

FOREWORD

Transcript Warning:

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Punctuation:

The following conventions are used throughout the transcripts:

- * * * To indicate a pause in the recording while the speaker listens to the person speaking at the other end of the telephone. Used when only one side of a telephone conversation is recorded.
- [?] When the transcriber is not certain of what is said on the recording.
- To indicate a sentence which the speaker trails off without completing it.
- . . . When a speaker is interrupted before a sentence is completed.
- _____ To indicate the speaker's emphasis.
- [] Used to enclose editorial comments of the transcriber such as */Meeting appears to be breaking up/* or */Several speakers speak at once and none of the words are intelligible./*

Names:

The first time a name is mentioned, the full name is provided whenever it is known. "JFK" and "RFK" are used for President Kennedy and Robert Kennedy, respectively. When the identity of a speaker is unknown, "Speaker?" is used; when the identification of a speaker is uncertain, a question mark follows the name. The heading of each transcript gives the names of all participants listed in the President's Appointment Books as scheduled to attend the meeting.

Preparation:

These electronic documents were created from transcripts available in the audiovisual research room in the John F. Kennedy Library. The transcripts were scanned using optical character recognition and the resulting text files were proofread against the original transcripts. Some formatting changes were made.

Dictabelt 25B, Item 25B1

August 7, 1963

[Conversation is continued from item 25A6. Begins mid-conversation.]

JFK: That's why I'm hanging on . . .

Griffiths:¹ I am . . .

JFK: . . . so tight.

Griffiths: . . . I am absolutely for the tax cut . . .

JFK: *[Okay?]*.

Griffiths: . . . I mean, I think you have to have it.

JFK: But what I don't want to have them do is say it's a rich man's bill. And they already begun to do that, and you got these fellows who, over there in the AFL-CIO who might charge that, and I think it would embarrass us all . . .

Griffiths: I think they will do . . .

JFK: . . . as the party of the people.

Griffiths: . . . I think they will do that no matter what.

JFK: Well, I think, no. . . .

Griffiths: They have already accused some of the corporation presidents of being for the tax cut because they're gonna use the money to try to *[beat?]* us anyhow.

JFK: Well, that . . .

Griffiths: And one of 'em admitted it. *[Laughs.]*

¹ Congresswoman Martha W. Griffiths from Michigan.

JFK: Well, I don't mind that, I expect that. But I'm sure we could get, if we can get the dividend credit straightened out, I'm sure we can get, uh, labor to be, uh, all right. I'm sure we can get George Meany.

Griffiths: I wouldn't worry about, Mr. President, but I assure you that it is real, [rugged?] . . .

JFK: I know, well, God, dear, you know . . .

Griffiths: . . . in my district, and it is a rough district.

JFK: I know, but when they see what this, uh, tax cut. . . . I just saw a survey made up in, uh, this, in Rooney's² district--this fellow who just got elected--before he ran . . .

Griffiths: [Yes?].

JFK: . . . it showed that 7-, 78 percent of the people supported the tax cut. That was, uh, in the seventies for the Republicans and in the low eighties for the Democrats. I think it's a terrific, uh, asset to us, and I think it's the only chance we have to avoid a recession in '64.

Griffiths: Oh, I agree with that.

JFK: Now these people, when they get the reductions in the rates which they will get, plus the corporation tax being reduced, plus the small business taxes being reduced, they gonna get a terrific, uh, they're gonna feel very good indeed, and this economy has got a good chance to be really booming. But I, they can kill us, and scar it will be if they say, "Oh, this is a bill which is just taking care of the big people." And I think the dividend credit happens to be the key issue. [See?], I hear it's thirteen to twelve up there, so Larry³ tells me. So you're the key, and I'm, we really need ya.

Griffiths: Um. Well, I will do my very best, and thank you so much for calling. And I assure you that on the economics of the thing, I absolutely agree that the tax cut is . . .

JFK: Essential.

Griffiths: . . . completely essential.

² Congressman Fred B. Rooney from Pennsylvania.

³ Lawrence F. O'Brien.

JFK: Well, we don't, what we don't wanta do is give them an excuse to take what I think is one of the good things we've got going for us--and maybe there aren't that many--and one of the good things that'll be going for us and say that this is a, uh, bill which is, uh, taking care of the big boys. Because if you take that. . . . As you know . . . Listen, I know enough about that dividend credit to know that is a real grab bag. And the only justification really is that those rates were prohibitive. Now, if we do something about those high rates, add corporation taxes and the rest, it seems to me that there isn't anybody in the United States, particularly those who are in the higher brackets, who aren't going to be very happy. I'll be happy, and I'm in the, pretty good bracket.

Griffiths: I would be enchanted if we did something about these personal holdings [I mentioned this morning?].

JFK: Yeah. Well, let me talk to O'Brien about that.

Griffiths: [Right?]. [Laughs.]

JFK: I'm, I'm, I'm not up on that.

Griffiths: [Words unintelligible] . . .

JFK: I haven't been br-. . . . I'm not up on that one. I'm just up on this one.

Griffiths: . . . or [even add the oil?], uhm . . .

JFK: Well, I agree, look at the, look at the oil.

Griffiths: Yeah. If we could, if we could have removed it 1/2 of 1 percent just in the depletion allowance, it would have been the greatest tax cut ever.

JFK: Yeah. But I think . . .

Griffiths: [Words unintelligible].

JFK: . . . they might, uh, they're gonna have, at least they'll get a roll call in the Senate on that.

Griffiths: I hope so. Thank you.

JFK: Okay, Martha. Do the best you can, will you . . .

Griffiths: [All right?].

JFK: . . . because I think, uh, we're planning, I was going to go on television, or. . . . I think we could really sell this thing as the best political asset we can get, this summer, and as a, a, something that's gonna be good for the economy, that business supports, that labor supports, it's gonna help the industrial state, and I just hate to have this thing, uh, scarred by people saying, "Oh, this is a rich man's bill." And then makes us all trying to explain it isn't, and then they say, "Oh, well, the Democrats now have gone over to the big boys." And if you get enough of those labor fellows saying it, this bill will b-, be poisoned before we're finished.

Griffiths: Well, I, I hope that we can make it all right.

JFK: Okay. Fine, Martha, thank you.

[Phone hangs up.]