Gift of Papers and Other Historical Materials

Of

John C. Ball for George Ball

To the

John F. Kennedy Library

This Deed of Gift, made this 24 day of May, 2002 by Mr. John C. Ball, 8 North Branch Road Concord (for George Ball), and The United States of America acting on behalf of the John F. Kennedy Library

WITNESSETH the following:

FIRST: In accordance with the provisions of chapter 21 of title 44, United States Code and Subject to the terms, conditions, and restrictions hereinafter set forth, Mr. John C. Ball, (hereinafter referred to as the "Donor"), does hereby irrevocably give, donate and convey to the United States of America (hereinafter referred to as the "Donee" for immediate deposit in the John F. Kennedy Library, papers, books and other historical materials (hereinafter referred to as the "Materials.")

SECOND: The Donor warrants that immediately prior to the execution of this Deed of Gift, it possessed title to and all rights and interests in the donated Materials free and clear of all liens, claims, charges and encumbrances.

THIRD: Title to the Materials shall pass from the Donor to the Donee upon acceptance of this gift by the Archivist of the United States and delivery of the Materials to the Archivist of the United States or his designee.

FOURTH: Following delivery of the Materials to the Archivist of the United States or their designee, the Materials shall thereafter be maintained and administered by the Donee in the John Fitzgerald Kennedy Library, in accordance with the pertinent provisions of chapter 21 of title 44, United States Code.

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6. In the event that the Donor may from time to time hereafter give, donate, and convey to the United States of America, for deposit in the John F. Kennedy Library, additional papers and other historical materials, title to such additional papers and other historical materials shall pass to the United States of America upon their delivery to the Archivist, and all of the foregoing provisions of this Deed of Gift shall be applicable to such additional papers and other historical materials. A description of the additional papers and other historical materials so donated and delivered shall be prepared and attached hereto.

Signed: [Signature]
Donor

Date: June 14, 2002

Pursuant to the authority of chapter 21 of title 44, United States Code, the foregoing gift of the papers and other historical materials of the Donor is determined to be in the public interest and is accepted on behalf of the United States of America, subject to the terms, conditions, and restrictions set forth herein.

Signed: [Signature]
Archivist of the United States

Date: 7-9-02
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KRAFT: This is the interview with the Under Secretary of State George Ball for the Oral History Project of the Kennedy Library. This is the first interview in a series, and it’s being conducted in the Under Secretary’s office on April 12, 1965.

Mr. Ball, for a beginner I’d like to ask you to talk a little bit about the President’s [John F. Kennedy] personality and particularly some anecdotal material of your encounters with him. When did you first meet him?

BALL: I had met him casually on a number of occasions, but the first serious encounter was in the end of October—or even, perhaps, the first of November—of 1956. I had known Bobby [Robert F. Kennedy] earlier because all during that year Bobby had been on the airplane during the Stevenson [Adlai E. Stevenson] campaign. In the fall of 1956 I was, for my sins, the director of public relations for the Stevenson-Kefauver [Estes Kefauver] Committee. We decided to have a show on the final night in which we would pick up various people around the country. This was rather a last minute decision. The show was to be in Boston, and the man who was to be the sort of central pivot of the show was Jack Kennedy, speaking, as I recall, from Boston. I
got hold of him. I can’t remember whether it was in Washington or Boston; I think in Washington first. I can’t remember if this was here or at an earlier point, but we had a director who had been handling Stevenson’s broadcasts. I had the director talk to Kennedy, and Kennedy obviously was not very impressed. On this I was wholly in accord because the director was an ass, I don’t remember his name so it won’t be recorded for posterity. I think that probably was an earlier incident. In any event, in Boston that night he was reading the lines as a kind of anchor man for this show. Since I was responsible for all the arrangements, I saw quite a little of him at that time, and we formed

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a good opinion of one another.

I saw him briefly, as I recall, at the time of the Convention in 1960, but didn’t have any serious conversations with him. During the campaign I didn’t play any particular role except from time to time, as a kind of unofficial outsider, I would make a speech here or there or do something of the sort at the request of the National Committee. I did write a letter to the Times [New York Times]--which was signed by Finletter [Thomas K. Finletter] and myself, but which I wrote about the President’s experience in relation to Nixon’s [Richard Milhous Nixon], pointing out that he was far more experienced, particularly in international matters, than Nixon was--which I know the President was favorably impressed with, and he thought was helpful. After the convention when Kennedy was nominated, I talked with Stevenson about the desirability of doing some quiet work during the campaign on foreign policy and on foreign economic policy and other aspects of international relations which could be available to the President

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right after the election. He discussed this with the President when he went to see him shortly afterwards at Hyannis Port. So I took charge of this project for Stevenson and prepared some reports which were ready at the time of the election. I had them sent down to Miami by a chap who was working with me in my law firm named John Sharon [John H. Sharon]. Unfortunately, I neglected to make clear to Kennedy that I had prepared these, and he got the impression that Sharon had although Sharon, in fact, had never seen the document until I gave it to him to take down to Kennedy. Kennedy was sufficiently interested in them that he immediately…. One of the suggestions was to set up a series of task forces between the time of the election and the time of the Inauguration so that he could set off with a flying start. He was impressed with the suggestion, and he immediately got hold of Sharon, after Sharon got back, and ordered a series of task forces to be set up, which I then constituted and ran out of my office--

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one on the balance of payments, one on foreign economic policy. I think there were eight or ten of them--perhaps a little overstated, six or eight of them, anyway. I organized a lot of people, and we did a fairly massive amount of work. So that these were available, and I think
were--certainly as it turned out--put to good use by the administration. I had been interested in being Under Secretary for the Economic Affairs. I had suggested this to Stevenson as something I would be interested if the President saw any merit in the idea. But I had then understood that that appointment had gone to Bill Foster [William C. Foster]. In fact it had been in the New York Times to that effect. In the meantime I had…. Dean Rusk had called me, and I had spoken to him, had a meeting with him. As I recall, Chester Bowles [Chester B. Bowles] asked me to talk with him and asked me if I would be Assistant Secretary for Economic Affairs, which I turned down. I said I wasn’t interested in that. So I had written the whole matter off, but Stevenson,

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I think, spoke with Bill Fulbright [J. William Fulbright], who was vacationing seventy-five miles or so from where Kennedy was staying in Miami. He got rather upset about the possibility of Foster being appointed. So he got up one morning and drove up to see the President and insisted that the President appoint me, which the President then did. After that, during the early days of the Administration, I saw a great deal of the President because he was interested in foreign economic policy. The subject of the Common Market was an increasingly active one, and I knew something about that from past experience: most people in the Administration didn’t.

KRAFT: You had very early on an encounter with him on the German debt problem, didn’t you?

BALL: We had an encounter on the question of the German participation in providing assistance to the less developed countries. The normal State Department document that was prepared for issuance in connection with the visit of one of the Germans--I can’t remember the exact circumstances--didn’t appear to him to “sing” very much, so we drafted another one which he liked much better. This was a problem of preoccupation, which was a very considerable one at that time for him; the question of getting other countries to join with the United States in providing assistance to the less developed countries. Then in March, I believe it was--or late February, I think it was March--of ’61 I had gone to Europe. I think it possibly was in connection with the meeting of the Development Assistance group or something of the sort.

I was in London and had called on Ted Heath [Edward Richard George Heath] at his request. It was there for the first time that Heath, in the presence of quite a few civil servants on the British side and several of my colleagues, asked me how the United States would feel if Britain were to join the Rome Treaty. This was the first time the question had ever been raised in those terms, and there was no such thing as an American policy on the issue. So I replied
that I did not know whether I was declaring policy or making it, but I was quite ready to give him an answer: that, as we had seen it from the American side, Britain had appeared to act as a kind of lodestone on the countries in the Common Market; that we had supported the idea of the development of the Rome Treaty as essential to strengthening the West, but that Britain acted as a kind of lodestone drawing with unequal degrees of force on different parts of the kind of body politics of the Common Market and, consequently, outside the Common Market seemed to us a disruptive force. At the same time we were persuaded that, if the British were to join the Common Market with the recognition that it was not a treaty but a process and that it could lead—and must lead if it were to succeed—to a degree of unity far exceeding anything presently contemplated by the Rome Treaty, even to the kind of unity which might be comprehended in a sort of federation of Europe, if Britain were prepared to do this and bring its unquestioned political genius to bear on this with a full appreciation of what it was doing, that it would make a very great contribution to the unity of Europe, to the cohesion of the West, and to the strength of the whole free world. On these conditions I felt that we couldn’t give anything but a very strong, affirmative answer to his question. This Heath received with a great deal of interest, and we then discussed further how this might be achieved.

In May of 1961 Macmillan [Prime Minister Maurice Harold Macmillan] came to the United States. While we were sitting at the conference table with Macmillan, the President turned to me and asked if I would speak a little about the Common Market and Britain’s role in it, Macmillan having earlier remarked that they were interested in joining. So I went through very much the same kind of statement about American policy. Macmillan said this was the basis upon which they were thinking about the Common Market. The following night in a dinner at the British Embassy, Macmillan got me aside on two occasions during the dinner and each time said substantially the same thing: “Yesterday was one of the really great days in history. We’re going to do it; we’re going to need your help, but we’re going to do it.” He seemed very excited about it. So I communicated all of that.

To go back a minute, when I had returned from Europe after the visit in March, I had written a long memorandum to the President setting forth the reasons why it seemed essential to me that we support the British in joining the Rome Treaty. He had accepted that as a sensible policy. This then became a very great interest of his. In the meantime, of course, the things that were preoccupying him perhaps most on the foreign policy front were the great effort that he felt had to be made for the less developed countries, and his feeling that this had to be a combined effort of the industrial, not solely a unilateral American effort. His interest in the Common Market as an institution that could
make for greater unity, his preoccupation--although not as it became later--with the situation in Laos which had the elements of a sort of badly written Gilbert [W.S. Gilbert] and Sullivan [Arthur Sullivan] opera… Those were the things we were most concerned with during those earlier months, as I recall.

KRAFT: Can we pause here and talk a little bit about him? Did you see him a good deal? How did you communicate with him? What was your impression of his…?

BALL: I used to see him, oh, four or five times a week, I would suppose, in meetings. He telephoned me a good deal; I telephoned him from time to time. I wrote him quite a lot of memoranda. It so happened that the area for which I then had responsibility, which was the foreign economic policy, was an active one and a hopeful one. I had been the chairman of the committee on the balance of payments--the task force on the balance of payments--of which Bob Roosa [Robert V. Roosa] and Eddie Bernstein and Bob Triffin [Robert Triffin] and a number of other people of that kind had been members. So I had

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developed a reasonable familiarity with this. This again was one of the subjects which was of great concern to him at the time. So I saw him always in connection with all of these.

KRAFT: Were there any remarkable things about his mood? Did it, for example, go down after Bay of Pigs?

BALL: My position was an odd one because I had only suspected the Bay of Pigs, I had no part in it all. My relations with the Secretary at that time were friendly but not close in that he was not interested in economic matters. I ran my own show pretty much as I saw fit. Chester Bowles was only peripherally interested in what I was doing. So I was really the Secretary of State for foreign economic matters. Within that rather narrow framework I dealt directly with the President. As far as the Bay of Pigs is concerned, as I say I didn’t know about it in advance although I suspected what was going on. I thought he took it with extraordinary equanimity. It was obviously a very considerable blow to him and very considerable and highly

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disturbing thing, but it seemed to me he took it amazingly well.

KRAFT: How about the telephone calls? Did he tend to initiate those? Were they brief, to the point? What were they like? Give us some flavor about him.

BALL: They were brief. The call would usually concern somebody who was
coming in to see him, or somebody who had made a remark to him that he wanted more understanding about, or, even in these days, the question of how did a certain story get in the press, and what were we doing about it.

KRAFT: Was that a big subject?

BALL: It became much more so later on. He developed a very considerable feeling that everything leaked, as I suppose every president does at some point. The telephone calls covered a fairly wide variety of problems.

KRAFT: Was this about the general tenor of your relations with him until you became Under Secretary?

BALL: Yes, pretty much so. Then we had some damnable textile problems which were important to him because he made a commitment to the textile industry during the November election. These were very painful because I thought the demands of the textile industry were outrageous and unjustifiable, but I didn’t have a friend in the Administration. They set up a so called Cabinet level textile committee under the Secretary of Commerce, and Treasury, that is, Dillon [C. Douglas Dillon], and Labor were represented--I don’t think Art Goldberg [Arthur J. Goldberg] took a direct hand, but Bill Wirtz [William Willard Wirtz] did--and some of the other departments. We were met with an immediate demand that we institute mandatory quotas on textiles which would have wrecked any kind of trade policy that the United States….

KRAFT: How was that demand initiated?

BALL: It was initiated by Hodges [Luther H. Hodges] and Feldman [Myer Feldman] who were speaking for the industry, and, I thought, with relatively little regard for the larger interests of the United States. I went over prepared to brush this all aside and say, “This is monstrous nonsense. You can’t do it.” I turned to Doug Dillon and I said, “From your experience,” since he’d had that same job earlier, “you certainly agree with this.” He said, “Oh, no. I think that we might as well do this.” No, he said, “We made a deal for the oil industry on the oil import legislation using the national defense provisions.” And he said, “I think we can do something similar for the textile industry.” I was profoundly shocked and disturbed by it. So I said, “Well, I couldn’t possibly support this. I think it would be an outrageous thing to do, but I will get you substantially the same results through voluntary means,” not having the vaguest idea how to do it, how it could be done. Knowing that you couldn’t beat something with nothing, because I didn’t in
the committee, and the President made clear to me that he had some commitments to the textile industry which he was proposing to carry out.

The commitments covered all textiles. The first thing

I did was to insist that we split the industry and deal with the cotton people separately and the wool people separately and the carpet people separately and so on. This was regarded as an obscenity by the textile people because they saw that the tactic was one that was going to reduce very materially their power to bring the pressure on. But I held to it, and, ultimately, we carried the day on it. I reported all this to the State Department, and the people down in E said I was absolutely mad, that it would be impossible to get any kind of voluntary arrangement on this, and that we would just have to hold firm. Well, I said holding firm was absurd because we couldn’t sustain it. So I did develop a program for the cotton textile industry; I had the Congressmen and Senators and industry in. We had a series of very heated meetings, and then, as I recall, ninety some Congressmen and thirty some Senators—forty-five Senators—addressed a letter to the president asking that I, saying that he remove me or overrule me; that they preferred the President’s program to mine. The President, I must say, stood up very well.

KRAFT: Did you have some conversations with him about this?

BALL: Oh, Yes. Sure.

KRAFT: What was his attitude toward the…?

BALL: Well, he thought we had to do something. I said, “Well, I will deliver on this promise to produce a voluntary agreement.” So I made a quick tour around the capitals and came back and decided I would go out to Japan and see if I could talk to the Japanese and the people in Hong Kong. In the meantime, we browbeat the GATT into setting up a meeting in Geneva. I drew on an old friendship with Eric [Eric Windham], whom I had known from wartime days, to give a helping hand. I negotiated the first international textile agreement in a week’s time with thirty-five nations.

KRAFT: In Geneva?

BALL: In Geneva. Which, I might say, was a major tour de force, and it was negotiated on a basis purely of arrangements which were not automatic or rigid

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but permitted countries to request that the line be held on exports.

KRAFT: This took place in…?

BALL: This took place in maybe July of ‘61. This was absolutely a landmark business because there had never been anything like it since, and it’s governed the whole business of cotton textiles ever since then. There have been several subsequent agreements but always in the same pattern.

KRAFT: When you became Under Secretary, could you describe the circumstances? How you heard about that? Did you have any role in the Bowles-Rusk thing?

BALL: No, I’ll tell you. It became quite clear that Bowles was going to have to go. I went over to the ministerial meeting of the GATT [General Agreement on Tariffs and Trade]. Just before I left, I had a talk with the President. He said he thought that I was so good at the economic side of the Department that he was reluctant to move me from there. But I indicated to him that my fundamental interests lay in the political side. Before I left,

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I had a talk with the Secretary, who said that the President finally decided that Chester would have to do something else, and that they did want me to take over the Under Secretaryship. He asked me what we should do about the other job. We discussed whether to move Alex Johnson [Ural Alexis Johnson] into it or George McGhee [George C. McGhee]. It was a question of making one Deputy Under Secretary and the other Under Secretary for Political Affairs. I’m afraid I opted it for McGhee which, had I to do it again, I would have done it the other way. In any event, that really confirmed the Secretary’s own wish although I think he would have gone either way I proposed. I went off to Geneva. I was to have dinner Sunday night with Averell [William Averell Harriman] who was there in the Laos conference. Averell got me aside and said, “You know, the Secretary called me last night. It wasn’t a very good connection, but he asked me to be Assistant Secretary. I don’t know if he said for EUR or for FE [Bureau of Far Eastern Affairs]. I told

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him I’d do it. Which is it?” I think it was clear that Averell really wanted the EUR job, but I said no, it was to be FE. So he seemed satisfied with that. The following day the thing was announced; it was announced while I was in Europe.

KRAFT: Can you say anything about the way the President behaved? Did you have impressions of his qualities that were at odds with everything that’s been written? Particular qualities that seemed….
BALL: A little bit. He had a humor, but it was always of his own making, so to speak. I mean I used to try to make jokes with the President, and I always had the feeling he didn’t get them. And yet, he was obviously very quick and very witty. But he didn’t respond to other people’s jokes; he made his own. I don’t know whether this has been noted by other people or not, but it was my own experience that, unless he clearly recognized that what you were doing was a kind of badinage, he was not inclined to let the sort of “throw away” joke get into a serious conversation, unless he did it himself. I remember one occasion, for example, when we were having great problems. What was it about? Oh, the Chairman of the Armed Services Committee—you know—from Georgia.

KRAFT: Russell [Richard B. Russell]?

BALL: Yes. Bob Russell. We decided that we would…. Oh, it was over the Congo policy. We decided we would send George McGhee down to talk to Dick Russell since he was a Texan and, therefore, could make like a Southerner. The President said, “What’ll we tell Russell because he’s so pro-Tshombe [Moise Kapenda Tshombe]?” Our policy at that time was trying to resist. I told him, “Just have McGhee tell him that Tshombe is nothing but a God damned secessionist.” This kind of thing just passed; there was no response. I used to try these little efforts, and I was always rather disappointed because they never quite came through. But this was partly, I think, in fairness, because he was concentrating on the problem, and he wasn’t deflected by this sort of. . . .

KRAFT: How about his grasp? Was he as quick as everybody says?

BALL: He was very quick. But on a great number of things, I must say, I didn’t think he was ever terribly profound. Particularly on things like the balance of payments. He used to say to me two or three times, “How would I ever explain this to my father [Joseph P. Kennedy]?” I always had a feeling that the old man must have ridden him very hard on the balance of payments business. He always had a habit of picking up one or two things, aspects, which weren’t necessarily central and being enormously impressed by them. My problem with the President was a very familiar one that so many people have noted. He was so interested in the things of the moment that he was intensely pragmatic. It was very hard to keep discussion going within the framework of any larger policy, and there were always grave dangers that his doing something or insisting on something being done which seemed to me to be a departure
from where we ought to be going in the larger sense. I found the President fascinating in this respect, that he was quite prepared to make speeches which set forth a conceptual framework for policy. But in the administration of policy on a day to day basis he always felt trammelled by any kind of conceptual limitations and liked to decide things very much on an *ad hoc* basis.

**KRAFT:** Was this true about the people around him as well?

**BALL:** I think they all tended to be pretty much pragmatists. Certainly Bundy [McGeorge Bundy] is very pragmatical in his approach. Again, while he can talk in conceptual terms, in the way we handled things the conceptual ideas tended to get lost sight of.

**KRAFT:** Were the children [Caroline Bouvier Kennedy; John F. Kennedy, Jr.] around much? Did you find them coming in and out?

**BALL:** Yes, they came in and out a good deal. They used to wander in and out of the office and sometimes bring dogs with them whether we’d be having a meeting of the NSC or some other serious meeting. Caroline would come in and insist on having her orange juice or something while everyone paused, and we just talked with her.

**KRAFT:** How did he run meetings? Did he let people speak? Or did he speak first?

**BALL:** He let people speak. He would speak, but he always listened to others. It was easy to speak; the problem of communication was very easy because he was almost too tolerant. Doug Dillon used to filibuster endlessly, and he never would shut him off, particularly when we were having the balance of payments discussion.

**KRAFT:** Do you feel he ever really got a grip on balance of payments? Or was that a prime case of his picking on little things?

**BALL:** I don’t think he ever really…. Well, I’m not sure; I don’t want to be unfair. I made a serious effort to try to move this onto a better plane. We had several meetings, which were quite heated, with Dillon on one side and myself on the other and Bundy sort of sitting as an arbiter. (I want another drink,
KRAFT: (I might have just plain soda.)

BALL: I think for the time being he understood the ideas, but then he would seem to go away from them in the next meeting. But he said to me on a couple of occasions, “I’m inclined to agree with you, but what can I do? If the Secretary of the Treasury feels the way he does, I either get a new Secretary or stick by his policies.”

KRAFT: How did you know what to do? Did he ever give you a general line?

BALL: We’d make decisions.

KRAFT: Did he announce at an end of a meeting: “We’ll do it this way?”

BALL: Very often. More often than not, he didn’t. I thought, sometimes, we met too much without decisions. But, again, I’m not sure that’s true. Very often he would announce—or Mac would announce—at the beginning of the meeting that we weren’t going to have any decisions coming out of this meeting. Part of it was, I think, he feared that things might leak; part of it was just a feeling that he wanted to hear everybody out, but he kind of wanted to make the decision himself.

KRAFT: Did he ever show any interest in problems of administration here?

BALL: Yes. Yes, he talked to me quite often about it, and even in such details as talking to me about the kind of inspection corps that we ought to get, and arranging for J. Edgar Hoover to come over to talk to me about how they inspected the F.B.I., and this sort of thing. He talked a lot about appointments ambassador-wise and so forth. He had the feeling that most of the foreign services wore slave bracelets, were pretty affected types. Partly because I think he had some rather unfortunate experiences with one or two of them that he saw initially, early on. And because there was a strong, sort of built-in prejudice against the foreign service of, I may say, a rather non discriminatory kind.

KRAFT: You mean among the people in the White House?

BALL: Among the people around in the White House, yes. Let me go back a bit. I think when the Administration first came in there was a tendency on the part of quite a lot of people around Kennedy in the White House to feel that the day when power was centralized in the Atlantic countries was pretty well over; and that
foreign policy in the future would consist in the rising power of India and even the African states and the Middle East and so on, and that there had to be a complete change in the concentration of foreign policy on the traditional allies of the United States. Therefore, he was greatly concerned with the development of adequate aid programs and prepared to talk to any “visiting fireman” who came along about what kind of aid might be given and tended, particularly during the early days, to get into the nuts and bolts of the kind of aid program we’d have for a particular small country. To the point where, if there were a head of state or a head of government, he would talk with him

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in detail about these things. But we finally shifted away from that. Because of this preoccupation with the new states and with the less developed world there was a feeling among the people in the White House—a number of them—which was certainly shared to some extent by the President, that the foreign service was unequipped to deal with this new world; that what we had to find was a whole new lot of ambassadors. By and large there was a presumption against a foreign service officer.

KRAFT: Did your relations change with him after you became Under Secretary?

BALL: Well, they changed on acquaintance; I wouldn’t say that made the change because by that time I’d gotten to know him quite well. We had a very easy relationship.

KRAFT: When you did become Under Secretary, I guess your first big job was the preparation of the Trade Agreements Act.

BALL: That’s right.

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KRAFT: We might as well start talking about some of that: some of the problems and how you set that up.

BALL: Well, the Trade Agreements Act was something that was foreshadowed in the task force report because this is one of the things I had proposed. I had proposed that we combine the Trade Agreements Act and foreign aid into one large Foreign Economic Act which would have several titles in which we would establish the relationship between commercial policy and assistance. I tried that out early on in the Administration; the President was unprepared to take that one on the first year. He thought it was too big a bite to swallow. So instead we went through the foreign assistance business, but in the meantime….

KRAFT: Were you deeply involved in the preparation of the first Kennedy foreign aid bill?
BALL: Oh, yes. I was the chairman of the committee; he put me in charge of the committee to reorganize foreign aid. I came up with a proposal which ultimately resulted in the creation of AID. This came out of my committee.

KRAFT: One of the issues that grew up around that time was the question of whether Labouisse [Henry R. Labouisse] would be the head of the agency.

BALL: That’s right. I wanted the President to make a decision because I was concerned the thing was dragging on. Labouisse had been working during this sort of interim period on it, and I thought Labouisse was probably as good as he was likely to get. But he was rather unimpressed; he didn’t think Harry was strong enough, tough enough. He was probably right. But nobody could find anybody else who seemed very much better.

KRAFT: They finally ended up with an ex-partner of yours.

BALL: They finally ended up with an ex-partner of mine, which, I may say, I had nothing to do with. Fowler [Fowler Hamilton] came down. They first toyed with the idea of offering him the CIA job after Allen Dulles [Allen W. Dulles] was taken out after the Bay of Pigs, and then ended up by offering him this AID job to head this new agency which had emerged from the work that my committee had done. These decisions were slow in getting made. When I first took over the Under Secretary’s job, foreign aid was under me, and it was a much bigger job than it is now as far as the jurisdiction is concerned because it had the whole Foreign Aid Agency which was responsible to the Under Secretary for Economic Affairs. So it was quite normal that I would head the committee to reorganize it, you see.

KRAFT: Once the reorganization was accomplished, and it was decided that there was not going to be a combined foreign aid, then you were able to zero in on the trade business.

BALL: Since the President quite early on made the decision that he didn’t want to take trade on the first year. So, then I started work on the Trade Bill. On Sunday, by myself, I sat down…. I was trying to fit it in to the entry of Britain into the Common Market, and I blocked out the whole Trade Bill and brought it in one Monday morning after working over the weekend.
on it. It was substantially the bill in the form in which it was finally passed. I didn’t think I’d get it all through.

Then the question came up as to whether we should go for it that year or wait a year.

KRAFT: This being ‘62 or sixty…?

BALL: ‘62 or ’63. We had a meeting in the White House, in the Oval Room upstairs as I recall. I had gotten Peterson down; I had known him earlier.

KRAFT: What was the purpose of having Peterson?

BALL: To do some work of translating this thing…. Wait a minute. No. Am I getting ahead of my story? I’m not quite sure about the time sequence, whether Peterson had…. No, I guess Peterson hadn’t been down before. It was a question of when we took the thing up. I said to the president, “I think you either take a strong bill up, or you take none. The last thing in the world I want is a weak bill this year. If you can’t have a strong bill this year, then, wait till next year. I think there may have been some advantages in waiting till next year because this year is going to be the year of the great discussion of the British entry into the Common Market.” I was very much afraid that there’d be a kind of cross-talk across the Atlantic and that the discussion of the Trade Bill would get in the way of the negotiations for the accession of the United Kingdom into the Common Market. The President overruled me, which didn’t make me the least bit unhappy although the reasons for my position were never adequately understood in time. I mean, I was delighted with the result if he were prepared to fight for a strong bill.

KRAFT: The decision was to go for a strong bill.

BALL: To go for a strong bill, but go for it now, which was far better than what I had expected. After I brought the bill up, he and I devised a bill which would, in effect, encourage Britain to come into the Common Market by providing that trick eighty percent business. I don’t know whether you remember that or not. But this was an invention of mine which was part of that long Sunday when I invented the Trade Bill. Where if eighty percent of the trade is divided between the United States and the Common Market, then you could go clear down to zero. But I did not include Britain in the Common Market unless it had actually succeeded in getting in. This was quite misunderstood. Reuss [Henry S. Reuss] and some other people
on the Hill have written a lot of stuff about what a dreadful idea it was and that I was trying to impart my own particular political bias into the Trade Bill. What they didn’t understand was that if I had drafted it in any other way so that the eighty per cent would apply even if the British were not a member of the Common Market--if it applied to EFTA plus EEC--this would have had a major effect in Britain on their decision; the British government would have regarded us as providing a way that relieved them from the pressure of coming in, and the good Europeans would have regarded it as a major sell-out.

So I had to draw it up this way.

KRAFT: The effect of this was to give the British a real incentive for entering.

BALL: That’s right. And the effect of the other would have been to say to the British: “We don’t really need to come into the Common Market because we can get tariffs down to zero even if we stay out.” Therefore, there was no incentive to come into the Common Market. I don’t think people who wrote about this understood what the political consequences would have been if we had left it on a basis that Britain would have benefited without coming in or that the provision could have been applicable if they hadn’t come in.

KRAFT: What were the reasons that led the President to decide for a bill in effect the ‘62–’63….

BALL: Well, Larry O’Brien [Lawrence F. O’Brien], for one.

[END SIDE 1, TAPE 1; BEGIN SIDE 2, TAPE 1]

BALL: If it hadn’t been for de Gaulle [Charles A. de Gaulle], this whole situation would have been entirely different.

KRAFT: What were the considerations, Mr. Ball, that led the

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President to go in ‘62?

BALL: The biggest consideration was that the Trade Bill expired that year. I took the position that had no serious effect because the expiration of the Trade Bill simply meant that after it expired there could be no further negotiations, but it didn’t effect negotiations which had heretofore taken place. Those included the so called winding up of the Dillon round. Larry O’Brien was afraid that if the Trade Bill lapsed for a year that, from a legislative point of view, it would be very hard to crank up the enthusiasm to enact a new bill. I think he was probably right. So the President decided to go ahead with a
strong bill, which I thought was the best of both possible worlds. While I was a little concerned about the discussion on the two sides of the Atlantic creating a kind of mutual interference, I needn’t have been in fact because it didn’t.

KRAFT:  This preparatory period all took place in the period when you were putting together the 1962 program.

BALL: That’s right.

KRAFT: One of the things that got set up sometime around this time was the Peterson office. Would you give me some of the background of that; why it was set up?

BALL: There was a great big argument about whether the State Department should take the lead in the development of this. Hodges was making a very strong drive for putting it in the Department of Commerce. I connived with some of the people in the budget and connived with some of the people in the White House to deflect out of this argument by setting it up in the Executive Offices. Then I resurrected Peterson for this because I had known him. I knew his trade views were quite sound.

KRAFT: And he was a Republican and a businessman.

BALL: He was a Republican and a banker, yes.

KRAFT: And they managed the bill. They, what, coordinated it and put it through Congress?

BALL: Yes, they ran the thing through the development period. They worked on it on the Hill. They did a

very good job, I must say. But Peterson came out with a result which was really for a kind of revision of the existing bill, and I insisted that we could never get the existing bill through, that we had to have something completely fresh. So Peterson and I found ourselves at the end of the road in opposition. I won that argument. We came out with a wholly new bull, the Trade Expansion Act which was not simply an extension of the Reciprocal Trade Act.

KRAFT: Was there anything notable about putting the bill through? One of the consequences, certainly, was that it led to a great deal more public awareness about what Europe was.
BALL: That’s right. People really discovered the Common Market. We put it through on the basis that this was the only way we could deal with the Common Market. You know, it was an amazing piece of legislation to get through because it was so much more far reaching than any piece of legislation we’d ever had before in the trade field. Quite frankly, I was very much surprised at the result. But it was sold to them on that basis.

KRAFT: Did you have many dealings with Kerr [Robert Samuel Kerr] at that point?

BALL: A few.

KRAFT: That was one of the critical…. He was one of the critical….

BALL: Kerr’s line with me: “Mr. Ball, I am put in the Congress, in the Senate, to represent the oil and cattle interests. And I want to make sure that this bill takes care of them completely. If you can work it out so that it takes care of the oil and cattle interests, this is what we’re going to do. I’ll get your bill pulled through for you.”

KRAFT: Were there adjustments that you had to make in the oil?

BALL: We had to agree not to disturb the existing oil import legislation…

KRAFT: The quote “Corbett system.”

BALL: …which was a great shame. I don’t think we had to do anything at the time for meats because they weren’t in any real trouble. What fascinated me was Kerr’s total frankness that that’s what his interests were, that’s what he was there for.

KRAFT: One of the phenomenal things about that was a speech that you made in New York at about the same time, I think….

BALL: I kicked the thing off. The first speech, the speech that foreshadowed all this, was my speech in which I went--at that time without full agreement from the Administration--I laid the whole thing out.

KRAFT: This was up in New York?

BALL: This was before the National Foreign Trade Council, I think. This was a good
speech. It was a good, tough speech, and it attracted a lot of attention and kicked the whole thing off.

KRAFT: One last question before we fold for this session. There was simultaneously going on some development in the defense field, notably there was the Acheson [Dean G. Acheson] Committee and the paper they produced, and

the Ottawa Meeting….

BALL: Dean was working on a committee which developed the concept of the forward strategy and the need for a conventional defense of Europe in order to give any credence to nuclear weapons. We worked together quite a little on that.

KRAFT: But the defense and economic issues were at that juncture not so closely tied as means of promoting the cohesion of Europe as they later came to be.

BALL: Not so much so although central to the Acheson idea was the idea of a unified Europe. We weren’t far apart in our views.

KRAFT: Why don’t we call that quits for today?

BALL: All right, good.

KRAFT: I’m perfectly willing….

BALL: No, no. This is fine.

[END OF INTERVIEW #1]
George W. Ball Oral History Transcript – JFK #1
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