the greatest man in Washington in terms of capacity for governing is Lyndon Johnson. At the moment he says he thinks that Johnson cannot make it in '60, and "If I still believe that the next year, you may be surprised because I may be in favor of a man who is your good friend, Hubert Humphrey." And that's the way it turned out. At the end of the letter, by the way, he put a P.S., "P.S. I showed your editorial to Mike and his comment was, 'You know, I think Jim Loeb's got a point.'"

And I might put a little sequel on it: years pass; Kennedy is nominated and elected, asks me to be his Ambassador to Peru; I come before the Senate Foreign Relations Committee; Senator [J. William] Fulbright is absent, and Mike Mansfield is in the chair. And his first question, with a very wonderful glint in his eye, was, "Mr. Loeb, do you still write editorials about foreign aid?" He remembered that. But this was the real contest, the people who were--Jim Rowe really was always for Johnson basically.

HACKMAN: What were the types of disagreements that would come up between these two groups?

LOEB: All kinds of disagreements. Jim Rowe is a wonderful politician, makes a virtue of cynicism, likes to be cynical, likes to--you know, thinks that the party structure and the "boys" run every thing, has less of a tendency to appeal to the people generally, and is more for kind of manipulating politics than for battling it out in primaries. But there were all sorts of other issues, and Joe Rauh would be the expert on that because, as I say, he was here in Washington where he'd fight them out. I was with him. I mean I was generally on his side.

It was through Jim Rowe that Ed Rhetts became a kind of a secretary to the Humphrey committee. And Ed Rhetts is a lovely fellow who had had no real experience in politics at all, which was really unfortunate. He was sort of a fish out of water and he didn't understand how these things functioned at all.

HACKMAN: Had you attempted to work through the regular Democratic organization in Wisconsin when you went out there first in '59, or were you primarily working with other groups?

LOEB: Well, I think we didn't--in any state I went into I always went to see the state chairman and the various party people. It wasn't a question of avoiding them or of battling them, it was just a question of finding whatever Humphrey sentiment you could find, wherever it was. But if you found that they were, that the party leadership was against you, you didn't stop there, you'd try to find other people. And in some cases it was easier than in others. I mean in the state of Arizona it was a case of which side the control of the party, the Udall side or the--what was his name?

HACKMAN: McFarland.

LOEB: McFarland side, yes.

HACKMAN: Do you have any memories of the people, let's see, Lucey was chairman, but the other members of the state committee in Wisconsin. I've seen Kennedy people say that all these people were

for Humphrey other than Lucey, and I've seen Humphrey people say that all these people, including Lucey, were for Kennedy. Do you have any memories of. . . .

LOEB: No, I wouldn't agree with either one. This very nice gal--she's been prominent recently. She was the first Negro committeewoman, Vel, Vel [Phillips]. She was a Kennedy gal. I think it was very mixed in terms of the party leadership in Wisconsin, with a great many of them standing aside from both, such as Governor Gaylord Nelson. Jackie Robinson came in, in Milwaukee. He had had a personal battle with Senator Kennedy. I'm sure you know the background of that.

HACKMAN: I think I've seen it mentioned, but I can't recall the specifics of it.

LOEB: Well, Senator Kennedy had entertained for breakfast, I think, here in Washington at his home, Governor [John] Patterson of Alabama and his highway commissioner who was supposed to be a member of the White Citizens' Council. And at the conclusion of this breakfast Governor Patterson announced that he was for Kennedy. Governor Patterson was a sort of a less flamboyant George Wallace, and Jackie Robinson, who is a fighter and who quite freely admits that his issue is the race issue because he wants his kids to grow up in a better society, couldn't understand this. He wrote to Senator Kennedy and never got an answer and was absolutely furious. We had a terrible little episode about that in Madison.

In Madison there was no civil rights issue, but this was the point at which the students were beginning to take this great interest in the civil rights field. There wasn't much political organization on the campus at the University. But there was a bipartisan, a rather substantial whatever it was called, Wisconsin University Committee for Human Rights, something like that. And the kids knew that Jackie Robinson was in the state, so they approached me and asked me if I could get Jackie to come and speak to a bipartisan meeting on human rights. We worked out an arrangement whereby he would come, he would have a press conference indicating he was for Humphrey, and then he would be turned over to this committee. And he came in and had the press conference.

That evening I couldn't go to the mass meeting because Governor Freeman was coming in that night and I had to take him around to some of the political meetings. But Carl Auerbach, who was then on the faculty of law at the University of Wisconsin, later moved to Minnesota, took Jackie over to the meeting. And afterwards I said, "How was it?" He said, "Well, Jackie made a wonderful speech on civil rights. Gaylord Neslon chaired it--the Governor had chaired this meeting by the way; it was evidently a huge meeting--and at the question period somebody said, 'Mr. Robinson, you're for Senator Humphrey, but if Senator Humphrey isn't

nominated, who are you going to be for?' And he said, 'Richard Nixon.'" [Laughter] So the headline in the paper the next day was, "Jackie Robinson comes out for Humphrey and Nixon," which wasn't very helpful.

HACKMAN: Speaking of the University of Wisconsin, did you work closely with many of the people in the academic community there? Were they important in the . . .

LOEB: Yes, they were. There were quite a few of them. Mrs. Laura Auerbach was one of my mainstays. She had done professional public relations work here for the Treasury when Carl Auerbach was General Counsel of OPA [Office of Price Administration], and she was very helpful. And a wonderful gal, whose husband was a professor, had a strange German name of Gretchen Pfarmkuechen. And then the Lewises were very helpful. He's now in the Department of Agriculture.

HACKMAN: Oh, I know.

LOEB: [Robert B.] Bob Lewis and his wife were very helpful. I remember meeting Senator Kennedy just once in Wisconsin in front of the hotel--the Lorraine Hotel. His bus stopped there while I was waiting for Mrs. Lewis, and we had a nice chat and wished each other good luck, and so forth.

As a matter of fact, later on, just before going to Peru, when I had my first talk with Sargent Shriver--I had never met him before--we had a nice forty minute talk at the end of which Sarge took me to the door, and he said, "Well, Jim, I'm very glad to have met you finally. I've seen you often enough before." And I said, "Oh, you have? Where?" He said, "Oh, we used to watch you come down for breakfast in the hotel in Madison." And I got a great satisfaction out of the fact that when there was a little "boomlet" for Shriver for vice president, there was an article saying he'd only suffered one political defeat in his life and that was when he managed the Kennedy forces in the second congressional district in Wisconsin.

The academic community, I would say, was largely pro-Stevenson and therefore, did not participate in the campaign. There were Kennedy people and there were Humphrey people, but most of them did not participate in the campaign.

HACKMAN: You mentioned something a minute ago about Joe Rauh being the contact between the Humphrey people and the Kennedy people and trying to patch things up. Do you recall anything specific that came up, or what were you referring to?

LOEB: No, I don't recall anything specific. I know there were little things. There wasn't any major thing. Obviously we were opponents at this point in the primary. And sometimes there were little problems. Joe was always very, very careful around them, and very friendly

to both the Senator and Bobby Kennedy. And then of course afterwards, the minute the Humphrey thing was over, Joe Rauh, I assume, went to see Senator Kennedy and then started a campaign to get the intellectuals, the so-called liberal intellectuals. This was the one field that Jack Kennedy was concerned about, that the liberal intellectuals, by and large, with outstanding exceptions like Schlesinger and [J. Kenneth] Galbraith and so forth, had not been on his team. And Joe was very active in trying to win them over. This was after Humphrey dropped out of the race.

HACKMAN: After West Virginia.

LOEB: Yes. And at that time, as a matter of fact--well, he should speak for himself, but he thought he had a commitment, let me put it that way, from Senator Kennedy about the vice presidency. If you haven't interviewed him, you should, Joe Rauh. But my understanding was that he said, "Of course I'd love to have Hubert if I could, but it will be somebody like Orv Freeman or Scoop Jackson or someone like that. I guarantee you it's going to be a Northern liberal." I think it's on this basis that Joe Rauh went ahead and that's, I suppose, the background for why he was so panic-stricken when it turned out to be Johnson.

HACKMAN: Do you have any recollections of the, you mentioned this briefly before, the role of organized labor in Wisconsin, some of the various groups, Auto Workers and Steel Workers?

LOEB: Well, you know, when you talk about organized labor, you're talking about a few leaders basically, and the rank and file I think split like the rank and file of Democratic voters.

HACKMAN: Do you remember working with, let's see, I believe a fellow named [George] Haberman was chairman of the AFL-CIO . . .

LOEB: Yes, but he was not involved in this one way or the other.

HACKMAN: It was higher than that.

LOEB: What did you say?

HACKMAN: I mean, in other words, you're saying . . .

LOEB: Haberman, as I recall, just didn't take any part in the campaign. I can't remember--I think I remember seeing him my first trip. My second trip out there I was exclusively in the second congressional district, I didn't get out of there.

But one interesting part about the--interesting little sideline: Hubert was always challenging Jack Kennedy to debate him in Wisconsin, all over the place. This was a major issue. He [Kennedy] refused to. In fact,

Kennedy made a real effort, the Kennedy people, not even to have them in the same place at the same time.

I think everybody will recall one of Hubert's famous remarks when there was supposed to be a debate at the Gridiron Club, which we had accepted on being told that Senator Kennedy had also accepted. And it turned out it wasn't Senator Kennedy who came but Ted, not even Bob. You see, Ted was just a slip of a boy then. And Hubert was absolutely delightful and made that famous remark about having seen Rose here and Eunice there and Bobby there and Ted up at Eau Claire and so forth. Then he said, "But I haven't been able to find Jack," and said something about, "I feel like an independent merchant bucking the chain store." But there was always this effort to get Jack Kennedy in a debate because one of his weaknesses in his voting record was on the farm issue, among other things.

And then I remember shortly thereafter being in Washington, and I was in Hubert's office. Arthur Goldberg and Alex Rose of the Liberal Party in New York were there, and we--I forget what we were seeing him about, I assume about the presidential thing.

BEGIN SIDE II TAPE I

LOEB: In Hubert's office, his senatorial office, with Arthur Goldberg and Alex Rose, and Hubert got on the phone. I think he was talking to [Herbert J.] Herb Waters who was in West Virginia. And he bawled the living daylights out of him because they had left Wisconsin, where Hubert had been challenging Jack Kennedy to debate, and they came to West Virginia and Herb Waters had repeated the challenge and Kennedy immediately accepted. And I remember Hubert saying--I can't repeat his purple prose, but saying, "Well, for God's sake, in Wisconsin of course I wanted to debate him. He was ahead and I was behind and I had the farm issue and everything else. I don't want to debate him in West Virginia where I'm ahead. I have no farm issue and so on and so forth." And, as a matter of fact, they never got out of that. Jack Kennedy immediately accepted and brilliantly turned the whole issue around.

HACKMAN: Do you have any specific memories of that debate or . . .

LOEB: I saw it on television, but, you see, I never was in West Virginia. The only time I was in West Virginia was at the end. I went down with Senator Humphrey the day of the primary. [Robert] Bob Barrie, who had been sort of a national executive or whatever it was, was in West Virginia, and I came to Washington and sort of sat in his desk at the office here, sort of holding the fort while Bob Barrie was in West Virginia. What I do recall, of course, which is in Arthur Schlesinger's book, is that as we began to see that Senator Kennedy was turning the religious issue around and the polls seemed to indicate that it would be at least close and that Humphrey did not have the shoo-in that we originally expected and there might even be a pretty disastrous defeat, I was determined that Hubert should pull out of the race.

I decided that this was the one fight--I had not been actually in the

internal fighting within the Humphrey camp, but this was the one fight I was going to get involved in. And so I went down with him and had the good sense to sit next to Muriel Humphrey on the plane and won her over. And then when the roof fell in in West Virginia, this battle took place which is fairly well described, accurately described, in Schlesinger's book. Jim Rowe was the major, as might have been expected, the major opponent who kept saying, "Well, we're going to have forty votes at the Convention. Let's hang on to the forty votes and then use them as we want." This was clearly at this point a stop-Kennedy movement. And I wasn't thinking of anything except Hubert Humphrey, and I thought that he'd just make a damned fool of himself if he stayed in the race after losing West Virginia. We must have argued for hours in that room. And then finally I just sat down at the typewriter and wrote this little statement of withdrawal, and Hubert finally agreed and issued it. Hubert and I went over to his headquarters, which was, of course, sad and so on and so forth.

And then something took place when I was back at the hotel. Bobby Kennedy came to the Humphrey headquarters--I was not present, but I know this--and came in and greeted Mrs. Humphrey and kissed her, which was a rather sad mistake. This was a girl who had been loyal to her husband, had fought through months and months of campaigning, and she wasn't quite at the moment to go through a performance like that. She resented that terribly. I think it left a scar. But then we all went over to the Kennedy headquarters. John Bailey and everybody else, [Abraham A.] Abe Ribicoff and so forth were there. That was the beginning of relative peace. But there was still the stop-Kennedy movement. I went back to my paper, and that was the last I was involved.

HACKMAN: Skipping back again to Wisconsin for just a minute, maybe you could talk about this as a general problem, and that's the importance of lack of money to the Humphrey campaign. How much of a problem was this in Wisconsin and particularly in West Virginia?

LOEB: In West Virginia it got to be a serious problem, I'm sure. In Wisconsin we didn't do badly in the money business, I thought. I don't remember what the figures were, but we had quite a bit of money. There were people in New York who were very strongly for Hubert. There was quite a bit of money raised. Marvin Rosenberg, of course, was the center of it. [Angier Biddle] Angie Duke helped raise money. We had quite a bit of money. I wouldn't say we were too badly handicapped in Wisconsin, and I don't think money would have made any difference. I think what Kennedy had in Wisconsin--he did have the Catholic vote. I mean, let's face it, the Kennedys would be the last to deny it--and even conservative Catholic votes who weren't going to vote at the Republican primary.

This is a very dangerous business in Wisconsin. I first heard about it from Wendell Willkie whom I once talked to after his disaster in Wisconsin in 1944. He had gone into the Wisconsin race and had talked

to the national leaders about how they should support him and not [Thomas E.] Dewey, [Douglas A.] MacArthur, and some of the other candidates because he told all these national labor leaders and so forth that he realized they were going to vote for Roosevelt, but they should at least support him in the primary. And they all agreed. But when they went to Wisconsin, they couldn't get their people to do it because they were afraid that if people voted for Willkie in the Republican primary, they'd have an equity in Willkie.

But, as a matter of fact, there were lots of people through that whole McCarthy period up around Green Bay--the only Democrat they ever elected to Congress was [La Vern R.] Larry Dilweg who was the All-American end and star on the Green Bay Packers. But outside of that you never could elect a Democrat up there, but they went heavily for Kennedy. And then, of course, he had his whole family, and it was a great asset. He had a real organization. We didn't have anything like that. The family just fanned out through the state.

HACKMAN: There have been a lot of stories about how efficient the Kennedy organization was. Did you have that feeling at the time, did it seem apparent to you that Humphrey just didn't have the organization?

LOEB: Well, that is true. That is true. He had--I don't know how many of these people were paid. I think some of them were volunteers just like I was on Humphrey's side. But he had some people from Massachusetts, his old crowd who were devoted to this thing and came out there. And they had a much better organization than we did. There's no question about that.

HACKMAN: What about Humphrey's people from Minnesota? Were they effective in coming into Wisconsin?

LOEB: Yes, they did. They sent quite a few people in. That was our countervailing force, so to speak. Karl Rolvaag was the actual chairman of it. And they sent people in from time to time. Some of them were very effective, but they were more effective over on the Minnesota side of the state, and they just couldn't do anything in Milwaukee or along Lake Michigan. That was a weak spot.

HACKMAN: Were you pretty much on your own in the Madison area or did you have close contacts with the other people around the state--let's see, a fellow named [Eugene P.] Gene Foley was in Milwaukee.

LOEB: Well, Gene Foley was the head of the campaign.

HACKMAN: Yes.

LOEB: Yes, Gene was the head of the campaign. But we didn't have that

kind of a disciplined organization, you know. It wasn't that well planned. We just went about our business and organized the best way we could, block by block. But I suspect that the congressman was more on our side; you know, a very liberal congressman from that district, he's still in Congress--Katzenbach . . .

HACKMAN: [Robert W.] Kastenmeier.

LOEB: Kastenmeier, yes. I think Bob Kastenmeier, who sort of was somewhat above the battle but he was neutral on our side, which was very helpful.

HACKMAN: I've seen it mentioned that the issue of Jimmy Hoffa figured in Wisconsin and that some of the Humphrey people were upset about the way particularly Bobby Kennedy was using the Hoffa issue against Humphrey. Do you recall that at all?

LOEB: Yes, vaguely, but not the specifics. Strangely enough, Hoffa's lawyer was for Kennedy, and he was the state treasurer, and he became quite an issue afterwards because after Kennedy became President Jim Doyle was everybody's candidate for the federal judgeship. And Bobby Kennedy wouldn't approve of him and supported--who was Hoffa's lawyer out there?

HACKMAN: I can't remember the name.

LOEB: It was a Jewish name, you know--I knew him, knew him well.

HACKMAN: Was it a great surprise to the Humphrey camp that he carried the second district?

LOEB: Well, it was a pleasant surprise, yes. They were pretty, toward the end the Senator himself was pretty pessimistic about Wisconsin. He realized he was doing badly. But especially the second congressional district was a pleasant surprise and a great disappointment to the Kennedy people because they did have quite a few big shots there, including Pat Lucey and Nestingen and so forth. The Capital Times, which is very influential, managed to stay on the sidelines. They took no real stand. Miles McMillin, who was the editor of the editorial page, was really with us, I think, but Humphrey might have . . .

HACKMAN: I think I've seen Kennedy people who thought that the Capital Times was for Humphrey. Was it Bill Enjue who was . . .

LOEB: [William T.] Bill Evjue. E-V-J-U-E. Bill Evjue owned that paper for years. He was an old La Follette man. He was somewhat senile. He may still be alive, I don't know. Then of course

the other senator, [William] Proxmire, I think was probably more Kennedy. Jerry Bruno, who is now Bobby's man in New York State, whom I see and am very friendly with, he was one of the Kennedy organizers. He was from the UAW and had been on Proxmire's staff. And, of course, one of the editorial writers of the Capital Times, Miles McMillin, was for Humphrey. But he was always a friend of the Kampelmans. But Miles, you know, is married to Proxmire's first wife.

HACKMAN: I didn't know that.

LOEB: Yes. The Proxmires split up, and Miles McMillin and his former wife Mary split up, and then Miles married Mrs. Proxmire who is the daughter of William Rockefeller.

HACKMAN: Things really got complicated.

LOEB: Yes.

HACKMAN: Did you do much speech writing for Humphrey in Wisconsin?

LOEB: No. I didn't do any speech writing.

HACKMAN: Was there much of a problem of getting him into the state enough? I've heard some people say that this was a bit of a problem and also that some mix-ups on scheduling and missed appointments was a bit of a problem in Wisconsin.

LOEB: That's always a problem with Humphrey. In the first place, he didn't have the crew of people such as Kennedy had in his family and so forth. And it was mostly a much more personal thing. Orv Freeman was helpful, Gene McCarthy was. But Gene, as you know, was always anti-Kennedy--largely because he thought Jack Kennedy wasn't a very good Catholic and probably wanted to be the first Catholic president himself. Gene McCarthy helped, but Gene McCarthy--it's interesting, as we sit here, he's being more active politically than he's ever been in his life; because he doesn't overwork. He's a hell of a swell fellow, but generally he doesn't overwork. You can't take. . . . I remember one episode when he was supposed to--we had bought time on television for Gene McCarthy, and of course we thought he was going to be very valuable to us, his name, reputation and so forth. And he just wouldn't get up for the early morning broadcast. So, since we had paid for the time, Hubert had to do it himself on three hours sleep.

Well, have we said enough about Wisconsin?

HACKMAN: Yes, I think so.

LOEB: I think probably we have.

HACKMAN: You said you weren't in West Virginia much?

LOEB: No, I wasn't in West Virginia at all. I was just minding the store in the campaign headquarters in Washington while Bob Barrie wasn't there. I must say the one thing that shocked me more than anything else in West Virginia was--and I will say this for the record--Frank Roosevelt's role. I had known Frank for years, and that was a shock which left great scars.

I remember when Frank was the chairman and Senator Lehman was the honorary chairman of Averell Harriman's presidential campaign in 1952, and I was the executive director of it, having been convinced by Stevenson's language that he was not a candidate. And Frank once said that old [Edward J.] Ed Flynn had said to him, "There are two ways you can get into politics: one is you can be a manager, and another way is to be a candidate. If you're a candidate, you have to stay a little bit above the battle. And if you're a manager, you have to roll in the gutter and do whatever it takes." But he warned Frank that he couldn't do both. And that's a little bit the problem that Bobby Kennedy has today, having been the manager and now trying to be a candidate. It's hard to move from one to the other.

HACKMAN: You said after West Virginia you had urged Humphrey to pull out. Were you . . .

LOEB: After Wisconsin.

HACKMAN: After Wisconsin, that's right. Do you recall--yes, you started on that before--do you recall that meeting after West Virginia when people were arguing back and forth? You had talked about that, too, I believe.

LOEB: Yes, it was in the hotel room there.

HACKMAN: Yes, that's right.

LOEB: But we also had a meeting, a bigger meeting after Wisconsin--the night of the Wisconsin primary. And then there was quite a discussion as to whether Hubert should pull out.

HACKMAN: Were you aware of the efforts after West Virginia on the part of people like Alex Rose and Goldberg, [David] Dubinsky, I think, to get Humphrey to throw his support behind Kennedy?

LOEB: I really shouldn't talk about that. After the West Virginia primary, I went back to Saranal Lake and had no further participation at all. I'm vaguely aware that there was some effort to do this and it's sort of an irony of American politics that Jack Kennedy and Bobby Kennedy were very anxious to be vice presidential candidates. Both lost, in effect. And God knows what would have happened if either one had won.

Humphrey certainly had a chance to be a vice presidential candidate. I think if he, after West Virginia, I think--I don't know. I shouldn't say this. But from everything I gather, I think Senator Kennedy would have liked to have had him as a running mate, certainly tried to get him to nominate him, I gather. Although I didn't go to the Convention at all.

HACKMAN: Were there any efforts made from the Kennedy people during the campaign to get your active support at all, for Kennedy?

LOEB: No. I'll tell you, to answer one of your questions about my role. In June of 1960 my partner Roger Tubby's oldest daughter was graduated from Swarthmore. And I remember getting a phone call from Pierre Salinger saying, "Where can I get hold of Roger Tubby?" So I told him where he was, and that's the last I saw of my partner for the rest of the campaign. He went out, of course, to help Pierre in the Los Angeles Convention and was gone the whole period of time. There were just two of us. One of us had to stay. So I stayed, and I was totally inactive in the campaign except around the immediate area.

I think our little paper was the first paper in the country to endorse Kennedy. But since, as we often say, the illiteracy rate among the deer up there is frightening, our circulation was somewhat limited and the impact on the campaign was certainly limited. So I was not involved.

I recall one thing because it was something that came up later. I did write one critical editorial. First, because I thought on one issue Kennedy was wrong and, second, because I thought my advocacy of Kennedy during the campaign would be more effective if I didn't, in a Republican area, take just a blanket pro-Kennedy position. The issue on which I criticized him was in a statement he made with respect to Cuba, if you remember that issue in the campaign. I suspect that Adolph Berle must have written that speech. I don't know. But Kennedy urged that Cuban refugees should be armed and so forth. He practically urged an invasion of Cuba. As a matter of fact, Nixon then answered him. And I was critical of that.

That came up in an episode later, that critical editorial, but otherwise the paper was staunchly pro-Kennedy. But I took no role in the campaign. In fact, I never worked harder in my life. It is a very small and very marginal paper, and you can't hire a whole staff of people to do your work. So I was doing the whole thing while Roger was away.

HACKMAN: You weren't at all involved in the ADA decision, or debate that fall on whether to endorse Kennedy or not, or were you?

LOEB: I don't recall any involvement. I didn't even recall there was an argument.

HACKMAN: Apparently there was some argument on the part of some people who didn't want the ADA to endorse the Democratic candidate in '60.

LOEB: I wasn't aware of that, and I would suspect that there would be a very small--if you're talking about inaction. . . . I'm trying to remember. I resigned from the ADA Board when I went to work on the White House staff in '51. Now, whether I was back or not, I don't even remember. But I would be very much surprised if there was much of an issue on that. There may have been before the Republican primary, but after Nixon was nominated, I doubt if there was. There may have been a few scars.

HACKMAN: Well, that's all I have up to the time of your appointment as Ambassador to Peru. So, let's take off on that.

LOEB: Well, do you want me to start talking about that?

HACKMAN: Yes, why don't you talk about how the appointment came about or what you know about how it came about?

LOEB: Well, that was a very dramatic thing in a way. I had no idea of participating in the new Administration at all. First, because I had not been involved in the Kennedy operation except to oppose him in the primaries. Second, because this was a two man newspaper, and if Roger was going to stay in the Administration, I was going to have to stay with the paper.

When it appeared that Roger was not coming back, I began interviewing people to take his place. But he couldn't tell me for certain that he was going into the Administration because he was offered several things he didn't want. And the job he finally got, as Assistant Secretary for Public Affairs, was what he wanted. He didn't get that until January, at which point a fellow accepted the job to take his place, in effect. I was surprised, I didn't think he'd accept it. He had been up here, and I had interviewed him. And he, in my opinion, knew more about the newspaper business than Roger and I put together. He'd grown up in the business, knew the printing end of it, the advertising end of it, the business side of it, and everything else. And when Jack Waterbury accepted this position, then suddenly one day I thought, "My goodness, if he's going to be here, there's no reason why I have to hang around, and if anything shows up. . . ."

By this time a lot of people were being appointed who had not been Kennedy people, the whole Stevenson crowd and so forth. So I got in touch with a few people simply saying that if anything came up, I was available. I was interested in an embassy, and really in nothing else. And I was interested in Latin America. I think, if I recall, my first thought was maybe Venezuela because I had gotten to know [Romulo] Betancourt very well. He was a neighbor of mine here in Washington when he was in exile. I called a number of people such as Serafino Romualdi who was the AFL-CIO man.

I had been very active, when I was still with ADA, in organizing--with Romualdi and another fellow by the name of Schwarts, long since dead, who was the CIO's Latin American man--a conference in Havana in 1950. There were Betancourt, [Jose] Figueres, [Fernando] Belaunde's [Teray] father, all sorts

of other people were involved. And I actually had organized an American congressional delegation of several people including Clifford Case, who was then in the House, and [Charles R.] Charlie Howell, the Democratic congressman from New Jersey, who eventually opposed Case and lost by a couple of votes, Chet Holifield, I forget who else. I had been very active in that and served, when they ran short, as a part time interpreter during the conference. Then I had gotten to know Betancourt. That's where I first met him and then found that he was a neighbor here. And so I saw quite a bit of him afterwards.

So I called Romualdi, I called David Ginsberg, who was an old friend and who was, of course, [Chester A.] Bowles' closest friend--at this point Bowles was really spending a good deal of time on the ambassadors--and Arthur Schlesinger. I just said, "Well, if anything comes along, I'm available." And nothing came along for quite some time. I sort of forgot about it; and one day I got a call from David Ginsberg saying, "Chet Bowles is about to call you before the end of the day and offer you either Colombia or Peru."

Eventually he called and asked me if I would go to Peru, and of course I said, "Delighted to." I remember that I particularly said to him, "Chet, is this definite? Has this been cleared with the President? I mean, do you want me to make plans or is this just a possibility?" He said, "No, it's absolutely definite, and as soon as we can get security clearance and so on and so forth, we want you to start down." And I said, "Is it definite enough so that I can now get somebody else to take my place?" "Oh, absolutely." Then Roger called, the same thing. And he had had lunch that day with Oscar Cox with whom he had been in government years before when Oscar was--he was the father and the General Counsel of Lend Lease. George Ball had been his assistant, I think. And that's how we happened to get Oscar's son, Peter. Pete came over from Maine and was already hired.

And then a traumatic little experience took place which may be of some minor, very minor, interest. But I waited and waited, and nothing happened. And my library facilities up there were somewhat limited so I went down to see Robert Alexander, Bob Alexander in Rutgers to go through his files on Latin America, especially about Peru. While I was there, my wife called and said that I had gotten a call from the State Department, and they were very anxious to have me come down, would I call whoever it was I was supposed to call in Bowles' office?

I called up, and they said, "When can you come down?" I said, "Well, I have to go home and get a couple of shirts, but I'll be down in two or three days." Then the fellow said, "Where will you be staying?" I said, "Well, if there's room, I'll be staying with my partner, Roger Tubby." So I went back to Saranac Lake, and the next morning called Roger. The secretary said, "Well, we expect him back momentarily, but he's been out on the West Coast with Secretary [Dean] Rusk." And about ten minutes later Roger called back.

You have to know Roger to appreciate this little story. He's got a very deadpan sense of humor, and you never know quite when he's kidding and when he isn't, when he's pulling your leg. So he said, "Well, of course they had room for me and they'd like to have me, but there was something of a problem.

And I said, "What are you talking about?" He said, "Well, when I was out in Berkeley with Secretary Rusk, I got a phone call from Washington. I didn't know who it was, and they asked me about you, what you had done in the campaign. It sounded like Bobby, and I said, 'Is this Bobby?'" And he said the voice said, "No, this is the President." So help me, I thought he was kidding, but it turned out he wasn't. The President said, "What did Jim Loeb do for us?" And Roger said, "Well, he had to be back minding the paper and so forth." And he asked quite a few questions. And so Roger asked me, and I told him about the endorsement. And the only critical thing I had ever said was this business about Cuba. And he said, "Well, I'll call the President as I was asked to and report to him and call you back."

So he called me back an hour later and said, "Well, I talked to the President. He didn't say anything, he just listened." And I said, "What do I do?" I mean the President's attitude was, you know, what did he do for us? Why should we name him? So I said to Roger, "What do I do?" He said, "Well, I don't know. I suppose you should come. You were supposed to report to Roger Jones," who was then the Deputy Under Secretary for Administration and whom I knew from his Budget Bureau days when I was at the White House.

I was getting a little excited because I had already hired somebody to take my place, had rented my house, and I was in really deep water then. So I came down. I reported to Roger Jones whom, as I say, I knew, but who'd never heard about my appointment. He said, "Well, I don't know what to do." Finally, a fellow came in from Bowles' office whom, of course, I later got to know very well, [William H.] Bill Brubeck, whom I met for the first time. He said, "Well, I think you've got a little problem." I said, "Well, what?" He said, "I think you better go over and see Ralph Dungan." I said, "Who's he?" I didn't know Ralph Dungan. I'd never been around the Kennedy operation. "Well, he's the fellow in charge of this thing at the White House." I said, "Do I make an appointment?" He said, "No, just go right over."

So I went over and couldn't get in. I had worked there and so forth, but I couldn't get through the gate. Dungan's office knew nothing about this. So I called Arthur Schlesinger, and I went into his end of the White House. He said, "Well, I'll go over and see if I can get you in." So I went over. And I didn't know who Ralph Dungan was. If he was the man on jobs, he was some big political tough Irish boss or something like that. So I waited out there in the lobby of the White House with the New York Times in front of my face because I knew many of the press people and I didn't want them to see me around there.

Finally, I was ushered in and found this very nice, young, liberal relaxed fellow. I said, "Well, I guess I'm giving you a little problem. What is the problem?" "Well," Ralph said, "I just never heard about this appointment. This is the first I ever heard about it." And it turned out that there was somebody else to whom Kennedy was indeed obligated whose name slips me. But you will remember. He was the executive secretary of the Kennedy campaign in New York and eventually became Ambassador to New Zealand. You know, he was with him in the Navy. Anyway, he had been told that the Peruvian spot was open.

I said to Ralph, "Look, let me make one thing clear. President Kennedy owes me absolutely nothing. I never did anything for him except write one editorial of endorsement and a few others, and there must be thousands of people in the country, if jobs are being given out on the basis of some obligation, certainly I shouldn't be considered, although I am in a tough spot. I was told I was appointed and have made my preparations accordingly."

Ralph was wonderful about it, and he said, "Well, why don't we find out? Why don't you just sit down here and read the New York Times?" And I said, "Well, I've read it three times this morning, but I'll read it once more." And so he stepped next door and talked to the President. He came back and said, "It's okay, you're named." And that was that. But that was a tough moment there. That was how it came about.

I don't know, there was obviously a lack of communications between Bowles' office--Rusk was presumably involved in high policy, and Bowles was given the administrator's job of finding ambassadors. I had known Bowles of course intimately for years and mainly, originally, through David Ginsberg who had been his general counsel in OPA.

Now do you want to get into the Peruvian business?

HACKMAN: Yes. Well, first, what were your impressions of the briefings you received before you left?

LOEB: I think, generally speaking, I was well briefed, I guess. I can't remember now the exact dates. I remember the date I went down was, I think, the 15th of May. It must have lasted a month, something like that. I think the State Department did an excellent job on briefings. I knew something about Latin America. I'd never been to Peru. And I knew that there was a . . . Arthur Schlesinger had heard from John Paton Davies' wife, Pat. Do you remember John Paton Davies? Does that name mean anything to you?

HACKMAN: No.

LOEB: This is an interesting little story. John Paton Davies was one of the old China hands who had been on [George F.] Kennan's Policy Planning staff and was under fire at the time, not quite as much fire, but somewhat, at the time that John Service was, John Carter Vincent, and so forth. And so they had sent him, eventually, down to Peru as the Deputy Chief of Mission. They thought that was a safe place. But then when [John Foster] Dulles became Secretary of State, he demanded his resignation for the good of the service. And he resigned from the service and went into the furniture business in Peru, in Lima.

His wife, Pat, was a charming gal who'd had a terrible automobile accident some years before. She was the daughter of Ambassador [Henry F.] Grady who had been to Greece. He [Davies] wasn't just in the furniture business, he designed furniture and made it. I hadn't known them, but Pat had written Arthur that my being named was a shock to a good many of the Americans, especially the business community, in Peru. I eventually became very friendly with John and Pat.

Oh, I must say I found him, ironically enough, one of the most conservative people I ever knew in Peru; he was strongly pro-military; clearly his reporting from China had been taken out of context because he was one of those diplomats who believe in power. He found power in the communist forces of China, and he was very conservative. He didn't believe in the United Nations. He wrote a book on it since then. He disagreed with everything I did in Peru, by the way. We became very friendly. But he was a

Of course, he looked down on me as totally inexperienced. And he was a real career fellow, knew his stuff, and brilliant, wrote well. When Cyrus Sulzberger came down there, he stayed with Davies and wrote a column from a memorandum John had written. I think Cy thought he was being friendly to him, but I thought the column was pretty terrible. He didn't believe in the importance of underdeveloped nations at all, he was strictly big power oriented, entirely different angle.

But I thought the briefing was very good, anyway. I thought I was very well equipped. I went down as well equipped as anybody could be.

HACKMAN: At that time there was some problem in getting an Assistant Secretary for Latin American Affairs. Do you recall that?

LOEB: Yes, I certainly do. I know something about it, too, in a strange way.

HACKMAN: Were those problems apparent in the State Department in the Latin American area?

LOEB: Well, [Thomas C.] Tom Mann had been the Assistant Secretary. I remember seeing him. Tom Mann was a very nice fellow, but very conservative. I remember all he said to me was, "Well, Jim, get everybody in the middle, just get everybody in the middle." And I said, "Well, that's a good idea, but of course it's in the middle of the road that most of the accidents take place."

But when I finally had my protocol visit with the President at which I got to know [John A.] Calhoun very well because it took place just at the time that [John] Glenn was in orbit. . . . So we waited out there in the Cabinet Room for about three quarters of an hour while the President and so forth was watching this thing. But then I remember the President, as he took me out, said, "What would you think of Clark Kerr for Assistant Secretary for Latin America?" I said I didn't know Kerr personally, but everything I'd heard about him, mainly through [Richard] Dick Neustadt, who had been and still is a very close personal friend--I should have mentioned him along with the other people I got in touch with. He had been one of my real confidants on the White House staff. He had been with Charlie Murphy, not at [David E.] Dave Bell's level, but he should have been. And during the whole Stevenson operation, Dick and I got to be very close. So I said I didn't know Kerr, but everything I knew about him was good. I assume Kerr turned him [the President] down. But the real problem was Adolph Berle,

who wanted to be Under Secretary. You couldn't blame Berle for not wanting to go back to a job he'd had some years before. This is the whole problem of whether you have an Under Secretary for one part of the world and not for others.

And then a strange thing happened, I guess. Karl Spaeth was named. Karl Spaeth was a classmate of mine, a Rhodes Scholar from my class at Dartmouth. He accepted and then turned it down. And when Stevenson was on his way through Latin America, he was with [Charles W.] Charlie Cole in Santiago. No, he was with [Robert F.] Bob Woodward. Excuse me. Bob Woodward had gone down to Santiago at the same time that I had gone on to Peru, almost exactly the same time. Stevenson was asked to ask Bob Woodward whether he'd take the Assistant Secretaryship. And he did, although he had just come to a new post and loved it, a new residence, everything was fine. He really didn't want it. He's a lovely fellow, rather mild mannered, easy going, but it was rather unfortunate.

Later on, by the way, I learned what happened to Karl Spaeth. I was up at my old campus, Dartmouth, and John Dickey, the president, was my classmate too. I was talking to John, and I said, "Whatever happened to Karl Spaeth?" And he told me the darndest story. How history is made. There had been talk about Karl Spaeth who was then Dean of the Law School at Stanford--and John Dickey knew Rusk quite well. Rusk had talked to him about Karl. And John Dickey recommended him very highly, and then this had happened. So John Dickey then asked Karl some time later when he saw him what had happened.

And what had happened was that after accepting this post, Karl felt physically--he just all of a sudden decided he just couldn't face Washington again, all the rat race of Washington. And then it was discovered that he had hepatitis and that it hadn't been diagnosed. He hadn't even gotten to the point of going to a doctor. But this great, overwhelming lethargy that he felt and the reluctance to go back was the beginning of hepatitis, which stayed with him for quite a while. It was a very embarrassing situation. So Bob Woodward was elected at the time.

Well, do you want me to go through some of your questions here?

HACKMAN: Let's see, you've been talking about the briefings and some of the problems at State. Could you detect at that point any resentment towards yourself as a non-career appointee?

LOEB: Well, this is a built-in thing. Everybody's very nice about it, but if you're at all sensitive, you sense that there are. . . . This is perfectly understandable from both sides. First, I think it should be said that perhaps I'm the best example of a non-career or a so-called political appointment to whom the President owed no obligation whatsoever. He didn't pay me off for any \$50,000 contribution or for even my activities on his behalf. And if I was named, it's because I had some interest and I had the language and had been active in the field and because there was a particular job in Peru for which they felt I was qualified. The

political context was such that they thought perhaps a non-career ambassador who had political experience would be better than a career ambassador, given the new look in Latin American relations.

But you soon learn that there is this natural resentment, which I can understand from the other fellow's point of view. A fellow goes into the Foreign Service, and he gets married and has kids, and he drags his kids all over the world, and he has a very exciting life, but a difficult life. But what he wants to be is ambassador. And he finally reaches a point and there are just so many slots and he's counting the slots and where is he going to be? And all of a sudden a [Philip M.] Phil Kaiser, a [William] Bill Attwood or Jim Loeb or someone like that comes along, and his natural reaction is, "What the hell?" And this was made quite explicitly by some of the younger people. I remember afterwards being in Argentina and some young fellow named Al Williams. . . .

BEGIN TAPE II SIDE I

LOEB: He was an awfully nice chap, and he said, "I'm awfully glad to have met you. You're the first non-career person I've met." I wasn't actually in the rank of ambassador at the time. He said "We've all learned to dislike non-career people." This was a fellow just starting. It's understandable. When I got to Peru, there was a charge d'affaires there who obviously wasn't going to make it. He was a member of the class with [Fulton] Tony Freeman and other people who had made it. But he hadn't made it.

Well, you had asked me the question about the feeling for non-career people. I think you could say, certainly of the Kennedy appointments, and I say this with all modesty, that the non-career people that he named, with very few exceptions, were certainly people who had something to offer, something to give, and were not just the kind of political appointments of yesteryear when you paid off a fellow like the fellow Harry Truman sent to Norway once who knew nothing about Norway, had a yacht, and was very unpopular and so forth. But if you think of the Kennedy crowd, I certainly am proud to have been part of them in a small way. They were pretty qualified people, and I think by and large they were very successful.

HACKMAN: Do you have any specific memories of that visit you had with President Kennedy before you left?

LOEB: No. I would say that, as distinct from my visit with him before I went to Guinea which I'll talk about later, this was distinctly a protocol visit. In those days, of course, he was seeing so many that he had to see the two of us at once, Calhoun and myself. He was friendly and nice and so forth. But it was a protocol visit. The only thing I can remember about it is he asked me about Clark Kerr.

HACKMAN: Had you talked with Berle before you left?

LOEB: Oh, yes. Of course, I was being briefed right during the Bay of Pigs period. As a matter of fact, that day--what was it, the 17th of April?--was the day I was being briefed by Alan Dulles. Dulles was such a nice, fatherly sort of fellow, and I kept wanting to say, "Mr. Dulles, how's it going?" And I didn't have the nerve. I figured if he wanted to tell, he'd tell me. Berle, I remember, asked me how I felt about it. I was a little leery because I didn't know enough about it. He was obviously a hawk, if you will, to use the term prematurely. I'd know Berle before--not well, but. . . .

HACKMAN: Could you tell at the time that you were talking to these people before you left, that some of your opinions would probably be at odds with the position that the State Department was taking or had been taking?

LOEB: I would say there was some indication that I was part of a new look in Latin America, the Alliance for Progress had been a new thing. And I think the particular challenge of Peru was the upcoming election which everybody knew about and was getting ready for.

I think in the assessment of the whole Peruvian episode in which I was involved one sometimes forgets the background of it. And the background of it is Nixon's visit to Latin America. Nixon certainly shouldn't be blamed for what happened. But the feeling was that the United States had gotten into the habit of supporting military government, military dictatorships. And I know that later on when I used to have meetings with students, I would always bring up the Nixon case. I would always say, "I'm in a very good position to discuss this with you. Nobody could accuse me of being a partisan of Richard Nixon. In fact, I was politically opposed to him, but nevertheless he was Vice President, and how can you people in Peru justify what you started?" Because it started in Lima. And the only answer, rather embarrassed answer, they could give was, "This was the only way we had to express ourselves against the United States for its support of military dictatorships, and particularly the decoration of Perez Jimenez in Caracas." So this was the background.

Kennedy did identify with underdeveloped countries, particularly Latin America. He had a forward looking program in the Alliance for Progress, but also he was certainly anxious to get over the negative aspect of our previous policy which was this business of supporting military dictatorships.

HACKMAN: How was the whole idea of the Alliance for Progress discussed at the State Department at the time you were leaving? Particularly, what was the opinion of the old hands in the State Department, some of the people who had been around?

LOEB: Well, there was a degree of skepticism, considerably. And as a matter of fact, you found this quite all the way through. This is natural. In thinking of this interview, one of the names that

slipped my mind is the fellow who was my first AID [Agency for International Development] director. The poor fellow, though was killed in a helicopter accident. He left from AID and took a job with the World Bank in the Far East and was killed. But there was a sort of classic example of a wonderful fellow; his Spanish was very colloquial; a liberal, he believed in all the right things. He had only one problem, that he'd been around Latin America for eighteen years in one form of aid or another, and he was just sort of tired. Nothing that anyone could suggest would avoid this sort of comment, "Well, you know, we tried this in Venezuela once." You know, he just seemed to have gone through everything. And I suppose you do have periods of this, that new ideas are thought up and then some people say, "Oh, you know, twenty years ago we did this, and it didn't work." And there was a lot of that feeling among some of the aid people at the time. It was before it was called AID.

Then there was the argument--it's a very good argument--it sounds terrible! Education is terribly dangerous. If I say to you education is dangerous, you, I hope, react negatively. But I mean the more you get into it, it is true. If you educate people and you don't have jobs for them, and when you educate them, if you have, as you have in Peru, too many lawyers. . . . The unemployed lawyer is the most dangerous guy you've got. And there was a lot of this sort of skepticism about what you could do. Some of it was healthy and some of it was just, "Oh, why change?" and so forth.

But certainly Latin American relations needed a new look, and I, for one, feel very strongly about one thing. I don't think this business of image or style or even emotion is unimportant. I think these are very substantive things, especially in underdeveloped countries and even right here at home in our race problems. People have to have some sense of urgency and impulse and movement, and sometimes it's oversold. And that's the critical question, whether you can actually do a job of image-making and confidence-building and so forth, without overselling. If you oversell too much, then you get a kickback. And to a certain extent the Alliance for Progress perhaps was oversold. But still you have to create some kind of a feeling of hope and movement and so forth. I think this image making is terribly important.

I mention one thing that comes much later in the story, but since we're talking about this, I remember raising the question at a meeting of ambassadors in Lagos, not in any antagonistic way toward President Johnson at all, quite the contrary, but a very interesting question: Why was it that this President [Johnson] who had done more in the field of civil rights than any president in our history couldn't be translated to mean anything in Africa; and somehow we hadn't found a means to translate what had happened in the United States in any way that could be meaningful in Africa. And this struck me as very astounding. This merely demonstrates the point that image, style and all the rest of these PR (public relations) words may seem worthy of the ash can, but they aren't. They are very important. This was certainly part of our problem in Latin America. After all, Nixon had come back and Eisenhower's brother, Milton Eisenhower, had come back with a kind of theory, "Let's have cool relationships with the dictators and warm relationships with the democrats." And this was sort of the line.

So that my job in Peru was really the election job--our role and our posture during the upcoming election.

HACKMAN: Well, do you want to start talking then about the situation as it developed after you went to Peru, and the relationship with the Prado-Beltran government and other political people in Peru?

LOEB: Yes, I can. Our relationships with Peru were excellent. I mean when I went down there. I should say for background that my predecessor had been Selden Chapin. But not really. He was there for a very short time and not long enough to have any impact at all. And he had had a heart attack, and Eisenhower hadn't replaced him. Jack Neal was the charge d'affaires from August until the following May.

HACKMAN: He's the fellow who had the problems with the foreign aid program?

LOEB: No. There were two Jack Neales. One had an "E" at the end of his name and one didn't. And I can't remember which one this is right now. No, the other fellow stayed down there. I met him several times, but he was out.

After all, Peru recognized no iron curtain country. Peru was the first country in the world to break relations with Castro. So, on that level, in a cold war sense, there was never any problem at all. President Prado was enormously pro-American, pro-the United States. He had been a Roosevelt man during the Second World War, trying to organize the people of Latin America on our side. My relations with him were good. He was aristocratic, somewhat arrogant, friendly however.

But I think he is a classic example of a problem we have in Latin America. During this second term of his, he was thoroughly democratic. Lord knows, nobody could complain about the democratic process. Everybody had the right to say what he wanted, within reason. Peru was probably more democratic than most of the other Latin American countries. Prado was democratic, pro-U.S., he was anti-communist; but he was also sort of a do-nothing president. And this is a problem. He made passes at the problems. He was the oligarchy.

And when you use the word oligarchy, you're using a word that all Latin Americans use, even the oligarchs use it. And this is a problem. So that you had--the students and other people would always say, "Why do you give your aid through our government which is a government of the forty families?" and so on and so forth, and "Why don't you give it to the people?" Now this is the great question. I finally developed an answer for that. I don't say it was very effective. But I used to say, "Well, after all, this is your government. This is the only way we can deal with you, through your government. If there's anything wrong with your government, it's up to you to change it, not us." And I would say, "Would you prefer that I, as an Ambassador, or the AID director, or any American make the decisions in your country, that I would say that I would provide so many thousands of dollars

of aid to this group, and none to that group, and perhaps just a little bit to that group?" I would say, "If that's what you're asking, you're really asking for American imperialism in a big way because this is what it would be."

But there was a problem of what to do with a government that is well meaning, generally friendly, but really wasn't tackling the problems. The only thing I came to feel was that we hadn't a very effective Embassy. Jack Neal was an enormous help to me, the DCM [Deputy Chief of Mission]. After all, I was green, and without his assistance I would have been lost. But Jack was a fellow who had all the wonderful relationships with the upper crust and no others. He kissed all the ladies, and he was very popular. But this was the first feeling I got. It was the feeling that came to be intensified, I may say, as we went on.

And I could dramatize it by a conversation I had once at a real fancy cocktail party at the home of the manager of the First National City Bank at which all the wealth, both American and Peruvian, was present. And he [the host] came up to me and introduced a young woman, handsome woman, who said she'd been anxious to have a chance to talk with me. I'd been there almost eight months by that time. So we got into quite a discussion. I never forgot this discussion. She seemed quite intelligent. She was related to all the forty families, I think. Her father was involved in mines, her husband had a cotton plantation and so forth. And she kept saying what we had to do in Peru and, "But you can't push us too fast." I said, "No, that's right." And then you get into this argument about how fast is enough and so on and so forth.

And finally she ended this part of the conversation by saying, "You know, what we really need in Peru is somebody to give us some inspiration. We need a real inspiration. We need a lift." And I said, "Yes, yes, yes." She said, "We really need someone to do for us what Joseph Goebbels did for Germany." Well, I practically picked myself off the floor at that one. [Laughter] I thought for a minute, "Should I really shock her and tell her I was Jewish?" I decided not to do that. I said, "You mean Joseph Goebbels?" She said, "Well, not exactly, but the same sort of thing."

Then she talked about her group, the oligarchy. She said, "You know we're really the only friends you Americans have. Don't be misled, we are really your only friends." And then she said, "Can I talk to you very frankly?" You know, what are you supposed to say? No? I said, "Of course." And she said, "Well, we are really your only friends, but we don't think that you like us," speaking of me personally. I said, "Well, what makes you think that?" She said, "Well we always considered the American Ambassador's residence as our second home, and we don't feel that way anymore." I was rather flattered, frankly, by this and I said, "Well, I certainly--" I don't think she had ever been a guest there at a party, but certainly I had plenty of business people. But this is sort of the attitude that you got. They had considered the residence of the American Ambassador their second home. And this is what I felt somewhat in the Embassy.

There were some awfully good people there, and I'm not suggesting that they were all a bunch of striped pants boys or anything like that. They were very well qualified, very good people. But I didn't think that there had been enough effort--I'm not trying to get soupy about this--to get around, to get the feel of students, labor. There was a labor attache who was good and so forth. But the Embassy as a whole hadn't, in my impression, gotten far enough beyond the ruling oligarchy. Now, of course, it can be said in defense of the Embassy that the oligarchy did rule the country, and if you're dealing with the country, these were the doers and the movers. But the question was how long was this going to happen.

HACKMAN: So, How did you set out to change this situation?

LOEB: I don't know the extent to which I actually changed it. My real predecessor was [Theodore C.] Ted Achilles, not Selden Chapin who wasn't there very long. And I know that Ted got around the country and made speeches and so forth, as I later did. I'm not suggesting any criticism of him. I do think that he was too friendly with Beltran. I don't know if an ambassador should get himself in that position.

Pedro Beltran was a very--my relationships with him were good at the beginning. He was the Prime Minister. He was actually the--well, the President had the veto power and so forth, but Beltran ran the country. But Ted Achilles was so close. . . . You see, Beltran had married--his wife he had found at the American Embassy some years before. She was an American, the economic assistant or something.

I know that when Beltran had been asked to be Prime Minister, he and his wife and the Achilles spent all of one evening discussing it. And the decision was made in the United States residence whether he should be. He turned it down once; the second time he accepted. But I would say that there was an intimacy there that was almost too close, I felt. Now, Beltran was a very attractive fellow. There were plenty of people in the United States who thought that he was one of the great men in Latin America. What's his name, Cutler at the Bank . . .

HACKMAN: You mean Robert Cutler?

LOEB: Yes. He thought he was the greatest man in Latin America. And he had great influence. He had a heck of a lot more influence with the United States Senate than the United States Ambassador to Peru. If anything went wrong, he picked up the phone. I remember that happened one day. I can't remember the exact circumstance. And he called six senators from Peru. He could outflank the United States Embassy if he wanted to.

He had a problem in the sense that he was. . . . Well, if he had been in the United States, he would have been a good, moderate Republican. But in Peru he was an old oligarch with memories of the past, and the stories that

were told about his beating people on his old plantation that were many years past. He'd outgrown this, and one must give him full credit. But, nonetheless, he did have this handicap. He was, of course, the owner of La Prensa, which was the best paper. There were two big papers. The other one was absolutely unspeakable, El Comercio.

But towards the end, while he and his wife came to see us the day we left and it was very nice, he did. . . . He was never unfriendly, but he accused me undoubtedly--in fact once he did publicly, almost publicly, at a cocktail party with the Colombian Ambassador present--of being responsible for the fact that he wasn't a candidate for the presidency because he thought that I, the United States Embassy, should use its influence to force a coalition which would have made him the candidate for the presidency with Aprista support.

HACKMAN: This was at the time that the crisis developed around the election, or was this . . .

LOEB: Well, before the crisis developed.

HACKMAN: After he had resigned, you mean? Let's see, he'd resigned as Prime Minister, hadn't he, back in the winter or spring--I was thinking he had attempted to start a new party . . .

LOEB: Yes, he attempted to start a new party, and it was a real dud. He didn't have the popular appeal. And I think the reason he really got sore at me once was because he had a particular friend who recently died, Jules Dubois, the famous correspondent for the Chicago Tribune. He was generally on my side of the thing, but he was very close to Beltran. He came to the Embassy once, and he gave me this business about why didn't we force this coalition?

And my position was that I didn't think that I personally, or that the United States Embassy, should try to play God to the Peruvians. I didn't think we should intervene to that extent, to try to force this kind of coalition. And I made a rather unwise remark to Jules Dubois in which I said, "Well, most of the people around here [the Embassy] don't think that Pedro could win, wouldn't have a chance of winning." He said, "Well, you've got a stupid staff." Who could ever say what the truth of this is, except that it is fair to say that Pedro did start this political party, and it just fell flat on its face. He didn't get any place. And it may be the sins of the fathers and so forth, but it is still a fact that a man, however modern he may have become, his background was--he still represented something to most Peruvians. And I still say in retrospect that he could never have been elected president. But in any case, I took the position that I was not going to use whatever influence I might have to try to force the Apristas to choose him as their candidate. And he was unhappy about that.

My relationships with some of the other people were good. Belaunde I got to know early in the game, found very attractive, had long discussions with him, very frank discussions. As a matter of fact, at the time I came back when [Manuel] Prado visited here, word came to me, I think through [Richard N.] Dick Goodwin, that there had been some criticism that I was too close to Belaunde. And I think Dick said the President's reaction was,

"That's fine," because he was the opposition. And my relationship was very good.

As a matter of fact, the first Fourth of July--you remember they stopped having Fourth of July parties that everybody was invited to. So we invited just the members of--just a mere four hundred and fifty people or something. And Belaunde came, uninvited, because he wanted to be seen there and have his picture taken. He was very friendly. We used to have very frank discussions with him about communism. I would go around, and I'd meet some of his people, and I'd report to him and say that, you know, "Your students up here are communists." And he'd say, "I know it." I'd say, "Why don't you come out against communism and the communists?" He'd say, "You know I'm not a communist." And I'd say, "Yes, I know you're not, and why don't you say so?" He said, "Don't worry, I will. Give me time." In effect, implying, "I need their votes. And I'm not going to get in an argument at this point."

So my relationships with him were very good except towards the end when. . . . Of course, I was being accused of being pro-Aprista. The reasons for that I think are worth citing. One, no one in Latin America ever makes any distinction between Time Magazine and the United States government. Time Magazine, which used to refer to "left leaning Fernando Belaunde and his communist infiltrated Accion Popular," indicated that the United States was pro-Aprista. Of course, this was accepted as absolute fact.

There had been one episode, a very strange little episode long--not long before, but before I arrived, some months before. When we broke relations with Castro. . . . Castro had been the great man to everybody, you know, even the United States until that point, and the Apristas had supported him. And Haya [de la Torre] was one of the first to break among the left of center people. Evidently the United States Information Service was looking for anti-Castro statements from left of center people. Well, Haya, for whom I really never really had a high regard. . . . One of his weaknesses was that he never was in the country. He was always pontificating from Oslo or Berlin or New Delhi and so forth, when he should have been in the country organizing. I later found out, incidentally, much to my surprise, that my friend Betancourt had a very low opinion of Haya for this reason, although they were supposed to be very close.

Well, he had come back on his birthday (which was also George Washington's) and he made a speech--this must have been February 1961--in which he gave the anti-Castro line. And presumably the Information Service wanted to use a piece of this speech. So they asked the USIS to have little leaflets with parts of this speech printed--thousands and thousands of them. The USIS thought this was a dangerous thing because Haya was expected to be a candidate in the upcoming election. As I say, this is before I got there. Anyway, they agreed that they would have them printed, but they wouldn't be used in Peru. So they had them printed, and they had them printed by the printer who printed The Peruvian Times, which is a little weekly American paper.

It also happened to be that the printing establishment that printed whatever--I forget the name of the architectural magazine of the professional trade association of the Peruvian architects. And of course the editor of it was Fernando Belaunde. One day he was down in the print shop, and he noticed these things, there was a pile of them over there, Haya's speech. He asked the printer or some fellow who worked there who had had these printed and they said, "The American Embassy." He never got over that. We never quite. . . .

That was just one of those things. And there were a number of other things, too. So that Belaunde was always friendly, but toward the end I think he felt that we were against him.

My relationships with [Manuel] Odria were nil. I talked to him once in awhile, but we were never very close. And I find it absolutely fantastic that Odria and the Apristas are now linked up in this coalition. I don't understand that at all, except that Ramiro Priale who's the--I think he's the president of the Senate now, but he was the national secretary of the Apristas, a wonderful fellow. I liked him, very much. When he first came to see me, I asked him whether he had been in Havana at that 1950 conference. And he pointed across the way, and he said, "No, I was right over there." And that was the jail. Eleven years he'd spent in jail, a very humble man, I thought, and a very wonderful man, but he had a habit--he'd gotten into a political rut--of making alliances with his party's enemies. He had been responsible for the alliance with Prado, which elected Prado, much to everybody's surprise. And then afterwards he made the alliance with Odria. But I had a great admiration for him.

My relations with Haya were strange. Maybe I met him back in 1936 in the United States someplace, but I didn't remember him. But he finally came back, and Priale and Haya came for lunch. Almost before he sat down, or at least the first thing he said to me was, "Mr. Ambassador, the mission of the Apristas in Peru, as in all Latin America, is to fight communism. We're the only ones who understand it, we know how to fight it, and this is our mission." Obviously this was, in effect, in line with my government's view. We were worried about communism, legitimately, in Latin America. But what really happened, it seemed to me as the campaign developed, was that Haya's anti-communism got in his way--I'm an anti-communist from way back, I'm just now talking as a political observer--that he made this almost his sole issue. In the course of it he lost a great deal of the appeal of his party on other issues, and to the Peruvian peasant, even the semiliterate ones who could vote, anti-communism is a meaningless business. They don't understand it. They don't know what communism is and, therefore, they don't know what anti-communism means. It seemed to me that he made a serious tactical error.

I'm not suggesting that he be soft on communism, but I think his campaign was so exclusively anti-communist that it was one of the reasons for the fact that he didn't get the number of votes that he originally was expected to get. After all, Belaunde had been practically an Aprista. He had been elected previously a deputy with the Aprista support. When the Apristas were outlawed, Belaunde defended them back there in that original period before Odria took over.

Manuel Seoane, who was the vice presidential candidate and who since died, was the brother of the present Vice President. So it's funny, there were two brothers who ran against each other for vice president. Manuel Seoane I think would have been a much better candidate, a man of greater capacity, perhaps not the sort of romantic appeal. But there were many people who felt that he would have been a better candidate.

Well, much of the development of this campaign and what happened, incidentally, is contained in a very classified document which you probably know about. You know that President Kennedy was enormously interested in the decision making process per se, and he had a study done on what happened in Peru. It made a fascinating study. And much of this is all there. It was very well done. I was called over to the White House by Sam Belk one day, sat in [Michael V.] Mike Forrestal's office, and spent the afternoon reading this thing.

HACKMAN: In what period was that done, at what time?

LOEB: This was done after it was all over. It's what happened, how did we reach the decision. And perhaps I should go into this right now. Some of the questions that you've asked about my relationships with the members of the staff I might reserve.

We, of course, knew there was always a threat of military takeover. We also knew the terrific feud that existed between the Apristas and the military from way, way back.

HACKMAN: Had the State Department been worried about this at the time you came down--a fear of the military?

LOEB: Oh yes, oh yes. This was the central problem. I think there was a feeling--this was before Belaunde's serious candidacy, before the formation of the Accion Popular, although he'd been a candidate the previous time. And there was a feeling that probably the Apristas would win; they had become strongly anti-communist. And what were we going to do in the face of a military overturn? This was all in the cards.

I should say that on the way down to Peru on the plane I was reading the New York Times, and there was about a four-inch story about Odria having a political meeting some place, I can't remember exactly where, inland. And there was a terrible riot, and quite a few people were killed. This was something of a first impression. It happened just the day before I went down. I must say that I think this jarred the country, and while there were sporadic little things from that point on--I'm now talking about a period of almost thirteen months before the election, the actual election. But this Odria business, he was appearing in Aprista territory. And this riot and the fatalities resulting there from jarred the country and, I think, scared them to the point where their elections were relatively peaceful from that point on. There were a few skirmishes, but nothing like our race riots of last summer.

Haya came back, as was his custom, on his birthday, had this fantastic meeting in the square. It was just about that time, as a matter of fact, because it was on Washington's birthday when the really overt thing started. On Washington's birthday it was the habit that the American Ambassador would lay a wreath at the monument of Jorge Washington, which was just right opposite the residence, with the military attaches and some Peruvian representatives and so on and so forth. I remember the loudspeaker went bad, and we couldn't play the national anthem. But anyway, shortly after that, after the ceremony was over, I asked my military attache back into the residence, which is just a half block, it's almost across the street, for a drink. And [John J.] Jack

Davis, who was the army attache, Col. Davis, of whom I will have more to say, told me that he had had a conversation with Gen. [Alejandro] Cuadra [Rabines], who was the Minister of the Army, in which he told him that the military would never accept an Aprista victory.

I then went to see Cuadra, who was a fine fellow. He explained the whole background. He said, "I assure you that I will do everything I can, whatever happens, to see that the military recognized its place in the society and recognizes the government. But I tell you frankly, nothing I will be able to do will be able to prevent military action if the Apristas should win." And that was the first time that he, although it was raised in the Comercio, raised the question of homosexuality. He simply said the military will never pass in review, will never march past the President and salute a man of his habits. My response was that this would be very embarrassing for us, and he should understand this. After all, the Apristas are now anti-communists, there is a democratic election, and so on and so forth. And this would be most embarrassing.

After some other conversations, including the Minister of the Navy with whom I was very friendly, a strange little stocky fellow, Admiral [Guillermo] Tirado [Lamb], I decided I needed consultation. And that's when I came back to Washington, consulting . . .

HACKMAN: That was in March of '62.

LOEB: Yes. I had gotten permission from Bob Woodward to come up. I cheated one day to go up to Harvard to see my son. There I met somebody. I forgot--Milton Katz had introduced me to him, [William] Barnes? I think he was a Latin American expert on taxation who said, "What do you think of the new Assistant Secretary for Latin America?" And I said, "Who?" He said, "[Edwin M.] Ed Martin." I said, "No, he's the Assistant Secretary for Economics." He said, "No, he isn't." I said, "You must be wrong. I just spoke to Bob Woodward yesterday." But there had been a change that weekend, so that Ed Martin was [Begin Side II Tape II] new at all this. He wasn't really a factor at the beginning part of this thing. And then I saw George Ball. Ted Achilles was sort of the advisor to George McGhee at that time. He was always very cautious. Ted was a very good career man, but very cautious. My feeling was that we had to tell the military exactly how we felt about it.

We did have a meeting in the President's office, and we reached an agreement as to what I should do and what I should say. Then a memorandum of the conversation was written. The President signed it, and that was the position. I must say that I would have thought that this was about the most classified document that could exist, and I was very surprised to see it in print in John Bartlow Martin's book when he refers to his problems in Santo Domingo and the President said, "Give him the Loeb formula." And then he quotes from it. So it's hardly very confidential any more. So I went back.

There was a period of time when we met regularly in the crisis period. The Pentagon sent down one of their top people to help in these problems, to try to convince the military. I think he was the second man in military intelligence. At times we thought we were making headway.

Then the question of fraude was raised, fraud. There was one occasion when the military gave an ultimatum to Prado. He accepted the ultimatum. I can't remember exactly the incident. There was one wonderful incident, for example. They have a system of having a certain type of ink when you voted, the voter would put his thumb in the ink and mark his piece of paper which gave him the right to vote--so that you could tell whether somebody had voted. And it was charged that the Jurado Nacional de Elecciones [National Jury of Election], which is the election board, had used an ink which was not indelible. It could be erased and, therefore, there was fraud in the business. So the military forced the Jurado to get some other ink. And they brought in some British ink. The British gave them some technical assistance. One was green ink and one was red. I can't remember which was which. So they brought in the kind of ink that the British had used in Africa and other places for the same purpose, which was absolutely indelible. It eventually turned out that the British ink was no good at all; it was easily eliminated. But the interesting thing was that the Jurado fooled them by saying, "Okay, we'll use both inks." And they did use both.

There was a whole series of things. The Comercio was leading the attack on fraud. It was hard for us to make any estimate of the extent to which there was fraud. There was certainly some, but we couldn't see that there was anything of major proportions. And it came down at the end something close to two million people, I think--million, eight hundred thousand people voted. A very moving performance. For the first time clerics voted. The Archbishop, who I think by this time has become a Cardinal, the youngest of the cardinals in the College of Cardinals, stood in line for two hours and voted. There were practically no episodes throughout the country.

We all expected election results that night, but they didn't come until weeks later. And you know what the result was: 32.9 per cent for Haya, 32.2 per cent for Belaunde, and there was one third required for election. The problem was that while Haya wasn't elected, the Apristas had what the opposition government thought was a disproportionate influence in the legislature.

At that point my own feeling was that the only solution for Peru was some kind of an alliance between Accion Popular and the Apristas, and it almost came off. I had one good friend, who was a Belaundist and who was very friendly, whose name is Jose Antonio Encinas. Now I think he's the Peruvian counterpart of Roger Tubby in Geneva. He edited a newspaper called Expresso which was strongly pro-Belaunde. His wife was a Vassar girl, and he had been in the United States a long time. We were very good friends and we went to football games together, and I saw quite a bit of him. He gave me quite a bit of information about this. One night we had a dinner in honor of Jorge Grieve [Madge]. Grieve had just been named one of the Nine Wisemen. He was the Minister of Public Works.

Let me go back a minute. When the Nine Wisemen were originally chosen, I got called in by the Foreign Minister and just laid out for reason of the fact that no Peruvian was included in the Nine Wisemen. Oh, he just really gave us the business. I called Bob Woodward, and Bob Woodward said, "Well, Jim, we really played it honestly. We made up our minds we were not going to intervene. We would like an American to be one of the nine, but otherwise they could choose anybody they wanted. And after all there are more than nine countries."

But then, from the Peruvian point of view, fortunately, the Mexican I think got sick, got very sick and had to resign. Shortly after he resigned, Grieve was named. And we gave a dinner party for him. Beltran and other Cabinet members were there. Along about 10, a little after 10 o'clock, he came up to me--I'm told now that he's in charge of the Volkswagen outfit down there. Grieve was a kind of an Aprista fellow traveler, but had relations with other people too. And he came up to me, and he said, "Mr. Ambassador, I am terribly embarrassed to have to leave a party in my honor at this early hour of 10 or 10:30, but there are two people at my house who are waiting for me. One is Fernando Belaunde and one is Haya de la Torre." And Encinas was there also and several other people.

That night they came as close as they ever did to working out an agreement--they almost worked out a settlement. I remember this much about it: they worked out an agreement whereby Belaunde would be president, but the elections would be validated, which would mean that the Apristas would have a substantial--not a total majority, but a substantial strength in the legislature.

Belaunde asked for time to consult with his people. He left, said he'd be back in half an hour or so. He was back in a couple of hours, and came back with a totally different draft. Much to everybody's surprise Haya accepted it. The only issue that they split on was a ridiculous issue, in a way: Haya insisted that their agreement be made public, and Fernando couldn't agree. He was afraid that he'd get a reaction from his people. Haya insisted that the main purpose of reaching an agreement was to make it public in order to avoid a military takeover. But Belaunde, my understanding was, and my informant told me that this was the only issue that prevented the settlement. Then you know what happened.

There was almost a coup before that. The Apostolic Nuncio was the Dean, I was the Secretary, of the Diplomatic Corps, largely because somebody on the staff did the work for it. We decided to give a dinner in honor of President Prado. Know about that episode? The Diplomatic Corps had a real banquete de gala which we were to have at the Club Nacional at 9 o'clock.

At 6 o'clock, it was announced that the Cabinet had resigned. Nobody knew whether there was going to be a banquete de gala or not. It turned out to be banquete, but it wasn't very gala. In fact, it was that night that Beltran cornered me and said, "I'm grateful to you for the fact that I'm not too deeply involved in this because I would have been the presidential candidate had it not been for you," which was really a rather nasty thing to say. He just lost his temper, but he. . . . Well, then [Fernando] Berckemeyer, the Ambassador, was the new Prime Minister for about an hour and a half by phone. That fell apart, and then the Cabinet continued, and then you might say that it happened.

We were afraid it was going to happen all the time. The Saturday night before, it became very clear for a strange reason. Our air attache, Col. [Charles] Greffet, who was a very bright fellow but spent much too much money entertaining. . . . He should go into the--he should be a Sol Hurok, for goodness sake. He really entertained. He had a great party for the Air Force. He had received special permission to have a special allowance to get a somewhat fancier house than ordinarily. He had a fabulous place. He had not one band, but two; one band inside would play one kind of music and one band outside. He had the whole Peruvian Air Force there. And what we all remarked was something absolutely unique: the Air Force wasn't drinking. This was really our clue that something was certainly up. By understanding, the Air Force was not drinking, and the Air Force was very deeply involved.

And then I remember, I think it was the following Tuesday I'd gone to a performance--there were two performances--of the University of Utah players who did a remarkably good performance. They changed the name. It was originally called "Annie, Get Your Gun." But they didn't want to give it a militaristic twist so they called it something else, "Annie of the Far West," or something like that, which I thought was delightful. [Laughter] Then afterwards I went back and said hello to the gang and so forth. And I told them that we were worried about what was going to happen. They were leaving the next morning. But that night at 2:30 a.m. it happened. That was that.

As you know, President Kennedy had issued this ringing statement of which I was accused. But I had nothing to do with it. I think Mac Bundy wrote it. I thought it was magnificent. I think it helped a lot, although it got a lot of people sore.

After all, Prado was in jail. The Apostolic Nuncio and the Spanish Ambassador came to see me: What could we do about defending Prado? My wife, as other diplomatic wives did, paid a call on Clorinda, la Senora de Prado. And she got everybody out of the room except her sister, and then she asked my wife whether we couldn't make an arrangement whereby we would recognize the government in exchange for the release of her husband. My wife was hardly accredited for this type of negotiation so she just sort of passed it off. And then la Senora de Prado said, "Well, I would ask one favor. If I write a letter to President Kennedy, would your husband translate it and send it to him?" And my wife said yes he would do that. They were very much afraid that he was going to be prosecuted for treason, which was always possible. She did deliver the letter, as I recall--or her sister came over and said that they had been given assurance that he would not be prosecuted so nothing ever happened about that.

To go back and talk about the fraud business. A year later elections took place. And I don't know if it's recognized--and these elections took place under the military regime--Haya got more votes, the Apristas got more votes, both absolutely and percentage-wise, the second election, under the military, than he had in the first election. The only difference between the two elections was that Belaunde had made a pact with [Hector] Cornejo Chavez, the Christian Democrat. So he got those extra, what was it, 4 or 5 per cent of the points that made him the winner. But the charges of fraud were never really demonstrated.

And I would say this: I was going back for consultation, and the day I left Manuel Seoane came to see me. And before he sat down, he said, "Mr. Ambassador, before sitting down I want to express my thanks to your President and to you for the fact that thousands of my fellow Apristas and I are alive, we're not in prison, and we're not in exile. And we owe this to the action of your President."

As a matter of fact, and I may be overly defensive about this very controversial episode, but it should be said that for the first time in a long history of military golpes des estado in Peru, for the first time, there were no killings or murders or exiles or that sort of thing. And I think this was something of an accomplishment. I think there were others too, but this is one I would certainly think would be worth boasting about.

I've always felt that the first responsibility of any ambassador is to be expendable. Any time an ambassador decides that he personally is not expendable he loses much of his worth, his value as an ambassador. So then I asked to come back for consultation. I don't know whether I asked to or was recalled. But I remember thinking as I packed that I would take my tennis racket, but I thought, "Oh no, that doesn't look right. You can't go back for a few days of consultation with your tennis racket." I had a pretty good idea I might not return. I went to the airport, and there was, oh, a fantastic scene at the airport with I don't know how many reporters. It got pretty wild. Some of the reporters asked such questions as, "When did you resign from the Communist Party? Did you fight for the communists in Spain." And, oh, you know, some of the most vile kinds of questions.

Well, a number of things happened. One of the first things that happened was that the Apristas called a strike. All of us thought this was absolutely ridiculous; it never had any chance of being an effective strike. If Haya had been elected and there'd been a coup and they had called a strike, maybe, I doubt it even then, but maybe there would have been some validity. But what were they striking for? Theoretically, they were striking because the military took over. Nothing much happened. Haya hadn't been elected anyway. There just didn't seem to be any cutting issue. They weren't striking about wages, hours; it was a purely political strike, and even the political issue had lost its impetus by the fact that nobody had been elected president. And so, of course, it failed miserably.

And when I came back, when I saw the President--I remember several things about that episode. One, his comment on a column [James B.] Scottie Reston had written which was somewhat critical. I later had lunch with Scottie and thrashed it out. But President Kennedy passed that one off by saying, "Oh, well, if we had done the opposite, Scottie would have criticized that, too." But the President, I do recall definitely, felt that the statement that he had issued was a good statement, but that he should not have issued it. He felt that the Secretary of State should have issued it. I think he was wrong.

HACKMAN: How did it develop that he did issue it? Do you recall?

LOEB: Well, I wasn't here, and I didn't know it was coming. We had put ourselves in a position which I still think, and again I confess I am being somewhat defensive, but I was personally involved and no one is quite so much above battle that he can disregard his own role in the thing--we had put ourselves in the position that, by God, once, we were going to take a position against a military overthrow in Latin America of a democratically elected, anti-communist government. And I think we were right.

And of course it was one of the President's foibles, if you want, that sometimes he did things that were absolutely heroic and great and then got a little bit scared afterwards that maybe he'd gone too far. And he was disappointed, one, in the effect of the strike, and two, he sort of had an impression or a hope, maybe justified, that all of the people of Latin America would rise up in support of the stand he had taken. He found no such outpouring of support from Latin America. And he was a little discouraged by that.

HACKMAN: Do you know if anyone around him had led him to suspect that this would take place? Do you know who he was listening to closely at this point?

LOEB: No. I think he was very logical, but logic doesn't work. He was logical in the sense that the great feeling when he took over, the great feeling against the United States in Latin America was that we supported military dictatorships. So that if he had one dramatic chance, which he had, it's very true, of changing this image of supporting military dictatorships, the whole continent of Latin America would come to his support. Now, lots of people did. But it wasn't any great outpouring of people in the streets, "Viva Kennedy," because of what he did.

I like to think that two of the people who were passionately for us--there were more than two, Betancourt was one--but two of them are now among our favorite presidents of Latin America. One is Lleras Restrepo, now President of Colombia, who somehow communicated through John Plank that he thought that I should be sent back, since this was the greatest thing that ever happened. And he's certainly a fine guy. And the other one's Eduardo Frei. So that it was a substantive and, I think, a generally good move. But they all don't succeed just exactly as you'd like them to. This is again the limitation of American power. But there were a number of aspects of this thing.

One of your questions had to do with my relationships with the business community. I could go back and talk much about that, but just about this specific instance--the business community in Peru, the American business community, was very much opposed to our position. Jim Freeborn who represented Grace, whom I met just the other day after all these years, at the airport in New York--Grace was the most liked of the American businesses down there, or among the most liked.

I think it was Jim who called me and said that the Junta had called, oh, maybe the half dozen biggest American business representatives to the palace. [Ricardo]Perez Godoy, the leader of the Junta, had called them. And he told me that they were going, and he would report afterwards what happened. They went. In effect, what happened was that Perez Godoy and the Junta said, "We want to work with you. Are you willing to work with us?" And they said, "Yes." If I had been representing Grace or IPC, I would have done exactly the same thing; representing a major outfit, my job was to protect that outfit.

My difference with the business community at this point on this issue was that the United States policy had to be decided in terms of a number of factors, one of which would be the future of American business. But that wasn't the only factor; we had a whole continent to consider. The policy should not be predicated exclusively on the desires of American business, and in any case American business would do all right anyway, whatever the American policy was. But, as you know, the--what is it, the Peruvian-American Society or whatever it is, big businesses in New York, sent a stinging telegram to the President denouncing my position in that case. But again, I say if I had been in their position, I would have. . . . I think the only place I disagree with them, I think they shouldn't have denounced me or the policy; they should have gone about their business, defending their business interests

which is their right and obligation. But they shouldn't have expected American policy to fall directly in line with their particular interests.

Then when I came back--this is sort of a funny little incident about the President--I wanted to bring my wife and daughter, and they wouldn't let me. This was kind of silly, to have my wife and daughter stay down there. I was certainly going to be back in the States for weeks. Finally, I kept pestering Ed Martin, and he said, "Okay." So they left. (There's a sad little episode connected with that.) Their departure was responsible for, I would say, a five-line UPI story in the Sunday paper. So help me, it wasn't any bigger than that. It just said, "Mrs. James Loeb, wife of so and so. . . ." Arthur Schlesinger tells me that the next morning, Monday morning, at the staff meeting the President opened the staff meeting and said, "Why the hell did Jim Loeb have to bring his wife and daughter back with him?" [Laughter] He hadn't missed it. It's a wonderful example of the President's capacity to read newspapers and not miss a single line.

There's one other aspect of it I would like to deal with somewhat critically. Then, when I was back--my influence on the situation obviously was practically nil. But I was consulted, and there were all these clearances with various departments and directions to Doug Henderson, the charge d'affaires, who was left the difficult business of trying to negotiate something out of this. I realize there was a bit of a chasm between the White House and the State Department, and I realize some of the reasons for it. But one thing that I didn't like at all was that Charlie Bartlett, whom I never met. . . . In fact, I joined as a charter member of that club that he formed--what's the name of it, you know, the one in the Ritz Carlton, Federal City Club--because so many people stopped going to the other big club, the Cosmopolitan Club.

HACKMAN: Oh yes, yes.

LOEB: And so they formed this thing, and I joined it. Charlie Bartlett was the president or something, and I wrote to him from Africa and said, "I'm joining this so I can have a chance to argue this question." He had one very nasty column, by the way, on Peru--terrible column, awful. But Bartlett was negotiating with Berckemeyer behind the backs of the State Department, which I didn't think was fair at all, the result of which was that the Embassy here, the Peruvian Embassy, disregarded the State Department completely. They said they had their own contacts with the White House. Bartlett was trying to negotiate something. I didn't think that was quite fair to Henderson.

Eventually what we got out of it was, I thought, rather substantial, a commitment which was done through Perez Godoy's answer to questions from a Washington newspaperman who was an AP newsman. But we had a commitment for elections within one year, and there were two or three other issues we argued about that we got satisfaction on. And basically I thought that we had worked out a kind of a pattern to be followed. Maybe we had, but things changed pretty radically, pretty quickly. Tom Mann was Johnson's first appointment. Tom Mann is a lovely fellow, but a terribly conservative guy. Really, I remember Arthur Schlesinger and Bill Moyers. They were just wild at the appointment, really mad. Well, he's perfectly intelligent and nice--but always extremely conservative. I think it was the first policy change after Johnson became

President. But I think that we had worked out a formula.

Eventually there was an argument about whether I should go back. I was staying with Averell Harriman at the time, and he said, "When are you going back?" And I said, "Well, I know I wouldn't be particularly comfortable after arguing with these military characters for all this time." Averell's comment was, "Who the hell cares about you? You've got to go back." There was quite a discussion about it. I really think the President was right about that. After all, if we were going to do business with them, why not send somebody more neutral than I was at that time. And I think he probably reached the right decision. It was understood that we wouldn't send anybody for quite a while, but the Peruvians were pretty sore and, in effect, threatened that they would withdraw Berckemeyer. So we thought finally, "Well, we'd better name somebody."

HACKMAN: You talked about that communication through John Plank. Would you go into that a little bit?

LOEB: Oh, it was just that John, whom I'd come to know when he came down with Ted Kennedy--he was Ted's guide and translator and he stayed for a while after Ted left. . . . And I think that Lleras Restrepo's wife was having some kind of operation at the time in Boston, and Lleras was up there. John knew him. I didn't know him at that time. And he evidently told John that this was the most courageous thing we'd ever done, that he hoped that I would be going back. And John communicated this message to the White House. So that was that.

There's one fascinating little footnote I'd like to go into--I don't know if we've got enough tape left . . .

HACKMAN: Yes, we do.

LOEB: What makes history? We had an ambassadorial conference for South America, not including Central America, in Lima in October '61. When I was up here at the time of the Prado visit, they suddenly decided that they had to change it from Santiago, where it was supposed to be, and we took care of it. And everybody came down. Chet Bowles was the Undersecretary then. So Chet and I went to pay a protocol visit on President Prado.

It was merely a protocol visit, but Prado recalled part of his conversation with Kennedy during the visit here when they had conferred--just the two of them. I don't even think they used an interpreter. Prado knew enough English so that he could get by, but now I can't remember whether they had an interpreter. And then we were all called in, and President Kennedy explained what they had talked about. And one of the things that he mentioned in passing was that President Prado suggested that the OAS set up a committee on civil liberties in Cuba. It didn't seem to be a major point to President Kennedy, but it was something we ought to look into. At the time that Chet Bowles and I went over to see him, Prado mentioned in passing, he recalled this item he had brought up with President Kennedy. And he said, "We're going ahead with it. And we're going to instruct our ambassador to the OAS to urge the

establishment of a committee on civil liberties in relation to Cuba." And I went back and I sent a one paragraph cable in which I mentioned this matter.

The conference was over, and Chet Bowles and a bunch of others of us went up to Puno where Chet was to dedicate the first of the school lunch programs. We had a whole series of things we had to do. Some of the other people and my wife and Mrs. Bowles and Tyler Thompson went up to Machu Picchu. We took the C-130 up, my daughter was with us. One fellow, some deputy-assistant secretary of the Pentagon who was at the conference, had some kind of infection--I don't know what it was--in his arm and it began to spread. And we got kind of scared. The only way to get him back was to send the C-130 back. But everybody was feeling pretty sick. You know, the altitude is jarring, and you come in in the C-130, which is. . . . The ordinary commercial plane, as you come down, it relaxes its pressure--not the C-130. You're getting out from sea level to 13,000 feet. And everybody turned partially green. And so Chet thought he ought to go back. He was really miserable. And one guy had fainted dead away at the ceremony. So that everybody went back except three or four of us who had to carry through the rest of this schedule and other things we were supposed to do up there. I think [James W.] Jim Symington was with us, I'm not sure.

Well, anyway, I get back on Saturday afternoon. The only way we could get back eventually was to take this Auto Carril--that's these cars they put on the railroad track, an old Dodge or something--to get back to Arequipa where the air attache met us. You couldn't fly up and back, you know, because the DC-3 at that altitude with the downdrafts in the Andes--there are just certain hours you can fly. So we got back.

I got back to Lima, and I had to dedicate or do something at the American pavilion at the Fair, the Trade Fair. I was informed that the Minister of the Interior wanted to see me. I couldn't figure out what he wanted to see me about. I had forgotten a strange Latin custom that when one minister is out of the country, another minister substitutes for him. As if when Rusk left the country, Orv Freeman would be acting Secretary of State. So I went over to his house on Saturday afternoon, and he says, "I've been trying^a to reach you (I don't know why he didn't talk to Doug Henderson, but he didn't) I've talked to every other OAS ambassador. A terrible mistake has been made." And he said, "I don't recall whether it was a garbled message to our ambassador at the OAS,"--the old man who's still here. What's his name?

HACKMAN: Sol Linowitz?

LOEB: Oh no. No, the Peruvian Ambassador.

HACKMAN: Oh, [Juan Bautista] de Lavalley, something like that.

LOEB: You're close. Whether it was a garbled message and he misunderstood the import of it or whether he just went beyond his instructions, but he had called for a meeting of foreign ministers on Cuba. And the acting foreign minister said, "I want to assure you that this was never our intention, that we would never have done a thing like this without consultation with our friends, and particularly with the United States, and we will make this perfectly clear."

Well, my first reaction was, "Gee, what do you suppose Washington was thinking? Here Peru has called for a meeting of foreign ministers, didn't they ever send a fellow by the name of Loeb down there? Shouldn't he have known about this?" So I

called Bob Woodward who was in San Jose where they were having their Central American meeting. I remember saying, "Bob, are you standing up or sitting down?" He said, "I'm standing up." I said, "Well, sit down." And I told him this thing. Well, Bob was easy going. He said, "Well, that's alright. I don't think that's too serious."

The point of it is, the result of this mistake was absolutely catastrophic. The following things happened: first, [Alberto] Lleras Camargo was sore as hell, the Colombians were sore as hell because they had their foreign minister go around the continent very carefully trying to work out some kind of resolution on Cuba, to get absolute consensus. And they thought that Prado was upstaging them and taking the leadership. And they were sore. The Department kept saying, "Well, we'll postpone it. We can postpone it," this meeting of the foreign ministers. But the fact is that once the announcement was made, the American press said, "Well, it's about time somebody did something about Cuba." And they never could get out of having this meeting, despite the fact that the Peruvians tried to explain their position. They never could get out of having it. They postponed it and postponed it. And Bob Woodward, somewhat, I would say, too easy-going, said, "Well, we'll manage." They couldn't find anybody that would host them. They finally had to go back to Punta del Este. Then there were the negotiations with [Arturo] Frondizi. And that result was that Frondizi doublecrossed them. They had one hell of a time getting the eleven votes, as you recall.

HACKMAN: That was January '62, wasn't it?

LOEB: Yes. That was the occasion when [de Lesseps] Chep Morrison made this wonderful comment, which he shouldn't have made publicly, about his expense account: something about breakfast 7:30, three pesos or whatever it is in Uruguay; coffee, 10:30, seventy-five centavos; lunch with the Haitians, ten million dollars. And, in effect, they bought the eleventh vote. It was the only way they could get a vote. The result of that was, since Frondizi had doublecrossed us, that the military tossed out Frondizi--it was a direct result of that. And once that happened, our goose was really cooked in Peru. From that point on you could. . . .

There was a fellow named [Jose Maria] Guido who was some kind of judge who was technically made acting President of Argentina. We recognized him; we then announced a loan of fifty million dollars. And my arguments with the military were absolutely useless. In fact, Colonel Davis, Jack Davis, who was really not with me, but he told me one day he was arguing with one of the military, and the Peruvian showed him the paper, saying, "You're lending fifty million dollars to Argentina? Don't tell me you're not going to do the same for us." And we were really cooked because. . . .

Well, of course there were lots of cables that dealt with Argentina. And I got copies of all the cables. One of the considerations on Argentina was what its effect on Peru would be. But we finally did recognize the Argentine setup. And I just had the feeling that was the end of us in Peru. It's interesting that it all came from a little mistake, calling the foreign ministers, which the Peruvians never really wanted. That's where it all started.

HACKMAN: This thing is just about to run off.