

INTERVIEW WITH

Marie McCrum

by

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Oral Historian

on

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for

Dwight D. Eisenhower Library

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This begins an interview with Marie McCrum at her office in New York City. This is David Horrocks of the Eisenhower Library, May 15, 1975.

MR. HORROCKS: Miss McCrum, could you give us a brief summary of your personal background?

MISS McCRUM: Well, it's very ordinary. I was born and raised in New York City and went through just high school and business school, after which I had a couple of other jobs before joining Time Inc. in December 1945. And after I had been with Time Inc. for about six months, Mr. Charles Douglas ("C.D.") Jackson, who had the office next door to where I worked in the International Division, Time-Life International, needed a secretary and suggested that I start to work for him. That was in, I believe, July 1946, and I worked for him in all his jobs until his death in September 1964. Would you like me to specify what the jobs were, or doesn't that matter.

MR. HORROCKS: I think it would be helpful, yes.

MISS McCRUM: Well, I'll try to remember all of them. First there was Time-Life International of which he was managing director. And from there he was sent down to be publisher of Fortune. He was not too long, maybe two years, publisher

of Fortune when he was asked to be president of the Free Europe Committee, then called the National Committee for a Free Europe, and he worked in that job for about a year, returning to Fortune in early 1951. Then came the Eisenhower campaign and that was sort of a crash program. He was called into it about September of 1952 and worked until election day. The day after election, he came back to Time Inc. February 1953 took him to the White House as a special assistant to the President, and he was there just over a year; then he returned to Time Inc. and worked in the corporate area for a while. And in late 1954, at the same time that he was working for Time Inc., he was a delegate to the United Nations General Assembly for the three months that that was in session. Later, in 1960, he was made publisher of Life and continued in that job until just before he died.

[Interruption]

HORROCKS: When did Mr. Jackson first meet General Eisenhower?

MCCRUM: I can't be specific on that point. It was before I had met him. I do know that Mr. Jackson worked for SHAEF and I

think before that for PWB, the Psychological Warfare Branch of AFHQ, in North Africa and Europe, after which I believe he joined Eisenhower's headquarters at SHAEF. Now I don't know the circumstances through which that came about, but it would have been in that period that he met him--long time association. (See Appendix A)

HORROCKS: Did he ever describe to you his duties while he was with the General's headquarters during the war?

MCCRUM: No, not enough for me to contribute usefully to this. I know that he was very involved in the preparation for D-Day and the liberation of France and that he went to Paris, I think, within a day or two of Paris's liberation which, of course, pleased him mightily because he loved the city, loved France, and was bilingual. But beyond that I can't be very helpful about the period before I knew him.

HORROCKS: How did he get into the psychological warfare business?

MCCRUM: I don't know. I don't know. Mr. Halpern over at CBS, I think, knew him in those days and I think they had

some wartime association. Maybe it was through some connection like that.

HORROCKS: I think there's a Mr. [William S.] Paley mentioned at CBS--

MCCRUM: Mr. Paley was the former president, chairman. Yes, yes and they would have been associates, too. Halpern was Paley's right-hand man.

HORROCKS: Was Mr. Jackson's interest in psychological warfare something that appealed to his temperament?

MCCRUM: Well, I think it did appeal to his temperament. I also think that he was extraordinarily well qualified to do that kind of work because he had a very good sensitivity to people and situations. He had a good promotion and public relations sense in the finer senses of those words, not in the just being a "salesman." And I think that he appreciated the importance of psychological warfare or political warfare as it was later called, which often means just making things work right. Also I think it was where he could contribute his sense of real patriotism. He just loved this country and I

think he wanted to help it and to make it understood and respected, and however he got into it, I think it was a very natural selective process.

HORROCKS: A labor of love.

MCCRUM: A labor of love and a very productive one, in my opinion.

HORROCKS: What were his views on domestic political questions? How would you characterize that?

MCCRUM: I almost couldn't. I have a feeling that he, well, I can't express an opinion on that because his whole interest seemed to be a world-wide interest--a world interest. Politics as such were really not his bag. I never particularly found that he paid much attention to politics.

HORROCKS: So from your experience then, he was not particularly, from what you say, wasn't particularly active in any domestic, political questions and issues.

MCCRUM: No, not to my knowledge.

HORROCKS: Why was he so concerned about the Soviet threat? What kind of threat was it?

MCCRUM: When he worked for the White House, he had just come, remember, from a very intensive experience working for the Free Europe Committee, and in the course of that work he was intimately associated with representatives of the exiles, the leading exiles of all the eastern European satellite countries, and he knew first hand from those people of their experiences. He had seen what happened in those countries. He had seen how the Soviets operated and--

HORROCKS: Had he been to eastern Europe himself?

MCCRUM: He worked in Czechoslovakia, no wait a minute. No, he was in Turkey during the war on a special mission for the State Department and the Bureau of Economic Warfare. He tried to keep chrome from going to the Germans. Now whether that came from some of the satellite areas or not, I don't know. This is all before my time. I don't know of my own knowledge whether he had been in eastern Europe until after-- He was in eastern Europe later when he came back here to Life, I know.

HORROCKS: After he came back to Life?

MCCRUM: Where was Steinhart ambassador? He knew him from the wartime and that was Turkey--

HORROCKS: Turkey.

MCCRUM: --that was Turkey.

HORROCKS: So, looking back to his roots of interest in eastern Europe one would go back to the war itself.

MCCRUM: Well, I'm sure it would be the war, but I don't know that. As far as I know, it also was the experience with Free Europe. Now, I'm sure there was much more background but I don't know it.

HORROCKS: With these Free Europe people, the east European exiles, did he develop any close, personal friendships among them?

MCCRUM: Yes he did. Bela Varga--the great Hungarian--

HORROCKS: Could you spell some of these names?

McCRUM: B-e-l-a V-a-r-g-a, Monsignor Bela Varga--was probably the most eminent Hungarian exile and a former member of the Hungarian parliament. Incidentally, Monsignor Varga was a very, very brave, wonderful man who had operated in the Hungarian underground--and he and Mr. Jackson became very close friends and remained so until Mr. Jackson's death, and Mrs. Jackson is still a friend of Monsignor Varga. Another one was Dr. Bela Fabian, F-a-b-i-a-n, also Hungarian and greatly concerned with political prisoners. Dear, this goes so far back, I can't remember. Yes, yes there were several with whom he became friendly, and also for whom he developed great respect.

HORROCKS: Were they primarily Polish-Hungarian-Czechoslovakian?

McCRUM: The countries involved were Poland, Czechoslovakia, Hungary, Rumania, and Bulgaria. Those were the countries with which the Free Europe Committee was involved.

HORROCKS: Did it ever extend to involve Yugoslavia or Albania?

McCRUM: Not Yugoslavia. Albania? I think there were maybe

some, a few little side interests in Albania and in the Baltic states, but these were the primary ones. And never Russia itself, because that was another operation. Radio Free Asia, I think it was called in those days (later Radio Liberty).

HORROCKS: This'll step ahead, but was there a program to detach Albania?

MCCRUM: I have a vague recollection that there was.

HORROCKS: The personal friends, these personal European friends Mr. Jackson had, was it a personal friendship solely? Did he rely upon them for advice very much on what to do, what policy should be towards east European countries?

MCCRUM: Oh--well, I think he consulted them at considerable length. I think he knew their thinking very well. Now that it is well known that the Central Intelligence Agency had a certain input there, we also had the close cooperation and consultation with Washington sources, and that's the way it worked.

HORROCKS: I just wondered how heavily he would have relied on the exiles for advice. Did he ever--did I interrupt you?

MCCRUM: No.

HORROCKS: Okay. Did Mr. Jackson ever discuss or were you aware of what he felt might have been the shortcomings of east European regimes--

MCCRUM: No.

HORROCKS: --before the Soviet takeover?

MCCRUM: No, I don't know.

HORROCKS: What did he--

MCCRUM: When you say relying on the exiles--I think it was relying on them to contribute what they had to contribute and relying on many other people and his own judgment on what they had to contribute. I don't think that just because an exile said something it was necessarily totally accepted, but I think that when you want to know the situation, you ask a person who is very familiar with it, and the exiles worked

with [him] very closely. Needless to say, the closest liaison was with our contacts in Washington, with whom we were in constant communication.

HORROCKS: How did he become involved with Radio Free Europe, the committee?

McCRUM: I wish I knew the--he had been on the board earlier, and I don't know how he got on the board. There was some threads leading into it, but I can't remember what they would have been. There was a man named John Hughes who was the chairman of the board of the Free Europe Committee--

HORROCKS: Is this a different person from Emmet John Hughes?

McCRUM: Oh, yes, indeed. Emmet John Hughes had nothing whatever to do with the Free Europe Committee. This is John C. Hughes. He had his own business and I don't know what it was. It was a family business I believe. He was a man older than Mr. Jackson, a splendid, intelligent, wise person and I think he was chairman of the board of the Free Europe before and quite a while after Mr. Jackson

became president, for many years, and stayed on it, and they were very, very close associates in the work of the Free Europe Committee. And now that I recall John Hughes' name, I think that it would probably have been through John Hughes, in some way, that eventually Mr. Jackson was asked--including the note from President Truman which I believe is in the papers at the Library, asking him--to become president of the Free Europe Committee.

HORROCKS: What exactly were Mr. Jackson's duties, especially up until 1953, with Radio Free Europe?

MCCRUM: Well, he was president of the Free Europe Committee in 1951 and early 1952, and being president means, I guess just as in any organization, the buck stops here. And, as I recall, there was the Radio Free Europe division, the broadcasting division of the operation, and then there were the exiles which were a separate operation, and there were publications and that kind of thing--a third operation. And so all of those reported to the president, and he was kept mighty busy.

HORROCKS: Did he feel he got cooperation, sufficient

cooperation, from the U.S. government in this program?

MCCRUM: While he was president, yes. I believe so. I believe so.

HORROCKS: And did he work closely with General Eisenhower in this period. Was he in much contact with him?

MCCRUM: No. No. I don't even know--where was Eisenhower then? He was in Europe--or had he come back to Columbia? He was in Europe.

HORROCKS: He was in Washington and then he went to Columbia. and then he went to Paris with SHAPE.

MCCRUM: No, Mr. Jackson did not work at all with General Eisenhower during the Free Europe period.

HORROCKS: How did the two get together for the campaign, then? Or what is the first contact?

MCCRUM: Well, my first knowledge of the campaign was the information that--I don't know whether it came to Mr. Jackson through Mr. Luce or through some other source--but somehow it became known that the speech writing operation

down at the Hotel Commodore was absolutely over its ears in work. And poor Stanley High of the Reader's Digest, who was heading the speech writers, was practically on the verge of exhaustion and they needed more help. So I believe Governor [Sherman] Adams had turned to Mr. Luce--now how that happened, I don't know. Whether he was just referred to Mr. Luce as a possible source of writers because Time Inc. has writers in its shop, I don't know. But Mr. Luce consulted Mr. Jackson and then offered to give Mr. Jackson and, either at the same time or shortly thereafter, Emmet Hughes, who was a writer, a leave of absence to help out. I think Stanley High really wrote very little after that point or maybe was ill for a while. It seems to me that--anyway, Mr. Jackson took over the speech writing operation, this stable of writers who were turning out the drafts for maybe two or three, or, I don't know, ten speeches a day for the candidate. I think this happened in September of '52 and continued until the election.

(See Appendix B)

HORROCKS: Do you recall if prior to then, Mr. Jackson was a particularly strong supporter of General Eisenhower?

McCRUM: I have no particular knowledge of it. I'm sure he was and I think he was. He hoped very much that he'd be elected, and I guess he was glad to help. But I don't know--

HORROCKS: It wasn't just a professional assignment and sort of--

McCRUM: Oh, no. No, I think if he hadn't believed in it, he wouldn't have done it. (See Appendix C)

HORROCKS: Was he a personal friend of Emmet John Hughes at this time?

McCRUM: Yes, he was a friend of Emmet's.

HORROCKS: Did Mr. Jackson bring Hughes along or did they both--

McCRUM: I think maybe Mr. Luce and Mr. Jackson decided that Emmet would be the skilled kind of writer needed because he was, he is a very good writer.

HORROCKS: This will jump ahead, too. What happened to Emmet Hughes around '58 or so when he broke with the administration?

MCCRUM: I don't know. I'd lost track of him by that period. I mean we didn't keep in touch particularly. He had been working overseas for Time Inc. He was not a close personal friend of Mr. Jackson's and I don't know what happened. He became, for some reason, disillusioned or turned off or something, but, something did indeed happen. I don't know what it was.

HORROCKS: There is no time you would place as the date of a personal break?

MCCRUM: Oh, no. There's no, I mean, I don't think there was any great "personal break" or anything. I think it was just sort of a--. I think after they left the White House, their paths diverged. You see Mr. Jackson left the White House in about--oh, after a year and a half, that would have been about the middle of '54. And I don't know whether Emmet stayed on then and eventually left, or not. But in any event, Emmet later came back to Time Inc. and was sent abroad, and then maybe a year or two or three later, Eisenhower took him back down to Washington and again he worked there. Now that period I know absolutely nothing

about. Nor to my knowledge would Mr. Jackson have known anything about that.

HORROCKS: Did you go with Mr. Jackson when he went to help with the speeches?

MCCRUM: Yes. I was a commuter in those days, so I lived at the Commodore for those two months.

HORROCKS: That must have been a pretty hectic period.

MCCRUM: It was, it was wild.

HORROCKS: Do any particular speeches and problems stand out in your mind?

MCCRUM: [See Appendix D] Well, I think there were numerous problems and I think it was largely because of the tempo under which everybody operated and the fact that so much had to be produced, and the fact that on almost every policy speech, there was a meeting of a little group of people who sort of had to review and discuss, and sometimes things got diluted. I think Mr. Jackson found that somewhat frustrating trying to accommodate everybody's ideas. But the major speeches

would be reviewed by what Mr. Jackson called the "college of cardinals." There was Sherman Adams and Governor [Harold] Stassen and Herbert Brownell and that nice man who was the attorney down there--dear, I don't remember his name. And several others. And they would all sit around and there would be a reading of the speech, or discussion of its major points.

HORROCKS: At the Commodore?

MCCRUM: At the Commodore. Especially when Gen. Eisenhower was there. Oh, and then, when the touring was going on, some of them would be on the train, and the speeches were teletyped to the train and reproduced there. Then, of course, the people who were on the train and the local Congressmen and politicians would sit around with the President, I mean with the President-elect, the candidate I should say, and sometimes they would make changes--

HORROCKS: There was still the college of cardinals.

MCCRUM: --and then the Commodore heard about that. It was a little bit awkward.

HORROCKS: Was Mr. [Henry Cabot] Lodge one of these--

MCCRUM: Yes, he was in it, yes.

HORROCKS: How was everything coordinated as far as--who would say that we need a speech for a certain occasion and decide what it--

MCCRUM: Well, Governor Adams was sort of the administrative head of it. He was working very closely with Eisenhower, and I guess word would come from Governor Adams that here's what's in the works and we need this and this and this and this. That was my impression, anyway.

HORROCKS: What kinds of things were being diluted? Stronger stands on liberation of east European countries?

MCCRUM: No, I don't remember. Mainly adjustments for local political expediency. There's only one that I remember, and that was the elimination of a reference to General [George C.] Marshall in--

HORROCKS: Oh, Wisconsin.

MCCRUM: --Wisconsin. That's a flap that I remember everybody was climbing the walls about. And I don't remember the details but I would hope that you have the files from the Commodore because all Mr. Jackson's files for the campaign period were left at the Commodore. So if they're not at the Library, they should be tracked down. [For comments of the candidate, see Appendix E]

HORROCKS: We do have a pre-inaugural file which encompasses some of that material.

MCCRUM: From my standpoint, my main recollection is just absolute, flat out work and exhaustion, and that's it. And then, of course, during that period Emmet Hughes came in and said he had written into the draft on Korea, "I shall go to Korea." That was written by Emmet Hughes and Mr. Jackson instantly sparked to it as the thing to say, and there was, I think, quite a struggle to, to--

HORROCKS: To the college of cardinals.

MCCRUM: --to let it, to get it to stay in, but anyway it worked.

HORROCKS: Are you familiar with any of the details of the struggle?

McCRUM: No, I'm not, but I think probably that's documented in the papers. I seem to remember there are papers on the subject.

HORROCKS: Do you recall any particular--angles seems like a harsh word--but any particular angles or approaches that the speech writers were really trying to hit and follow through on?

McCRUM: No, I don't. You see, my function was just an operational one, just production, and I think it would be wrong in some of these instances to depend on me for any kind of policy opinion because I don't think (a) I'm qualified and (b) I don't think my memory's sufficiently clear on them after 20-odd years to be useful.

HORROCKS: When did Mr. Jackson decide or find out that he was going into the administration?

McCRUM: I don't know exactly when he found out. After the

election he came back to Time Inc. and resumed his regular job, in which the campaign had been just an interruption. But then something must have occurred in late November or early December, because the next thing I recall was that he was to fly on very short notice to board the U.S.S. HELENA somewhere in the Pacific. Eisenhower was on board the HELENA returning from his promised trip to Korea, and the return journey was being used for pre-inaugural planning for the new administration. Foster Dulles went, and Governor Adams, and Gabe Hauge, and I think Joseph Dodge and Admiral Strauss, among others. Mr. Jackson left the HELENA in Hawaii and flew home. As I recall it, his task involved preparation for the State of the Union Message that Eisenhower was to deliver to the Congress shortly after taking office. This raises in my mind the question as to whether Emmet went to the HELENA--I don't think so--and later worked on the actual drafting of the State of the Union speech. I simply don't remember. At any rate, these activities as well as his duties as publisher of Fortune kept Mr. Jackson fully occupied, to say the least, until he actually started to work at the White House early in February 1953.

HORROCKS: What were the understandings or conditions under which he assumed the job in Washington?

MCCRUM: I don't know that there were any particular conditions except that--at least I don't recall any--but there was a time limit of a year.

HORROCKS: That was agreed to--

MCCRUM: It meant leaving Time Inc., which had already been extremely generous in granting him leaves of absence. Beyond that, I don't know. I think he, he did not want it to be a job that was any kind of figure-head job or--

[Interruption]

HORROCKS: --the type of job he was taking in Washington in '53 was--

MCCRUM: He was to be special assistant to the President for international affairs, that was the subtitle, for international affairs. He went and they took a house down there and settled in for a year.

HORROCKS: Did you go down to Washington too?

MCCRUM: Yes, I went down maybe within a week or so after that, bag and baggage, and found myself an apartment, and practically never had time to unpack the whole year.

HORROCKS: Had Mr. Jackson known John Foster Dulles before this time?

MCCRUM: Oh, he must have, but I don't know. I don't remember. It seems to me he would have had to. He certainly would have--or would he have known him during the campaign or during Free Europe?

HORROCKS: Maybe while he was senator from New York?

MCCRUM: I don't know. I just have a feeling that they knew each other. Maybe not. Maybe it just was a friendship that developed, a rapport that developed after that, I don't know.

HORROCKS: What was the relationship, how did it develop.

MCCRUM: They had a very good relationship. There was a feeling of respect, a feeling of cooperation, a feeling of freedom to exchange ideas and confidences, and they had a

very good personal relationship right through until the time Foster Dulles died. Not entire agreement on everything all the time, I don't mean to imply that. But I mean as a relationship, there was a good relationship between the two men.

HORROCKS: What were the personal qualities that he respected or liked most in Mr. Dulles?

MCCRUM: Well, I don't know. I think there was a sympathy and I think he understood the complexities of the job that the secretary of state had. I think that maybe he saw some shortcomings, the fact that Dulles was not an administrator of the state department, and that diplomatically he sometimes was not decisive enough, but I think that he realized that the secretary of state had to deal within the policies set by the President as his representative. I just think that they had a pleasant relationship.

HORROCKS: Did Mr. Jackson ever have any doubts as to who conducted foreign policy, whether President Eisenhower was actively conducting it or whether he left too much of it up to John Foster Dulles?

MCCRUM: Well this is strictly my recollection, and may be not during this period, but in later years when Mr. Jackson was back here at Time Inc. and keeping an interested eye on the Washington scene I do think he felt occasionally that if the President had been more positive, stated more positively what he wanted of his secretary of state or of the policy, then Foster Dulles would have maybe acted more firmly to follow out the policy. I think that in the papers Mr. Jackson says something about Dulles seeing his relationship with the President as a "lawyer-client" relationship. In other words, the President was the client, and the Secretary of State felt that his function was to carry out the wishes of the client. But first the initiative, the policy, the direction, had to come from the client.

HORROCKS: John Foster Dulles was notoriously or famously jealous of guarding his powers and prerogatives of foreign affairs in relation to the President. How did Mr. Jackson work also in this field without infringing upon Mr. Dulles--

MCCRUM: Well, I don't think that was a problem. I'm unaware of any stonewalling on anybody's part. I think that, first

of all, it was obvious that Mr. Jackson was not interested in anything but doing a job down there and he was coming back to his permanent work here. I think that his relaxed attitude, his interest in helping to get things done and understood, established him with Foster Dulles and with the President. I don't think there was any complicated situation there.

HORROCKS: What was his job in Washington? We know what his post was, but what was--

MCCRUM: Well, shall I tell you how he operated? Would that help? Maybe it would throw a little light on it. His job, if I can get this straight, was to make sure that the policies and acts of the government, particularly the adopted policies of the government, were correctly interpreted and "orchestrated" abroad to maximum effect by the various departments of the government. He worked directly with the heads of the government departments involved or through the Operations Coordinating Board. In other words, as special assistant to the President he didn't have or need a staff, he had me in his office and I had a girl who worked for me.

HORROCKS: Where was the office, by the way?

MCCRUM: The office was in the EOB [Executive Office Building] the old State Building. He also had an assistant, Abbott Washburn. And Abbott had a secretary and another girl. (His secretary was Wanda Allender who is now his wife.) But this was Mr. Jackson's staff in the White House. He had practically no staff. But for his staff work he used, maybe used is the wrong word, but he collaborated and coordinated with the Operations Coordinating Board which had offices right across Pennsylvania Avenue, next to Lafayette Park. The OCB was headed by Elmer Staats and consisted of representatives of the State Department, CIA, Treasury, the Atomic Energy Commission, and the Department of Defense; they all had representatives on the Operations Coordinating Board. So Mr. Jackson and those guys worked very closely and met constantly. And when a policy was adopted, say at a National Security Council meeting or a cabinet meeting or whatever, those men were all charged with making sure that their departments, with whom they maintained close liaison, understood these policies and then brought back word on

what was being done--it was a two-way street. It was to establish communication between the White House and those departments.

HORROCKS: And he was active in separating the USIA from the State Department? I'm making that a question, really, was he?

MCCRUM: I don't know. Did that happen then? I'm afraid I don't even know.

HORROCKS: During that period they separated that and made it an independent agency with [Theodore] Streibert the head of it.

MCCRUM: Streibert. Well, I know Streibert. Yes, I think he came in later, perhaps. He had been known to Mr. Jackson; I think he was at the Free Europe Committee for a while.

HORROCKS: May have been.

MCCRUM: I think so and then he was brought in down there through Mr. Jackson and Abbott Washburn's former association with him. But I'm not too familiar with that. I think

Abbott Washburn would be a source on these things.

HORROCKS: We have an interview with him. Were Mr. Jackson and Abbott Washburn close before this time?

MCCRUM: Yes, Abbott Washburn was head of the Crusade for Freedom, which was the public money-raising arm of the Free Europe Committee and that's how they knew each other.

HORROCKS: It's a small world sometimes, these people--

MCCRUM: Yes, all of us worked at the Committee. Ann Whitman, the President's secretary, of course, worked at the Free Europe Committee at the time I did. That's how I knew her. She was secretary to Mr. Altschul, who was the head of the Radio Free Europe arm.

HORROCKS: Mr. Frank Altschul?

MCCRUM: Frank Altschul, yes, and he was head of the Radio Free Europe arm of Free Europe. Abbott was head of the Crusade for Freedom, and all those people we knew from those days, and they all eventually got involved in the campaign and eventually wound up in Washington.

HORROCKS: For instance, the Operations Coordinating Board, activities like that, Mr. Jackson's activities that first year were really more concerned with rationalizing the organization of the White House rather than propaganda towards eastern Europe.

MCCRUM: Propaganda towards eastern Europe was the Free Europe Committee, that wasn't the White House. The White House was international policy. Now, one of the most important events, of course, in the field happened, unfortunately, within about a month after the new administration took over. Because we were no sooner in the White House than old Stalin died, and this was sort of a big test of everybody, coordinating and trying to do what needed to be done at that time.

HORROCKS: What was Mr. Jackson's involvement then. Did he help draft, or did he draft Eisenhower's responses, public statements, on the death of Stalin?

MCCRUM: You'd have to refer to the papers. I think so. He certainly was in on those meetings, because I remember being

called to the White House very early in the morning and everybody was there and my first thought was, "Oh, my God, what's happened? Is something wrong with the President?" And then when we got down there, everyone was told that Stalin--

HORROCKS: Was there a coherent policy developed right away at the death of Stalin or--

MCCRUM: I don't know on policy, you'll have to consult others. I think that probably the policy was just to exploit it in every possible way for--

HORROCKS: Did Mr. Jackson believe that this could be a serious break in relations--lead to a serious improvement in relations?

MCCRUM: Well, I guess he saw it as an opportunity to try to establish relationships, but, no, I just don't remember too much about this.

HORROCKS: I asked some of these questions because I get the feeling from going through his papers and letters that I've seen that he was tremendously frustrated by the lack of focus

sometimes in specific problems in the White House, the lack of follow through on specific issues.

MCCRUM: I think so. I think that this Stalin business did frustrate him. I think that he did feel that he had his hands tied a little bit and was frustrated by it and I think the documentation speaks for itself. I think there's a letter in the files that he wrote to the President as I remember--I'm not certain. A major source of frustration was the failure of the President to speak out strongly and come to grips with Senator McCarthy.

HORROCKS: This is a broad question. Did Mr. Jackson think that the Soviet state was going to be one of long duration or that it was too riddled with internal contradiction to last long?

MCCRUM: Oh, I think he thought it was going to be there a long time. I think that he thought eventually, through the process of evolution, what's happening, what's happened since, would eventually happen. As their economic condition improved, as the people learned more about the outside world, as more

visitors got into Russia, that the Russian situation would indeed change, and I think it has. But this is very long term, and I think that was his general feeling.

HORROCKS: How did he expect the policy of liberation to work in eastern Europe--by the same evolutionary process? Or--

MCCRUM: I believe so. Yes.

HORROCKS: Sometimes it seems he was particularly anxious to exploit any weaknesses in the eastern bloc countries and that--

MCCRUM: Well, yes.

HORROCKS: --in a way it seemed like a short-range problem.

MCCRUM: Well, exploit any weaknesses--

HORROCKS: I guess that's the obvious thing.

MCCRUM: Why sure, in order, first of all, that the Soviet Union wouldn't feel that it just "had it made" in Eastern Europe, and secondly to alert other nations. I mean there

was no reason particularly that the Soviets wouldn't expand their borders considerably more, and, at least, I think one of the objectives was to make other countries, other independent nations, think twice about the threat posed to their sovereignty by the Soviet Union, and I think that it was important.

HORROCKS: I guess one of the things that made me want to ask about whether it was a long-range or short-range problem was his support for the idea of a slavic legion, a military force of emigres and exiles, which to me suggested a short-term--

MCCRUM: I vaguely associate some such idea with the name of General Willis D. Crittenger, in a later year, perhaps; I also believe it had a fairly brief existence. It seems to me that basically you may be over-emphasizing this matter of active liberation. My recollection centers much more on efforts to promote access of news and information in the satellite areas, the use of every means to create imbalance and uncertainty in their total domination by the Soviet Union--in other words, every effort to promote the evolutionary

kind of freedom. Eventually the lid blew tragically in Hungary. Ultimately, however, I believe the political situation in Eastern Europe grew to be quite different from what it was in those early 1950s.

HORROCKS: You must have been involved with the "Wheaties" project, the Atoms for Peace speech.

McCRUM: Yes, I was.

HORROCKS: How did that develop? What do you recall on that?

McCRUM: Well, what I recall of it is that at some point the awesome capability of the atomic weapon, the atomic bomb, was--or the awesome potential of international nuclear war, I guess is what I'm trying to say--was recognized to be so absolutely devastating--the possibility or prospect, a future horror, that it might be advisable to inform the American people at least to some extent what this potential consisted of and--

HORROCKS: Was there a fear that without this sort of speech that people might be too blithely hawkish and--

McCRUM: I don't know what the rationale behind it was, but I know that the purpose was to inform the people that--maybe, maybe what you say was the reason that they decided to do it. I don't know how they came to the conclusion. This was called Operation Candor. And several speeches were drafted up, I guess by Emmet, I don't remember, and by Mr. Jackson. I think the early Candor speeches were Emmet's. They were all so absolutely horrible. There was no sort of mitigating good news to be included with them, so that there was great puzzlement as to how this could be done without absolutely just scaring people green and, you know--

HORROCKS: Then the Atoms for Peace--

McCRUM: --affecting the whole nation. So then at one point, one of the Alsops [Stewart] got news of this, and ran a column on Operation Candor, and this was a leak from some source. I guess at that time it had just about been decided that they would not make such a speech but with the appearance of the--excuse me.

HORROCKS: Where did the leak come from?

McCRUM: I don't know. But with the appearance of that column, it became fairly urgent that something should be said, so I guess either beginning at that point or maybe it had already begun just earlier, there was a new concept, to discuss the situation in terms of the positive uses of the atom as well as the negative uses. And that discussion or that consultation was held at a group breakfast meeting with the President. Mr. Jackson called it Operation Wheaties, and that became our code name for the speech, drafts number one through xxx, I don't know how many--

HORROCKS: In a practical sense then Operation Candor and Operation Wheaties were two different things.

McCRUM: Well, Operations Wheaties--

HORROCKS: Although one grew out of the other.

McCRUM: --grew out of Operation Candor. I would say they were continuing and changed. It was a chain, but the final product was different from the first link in the chain and Operation Wheaties became the preparation of the speech that was eventually delivered at the United Nations in, I think

it was December 1953. And that was right after the Bermuda Conference.

HORROCKS: Were you on that plane when you were all furiously stapling that speech together?

MCCRUM: Yes, I was on the Columbine. That was the one time I ever got on any trip I think in my entire business career, but it was quite a trip. Because the three-power conference in Bermuda was scheduled with [Joseph] Laniel and Churchill and Eisenhower, Eisenhower took along Mr. Jackson because they were working up to the delivery of the Atoms for Peace speech and at Bermuda they would have a chance to show the speech or discuss the contents of the speech with Churchill and get his reaction to it as courtesy, international courtesy and so forth with the Allies. And I got along on that. And what actually happened was that they would meet all day on the business of the conference and then the conference would break up and everybody else, I guess, would go about their business or prepare the next day's work of the conference, and we would then get involved in redrafts of Atoms for Peace, of Wheaties, and that was a--

HORROCKS: As a result of suggestions made during the conference or--

MCCRUM: No, no, no. Refinements; meetings with the President and Foster Dulles, messages from the State Department, et cetera.

HORROCKS: Just the process of redo it, and redo it, and redo it.

MCCRUM: Just any speech, as you know, gets revised and redrafted right up until the last minute, and that's what happened. And then we got on the plane to come home. Oh, and Churchill had brought along Lord Cherwell from England, who was his atomic man, and they were able to give their opinion that it would be fine and--

HORROCKS: So there were really no objections to the speech as drafted.

MCCRUM: No, that's right. Then on the way back in the plane Mr. Jackson and the President, and I think Secretary Dulles, sat there and actually the President made his last minute corrections in ink on the speech, and it was typed

and run off. We had to circle a little bit over the field until we could land because the mimeograph machine in the rear of the plane didn't quite have the copies run off and we had to get the copies run and stapled in order to have them for the press. Then everybody went to the U.N. and the President delivered the hot-off-the-press text. That final ink-edited text is in the Jackson papers.

HORROCKS: That had a tremendous impact. It was--

McCRUM: Yes, it was, it was a very, very exciting thing. We have discussed Mr. Jackson's job at the White House. I can give an example here. The fact that the President was going to speak at all had been a closely guarded secret until the last 24 hours. But arrangements had been laid on that then the State Department would notify all our Ambassadors worldwide that the speech to be given next day was of major importance. They were asked to get word to the Foreign Ministers of their respective countries that the contents were to be taken with the utmost seriousness. Our Ambassador in the Soviet Union personally delivered a similar message to the Kremlin, emphasizing that the United States was about

to make a major policy pronouncement on which it solicited the support and cooperation of the Soviets. All the major powers were similarly alerted. In Washington, the USIA was primed for an important release, so that their international broadcasts would instantly pick up the theme and publicize the President's proposal. So every effort was made to cover all the bases and promote real understanding of this important initiative. And in Bermuda, messages and phone calls about all these arrangements kept pouring in and out all that last day, entirely separate from the normal business of the Three-Power Conference. You can see that we really tried to surround this one, and it took some doing.

From my personal standpoint--there was one very interesting and scary procedure along similar lines which was done with the knowledge and consent of the President and of Jim Hagerty. Apparently some of the news media had deadlines for closing that they would miss if they waited to report on the speech at the time of delivery at the U.N. And the day before the speech, at one of the last minutes in Bermuda, it was agreed that Mr. Jackson would tell representatives of certain of the media that this speech was going to be made, tell them its

major proposals for the use of Atoms for Peace--a certain allocation of nuclear material for peaceful uses--and swear them to secrecy but allow them to meet their deadlines, which would then permit the publications with news of the proposal to appear after the speech was delivered. And the three people involved were [Ernest K.] Lindley of Newsweek, Roscoe Drummond, head of the Washington Bureau of the Herald Tribune, who also had a by-lined column, and James Shepley of Time Inc., who was head of our Washington Bureau. Do you know this story--you probably do.

HORROCKS: Not this part, no.

MCCRUM: Oh, so anyway, it was set up that very, very hush-hush way; Mr. Jackson would just quietly meet with these people one by one and brief them individually. Well, at the last minute, a session of the conference was called at which both Mr. Jackson and Jim Hagerty had to be present, right at the time these briefings were planned. I was peacefully minding my business or typing a copy or something when Mr. Jackson and Jim Hagerty came rushing to find me. "Marie, Marie, we have to ask you a great favor. You have worked on

this speech from practically draft number one, you know its contents; you know what we feel about it. Will you go see," I don't know--we'll say first it was Roscoe Drummond, "and just don't show it to him, but tell him about it. He'll expect you." So I had to go to room X or something and knock three times, and there was Drummond. I felt an awesome responsibility--I was scared stiff because I realized that anything I said would hit the papers. And so, anyway, I told him as best I could about the plan for the next day and what the speech would contain. Then I went back and, as I remember it, the lunch break came then and Jackson and Hagerty came rushing again to find me. "How did it go, how did it go?"

And I said, "Well, I guess all right."

"What did you say?"

So I repeated to them what I had said and they seemed to relax a little bit. Then they said, "All right, now we want you to do another one. Go see Ernest K. Lindley." I think that's it, Ernest. "Go see Lindley. Do the same thing." So I did. And I think it was he who sat with a portable typewriter flat on his lap, and as I spoke he typed

out (I think it was he and not Drummond who did that) but anyway, typed like mad as I talked. And then the process was repeated. I went back; they asked how it had gone; I said, "Well, I guess all right."

And then they said, "All right, now the third one is Jim Shepley, whom you know."

I said, "Yes, I know him."

"Well all right now, the meeting with him is not to be here; it's to be at the front gate out there. You're to go out of the hotel and he'll be at the front gate."

So I went out and there was Jim, and we went over and sat on a bench at the green on the golf course opposite the hotel and talked about the speech a little while. Then we drove around in his little car and then he dropped me back at the hotel, and that was his briefing. And then, of course, I absolutely died a thousand deaths until all the publications came out. I think everything was all right. And, of course, by then, I suppose by the time their final copy went to press, the President had delivered his speech. I don't remember what day of the week it was and when the deadlines were, but I think it was in order to get thoughtful

copy into their publications.

HORROCKS: Well how did Hagerty decide to give an advanced briefing to these three people and not to say, the Associated Press, the UP [United Press] and the rest of the--

McCRUM: Well they would go out on the wire services and they would be daily press. These were weekly publications and a columnist who--I don't know how the selection was done. I have no idea. But, anyway, they were thought to be sufficiently important--it was important to have them understand properly in order to write thoughtfully about it and, of course, the minute the deadline arrived, everybody was given everything.

[Interruption]

HORROCKS: What was the level of Mr. Jackson's personal relationship with the President.

McCRUM: I think they had a relationship of respect, a cooperative, friendly relationship. It wasn't a personal friendship except at isolated times perhaps, but basically it was a working, operating relationship. Mr. Jackson attended every morning the eight o'clock staff meeting that

was run by Governor Adams and then he would see the President whenever necessary. He had access as necessary and, of course, the President called him from time to time, and he sat in at--did he sit in at cabinet meetings or NSC [National Security Council] meetings--NSC meetings--anyway I guess that's all I can say about the working relationship.

HORROCKS: Close and cordial but not personally intimate.

McCRUM: That's right, that's right, and not necessarily every day. Some days he might see him five times and other days, maybe two or three days even, he would not see him; it would depend on what was going on at any given time. And of course, for many years they continued their communication by letter and occasional visits.

HORROCKS: What was it like working in the White House.

McCRUM: It was one of the most fascinating experiences of my life and one that I wouldn't repeat for anything in the world because it was just hard, hard, exhausting work. And whereas in an office you don't take home your work with you, you don't think about your work at home necessarily, when you

work at the White House on matters of international importance, you can't just dismiss them overnight; you live with them every minute of the time. So that was one aspect of it which was a great burden, and how people have stood it for years and years, I don't know. I was greatly impressed by everyone's efforts to do the best possible job they could and I think, as is probably true in every administration, we could not have gotten established there without the staff, the permanent staff of the White House, which goes on from administration to administration, the holdovers and the lower echelons--

HORROCKS: [William J.] Hopkins--

MCCRUM: --files, telephone, every secretarial level, every level, they're devoted to the office of the presidency and it doesn't much matter who's in that chair. And I think that the same thing applies in many of the departments of government, where able and dedicated professionals just keep doing their jobs. That was my observation.

HORROCKS: What was his relationship with some of the department heads?

MCCRUM: Well, in addition to his work with the OCB men who funneled out to the various departments, he also had very, very close, daily, hourly at times, communication with the cabinet officers who headed the departments, particularly the ones with which we worked most closely, namely, the state department, the CIA, and defense. And Foster Dulles and he would telephone; even more frequently, of course, Allen Dulles and he would be on the telephone. They worked very closely together, as well as Frank Wisner who was on Allen Dulles's staff and Bedell Smith, General Walter Bedell Smith, Under Secretary of State. There was also frequent communication with Roger Kyes, the Deputy Secretary of Defense, and Lewis Strauss of the Atomic Energy Commission.

HORROCKS: Did C.D. have a close personal relationship with Allen Dulles? Were they especially close?

MCCRUM: Yes, they were close friends. Not intimate friends, but more than just working associates. After all, his relationship with Allen Dulles, I suppose, went back to the war, although I don't know. But I certainly know that his relationship with him went back to the Free Europe days so

that they'd known each other two or three or four years before he even joined the administration. And Mr. Jackson did not have a big department or anything--he just was one guy at the White House and there was a very great informality of communication and a great cooperativeness. These men worked all hours. You would call up at any hour of a Saturday afternoon or Sunday and there would be Allen Dulles at his desk, or the state department guys.

HORROCKS: Do you remember any particular issues or problems that Mr. Jackson worked with Allen Dulles on? Any specific operations?

MCCRUM: Oh, dear. No, I can't offhand. I suppose if you'd name--no, I can't, I don't remember except that I think just general matters of policy and operations.

HORROCKS: Well, maybe if I mention some, maybe it will ring a bell. Could I try it?

MCCRUM: Well--

HORROCKS: How about Operation Marshmallow? I think these

all have to do with eastern Europe.

McCRUM: Operation Marshmallow? Oh, [Laughter], that's the Iron Curtain in reverse, I guess. No, I don't know that. No I don't know that. I don't really know it. I remember referring to Operation Marshmallow, but I don't remember what it was. Oh yes I do. It would just be Mr. Jackson referring to the "Marshmallow Curtain" he'd run into sometimes trying to get actions and decisions out of Washington.

HORROCKS: Okay, we'll just go on. How about Operation Winds of Freedom?

McCRUM: That would be when the Free Europe committee sent balloons bearing propaganda material from Germany into Czechoslovakia. Abbott Washburn would be able to tell you about that--he ran it.

HORROCKS: That was before the administration.

McCRUM: Oh yes. That was back in the Free Europe days. It was a Crusade for Freedom project.

HORROCKS: Did Mr. Jackson conduct or work on any of these

programs while he was in the White House?

MCCRUM: No. Direct propaganda?

HORROCKS: Right.

MCCRUM: No. No.

HORROCKS: How about Operation Kremlin Kracks, that's
k-r-a-c-k-s.

MCCRUM: Don't know that one.

HORROCKS: Okay. Anything about Thailand, 1953?

MCCRUM: No. I don't remember.

HORROCKS: Okay. Well these are all things that have been
dredged up from various corners. What was this thing that
Mr. Jackson had, a World Economic Policy?

MCCRUM: Yes. A World Economic Policy occupied our attention,
it seems to me, forever, but it probably was a matter of
three or four years.

HORROCKS: This would be from the beginning, from '53, right?

McCRUM: No, it seems to me it would have been later, even after he left the White House. I'm not sure that the world economic policy, well, yes, I guess it did begin maybe in '54 when he was at the White House. But my main recollection of the world economic policy was after I got back to Time Inc. I'm probably wrong in emphasizing that period, but it's when it made the most impression on me. I don't know whether it originated with the government or it originated with Time Inc., or it originated with Mr. Luce, or it originated with Jack Jessup who was the editorial writer for Life at that time; and there was a lady named Mrs. Betty Jacob who was very interested in world economic policy and did a lot of research on the subject. But anyway, all these people were involved at one time or another. And the objective was to urge the government to adopt a policy of promoting economic growth throughout the world by means of government and private loans and investment--a program that would encourage free trade and higher living standards. More of a formal goal of generating well-being through the peaceful means of economics rather than money being used for destructive purposes. I don't know what specifically, whether it was that they wanted the

congress to act or whether they wanted a presidential proposal on the subject, or what the actual method of proposing it was to be, but, anyway, there were reams and reams of paper and I think a considerable amount in the Time Inc. magazines on world economic policy that can be looked up, and editorials in Life magazine. I think that this was a matter of great urgency and importance in the minds of Mr. Jackson, Mr. Luce and, I believe, who would he have been working with in Washington at that time?

HORROCKS: Clarence Randall?

McCRUM: I think--

HORROCKS: Council on Foreign Economic Policy.

McCRUM: Clarence Randall, maybe that was the early days of it. Maybe that was how it originated and grew from there, but my recollection is later. And there was a great deal of frustration because nothing happened, at least not in the magnitude that they wanted it to. That's all I remember at this point except that it was a major, major matter of importance to these men who were involved in it.

HORROCKS: Okay. And the men are primarily Time Incorporated?

MCCRUM: Well, yes, to my knowledge, but you mentioned Clarence Randall, that's right, there was some kind of committee that he headed that was involved in economic policy.

HORROCKS: Was he a supporter--

MCCRUM: I'm sure there were others--

HORROCKS: --of this world economic policy? Was he a close associate?

MCCRUM: Yes, I think so. Well, the other end of the story, the Washington end of it, you'll have to get from other sources, but I can just speak from here about the extreme eagerness and interest and enthusiasm for such policy coming into being officially as a policy of the United States government, and the fact that it never achieved that was a disappointment. From others you'll get the rest of the story and I'm sure there was much more, including the Washington end.

HORROCKS: I'm a little bit unclear now as to whether the problem was the fact that we were practicing a policy but we hadn't formally proclaimed it or whether this world economic policy was something we weren't really even practicing.

MCCRUM: I think that in the sense that they had in mind, we weren't practicing it or we weren't practicing it sufficiently. It's all very hazy in my mind now. The documents will have to tell the details, but I do recall the sense of frustration.

HORROCKS: And the historian would be able to find out more about this economic policy from editorials and such in Time Inc. publications.

MCCRUM: Yes, and I think the Jackson papers have a big file on world economic policy and anybody who is interested in it could also consult the Time Inc. archives and Jack Jessup, who would know all about it. He lives up in Wilton, Connecticut.

[See Appendices F, G, and H]

HORROCKS: Was there anyone in the administration with which Mr. Jackson had an especially great deal of rapport and simpatico?

MCCRUM: Well I don't mean to sound goody-goody about it, but he was, I believe, a man extraordinarily well liked by most people who worked with him. I think that his obvious good will was clearly seen. He was not a back-biter and he wasn't mean. He was a cooperative person with a grand sense of humor, and so I think that, of the people he worked with, both on the OCB and at the cabinet level, I'd say they all had good rapport; he had good relations in the White House with Bobby Cutler, Jim Hagerty and Tom Stephens; Gabe Hauge had the office next door and they had many wonderful guffaws together.

HORROCKS: And Gordon Gray.

MCCRUM: Gordon Gray was over where, in the defense department?

HORROCKS: He may have been in defense for a while and worked with the NSC after he left, after Jackson left.

MCCRUM: Yes. Well, they knew each other and I guess had an ordinary working relationship, but I don't know him specifically.

HORROCKS: How about Walt Rostow?

MCCRUM: Walt Rostow, yes. Walt Rostow had known Mr. Jackson, I guess, even before Mr. Jackson went to Washington. I don't remember the origins of their association, but Walt was up at MIT [Massachusetts Institute of Technology] and from time to time would come down and see Mr. Jackson and Mr. Jackson would consult with him. They had a very good rapport, they were good friends, working friends. They were sympathetic, cooperative people. I can't remember any specific subjects on which they collaborated but several times, both in New York and in Washington, Walt Rostow was on the scene. Walt was also involved in the world economic policy. He would be a major person who was involved in that subject. At the time of the Lebanese crisis, whenever that was--195 --

HORROCKS: Eight.

MCCRUM: --8, Mr. Jackson got yanked back to Washington for

a brief period of time to draft a speech and to work on that crisis for the President, and Walt Rostow was down there then with him. Then later, of course, Walt Rostow was with [Lyndon B.] Johnson in the White House, but we knew him here for a long period of years.

HORROCKS: Did Mr. Jackson continue to give advice to the Democratic presidents, Kennedy and Johnson? Was he involved in any--

McCRUM: No. No.

HORROCKS: Was there any foul up to the Lebanon speech? I got the impression that something came up where C.D. was asked to do a speech in '58 and that he went through a multitude of drafts only to find out that he was told the wrong audience.

McCRUM: Oh, really. No, I don't know about that. [Laughter] That would have been great.

HORROCKS: I can imagine, yes. What was the Bilderberg group that you mentioned between tapes?

McCRUM: Oh, yes. One day while we were at the White House, Bedell Smith called up Mr. Jackson and asked him--I don't know whether he asked him if he would attend a meeting of, or whether he would receive somebody to talk about, or whether Prince Bernhard was in town and they saw each other; I forget the details. But anyway, through Walter Bedell Smith, Mr. Jackson became associated with the Bilderberg Group. The Bilderberg Group was established by Prince Bernhard of the Netherlands as a very, very informal top-level group of people, from the U.S. and Western Europe, who represented the top levels of their countries--government people, public servants, businessmen; I would say maybe a hundred or so--maybe smaller than that in the beginning. And the reason it was called the Bilderberg group was that their first meeting was held in the Netherlands--at Bilderberg. And this group continued to meet at either yearly or six months intervals. The purpose was that in a congenial setting, with no minutes kept, no transcripts distributed, not a lot of falderal, but with a good solid agenda, among intelligent men who really knew what was going on in their respective countries and who were men of good will, discussions could be held that would

cut down infinitely on red tape between nations over a period of time--that getting together like a group of people in the living room and talking as friends on subjects about which they were highly knowledgeable would be a useful and productive exercise. And that is what happened. And the roster of the Bilderberg Group, I know, is in the Jackson papers in the Bilderberg folder out there and, of course, it changed from time to time. But they met for many, many years. I don't know whether they still exist; I wouldn't be surprised if they do. And at one point I believe a book was published, not too many years ago, maybe ten years, maybe more, but anyway, some book by a very, very, very right-wing character, I think a woman, who blasted Bilderberg and who said this was secret diplomacy of the worst sort and conspiratorial and damaging and dangerous and here were these men making all sorts of sinister plots. That could not have been further from the truth. These were wonderful, respected, high-level people who made a great effort to get to Bilderberg and to give each other the benefit of their thinking and cooperation.

HORROCKS: Do you know of any specific accomplishments of the Bilderberg Group?

MCCRUM: No, I don't. I don't think that in the context I've described, specific accomplishments could be pinpointed unless you saw a transcript of what had been discussed at the meetings, and I never saw a transcript; I don't even know if any existed. I think there were specific subjects for each meeting: for example one might be the Common Market and one might be monetary policy and, depending on the subject to be discussed, the list of invitees for that particular meeting would vary from another. The whole roster of members would not be invited to every meeting. But it was a very fine group.*

HORROCKS: What about Ann Whitman? To go back again, how did she become involved with the President? She was with the Radio Free Europe Committee.

MCCRUM: Yes. Let me see, how did all that happen? She was a secretary with the Radio Free Europe Committee, and then it seems to me that Abbott Washburn of the Crusade for

*Since this interview was taped there have been revelations about serious improprieties involving Prince Bernhard. They do not affect my opinion about the usefulness of the Bilderberg Group. -MM

Freedom became head of Citizens for Eisenhower. I think I'm right in that. And Citizens for Eisenhower was raising money for the campaign and certain people who knew Abbott from Free Europe volunteered their services or maybe went to work at Citizens for Eisenhower. Among them, Ann Whitman. I wouldn't be surprised if she had been a Democrat, but she was for Eisenhower and wanted to work in the campaign. So everybody worked away, and I believe that by the time Eisenhower was over here at Columbia, or else on a visit perhaps from SHAPE, I don't know. Anyway, one day a call came in to Abbott that the candidate needed somebody to write a few letters for him. So he looked around the office* and said, "Hey, Ann, would you like to go and take a few letters from the candidate?" She said, "Oh, no, I'd be too nervous." But she went up, and from that time on, she was it--through the White House, through Gettysburg and then with Nelson Rockefeller as Governor of New York and now in Washington again--almost full circle.

HORROCKS: Meeting Rose Mary Woods at the bus--

MCCRUM: Yes, probably.

[* Editor's Note: This was at the Brown Palace Hotel in Denver, Colorado].

HORROCKS: What were the qualities that she saw in Eisenhower and Eisenhower saw in her that enabled them to hit it off so well, assuming that they did hit it off so well.

MCCRUM: Oh, I think they hit it off very well. I think that she respected him and I think that she kept his confidences. I don't know--you'd have to ask her what she saw in him because she certainly was devoted to him and very sympathetic to him. I think that what he saw in her was a work horse like one never sees (how she still stands it I don't know after all these years), and competence that just shines. She is smart, she is fast, she knows how to work and she runs a good ship, and I think he was very lucky.

HORROCKS: You were a close personal friend of Ann Whitman's, right?

MCCRUM: Yes, I was. We were close friends because of the work we did together. Not that we saw each other often, but we would lunch a couple of times a year. In recent years less than that; I haven't seen Ann now for probably three years, but yes, we were close friends.

HORROCKS: I got the impression from some of the copies of some of the letters that she wrote to you--

MCCRUM: Yes. I probably was very indiscreet in keeping them in my file.

HORROCKS: Sometimes she seems to be letting off some steam about frustrations in the White House, especially towards the end. Did you ever speak to her about that?

MCCRUM: No, I think that that probably was a period when Mr. Jackson was sounding off and turned to her about the fact that he wished the President would be more decisive on whatever was under discussion at the time and saying, you know, if she would get in there and--

HORROCKS: Do something.

MCCRUM: Yes. And I think that she and I sent back and forth these absolutely uninhibited little comments and criticisms just because that was the way you did let off steam, and I hope they will be used with the discretion they deserve.

HORROCKS: How did she get hooked up with Nelson Rockefeller?

MCCRUM: Well let me see, I don't know, he--

HORROCKS: I could have put that better, but--

MCCRUM: Yes, well I know what you mean. I suppose President Eisenhower knew him for eons. I don't know. But of course Rockefeller succeeded Mr. Jackson as special assistant to the President; so he would have seen Ann at work first hand right there in the White House. And then she went to Gettysburg with Eisenhower for some time and I suppose when the time came for her to leave there, probably Rockefeller approached her and asked her if she'd work for him, because she knows everybody in the United States and knows where they are and what their names are and what their initials are and has a friendly relationship with them.

HORROCKS: She wasn't especially close to Nelson Rockefeller during the White House years though.

MCCRUM: To my knowledge, no. You'd ask her--I don't think so.

HORROCKS: Other question I have is, Mr. Jackson was editor of Fortune magazine?

MCCRUM: No, publisher.

HORROCKS: Publisher of Fortune magazine. What does the publisher do--

MCCRUM: As well as publisher of Life. The publisher of a magazine is the boss of the magazine. The publisher is responsible for the entire magazine as a business operation. He is in charge of advertising sales, circulation, promotion, public relations, the balance sheet, the business, the whole of the magazine except for the editorial content. For that, the editor, the managing editor, is responsible, and on that the managing editor reports to the editor-in-chief; he does not report to his publisher. But if the editor gets out of line and the publisher thinks that some editorial aspect of his magazine is responsible for not selling enough copies, which is the publisher's responsibility, the publisher goes to the managing editor and says, "Look," you know, "buddy, can't we do something about fixing up, maybe changing the cover, or what would you think about this and that." On

matters of major editorial importance, he may consult with the Editor-in-Chief. But the publisher does not have any more input than that on the editorial side. However, if the managing editor spends too much money or the edit staff works too much over-time and exceeds his budget, he hears from the publisher.

HORROCKS: The reason I asked is because, knowing that Jackson was active in conducting psychological warfare as such and in propaganda activities in eastern Europe, I wonder if he looked upon, especially Fortune magazine, as a vehicle for really mobilizing the American business community to support the administration in its policies?

McCRUM: No. I don't think so. I don't think so because, first of all, he was too much of a professional; you don't use your publications. And secondly, anyway, nobody could get away with it. It wasn't his role as publisher.

HORROCKS: So really his close ties with the administration did not particularly affect--

[Interruption]

MCCRUM: The only way that any thinking of his, any editorial objective of his, might have had a prayer of landing in the magazines would be as he discussed things, say, at lunches and group meetings with managing editors, or with Mr. Luce. The two of them were very close personal and business friends. They spent many hours discussing international affairs, and Mr. Luce would have had certain opinions that found their way into the magazines, but I don't think this, this was not Mr. Jackson's--. During his work at the White House, and in all his associations with Washington, he was meticulous about the confidentiality involved.

HORROCKS: How about Charles John Vincent Murphy--who did a series of feature articles for Fortune magazine on the administration?

MCCRUM: Oh, yes. He came to see Mr. Jackson during the preparation of those I believe. When was that?

HORROCKS: '56, I think.

MCCRUM: Oh, well, yes.

HORROCKS: Was Mr. Jackson able to arrange special access to the administration?

MCCRUM: Not to my knowledge. I don't think so. He was not on Fortune at that time. Charles J.V. Murphy had plenty of contacts in Washington. He could get in to see a lot of people on his own.

HORROCKS: As a recap to the interview, especially to Mr. Jackson's work in the White House, even though many of his personal interests were involved with Radio Free Europe, propaganda activities and liberation of eastern Europe, his work in the White House was really not so much along those lines as it was in development say of the OCB?

MCCRUM: No, not developing the OCB. It was collaborating with the OCB and the Departments to try to see that the policies and acts of the U.S. government as adopted officially, as official policy of the government, as approved by the President or the congress or the state department or whatever, were properly interpreted or conveyed abroad as necessary in order to accomplish the desired effect for this

country. He wasn't, quote, a propagandist, in that sense. But where the proper conduct of adopted policy could influence things one way or the other, he wanted to be sure it was properly carried out by working through and with the people charged with carrying it out, to see that there weren't a lot of dropped stitches along the way, that kind of thing. Does that help?

HORROCKS: I think so. I think there was something that you wanted to say about the Time Inc. archives.

MCCRUM: Yes, I do. I just want to say, for whatever use it is, that in order not to further fragment the Jackson files, many of the documents that are included in the Jackson papers in Abilene are copies of papers that actually are the property of Time Incorporated but that maybe add a certain dimension or fill out certain aspects of the so-called Jackson papers. I would hope that it would be very clear that those are the property of Time Inc. Anything done for Time Inc. by Mr. Jackson during his work for Time Inc. should not be permitted to be used without specific permission by Time Incorporated. For example, if I had pulled every memo

from Jackson to Luce, for example, I would have decimated those papers because they dealt with the administration and with government and so forth. And yet there is a hair-line of distinction that's hard to tell whether they are properly Time Inc.'s or whether they are properly the Eisenhower--

HORROCKS: The old papers and records question.

MCCRUM: Yes. So, I just want to raise that point. If there is ever any question, we could arrange to have it answered here. I should add that similarly, for the same reason, copies of some of the Jackson papers are in the Time Inc. archives.

HORROCKS: Are these materials that you are talking about in both his papers at Abilene and in his records at Abilene? There's two different collections.

MCCRUM: Oh, I don't know. I don't know how Abilene is set up. I didn't know that there were papers and records.

HORROCKS: Because we have two C.D. Jackson collections.

I guess this is the third time I've said one final

question--but this will be it, I promise, okay? At the end of the Eisenhower administration, C.D. Jackson looks back, how does he evaluate it?

MCCRUM: Oh, my. I think I'll just say no comment on that one. I'm not being coy, I don't feel qualified to speak for him, truly.

HORROCKS: So he never really expressed an opinion.

MCCRUM: No, there were moments...--I think that to say that there was no disappointment would not be true; there was plenty of disappointment. But I think that maybe history also has revealed a good many accomplishments, and I guess we'll let it go at that.

HORROCKS: I'd like to say that we discussed some of these questions in between putting on the tape and that some questions were omitted because we felt that there was not enough material to discuss on some of these questions.

MCCRUM: Right.

HORROCKS: And when this is typed, we're going to put this

grammatically correct too.

McCRUM: Yes, I hope so and eliminate all my er, er, ers and my long pauses.

HORROCKS: Well, thank you very much. You've been most helpful.

McCRUM: You're welcome, I'm sure.

The Time Inc. Archives contain clarification on this subject.

On April 28, 1943, Robert E. Sherwood, Director of Overseas Operations for the Office of War Information, wrote a letter of instructions to C.D. Jackson about his new assignment overseas.

"...On arrival in North Africa you will report to General Dwight David Eisenhower, Allied Commander in Chief in that theater of war...."

A letter from Sherwood to General Eisenhower, dated 4/29/43, provided the introduction:

"This will introduce my good friend and valued associate, Charles Douglas Jackson, who is taking up his duties as Deputy Director in charge of all Office of War Information operations in Africa, the Middle East and Turkey."

In October (10/12/43), Jackson wrote to Luce about how the work was going:

...."The work by now is really fascinating,-- chiefly because the organization has got the acceptance of AFHQ; and it is both interesting and exciting to be part of a propaganda organization which is used by a military high command, just as it would use any other arm of warfare.... Too much credit cannot be given to Eisenhower and his staff for having overcome the original hurdle of soldierly distrust, and for having accepted us as something more than a newfangled nuisance."

The Time Inc. archives provide some information on this subject:

There is a letter (perhaps incomplete - so it may be a draft) dated September 3, 1952, from Luce to Eisenhower, which says among other things:

"I keep hearing about your problem of organizing a speech-writing staff. Perhaps I hear wrong."

Luce then outlines a possible staff setup, "using the nomenclature of my profession." The first item is "Managing Editor - top boss responsible directly to you."

Within one week of this date (see APPENDIX D), C.D. Jackson was at work at the Hotel Commodore headquarters.

APPENDIX C

THIS LETTER FROM JACKSON
TO LUCE DOCUMENTS THE FACT
THAT JACKSON SUPPORTED
AN EISENHOWER CANDIDACY
FAR EARLIER -- in 1947.

November 19, 1947

Dear Harry:-

The conversation between yourself and Bernard Gimbel on Eisenhower at lunch today struck me as something that might have tremendous consequences for you and for the U.S., so lest the words that were spoken disappear into 28th floor ether, I would like to get in a few of my own.

I agree completely with Gimbel's statement that he is a winner -- in fact, right now he is the only winner, with the possible exception of Vandenberg, and that would be a close squeak. So if he is the winner, do we want him to win? I feel definitely yes.

Without going into an extended profile, I am convinced that Eisenhower is a person of integrity and intelligence, with an instinct for politics and a capacity for statesmanship. Furthermore, he is an internationalist in our terms, and has shown in his contacts with non-military people and non-military problems a savvy that would give him practically top civilian rating.

* Information supplied by Miss McCrum, June 1977

If I were H.R.L. on my December holiday away from New York, I would arrange to have a conversation with Eisenhower, during which I would make the following very simple statement:- "General, I am completely convinced of the sincerity of the attempts you have made to divert your friends' efforts to promote your candidacy for the Presidency. However, that may not prevent lightning from striking you next summer. I simply want you to know now that if lightning does strike, you can count on me, and if between now and then you change your mind and would like to have the lightning guided, all you have to do is let me know."

I know that things are not as simple as that, and that you probably would not want to do something like that without consultation with and approval of some of your associates, for which you may not have time before you leave, but I wanted to plant the idea if you did not have it, and underscore it if you did.

Happy holiday.

All the best,

C. D. Jackson

Mr. Henry R. Luce
Waldorf Astoria Hotel
New York, N. Y.

APPENDIX D

A sidelight on the campaign - from the archives. Montgomery did become an adviser.*

September 10, 1952

Dear C.D.:

Bob Montgomery is, as you know, a totally committed Eisenhower supporter. He called me this morning to gripe - like so many others - over the General's performance on the radio last night from Indianapolis.

Montgomery says there are just three or four simple things which General Eisenhower could learn in an hour that would vastly improve his radio and television technique. In this I have a healthy respect for Montgomery's opinion because he is a good actor and a good director on the radio, in the theater and on television.

I told him of your new job and suggested that he write you directly. But he was not inclined to do this because he doesn't want to intrude. So I said I would tell you of this conversation and ask you if you would like to spend 20 minutes with Montgomery sometime soon to talk about this purely technical problem.

In the comparison between General Eisenhower on radio last night and Governor Stevenson on television, I should say that (if at all) the sooner, the better.

Ever yours,

*Information provided by Miss McCrum
June, 1977

Allen Grover

Mr. C. D. Jackson
Eisenhower Campaign Headquarters
Hotel Commodore
Lexington Avenue and 42nd Street
New York, New York

(a Time Inc.
vice president -
Asst. to Luce)*

COPY (handwritten letter)

DDE

Page 80

Sept. 17, 1952

APPENDIX E

Dear Harry -

Grabbing a minute that, through staff oversight, belongs to me, I must tell you what a god-send C.D.Jackson is to me in this turmoil of "running" for office. I've always wondered why, in Britain they "stand" for office, here we "run." I still don't know the reason -- but I do know it to be fact.

In any event C.D.J. has saved my sanity -- such part as is salvageable -- and is giving us all a lift. Thanks!

A day or so ago I sent Clare a telegram, when someone told me that she had gone on the television & done a remarkable job.

Warmest regard to both.

As ever

Ike Eisenhower

Mr. Henry Luce

Sept. 17, 1952

DDE

Dear Harry -

Grabbing a minute this, through
 stuff oversight, belongs to me, I must
 tell you what a job-some C. D. Jones
 is to me in this "business of running"
 his office. He always reminds me,
 in his own way "stand" for jobs,
 there were "men" at which I've known the
 name - but I do know it to be fact.

In my next 2 days I received my
assistant - she is part of the exchange -
and is giving me a gift. Thank!

A day or two ago I sent a telegram
telegram, when I was told that she
had gone to the Tuberculosis & some
non-entirely job.
I was not signed to both.

Position, since

the location.

APPENDIX F - Note added in May 1977, [by Miss McCrum] while reviewing this interview.

The discussion of the World Economic Policy has been left substantially in its original form in the interview. However, I have just consulted the Time Inc. archives on this subject, and it is clear that the initiative came from Henry R. Luce and Time Inc. The following will flesh out the subject somewhat and put it in context:

* * *

2/19/54 - a letter from Luce in Rome (where Mrs. Luce was Ambassador) to John Billings, Editorial Director of Time Inc. Luce refers to his "extreme disappointment with the Randall Report soon to be published" and to his "extreme concern over the fact that the Eisenhower Administration does not have a visible or audible World Economic Policy..."

"I realize (from TIME) that the U.S. is absorbed for political and other reasons, in concern for our own domestic economy. But this, of course, is all the more reason why tremendous priority should be given to W.E.P.--I realize how dearly Ike loves his atomic plan and of course our C.D. loves his baby too. The atomic energy speech was a great coup--it did a lot to position Ike as a peace-lover. But as for anything really happening to change anything in the next two or three years--it won't. For the purpose of nudging history to keep on the road instead of falling into the ditch again, W.E.P. is far, far more important... ."

"I liked Jessup's editorial [The President Can Improve on Randall - LIFE 2/15/54]...but sometime later we may have to hit harder...."

"To repeat--in Eisenhower's comprehensive and impressive 1954 program one big thing is missing--just as if he had dressed up in white tie and tails and top hat but one of his trouser-legs was missing. The missing trouser-leg is World Economic Policy."

* * *

3/19/54 - letter from Luce in Rome to Time Inc. vice president Allen Grover:

"Besides SPORT [this was in the period when SPORTS ILLUSTRATED was being born], I have one subject pressing on my mind. That is World Economic Policy.

"Since I seem to be almost, not quite, the only person I know who is heated up on this subject, the presumption is I am somehow crazy.... BUT--a hell of a lot of people know about Economics and practically all of them know more than I do. So I have that odd feeling that everybody is being a damn fool except me!

"As Vice President in charge of me (and other problems) you must give this matter a Top Priority. Object: to quiet me down on this subject. Or join the crusade yourself. I hope the former--because God knows I don't want any more crusades. I should like to devote myself to the golfing aspect of the Eisenhower Administration.

"...I certainly want to see Foster Dulles on this subject--and I want to be well-armed when I go."

* * *

In April 1954, on Mr. Jackson's last day in the Government, he was invited to lunch by Foster Dulles following an NSC meeting. Two-&-a-half years later (12/27/56) he wrote to Dulles recalling that luncheon meeting: "...You asked me if I had any new ideas to help in the basic struggle against Communist infiltration and encroachment. Your feeling was that the period of denunciation and threats of retaliation was drawing to a close.... At that time, and admittedly off the top of the head, I broached the concept of a World Economic Policy...."

Soon after his return to Time Inc., Mr. Jackson organized and presided at a strictly unofficial, off-the-record conference held at the Princeton Inn on May 15-16, 1954, under the auspices of Time Inc. The subject was how to develop a World Economic Policy. There is plenty of documentation on that meeting in the files at Abilene and at Time Inc., so I will just list the attendees to indicate the seriousness with which the subject was regarded:

Hon. Samuel W. Anderson, Asst. Secty of Commerce
Mr. George B. Baldwin - MIT Center for Intl. Studies
Dr. Lloyd V. Berkner, Pres., Associated Universities, Inc.
General Robert Cutler, Special Asst. to the President [NSC]
Mr. Allen W. Dulles, Director, Central Intelligence Agency
Mr. Arthur Flemming, Dir., Office of Defense Mobilization
Mr. Robert Garner, Vice President, The International Bank
Dr. Gabriel Hauge, Administrative Assistant to the President
Mr. C.D. Jackson, Time Inc.
Mr. John K. Jessup, Time Inc.
Prof. Edward S. Mason, Harvard University
Mr. David J. McDonald, President, United Steelworkers of Amer.
Mr. Thomas McKittrick, Chase National Bank
Prof. Max Millikan, Pres., Center for Intl. Studies, MIT.
Hon. H. Chapman Rose, Asst. Secty. of the Treasury
Prof. Walt W. Rostow, MIT Center for Intl. Studies
Hon. Harold E. Stassen, Dir., Foreign Operations Admin.
Mr. Charles L. Stillman, Vice Pres., Time Inc.
Mr. Abbott Washburn, U.S. Information Agency
Mr. John MacKenzie, Atomic Energy Commission
Prof. Jerome Wiesner, Massachusetts Inst. of Technology.

APPENDIX G - Information supplied by Ms. McCrum during her editing of the interview.

There continued to be enormous interest in a World Economic Policy both within Time Inc. and in its publications. See for example the Box spread in TIME 12/13/54.

[Attached]

NEW FRONT IN THE COLD WAR

The U.S. searches for a world economic policy

THE U.S. is preparing to open a new front in the cold war—an economic front. On presidential instructions, former Budget Director Joseph M. Dodge hastened back to Washington from his Detroit bank to undertake a sweeping review of "the entire field of cold war economic strategy." Secretary of State Dulles is pressing for a huge expansion of U.S. investments abroad; Foreign Operations Director Harold Stassen, whose department is slated to go out of business next summer, has proposed an ambitious scheme which is already being called "A Marshall Plan for Asia."

The air is full of plans, but they have yet to undergo a purification by budget. Secretary of the Treasury George Humphrey, a hard man with a dollar and a witty man in the Cabinet, is against any large-scale foreign spending; Banker Dodge thinks Harold Stassen's plans are dangerously dreamy. The foreign-aid enthusiasts think Humphrey and Dodge are dangerously unimaginative. But despite individual differences, the Cabinet is unanimous in its belief that the character of the cold war is changing, and that the U.S. urgently needs to reshape its foreign policy. The objective is to shift the emphasis of U.S. world strategy away from military containment (which leaves the initiative with the Communists), closer to economic "liberation," with the emphasis on advance.

Pax Atomica. Currently, U.S. policy suffers from what one State Department man calls "a heavy military bias." Too many U.S. officials have fallen into the habit of measuring progress (or security) exclusively by the number of nuclear explosions, the number of divisions mobilized. The result is that the U.S. is stuck with a warlike vocabulary (e.g., "massive retaliation"), while the Communists, who continue to aggress, have stolen the words of peace (e.g., "coexistence").

President Eisenhower is convinced that "there is no longer any alternative to peace." The British believe that the world is entering a period of *pax atomica*, based on a recognition by both sides of a nuclear standoff. The new phrase spreading in both London and Washington is "competitive coexistence."

In the next ten years, warned the State Department last week, the main cold-war battleground may well be economic. "The leaders of the Soviet Union," said one of its experts, "are apparently proceeding

on the theory that economics is the Achilles heel of the West." To meet this challenge, which in a period of cold peace might prove more dangerous than all the fleets and armies of Moscow and Peking, the U.S. needs to prove that democracy and capitalism have more to offer—in terms of freedom, justice and plenty—than the Communists ever can. What is needed is no less than a new World Economic Policy.

The challenge is immense: it conjures up a vision of U.S. capital and skill flowing out to far-off lands to dam great rivers, dig new mines, so that millions who know only hunger may share in the freedom and plenty that Americans take for granted. But the businessmen in the Eisenhower Cabinet are not interested in a return to expensive giveaway programs. Their WEP is based on spreading abroad the practices and philosophy that have made the U.S. the wealthiest, most progressive nation in history. Foreign investment is to the advantage of other nations who lack the capital to develop their resources; it is also to the advantage of the U.S.

4,000,000 Dependents. With but 6% of the population, the U.S. produces and consumes almost 50% of the world's annual output of goods and services. Yet if Americans tried to make do without foreign trade, their standard of living would dwindle overnight. There would be no coffee, tea or bananas in the U.S. shops; sugar and pineapples would be priced sky-high. Telephones (which need 48 different materials from 18 foreign countries), automobiles (300 items from 56 foreign countries) and shoe polish (eight items from abroad) would be scarce and more expensive. Said Harold Stassen last year: "The U.S. depends on the outside world for 100% of its tin, mica, asbestos and chrome, for 99% of its nickel, 95% of its manganese, 93% of its cobalt, 67% of its wool, 65% of its hauxite, 55% of its lead, 42% of its copper."

Still more does U.S. prosperity depend on export markets. Four million Americans work directly for overseas customers. In 1952 U.S. foreign sales of earth-grinding machinery were equal to 30% of production; tractors, 23%; textile machinery, 22%; typewriters, 19%; trucks and buses, 16%; refrigerators, 13%; cotton textiles, 9%. U.S. farmers exported the produce of 40 million acres of land—between one-quarter and one-half of all their cotton, tobacco, corn and wheat.

About 30% of all U.S. farm marketings are dependent on foreign buyers, and in 1951 farm-export income, divided evenly among U.S. farmers, equaled \$1.25 per farm.

Off the U.S. Dole. Every year, 10 million more Americans become dependent on foreign trade. U.S. productive capacity, outrunning U.S. domestic demand—and the result is that thousands of businessmen are seeking bigger outlets abroad. But if overseas customers are to buy more U.S. goods, providing more jobs for U.S. workers, they must obtain the dollars with which to pay for them. In the years after World War II, U.S. foreign-aid programs helped provide these dollars—15 billion of them, not counting military spending. But the era of "donation diplomacy" is past. "The world must soon stand on its own feet," says Clarence B. Randall, chairman of the U.S. Commission on Foreign Economic Policy. "It must come off the American dole, if it wants to do—and earn its own way at it is determined to do."

To help the rest of the world stand on its own feet, against poverty and Communism, is the principal objective of a World Economic Policy. Such a policy requires two simultaneous economic offensives: 1) a vigorous expansion of free world trade; 2) a drive to raise living standards in the underdeveloped lands of Asia, Latin America and Africa.

EXPANDING WORLD TRADE

SINCE 1939, world trade has been off of joint. Buffeted by war and cold war, it limps along a narrow defile between the face of the Iron Curtain and the perils of the "dollar gap." This year there has been marked improvement. Europe is back on its feet (TIME, Nov. 7) and eleven of its trading nations, accounting for three-quarters of its imports from North America, are quietly dismantling their restrictions on free trade. In some cases (e.g., Benelux) controls have been removed on almost 90% of all dollar imports. The vast sterling area, which accounts for 40% of all world trade, is slowly and cautiously approaching the day when the pound (and with it, most other currencies) will be declared freely convertible into dollars.

What happens next rests squarely on the U.S. "As the strongest economic power," said the influential Committee for Economic Development last month, "it

section which our tariff policy takes will . . . determine whether the free world moves ahead to widening markets and expanding production."

Cheese & Scarves. Many U.S. tariff policies are still geared to the outdated habits of a nation trying to get onto its economic feet. Others are contradictory, and even self-defeating. Examples:

¶ U.S. Marshall Plan experts helped the Danes expand their blue-cheese industry, so that Denmark could earn the dollars it needed to buy U.S. goods. But when the Danes started selling their cheese, the U.S. imposed a quota to keep all but a six-ounce of foreign blue cheese out.

¶ The U.S. lays great stress on the 1921 Anti-Dumping Act, which protects domestic markets from the unfair competition of foreign products sold below cost. Yet under the burden of its surpluses,* the U.S. is peddling abroad \$1.4 billion worth of food, some of it in 6,000,000 Christmas parcels to be distributed free by U.S. troops, much more at cut-rate prices that undermine its allies' markets.

Complaints about these, and countless other anomalies, pour into Washington each week. Last month GATT (General Agreement on Tariffs and Trade) censured the U.S. for restricting dairy exports by quota. The London *Economist* wrote: "The U.S. is seeking two worlds—one where it can sell its surpluses freely, and another where no other country can sell farm products freely to it." Said an angry Japanese businessman: "The Americans tell us not to trade with the Communists, then they turn around and raise their duties on silk scarves. It doesn't make sense."

Foreign businessmen consider these the biggest U.S. obstacles to expanding world trade:

¶ **The U.S. Tariff Wall.** Yearly, the U.S. exports about \$11 billion worth of goods; of these, half enter duty-free, and two-fifths pay duties of less than 30%. Yet cheap sun glasses pay 335.7% ad valorem, pocket knives with folding blades 89.5%, concentrated lemon juice 85%.

¶ **The Buy American Act,** which prohibits the U.S. Government from buying foreign products unless the equivalent U.S. product costs at least 25% higher. Cost to the U.S. taxpayer in unnecessary federal expenditures: \$100 million per year. Meady, in individual cases, the Eisenhower Administration is seeking ways to get around this depression measure.

¶ **U.S. Customs Procedure.** "Many goods take longer to pass through customs than it took Columbus to discover America," said a 1953 U.S. Government report. There are 20 different chargeable rates on

fine animal hair, half a dozen for leather gloves, depending on whether the seam is sewn by hand or by machine. Charges often vary as much as 25% between New York and New Orleans, and at the end of 1953 there were some 750,000 unsettled customs entries—the equivalent of a full year's work—pending on inspectors' desks.

Advice to Congress. To remedy the worst of these abuses, the Randall Commission proposed a cautious middle-of-the-road program (TIME, Feb. 1). It advised Congress to:

¶ **Extend the Reciprocal Trade Agreements Act** for at least three years.

¶ **Empower the President** to cut all tariff rates by 5% each year over a period of three years.

¶ **Authorize the President** to slash existing tariffs to not more than 50% ad valorem at his discretion.

¶ **Simplify tariff classifications and customs procedures.**

¶ **Change the Buy American Act** to permit foreign companies to bid on U.S. Government contracts without discrimination.

The timidity of the Randall Commission's recommendations was rooted in the notion that a bolder program could not get past high-tariff Republicans in Congress. President Eisenhower did not back the Randall proposals with his full prestige, and protectionists in Congress killed the program anyway. But Ike has decided to try again in January, and he should have more luck, since low-tariff Democrats will occupy the key committee chairmanships in both House and Senate.

RAISING LIVING STANDARDS

WHAT Europe needs is trade; what Asia, Latin America and Africa need is capital and know-how. Perhaps one billion people in these continents are experiencing what economists call "a revolution of expectations." A fairly simple Western notion—that poverty, disease and illiteracy are not inevitable—is spreading like fiery crosses among folk who for centuries have remained apathetic to advance. Having emancipated themselves from colonialism, millions of human beings are consumed by an aching need to pull themselves up from economic servitude. They look to "industrialization" as a magic panacea.

This blind and touching belief, and the rising expectations that impel it, have been seized upon by the Communists as a powerful lever of influence. From Moscow and Peking, Communism is held out as a short cut to material progress. Recently John Foster Dulles warned Americans that the Communists' "cruel system . . . does have a certain fascination for the peoples of underdeveloped countries who feel that their own economies are standing still." The danger is that those who compulsively hunger for economic advance will opt for the Communist alter-

native, if democracy's methods are too slow.

Partnership for Growth. To meet this need and challenge, the Eisenhower Administration is considering an imaginative proposal—originally offered to the Government by M.I.T.'s Center for International Studies. Backed by a powerful segment of the State Department and by F.O.A.'s Harold Stassen, it calls on the U.S. to launch and lead a free world "Partnership for Economic Growth."

To start it going, the U.S. would earmark between \$2 and \$3 billion a year (about one-fifteenth of its arms budget) for the next five years, to provide an investment fund for underdeveloped nations. Britain and other industrial nations would be asked to supply additional billions; private investors, most of them American, would be encouraged to add to the kitty. Loans from this giant fund would be made available to the have-not nations without military or political strings, but each borrower would be expected to concentrate on those industries for which climate and resources best fitted it: there would be no "partnership" money to set up uncompetitive prestige industries, which might require high-tariff protection.

Favorable Battleground. Partnership protagonists in Washington expect to avoid the big error of the Marshall Plan—that of handing over U.S. aid on a government-to-government basis. As soon as the pumps are primed, partnership loans to governments would be quickly tapered off, and the building of dams and factories left to private capital, operating for profit. The partnership would also provide U.S. and European technicians, to teach Indians, Bolivians, Egyptians, how modern industry is run. U.S. experts believe that atomic-energy reactors might be used efficaciously to provide some of the power for industries in fuel-scarce areas.

State Department planners have accepted as a target M.I.T.'s cautious estimate that, once started, World Partnership for Growth would make possible an overall 1% annual increase in income per capita for the underdeveloped nations of the world. Considering the poverty and vast size of the populations involved, this is no mean target. But it is easily within the giant capabilities of the U.S.

Together with the President's program for expanding world trade, some such world-investment program is indispensable to 1) the security, and 2) the future prosperity of the U.S. For if the West loses the struggle for one billion in-between, on three continents, the balance of world power may go in favor of Communism.

There will be resistance to a World Economic Policy—at home and abroad. But economics, a field in which Americans excel, is a battleground which the U.S. might gladly choose to fight on.

* As of Sept. 30, the U.S. was holding history's greatest hoard of unsold food and fibers: \$6.4 billion worth, including 377 million lbs. of butter, 350 million lbs. of cottonseed oil, 743 million bushels of wheat, 7,000,000 lbs. of tobacco.

On 12/20/54, Jackson wrote to Luce in Italy:

"I have put it as strongly as I could to the President, and to Joe Dodge. I have circulated my papers to Foster Dulles, Herbert Hoover, Jr., Gabe Hauge, Dodge, and quite a few others. In a modest way I made my contribution to the spread in TIME, since the 'Partnership-for-Growth' payoff of the TIME spread which probably had to be beamed at MIT's Center for International Studies was actually the end product of the Princeton Session last summer, which in its turn was the direct result of Foster's appeal for something other than massive retaliation made at lunch on my last day in office in Washington."

* * *

Two years later the efforts to establish a World Economic Policy were still under way. Again quoting from Jackson's 12/27/56 letter to Dulles:

"Since [1954] I, along with other individuals and groups, have tried to keep this concept alive as something of considerable importance...in the conduct of U.S. foreign policy. For a lot of reasons, well known to you and the President, World Economic Policy never got off the ground."

The letter adds that with Eisenhower's recent re-election by an overwhelming popular mandate, and with the shakeup that had just occurred in the Soviet's Five Year Plan, the time was ripe, and with another State of the Union address coming along, that could be the vehicle for the proposal.

"Every sign points to the almost miraculous fact that we are at the moment of victory--the victory for which you and the President have worked and prayed so fervently for so many years. It is a moment to be seized--now."

* * *

And so on, and on, and on. As I said in the interview, the files have the whole long story.