

Myer Feldman Oral History Interview –JFK#13, 1/6/1968
Administrative Information

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Biographical Note

Feldman, (1914 - 2007); Legislative assistant to Senator John F. Kennedy (1958-1961); Deputy Special Counsel to the President (1961-1964); Counsel to the President (1964-1965), discusses becoming involved with assisting depressed areas, developing a poverty program, and the relationship between the Area Redevelopment Administration and other agencies, among other issues.

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Myer Feldman – JFK #13

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Thirteenth Oral History Interview

with

MYER FELDMAN

January 6, 1968
Washington, D.C.

By Larry Hackman

For the John F. Kennedy Library

HACKMAN: Maybe you just want to take off and start talking about how you first got involved in this area at all. Does it go back to the Senate years?

FELDMAN: Oh yes. Oh yes. The problem of assistance to depressed areas is one that Senator Kennedy [John F. Kennedy] was interested in, and almost, I suppose, from the first day that I went to work in the Senate office it

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was one of my concerns as legislative assistant to Senator Kennedy. It wasn't because Massachusetts had depressed areas, but it was because it was apparent to him that there were areas of the nation in which there was what he called chronic unemployment. Something had to be done for this group which at that time we described as the chronic unemployed; later on it became the hard core unemployed; and after that it took on various other names. So even before I went to work for him, he had introduced some legislation in this area, but it hadn't gotten very far. So when I came to work for him early in 1958, he asked me if something couldn't be done, if we couldn't develop some theories, some legislation, some things the executive might do, perhaps, that he could suggest in a Senate speech that would assist these areas. As I remember it, we pursued initiatives that he had begun before I went to work for him. Those initiatives were about all we did during the three years that I was his

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legislative assistant. I remember one of them dealt with – was it Manpower Rule Number 4? It was an administrative rule that had adopted under which contracts would be let to these areas first. It wasn't the preference contracts; that was quite a different thing. But it was a rule that he had pressed for and, indeed, had made several speeches recommending. We wrote letters to President Eisenhower [Dwight D. Eisenhower]. We made a couple of speeches on the Senate floor, as I remember it. We even tried to develop legislation that would put into legislative form what was an administrative policy. It was a policy which we thought should be designed to give a special preference in government contracts over and above the small business set-asides and the set-asides which were well recognized for areas where unemployment exceeded 6 percent. We tried to put into legislative form this special assistance for areas of chronic unemployment. It wasn't effective. I don't believe we were at all successful in this

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effort. Secondly, I think with Senator McCarthy [Eugene J. McCarthy] when he was a member of the House, he as a member of the House and Kennedy as a member of the Senate introduced legislation which would provide for special assistance to depressed areas. This, too, didn't get very far. So I suppose all we did most of the time during those three years while I worked for him and he was a senator was talk about it.

It did become an issue during the campaign. It became an issue first in the primaries. As you know, one of our key primary states was West Virginia. I've gone through the West Virginia problems in other interviews. But the one thing that perhaps exemplified West Virginia above all was the large unemployment they had. West Virginia was the state that illustrated the need for something to be done by the federal government for the unemployed. It had coal miners which weren't working in coal mines and didn't have any other job that they would be trained for; it had many people that

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hadn't had a job and who were forty or fifty years old. Senator Kennedy as a candidate for the presidency in the primaries visited a good many of the communities of West Virginia which were little more than collections of houses housing people on relief. So he had a whole series – as you know, he was successful in West Virginia. He campaigned first on the promise, on a platform that was designed to help West Virginia achieve what he called its place among the other states of the union. This meant that it had to be encouraged to attract industry; industry had to be encouraged to locate in West Virginia. It meant that people who weren't employed would get more food. It meant that the unemployment standards would be modified to permit West Virginians to participate in the unemployment benefits and so on. But one of the key elements was, of course, bring industry to West Virginia, and he promised that he would, as president, help them.

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HACKMAN: A lot of people, or several people that I've talked to, none who were very close to the President, have talked about this idea that the President campaigned in West Virginia and came in contact with real poverty for the first time...

FELDMAN: No, I don't believe that.

HACKMAN: It appears rather naïve from the outside but...

FELDMAN: That's not at all true. He would come back often after a day of campaigning and talk about what he had seen there, not with a view to expressing surprise that poverty existed like this or not from the point of view that this was the first time he had ever encountered it, but just a kind of a shock that in the United States something couldn't be done, in a rich country like this something couldn't be done for people like that. He saw poverty. He saw poverty in Massachusetts. My God, in the 1958 campaign, there were plenty of poverty-stricken areas in that state that impressed themselves on him. So no, that's totally false, I'm sure. But it is true that West Virginia

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made an impression on him. It made an impression from two points of view: first, because it was a state in which the standard of living was very, very low in a good many areas of the backwoods; the roads were bad; the housing was bad; people lived on the subsistence level and so on. And large sections of the state were that way, so this couldn't help but affect someone who was going through it, not because it was the first time, by any means, but just because it would affect me or you. The second factor was that West Virginia did give him the margin of victory in the primary contest. This eliminated Humphrey [Hubert H. Humphrey] as a candidate, and in a sense it gave him the nomination for the presidency. So he was grateful to West Virginia because they believed that he could help them. And whenever someone believes that you're going to help them, you're inclined to do what you can to justify that belief. So for those two reasons he felt a commitment to do what he could to help West Virginia or states and

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communities similarly situated.

Now the first thing – well, I'm ahead of the story. I just was going to say, by the way, that the first thing that he did when he became president was adopt an executive order designed to help the people in West Virginia and other places where the amount of food they were getting was inadequate. It was Executive Order Number 1. And I don't know whether I've described that elsewhere, but it ought to be described sometime.

I'm ahead of my story on depressed areas. West Virginia did make a deep impression

on him. So when he was nominated in Los Angeles and we started developing position papers and speeches for the coming campaign, one of the elements, one of the things that we had to consider, was what was his program for depressed areas. We developed a whole series of position papers dealing with this. These papers were the basis for a number of speeches during the campaign. These are, they are obviously available. At the end of the campaign, the statements

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he made making commitments in this area were then singled out for special attention.

Between the election and the time we took office he appointed a committee. Now as I remember it, that committee was headed by Paul Douglas.

HACKMAN: Right. Douglas, Joe Clark [Joseph S. Clark], Batt [William L. Batt] was on it.

FELDMAN: I think I served as secretary for the committee. The purpose of that committee was to design a program that could be put into effect and design a program that could be recommended by the President and perhaps, in part, put into effect. Some of the recommendations would have to be legislation, which would take Congress; some of the recommendations could be done by administrative action. I discussed with the candidate then, the President-elect, the composition of the committee, and it was his suggestion that Paul Douglas be chairman, that he was the obvious person for that position: one, because he was the author of the depressed area legislation that

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hadn't gotten anyplace; two, because there are large communities in Illinois that suffered; and three, because he had a correct image, if you will. He had the image of a person who was sympathetic to these people and who would do what he could to help them. Also on that committee were representatives of each of the states that were most affected by large-scale unemployment. There was somebody from Kentucky, someone from West Virginia, someone from Maryland, and so on. I think the committee must have had maybe twenty members.

HACKMAN: It was at least that – thirty, if I remember correctly.

FELDMAN: What we did was, I called the governor at the President-elect's suggestion and asked the governor if he would want to sit on the committee, and if he did not, whether he had a person who would reflect his views that would sit. So, if I remember, the governor of Maryland recommended Harry Boswell who was working on this problem in Maryland, and the governor of Kentucky represented a special assistant that he had that was working on the problem, who would sit with us. So the committee was formed in that

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fashion. The only charge that I had was to come up with a program that, one, would accomplish the purpose of raising the level of these states, if you will, by bringing industry and reducing unemployment, raising the standard of living; and two, a program that was consistent with what he had said in the past. I was not told there, nor were any of the other committee members who were appointed by him, they were not directed to bring in a program that could pass, that could be accepted by the Congress. That was a job that we would undertake later on. What we wanted was a program that would do the job and then we'd have to modify it, if necessary, to meet any congressional objections or political objections that might arise. Now as I remember it, the committee met several times in different places. We met once in West Virginia. I remember we went to Charleston, and one of the suggestions made was that we have breakfast there and have breakfast that would consist of the kind of diet people on welfare programs were receiving.

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We met in Washington several times and met late into the night in connection with drafting the report. I suppose we met three solid days, day and night. I'd say the leader in this and the person who did the most work in developing the program was Paul Douglas. He was assisted by the people on his staff, Howard Shuman and others, Frank McCulloch. But Paul Douglas did most of the work in terms of both the ideas and in development of the programs.

Now, the report is available, and there's no point in discussing that. But having received that report, the President-elect then asked that I take it up with the Bureau of the Budget. Early in January of 1961 I met with, not with the then Budget Director but with his deputy, Elmer Staats, and with our new Budget Director, David Bell, and I think Ken Galbraith [John Kenneth Galbraith] joined us for one or two of the meetings, to discuss both this report and others in order to determine what the appropriate legislative program would be. It was at that time we also compared the report proposals with the

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commitments that the candidate had made when he was campaigning.

We then, I think, mentioned that in the State of the Union message as one of the important commitments which the new President had. The State of the Union message was drafted by Ted Sorensen [Theodore C. Sorensen], and he took the ideas that we had. Well, we had met earlier. I think we met in Palm Beach.

HACKMAN: Douglas brought the report down to Palm Beach. I don't know if you were down there.

FELDMAN: Yes, I was down there, yes, yes. I went down to Palm Beach along about Christmastime and stayed until about New Years. I did that every year. This was the way in which we prepared our legislative program for the succeeding year. But I remember now he came down to Palm Beach, and we

discussed the recommendations in the report, and the President-elect thought they were satisfactory. I don't believe we made very many changes in what we actually

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sent up to the Congress. It was a good report, well drafted. Bill Batt also played an important role there. I'd forgotten about that.

HACKMAN: Yes, he headed one of those little study groups that were set up. I can't remember which one. One of the things that someone had told me was that President Kennedy, when he was still in the Senate, had at one time come in contact with this idea that Humphrey had, I believe, up in legislation of some sort of Youth Conservation Corps, or Civilian Conservation Corps, and didn't think much of the idea.

FELDMAN: That's true.

HACKMAN: I just wondered what his reaction then was – I guess the same – when it came up in that report.

FELDMAN: No, no.

HACKMAN: It wasn't?

FELDMAN: John F. Kennedy, I think, grew continually. It seemed to me that when he would make his mind up about a program or an idea, it was never inflexible, it was always subject to modification

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if he could be convinced that his original reaction no longer held true. And his original reaction to the new CCC... You know, the old CCC was the Civilian Conservation Corps which was kind of an army unit, pre-World War II. The Humphrey proposal, which I'll call the new CCC, he regarded as along those lines and thought we had outgrown it when it was first suggested to him and thought there wasn't much value in it. As we got into the problems and we talked about just how you were going to use manpower, his first reaction, is "Where the country needs so much, there isn't much purpose in having make-work projects." And that's what this essentially was. This perhaps was reinforced by his unfamiliarity with conservation matters and the need for them. But after he became more familiar with the need for conservation practices and as he became more familiar with what was going on in that part of the nation that he hadn't had too much experience with, his ideas began to change on this, too. So I'm sure that – well, I

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know that he came to the conclusion ... When the report was presented, he said, "Well, let's look at it. It's the old Humphrey proposal, but let's look at it and let's see whether it has much merit." And then as time went on, he started getting used to the idea and thinking that maybe this would resolve some of the problems that he and the nation faced. I'm sure that he would have actively supported that part of the current poverty program that this reflects.

The other part of – well, I think that generally he thought the report was a good one and that it would be a pretty good basis for a message to the Congress because we did discuss it during the interim between Christmas and New Years. We put it in the form of about a three-page document – I guess I have a copy which I'll give the Kennedy Library one of these days – which dealt with, one, legislative proposals, two, what the executive can do, and three, how much is it going to cost. I think these were the three elements that we

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had to discuss with regard to any proposal. I think it was particularly true of this one. He was determined that something would be done. He regarded this as a high priority item.

HACKMAN: Can you remember a discussion that took place through that period on public works, the possibility of doing something in '61, or was that talked about at that time?

FELDMAN: Yes, we did talk about it. I do remember we talked about public works, again, as a way of relieving unemployment. But public works is of the same nature as the CCC. What we developed, I don't remember whether it was that year or the following year, but I think that year we developed the concept of public works that would be on the shelf.

HACKMAN: The trigger mechanism kicked off by the economy?

FELDMAN: Yes, yes.

HACKMAN: I think that started maybe in early '62. Or at least the

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legislation was in '62.

FELDMAN: But the discussion was in '61. And in the course of '61, why, we decided this would be an appropriate mechanism where the level of unemployment went down below a particular figure. I think Walter Heller [Walter Wolfgang Heller] actively urged that, and it made an impression on the President.

HACKMAN: There was one other thing I had in mind, and that was on the question of tax incentives. I believe the report said this should be considered further but made no clear recommendation. I have heard that when this came up, you had, in effect, vetoed any clear, asking for this and I...

FELDMAN: Yes, that is true. We decided at least for the first year of the presidency that we weren't going to fool around with the tax mechanism or the tax system for any of those purposes, that taxation would serve a different purpose and was something we could defer. There were many higher priority questions. We thought that a tax incentive was just too complicated to rush into, that, briefly,

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it would require a good deal of study, and we were just unfamiliar with its ramifications. So I, and I know the President, felt that we'd stay away from the tax vehicle at that time. Later on, he changed his mind. I think in the second year we started thinking a good deal about using the tax mechanism for a good many different purposes. But we recognized it had tough political problems apart from the difficult economic problems that it would present. But I don't have to go through all the arguments one way or the other. John F. Kennedy at that time just wasn't interested in using a tax mechanism to accomplish the purpose. He thought that the purpose could be accomplished in a variety of ways, perhaps just by establishing an agency headed by Bill Batt. The election of Bill Batt was pretty obvious. There was no question about his being appointed at first, although Bill Batt, I guess, was considered a protégé of Paul Douglas, and it was

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considered that Bill Batt would reflect Douglas' point of view. So there was some, well, there was considerable opposition to having that point of view prevail against that of business interests represented by Luther Hodges more than by anybody else. Luther Hodges wanted as the head of the agency administering this large program one of his men, and Paul Douglas didn't like Luther Hodges. Paul Douglas thought Hodges was just an agent of the status quo. So for a while we wondered how we'd resolve this impasse. We liked Paul for giving great help to us. Paul had been a help to us as far back as '58. But we had gotten the word that he wouldn't take anybody that Luther Hodges would suggest, and Luther Hodges felt that he didn't want to have somebody rammed down his throat. I went over to see Paul Douglas, at the President's suggestion, to talk to him about it. And I think that I persuaded Paul that Luther Hodges did not have horns, that we still would supervise everything that was done, and that he could accept Luther Hodges' administration as Secretary

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of Commerce, as the top boss of this agency. And then Luther had become a good friend of mine, and I talked to him about Paul. I suggested he go over and talk to Paul. I persuaded

him to accept Bill Batt providing he had complete control over what was ultimately done. So Luther did go over to talk to Paul Douglas, and the conversation was a good one. I reported it to the President. And I think it worked out generally pretty well. I think Paul stopped talking about and undermining, in a sense, Luther Hodges and the Department of Commerce, and Luther Hodges, as far as I know, made no comment about Paul Douglas from then on.

HACKMAN: Was this before the legislation was passed, through the winter and spring, or...

FELDMAN: This was while the legislation was being considered. The important question was, one, what would the legislation contain and, two, who would administer it. And by who would administer it, the issue was not only what agency or what branch.... You see, the fight was between an independent agency, completely

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independent of anybody, and having it under the aegis of Commerce or some other Cabinet office. Commerce was the only Cabinet office we could see that might do it. So I favored Commerce from the very beginning. Paul Douglas favored an independent agency. But then, as part of that, we also had the problem of who was going to head up the administration.

HACKMAN: Can you remember who else this was discussed with? I heard that Richard Neustadt and Dave Bell had also got in on the discussion. And if I remember...

FELDMAN: I remember Dave Bell. I don't remember Dick Neustadt. I guess I was asked to do a good deal of the work because I was with this originally. But Dave Bell, as Director of the Bureau of the Budget, of course, was concerned. He did not get involved in the nuts and bolts of the legislation. It was discussed with him, and he was present, I remember, when we talked to the President about it because it was a budget question and he had some ideas about organization. I think Dave Bell generally took Paul Douglas' point of view, though. I think Dave was

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in favor of an independent agency. I think I and the President decided on Hodges. One of the arguments I used to Kennedy, which I think impressed him, was that Luther Hodges felt that he was entitled to it, and he deserved an opportunity to prove that he could do it; if he couldn't administrate it in accordance with the theory and theme of the legislation, then there would be plenty of time to either get a new Secretary of Commerce or move it out; but he deserved a chance to try. I think Kennedy also felt that Luther didn't have enough within the Department to really test him. I don't know that Luther Hodges was one of the favorites of John F. Kennedy. But I do know that Luther Hodges tried very hard. I do know that he was

a good soldier, he took his orders, and even if they did not agree with his own ideas or his own thoughts, he went ahead and tried to enforce them. But he wasn't a great Secretary of Commerce. I'm sure that Kennedy didn't think he was a great Secretary of Commerce, but he was adequate. I think he was as

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adequate as any of those they've had in the past or have had after that time.

HACKMAN: How much of a factor was the problem of getting the legislation through Congress. Fulbright [J. William Fulbright] was head of that committee and he wasn't too fond of the whole idea, I believe. Was this a factor of putting it in Commerce?

FELDMAN: No. Fulbright didn't care; Fulbright just never cared about the Banking and Currency Committee, never did care. I used to work for Fulbright. I was counsel to the Banking and Currency Committee under Fulbright, and he was always more interested in foreign relations than he was in what was going on in that committee. So this legislation wasn't of any importance to him at all. We tried to show him that some Arkansas communities would benefit because it had a rural aspect too, but that didn't make much of an impression. He generally left it up to Paul Douglas. Paul Douglas was on the committee, and Paul Douglas carried the laboring for the Administration both within the committee and after it got out on the floor. This

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was his baby, and everybody recognized it. It didn't matter whether Fulbright was for it or against it, but in fact I think Fulbright was neutral. He didn't give a damn one way or the other.

HACKMAN: At the time Batt was appointed as administrator, was he given a clear idea on what his relationship was supposed to be with Hodges and how this whole thing was supposed to work?

FELDMAN: I had a long talk with Batt just about everything that had gone into the legislation. I think he was familiar anyhow. He had been active in the hall of Congress before the legislation was adopted. In the conversation I told him about Hodges' position, and I told him that it was up to him to work with Hodges. As it turned out, there were many times when he and Hodges had different points of view, and both Batt and Hodges would come to me in the White House – they couldn't go to the President, he was too busy – they'd come to me

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with their problems and urge that the construction be the construction that Batt was giving it,

or Hodges would say he's in control and it ought to be his way. I think we generally tended to side with Batt because we felt that he was more sympathetic to the objectives. But they didn't work together too well. However, I still believe that the decision of Kennedy to put it in Commerce was the correct one, and so long as you had an administrator like Batt, it would work.

HACKMAN: One of the other things that was discussed as far as the legislation was whether to go through regular appropriations or Treasury financing. Can you remember that discussion?

FELDMAN: Yes, I do, but that was not just peculiar to depressed areas legislation, that was true of any legislation that dealt with Treasury financing. The Congress generally disapproved of back door financing, and only in an extreme situation when we had some question about whether we'd ever

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get any more appropriations were we inclined to favor Treasury financing. We thought Treasury financing generally was better than appropriations every year. This was true of this, also. If we had been given our choice and we didn't have the political problems, I think everybody in the White House, including the President, would have favored Treasury financing for programs like this. But we had to be very careful. We had to request this sparingly because we knew that the Congress wouldn't grant this to us very readily. And the Bureau of the Budget was insistent on Treasury financing. They felt this was the only way to get a program – it was a controversial program – and have it funded properly. But the political aspects of it were such that appropriations seemed to be the only way it could be done.

HACKMAN: Can you remember any – or did you have any contact on actually getting the legislation through?

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Douglas piloted it through the Senate that way, and then I believe Spence [Brent Spence], who was chairman over there, brought it out with regular appropriations. If I'm not mistaken, President Kennedy sent a note to Spence at the time of the conference saying that his position was, in effect, Treasury financing.

FELDMAN: I think that's right, but I don't believe any of us really believed we could get it through that way. Douglas was very insistent upon it and would have liked to have it that for the reasons I mentioned. We all agreed to it, all agreed with that. But at the same time, we knew that it was a lost cause. I think that's right. I think Kennedy did send some message to Spence asking for Treasury financing.

HACKMAN: It actually came out of the conference in accordance with the Senate bill, but then later that fall the House Appropriations or the House when they passed, I think, an appropriations supplement, they overruled it, and it had to go the ordinary route.

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FELDMAN: I don't remember that. I just remember that this was a continuous problem.

HACKMAN: As it worked out, do you feel that this hampered the program to any great degree?

FELDMAN: Oh, I'm sure it did, sure it did. Bill Batt, of course, was insistent that Treasury financing would have been much better, and I'm sure he's right. I'm sure Paul Douglas was right. I'm sure we were all right, that this would have been the better way: you could plan for the future; you knew what you were getting; you didn't depend upon the political merit of particular projects in particular states, but you could have an overall plan. It may have been that the new area redevelopment legislation, which I also played some part in under Lyndon Johnson...

HACKMAN: '65 was it?

FELDMAN: Yes...would not have been necessary if we had had Treasury financing because I think we could have structured that legislation the same as the new legislation, have a regional concept because we talked

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about that at that time. We could have structured it that way if we had had Treasury financing. But if you depend on appropriations every year, it's kind a hand-to-mouth existence, and new legislation became necessary.

HACKMAN: I think one of the things Batt was upset about, and Douglas too, was the personnel in the Commerce Department that ARA [Area Redevelopment Administration] would have to take over if it went in there. Was there ways to try to get around that or any attempts to try to get around taking over most of those people?

FELDMAN: Well, he did. Bill Batt hired a lot of new people. He didn't just take over those people. I think Paul Douglas did make that point. It was not only Luther Hodges, it was also the people in the Department of Commerce that he objected to, but I never thought that was a serious objection because Bill did, in fact, create a new staff. He could bypass all the people in Commerce and, in fact, he did bypass most

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of them. This was, I suppose, one of the gripes that Luther Hodges had. But I don't think that worked out badly.

HACKMAN: There were a lot of...

FELDMAN: And I think we're more concerned not with what I thought but with what the President thought. The President had the same opinion of these people in the Department of Commerce. When I say that I think it didn't work out badly, I'm really reflecting the conclusion he came to, and he wasn't impressed with the argument that Bill Batt would be handicapped by it. And he was right.

HACKMAN: There was a lot of criticism in that first year, and Hodges, I believe, made some public statements about the slow start the program got off to. Did you people feel that it got off to a slow start?

FELDMAN: Yes, we did. But when I would talk to Bill Batt about it, he would bring statistics....I remember he used to bring charts over to the White House and show

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what was necessary before anything could get started, how much was being done even though it wasn't reflected in any actual awards of any kind. Kennedy would ask me – I don't think he ever asked Bill Batt or Luther Hodges – he'd ask me to find out why more wasn't being done and whether something couldn't be done to improve the program. This was only one of a thousand things I had to do, but I'd simply act as a conduit, I suppose, and report to him my conversations with Bill Batt and tell him where we stood.

HACKMAN: How often did you get, or did you at all get involved in specific projects?

FELDMAN: Very infrequently, very infrequently. To this day, the only specific projects as I remember are projects that would be mentioned on the floor of Congress, you know, like a ski slope or something like that. But apart from that the White House wasn't involved the specific projects. We tried

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to keep a record of the projects. We wanted to know where they were and just what areas were influenced by them. We used it for two purposes: one, as a check on whether or not it was hitting the unemployment areas; and two, it was useful political information. I think, also, we kept having West Virginia in mind. We wanted to make sure that West Virginia

was being treated. There was a fellow from West Virginia that was helpful to us during the primary campaign. He was either chairman of the state Democratic Committee or National Committee. I've even forgotten his name.

HACKMAN: It wasn't a fellow name Sweeney.

FELDMAN: No, no, no, no, no. John Sweeney.

HACKMAN: John Sweeney. I don't know why that name comes to mind.

FELDMAN: It was MacDonald or something like that who would come to the White House...

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HACKMAN: Oh, McDonough?

FELDMAN: Bob McDonough [Robert P. McDonough], that's right. Bob McDonough would come to the White House regularly to complain that not enough was being done for West Virginia, and whenever he came, he'd usually see me and see Kenny O'Donnell [Kenneth P. O'Donnell]. Then if it involved something that ARA could do, I would get in touch with Bill Batt. I wouldn't even bother the President on anything like that, though. I knew that the President would want West Virginia treated well, and I knew that Bob McDonough's interest was not a personal interest but an interest in seeing the commitments that the President had made were carried out. I think he had a long range project, and I'm not quite sure what it was, but he must have had something in mind. He came to the White House very often. He would come up.... You could expect a visit from him about once a month, and he had free entrée. So that kept us after ARA, too.

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HACKMAN: Did any of the other people in the Commerce Department give Batt much help as opposed to Hodges? For instance, Gudeman [Edward Gudeman] or any of these people?

FELDMAN: No, no Eddie Gudeman stayed out of this completely. I don't believe Eddie Gudeman knew what was going on here. Batt would report directly to Luther Hodges. Although Eddie Gudeman, as Under Secretary, was in charge of administration of the Departments, ARA was something special. I think Bill Batt regarded himself as the ARA. He didn't even regard the Secretary as being his superior. He was the fellow who was in charge, and he would report directly to the White House. He would be compelled to report through the Secretary occasionally. So Eddie Gudeman was not in the chain of command on this. I don't think Eddie ever knew what was going on.

[BEGIN SIDE II TAPE XIII]

HACKMAN: One of the things I thought you might want to talk about that you got involved in, and that's

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the relationship of ARA with the other agencies at that time. Housing and Home Finance and some of the problems that came up, Interior was involved, Agriculture....

FELDMAN: Well, as with any new independent agency there was a good deal of jealousy between the departments. Agriculture felt that anything that had to do with rural communities and rural aid was within its province. Orville Freeman [Orville Lothrop Freeman] established within his Department a little ARA to do that. So what I remember most is Agriculture's relationship to ARA and Agriculture's insistence that it carry out the rural legislation and let ARA take care of industrial employment and industrial business and so on. I guess Bill Batt never recognized that. He thought he was in charge of all of it. They'd have disputes sometimes, and the dispute would always have to be resolved at the White House, although I never found John F. Kennedy did it, though. I tried to let them resolve it

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themselves. And ultimately they did. I really never had to do much about settling these disputes. If they'd simmer awhile and if one or the other would say, "Well, let's take it up with the White House and see who has charge of this, who's right in this procedure, or whose rules govern," then by the time they got to the White House and you'd start asking questions, why, you'd find out that they now have decided to each accommodate the other and a compromise is worked out and they'd go ahead. It's not like some of the other inter-agency disputes. ARA really didn't give the White House a great deal of trouble. Interior also had some problems. Let's see, I remember Interior, Agriculture....

HACKMAN: The Small Business Administration in there was more conservative in a lot of this than Batt wanted to be.

FELDMAN: That's right. That's right.

HACKMAN: The same problem with Housing and Home Finance and

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the Community Facilities Administration.

FELDMAN: That's right. Well, there it was a question of who had jurisdiction over...With the housing agency and with ARA the question was which community facilities could be funded by ARA and which would Housing take care of. And, again, they'd work that out between themselves. Very few of those came to the White House. No, many would come to the White House, but they'd be settled by themselves. I never had to do anything, and the President stayed out of it. He wasn't involved in this. I don't ever remember taking up one of these problems with him. It just didn't reach that kind of bitter stage. The only time it would be taken up with the President would be if it threatened to become public or if the dispute was so basic that he would be the only person who could resolve it. Neither one of those two things happened.

HACKMAN: In '63 there were some amendments made to ARA that were proposed. Can you remember the discussion

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about these or if you were involved much in that at that time?

FELDMAN: I remember the amendments but I don't think we were...I remember the amendments, and I remember the consideration; they had to be taken up with me because I was in charge of that kind of legislation, and the Budget Bureau would discuss it with me. But I really don't remember the details of it at all.

HACKMAN: Was there any thought given after the initial passage through Congress that you would try later to get Treasury financing, in '63 or the next time around?

FELDMAN: Well, as I said before, we were always in favor of Treasury financing, but once having lost, once it went the regular appropriations route, I don't think we had any hope that we could ever reverse that. That just wasn't the history of anything else. I think Kennedy was willing to make the effort once, but if, despite all the efforts he made,

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the House remained adamant, he was flexible enough to work it out the way they suggested.

HACKMAN: As it worked out, the House refused to pass these amendments in '63. Was there much effort made by the Administration to get these passed?

FELDMAN: There probably was not. I doubt that there was. Otherwise I'd remember it, and I'd remember what we had done and what efforts we made. There could not have been. I remember the amendments; I

remember there was a discussion about strengthening the legislation; I remember Bill Batt coming in and talking about it; and it was put on a program that we would give the President as to what was coming up for his approval or disapproval. He would say okay, and I'm sure that my notes would reflect that there's an okay beside it. But apart from that, I don't remember anything that happened to it. So it would be my guess that, having approved them and having said this was consistent with the policy of the Administration

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and that this we recommended, we then didn't make a major – we had lots of other things to be concerned with.

HACKMAN: I have read in several places, but no one has ever talked about it, that in the House there was going to be a trade of votes between Southerners on cotton legislation, cotton subsidies, at that point and ARA. Do you remember anything like that?

FELDMAN: I do remember that because I was involved in the cotton legislation also. I remember the newspaper stories, too.

HACKMAN: Yes, that's where I've seen it, but I haven't seen anyone corroborate it.

FELDMAN: I told the President about these stories, and the President asked me if there was any truth to them. I said the only truth to them was that involved in the textile industry's efforts. The textile industry was trying to put together

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a coalition that could pass legislation that would help them by reducing the price of cotton. They thought that they might be able to use the ARA legislation as a vehicle to attract additional votes. I followed it pretty closely because the textile industry also was my responsibility there. All I could advise the President about it was that it was an idea, and the American Textile Manufacturers' Institute had thought they might be able to do it, but it was just too involved and too complicated to really put together. The newspaper stories arose because of some discussions with a few members of Congress – I think Carl Vinson and Bryan Dorn [William Jennings Bryan Dorn]. No senators, this was in the House. After some discussion, they said you just can't put something like this together, it's just too complicated, it involved too much trading, these are both major problems, and people feel pretty strongly about them. I think the newspaper

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stories themselves killed any possibility because once the newspapers start talking about it, it becomes impossible to do anything like that. That was an idea. The idea never got

anyplace.

HACKMAN: That's all I have on the Area Redevelopment Administration unless you can think of something else.

FELDMAN: No, as I say, a lot of the Area Redevelopment Administration, the discussion, a lot of the issues from this point, from ten, nine, eight, seven, six, five years later are pretty hazy. I guess what I should have done was gotten my votes together, but my notes I will make available to the Library. That's probably more revealing than the things I would say. What would be interesting, I think, for these purposes are Kennedy's own reactions, and I might just talk for two or three minutes about his commitment. I never discussed this subject with Kennedy without a feeling that whatever could be done to help areas of the nation like this, should be done. He always gave his full support to this legislation and to

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administrative actions designed to accomplish the same purpose. The very fact that his position on the Civilian Conservation Corps shifted indicates that because he thought this would be helpful, he shifted. The fact that he insisted on a road building program in areas like West Virginia indicates his reaction.

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