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INTERVIEW WITH
W. Randolph Burgess

by

Dr. Maclyn Burg
Oral Historian

and

Dr. Thomas Soapes
Oral Historian

on

November 13, 1974

for

Dwight D. Eisenhower Library
Abilene, Kansas



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Leonard R. Burgers
Donor

July 24, 1981
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This is an interview being done with Mr. W. Randolph Burgess in Mr. Burgess' office in Washington, D.C. on November 13, 1974. The interviewer is Dr. Maclyn Burg of the Eisenhower Library staff and present for the interview are Dr. Burg and Mr. Burgess.

DR. BURG: To begin with, Mr. Burgess, may I ask you when and where you were born?

MR. BURGESS: I was born in Newport, Rhode Island, May 7, 1889. So I'm now eighty-five years old.



DR. BURG: I would never have guessed that. I should turn that off so I could be surprised.

MR. BURGESS: Thank you for the compliment.

DR. BURG: No, sir, you do not show your years at all. That's remarkable. Now were you educated in Rhode Island?

MR. BURGESS: Well, yes, in a sense. When I was a small baby, my father moved to Boston where he was a teacher of Latin in the Boston Latin School. And then the family moved to Chicago where my father was a teacher and the first dean of the Morgan Park Academy, which was a part of the University of Chicago. So I was really brought up until college age in Morgan Park Academy which is a part of Chicago. Then we came east, and I went to Brown College; so I came back to

Rhode Island. And I took my bachelor's and master's degree there, specializing in philosophy and English. I had later education at Teacher's College, Columbia.

BURG: I see. Is that where the MA was done?

BURGESS: Oh, no. I took a doctorate there. That was after the First World War.



BURG: Had you served in that war?

BURGESS: Yes, I got to be a major in that war. I was in Washington actually in the statistics branch of the general staff. We lived there for two years at that time.

BURG: That must have been a most unusual kind of experience to be in wartime Washington in that war.

BURGESS: Well we were in the State-War-Navy Building just down the block here and sitting with the supreme war council. And I saw that agency at work. We had our offices just under the offices of General March, at that time Chief of Staff.

BURG: This was Peyton March?

BURGESS: Peyton March. And Newton Baker was Secretary of War. And we worked with him directly on statistics of the war.

BURG: The statistical studies had to do with war production?

BURGESS: That's right. Production, personnel. We made a weekly report to several groups, to the War Council, to the House Military Affairs Committee, to the Senate Military Affairs Committee, and the Secretary of War or the Assistant Secretary sat in on that. So I had a good chance to see war from that vantage point in the First World War.



BURG: Dr. Burgess, what took you into that line of work? Or did the army simply say this is what you will do?

BURGESS: Well, I tell you what took me. I was studying at Columbia, Teacher's College, Columbia, and I got interested in Leonard Ayres, and I married his sister. Leonard Ayres came down here at the crack of the gun in World War I to set up a statistical service. He was one of the great statisticians of our age, and I came down with him.

BURG: So that accounts for your going into this kind of work. At the end of the war, I presume, you did not want to make the army a career?

BURGESS: No.

BURG: What was your next course of action?

BURGESS: I finished my doctorate at Columbia; then I looked around for a job. And the best job that was available was at the Federal Reserve Bank of New York; so I became a banker and stayed in that profession the rest of my career.

BURG: Had it been in your mind to teach?



BURGESS: Yes, it was one of the alternatives or school administration. I was interested in education.

BURG: I see. But the job with the federal reserve was a more lucrative opportunity.

BURGESS: Yes, and it followed up what I had done in the war. You see, here I was doing statistics which were a measurement of what was going on and I saw how facts accumulated to make policies;

so that I become interested in the work of a statistician. I'm the kind who works on policies, not just on figures.

BURG: I see. Now what kind of assignment did you then take up with the bank in New York?

BURGESS: Well, I went into their statistical department. And I became the head of that after a few years. And I was the editor of their monthly review of business and credit conditions. And I wrote a book about the Federal Reserve system which had quite a wide circulation and got into the colleges, The Reserve Banks and The Money Market.

BURG: Was used as a textbook then?



BURGESS: It was used quite a little as a textbook, yes.

BURG: It came out in the 1920s?

BURGESS: Came out in 1927.

BURG: So we can find that, run it down, and put it in our library as an example of some of your early work. Did you write again on similar themes?

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BURGESS: That was the first book.



BURG: This other work I have in my hand is Our National Debt, Its History and Its Meaning Today.

BURGESS: The Federal Reserve book went through three editions.

BURG: The second book on the national debt was produced under the aegis of the Committee on Public Debt Policy and published in 1949 by Harcourt, Brace and this is the 1927 book revised.

BURGESS: The one you have in your hand is a 1946 revision. It was revised in '36 and '46.

BURG: I see. And this one was a Harper and Brothers, the revision in '36 and then this copy in 1946, revised edition.

BURGESS: And more recently, this is my latest book.

BURG: Europe and America, the Next Ten Years, done in

conjunction with James Robert Huntley, published by Walker and Company, New York, copyright 1970, and partly under the sponsorship of the Atlantic Council of the United States where you now are working. And I might tell the record also this latter book has an introduction by Livingston T. Merchant, also of interest to the Eisenhower Library. I just pause long enough to quickly look through a series of names that I see here.

BURGESS: And there are of course references in this book to things that happened in the Eisenhower administration and thereafter.

BURG: Right. So it's good to know we have at least three books that we can refer to that, by and large, span key points in your working career.

BURGESS: That's right.

BURG: Excellent to have that and thank you for letting me note those down so that we can take action on this. Now, how long did you stay with the Federal Reserve Bank?



BURGESS: Eighteen years. And then I went with the National City Bank of New York. That was its name then; they later named it the First National City Bank. And I went there as vice chairman of the board. And there again I had supervision over their public relations, their annual reports, and their monthly reports, but also on general operations of the bank. I was one of a group of three at the top, responsible for the policies of the bank for fourteen years.

BURG: Now you would have made that move, what year?

BURGESS: 1938.



BURG: Is it even safe to say as we were coming out of the great depression?

BURGESS: Yes, that's fair.

BURG: Now, may I ask, sir, did you make that move because of the challenge that it offered to you?

BURGESS: Yes.

BURG: You were leaving a federal kind of job for a private bank, and it offered a little more scope for you and--

BURGESS: And more salary also.



BURG: --and more salary also. You had noticed that, I assume.

BURGESS: I noticed that. You could see it with a naked eye. But I went with a group of people that I knew--one very fine person, Jim Perkins, who was the chairman of the board there and of whom I was very fond. So there was a personal relationship as well as a business relationship.

BURG: Now, may I ask you, when the war came, the year after you went to that institution and then as we entered the war a couple of years still further in time, did that change the nature of your work to any degree?

BURGESS: Oh, yes, of course it did as to the whole work of the bank. The National City Bank had more foreign branches than any other American bank, still has. I traveled some to those branches. The work of the bank was involved in many ways in the military effort. We were financing some of the war events and machinery. For example our president was Gordon Rentschler. His brother, Fred Rentschler, was the head of United Aircraft which was making planes for the French and British before we

went into the war. And this is true of a number of our customers who were in the war, and those English and French both coming back and forth would come to see us; so we were in the middle of war business. I was also tapped for the sale of savings bonds; I was the chairman of the New York committee during part of the war for the war drives to sell savings bonds.

BURG: Now you say that actually prior to the outbreak of the war you were overseas and looking at some of your branch offices on the continent?

BURGESS: Oh, I had been over, yes, several times.



BURG: Prior to 1939, Mr. Burgess?

BURGESS: Well, I was over for the Federal Reserve Bank. I went over in 1928 and spent some time in the Bank of England, the Reichsbank, and the Bank of France and met with the statistical people in those central banks. I was over in 1929 for the renegotiation of the peace treaty with Germany which was later labeled the Young Plan. Mr. [Owen] Young called me over with a small group to draft the plan

for the Bank for International Settlements which was created as a means of bringing about a settlement of German war debts. So I participated in that.

BURG: Did you feel that that had come in time, Mr. Burgess; at the time that you're doing that work?

BURGESS: There's no answer to that. A different settlement might conceivably have avoided the second world war, but that's very hard to estimate.

BURG: One wonders.

BURGESS: It was the first genuine attempt at settling World War I. The Treaty of Versailles was an incredible settlement; it wasn't a settlement at all. It left things hung in the air. It prescribed a payment of reparations by Germany that was completely impossible. And there was no give in the situation. That was why the second settlement was undertaken with Owen Young, who was the American chairman and Schacht was the German negotiator and--

BURG: Was that Hjalmar?



BURGESS: Hjalmar and bet you don't know his middle name.

BURG: I thought I did fairly well even knowing his first name. Was it J. Hjalmar?

BURGESS: No, Hjalmar Horace Greeley Schacht.

BURG: Dear me, Mr. Burgess! Horace Greeley!

BURGESS: Yes. Because Hjalmar Schacht during part of his boyhood was in Brooklyn, and his father was a great admirer of Horace Greeley. And so he gave him that name.

BURG: Good Heavens! I had never known that, I'm sure.

BURGESS: But in spite of that he was about as tough a negotiator as you could find. But he had to be because, as we learned, the reparations payments were almost impossible.

BURG: Now you had been there the previous year in 1928; you had been in the Reichsbank and--

BURGESS: Yes, and had lunch with Schacht.

BURG: Were they not then in the throes of that terrible inflation?



BURGESS: Yes, well, they were coming out of it at that time.

BURG: I see. And then the Young Plan and the renegotiations occurred the following year.

BURGESS: That's right.



BURG: Was your work completed before October of 1929? Were you back here in the United States in other words?

BURGESS: Yes, yes, oh, yes. Well, the negotiation was finished in '29, and the Bank for International Settlements was started in 1930. That bank, on the charter of which I worked, was designed to bridge the gap between what the allies thought the Germans ought to pay and what Schacht and his associates thought they could pay. They put this institution in between and called it an "elastic link" in the chain of reparations payments. That is, if the Germans couldn't meet the obligation, people in the bank would know it and they would hold it for the time being and until the payment could be made.

BURG: The Bank for International Settlements?

BURGESS: But it didn't work out that way. Of course the depression and other war came along too soon.

BURG: When you were there, sir, in '28 and again in '29, was Adolph Hitler highly visible?

BURGESS: No, he was just beginning, just beginning his campaign.



BURG: Schacht did not speak of him in his conversations with you?

BURGESS: Not at that time, but later at a time I can't date precisely Schacht came to see us at the Federal Reserve Bank and talked of Hitler and how he was trying to keep Mr. Hitler on the right track at home. And Schacht actually helped raise money for Hitler from the industrialists on the ground that Hitler could preserve order at a time of depression and keep labor from getting out of hand. Schacht later broke away from Hitler and retired from the Reichsbank when he saw the direction Hitler was going.

BURG: He certainly found things for them to do, Dr. Burgess,

to keep their hands out of mischief. Well I wondered if you had encountered him. Those were, as I understand, rather terrible times for Germany, and it's interesting that you were connected with really an attempt to avoid what later occurred.



BURGESS: That's right. An attempt to get something workable. The Young Plan negotiation was about to fall apart. When Owen Young saw he had to put in something to bridge the gap, he conceived this idea of the bank, and so he got me over with two or three others to draft something along that line. And it did result in both sides signing a document. Now the fact that it didn't work out very well in the long run--it was near the end of the game; we couldn't help that.

BURG: That was why my question about had these things come in time because it seems to me that that might have been a break in events.

BURGESS: Yes, it might have been if you'd had other command in Germany, if Hitler hadn't come along. At that time you

had Heinrich Bruening who had several tries at making it work. I remember in the autumn of '31, I went over there to a meeting of the Bank for International Settlements and Schacht was out by that time, but a man named [Dr. Hans] Luther was then the governor of the Reichsbank, and I talked to him at that time. He was doing some financing business that Germany was doing with Russia because they were desperate to find partners to work with and to market their products. The whole thing was steaming along at that time.



BURG: May I ask you if Mr. Luther spelled his name, L-e-u--

BURGESS: No, L-u-t-h-e-r.

BURG: Because sometimes when we transcribe a tape, phonetically, it's difficult.

BURGESS: Yes. I think I'm right about that.

BURG: I see then that certainly with respect to the pre-war financial affairs of Germany you had informed yourself through these several trips. Now you were also--

BURGESS: I don't think we saw fully the depth of difficulties.

BURG: Yes, many mistakes were made at that time by people trying to learn to handle a very unusual situation.

BURGESS: And then we learned, partly on the basis of this settlement, America lent altogether too much money to Germany. Remember the loans in the form of short term obligations which later had to be liquidated under a standstill agreement; remember that expression?

BURG: No, I don't, sir.



BURGESS: Well, it was an attempt to settle the short-term loans. These were supposed to be bank acceptances and short-term paper, but the Germans were smart enough to get a good deal of foreign money in to support their operations. It was presumed to be financing current trade, and that it would wash out when the payments were made. It didn't turn out quite that way.

BURG: Is it safe to use the word default? In what way did they default upon--

BURGESS: Yes. They simply couldn't pay when they were due. Couldn't or wouldn't.

BURG: And that was the course of action they were following in the mid-1930s after Hitler came into power.

BURGESS: That's right.

BURG: And then the arrival of the war in 1939, that would leave their creditors with no recourse really that they could take.

BURGESS: That's right. Exactly.



BURG: Was some of this handled also through the Bank for--

BURGESS: International Settlements, yes. The bank is still going today, the Bank of International Settlements. See, in 1930 it was started, and here we are in '74--forty-four years.

BURG: I may want to ask you something more about that later on. Let me also ask you, sir, you've spoken of having spent some time in the Bank of England. Your work there, is it safe for me to think that similarly as you had done in Germany that your experiences with the bank in England gave you some knowledge of the English financial world?

BURGESS: Yes, some.

BURG: About how much time had you spent there?

BURGESS: Oh, I didn't ever spend very much time in England. At one time I spent perhaps three weeks at the Bank of England. They gave me a desk there in the library, and I lived with them for a while just to get the flow of what was going on. Of course, the Bank of England was a great center for information because all the central banks kept accounts there and people were in and out from all over the world.

BURG: This was kind of a learning experience for you?



BURGESS: Yes, it was.

BURG: Now had it been set up at your request, Dr. Burgess, or was this part of your bank's program?

BURGESS: This was part of the bank's program. The Federal Reserve Bank of New York had a very close link with the central banks of Europe. Gradually they worked that out--it didn't date way back--so that we'd exchange information back and forth.

BURG: Was this also in the 1930s?

BURGESS: Yes. Well, even before that. I would say it began around 1923. Our president and "governor" of the New York Fed was Benjamin Strong, a most unusual person, and he started it.

BURG: And then you were able to avail yourself of that later in the 1920s?

BURGESS: That's right. Strong died in '28, but the work was carried on.

BURG: Now did it also take you to France?



BURGESS: Yes. I was in France in 1928, '29, '34, off and on.

BURG: I see. Now how about other European capitols, financial capitols, aside from the three countries that we have discussed, prior to World War II?

BURGESS: Switzerland was the site of the meetings of the Bank for International Settlements. But I never did very much traveling for the bank at that time.

BURG: I'm interested in getting this into the record because it gives me a picture of your background and the countries where you had been, the sorts of opportunities you had to see the world as it was prior to the Second World War. Now you've told me something about your activities in World War II itself. At the conclusion of the war, say in 1945, what was your position then?



BURGESS: Well, I was in the National City Bank at that time. And doing just the work I've described. I was director of the bank and so in all of its activities to a degree.

BURG: Had there ever been, thus far in your career, any political activity, Dr. Burgess?

BURGESS: When one is with the Federal Reserve Bank, he's apolitical. That is, he won't take side politically. Of course you vote, but you don't talk about it, and you don't take political action.

BURG: Right, same rules apply to me.

BURGESS: When I went with a private bank, with the City Bank, I was freer to take political positions, but I never got into active politics in any way.

BURG: I see. So if you knew any of the New York political figures of either party, New York city, New York state--

BURGESS: By chance.

BURG:--it was just an incidental thing.

BURGESS: Incidental in other words, yes.



BURG: And you never took any interest, clearly then, in campaign finance or anything of this sort?

BURGESS: No. I served three years as president of the New York State Bankers' Association, and that way I traveled over quite a little of New York state going to meetings and so on. Governor [Herbert] Lehman was governor of New York at that time; I called on him in Albany and in other places. Al Smith of course--I got to make speeches for War Loan campaigns, and so I came in contact with him and other public figures. But I was pretty non-political.

BURG: Now, sometime after 1945 you left your work at the City Bank in New York. What year was that that you left them?

BURGESS: Well, I didn't leave them until I came down here at the end of '52. I retired in the autumn of '52, after the election. They asked me to come down to the treasury, first as assistant to the secretary then as under-secretary.

BURG: Now who asked you, Dr. Burgess?

BURGESS: George Humphrey, Secretary of the Treasury.



BURG: Now may I ask you to tell me how that came about, recreate the situation in which George Humphrey asked you to do this?

BURGESS: When Mr. Eisenhower came in and he formed his cabinet, he reached for the top and George Humphrey was one of the top industrialists of the country and he grabbed him as the Secretary of the Treasury; and Charlie Wilson, head of General Motors, for Defense.

BURG: Engine Charlie.

BURGESS: And Foster Dulles for the State Department and so on. And that went down the line; so George Humphrey when he got it said, "Well, who can I get as my assistant who knows

the score on government financing and related matters." So that's how he came to ask me. See I had been president of the American Bankers' Association and president of the New York State Bankers', and I knew my way around Wall Street and finance.

BURG: He knew you personally.



BURGESS: Yes. Our relations with his firm were considerable.

BURG: It was more than just knowing you by reputation.

BURGESS: I can't tell you whether I had ever met him before that or not. I'm sure I had, but where it was and when I don't know.

BURG: So basically it was your reputation as a banker.

BURGESS: Yes, that's right.

BURG: Did you receive a call from Mr. Humphrey? Is that how it was handled?

BURGESS: I think it was, yes. Who else I talked with I really don't remember. Well I came down here promptly and

George had Marion Tolson and myself and Chapman Rose, who was his lawyer.

BURG: It's an intriguing thing, you see, presumably your life is running along in its pattern, you say you had just retired.



BURGESS: No, I had not retired. I retired from the bank when I took this other job.

BURG: It's quite intriguing that that phone call came into you, and suddenly you're offered this opportunity to alter the direction of your life.

BURGESS: You see I was sixty-three years old so I was where I could retire. We had a good retirement system.

BURG: Now you chose to accept this invitation. Can you tell me why you chose to take it? It could not have been as remunerative as what you were doing, I would think.

BURGESS: No, but they gave me a perfectly good separation allowance. I had been there with their retirement system long enough so that I had an adequate pension; so I

could afford it. I could have made a little more money by staying with the bank but not enough to make a difference.

[Interruption]

BURG: ...forward and brash and I would ask you what drew you down here to Washington, D.C.?

BURGESS: Well I have shown you the little book on our national debt. I was chairman of that committee. I did that for love, because I was very interested in it. I wanted to do something about our national debt. I thought it was too big, and it was distorting our economy. So that's part of the background. In all three of those books you find I had a large public interest in the financial policies of the government.



BURG: I see. Did Mr. Humphrey, to your recollection now, did he suggest that here was an opportunity for you to take part in--

BURGESS: He didn't have to.

BURG: He didn't have to. The two of you spoke the same language and out of the same background.

BURGESS: That's right, yes.

BURG: You had to move then out of New York City and come down here. Could I ask you when you got down here, again because in our project we're very much interested in those eight years and how things were done and when they were done and by whom; what was your first move, your first action when you reached Washington, D.C., aside from finding a house or an apartment and getting settled in? You went first to treasury?

BURGESS: Yes, yes.



BURG: And when you arrived there, was your first action a meeting with Mr. Humphrey?

BURGESS: Yes, my office was right next to his with the secretaries in between. Now wait, first I was down the hall, two or three offices; it was on the same floor with him. We lunched together; we had a little lunch room there for the top officers; so I saw him many times a day.

BURG: And this would be early 1953.

BURGESS: That's right.

BURG: You were assistant to the secretary.

BURGESS: And my responsibility was the treasury financing, the securities that they put out, the savings bonds we sold, and so on. I also had the foreign operations under me so that [I was] making decisions with respect to the activities of the International Monetary Fund and so on, and that all came under my general scope.



BURG: I see. Could you explain that just a little more to a layman? When we talk about the foreign operations of the U.S. Treasury Department, International Monetary Fund, is this a balancing system that we use with respect to our own currency in the world financial markets and other currencies? Sorry, I didn't know.

BURGESS: Well, yes, but the fund has a bigger responsibility. It's a joint operation of, now, a hundred and thirty countries, and they each put something into the pot and when they need money they come around and tell their story. And it also has supervision over the rates of foreign exchange--how many

dollars it takes to buy a pound sterling and so on--so that it is an adviser to the countries of the world on their foreign operations.

BURG: A point at which international financial cooperation can occur, if it will, it can occur there.

BURGESS: That's right, yes. And it did because, when the British were in difficulty, we voted to have the monetary fund help them out.

BURG: And presumably this was an assignment given to you because you had had considerable background as we have discussed in European monetary circles, certainly.

BURGESS: That's right. Yes.



BURG: Now, do you happen to recollect on your first meeting with Secretary Humphrey, he presumably had gotten instructions from the President, some guidelines from the President, as to what the problems might be in that first four years, and I wondered what Mr. Humphrey might have said to you about this--the kinds of things that you were going to do in the treasury

department in the first year of the administration.

BURGESS: Well we felt that the government had been following a somewhat inflationary course. Money rates were altogether too easy, money was too free, and the first job we had to do was to get our financing a little longer term. So in the spring of '53, we put out a three and a quarter percent bond which was the longest bond at the highest rate there had been for some time. And we had a fight with the congress on it. They thought we were being very extravagant and ought to keep our financing in short term at low rates. But we felt that was inflationary, and we put it on what we thought was a sounder basis.



BURG: Do you recall who your chief congressional opponents were?

BURGESS: There was a man named Humphrey had a good deal to say about it.

BURG: First initial H?

BURGESS: His first initial was H.

BURG: Isn't that something! I'd never know who that was from

The next time I'm in Minnesota I'll have to look into that.
He put up the biggest fight?

BURGESS: Well, I wouldn't say it was the biggest; he put up quite a fight.

BURG: Did your work include any congressional liaison work or did you have staff members who carried that out?

BURGESS: Yes, I had some congressional contacts.



BURG: It was part of your job then.

BURGESS: Yes. I had had some before when I was president of the American Bankers' Association back in '45. This Bretton Woods legislation came up, and I appeared before the House Committee on Banking and Currency over a period of a couple of weeks.

BURG: Let me ask you this question in respect to that.

Would it be your observation that in dealing with the congressional types that, by and large, they readily grasped economic theory with respect to public finance, the debt and everything, that their knowledge--

BURGESS: Well some of them did, but of course they also took a political point of view--they were trying to show where we were wrong, some of them. That is [Wright] Patman was just as difficult an opponent at that time as he is now.

BURG: Because you might be able to give them in economic terminology the reason why it should be this way. They could give you political answers--

BURGESS: I think it helped, yes.



BURG:--as to why it couldn't be that way. In your relationships with congressional leaders by and large, were you satisfied with the kind of hearing you received, just in general, from them?

BURGESS: Yes, I think so. I went before the House Committee on Ways and Means when a man named Wilbur Mills was in the chair. He and I got along very well; he's a very able person.

BURG: Interesting to have that story.

BURGESS: He had been a banker. His father had run a little

bank in Arkansas, but his father was caught by the depression back in '33. The father was not well and Mills came back from law school, and his father said, "You go run the bank."

BURG: So he had that background.



BURGESS: He had some background which made him sympathetic with somebody who was interested in the bank.

BURG: I see. Now if we move back now to those first months of the administration, one of the programs then that you tried to carry out was to get that financing on a longer term, giving, at the time, a pretty decent interest rate for a thirty year bond. How well did those go, Dr. Burgess?

BURGESS: They went all right.

BURG: Now were there other programs carried out in the first months? I focus right now on the first months because clearly your predecessors had had many many years in control of treasury, in control of the government, and now I would assume you gentlemen are going to move things in a different direction.

BURGESS: Well, of course, we had a staff, a number of whom

were very able. There was an assistant secretary in charge of fiscal affairs, who was an old timer, who was neither Republican nor Democrat.

BURG: Was he career civil service?



BURGESS: He was career civil service. The treasury has a very fine group of career civil servants, and they were keen about what we were doing also. There was no sticking point there; there was no opposition from the staff that you would encounter there.

BURG: Who was the gentleman that you just mentioned, this longtime career civil servant? Do you remember his name?

BURGESS: I'm trying to remember whether Danny Bell was there still or whether he had left at that time. I'll think of his successor in a minute; it was Edward Bartelt.

BURG: Okay, because that is something that we also need too. We need to know who the top people were when you gentlemen came in to direct it on the political side.

BURGESS: Well there were two men who were in the statistical

research department that I let go because I felt they were not thinking our way.

BURG: Could I ask their names, sir?

BURGESS: Well, I don't think I can remember them.

BURG: Okay, but they were in the statistical research. How did you determine that they were not going to support, to the degree you needed support, for the new administration's policies? Did you interview them, sir?

BURGESS: Oh, yes, sure. I knew them already.



BURG: Oh, you did? A candid straight forward kind of interview with them?

BURGESS: Yes, they expected it. They knew they weren't going to like what we did.

BURG: Now could I ask you this too, was it your policy and your position at that point to relocate those men?

BURGESS: I don't think I had any need; they could get jobs.

BURG: Within the civil service?

BURGESS: Well, no, they left the civil service.

BURG: Oh, they did. Was there any bitterness that you know of?

BURGESS: I don't think so.

BURG: Never any that filtered back to you at any rate. And you say they were expecting this.

BURGESS: I think so, yes.



BURG: Now do other cases come to mind? I would be interested in knowing to what extent it was necessary to do this at the top levels in the treasury?

BURGESS: Well, the treasury I think was unusual in the type of people it had. They were more professional and less political.

BURG: That's an interesting point because I've not heard that point made anywhere and only someone such as yourself could make that kind of observation.

BURGESS: Of course the treasury had had in the [Henry] Morgenthau days Harry [Dexter] White who had some communist connections and who had left the treasury.

BURG: But he was out?

BURGESS: But he had been assistant secretary. He helped in drafting the Bretton-Woods legislation.

BURG: Why do I want to say, Harry, not Drexell White.

BURGESS: No, I don't think so.



BURG: Well, I'm not sure where I got that middle name from. But he was gone by the time your group came in?

BURGESS: Yes.

BURG: Since we touch now upon the issue of communism, was there any concern in your mind or in Secretary Humphrey's mind of that kind of attitude within the treasury department? If not communism, leftist philosophies and the like.

BURGESS: Well we had one or two people who might be thought of that way; we didn't find that difficult. One chap was

supposed to be rather leftist, but he played ball right from the beginning all right. No problem.

BURG: Let me ask you, Dr. Burgess, in what repute would Keynesian economics be at that point in time?

BURGESS: Well it was very popular among the left-wing group.

BURG: So a man who held Keynesian theories of economics, would he have disturbed you personally or would you have looked at that with understanding and felt, well, fine, just don't wave it around me.

BURGESS: I think that latter attitude.



BURG: So a man could have held--

BURGESS: If he wasn't too damned convinced of it, yes.

BURG: Yes, if his mind were still open.

BURGESS: If he wasn't a missionary for it.

BURG: I'm happy to hear that too.

BURGESS: But we didn't announce we were all Keynesians, and we weren't.

BURG: Now let me ask you about the people who came in. Let me ask you to place them in their jobs. We will talk about them perhaps at a future time, but Secretary Humphrey comes in. You come in as assistant to the secretary at first.

BURGESS: Well, yes, the undersecretary who came in was Marion Folsom at that time. Marion later became head of Health, Education and Welfare. But at that time, there was only one undersecretary who was Marion Folsom. And we asked right away for a second undersecretary so that we could handle the work. It took a year to do that. In the meantime I operated as deputy to the secretary with a personal relationship. Then there was Chappy Rose, [H.] Chapman Rose, who was on the legal side who had been Mr. Humphrey's lawyer in Cleveland. And then there was Dan Throop Smith, who had been a professor at Harvard, who was a tax man and took over the problem of tax legislation. And then there was a man named [T. Coleman] Andrews who was the operating head of the internal revenue bureau for a while.

BURG: Do you remember his first name, Dr. Burgess?

BURGESS: No, I don't.



BURG: I think we could probably find that in the organizational manual of the government. Do other names come to mind, some of these key people?

BURGESS: There was Scribner who later became general counsel, Fred [C.] Scribner, came from Maine. But he came in a little later.

BURG: Now can you tell me, because sometimes, although one wouldn't think this would be a problem, we find it very difficult to locate these men, how many of the men that you have cited to me are still alive and could be contacted?

BURGESS: Well, we have a pretty good record. Chapman Rose has offices here and in Cleveland, Ohio. His son Jonathan Rose is in the Department of Justice and a deputy assistant of some sort. Fred Scribner is still active; he's a lawyer in Portland, Maine. Marion Folsom is alive in Rochester but very much retired. He was with Eastman.

BURG: Is Mr. Folsom's health not very good now, sir?

BURGESS: Not good, no, not very good. He probably would be able to see you and remember better than I do.



BURG: Do you think his memory is good?

BURGESS: Probably better than mine.

BURG: Yours has been perfectly satisfactory so far; I have no complaints about it.

BURGESS: You're asking me questions that I hadn't thought about for a dozen years.

BURG: Of course, yes. Well one reason why we try to do an interview at a slow pace is simply so that we can fill in some background about you and because you begin to think about these things. Now, are there any other names that come to mind?



BURGESS: Of course we were very closely working with the Budget Bureau at that time. The budget's first director was Joseph Dodge of Detroit; he's dead. He was president of a bank in Detroit. He was succeeded there by Rowland Hughes, who is also deceased, who had been with me in the National City Bank. And he was followed by Percival Brundage, who was in here this morning and lives in Washington. He was the

director of the budget for a couple of years, and he would be a good man to talk to because he saw a lot of the wheels turn. He had been senior partner of Price-Waterhouse.

BURG: We'll do our best to contact him too.

BURGESS: Oh, I haven't mentioned Andrew Overby, who was Assistant Secretary of Treasury for International Operations and was our representative on the International Bank. We kept him on, and he was a pro. I imagine he may have been a Democrat, but it didn't show on the surface. He wanted to do a job that's all.



BURG: So he had had long service in treasury prior to your administration.

BURGESS: There was also Frank Southard, who was our representative on the International Monetary Fund and later became deputy to the Managing Director of the Fund.

[Interruption]

BURG: Dr. Burgess has given me one hour of his time, and this is what I assured him we would do, and so we're going to break off the interview at this point.

INTERVIEW WITH
W. Randolph Burgess

by

Dr. Maclyn Burg
Oral Historian

and

Dr. Thomas Soapes
Oral Historian

on

March 1, 1977

for

Dwight D. Eisenhower Library
Abilene, Kansas



This interview is being conducted with Mr. Randolph Burgess in his office in Washington, DC on March 1, 1977. The interviewer is Dr. Thomas Soapes of the Eisenhower Library. Present for the interview are Mr. Burgess and Dr. Soapes.

DR. SOAPES: You came into the Eisenhower administration into the Treasury Department in 1953, didn't you?

MR. BURGESS: Yes. Matter of fact I arrived here in Washington a couple of months before that and went to work.

DR. SOAPES: You worked then on the transition from the Truman to the Eisenhower--?



MR. BURGESS: On the linkage, yes. But of course we talked about the staff that we wanted and we talked to some of the people who were here already.

DR. SOAPES: Right. I think Dr. Burg talked with you about , that in your first interview, to some extent. You, of course, were working under George Humphrey.

MR. BURGESS: That's right.

DR. SOAPES: What was your estimate of his understanding of economic principles and the principles of public finance?

MR. BURGESS: Well, of course, basically he was a sound businessman

and knew what a balance sheet is and knew when a thing is sound, when it isn't. Beyond that he had a very wide acquaintance with people and was highly respected in his occupation. On the technical side of the money market, he, of course, had been with a group of firms and interests who represented a very wide scope of financial affairs so it wasn't anything new to him except some of the technical details in the money market, government securities and so on. One of the first things we faced was what interest rates we should be seeking to achieve and we came in on the feeling decidedly that the government had been financing itself on short-term much too largely. We wanted to stretch it out and yet the longer term bonds were selling at a heavy discount so that we had to break a little ice. So we came out with this three and a quarter percent bond which the Democrats on the Hill seized on as a "hard money policy" and that this would raise the price of mortgages, raise the interest rate on mortgages, and so on. Senator Hubert Humphrey was one of the leaders in the attack on the Hill which went after the Treasury, and me personally a little bit, because George had reached into Wall Street to take one of the wicked people on. [Laughter] But that didn't last very long. By the time we



wound up our adventure in the summer of '57, George and I appeared before the finance committee and had generally a very good reception.

SOAPES: Were there individuals in the Congress that you felt were particularly knowledgeable in this field?

BURGESS: Well, Wallace Bennett was, I think, the ranking Republican on the Finance Committee. He was knowledgeable, able and was very helpful. Of course Senator Byrd [Harry F. Byrd, D-Virginia] himself, who was the chairman, knew his way around pretty well in this field and was chairman of the finance committee for many years and had the command of it and we were personally friendly. He sent me a bushel of apples when I first started to show there were no hard feelings. [Laughter] Very good apples, too.

SOAPES: When you were discussing monetary policies in the Treasury Department, what were your principle considerations? Were you concerned about inflationary problems, economic stimulus, concern about the impact it would have on foreign policy problems, or just what were the major considerations?



BURGESS: Well, the question of finance was the main point. We felt that as long as the government debt was too large a floating debt you're in the same danger, on a different scale, as business firms, concerns are. They owed too much money and tied their hands down so that they couldn't be free to do just what you wanted to. The government ought to be free to be a stimulating force in housing and foreign financing, our relationships with Latin America and eastern countries and so on are better, if our government has credit that's absolutely sound and we're in a position to reach out and do new things. We felt our hands were partially tied by the fact that the short-term market was over supplied with securities and using up too much of the free money. Pretty prosaic and classical objectives that we had. [Laughter] We thought that was important.



SOAPES: You would characterize then the policies of the Eisenhower administration as following the lines of classical economics?

BURGESS: I think so, yes.

SOAPES: I think in your first interview with Dr. Burg there

was some mention of attitude toward Keynesians in the administration, that you didn't particularly care for keeping too many of them around.

BURGESS: No, that was only one factor. There wasn't much threat of taking them into the administration. We had, of course, very able people on the council of economic advisers; Arthur Burns, and Gabriel Hauge in the White House as well. Let's see, I've forgotten who was on the council of economic advisers.



SOAPES: I can't name them myself very much. I can remember Hauge and Burns. Was Saulnier [Raymond J.] there when you were--?

BURGESS: Saulnier, yes.

SOAPES: Did you have a great deal of contact with Hauge?

BURGESS: Yes, quite a lot.

SOAPES: What was your estimate of his capacity?

BURGESS: Very able. Good point of view. And also very, very

adroit in the use of the English language. The thing that he took over and greatly relieved the rest of us was certain of the decisions relating to exceptions in the tariff rules. For example, where it was or wasn't wise to exercise an authority which the law gave to the President but which was a departure from the old basic rule of foreign trade that we wanted as few regulations and exceptions as possible; about open trade, the maximum opportunity and authority for individuals to buy and sell and lend--economic freedom. And Hauge was all for that. But there were some cases when you get woeful distress on the part of the corn farmers or what have you, and you have to bend the rules a little.



SOAPES: Was Hauge a good man in assessing the political climate in which the decisions would have to be made?

BURGESS: Well I think he turned out to be so; I don't think he started that way. He and I were alike in that respect. He's done well since he got out, hasn't he?

SOAPES: Yes. Yes, he has.

BURGESS: He came to me, or encountered me when he was considering the various jobs and I encouraged him to take the bank job, thought it would work out and it has.

SOAPES: What was--I'll ask a theoretical question here--what was your feeling as to what the proper role of government was in the economy? What should be the principal objective?

BURGESS: Well I would say it was to nourish a climate where individuals would have freedom of enterprise, of thought and of speech so that there was opportunity for everybody who wanted to, and who were willing to go by the rules, would find an environment where that was possible. There are some of those rules that are very difficult to eliminate.

SOAPES: The Eisenhower administration, of course, faced several periods of economic decline--'53, '54 and later on--and the argument, of course, was should we be primarily concerned about government holding the line on inflation, that sort of thing. On which side of that argument was the Treasury Department? Was it in favor of--

BURGESS: Well when we first came in, '53, there was a question



of whether our financing should be short term or longer term and some of the members of the advisory committee that we had, bankers and others, thought we should keep away from the long-term market because that would, if we went in there, place more pressure on the mortgage market and so forth. We thought that that risk was not very great. Not enough to offset the necessity for trying to get the government debt on a better basis. Always the balance between the longer run point of view and the immediate pressures. As it turned out there was some recession in '53. It wasn't very serious; we got over it. And we did improve the picture of the debt somewhat.



SOAPES: How important was it to your thinking that the debt be kept either in line or reduced? That was one of the frequently debated political subjects in the '50s.

BURGESS: Well the other way of looking at it is are we talking about a budget and balanced budget, if you wanted to go that way. There was always a problem there if you could keep the budget in hand so it isn't too far out of line, then you can still have a sound money policy without doing any damage. So we had to

walk down the middle of the road on that. They were able, as you know, those first two years to keep the budget in line pretty well, at some sacrifice but not very much. Of course we didn't have unemployment like the present wave of it; that complicates it, the thing. And the present President is having his troubles of how he can get full employment and at the same time have a budget that is in order. And we've had very serious inflation continuing because they have had to choose, or they have chosen the spending side, unbalanced budget. If they really wanted to get the budget in hand they'd have to go to work at it over a period. Of course, Johnson, when he came in talked about the Great Society and that was uppermost in his mind. He didn't see the importance in a balanced budget or sound finance. Of course that was unfortunately added on to the Vietnam thing so the two, the Great Society and Vietnam, laid the basis for the present unemployment.



SOAPES: We've talked about George Humphrey's knowledge of the technical side of finance--did you feel that Eisenhower had an

understanding of what was going on in the financial field?

BURGESS: Oh, the broad outlines, yes. People shouldn't forget that Eisenhower, when he was at Columbia, was an ardent supporter of the tax foundation which was one of the [inaudible] organizations. I remember a speech that he gave before the tax foundation in New York, very damned good speech, and though he had some ghost writers that helped him, he didn't read his speeches. He had it in his head. And he gave several speeches for the tax foundation. The broad outlines were there. Oh, the politicians would bore in on him from time to time and try to shake him without much success.



SOAPES: Were you in the Treasury satisfied with the rates of economic growths in the general economic indicators throughout that first term that you were serving there?

BURGESS: No. I think in May '57, I made a speech I think to a savings bank, reviewing the scope of the demand for money, for long-term money, and the potential supply and stating as my opinion that we had to go to work on the suppliers of venture capital in the country. They weren't putting in enough to keep going. Well that proved to be the case I think and the long-term market for mortgages and so on and so forth with an

unbalanced budget and all the things that had to be done in the country, things were out of balance.

SOAPES: A lot has been said about the relationship between Humphrey and Eisenhower, that Humphrey was a very conservative, restraining influence on Eisenhower. Was it your impression that he was very influential?

BURGESS: Oh, yes. I think so, yes. Yes, I think Eisenhower sought his advice and got plenty. [Laughter]

SOAPES: How did your appointment to NATO come about?



BURGESS: Well, Humphrey wanted to leave. He'd been here five years, four and a half, and somebody had to come in. I was over sixty-five years old and pretty old to try for that big job. The President wanted a younger man anyway and they both had a very high opinion of Bob [Robert B.] Anderson, so that was that. I didn't decline the job. [Laughter] But I think what was done was right. I came into a critical situation in NATO and I think was helpful there.

SOAPES: In what way was the situation critical in NATO when you got there?

BURGESS: Well the shine of the postwar NATO was getting a little dull and needed somebody who'd been close here to help work at it there. Of course I no sooner got into the NATO thing than a summit conference was laid on. I went over there in October and had hardly gotten my feet on the ground until they said come on back, we're planning for a summit conference of all the heads of government of NATO. So I worked for two or three weeks here with the Department with Foster Dulles and others to lay on a program for the summit meeting that would help stimulate things and get them going vigorously again. What had been happening was country after country under social pressures and gradual war recovery and so forth had been cutting down its military budget, going too far in that direction.



SOAPES: The countries of Western Europe were no longer feeling a strong threat of Soviet aggression as they had been in the '40s?

BURGESS: Yes, and then they were tending to lie back and say "Well let the U.S., they've got the atomic bomb, let them hold the line." And we didn't say that at all about--It was Humphrey

who used the expression, What's the way of getting the biggest bang for a buck. Have you heard him quoted for that?

SOAPES: I think that was--I think [Charles E.] Wilson was probably quoted.



BURGESS: Well Wilson and Humphrey worked together on that. Biggest bang for a buck. And we tried out a series of things to stimulate our partners and keep the alliance going and this summit conference in December in Paris was the first and most important. We worked up a whole program of economic and monetary and so on and that came off all right. Eisenhower went over for it, of course. Then again two years later in the Christmas period of '59, we laid on a new bit of bait to get people interested. That was the summit conference of just four people, DeGaulle, Adenauer, MacMillan and the President only a few days but they reached a conclusion which we helped them to reach that we should belong more intimately to some European connection and what it turned out to be was opening up the OEEC! [Organization for European Economic Cooperation] Taking our membership, changing the name of it, and making us full partners with that

thing. Of course, we had at the same time the parallel development in the Common Market which was trying to bring in the British. So those were the ones I had to keep on the ball. You remember the group of four, the "Groupe de Quatre," who drafted the statutes for the OECD and I was chairman of that committee.



SOAPES: I see. Was the fact that you had these two competing economic groups the source of strain within NATO?

BURGESS: Well we played it that it shouldn't be very strained because we felt the two things were amenable to working together. We didn't want to discourage (inaudible) had been pretty broad minded taking the common market formula, giving it approval. I made several speeches favoring the common market and taking the position that there was no opposition between the common market and our own development with a somewhat larger group. We may indeed have missed the boat, have been too slow on the boat, because in the discussions that are going on with the British joining the Common Market, I think if we'd gone in at that time we might have arranged so that it had been one organization.

Erhardt was all for that. But we weren't ready for that here, quite. And there were others that weren't either. The British weren't, the British made a campaign. Reginald ^{Maulding} Maldin then came later to fame toured the capitals of Europe trying to get things together so it wouldn't have OECD and the groups of seven. Whether that could have been pulled off with a little different attitude I don't know. But I don't think they were ready for it here.



SOAPES: Taking a look at the military situation, was there much likelihood, in your view, that NATO forces would have to face a military attack from Eastern Europe at that time?

BURGESS: Well, we thought there was. I mean, and I say we, I think there was a very substantial body of opinion in America who thought Russia was going to attack. I think in the Truman administration, I believe I remember their saying it isn't a question of whether, it's a question of when. And that was at a time when we had atomic weapons and they didn't. They thought, a great many people thought, that it was just a pause in Russian development. I think which it was, and there's still a very

substantial body of thought in Russia which would like to be strong enough so they can make a first strike. I don't think so. I don't think that way, but they're getting ready in case the cards are played a different way. Of course this is a great question of American crisis today is the Russian relationship--.

[Interruption]



SOAPES: What was your reaction to Charles DeGaulle and his attitude toward the Western Alliance?

BURGESS: Well, he did an awful lot of damage. We were moving toward a stronger united community. The French stayed with the OECD; [Organization for Economic Cooperation and Development] they walked out of the NATO organization. While they went along with the OECD, with recommendations of the group that I was chairman of, we weren't at all sure they would. I had a very able Frenchman on the group that worked together, he's head of the Bank of France now, Bernard Clappier. Simple, straightforward person. He was all for our cooperating together. But the Frenchmen, as you've seen, stuck on point after point now and again. You find this after allied conferences. Why?

Oh the French, they're individualists to a degree, and of course DeGaulle simply capitalized on that and carried the country along. And the country was so desirous of being on the map again, having a real place in the select society of nations, that they let him lead them along. But he was a very impressive guy. We heard him speak a number of times. We've been to the Elysees and the power of that man to move a large body of people was something extraordinary. He was the Billy Sunday of France. The cause of French strengths. Of course they'd been through a heart rending experience. I'm reading this thing--

SOAPES: Yes. Jean Monet's memoir.



BURGESS: Yes, and there were a number of Frenchmen with Jean Monet who were enthusiastic advocates of unification of Europe and of an Atlantic community. When we were organizing the OECD, putting America into it, there was always a lot of negotiating on the side and Jean Monet was very helpful in that although he was the father of the common market, nevertheless he was extremely helpful for the OECD which is in a sense a competing organization.

SOAPES: In what ways was he helpful?

BURGESS: When things were pretty sticky with the French, we'd go talk to Jean Monet and somehow they'd ease up a little bit after that.

SOAPES: Apparently he was the man who could talk to DeGaulle and--

BURGESS: He didn't so much talk to DeGaulle; I never knew how he did that but he got it done. He knew a lot of other people. He knew the labor people and he knew agricultural people and was a truly great negotiator. Extraordinary person; still is, though he's eighty. He's just my age; he's eighty-seven and not very well now. But all through this period the support that Jean Monet's given to sound movement towards working together is something extraordinary. That one man could have as much influence as he's had. Now he had lines with Eisenhower. I can't tell you how they worked altogether. Jack Tuthill was quite close to Jean Monet and Dave Bruce, a number of other Americans. In this book he mentions it, of course. He started working just as a kid. He was in his twenties when his father sent him over the world to sell Monet brandy. That's a very



simple thing but he got acquainted with people, thousands of people, had influence everywhere.

SOAPES: What was your estimate of the combat readiness of NATO forces? You've mentioned that many of the other nations did not put in their full share. Were the NATO forces able to carry out their mission in this period?



BURGESS: Yes, if you don't interpret the mission too broadly. In this period we gradually slipped from being far and away the dominating force to a military strength which is approximately balanced with the Soviet. That's quite a difference. It's still enough so that we're not a very inviting morsel for the Soviets to attack. But we're ahead of them on the technical side. We've been producing weapons that are better than theirs. They've got a hell of a lot of them, submarines and so on, but we still have got a good show. Now also there's one show where we haven't spared the horses where we've put in, or have been lucky enough to have in, very able people. Of course that goes right back to the war where how lucky we were to have Marshall and Bradley and Ike and Patton and so on, and Rickover. And

ever since then we have had a very fine and able body of men, the Supreme Commanders, Norstad exceptionally able fellow.

SOAPES: That was going to be my next question: Your estimate of [Lauris] Norstad's performance as NATO commander.

BURGESS: Well Gruenther, they all were just absolute tops. And that counts just as much as the machines they happen to have in their hand. They still lead the way in the councils of Europe.



SOAPES: You had the opportunity to work, you mentioned earlier, with John Foster Dulles. The picture that historians have frequently painted of him is that of a very rigid man who was not willing to bend in negotiation or anything. Is that an accurate estimate?

BURGESS: Oh, I don't think so. I think he was a very able and a fine leader, hard worker. He did one thing that was worth it's weight in gold. He established a personal relationship with Adenauer; both of them respected each other. It was a very important, basic thing. You can see how basic it was by reading DeGaulle's memoirs which are superbly written. And I

remember a section in, it was volume two or three, that he gave so much time in his description of his relationship with Adenauer that when you look at it from that point you can see how enormously important that was and how, while he had some ideas about the united Europe, he also knew that the relationship with Germany and France was one of the keys to world survival. And when he describes the first encounter with Adenauer, where he invited him to his country place, what they said and what he said, he's put it all into this chapter. You can just see it. And DeGaulle also had some friends over on the American side. While they didn't advertise it, he would get Norstad to come and see him. He always kept in touch with the Supreme Commander, the American, with Norstad and with his successors. [Lyman] Lemnitzer told me that he'd seen DeGaulle frequently and that was by DeGaulle's invitation. Of course the military link there, Eisenhower and DeGaulle, had a peculiar relationship and not when they were completely frank with each other, but basically two old soldiers were very close together.

SOAPES: Frequently we hear that DeGaulle was still peeved from the World War II period where he felt he had been slighted.



BURGESS: Oh, sure he was, yes. But he blamed the English on that more than on us I guess. His September, it was '58 or '59--'58, '58 I think, his letter to Eisenhower, which has been printed and so forth. He wanted the three countries to get together and run the damn world and he couldn't get it through his head, well we couldn't do it that way. Rather he had to plan both ways--we have to satisfy little fellows as well as the big--little Latin Americans and the Africans and so on. Of course he saw that, too, because when his re-entry into the war was to a degree through Africa where he went and mixed with all these potentates. We saw it in Paris. We'd get invited to the, a reception, and DeGaulle would have there not just the Christian population, but all these blacks in their turbans and so on. They ate it up. All these things, there are two sides. Two sides, three sides, four sides. [Laughter]



SOAPES: Kind of a general, sort of wrap-up question: What was your general assessment of the state of Atlantic unity by the time of the end of the Eisenhower administration? At the time that Eisenhower went out of office, did he leave a united North Atlantic community to Kennedy?

BURGESS: Oh, I think he did to a degree, yes. Yes. I think we were able to help on that. I showed you that picture letter didn't I? There's Ike with his advisers at some--.

SOAPES: Right, yes. The--

BURGESS: This is one of the summit conferences.

SOAPES: Right. The letter is dated February 10, 1958.



BURGESS: Yes. That was printed in a Paris Match and the interesting thing that I wrote to the President, I sent him a copy of the front page, or rather a copy of the drawing, and I said people were interested in this because it showed that he didn't require earphones, that whereas his secondary deputies sat around there with the earphones, he sat there without them. Of course he had hardly a word of French, but he liked this anyway. I remember, I think it was that trip, or he made his speech at the airport, and he wound it up by saying, "Je vous aime, tous". Tous is vernacular for all and they liked him. They liked the old soldier.

SOAPES: Yes, I was going to say, was the image of the World War II hero still predominant in Europe?

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BURGESS: Oh, yes. Oh, yes. He was a superb human commander. Tactful and managed the miscellaneous group of generals extremely well. Yes.

SOAPES: Thank you very much for your time this afternoon, Mr. Burgess.

