

Wilbur Mills Oral History Interview – JFK#1, April 14, 1967
Administrative Information

Creator: Wilbur Mills

Interviewer: Joseph E. O'Connor

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Biographical Note

Wilbur Mills (1909-1992) was a Representative from Arkansas from 1939 to 1977 and the chairman of the House Ways and Means Committee from 1957 to 1974. This interview focuses on the activities of the House Ways and Means Committee and potential legislation on taxes and Medicare during the Kennedy administration, among other topics.

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Wilbur D. Mills

Date: March 19, 1971

Wilbur Mills– JFK #1
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Oral History Interview

with

WILBUR MILLS

April 14, 1967
Washington, D.C.

By Joseph E. O'Connor

For the John F. Kennedy Library

O'CONNOR: Mr. Chairman, I asked you if you had any comments on Senator Kennedy's statement that he could deal with you and various other members of Congress even when the two of you opposed each other?

MILLS: Well, I'm sure that he could, and I appreciate him saying it. Our relationship, I always thought, was very cordial--one always of deep understanding of the problems of each of us and the positions of each of us. We were not socially close by any means. I have very few social activities. But we were rather close, during the time that he was President, in legislative matters. Our discussions were always very frank. If I found that I was not in a position to take over and sponsor legislation perhaps in the form that he wanted it, he seemed always very agreeable to us taking the legislation, amending it in a way that we could support it. So that I always thought that our relationship was very good and one of mutual understanding.

O'CONNOR: The implication in that statement is that he did have difficulties with some members of the House and Senate. This is to be expected, of course. But do you think there were any particular reasons why he would have difficulty? For example, one reason that he himself gave, I believe, was that many of the men in the Congress, both in House

and Senate, that he had had to deal with as President, the year before had outranked him, that he was a little timid at least in his first year in dealing with these people. Do you think that had anything to do with it?

MILLS: Perhaps he was more self-conscious of his position in the Senate, his rank on committees, than he should have been. I know nothing about his dealings with other members of either the House or the Senate, naturally. All I would know about is the many occasions that he and I were in consultation and in discussion of legislation. I don't know why he would have felt that way because I've never had any other members of the Congress tell me that they found it difficult to deal with him. And I have discussed it with many members. I mean in the House. I haven't in the Senate.

O'CONNOR: They said they did have difficulty?

MILLS: No. Didn't have.

O'CONNOR: I see.

MILLS: Did not have.

O'CONNOR: Do you have any comments on the effectiveness of [Lawrence F.] Larry O'Brien because Larry O'Brien was his liaison man.

MILLS: Yes.

O'CONNOR: You met with him many times.

MILLS: Yes, oh yes. Larry and I were, and are still, very good friends. Ours perhaps was a personal relationship, one of respect--certainly for him, and I always hoped for me--that made it very, very easy for us to work together. He was always of great assistance to me when we had legislative matters coming from the committee that embodied programs of the Administration. Larry had a knack of being able to sell himself, ingratiate himself with the membership that is certainly unexceeded, I think, by any other person that I've had any dealings

with in that capacity. He was very devoted to his work. I would describe him as a very qualified, very capable individual serving a President in a liaison capacity. Our relationship was always of the very best while he was in that capacity, but I say it was primarily one of working together on legislation that came from the Ways and Means Committee.

O'CONNOR: Was that true even in the first year of the President's Administration? The reason I ask that is because I've heard some comments from various members of the House that Larry O'Brien was not, perhaps not experienced enough in dealing with members of Congress and that he on occasion used to offend members of Congress by badgering them or something of that sort? Is that true?

MILLS: I wouldn't know anything about that. He was never in that posture in his relationships with me. Perhaps I became much better acquainted with him in the second year in his position than in his first year. I'm not certain how much contact we had in the first year. We had considerable contact in 1962.

O'CONNOR: All right. [Theodore C.] Ted Sorensen has mentioned that some members of Congress, though they may have gotten along well with President Kennedy, were very suspicious or at least somewhat suspicious of some of the bright young men around him. Would you say this as well?

MILLS: Oh, I would assume that might have been the situation with some, but certainly I never could be properly placed in that category. I had no contact with many of them. In the first place, my contacts were almost exclusively with the President. On many occasions when I'd be with him, Larry O'Brien would be present. On some few occasions when I happened to be there with him in discussion, Ted Sorensen was present. But I never had any suspicions nor doubts nor fears about being friends of anyone actually. Maybe I should have, but I didn't.

O'CONNOR: Well, in connection with the dealings between the White House and you as chairman of the Ways and Means Committee, in 1962, both at the very beginning and at the very end, some vacancies arose in the Ways and Means

Committee. The papers at that time reported a kind of a conflict between you and the White House as far as filling those vacancies are concerned. For example, well, in December 1962 it was reported that President Kennedy favored Ross Bass and [William P.] Pat Jennings filling two vacancies that were in existence and that you opposed this. Now did you find yourself in opposition with the President on the matter of filling vacancies?

MILLS: Well, in the first place, the President had no position, so far as I know, about filling vacancies on the Ways and Means Committee. I would have been greatly surprised if he had had any position about it because no President that I've ever known--and I've served with as many as five, I guess--has ever injected himself into the election of membership in the House, either Speaker, Majority Leader or membership on our committee. I'm satisfied and convinced that if he had. . . . Maybe he had a preference, but if he had done anything with regard to the filling of those vacancies, I would have known about it. As I say, he may not have had a preference. Maybe any president would have had a preference about whom would go on the committee from time to time. Certainly, however, I knew nothing of any activity on his part. I'm convinced I would have known had he injected himself into it. I think everybody would have known about it.

O'CONNOR: The reason it gave rise to that report was that the Ways and Means Committee, of course, had--well, some measures that the President had hoped to see passed by Congress but which had not come out of the Ways and Means Committee.

MILLS: No, that couldn't possibly be the case because I think the President knew that after we worked matters out in the Committee they were going to come out. He had apparently a great deal of reliance upon what I would tell him that in my opinion the Committee would do. I'm satisfied that he would not have said anything to any member of the House about a preference for membership on the Committee. I would say that the article must have been incorrect.

O'CONNOR: You'd say that was true also of the other people who were associated with the President in the . . .

MILLS: Oh, yes, I would have known about it, couldn't have avoided knowing about it. Now it is true in the instance that you're talking about that Ross Bass and [Phillip M.] Phil Landrum were the actual choices of the leadership of the House at the time, as I recall, and I could be wrong about that. But generally the leadership will let it be known who it is that they think ought to go on the Committee. I know some effort was made to discourage Pat Jennings at the time from running for the position, but he ran anyway and was successful. Pat never stopped any legislation. He got on the Committee, was very cooperative in every respect, so there couldn't have been anything about Pat that would have caused anyone to believe that he was not cooperative in the first place. Phil Landrum is presently on the Committee. He ran again and was elected. It's not unusual to be defeated in your first effort to go on the Committee if you don't have the backing of the leadership. I had that experience myself the first time I ran.

O'CONNOR: All right, one of the first matters that you were particularly involved in, not necessarily as the chairman of the Ways and Means Committee but in your stature in Congress, was the dispute regarding the Rules Committee. This was in the very beginning of 1961, of course. One question I wanted to ask you in particular: There was a dispute over whether a member should be purged because he had not supported the ticket in 1960, or the Committee should be expanded, as I understand the dispute--do you remember talking to Speaker Sam Rayburn about that?

MILLS: Are you having reference to a question of whether or not Mr. [William M.] Colmer of Mississippi would be continued on the Committee?

O'CONNOR: Yes.

MILLS: Or whether he would be replaced, taken off of the Committee?

O'CONNOR: Essentially, he had not supported the ticket in 1960, and there was some . . .

MILLS: I don't remember that allegation about it. I remember something very hazily about some question of whether he would be allowed to continue on the Rules Committee in connection with the decision of the leadership finally to enlarge the size of the Committee to placate the interests that then existed in the House to make more certain that the Rules Committee was responsive to the House leadership. Now is this the situation you're talking about?

O'CONNOR: Essentially, yes. I wondered if you--I thought it was you and Representative Oren Harris had met with Mr. Rayburn and had talked about this . . .

MILLS: I talked to Mr. Rayburn constantly about things of this sort. I don't remember whether Mr. Harris did or not. But Mr. Rayburn was not for purging Mr. Colmer from membership on the Committee. Many, many possibilities were suggested at the time. The Committee was made up of twelve members then, an even number. There was consideration given to adding one member, making it thirteen, an odd number. Many possibilities were considered wherein the Committee would be made more responsive to the will of the leadership of the House because the Rules Committee's primary function is to be an arm of the leadership of the House regardless of what party is in control, and its function is not to defeat the will of the leadership but to support the will of the leadership. It isn't a legislative committee. It's a committee to regulate the flow of legislation to the circumstances under which the House will consider it at all times. That function actually was performed earlier in the history of Congress by the Speaker himself, as I understand, and then later by the Speaker, the Majority Leader and the Minority Leader as a group of three, but always the theory has been that the Speaker himself is the one who should have final say with respect to what is considered and under what conditions it is considered. The Rules Committee was set up, as I remember, as a result of the revolt against Speaker Joe Cannon. I think that's right, anyway sometime back in our history when it was thought that the Speaker himself perhaps exercised too much

jurisdiction with respect to this question of what could be considered and what couldn't. But throughout the history of the Rules Committee, its function was to serve the leadership. That was the function of the Committee, not to thwart that leadership.

There was a feeling that existed that the Rules Committee had developed to the point that it thwarted the will of the leadership. And that is not true. Judge [Howard W.] Smith, who was chairman of the Committee at the time that Mr. Rayburn was Speaker of the House, never on any occasion, except once that I CAN recall, refused to allow the bill to come to the floor of the House that Speaker Rayburn wanted on the floor of the House. The one instance that I have in mind was with respect to the granting of a rule to send some measure to conference, wherein amendments had been added by the Senate, that not only Judge Smith but other members of the Rules Committee opposed. In that situation I'm not certain what the Speaker's position was, but I assume that he must have wanted it to go to conference which would have been the orderly situation and the usual situation. But this was blown out of all proportions in the minds of many members of Congress as well as the public. There never was a time--and I was very close to the situation; I know what I'm talking about--that anyone could establish that Judge Smith did not cooperate with Sam Rayburn in bringing to the floor what Sam Rayburn wanted. There were sometimes delays, yes. There were consultations before agreements were reached that made this true. But under no circumstances that I ever knew anything about--and I'm very close to the Speaker, was very close to Judge Smith--under not one instance that I can recall where that was not the case. The situation, being blown all out of proportions, led many Democrats and the majority of the Democrats, I guess, at that time to believe that something had to be done. Well, it was the responsibility of the Speaker to try to bring the various factions within the party together. That the Speaker did by finally suggesting and the Democrats in caucus agreeing to the idea of the expansion of the Rules Committee to fifteen. Strange as it may seem, the Rules Committee had not always been twelve, but earlier, as I recall, the Committee had been different in its composition in numbers. I've forgotten, but maybe at some time earlier there were as many as fifteen men on the Committee.

O'CONNOR: Do you know who was responsible for the compromise that was finally adopted to bring the Committee to fifteen?

MILLS: Oh, many people have attributed it to a meeting of several of us with the Speaker, including me.

O'CONNOR: That's what I was thinking of. I was one of the ones who attributed it to that.

MILLS: Well, many people have done it. I talked to the Speaker many times about it. I was primarily concerned that Mr. Colmer not be displaced on the Committee because I don't think there was any evidence that Mr. Colmer had done anything in the '60 election that meant that he should be so treated. There had been no action taken with respect to other members in '48, or '52 or '56. Why suddenly take it in '60? Just as I thought it was inappropriate to take the action that was taken with respect to John Bell Williams in '64. I thought the better course of action was for the caucus itself at some point to serve notice on the Democratic membership that if they could not support the party candidate for president in some forthcoming presidential election, then some action would be taken so as to give them notice rather than doing it on the basis of some previous action prior to any notice. Certainly no notice had been given at any time involving the election of 1960. Had we not enlarged the Committee, however, many people thought that the Democratic caucus would have taken Mr. Colmer off the Rules Committee. I assume they could have done it.

O'CONNOR: Another matter that was very important during the Kennedy Administration had to do with taxes and particularly tax cuts. The tax cut came up in 1962 and then again in '63. In 1962 President Kennedy, in effect, gave up trying to push through for a quickie tax cut.

MILLS: I can tell you the whole story.

O'CONNOR: I'd like it if you would.

MILLS: I'm probably the only member of Congress that was privy to it. I was the only member of Congress that sat in on all these various meetings. President Kennedy had a meeting in the White House, in the Cabinet room, in July of 1962 for the purpose of exploring with a number of economists in government and outside of government the outlook, economic outlook, to determine whether or not some action by government should be taken to avoid a depression. There was a suggestion made, and it was prevalent in the news at the time, that there should be a temporary or a quickie tax reduction bill enacted in 1962. Douglas Dillon was Secretary of the Treasury and he sat in on these meetings, as did I. I don't recall that there were any other Cabinet members present. There may well have been. I do recall that I was the only member of Congress there. I sat next to the President, on one side of him, Dillon on the other side, because he wanted us to hear what he had earlier heard so that we could assist him in evaluating what he was hearing and also, apparently, to assist him in determining whether or not anything would be done. After hearing everything that was said in the July meeting, I told him that I was left unconvinced that that type of action was immediately required. He adjourned that meeting for us to reconvene thirty days later in August, which we did. We went over the situation again. There were still those present who were suggesting that something had to be done and if something were not done soon that we would begin to drift into a recession. I did not think so at the time. I so stated my views. I told the President then that I thought that it was a mistake to take that action. I didn't like the idea of a temporary tax cut. I didn't like the idea of what was described as a quickie tax cut.

He was privy to information that he made available to me on a confidential basis at the time. It came to him from representatives in government who had made a survey apparently of the reaction of the European central bankers to any such quickie tax cut. They would have frowned upon it and thought it illogical and unwise. The result that he feared--I wouldn't say that he feared because he did not tell me, but the result that I feared, certainly, and I would assume that he shared that view, was that had we engaged in such activity, it might have stimulated a degree of concern in these central banks that could have resulted in a conversion of their dollar holdings to gold. This was one

of the allegations made by these representatives of the government following their interviews in Europe and their conversations over there. That was laid to rest in August.

He asked Dillon, Doug Dillon, and me to accompany him to his office from the Cabinet room. We went in, and it was then that we discussed--no decision was made--that the thing that we should pursue was a reform of the tax law. One of the basic elements of reform, of course, is the reform of your tax rate structure. We would undertake to find out whether or not we could get some degree of acceptance of that as a possibility from our American citizens--business, agriculture, labor, and so on--and what reaction to such undertaking by us there would be in Europe and abroad, whether or not they would view that with alarm or whether they would view it as wise. I think really that's the meeting wherein it was developed. That was in 1962. The proposal which he later delivered to the Economic Club in New York in December, which incidentally he asked me to come to the White House and discuss with him--review his remarks before he made the speech in New York and when I went over his remarks with Ted Sorensen--I was supposed to have been in the position of helping him prepare them, but Ted had done an excellent job, and there was very little change, if any, that I felt needed to be made. I might have made a suggestion for a change of a word or so, I don't recall. But he went on to New York and made the speech. I went back to Arkansas. But we were in complete agreement that that was the course we should follow. We were in complete agreement, I think, in August that it would be unwise to then enact a temporary tax reduction. I doubted very frankly, and so stated, that he could get such a tax reduction through the Congress. I told him frankly that I did not think it wise, that I did not think I could support it.

O'CONNOR: Do you feel that the idea of tax cuts not being advisable was as strong in John Kennedy's decision to drop it for 1962 as your feeling that it was not politically feasible?

MILLS: I think it was a combination of two things. I don't think any President would have acted in the face of what he was told might be the reaction with respect to the conversion of dollars to gold by European central banks without grave consideration. I think that was the first thing, frankly, that swayed it. I think President Kennedy, as I have always thought any other President would do, having become convinced that a course of action was desirable from his point view for the nation as a whole, would have to take the position of recommending that course of action regardless of what the Congress subsequently might do with it. There was never any assurance in his mind when he made his speech in New York in December of '62 and when later he announced to the Congress itself in his message to the Congress advocating a tax reduction and reform bill that Congress would do it. He knew that I was for it, but I'm sure he didn't feel overly confident about its passage. I did. But I told him it was always a question of timing. It couldn't be done in January or February. The matter had to be discussed, it had to be debated, people had to reach decisions, because this was something different from anything that had heretofore been considered--that is, recommended.

Actually, consideration was given during the Eisenhower Administration to reducing taxes as a means of softening, or reducing at least, the degree of the depression that came on in '57 and extended through '58, but no decision was ever made to follow that course of action. Here we were in a depressed condition. We had excess plant and equipment that was not being used. We had a rather high level of unemployment. We had a very serious balance of payments deficit. Some people argued that what we needed to do was to spend more money at the federal level to create the impetus that such would have created. I always believed that it was better to leave with the people the choice of how their money was to be spent than to take it from them and exercise that choice in Washington. I insisted all along that it would do no good to reduce taxes for this purpose if we didn't hold the line on spending at the same time. The President was in full agreement with me on that point and so advised later in communications that were made public as well as in private conversation. And he had a complete understanding of the economics of it and the desirability of it, as I recall. But he didn't undertake this thing with any knowledge that it would pass

anymore than he declined to request something in '62 because he felt maybe Congress wouldn't pass it.

O'CONNOR: The indication that I got from one particular passage of Arthur Schlesinger's book on Kennedy was that you--and perhaps this is too strong a way to put it--extracted a promise from the President that he would hold the line on federal spending in order to gain your support for a tax reform and tax reduction bill.

MILLS: I think that does, frankly, a degree of injustice to the President himself. I insisted, yes, but at no time did I think I was extracting something from him that he did not completely agree to. Now I'm satisfied if he hadn't been in agreement, knowing him as I knew him, he would not have agreed to it. But I think he realized, as I realize, that you'd never have a balanced budget, which was one of the objectives that we had in mind at the time, you'd never assist in the balance of payments problem without holding the line and transferring from government what had otherwise been the responsibility of government for years, to spend more to get us out of the difficulties we were in, into the private sector, that responsibility. We both had that confidence, I think, that the private sector, if released from wartime tax rates, could generate in the economic sector this additional activity that would result in the utilization of unused facilities, in the employment of people who were then unemployed, and actually the generation of greater amounts of federal revenue under the lower rates than we were then getting under the higher rates.

Now the case has been proven. There were those who doubted it at the time, and they had every right to doubt it because nothing like this had ever been undertaken. But I always admired his courage in the fact that he believed that these things could happen as a result of this action. Douglas Dillon believed it; it's a matter of public record on many occasions when he set forth his views. I believed it. None of us could prove it. It could have gone just the reverse. But it didn't.

O'CONNOR: Well, it has been said that the bill that was finally passed was more a reduction than a reform. Do you agree with that?

MILLS: No, I don't agree with that. The basic reform that we sought all the way through was not just the reform of a section of the law or a dozen sections of the law--reform of those sections, yes--but also reform of the tax rate structure. Now there's a degree of confusion, I think, in the minds of a lot of people that reduction of tax rates are involved in reform, and they tend to isolate reduction of tax rates from rewriting certain sections of the law. The recommendations that came to us, very frankly, were not all reform recommendations by any means. I think that the Treasury Department at the time, perhaps, had in mind the desirability in the first full year of revenue reductions through rate reductions of around eleven billion dollars in total, but rate reductions without some of the other elements of their proposal that perhaps in the long run would have resulted in more loss on the surface of revenue than eleven billions of dollars, or fourteen billion over the two year period. So what the Treasury, I think, must have done was to say that we want these rates down to these levels, but we just don't want to lose that much revenue. We'll try to make up for some of it in what some people would have referred to as an expansion of the base of the tax.

That's not reform in the sense that most people refer to reform. The idea that they advanced to do that was the denial of certain deductions or percentages of deductions that all the taxpayers who filed anything other than the standard form utilized. That never had any chance to begin with. That was dropped in the Ways and Means Committee. We did take away from taxpayers at that time certain deductions for certain matters that they did enjoy up to that time, but nothing near the extent that the Administration had initially suggested. Nor did we take them away in the manner that the Administration suggested initially. But I didn't count that as reform. I was somewhat disappointed on two or three occasions when the President, I thought, in his desire to get a tax cut through rate reductions seemed to depart from the idea of the inclusion in the bill of any type of reform of any sort. And it's my recollection that the Committee itself did include within the bill that passed the Committee and through the House nearly every suggestion that the Treasury had given us for basic reform of provisions of the tax law. But, as I say, he weakened on me, as I told him, in his zeal to get prompter action and I kept telling him all the time that he couldn't get prompter action with respect to the

reduction in the rates any quicker than he would in the combination because the time was not ripe for congressional action.

O'CONNOR: I mentioned to you just a little bit ago an impression I got from the book Arthur Schlesinger has written. Well, another impression I got from a book Sorensen has written about Kennedy was, and I think Sorensen says something almost to this effect, that slowly the President got you to come around on the tax reduction. In other words, that you changed your mind to a certain extent from '62 to '63.

MILLS: Well, neither Schlesinger nor anyone else, outside of Larry O'Brien as I can recall--Ted Sorensen in this instance was writing the speech--and Doug Dillon, ever had any access to information or to conversations that the President and I had. Certainly [Pierre ^{Emile} Salinger was never in any such meeting of any kind.

O'CONNOR: No, this was Sorensen who got the idea.

MILLS: Ted Sorensen? I didn't know he had that idea in the first place, but it might have been a confusion in his own mind, frankly, between a quickie tax, which I opposed, and the development of the bill that came out, because no President has ever succeeded in getting me around to his point of view after I once made up my mind. But as I said, this thing actually developed in the meeting; I think the basis of it developed in this meeting in August of 1962, that this was the better road to follow. I was always most insistent that if we reduced taxes, we had to hold the line on spending, and I would never have advocated the tax reduction bill, I'd never have supported it, I don't think it would have ever passed, if President Kennedy had not publicly advised the Congress of that fact, not just me but the Congress. I had to have the record to point to, not just what he had said to me verbally, but what he had said to me in writing in that respect. That was the big factor, I think, that brought about the acceptance, certainly in the House of Representatives, of the idea of cutting taxes. But if Sorensen meant it took a long time or the President had difficulty in bringing me around to his

point of view on it, he may have been somewhat confused or there may be some confusion about what he meant, in that it was some time before I was willing to bring the bill to the floor of the House, and I didn't bring it to the floor of the House until I had these assurances about holding the line on spending. There was never any occasion when the President had any doubt in his own mind in conversations we had as to my advocacy of this overall program of tax reduction, tax reform.

O'CONNOR: Okay. Let's turn very quickly to another measure, Medicare. I had the impression that you opposed for a considerable length of time . . .

MILLS: I opposed certain bills.

O'CONNOR: I didn't know whether it was that you opposed specific measures or specific items in the bill or if you thought it couldn't pass.

MILLS: There's been a whole lot of misinformation, really, on this particular point. President Kennedy talked to me about this. He thought it was a wonderful idea. The bill, I guess even when he was in office, generally was HR 1. My concern always was that this program could not be financed in total either by a payroll tax or out of the general funds of the Treasury. I've said that repeatedly. That is one thing. Another thing, it had to be completely separated from the OASDI program--the two funds supporting the Old Age Survivors Insurance and the Disability Insurance. I never had any question in my mind, any serious question, about who would administer it. It is far less expensive to let an established agency of government take over and administer such a program than to set up an entirely new agency of government. I never had any serious question about the Social Security Administration handling it. But I did have very serious questions about the bills that were then before us to carry out the sole objective of paying certain hospital expenditures without reference to other expenditures that go into the makeup of medical costs of people at any age, and particularly aged 65 and older group. What they were proposing would have taken care of about 25 per cent of the total cost. Those who had really been for such a program, when it

became known and actually in use, in my opinion, would not have been the great friends of that group of people, but the group would have turned on them because of the disappointment they would have had in the realization that they had not gotten what they wanted. I kept saying that all the time. What we worked out in the committee was more in line with what I wanted. I had not been able to do so until the year 1965. I began to discuss it in the fall of 1964, actually, in certain speeches I made. . . . About that time I began to see the light with respect to what I thought might accomplish all of these objectives.

And so far as the record of it is concerned, the motion to recommit on the floor of the House would have carried, if I had joined in that motion to recommit. There's no doubt about it in my own opinion. If I can't make a difference in a question involving thirty-odd votes difference, I might as well get out of Congress, and especially as chairman of the committee handling the legislation. So any thought that might have existed prior to that in the minds of anyone that they didn't need me in it, that they could have passed it without me, I think certainly were dispelled when they saw the result of that motion to recommit, which occurred, as you know, in the year 1965 on the floor. But I never could, during the days that President Kennedy was in office and my good friend [Abraham A.] Abe Ribicoff was Secretary of HEW [Health, Education, and Welfare]--nor apparently could they--meet these concerns that I had with solutions. I certainly was unable to. I tried. I tried in the year 1964 as hard as I could by keeping the committee in session I think ten or eleven weeks working on this very thing, trying to come up with something that we thought would stand the light of inspection and be accepted as a solution of the problem. What we had before us I was determined in my own mind was not that solution. But as I say, in the fall of 1964--I think the first speech I made might have been in October, I've forgotten, or September, sometime then--I began to talk in terms of what I thought we ought to do. In December of that year, I spelled out in a speech I made in Little Rock in general terms what was in the bill that passed out of the committee--in the A plan and the B plan and, in a general way, some other parts of it. Now we've got a plan that uses both general funds and payroll tax funds.

O'CONNOR: Well, I came across a conflict in the statements of your feelings. In the papers it said--or rather in Sorensen's book it said that you suggested to John McCormack that perhaps a Medicare bill might be added to a House passed bill by the Senate. In other words, it couldn't be originated in the House, it would have to be originated in the Senate, in effect, as an amendment.

MILLS: I don't recall any such suggestion ever and that's not in keeping with my views. My basic views are that with respect to legislation that is given us under the House rules, that things should start in the Ways and Means Committee. I don't know where he got that.

O'CONNOR: I also saw a statement in the paper that [Michael J.] Mike Mansfield at one point threatened, in a sense, to bypass the Ways and Means Committee by doing just that, by attaching an amendment to a House passed bill.

MILLS: Well, it wouldn't have succeeded.

O'CONNOR: That, in effect, was tried in 1962, I believe, and the Senate voted it down really.

MILLS: No, what they did--it was in 1960 as well as in 1962--was to offer on the floor of the Senate their so-called hospital program for medical care at that time. In 1960, as I recall, it was offered by President, then Senator Kennedy. In 1962 it was offered by some member of the Senate on the Democratic side to a bill that had originated in the Ways and Means Committee. In the first instance, in 1960, it was offered to what became known as the Kerr-Mills Law. In 1962 it was offered to, presumably, a Social Security bill. I've forgotten the number of it. But in both instances the Senate voted down the amendment so that that was not a bypassing anymore than any other amendment that would be added to a House passed bill. It was not a bypassing of the Ways and Means Committee to any greater extent than any amendment offered by the Senate would be a bypassing. They have the right to amend our bills when they go over there, but then they're got to face us in conference. And

they did succeed in 1964 in adopting this so-called medical care program as an amendment again to a Social Security bill that had passed the House. They didn't succeed in enacting it into law, however, because we couldn't reach an agreement in the conference and the legislation died.

1 - not recorded