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**Record Group/Collection:** George H.W. Bush Presidential Records  
**Collection/Office of Origin:** Speechwriting, White House Office of  
**Series:** Speech File Backup Files  
**Subseries:** Chron File, 1989-1993

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**OA/ID Number:** 13675  
**Folder ID Number:** 13675-013

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**Folder Title:**  
Presidential Medal of Freedom 7/6/89 [OA 6345] [1]

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# Maine's First L

## Margaret Chase Smith: C

**M**argaret Chase Smith is 90 years old today. But she's still in charge.

She picks up her own phone, dictates her own mail and makes her own appointments.

Her eyesight isn't as good as it once was, but she walks without a cane or a helping arm and gets out of a chair as quickly as anyone half her age.

Her day, every day, begins at 5:45 a.m.

She dresses, pins on the single red rose that is her trademark, has breakfast and by 7 o'clock is ready to take on whatever the day offers.

And for Margaret Smith, every day is different. There is no such thing as a typical day in the life of this determined woman.

If she isn't catching a flight to Texas, she may be headed for the West Coast. Or, she may be returning from Indianapolis.

Margaret Chase Smith retired from the Senate in 1973, after representing Maine in the House and Senate for 32 years. But she did not, and will not, retire from public life.

She has served as chairman of the board of Freedom House, as a visiting professor at the Woodrow Wilson National Fellowship Foundation and a director of the Lilly Endowment.

She still lectures regularly at colleges and universities across the country, which have honored her with 90 honorary degrees.

And she is busy when she's home, too.

She serves as a trustee and chairman of the National Women's Board of Northwood Institute, which houses the Margaret Chase Smith Library. And she devotes many hours to talking with groups of students who often visit with her at her Skowhegan home.

As she talks, her chin still has that edge to it and the determination is there, strong as ever, as she talks of the past and of the importance of truth.

"I was determined to keep my word to the people I served. I wouldn't give in once I'd made up my mind. I would always see a thing through. This continues to be true," she said on the eve of her 90th birthday.

She deplores liars.

"I wouldn't take lies. No, I wouldn't let them lie to me," she says. History attests to this. No matter how influential they were in Washington, D.C., those who lied to Margaret Chase Smith didn't get away with it. This forthrightness was as much a trademark as her rose during her long career in Congress.

She was the first woman in American history to be elected to both Houses of Congress, and served her state in Washington for 32 years. Her political career, counting the time spent at her husband's side, totaled 36 years.

Her husband, Clyde Harold Smith, was a Congressman representing Maine's Second District when his life ended abruptly in April, 1940. Just hours before his death, he asked that his wife be elected to succeed for the remaining six months of his term.

She did when the resulting special election and went on to serve four full terms in the House of Representatives before being elected to the Senate where, during 24 years terms she answered 2,941 consecutive roll call votes, a record that stands today.

Beginning with Franklin Delano Roosevelt she served under six presidents:

FDR, Harry Truman, Dwight Eisenhower, John Kennedy, Lyndon Johnson and Richard Nixon.

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What was it that brought this little girl from this little town with an unusual name nestled on the banks of the Kennebec River to become of the most noted woman on the banks of the Potomac?

Prepared and written by Marie Howa

Sentinel photos by Ron Maxwell



# First Lady

A special section of the  
**Morning Sentinel**

Morning Sentinel, Monday, December 14, 1987 7

## Mrs. Margaret Chas. Smith: On the go at 90

Prepared and written by **Marie Howard**

Sentinel photos by **Ron Maxwell**



Maine - not because of my playing either. I was nothing special," says the former senator.

In addition to basketball, there were piano lessons.

"My mother paid 50-cents-an hour for my lessons. Had I followed her wishes and cooperated, I could have played the piano. But, I didn't have time for anything like that. The piano was against the wall and the clock was by the door. I played with one eye on the piano and one eye on the clock so I wouldn't practice overtime. I didn't last too long," she recalls.

Then there was her first trip to Washington, D.C. — as a highschool senior. And she almost didn't make it.

"We didn't have the money because it cost \$60 for the 10-day trip. But, I remember my grandfather listening to us talk about it around the dinner table. He never said a word about the trip until it was almost time to go.

"I had found that I could not go. He said I should meet him downtown at the Skowhegan Savings Bank at noon because he had an errand he wanted me to help him with.

"He went into the bank and asked Mr. Merrill, one of the bank officers, for \$60 and a note. He then asked Mr. Merrill to make it out for 6 percent interest. I was to pay the \$60 back plus the 6 percent interest," she says. "And, I did."

"I was disappointed, of course. I thought he would give the money to me.

"But, he taught me the full value of money. That was a grand lesson. I'm sure I got a lot more out of the trip, because I knew I had to pay for it," says the Senator with a smile.

What didn't come out of the trip, though, were any thoughts of working in Washington.

"I never thought of such a thing. Never thought of it until the day my husband died," she answered.

History, let alone government service, didn't interest her then.

"I didn't like history very well. I say that because I am so interested in history today and can't seem to get enough of it. I feel like I made a mistake when I didn't major in history," she says.

It wasn't until she was elected to the Senate her interest in history began to intensify, a delay she came to regret.

"So much is built on the early history of this country. But I learned the hard way. Had I taken an earlier interest in history and followed it more closely through the years I would not have had to work so hard on matters that came before me," Mrs. Smith says.

She graduated Skowhegan High School in 1916. Going to work was not going to be a new adventure for the graduate. She worked all through her high school years.

### Working experiences

Her first job was at Green Brothers 5 and 10 Cent Store in Skowhegan.

She was 12 when she first applied.

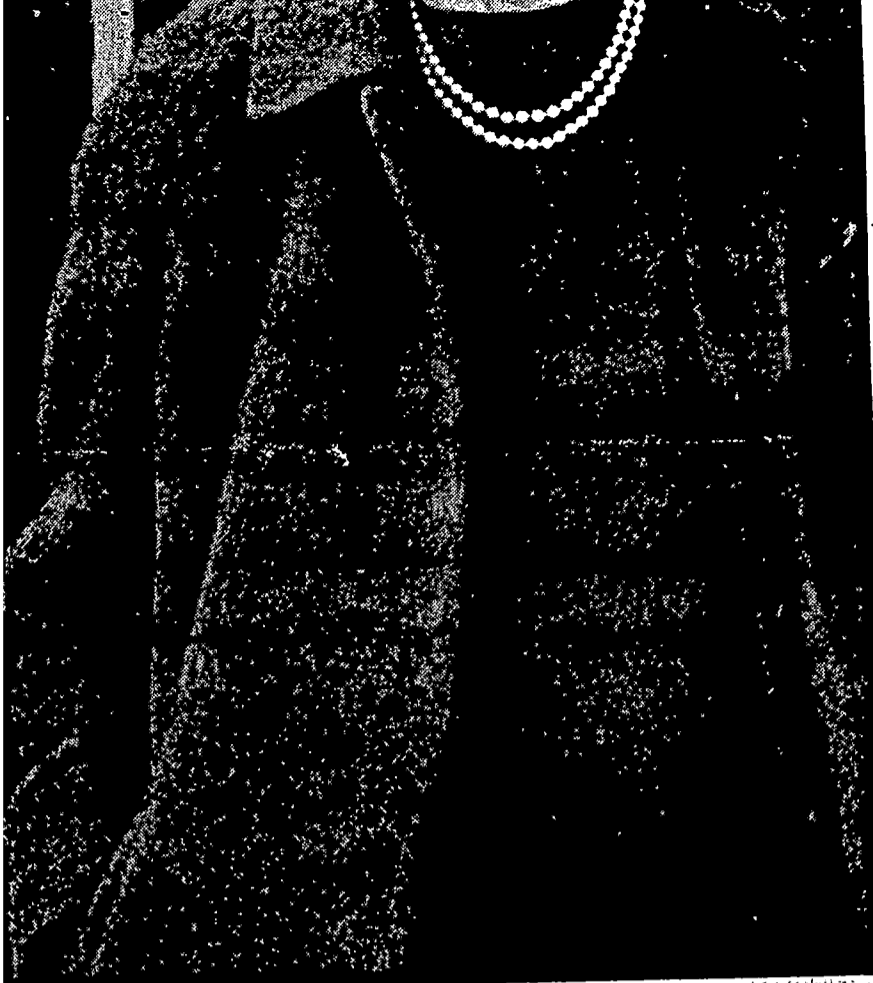
"They asked me if I could reach the top shelf. I couldn't of course, I was so short. They told me to come back when I could," she recalls.

"One year later at Christmas time I went into the store and asked him for a job and reminded them about the top shelf.

"Can you reach it?" I was asked. I stood on my tip-toes of course, but I got the job."

The pay wasn't spectacular, 75 cents for working Saturday afternoons and evenings, and "if I worked all day I got a \$1." During vacations, working an entire week from 8 a.m. to 8 p.m. on weekdays and until 10 p.m. Saturdays earned young Margaret \$3.50.

"I was always a very independent child and



front of her Skowhegan home.

...my mother had all  
...nd ready to go. Off we  
...ithfield where the  
...e going rate of \$1 a  
...out 10 p.m. We all had  
...t there though,  
...r would say, 'Who's  
...I was the one that  
...ing with him at 4  
...ch fishing and young  
...her cleaned the fish on  
...he cottage and my  
...breakfast. I can see  
...he pan and rolling the  
...rs,' she says, her face  
...ose memories.  
...raised his family,  
...two more daughters  
...r's wages.  
...t for a shave and a  
...There wasn't much  
...mily like ours, but we  
...s.  
...long curls during her  
...e by large bows.  
...ooked by Skowhegan's  
...utch-cut' became the  
...y all the girls were

...having their hair cut. No one in the family was in  
...favor of cutting mine. But, I wanted it cut.  
...Finally one day my father told me to come to  
...his shop.  
...I shall always remember those shears that cut  
...my first piece of hair on the right-side of my head,"  
...chuckles the Senator, putting her hand to head as if  
...to indicate where the curls once were.  
...She never knew, she says, whether her mother  
...was aware that she was going to get her hair cut  
...that day.  
...All she said when I returned home was, "Oooh,  
...Margaret!"

### School years

...She attended Lincoln and Garfield elementary  
...schools before entering high school. The grammar  
...schools are vacant now and show the effects of  
...disuse.  
...One of her treasures includes a yellowed piece of  
...paper which contain the signatures of all of her  
...Second Grade classmates.  
...As a Skowhegan High School freshman, she was  
...chosen by her teammates to be manager of the  
...girl's basketball team.  
...I believe this was the school's first girl's  
...basketball team," she says.  
...Outfitted in a middy blouse and black bloomers  
...she was a team player all during her four years at  
...Skowhegan High.  
...One year we were the champions of Central

...came to regret.  
...So much is built on the early history of this  
...country. But I learned the hard way. Had I taken an  
...earlier interest in history and followed it more  
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...entire week from 8 a.m. to 6 p.m. on weekdays and  
...until 10 p.m. Saturdays earned young Margaret  
...\$3.50.  
...I was always a very independent child and  
...preferred to work," she says, "I was also a curious  
...one. I wanted experiences."  
...She got a lifetime of them as things turned out.  
...Still in school, she moved from clerking in the 5  
...and 10 cent store to the telephone switchboard at the  
...Maine Telephone & Telegraph Co.  
...Its Skowhegan office was downtown, across  
...from the municipal building, in the old Masonic lot,  
...and Margaret became a substitute operator there.  
...I earned 10 cents an hour and if I worked all  
...night I got a \$1. And, all night meant from 7 p.m.  
...until 7 a.m.," the Senator remembers.  
...It was a great experience. Everything that I  
...did - all these experiences that I had with people  
...counted greatly many years later when I was in  
...Congress. That's the point I try to get across to  
...young people today," she said.  
...It was through her telephone headset that she  
...first heard the voice of her future husband, Clyde  
...Smith. "He had a very impressive sounding voice.  
...He would call almost every evening - he wanted to  
...know what time it was," she says.  
...Those time checks led to conversations and to  
...another part-time job.  
...Smith telephoned one evening and asked if she  
...would be interested in working on the tax books for  
...the Skowhegan Board of Selectmen. She told him  
...she couldn't because she had to remain in school  
...since graduation was near at hand.  
...But Clyde Smith, then a selectmen, was  
...determined. He visited the high school principal,  
...and young Margaret got permission to work days  
...and finished her schooling evenings.  
...For three months she entered assessment and  
...tax figures into ledgers. "This was another great  
...experience," she says. "It helped me later, when I  
...was on the Appropriations Committee in  
...Congress."

□ Continued on next page



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## The early years

A glimpse into Margaret Chase Smith's past provides some of the answers.

She was born Dec. 14, 1897 on North Avenue in Skowhegan, the first of six children born to George Emery and Carrie Murray Chase. Her parents were of Irish, English, Scotch and French-Canadian ancestry.

"I had a good family background. My mother was a very strong-minded woman and my grandfather was a strong-minded man. But it was my mother who had a very great influence on my future life," she explains.

"She taught us to appreciate everything we have, to work and to do what we were told," she says

The North Avenue house that was home to young Margaret was built by her grandfather, John L. Murray, a carpenter who worked in a local sash and blind factory. The Chase house is still there, close to one of Skowhegan's busier thoroughfares.

"The house I was born in was the house my mother was born in and it was built by her father in about 1860," says Mrs. Smith. Within walking distance for a child was her father's barber shop, which young Margaret often visited.

Her early years bring back satisfying memories because her family was close.

"Ours was a family-minded group. My mother and father were homemakers, but we had discipline in our family. However, as long as we were in our own home we could do pretty much what we wanted to.

"We always had birthday parties and we always celebrated Christmas," she says.

Her summers she recalls as fun-filled.

"My father had a horse and buggy and when he

Margaret Chase Smith in front of her Skowhegan home

finished work Saturday nights my mother had all the family and food packed and ready to go. Off we would go to East Pond in Smithfield where the Chases rented a cottage at the going rate of \$1 a day.

"We would arrive there about 10 p.m. We all had to go to bed as soon as we got there though, however. At 4 a.m. my father would say, 'Who's up?'"

"Nobody answered. But, I was the one that always did get up and go fishing with him at 4 a.m.," the Senator recalls.

The pair usually went perch fishing and young Margaret watched as her father cleaned the fish on the rocks by the shore.

"He would take them to the cottage and my mother would cook them for breakfast. I can see her now — the salt pork in the pan and rolling the fish — those were happy years," she says, her face reflecting the fondness of those memories.

Young Margaret's father raised his family, which had grown to include two more daughters and three sons, on his barber's wages.

"I don't know what he got for a shave and a haircut, but it wasn't much. There wasn't much money in those days for a family like ours, but we lived comfortably," she says.

Young Margaret sported long curls during her childhood, often held in place by large bows.

But, fashion wasn't overlooked by Skowhegan's younger women and the "Dutch-cut" became the rage for the school set.

"I remember very clearly all the girls were

having their hair cut favor of cutting mine. "Finally one day his shop.

"I shall always re my first piece of hair chuckles the Senator to indicate where th She never knew, I was aware that she that day.

"All she said whe Margaret!"

## Sch

She attended Lind schools before enter schools are vacant r disuse.

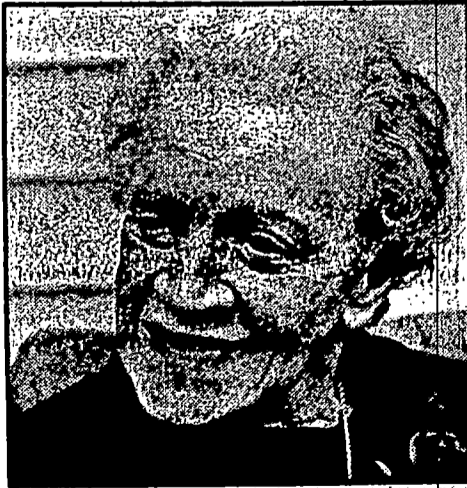
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As a Skowhegan chosen by her team girl's basketball tea

"I believe this wa basketball team," s

Outfitted in a mi she was a team play Skowhegan High.

"One year we we



The many expressions of Maine's first lady

((Grant))  
July 5, 1989  
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REMARKS: PRESIDENTIAL MEDAL OF FREEDOM  
STATE DINING ROOM  
JULY 6, 1989 TIME

Thank you. As President, I have been looking forward to one of the most distinguished duties of this office -- the privilege of presenting this nation's highest civilian honor, the Medal of Freedom. And today I find myself standing with four American heroes who embody the achievement, vision and dedication that is the greatness of this country. You have left an indelible mark as you have enriched this nation and America is grateful.

Each one here today is a pioneer:

**General James Doolittle**, a trailblazer in modern aviation; **Ambassador George Kennan**, truly a visionary who foresaw the future of Soviet-American relations; **Senator Margaret Chase Smith**, a bold achiever who stood alone against the tide of extremism; **Secretary Douglas Dillon**, an unparalleled public servant who shaped American foreign and economic policy; and finally, a fifth great American who is not with us -- the late **Lucille Ball**, First Lady of Television to uncountable millions worldwide.

**General Jimmy Doolittle** is an American war hero, a record-breaking pilot, and an innovator in modern aviation.

*land-planes*

After serving his country as a flying cadet in World War I, General Doolittle made the first cross-country flight with only one refueling stop. He set land- and sea-plane speed records.

He was the first to fly "blind" -- by instruments only. Indeed, Jimmy Doolittle was "the master of the calculated risk."

When the United States entered World War II, General Doolittle was assigned a top-secret mission that was "perhaps the most daring combined operation of the whole war." He led the first offensive aerial strike on the Japanese mainland after Pearl Harbor. This courageous one-way mission electrified the world and gave America's war hopes a terrific lift. During the war, General Doolittle also directed U.S. airpower in the invasion of Africa, and participated in 25 missions including the first attack on Rome.

General Doolittle is truly the father of modern aviation.

For his dedication above and beyond the call of duty, for his bravery and valor, and for his innovation and daring, the nation thanks him. ((PRESENT MEDAL TO GENERAL DOOLITTLE))

As a 27-year career diplomat, renowned historian and astute professor, George Kennan has shaped the way Americans have thought about foreign policy in the postwar era.

As head of the State Department's Policy Planning Staff, as Counselor of the Department, and then as Ambassador to the Soviet Union, he helped our nation understand the dangers it faced and contributed mightily to the political and economic reconstruction of Europe.

Current Biography 1957 p.51

Current Bio. '57 p.51

Current Quentin Reynolds The Amazing Mr. Doolittle 1953

Name of book by Carol W. Glines

Doolittle Bio from Headquarters USAF - Pentagon

CB 159 p.224

CB 1959  
p. 224

After his retirement from government, Ambassador Kennan joined the Institute for Advanced Study at Princeton, and turned his formidable talents to scholarship. His many books, which earned him the Pulitzer Prize and the National Book Award among other honors, document the diplomatic history of our modern age. Through his writings, and his guidance in the Kennan Institute for Advanced Russian Studies, he has added more to our understanding of the relationship with the Soviet Union than perhaps any other individual American.

Smithsonian  
Woodrow  
Wilson  
Center

Today we stand on the threshold of a new era in that relationship, one that looks beyond the successful strategy of containment which George Kennan did so much to develop. For his unique contributions to the national security of this country, the United States honors Ambassador George Kennan.

((PRESENT MEDAL TO AMBASSADOR KENNAN))

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Margaret Chase Smith was the first woman in American history to be elected to both Houses of Congress, serving for 32 years -- holding office under six Presidents, beginning with Franklin Roosevelt. Her talent, intellect, and distinguished service to this country resulted in her becoming the first woman to have her name placed in nomination for President by a major political party.

Morning  
Sentinel  
Dec 14, 80  
p. 1  
Special  
Section

Jan 27 1964  
Declaration of  
Conscience  
p 30

Senator Smith's finest hour came when she issued the "Declaration of Conscience," an historic and courageous speech denouncing McCarthyism. She spoke out when so many others remained silent.

Title of  
her book  
Biographical  
Directory  
of the US  
Congress  
1774-1989  
p 1635

1952-  
1962

When was Bush's  
father in the Senate?

CPB  
P. 394  
395  
AB 2  
Senator Smith was also instrumental in improving the status of women in the armed services, earning her the title, "Mother of the Waves." She was an outspoken advocate of a strong nuclear deterrent in the face of the Soviet threat.

We honor Senator Smith today for her commitment to truth and honesty in government and in America, and to strengthening America at home and abroad. She looked beyond the politics of the time to see the future of America, and made us all better for it. ((PRESENT MEDAL TO SENATOR SMITH))

The brilliant achievements of Douglas Dillon raise the nobility of public service to new heights.

Political Profiles: The Eisenhower Years 1977  
He began his career as a businessman who later served in the Navy during World War II. While serving in the Eisenhower Administration as Ambassador to France and later, as Undersecretary of State, Mr. Dillon pioneered an ambitious foreign aid policy. In Latin America, his work with struggling economies strengthened democratic forces; in Western Europe, his determined foreign aid strategies led to economic and military unity among the allies.

Political Profiles: THE Kennedy Years  
Douglas Dillon also served President Kennedy as Secretary of the Treasury, and became one of the most influential members of the Cabinet. The Kennedy tax policy was revolutionary at the time, and Douglas Dillon was the man who developed those policies of lower taxes -- policies that worked. *this true*

But Douglas Dillon's dedication went beyond serving his nation as a public servant. Under his leadership as chairman,

the Metropolitan Museum of Art became the second-largest museum in the world after the Louvre.

Douglas Dillon dedicated himself to making America stronger -- as a diplomat, a public servant, businessman and philanthropist -- truly a "Renaissance Man." For this, his countrymen salute him. ((PRESENT MEDAL TO DOUGLAS DILLON))

Lucille Ball was known as the First Lady of Television, one of America's greatest comediennes. The series "I Love Lucy" quickly made her a household name and kept generations of Americans laughing. In fact, according to TV Guide, her face was seen "by more people, more often, than the face of any human being who ever lived." "I Love Lucy" ran in over 77-100 countries and the cumulative audience runs in the tens of billions.

Who can forget Lucy? She was like everyone's next door neighbor -- only funnier. Her secret, she said, was to take everyday things and exaggerate them to funny absurdity. It worked, and she became an American success story and a brilliant businesswoman.

Lucille Ball was a national treasure who brought laughter to us all. Love Lucy? America loved Lucy. This nation is grateful to her, and we'll miss her dearly. ((PRESENT MEDAL TO HUSBAND GARY MORTON))

This nation is a better place because of the contributions of each of you.

I thank you, and the American people thank you. Congratulations and God bless you.

Current  
Bio 1978  
P 32

NYT  
Oct 18, 1983  
Sec. 11  
col 2  
DILLON  
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DOWN  
AT MET  
MUSEUM

May 8 '89  
Time  
P. 101  
"The Zany  
Redhead  
Everywoman"

((Grant))  
July 5, 1989  
Draft three  
A:freedom

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STATE DINING ROOM  
JULY 6, 1989

Thank you. As President, I have been looking forward to one of the most distinguished duties of this office -- the privilege of presenting this nation's highest civilian honor, the Presidential Medal of Freedom.

The first Presidential Medal of Freedom recipients were chosen by President Kennedy, but soon after his death they were awarded by President Johnson, along with some of President Johnson's choices. Some of the first winners included Marian Anderson, Felix Frankfurter and, of course, a posthumous medal to President Kennedy -- all American heroes.

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Who can forget Lucy? She was like everyone's next door neighbor -- only funnier. Her secret, she said, was to take everyday things and exaggerate them to funny absurdity. It

worked, and she became an American success story and a brilliant businesswoman.

Lucille Ball was a national treasure who brought laughter to us all. Love Lucy? America loved Lucy. This nation is grateful to her, and we'll miss her dearly.

Now, I am pleased to read the citations and present the Medals to each of you:

Aviation pioneer and military hero, **James H. Doolittle** is a symbol of vision and courage. His numerous contributions to aeronautical science, often at great personal hazard, extend from the earliest achievements in long-distance flying to the age of rockets.

In the uniform of his country, General Doolittle's heroic leadership inspired the American people during the darkest hours of the Second World War. In public service, he continued to foster American advances in aeronautics, the cause to which he devoted his life.

For extraordinary service to his country, the American people salute one of their foremost heroes. ((PRESENT MEDAL))

Career diplomat, historian, and educator, **George Kennan** has helped shaped American foreign policy since 1933. His many years in government service, and a lifetime of scholarly writings, revealed a deep insight into East-West relations, a recognition of the challenges of totalitarian expansion, as well as a man of extraordinary sensitivity.

For his success in advancing our national security, and for his many contributions to the study of international affairs, George Kennan's fellow Americans proudly honor him. ((PRESENT MEDAL))

As a United States Representative for eight years and as a three-term Senator, Margaret Chase Smith served the people of Maine and the Nation with distinction. She influenced greatly the development of our post-war foreign and domestic policies, and her abilities and independent spirit made her one of the most admired women in America.

A firm believer in a strong national defense, her efforts to improve the status of women in the Navy earned her the affectionate title "Mother of the Waves."

For many years of outstanding public service, America proudly honors her. ((PRESENT MEDAL))

In a lifetime of responsible positions, C. Douglas Dillon has dedicated himself to bettering America and the world.

By fostering European economic and military unity, he furthered the cause of democracy; through his leadership on economic issues, he helped make possible the material advance of a generation; and through his dedication to the Alliance for Progress, he made real for millions America's determination to promote social development.

For service to three Presidents, and for commitment to his fellow man, America honors him. ((PRESENT MEDAL))

A gifted comedienne known and loved by generations of audiences around the world, Lucille Ball left a lasting impression on American entertainment. For over fifty years, she warmed the hearts of millions with her humor, both in films and later on television, where no program was better named than "I Love Lucy."

As president of her own production company, she set an example with her commitment to programming of quality for family enjoyment.

Lucy's work continues to bring joy and laughter into American homes, and a grateful Nation remembers her with love and appreciation. ((PRESENT MEDAL TO HUSBAND GARY MORTON))

This nation is a better place because of the contributions of each of you.

I thank you, and the American people thank you.  
Congratulations and God bless you.

# # #

((Grant))  
July 5, 1989  
Draft two  
A:freedom

REMARKS: PRESIDENTIAL MEDAL OF FREEDOM  
STATE DINING ROOM  
JULY 6, 1989

Thank you. As President, I have been looking forward to one of the greatest honors of this office -- the privilege of presenting this nation's highest civilian honor, the Medal of Freedom. And today I find myself standing with four American heroes who embody the achievement and unyielding dedication that is the greatness of this country. You have left an indelible mark as you have enriched this nation and America is grateful.

Each one here today is a pioneer:

**Ambassador George Kennan**, truly a visionary who foresaw the future of Soviet-American relations; **General James Doolittle**, a trailblazer in modern aviation and technology; **Senator Margaret Chase Smith**, a bold achiever who stood alone against the tide of extremism; **Secretary Douglas Dillon**, an unparalleled public servant who shaped American foreign and economic policy; and finally, a fifth great American who is not with us -- the late **Lucille Ball**, First Lady of Television to uncountable millions worldwide.

As a diplomat, historian and professor, **George Kennan** played a vital and unique role in establishing our country's foreign policy after the close of the Second World War.

Ambassador Kennan foresaw the beginning of the Cold War and sounded a clear note that our government heard. In the late 1940s, he developed our policy of containment, which formed the basis of a relationship that permitted the world to operate at peace. Now, after the passage of a great many years, events are taking place -- then recognized by Kennan -- that could result in a new era in world peace. It is an era "beyond containment," made possible by the success of Kennan's initial prescience and intellect.

George Kennan's views shaped post-war foreign policy from the promulgation of the Truman Doctrine, to the formation of NATO, to the ingenuity of the Marshall Plan. America remains long-indebted to him for his contributions to the national security of this country, the United States honors Ambassador George Kennan. ((PRESENT MEDAL TO AMBASSADOR KENNAN))

**General Jimmy Doolittle** is an American war hero, a record-breaking pilot, and an innovator in modern aviation.

After serving his country as a flying cadet in World War I, General Doolittle made the first cross-country flight with only one refueling stop. He set land- and sea-plane speed records. He was the first to fly "blind" -- by instruments only. Indeed, Jimmy Doolittle was "the master of the calculated risk."

When the United States entered World War II, General Doolittle was assigned a top-secret mission that was "perhaps the most daring combined operation of the whole war." He led the first offensive aerial strike on the Japanese mainland after the

Pearl Harbor Attack. This courageous one-way mission electrified the world and gave America's war hopes a terrific lift. During the war, General Doolittle also directed U.S. airpower in the invasion of Africa, participating in 25 missions including the first attack on Rome.

General Doolittle is truly the father of modern aviation. For his dedication above and beyond the call of duty, for his bravery and valor, and for his innovation and daring, the nation thanks him. ((PRESENT MEDAL TO GENERAL DOOLITTLE))

The crowded history and brilliant achievements of Douglas Dillon raise the nobility of public service to new heights.

He began his career as a businessman who later served in the Navy during World War II. While serving in the Eisenhower Administration as Ambassador to France and later, as Undersecretary of State, Mr. Dillon pioneered an ambitious foreign aid policy. In Latin America, his work with struggling economies strengthened democratic forces; in Western Europe, his determined foreign aid strategies led to economic and military unity among the allies.

Douglas Dillon also served President Kennedy as Secretary of the Treasury, and became one of the most influential members of the Cabinet. The Kennedy tax policy was revolutionary at the time, and Douglas Dillon was the man who developed those policies of lower taxes -- policies that worked.

But Douglas Dillon's dedication went beyond serving his nation as a public servant. Under his leadership as chairman,

the Metropolitan Museum of Art became the second-largest museum in the world after the Louvre.

Douglas Dillon dedicated himself to making America stronger -- as a diplomat, a public servant, businessman and philanthropist -- truly a "Renaissance Man." Douglas Dillon served his country through the power of his intelligence and his dedication to freedom. For this, his countrymen salute him.  
(PRESENT MEDAL TO DOUGLAS DILLON)

Margaret Chase Smith was the first woman in American history to be elected to both Houses of Congress, serving for 32 years -- holding office under six Presidents, beginning with Franklin Roosevelt. Her talent, intellect, and long, distinguished service to the country resulted in her being the first woman ever nominated for President by a major political party.

Senator Smith's finest hour came when she issued the "Declaration of Conscience," an historic and courageous speech denouncing McCarthyism. She spoke out when so many others remained silent.

Senator Smith was also instrumental in improving the status of women in the armed services, earning the title, "Mother of the Waves." She was an outspoken advocate of a strong nuclear deterrent in the face of the Soviet threat.

We honor Senator Smith today for her commitment to truth and honesty in government and in America, and to strengthening America at home and abroad. She looked beyond the politics of

the time to see the future of America, and made us all better for it. ((PRESENT MEDAL TO SENATOR SMITH))

**Lucille Ball** was known as the First Lady of Television, one of America's greatest comediennes. The series "I Love Lucy" quickly made her a household name and kept generations of Americans laughing. In fact, according to TV Guide, her face was seen "by more people, more often, than the face of any human being who ever lived." Reruns of "Lucy" have run in over 80 countries and the cumulative audience runs in the tens of billions.

Who can forget Lucy? She was like everyone's next door neighbor -- only funnier. Her secret, she said, was to take everyday things and exaggerate them to funny absurdity. It worked, and she became an American success story and a brilliant businesswoman.

Lucille Ball was a national treasure who brought laughter to us all. Love Lucy? America loved Lucy. This nation is grateful to her, and we'll miss her dearly. ((PRESENT MEDAL TO HUSBAND GARY MORTON))

This nation has been changed by the contributions of each of you. America is a better place because of it.

I thank you, and the American people thank you.  
Congratulations and God bless you.

# # #

THE WHITE HOUSE

WASHINGTON

((Grant/Lord))

June 29, 1989

Draft one

A:freedom

REMARKS: PRESIDENTIAL MEDAL OF FREEDOM  
STATE DINING ROOM  
JULY 6, 1989

Thank you. As President, I have been looking forward to one of the greatest honors of this office -- the privilege of presenting this nation's highest civilian honor, the Medal of Freedom. And today I find myself standing with five American heroes -- one here in spirit -- who embody the achievement and unyielding dedication that is the greatness of this country. You have left indelible marks on the history of America, and indeed even greater ones on the future. For you have enriched this nation and shown the way for those to follow us.

Each one here today is a pioneer:

**Ambassador George Kennan**, truly a visionary who saw the future of Soviet-American relations; **General James Doolittle**, a trailblazer in modern aviation and technology; **Senator Margaret Chase Smith**, a bold achiever who stood alone against the tide of extremism; **Secretary Douglas Dillon**, an unparalleled public servant who shaped American foreign and economic policy; and finally, the late **Lucille Ball**, the First Lady of Television to uncountable millions worldwide.

As a diplomat, historian and professor, **George Kennan** played a vital and unique role in establishing our country's foreign policy after the close of the Second World War.

Ambassador Kennan foresaw the beginning of the Cold War and sounded a clear note that our government heard. In an influential article in Foreign Affairs magazine and in prize-winning studies, he accurately described the nature of Soviet-American relations. His views shaped post-war foreign policy from the promulgation of the Truman Doctrine, to the formation of NATO, to the ingenuity of the Marshall Plan. America remains long-indebted to him for his great wisdom, intelligence and foresight.

Kennan is given great credit for the formation of containment policy in the late 1940s. This important doctrine formed the basis of a relationship that permitted the world to operate at peace. Now, after the passage of a great many years, events are taking place -- then recognized by Kennan -- that could result in a new era in world peace and a new type of concord. We now call it "beyond containment," a challenge made possible only by his courage and ability.

The prescience and intellect of George Kennan have remained unparalleled, and for his contributions to the national security of this country, the United States honors Ambassador George Kennan.  
(PRESENT MEDAL TO AMBASSADOR KENNAN)

**General Jimmy Doolittle** is an American war hero, a record-breaking pilot, and an innovator in modern aviation.

After serving the country as a flying cadet in World War I, General Doolittle made the first cross-country flight with only one refueling stop. He set land- and sea-plane speed records. He was the first to fly "blind" -- by instruments only. And he was the first to fly the daring "outside loop." Indeed, Jimmy Doolittle was "the master of the calculated risk."

When the United States entered World War II, General Doolittle was assigned a top-secret mission that was "perhaps the most daring combined operation of the whole war." He led the first offensive aerial strike on the Japanese mainland after the Pearl Harbor Attack. This courageous one-way mission electrified the world and gave America's war hopes a terrific lift. During the war, General Doolittle also directed U.S. airpower in the invasion of Africa, participating in 25 missions including the first attack on Rome.

((If you ask me, the only mistake Jimmy Doolittle ever made was being an Air Force pilot -- and not a Navy pilot.))

General Doolittle has dedicated his entire life to the cause of world peace. For his dedication above and beyond the call of duty, for his bravery and valor, and for his tireless devotion to the field of modern aviation, the nation thanks him. ((PRESENT MEDAL TO GENERAL DOOLITTLE))

The crowded history and brilliant achievements of **Douglas Dillon** raise the nobility of public service to new heights.

He began his career as a businessman who later served in the Navy during World War II. While serving in the Eisenhower

administration as Ambassador to France and later, as Undersecretary of State, Mr. Dillon pioneered an ambitious foreign aid policy. He argued that Communist advances demanded economic strength and coherency from the West -- and he was right. In Latin America, his work with struggling economies strengthened democratic forces; in Western Europe, his ambitious foreign aid strategies led to economic and military unity among the allies.

As a Republican, Douglas Dillon served President Kennedy as Secretary of the Treasury, and became one of the most influential members of the Cabinet. He stood then for what has proved successful now: low taxes to keep the economy strong, a capital gains tax cut to stimulate investment, and tax reform to close the loopholes. The Kennedy tax policy was revolutionary at the time, and Douglas Dillon was the man who had the courage to stand for what was right -- and what worked.

Under his leadership, the Metropolitan Museum of Art became the second-largest museum in the world after the Louvre. He presided over the period of the Museum's largest growth and public success.

Douglas Dillon dedicated himself to making America stronger -- as a diplomat, a bipartisan public servant, businessman and philanthropist -- truly a "Renaissance Man." Douglas Dillon served his country through the power of his intelligence and his dedication to freedom. For this, his countrymen salute him.  
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Senator Smith's finest hour came when she issued the "Declaration of Conscience," the historic speech given by the only woman in the Senate to her male colleagues during the seige of McCarthyism. She spoke of the right of all Americans to free speech and free thought, repudiating the current climate of "hate and character assassination" brought about by one man. She spoke out when no others would.

Senator Smith was instrumental in improving the status of women in the armed services, earning the title, "Mother of the Waves." She was an outspoken advocate of a strong nuclear deterrent in the face of the Soviet threat, prompting Nikita Khrushchev to label her "the devil in disguise of a woman." As a candidate, she mastered grass-roots campaigning on a shoestring budget the old-fashioned way -- by refusing all special interest money.

We honor Senator Smith today for her commitment to the truth and honesty in government, and to strengthening America at home and abroad. She looked beyond the politics of the time to see the future of America, and made us all better for it. ((PRESENT MEDAL TO SENATOR SMITH))

**Lucille Ball** was known as the First Lady of Television, one of the greatest American comediennes of all. Her explosive success in the series "I Love Lucy" quickly made her a household name and kept generations of Americans laughing. In fact, according to TV Guide, her face has been seen "by more people, more often, than the face of any human being who ever lived." Reruns of "Lucy" have run in over 80 countries and the cumulative audience runs in the tens of billions.

Who can forget Lucy working at the chocolate factory conveyor belt, eating more and more candies as the belt moved faster? Or when she got her "big break" filming a commercial for "Vitameatavegamin," ((VITA-MEET-A-VEG-A-MEEN)), which she couldn't pronounce as she tried to choke down the awful tonic? Her secret, she said, was to take everyday things and exaggerate them to funny absurdity. It worked, and she became an American success story and a brilliant businesswoman.

She is a national treasure, a monument, an institution. Love Lucy? America Loved Lucy. This nation is grateful to her, and we'll miss her dearly. ((PRESENT MEDAL TO HUSBAND GARY MORTON))

The contributions of each recipient today are unique and noteworthy. And the course of this nation has been changed by each one of them.

America is a better place for each of you. I thank you, and the American people thank you. Congratulations and God bless you.

# # #

# Everyone Loved Lucy

A great comedienne leaves us laughing

I look like an actress, but I feel like a housewife. That's why I was able to make a success of the show. I feel like Lucy." That was how Lucille Ball, who died last week following open-heart surgery after a heart attack, explained the Lucy phenomenon that made her probably the most popular woman in the history of show business. Her simple secret, she said, was to take everyday things and exaggerate them to a point of happy hysteria. If Lucy baked a loaf of bread, then something had to go wrong, inflating the loaf to a 13-foot monster that leaped from the oven to attack her. When Lucy and her friend Ethel wanted a souvenir of their trip to Hollywood, naturally they tried to swipe John Wayne's footprints from the pavement in front of Grauman's Chinese Theatre.

Well, you had to be there. And uncountable millions were there, in front of their TV sets. (They still are, watching syndicated reruns from Hoboken to Hong Kong.) When the BBC made a documentary of Britain's royal family, it was Lucy they were seen watching on the palace TV. The original Lucy formats ("I Love Lucy," "The Lucy Show," "Here's Lucy"), stretching from 1951 to 1974, were an explosive, unprecedented success story. And it almost didn't happen. CBS didn't want Lucy's husband, Cuban bandleader Desi Arnaz, to play her husband in "I Love Lucy." Lucy insisted, and Arnaz was a great success as Ricky Ricardo, as were 24-karat character actors William Frawley and Vivian Vance as the Mertzes, the Ricardos' friends

and landlords. Arnaz also outsmarted the network honchos: he and his wife offered to take a salary cut in return for CBS's giving them ownership of the series. The result was Desilu Productions, which Lucy sold to Gulf + Western for \$17 million in 1967.

**Wise-guy friend:** That was a long way from her beginnings as a kid from Jamestown, N.Y., who struggled to make it as a Broadway showgirl, often stealing tips from coffee-shop counters to get by. She became a model, then went to Hollywood in 1933 as one of the Goldwyn Girls in Eddie Cantor's musical "Roman Scandals." After a string of small roles in forgettable movies, she hung a sign on her dressing-room door that said PROPOSALS ACCEPTED and yelled out: "Step right up, gents! Right this way! Marry a girl with a wonderful shape and no future!" She wound up making about 75 movies ("Stage Door," with Katharine Hepburn, the Marx Brothers' "Room Service"), specializing in what she called "drop-gag parts," the wise-guy friend who walks into a situation, drops a gag and leaves.

In 1940 she met and married Arnaz, with whom she had two children, Lucie and Desi. It was a troubled marriage; the charming but erratic bandleader spent a lot of time on the road and off the wagon. She had hoped their TV project would stabilize the mar-



Looks like an actress, feels like a housewife: Lucy

COURTESY CBS

riage. Instead, "I Love Lucy" was an idealized image of their real relationship. Lucy's pregnancy became part of the show—although a ludicrously jittery CBS would not allow the word "pregnant" to be used and had the scripts checked by members of the clergy. But despite the tremendous success of the series, the marriage foundered and they were divorced in 1960. (Arnaz died in 1986.) She had converted to Roman Catholicism but later switched to the more "workable" philosophy of the Rev. Dr. Norman Vincent Peale, the author of "The Power of Positive Thinking." In 1961 it was Peale who officiated at the wedding of Lucy and comedian Gary Morton.

In 1986 the 75-year-old entertainer made an ill-advised attempt to revive her classic series on ABC with "Life With Lucy." The show lasted only two months. It was a new era, and the knockabout innocence shared by Lucy and her original audience was gone. She had once referred to herself as "a hardworking hack with an instinct for timing, who knows the mechanics of comedy. I picked it up by osmosis, on radio and movie lots, working with Bob Hope, Bert Lahr, the Marx Brothers." Lucy, said Lucy, "has a basic childishness that hopefully most of us never lose." Who knows about "most of us," but Lucille Ball, the glamour girl who became a clown, never lost it.

JACK KROLL



JERRY OHLINGER

Glamour girl to clown: Film in the '40s, TV with Arnaz, Vance, Frawley in the '50s



PHOTOFEST

# A Zany Redheaded Everywoman

Lucille Ball: 1911-1989

BY WILLIAM A. HENRY III

When her first TV series debuted on Oct. 15, 1951, there was no way to tell that Lucille Ball was beginning an apparently immortal love affair with the American public, and not much reason even to expect commercial success. Ball was a comely redhead with a semisultry voice and knockout legs, but she was also nearly 40 and a veteran of almost two decades in the supporting ranks of show business. She had been a movie actress but hardly a superstar; she had enjoyed moderate success in radio but had only fleeting experience in the new medium of video. She refused to move from the West Coast to New York City, where nearly all shows then originated, and she insisted on co-starring her husband, an obscure bandleader whose Cuban syntax was so conspicuous that his dressing room featured the sign ENGLISH BROKEN HERE.

Nothing, in short, about her prior career hinted that she could be as deft and daring as Harold Lloyd, as rubber-faced as Bert Lahr, as touching as Chaplin—and more ladylike than Milton Berle. Along with the other foremost icon of the '50s Golden Age of TV, Jackie Gleason, Ball was a larger-than-life talent uniquely suited to the small screen. Her signature series, *I Love Lucy*, and its successors endured more than two decades in prime time, from 1951 to 1974, one of the few immutables in a sea of social change. *Lucy*, seen in more than 80 countries and in perpetual reruns in the U.S., has a cumulative audience in the tens of billions.

The daughter of a Jamestown, N.Y., electrician, Ball left home at 15 to study acting in New York City. Although she started as a model and chorus-line beauty, she never lost touch with the insecure, self-conscious adolescent inside her and seemed most at ease when playing a zany or a frump. Her great creation was the Lucy character, a Little Scamp who was forever conniving, forever failing, forever meriting punishment yet winning forgiveness. The thwarted schemer was a figure dating back to the Romans if not the Greeks, but Ball deftly sentimentalized the character, merged its cunning intellect with joyously low physical comedy and, perhaps most important, feminized it. Her shows—*I Love Lucy*, *The Lucille Ball and Desi Arnaz Show*, *The Lucy Show* and *Here's Lucy*—reflected the major post-World War II social trends, from the baby boom to the exodus to the suburbs to the democratization of travel.

Their foremost concern was the yearning of one redheaded Everywoman to get out of the kitchen and into a job and then, once employed, to emerge from beneath the boss's thumb. She endured any indignity in search of her big chance. The greatest indignity of all, it generally turned out, was the chuckling condescen-



GEORGE FENO COLLECTION

She could be as rubber-faced as Bert Lahr, as touching as Chaplin—and more ladylike than Milton Berle

sion of her husband Ricky, played by her real-life husband and business partner Desi Arnaz. The confident king of the castle, he was always ready to teach Lucy a lesson. Looking back from an '80s perspective, some observers have suggested that Lucy was virtually an abused wife. In retrospect, Ball might have agreed. Certainly, she was bitter about the off-camera problems caused by Arnaz's drinking, philandering and intense workaholicism.

The Lucy character began as a saxophonist who bleated, a chanteuse who croaked, a hooper who fell down. Even in the final season, when the Lucy character

met her look-alike, the actress Lucille Ball, the script concluded that the "real" Lucy was the star-struck onlooker, not the star. Yet, after Ball divorced Arnaz in 1960, the Lucy character also evolved into a capable single mother, then an independent and modestly successful career woman. Off-camera, Ball was happily remarried in 1961 to a courtly, protective ex-comic, Gary Morton, and took a keen maternal interest in the acting careers of her daughter Lucie Arnaz and son Desi Arnaz Jr., both of whom got started on *Here's Lucy*.

Despite the sophistication that underlay her slapstick and the respect she commanded as the first woman to head a studio, Desilu Productions, Ball said she saw herself as "not an idea girl but a doer." Like the silent comedians she studied (Buster Keaton, her onetime office mate at MGM, taught her how to handle props) and impersonated (her mirror-image confrontation with Harpo Marx and her Chaplin homage were priceless), Ball rehearsed every sequence obsessively. Yet when the cameras were rolling she made each gesture look spontaneous, each wisecrack seem an ad lib. Memorably, Lucy and her sidekick Ethel Mertz (Vivian Vance) took a job wrapping chocolates; as the candies hurtled past on a conveyor belt, the hapless duo tried to keep pace by stuffing half of them into their mouths. Seeking to emulate a pioneer woman, Lucy opened an oven to remove freshly baked bread—and was pinned against the sink by a loaf 8 ft. long. At long last hired for a commercial, she grew increasingly malaprop attempting to pronounce Vitameatavegamin, the 46-proof tonic she was touting, and swigging, at each take.

So familiar were her trademark facial expressions that after a while scriptwriters simply inserted code words for them. "Puddling up" meant that Lucy's eyes would fill with tears just before she emitted a banshee wail. "Light bulb" signaled the alarming expression that crossed her face when she had a brainstorm. "Credentials" indicated an open-mouthed gape, as if to say, "How dare you!"

No performer can stay at the peak of popularity forever. In *Here's Lucy's* last season, ratings dropped abruptly. Although specials featuring Ball proved popular, an attempt at a sitcom comeback in 1986 was an artistic and commercial fiasco. Audiences were uncomfortable watching a senior citizen drop hammers, stub toes and otherwise attempt a pallid imitation of the pratfall past. But if the Lucy of her final years was limited to Oscar and Emmy appearances as a cherished memory, the eternal Lucy of the reruns remained imperishably funny and tender. At the news of her death last week, millions who felt they had known her all their lives were puddling up. ■

## LUCILLE BALL

Lucille Ball was born on August 6, 1911 in Celoron, a suburb of Jamestown, in western New York. She died on April 26, 1989 at the age of 77. The well known actress was both a loveable clown and a shrewd business executive.

While Miss Ball was best known for being the star of several hit TV shows she began her acting career as a motion picture actress. From 1934 to 1974 she made over 70 films. In 1951 she made her television debut in the series "I Love Lucy." This was the first of several comedy shows which made her a household name and which endeared her to generations of Americans over the course of four decades. The innovative production method, with each episode performed in sequence, like a play, before an audience and filmed with a revolutionary three-camera technique, had a direct influence on the shift from live television to film. "I Love Lucy" rated as the number one show in six months; accumulated over 200 awards, including five Emmys; and became one of TV's four "all time hits."

In 1968 Miss Ball created her own production company to further the cause of film as pure entertainment that provided, in her own words, "hope, faith and fun" as an antidote to the violence, sex, muck and mire on the screen" prevalent today. The personal touch that she brought to her presidency helped to build the company into one of the country's largest producers of filmed television shows.

Lucille Ball was the recipient of the Emmy award for best comedienne, 1952, 55, 67, 68; Golden Apple award, 1973; Ruby award, 1974; and the Entertainer of the Year award, 1975. In 1984 she was inducted into the Television Academy Hall of Fame.

# ALL THE WORLD LOVED THIS CLOWN, LUCILLE BALL

Following a life of happiness and pain, the comedy queen's death at age 77 leaves a legacy of laughter that can never be topped.

By Brad Darrach

Lucy. She bore the same name as the heroine of Wordsworth's poem, but this Lucy was no "violet by a mossy stone, half hidden from the eye." This Lucy was the funniest woman of the century, the Mount Saint Helens of comedy, a disaster-prone doozy who regularly flipped her lid and spewed hilarity over delighted millions. But last week the volcano subsided into final silence. At 5:47 A.M. on April 26, Lucille Ball died in Los Angeles's Cedars-Sinai Medical Center when her aorta ruptured and brought on a sudden and irreparable cardiac arrest. She was 77.

She did not go gentle. She fought to the finish and seemed in fact to be winning the fight. On April 19, eight days before her death, she complained of chest pains and was rushed to the hospital, where cardiologist Yuri Busi diagnosed "a dissecting aortic aneurysm"—a tunnel through the wall of the largest artery that feeds blood to the body. A hundred minutes later she was on the operating table, and during the next seven hours and 40 minutes a team of specialists replaced her aortic valve and a portion of the aorta itself—a high-risk procedure that can only be performed while the patient's heart is stopped.

Despite her age, Lucille recovered rapidly. When she woke up in intensive care, she looked up at husband Gary Morton

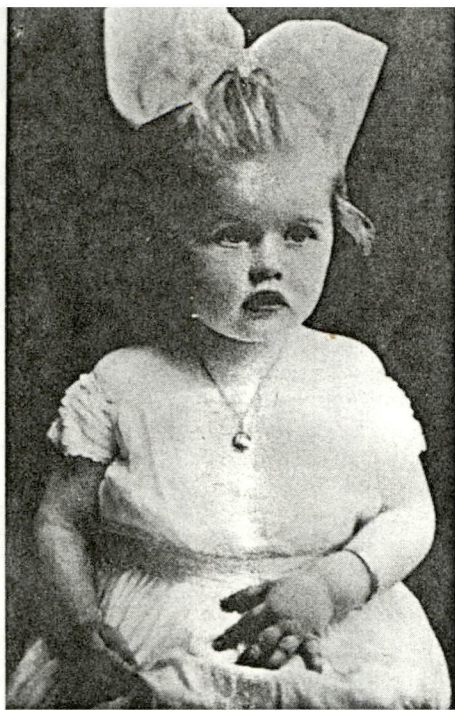
and, calm as you please, inquired: "How's the dog doing?" He told her Tinker was doing fine. Then she asked, "Was it a big surgery?" He said, "It was a big surgery, but it was a good surgery." When her daughter, Lucie, showed up, she lifted her oxygen mask and murmured drily: "Wouldn't you know, this was the day I was supposed to get my hair color done." The next morning she got up and sat in a chair, and the day after that she walked around her room with a little help from her nurse. Thousands of telegrams piled up in the hospital mail room; tons of flowers were turned away (no pollen allowed in the intensive care wing) and fax messages, the postmodern version of Hallmark cards, came in at a steady rate of one every two minutes. When Doctor Busi last saw Lucille she was in high spirits, keen to get on with her life. "I'll be back sooner than you expect," she told him happily.

But it was not to be. Last Wednesday, just before dawn, she woke with severe back pains and was dead within minutes. Her aorta had ruptured again at a point



NEAL PETERS COLLECTION

Lucy and Desi Arnaz played America's sweethearts during the six-year run of TV's most popular sitcom.



THE BETMANN ARCHIVE

fairly distant from the site of the operation. A team of doctors and nurses worked frantically but failed to revive her. "I don't think she had enough time to know what was happening to her," Busi said. Would she still be alive if the entire aorta had been replaced by her surgeons? The question is academic: Theoretically, it is possible to replace the entire aorta, but the operation is never performed.

Love Lucy? Who could help it? She was the most endearing of all the daffy dames who ever popped out of the tube. Who can forget the day she baked

Lucy, age 2, in Jamestown, N.Y., two years before her father's death.



KOBAL COLLECTION

We loved Lucy's Raggedy Ann looks: the big, red, floppy, bow-tie mouth, the ha-ha hairdo that topped her off like a giant orange dandelion.

sitcom in TV history. In 1952 the show captured 67 of every 100 viewers at 9 on Monday nights, and for four of its six years (1951-57) on the air it ranked No. 1 in the Nielsen ratings. *The Lucy Show* (1962-68) and *Here's Lucy* (1968-74) ran for nine seasons in the Top 10. And for 32 years reruns of *I Love Lucy* have dominated the worldwide syndication market. As one fan said, "Every minute of the day, somewhere, someone is watching *I Love Lucy*."

Viewers adored Lucy—no TV performer before or since has been so dearly loved. We loved her Raggedy Ann looks: the big, red, floppy, bow-tie mouth, the baby-blue, sunny-side-up eyes, the ha-ha hairdo that topped her off like a giant orange dandelion. We loved her raucous guffaw that whacked the ear like a seal's bark, and her high-low voice that sometimes squeaked like Minnie Mouse and sometimes rasped and rattled like roller skates on rough cement. We loved her high C squeals of panic when she realized—too late—that she shouldn't have attached her phony white

The 22-year-old ingenue landed a bit part in 1933's *Roman Scandals*.

Lucy starred in 1937 with Ann Miller, left, and Ginger Rogers in *Stage Door*.

beard with ever-grip glue. We loved her greedy glee when she got pregnant and ordered pistachio ice cream slathered with hot fudge and—sardines. Above all, we loved her for being her all-too-human, indefatigably silly self: a Don Quixote in pin curls who tilted hopelessly but hilariously at the male establishment, a beguiling caricature of all those wistful hausfraus of the '50s who dreamed of conquering the great big world out there but time and again wound up bitchin' in the kitchen.

Caught up in the illusion, most of us assumed that Lucy and Lucille were the same endearing dizzard. Wrong. Tough, smart, testy and grindingly ambitious, Lucille was a career-obsessed control freak who firmly believed that you can't make an omelet without breaking egos. On the set she deferred to no one, not even to husband and co-star Desi Arnaz. She demanded star prerogatives, monopolized close-ups and extracted speckless perfection from a frazzled cast and crew. But Lucille was just as hard on herself. When she fell off an eight-foot-high balcony and severely bruised her leg, she instantly staggered to her feet and uncomplainingly continued the scene.

Lucille played Big Boss at home too. Like her good friend Joan Crawford, she managed Lucie and Desi Jr. like a drill sergeant shaping up raw recruits. And like Joan, she was a compulsive Mrs. Clean. Her idea of fun was to lint-pick and dust-bust, and when she traveled by plane she meticulously tidied all the lavatory cubicles. Something of a prude, she considered most modern movies obscene, but her blowtorch temper sometimes incinerated her principles. When a male interviewer stared at her upper story, she angrily ripped the falsies out of her bra and wagged them in his face.

Harsh influences shaped Lucille's temperament. Her father, a telephone lineman, died when she was 4, and when her mother remarried, Lucille was left in the care of her new in-laws in Upstate New York. Some care. To keep her under control, they locked the poor kid into a dog collar and leashed her to an overhead wire in the backyard. Lonely and scared,

Lucy first turned redhead for a Technicolor role with Red Skelton in 1943.



Dick Powell courted Lucy's wartime welder in *Meet the People* in 1944.





Despite appearances, by the end of *Lucy*, the Arnazes were estranged.

Lucille invented an imaginary friend named Sassafassa who assured her that someday she would be a movie star. The fantasy took hold, and at 12 Lucille boldly set foot on her potholed path to glory. "I started walking toward what I thought was New York," she recalled some decades later, "and kept going till someone brought me back."

At 15, she finally made it to the Great White Way. Her hair was mud brown in those days, but she had great gams and a willowy figure and was hired tootsweet as a hooper in the road company of *Rio Rita*. Tootsweet, she was fired—couldn't dance. So she went to work as a soda jerk but was fired again—no banana in the banana split. When she changed her name to Diane Belmont, her luck changed too. She got a job modeling in Hattie Carnegie's chic atelier ("I was her organdy girl"), but at 17 she was paralyzed from the waist down by rheumatic fever and spent two years learning to walk again.

At 20, back on her feet, she lucked into a small movie role: as a slave girl in a flashy 1933 musical called *Roman Scandals*. Frantic for fame, she made all the right career moves: knew her lines, dyed her hair the color of boiled shrimp, snug-

As a Texas tomboy, Lucy danced and sang in 1960's *Wildcat* on Broadway.

gled with influentials—among them Henry Fonda. Now and then she landed an up-market movie (*Best Foot Forward*, *Ziegfeld Follies*), but she was almost always cast as the leading lady's smart-ass sidekick. "Nobody in Hollywood understands her talent," critic James Agee said. "She's a giant tied down by pygmies." In time her parts got better but her pictures got worse. At 39, after 18 years in Tinseltown, she was looking at the tag-end of a drab career as "Queen of the B's"—and at the debris of a wrecked marriage.

Five years younger than Lucille, Desi was a Cuban bandleader who, as a lady friend put it, "could rumba standing up and lying down." Married in 1940, after meeting on the set of *Too Many Girls*, the Arnazes were mad for each other at first, but their schedules proved painfully incompatible. Lucille stayed in L.A. and made movies; Desi was continually on the road with his rumba band—and on the prowl for a fresh hot tamale. To

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Lonely and scared in the care of heartless in-laws, little Lucy was locked in a dog collar and leashed to an overhead wire in the backyard.

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save the marriage and her career, they decided to do a TV sitcom together.

Forget it, said CBS brass. Viewers will never accept a Latin leading man. But Desi raised 5 Gs, made a pilot, sold the show to Philip Morris and literally forced CBS to put it on the air in 1951. What's more, in an era when TV shows were preserved on blurry kinescopes, Desi shot *I Love Lucy* on film and reserved all future rights to Desilu. In effect, he invented one of TV's richest sources of profit: the rerun. Six years after the series started, he sold the shows to CBS for \$5 million—cheap at the price. Over the last three decades, reruns of *I Love Lucy* have been telecast in more than 100 countries.

Desi also pioneered the basic production techniques that have shaped the modern sitcom: Using three cameras, he filmed the show in segments before live audiences. Juiced by audience reactions, Lucille went gloriously wacko, and the show took off. Among all four principals the chemistry was flawless—on-camera.



*The Facts of Life* (1960) was one of good friend Bob Hope's four films with Lucy.



Vivian Vance and Gale Gordon reunited with Lucy for her 1977 CBS special.



Ball paid her homage to the Little Tramp in a 1963 episode of *The Lucy Show*.



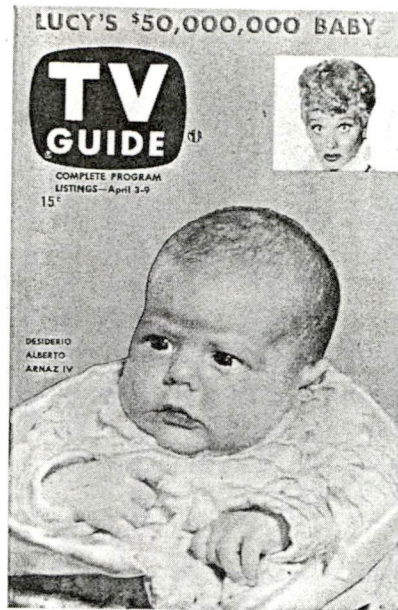
At 74, Lucy tried her first dramatic part, a bag lady in TV's *Stone Pillow*.



Lucy played the brassy *Mame* with Robert Preston in the 1974 movie musical.



Wed first in 1940, Lucy and Desi had a Catholic ceremony eight years later.



On Jan. 19, 1953, 44 million viewers tuned in to *Lucy* for little Ricky's birth.

Off-camera, William Frawley (Fred Mertz) loathed Vivian Vance (Ethel Mertz), Vivian hated Lucille (though in later years they became close friends), and the relationship between Lucille and Desi steadily deteriorated.

All week long, Desi worked from dawn to midnight: acting, producing, creating a fantastic entertainment empire out of thin air. By 1959, building on *Lucy's* success, he had made Desilu into a corporate giant that generated a score of powerhouse series (among them *Star Trek*, *The Untouchables* and *Mission: Impossible*). But on weekends, when he might have spent some time with his equally hard-working wife, Desi sailed away on his yacht with the latest inamorata—a habit that flipped Lucy into red-headed rages. On one angry occasion she

One night in a fury Lucille grabbed a pistol, aimed it at Desi's head and pulled the trigger. A tiny flame spurted from the muzzle.

locked him out of the house and he slept in the lobby of the Beverly Hills Hotel.

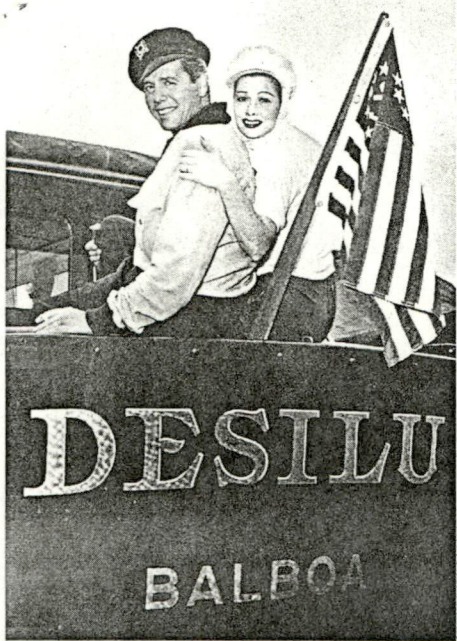
One night in a fury Lucille grabbed a pistol, aimed it at Desi's head and pulled the trigger. A tiny flame spurted from the muzzle. Whereupon Desi, ever the suave Latin, calmly stepped up and lit his cigar.

After five years of corporate crisis and domestic Sturm und Drang, Desi's nerves at last gave out. Minor upsets threw him into giant tantrums—when a pipe burst in their Beverly Hills house, he took off on a two-day tirade. To keep going, he drank like a drain. In 1957, ill and exhausted, he folded the show and had a serious intestinal operation. In 1960 the King and Queen of television were divorced. "Those last five years," Lucille said afterward, "were sheer, unadulterated hell." But they made her the most famous woman on the planet and stuffed her kitty with enough kale to buy Desi's share of their

The happy family: Lucy, Desi, Desi Jr. and Lucie on the Desilu ranch in 1953.



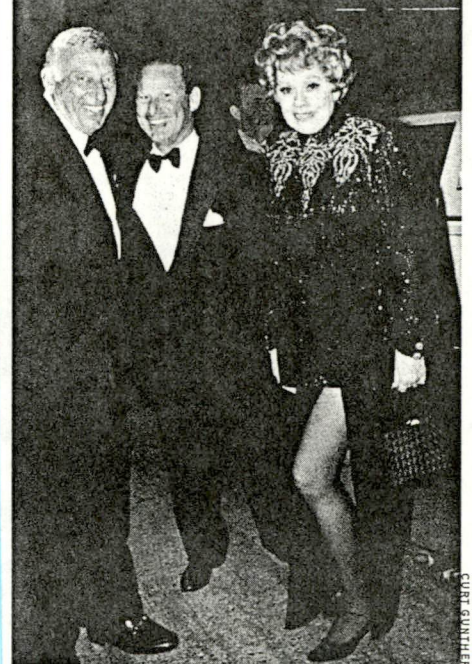
EDWARD CLARK/LIFE



The *Desilu* was more often a plaything for Desi than for family outings.



In 1961 Lucy wed comic Gary Morton (here with little Lucie and Desi Jr.).



With Morton, left, she made her last public showing at the Oscars in March.

company. For the next seven years she was sole owner of the world's largest production facility.

Being rich and famous wasn't always fun. Desi died of cancer in 1986, and in his teens Desi Jr. got messed up by drugs. But daughter Lucie has done well on the stage (*They're Playing Our Song*) and in television, and Lucille enjoyed a solid, 27-year second marriage to stand-up comic Gary Morton, a steady, earthy character who knew how to level out her temperamental peaks and valleys. They lived in an unpretentious two-story Beverly Hills house, right across the street from Jimmy Stewart's place, and dined out regularly with old friends Lucille had seen too seldom during her grab-for-glory years.

At 75, feisty as ever, she tried a comeback in ABC's *Life with Lucy*, but the show was ill-conceived and quickly vanished. Last year she had a significant heart attack but recovered completely and kept right on living at a lively pace. She made her last public appearance with Bob Hope at the recent Academy Award show—they introduced the New Hollywood number—and flashed those still-gorgeous gams in a slit skirt that got cheers from the crowd when she showed up at Swifty Lazar's postceremony bash.

When she left us, she left 179 of TV's most hilarious half-hours—and no regrets. "I had a sensational 25 years," she said recently. "I won't try to top that. It's nice to have entertained five generations." Five generations emphatically agree. Thank you, Lucy. We all had a Ball. □



Her mother, Desiree, here in 1974, encouraged Lucy's entry into showbiz.

"It's very proud-making," Lucy said of daughter Lucie's 1978 Broadway debut.



things that's happened to TV in a long time," proved beyond question that "the American public can be led to something better." Following that example, Backe enthusiastically supported the production of a number of limited series of high quality.

More "inward-looking" than his immediate predecessors, Backe chose not to become an industry spokesman and preferred to focus his attention on the concerns of CBS. To facilitate internal corporate development and promote managerial effectiveness, he set up a training course for CBS middle managers, the first of its kind in the broadcast industry. "We want them to learn how to set up management objectives and how to measure people," he said, as quoted in *Fortune* (May 1977) magazine. "In our industry, you run into a lot of people who are very glib and attractive and bright. They are not always effective. I want to find the people who make things happen."

Although Backe's style of management is formal and, in his words, "pretty much according to the book" from the standpoint of business procedure, he is informal with corporate subordinates. "I get very involved in operations [and] I run formal business reviews on a regular basis," he admitted to Rance Crain, "but the other side of it is that I'm a very informal guy. I'm not hung up by the trappings of the office. I try to have personal relationships with people and humanize the organization as much as I can, because this office has enough of a horror about it that you do everything possible to knock down the built-in majesty, to get people to communicate with you."

At the annual stockholders' meeting in Los Angeles on April 20, 1977, Paley announced that Backe would take over the running of CBS's day-to-day operations as the company's chief executive officer on May 11. Paley retained his position as chairman of the board. Despite Paley's assurances that Backe had a free hand in the management of CBS's corporate operations, some business analysts speculated that the former chief executive's huge stock holdings and control of the board of directors guaranteed him continued power. "Paley has given up every position except emperor," one unidentified CBS official remarked, as quoted in *Time* (May 2, 1977) magazine. Backe was well aware of his delicate situation. "The toughest thing," he told the reporter for *Fortune*, "will be to impart my style of management to people who are obviously still wondering if Paley is really stepping down."

Intent on making CBS "as competitive as possible in every aspect," Backe was determined to be more of an activist than Paley, who concentrated on broadcasting. Among other things, Backe planned to expand CBS's publishing group by acquiring selective

newspapers, such as shoppers' guides and business publications, and data collection and dissemination systems. Furthermore, he expected to make huge capital investments in CBS Records, with a view to the future, and he is committed to making further diversifications as long as they make sense.

As rumors of a massive talent hunt for a successor to Backe circulated through "Broadcasting Row" in October 1977, he made his most important move to date as chief executive officer. In an effort to reverse CBS's falling prime time ratings, Backe ordered a sweeping reorganization of the network's broadcast operations, patterned after those made earlier by ABC, the prime time leader in ratings. He replaced the presidents of both the broadcast group and the television network and created two new divisions, CBS Sports and CBS Entertainment, previously under the aegis of the network president. Despite repeated CBS denials, some media columnists, among them, Kay Gardella of the *New York Daily News*, conjectured that Paley, not Backe, was the driving force behind the structural changes.

John D. Backe stands about six feet tall and weighs about 175 pounds. He has brown eyes and black hair, graying at the temples. In his rare off-hours he plays an occasional game of tennis or reads historical novels, but his favorite pastime is flying his twin-engine, seven-passenger Cessna 411. He and his wife, the former Katherine A. Elliott, whom he married on October 22, 1955, and children, Kimberly and John, live in Basking Ridge, New Jersey. Backe was recently awarded an honorary Doctor of Laws degree from his undergraduate alma mater. He is a director of the Association of American Publishers and a Trustee of the Morris County (New Jersey) United Fund.

References: *Advertising Age* 48:53+ Mr 28 '77 por; *Fortune* 94:33 N '76 por; *N Y Times* p74 O 14 '76 por, D p1 Ap 21 '77 por; *Time* 108:52 O 25 '76 por; *Who's Who in America*, 1976-77

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### Ball, Lucille

Aug. 6, 1911- Actress; producer. Address: b. Lucille Ball Productions, Inc., 780 N. Gower St., Hollywood, Calif. 90038; h. 1000 N. Roxbury Dr., Beverly Hills, Calif. 90213

NOTE: This biography supersedes the article that appeared in *Current Biography* in 1952.

Speaking "a universal language of wacky humor and warmth," the irrepressible red-headed actress Lucille Ball has gone on from



Lucille Ball

her instant success in *I Love Lucy* in 1951 to brighten TV screens with her inspired slapstick for over a quarter of a century. By the time of her announced retirement in 1974, after 179 episodes of her original situation comedy, 156 of *The Lucy Show*, 144 of *Here's Lucy*, plus many specials, her face had been seen "by more people, more often, than the face of any human being who ever lived," according to Terrence O'Flaherty's estimate in *TV Guide*. Variouslly called a "national treasure," a monument, an institution, a legend, and a daily habit, Lucille Ball is also an international personality whose shows have been dubbed in several different languages and aired in seventy-seven foreign countries over the years. In *Lucy* reruns and repeats of her films (nearly eighty in all) devoted *Lucy*-watchers can enjoy her comic expertise indefinitely. She is both a lovable clown and a shrewd business executive who successfully managed the mammoth film factory Desilu Productions from 1952 to 1967 and, beginning in 1968, Lucille Ball Productions. To further the cause of film as pure entertainment that provides, in her words, "hope, faith and fun" as an antidote to the "violence, sex, muck and mire on the screen" prevalent today, in 1974 Lucille Ball essayed the most demanding cinema role of her career: the heroine of *Mame*, an elaborately gowned, matronly woman rather than a madcap.

Of mixed Irish, Scottish, English, and French ancestry, Lucille Désirée Ball was born on August 6, 1911 in Celoron, a suburb of Jamestown, near Lake Chaufauqua in western New York. Her parents were Henry Dunnell Ball, a telephone lineman who died before she was four, and Désirée (Hunt) Ball; they had one

other child, a younger son, Fred. From her grandfather, Fred C. Hunt, a woodturner in a Jamestown furniture factory and an ardent Socialist, Lucille Ball derived her instinct for family loyalty and for survival by hard work.

In childhood Lucille Ball loved going to vaudeville shows and movies in Jamestown with her grandfather and then acting out two-reel comedies and serials like *The Perils of Pauline*. Encouraging her interest in home theatricals and school plays, her mother was in the habit of "making the costumes and storin' up the makeup and sending to Samuel French for plays," as the actress told James Gregory, who wrote *The Lucille Ball Story* (1974). Eventually, "DeDe" Ball became a faithful member of *Lucy's* studio audience, and before her death in 1977 her laugh could be heard on nearly every sound track. Telling about a high school performance of *Charley's Aunt*, Lucille Ball once remarked, as quoted in *Time* (May 26, 1952), "I played the lead, directed it, cast it, sold tickets, printed the posters, and hauled furniture to the school for scenery and props." She also appeared in a community theatre production of Bayard Veiller's melodrama *Within the Law*.

Nonetheless, Lucille Ball was a washout at the John Murray Anderson-Robert Milton Dramatic School in New York City, where she enrolled at the age of fifteen. Spellbound by the school's star pupil, Bette Davis, she felt, as she recalls, "terrified and useless." After six weeks she returned home to high school, but periodically renewed her courage to try again on Broadway. Although several sources report that Lucille Ball became a successful showgirl, she has said that her Broadway experience was limited to "some rehearsals and some calls." With her new theatrical-sounding name, Diane Belmont, she was hired for Earl Carroll's *Vanities* and the Shuberts' *Stepping Stones* and promptly fired. She then rehearsed for the third road company of Ziegfeld's *Rio Rita* and later for *Step Lively*, but was not called.

After a stint as a soda jerk in a Rexall drugstore on Broadway, Miss Ball turned to modeling as another means of paying the rent. She worked at Hattie Carnegie's elegant dress salon and in the evenings freelanced for commercial photographers and for the magazine illustrators McClelland Barclay and John Lagata, until a bout with rheumatoid arthritis disabled her for two years. Later, her nationwide exposure as the Chesterfield Cigarette Girl led to her selection in the summer of 1933 as a last-minute replacement for one of twelve Goldwyn Girls in Eddie Cantor's film *Roman Scandals* (United Artists, 1933). Moviegoers had earlier glimpsed Miss Ball as a walk-on in a beach scene in the New York-filmed *Broadway Thru a Keyhole* (United Artists, 1933).

During her first eighteen months in Hollywood, Lucille Ball merely decorated a total of

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ten films with unbilled parts under her \$150-a-week contract with Goldwyn-United Artists. Sensing that her forte was comedy, she secured a contract with Columbia's stock company, for which she appeared in two-reel comedies with Leon Errol and the Three Stooges and had bit parts in five full-length films. As a nurse in *Carnival* (1935), the last of these, she won her first screen credit. She then spent seven years on the RKO lot, where she became "Queen of the B's" and enjoyed a gradual raise in salary from \$50 a week to \$3,500. After playing an anonymous mannequin in the fashion-show sequence of *Roberta* (1935) and making another unbilled appearance in *The Three Musketeers* (1935), she insisted, "I am not going to work as a show girl in a background anymore." Consequently, Lucille Ball was cast in a brief speaking role, with an individual identity for the first time on screen, in *I Dream Too Much* (1935). Between assignments she had been studying her craft at RKO's Little Theater. In the sixth of her 1936 releases, the musical *That Girl From Paris*, she stepped up to second lead, giving a performance that landed her a leading role in a Broadway-bound musical, *Hey Diddle Diddle*, which closed prematurely in early 1937 because of the death of its star, Conway Tearle.

The standouts among Lucille Ball's largely unrewarding roles in her twenty-two pictures over the next six years were a plucky, wise-cracking, aspiring actress in *Stage Door* (1937), the temperamental, fading movie star of *The Affairs of Annabel* and *Annabel Takes a Tour* (both 1938), in which she teamed with Jack Oakie as her overenthusiastic press agent; the hardhearted woman on the rebound in *Five Came Back* (1939); the gold-digging burlesque queen of *Dance, Girl, Dance* (1940); and the top-billed spoiled heiress of *Too Many Girls* (1940), an adaptation of the Richard Rodgers-Lorenz Hart Broadway musical hit, in which, as before, her singing was dubbed. One of the four football-hero bodyguards of the last-named film was Desi Arnaz, a Cuban bandleader and bongo player whom Miss Ball married on November 30, 1940.

In RKO's *The Big Street* (1942), as Her Highness, an embittered, crippled nightclub singer, Miss Ball elicited James Agee's encomium, much quoted from *Time* (September 7, 1942): "Pretty Lucille Ball, who was born for the parts Ginger Rogers sweats over, tackles her 'emotional' role as if it were sirloin and she didn't care who was looking." Impressed by her dynamic trouping in that Damon Runyon story, MGM officials created her new look as a "strawberry-pink" redhead and signed her to star in the Cole Porter musical *DuBarry Was a Lady* (1943), opposite Red Skelton. While she was learning the use of props from the silent comedian Buster Keaton, she graced such routine programmers for MGM as *Best Foot Forward* and *As Thousands Cheer* (1943), *Meet the People* (1944), and the lavish

*Ziegfeld Follies* (1946). She found more satisfying screen moments in lively comic scenes with Keenan Wynn, as a flip realtor in *Without Love* (1945) and as a tempestuous, scatter-brained show girl in the farcical *Easy to Wed* (1946).

Partly because of her disenchantment with such mediocre cinema fare as *United Artists' Lured* (1947) and Columbia's *Her Husband's Affairs* (1947), Lucille Ball accepted a role in the CBS radio show *My Favorite Husband* in July 1947 as Liz, the featherbrained wife of a Midwestern banker, played first by Lee Bowman and then by Richard Denning. The comedy series ran to March 1951. Miss Ball had earlier appeared on radio in 1938 as featured comedienne on Phil Baker's show and on Jack Haley's *Wonder Bread Show* and later had been heard on such programs as *Lux Radio Theatre*, *Suspense*, and *Screen Guild Playhouse*. She also turned to the legitimate stage, touring during late 1947 and early 1948 for twenty-two weeks in Elmer Rice's *Dream Girl*. In the challenging role of bemused Georgina Allerton, she demonstrated "her efficiency as a comedienne" and was able to "tinge a scene delicately with pathos," as Edwin Schallert attested in the *Los Angeles Times*.

At Bob Hope's request Miss Ball went to Paramount to portray another nightclub singer for *Sorrowful Jones* (1949) and rejoined him for the slapstick and sight gags of *Fancy Pants* (1950). But her talents had been "shockingly wasted," her admirers complained, as secretaries in *Easy Living* (RKO, 1949) and *Miss Grant Takes Richmond* (Columbia, 1949). Her amusing *The Fuller Brush Girl* (Columbia, 1950) had only limited success, and she lost the prize lead in the film version of *Born Yesterday* to Judy Holliday. Soon afterward, however, in *I Love Lucy* she found the showcase for her comedic gifts.

Before the premiere of *I Love Lucy* on October 15, 1951, Lucille Ball and Desi Arnaz went on a nationwide vaudeville tour to persuade CBS executives that the public would accept the comedy team of an American redhead and a Cuban bandleader with a marked accent. Their twenty-minute act, which included a trick-cello bit, a seal routine, and a "Cuban-Pete"—"Sally Sweet" medley, as they played themselves, was transmuted into a half-hour situation comedy about a young couple, Ricky and Lucy Ricardo, and their best friends, Fred and Ethel Mertz, who are also their landlords. The innovative production method, with each episode performed in sequence, like a play, before an audience and filmed with a revolutionary three-camera technique, had a direct influence on the general shift from live television to film. *I Love Lucy* rated as the number-one show within six months; accumulated over 200 awards, including five Emmys (it was nominated twenty-three times); and became, along with Milton Berle's *Texaco* show *The Beverly Hillbillies*, and *All in the Family*, one of TV's four "all-

time hits." It is indicative of the series' extraordinary emotional hold that on the occasion of Little Ricky's birth more people watched *I Love Lucy* than the inauguration of President Dwight D. Eisenhower. Through advanced filming, the birth of the fictional son coincided with that of Lucille Ball's second child, Desiderio Alberto Arnaz y de Acha IV, on January 19, 1953. Her daughter, Lucie Désirée Arnaz, had been born on July 17, 1951.

The production of the show, with complete plot summaries of each episode, has been generously documented in *Lucy and Ricky and Fred and Ethel: The Story of "I Love Lucy"* by Bart Andrews (1976). Earlier, Jack Gould of the *New York Times* (March 1, 1953) had analyzed the distinctive appeal of its treatment of the husband-versus-wife theme: "[It is] the extraordinary discipline and intuitive understanding of farce that gives *I Love Lucy* its engaging lilt and lift. . . . Only after a firm foundation of credibility has been established is the element of absurdity introduced. It is in the smooth transition from sense to nonsense that *I Love Lucy* imparts both a warmth and a reality to the slapstick romp which comes as the climax." While Lucille Ball has always credited her then-husband with the concept and execution of the undertaking, in his autobiography, *A Book* (1976), Desi Arnaz accords her "ninety percent of the credits," among all those involved, for its success. In an assortment of such mirth-provoking guises as a ballerina, matador, Indian, Martian, grape stomper, statue, and toothless hillbilly, Lucille Ball exhibited unflagging physical stamina and comic flawlessness. Her superb sense of timing made her, according to Jack Gould, "the distaff equivalent of Jack Benny."

During the six-season run of *I Love Lucy*, which ended on May 6, 1957, moviegoers saw an amiable variation on the "yelp-mates" of TV in *The Long, Long Trailer* (MGM 1954), which one critic called "a comedy with gorgeous moments." Another Desi-Lucy film, however, *Forever, Darling* (MGM, 1956), in which a guardian angel saves a troubled marriage, was judged a weak meld of comedy and fantasy. With the sale of the rerun rights of *I Love Lucy* to CBS, the producing company Desilu, formed in 1950, was able to acquire its own studio, the former RKO lot, where many landmark TV shows had been made. From November 1957 through April 1960 the *I Love Lucy* format persisted through thirteen hour-long specials, each a lavishly budgeted Lucille Ball-Desi Arnaz Show focussing on the familiar quartet's world-hopping antics with many top guest stars. But increasing business stresses together with personal differences led to the divorce of the seemingly ideal TV couple on May 4, 1960.

As she began to follow a separate career, Lucille Ball at last realized her dream of Broadway success, opening in the musical comedy *Wildcat* on December 16, 1960. To

prepare for the limited but arduous role of Wildy Jackson, a lithe, tomboyish oil driller, she had months of vocal exercises with Carlo Menotti as her coach. "Hey, Look Me Over," which she sang in her husky voice, became a smash hit, but some New York critics were unenthusiastic about an otherwise rather awkward and unamusing libretto. "I kept fixing and changing *Wildcat* up to the night I closed," she told Rex Reed in an interview for the *New York Times* (October 8, 1967). The show ended its standing-room-only run of 171 performances on June 3, 1961 because of the star's illness.

To the delight of the many fans of her zany Lucy character, Lucille Ball portrayed widowed Lucy Carmichael of The Lucy Show during the five and a half years from October 1962 to the spring of 1968. In that series she shared a house with her two children and the divorcée Vivian Bagley, played by Vivian Vance, and worked for the banker Theodore Mooney, played by Gale Gordon. About the time of the premiere of *The Lucy Show* she had bought out the shares of her former husband in Desilu. The personal touch that she brought to her presidency helped to build the company into one of the country's largest producers of filmed television shows before the vast complex was sold to Gulf & Western Industries in early 1967 for \$17,000,000. In March 1968, she formed Lucille Ball Productions, whose first major undertaking was *Here's Lucy*. Lucille Ball starred as another widow, Lucy Carter, who supported herself and her son and daughter (played by her own offspring) by toiling for her irascible brother-in-law (another role filled by Gale Gordon) in a predictably wacky employment office. The series was seen on CBS-TV from the fall of 1968 through the spring of 1974.

On two of her periodic returns to motion pictures Miss Ball costarred again with Bob Hope—in *The Facts of Life* (United Artists, 1960), a spoof of extramarital flirtation, and *Critic's Choice* (Warner, 1963), a farce about a drama critic whose wife writes a play. After taking a cameo role in *A Guide for the Married Man* (Twentieth Century, 1967), she appeared opposite Henry Fonda in *Yours, Mine and Ours* (United Artists, 1968), an innocuous but warmly received family film in which the widow she portrayed resembled a matured, somewhat subdued Lucy.

There were traces of Lucy also in *Mame* (Warner, 1974), a synthesis of Lucille Ball's acting, singing, and dancing talents. The role is a favorite of the actress because she feels in tune with high-spirited, sophisticated Mame's attitude toward life in the song "Open a New Window." Despite the thorough drubbing that many anti-Mame critics gave the expensive, old-fashioned production, Miss Ball, who promoted the movie on a lengthy personal appearance tour, won such accolades as Judith

Crist's validation in New York (March 18, 1974) of her "penetrating warmth and inner humor." Conceding that Miss Ball "has some great moments," Vincent Canby of the New York Times (March 8, 1974) anticipated the popular reaction: "I have great reservations about Mame, but I suspect a lot of people couldn't care less."

Miss Ball's more recent TV performances included her portrayal of the dowdy, overweight, sharp-tongued Norma Michaels of *Happy Anniversary and Goodbye* (November 19, 1974), in which she played opposite Art Carney, who rejoined her in *What Now, Catherine Curtis?* (March 30, 1976), a modest script about a woman confronting life alone after twenty-three years of marriage. She headlined the *Lucille Ball Special Starring Lucille Ball and Dean Martin* (March 1, 1975) and the *Lucille Ball Special Starring Lucille Ball and Jackie Gleason* (December 3, 1975) and impersonated the late Sophie Tucker on NBC-TV in Bob Hope's *All-Star Tribute to Vaudeville* (March 25, 1977). In another of her specials, aired over CBS-TV in November 1977, the President's mother, Lillian Carter, made a special appearance. Also featured in the show were Vivian Vance, Gale Gordon, Ed McMahon, and Steve Allen, among others.

Among Lucille Ball's countless honors were the "Lucy Day" at the New York World's Fair on August 31, 1964 and the "Comedienne of the Century" designation at a benefit show, *To Lucy with Love*, at the Los Angeles Music Center on May 23, 1971. Testimonials and vintage film clips in the two-hour CBS *Salutes Lucy: The First 25 Years*, aired on November 20, 1976, capped her tributes.

Blue-eyed Lucille Ball, who has been described as "sleek, serene, and stunning," stands five feet six inches tall and weighs about 120 pounds. She is a ~~Scrabble enthusiast~~, a dog lover, an admirer of the ~~painters Norman Rockwell and Andrew Wyeth~~, and a ~~disciple of Norman Vincent Peale's doctrine of positive thinking~~. Although ~~politically conservative~~, back in 1936 in an effort to please her beloved, elderly grandfather she registered to vote for the Communist party. During the 1950's, however, the House Un-American Activities Committee cleared her of any charges of Communism. Uninterested in the women's movement, she once declared, as quoted in the *Christian Science Monitor* (April 14, 1975), "~~was so liberated that I'm just delighted to have a husband who does things for me~~" Her husband, Gary Morton, whom she married on November 19, 1961, was formerly a stand-up comedian and is now her executive producer. They have homes in Beverly Hills and Palm Springs and a hide-away at Snowmass, Colorado, where Lucille Ball suffered a multiple leg fracture in a skiing accident in 1972. Indefatigable as ever, she turned up on the Mame set a year later to begin rehearsing the dances.

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## Beene, Geoffrey

Aug. 30, 1927- Fashion designer. Address: b. Geoffrey Beene, Inc., 550 7th Ave., New York City, N.Y. 10018; h. 333 E. 69th St., New York City, N.Y. 10021

Quality, originality, and surpassing elegance in ready-to-wear fashions are the hallmarks of Geoffrey Beene, the internationally popular designer who became, in 1976, the first American in his field to open a manufacturing branch in Europe. That same year Geoffrey Beene, Inc., which he founded on a shoestring in 1963, grossed \$47 million at wholesale. The creative and unorthodox Beene first attracted attention in the late 1960's for his sophisticated, figure-flattering, simple styles that were, at once, classic and contemporary. "I no longer look at a sketch and say 'Is it beautiful?'" Beene remarked recently. "If it's logical, it's beautiful. It's more conceptual design than fashion design." The winner of three Coty American Fashion Critics' Awards, Beene was elevated to the Fashion Hall of Fame in 1974.

Natural Sci., mem. exec. com: Mus. Trustee Com. for Research and Devel.  
Mem. Am. Inst. C.P.A.s, Nat. Assn. Accountants, Fin. Execs. Inst., Tex.  
Soc. C.P.A.s. Methodist. Clubs: Houston Country, Ramada, Garden of  
Gods, Houstonian. Home: 6122 Valley Forge Dr Houston TX 77057 Office:  
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**BALL, LUCILLE**, actress; b. Jamestown, N.Y., Aug. 6, 1911; d. Henry D.  
and Desiree (Hunt) B.; m. Desi Arnaz, Nov. 30, 1940 (div. 1960); children:  
Lucie Desiree, Desiderio Alberto IV; m. Gary Morton, Nov. 19, 1961. Ed.  
high sch., dramatic sch., studied with John Murray Anderson. ~~Produ-~~  
~~Prodns. Inc., 1962-67; Lucille Ball Prodns., 1967-.~~ Motion picture actress,  
1934—; pictures include Broadway thru a Keyhole, 1933, Blood Money,  
1933, Moulin Rouge, 1933, Roman Scandals, 1933, Nana, 1934, Bottoms  
Up, 1934, Hold that Girl, 1934, Bulldog Drummond Strikes Back, 1934, The  
Affairs of Cellini, 1934, Kid Millions, 1934, Broadway Bill, 1934, Jealousy,  
1934, Men of the Night, 1934, Fugitive Lady, 1934, Carnival, 1935, Roberta,  
1935, Old Man Rhythm, 1935, Top Hat, 1935, The Three Musketeers, 1935,  
I Dream Too Much, 1935, Chatterbox, 1936, Follow the Fleet, 1936, The  
Farmer in the Dell, 1936, Bunker Bean, 1936, That Girl from Paris, 1936,  
Don't Tell the Wife, 1937, Stage Door, 1937, Joy of Living, 1938, Go Chase  
Yourself, 1938, Having a Wonderful Time, 1938, The Affairs of Annabel,  
1938, Room Service, 1938, The Next Time I Marry, 1938, Annabel Takes a  
Tour, 1938, Beauty for the Asking, 1939, Twelve Crowded Hours, 1939,  
Panama Lady, 1939, Five Came Back, 1939, That's Right You're Wrong,  
1939, The Marines Fly High, 1940, Too Many Girls, 1940, A Guy, a Girl  
and Gob, 1940, Look Who's Laughing, 1941, Valley of the Sun, 1942, The  
Big Street, 1942, Seven Days Leave, 1942, DuBarry Was a Lady, 1943, Best  
Foot Forward, 1943, Thousands Cheer, 1943, Meet the People, 1944,  
Without Love, 1945, Abbott and Costello in Hollywood, 1945, Ziegfeld  
Follies, 1946, The Dark Corner, 1946, Easy to Wed, 1946, Two Smart  
People, 1946, Lover Come Back, 1946, Lured, 1947, Her Husband's Affairs,  
1947, Sorrowful Jones, 1949, Easy Living, 1949, Miss Grant Takes  
Richmond, 1949, Fuller Brush Girl, 1950, Fancy Pants, 1950, Magic Carpet,  
1950, The Long, Long Trailer, 1954, Forever Darling, 1956, The Facts of  
Life, 1960, Critic's Choice, 1963, A Guide for the Married Man, 1967,  
Yours, Mine and Ours, 1968, Mame, 1974; ~~star TV shows~~ I Love Lucy,  
1951-55, ~~The Lucy Show~~, 1962-68, Here's Lucy, 1968-73, Life With Lucy,  
1986; ~~starred on Broadway in Wildcat~~; TV movie appearances include Stone  
Pillow, 1985. ~~Recipient Emmy award for best comedienne, 1952-55; 67-68;~~  
~~Golden Apple award, 1973; Ruby award, 1974; Entertainer of Yr. award,~~  
~~1975; inducted into Television Acad. Hall of Fame, 1984. Presbyterian.~~  
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Ball  
26 Apr 89

**BALL, (ROBERT) MARKHAM**, international lawyer; b. Wilmington, Del.,  
Mar. 24, 1934; s. Robert William and Helen (Slepicka) B.; m. Harriet Laura  
Janney, July 6, 1957; children: Laurence Markham, Richard Janney, Martha  
Harriet, Julia Helen. BA magna cum laude, Amherst Coll., 1956; BA with  
honors, Oxford (Eng.) U., 1958, MA, 1973; LLB, Harvard U., 1960. Bar:  
D.C. 1961, U.S. Supreme Ct. 1968. Law ck. U.S. Supreme Ct., Washington,  
1960-61; assoc. Covington and Burling, Washington, 1961-64; asst. gen.  
counsel U.S. Office Econ. Opportunity, Washington, 1964-66; staff dir. U.S.  
Peace Corps, Washington, 1966-67; from assoc. to ptrn. Leva, Hawes, Sym-  
ington, Martin and Oppenheimer, Washington, 1967-77; gen. counsel U.S.  
Agy. for Internat. Devel., Washington, 1977-79, mem. adv. com. on vol. fgn.  
aid, 1981—; ptrn. Wald, Harkrader and Ross, Washington, 1980-85,  
Morgan, Lewis and Bockius, Washington, 1986—; adj. faculty Internat. Law  
Inst., Washington, 1985—. Editorial adv. Internat. Fin. Law Rev., London,  
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mem. corp. counsel com., 1987—), Alexandria Literary Soc. (sec. 1981—).  
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1911; s. John  
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H.D., 1978.  
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945-47; music  
1951-52; dir.  
Inc., 1961-62;  
n Springboard,  
er, 1962, Judo  
t, 1965 (Edgar  
1968), Arctic  
1966 (Mystery  
blossoms, 1968  
et Your Gun,  
s of Jade, 1972  
Mark One-The  
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Violence, 1980,  
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., Calif. Aikido  
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m executive; b.  
n (Fleming) B.;  
n Fleming, Jr.,  
Asso. producer,  
on Co., N.Y.C.,  
is, 1965-67, dir.  
, 1972—; pres.

## LUCILLE BALL

A gifted comedienne known and loved by generations of audiences around the world, Lucille Ball left a lasting impression upon the entertainment industry. For over fifty years, Lucy entertained millions with her warmth and humor in films and on television. As president of her own production company, she was committed to quality programming for the whole family. In all her endeavors, Lucy brought joy and laughter into American homes, and a grateful nation remembers her with love and appreciation.

Address: b. Institute for Advanced Study,  
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NOTE: This biography supersedes  
the article which appeared in  
*Current Biography* in 1947.

In seeking to answer the questions of how to end the East-West "cold war" and how to prevent a global atomic war, George F. Kennan can apply more than twenty-five years of experience as a United States career diplomat and the lifelong study that has made him an undisputed authority on Russia. His series of lectures heard over the British Broadcasting Corporation in the fall of 1957 and subsequently published in *Russia, the Atom and the West* (1958) urged a new approach in dealing with the Soviet Union. And his suggestions, especially his proposal for "disengagement"—withdrawal of United States troops from Europe—have aroused a continuing stir of controversy in many world capitals. Much of the current United States strategy which he now finds outmoded for meeting the Soviet threat is founded upon policies which Kennan himself helped formulate as a top State Department adviser during the Truman administration.

Since 1956 Kennan has been a permanent professor at the school of historical studies at the Institute for Advanced Study in Princeton, New Jersey, having become a member of the institute upon his retirement from the Foreign Service in 1953. Briefly during the preceding year he had been United States Ambassador to the Soviet Union. He is probably otherwise chiefly known to Americans as the author of *Russia Leaves the War* (1956), which won the Pulitzer Prize in history for 1957.

George Frost Kennan, a descendant of Scotch-Irish settlers in pre-Revolutionary America, was born to Kossuth Kent and Florence (James) Kennan in Milwaukee, Wisconsin on February 16, 1904. He has a brother, Kent Kennan, a musician. His uncle, George Kennan, was an expert on Czarist Russia who wrote *Siberia and the Exile System*, an abridgment of which from the first edition of 1891 was published in 1957 with an introduction by George F. Kennan.

For his college preparatory training Kennan attended St. John's Military Academy in Delafield, Wisconsin. He then enrolled at Princeton University, chose history as his major subject, and received the B.A. degree in 1925. The following year, in September, he entered the United States Foreign Service and subsequently was assigned as vice-consul to Geneva in 1927, to Hamburg in 1927, to Berlin in 1928, and to Tallin (Estonia) in 1928. During part of the year 1929 he served as third secretary in Riga (Latvia), Kaunas (Lithuania), and Tallin. These cities were regarded as "listening posts" for the Soviet Union, where the United States then had no diplomatic mission.

In anticipation of eventually extending recognition to the Soviet Union, the State Department opened a division of Russian studies to

study language, literature, history, and political theory. From 1929 to 1931 Kennan studied under this program at the Berlin Seminar for Oriental Languages and the University of Berlin. When the United States reopened its embassy in Moscow in 1933, he was called from his third secretaryship at Riga to accompany Ambassador William C. Bullitt to the Soviet capital.

The posts that Kennan filled during the next few years included vice-consul in Vienna (1935), second secretary in Moscow (1935-36), second secretary and later consul in Prague (1938-39). At the outbreak of World War II, in 1939, he was sent as second secretary to Berlin, where he became first secretary the following year. When the United States joined the war, in December 1941, he was interned by the Nazis at Bad Nauheim. Repatriated in June 1942, a few months later he took up the new assignment of counselor at Lisbon in neutral Portugal. During late 1943 and early 1944 he was counselor of the American delegation to the European Advisory Commission, which met in London to prepare recommendations on policy in Europe for the United States, Great Britain, and the Soviet Union.

Serving first under Ambassador W. Averell Harriman and then under General Walter Bedell Smith, Kennan was minister-counselor in Moscow from May 1944 to April 1946. The State Department next appointed him as its deputy for foreign affairs at the National War College in Washington, D.C., where he was lecturer for almost a year on foreign policy and international relations.

In the spring of 1947 Secretary of State George C. Marshall named Kennan director of the policy planning staff of the Department of State and charged him with responsibility for long-range planning of United States action in foreign affairs. His appointment helped to bring about an important change in policy toward the Soviet Union. Turning from its immediate postwar attitude of appeasement and compromise, the United States adopted the policy of "containment" of the expansionist tendencies of the U.S.S.R. through application of "counterforce" wherever Soviet imperialism might make itself felt. Kennan laid the foundations for this new program in an article in *Foreign Affairs* for July 1947, signed by Mr. "X."

After Dean Acheson became Secretary of State in 1949, he chose Kennan as one of his principal advisers, with the title of counselor of the Department of State. Kennan returned to Moscow in May 1952, as Ambassador to the U.S.S.R., but remained there only until the following October when the Russians declared him *persona non grata*—ostensibly because of critical comments on Soviet treatment of Western diplomats that Kennan made while on a visit to Berlin.

While serving as State Department counselor, Kennan had taken a leave of absence in 1950, to carry on research in problems on foreign policy at the Institute for Advanced Study. Leaving the Foreign Service in 1953, he became

professor of the institute, and since January 1956 he has been professor at its school of historical studies.

Many of Kennan's observations on United States foreign policy first became generally known through lectures which later appeared in book form. His lectures in 1951 for the Charles R. Walgreen Foundation at the University of Chicago were published in *American Diplomacy, 1900-1950* (University of Chicago Press, 1951), which began with a chapter on the war with Spain and carried its review of the fifty-year period up to a consideration of America and the Russian future. The book, which won the Freedom House Award, was praised by critics for clarity of thought and phrasing.

Similar favorable reception was given to *Realities of American Foreign Policy* (Princeton University Press, 1954), a series of four lectures which Kennan delivered as the Stafford Little Lecturer at Princeton during 1954. Another book by Kennan published in 1954 was *Das Amerikanisch-Russische Verhältnis* (Deutsche Verlags-Anstalt, Stuttgart).

A major area of exploration for Kennan has been the origins of present Soviet conduct in world affairs. *Russia Leaves the War* (Princeton University Press, 1956) was the first volume in a projected series on Soviet-American relations from 1917 to 1920. The second volume, *The Decision to Intervene*, was published in 1958.

Besides winning the Pulitzer Prize, *Russia Leaves the War* received the National Book Award, the Bancroft Prize, and the Francis Parkman Prize of the Society of American Historians. Reviewers were much impressed both by the thoroughness and integrity of Kennan's scholarship and the literary quality of his writing. Commenting in *Political Science Quarterly* (June 1957), F. C. Barghoorn stated, "This work of historical reconstruction and criticism possesses great power, subtlety, integrity, and charm. . . . One of the finest qualities of Ambassador Kennan's account is its charitable spirit. While the author finds much to criticize or to deplore and frequently gives expression to wry irony regarding the follies and frailties of statesmen, he is never harsh, intolerant, or dogmatic."

On a leave of absence from the Institute for Advanced Study, Kennan held the George Eastman Visiting Professorship at Balliol College, Oxford University, England, in 1957-58 and lectured there on the subject of Soviet-Western relations during the period from 1918 to 1939. For six Sundays in late 1957 he gave radio addresses on the British Broadcasting Corporation which attracted world-wide attention. Excerpts were printed in many newspapers in the United States and abroad; the lectures formed the bases of two articles by Kennan in *Harper's Magazine* (February and March 1958); and they were published in the book *Russia, the Atom and the West* (Harper, 1958).

Kennan's BBC addresses, the Reith Lectures, offered a number of ideas for governments to "think about," including the proposals that the United States withdraw its forces from Europe while the U.S.S.R. withdraw from the Euro-



GEORGE F. KENNAN

pean satellite nations, and that Germany be reunited and neutralized. He questioned whether arming the NATO countries with atomic missiles would succeed in maintaining peace and whether the United Nations could resolve the deep-seated conflict between the U.S.S.R. and the West. He expressed his belief that the U.S.S.R. does not want a general war: the Russians present "a combined military-political threat," but "with accent on the political."

Among those disagreeing with Kennan was Dean Acheson, who in January 1958 issued a statement that Kennan's opinions, especially regarding troop withdrawal, did not represent the views of the Democratic party. He said that when Kennan had advanced the same proposals in 1949, the Democratic Administration had rejected them. While acknowledging Kennan's authority in the field of Russian history, Acheson stated, "Kennan has never, in my judgment, grasped the realities of power relationships, but takes a rather mystical attitude toward them" (*United States News & World Report*, January 17, 1958). Months after his BBC broadcasts, however, Kennan's suggestions were still being debated in European and other government circles.

In another important contribution to the continuing debate on foreign policy, Kennan declared in October 1959 that the conscience of the nation balks at a policy of basing security on weapons of "indiscriminate mass destruction." He proposed that the United States develop "conventional forces" and at conferences between East and West foster the abolishment of nuclear weapons (*Christian Science Monitor*, October 23, 1959).

According to *Newsweek* (August 27, 1956), Kennan was "originally a moderate Republican . . . he became an active Democrat out of strong disagreement with John Foster Dulles' foreign policy." He has several honorary LL.D. degrees, including those from Yale, Princeton

**KENNAN, GEORGE F.**—Continued

and Northwestern universities. He belongs to the American Academy of Political and Social Science, among other professional organizations, and to the Century Club in New York.

George F. Kennan married Annelise Sorenson on September 11, 1931 and is the father of Grace, Joan Elizabeth, Christopher James, and Wendy Antonia. He is tall and slender and has blue eyes. For recreation he plays the piano and guitar and he reads extensively in English, American, Russian, and German literatures.

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**KEROUAC, JACK** March 12, 1922- Author  
Address: b. c/o Viking Press, 625 Madison Avenue, New York 22

To the American reading public, the writer Jack Kerouac is the standard-bearer and leading novelist of the much-publicized "beat generation." The "beat" movement that he captains has not only given the English vocabulary a new adjective and the young a new fad but has also furnished columns of copy for hard-pressed feature writers. Kerouac first became prominent when his *On the Road* was published in 1957. He followed it with four others in quick succession, and in the process became one of the more controversial novelists of recent years.

Usually called Jack or John, Kerouac was christened Jean; he was born in Lowell, Massachusetts, on March 12, 1922, the son of Leo Alcide and Gabrielle (LeVesque) Kerouac. His father was a job printer in Lowell; his mother was of French-Canadian extraction. Jack attended local Catholic parochial schools, then went to New York City to prepare for college at the Horace Mann School.

Having won an academic and athletic scholarship to Columbia University, Kerouac matriculated there in September 1940. He played football in the freshman backfield, and although he broke a leg in the season's third game, he showed enough promise to be chosen for the varsity team in 1941. But Kerouac was even then restless with the wanderlust he was later to celebrate in his novels. He left Columbia in the fall of 1941.

First he went south to Virginia "to become a big poet," as he remarked later, then he enlisted briefly in the United States Navy. He served two months in uniform before he was given a psychiatric discharge. He did odd jobs in automobile service stations, and served for a while in the Merchant Marine in the North Atlantic. He returned to the United States—and Columbia—in October 1942.

His second sojourn at college was even shorter than the first. Kerouac left Columbia

university's young intellectuals. Among the students Kerouac met that winter was Allen Ginsberg, who later became the poet of the "beat generation" just as Kerouac became its novelist.

Kerouac apparently devoted the years from 1943 to 1950 to roaming through the United States and Mexico. He made at least one more voyage as a merchant sailor, spent a summer as a forest-fire lookout in Washington's Mount Baker National Forest, and returned from time to time to his mother's home to work on a novel about his Lowell boyhood. The book was published in 1950 by Harcourt, Brace.

Showing little kinship to his later books, *The Town and The City* was favorably regarded by the reviewers. "In many respects, John Kerouac, now 28, is the best and most promising of the young novelists whose first works have recently appeared," wrote a *Newsweek* critic in a review (March 13, 1950) which was illustrated by a photograph of Kerouac as a serious and well-groomed young man wearing a sedate jacket and tie.

The book displayed all of Kerouac's warmth and enthusiasm for detail. "Kerouac has as keen an eye for externals as Sinclair Lewis had in his early novels, but he has none of his sarcasm or mockery," the same critic wrote; "he has the ability to infuse . . . grandeur into simple doings that marked Thomas Wolfe's first books, but he is more balanced than Wolfe. He has a zest for the ordinary."

But even while his first novel was being reviewed, Kerouac was working on a new one. He abandoned the process of write-and-rewrite in favor of a spontaneous composition that could capture the emotions and personalities of his seven-year odyssey. He had spent three years writing *The Town and The City*, but he wrote *On the Road* in a period of three weeks in 1951. He bought art paper in twenty-foot rolls, pasted the ends together, and typed virtually non-stop until he had completed his epic.

Segments of the novel were printed in the *Paris Review*, *New World Writing* and elsewhere, but not until 1957 did Viking Press publish the complete novel. Although it flirted only briefly with the best-seller lists, *On the Road* was certainly one of the most controversial books of recent years. Together with Ginsberg's poem *Howl*, it has been accepted as the literary expression of youth's current revolt against the adult world (or "Squaresville"); on its own merits it has been welcomed as counterpoint to the self-conscious formalism of much of America's university-based writing.

The word "beat," Kerouac explains, originated with Herbert Huncke, one of Kerouac's innumerable friends. "To me, it meant being poor, like sleeping in the subways, like Huncke used to do, and yet being illuminated and having illuminated ideas about apocalypse and all that. . . . 'The Beat Generation,' that was supposed to be the title of 'On the Road' (New York Post, March 10, 1959). Later, Kerouac decided that "beat" stood for "beatific."

and at way stations across the continent. An example of the style and general attitude of the novel is the passage in which Sal, the narrator, describes the first meeting of Carlo and Dean: ". . . they danced down the streets like dingle-dodies, and I shambled after as I've been doing all my life after people who interest me, because the only people for me are the mad ones, the ones who are mad to live, mad to talk, mad to be saved, desirous of everything at the same time, the ones who never yawn or say a commonplace thing, but burn, burn, burn like fabulous yellow roman candles exploding like spiders across the stars and in the middle you see the blue centerlight pop and everybody goes 'Awww!'"

*On the Road* eventually sold 20,000 copies in its hard-bound edition, and 500,000 in soft covers. Kerouac's third published novel, *The Dharma Bums*, was published by Viking in October 1958. Indebted to Buddhist philosophy and Japanese *haiku* poetry, the novel covers the developments in Kerouac's life and outlook during the six years between the writing and the publishing of *On the Road*. Zen Buddhism, an enthusiasm of many members of the "beat" movement, plays a major part in the novel, which is about two young men who try to find Dharma (truth) through poverty, rejection of society, and union with nature in the Western mountains.

At the time *The Dharma Bums* was published, Kerouac reportedly had six more novels already written. Several have been released: *The Subterraneans* (Grove Press, 1958) deals with a Negro-white love affair in San Francisco, while *Doctor Sax* (Viking Press and Grove Press, 1959) returns to Lowell, Massachusetts, and Kerouac's boyhood; *Maggie Cassidy*, (Avon, 1959) is a sequel to *Doctor Sax*.

In the future Kerouac may bring to light several more novels that he wrote in the lean years before *On the Road* was published. The ones released so far have met with similar reviews: some critics have maintained that his is an extraordinary and refreshing talent; others have agreed with Eugene Burdick that "Kerouac is a bad writer and often a silly one. . . . He is like a sensitive eyeball that sweeps and perceives but is not connected to a brain" (*Reporter*, April 3, 1958).

A number of articulate young Americans have adopted the way of life that Kerouac celebrates in his novels as an ideal, transforming a cult into a national movement. The originators of the cult have complained, however, that their ideas are being corrupted by the disciples. "Lately the vision has been invaded, mauled, overstudied, imitated," commented Eugene Burdick (*Reporter*, April 3, 1958). "The ring of bemused spectators has pressed in close with the inevitable result: the vision has suffocated. Some of the originals, like Kerouac, want out."

Married at twenty-two and again at twenty-eight, Kerouac now lives with his mother in Northport, New York. Each of his marriages was dissolved after about a year.



Keith W. Jennison

JACK KEROUAC

always money for him. I used to send it any time he needed it, for food, clothes. I was working in a factory, I was making good money. You know, he's really a nice boy." Mrs. Kerouac has read thirty-four pages of *On the Road*, and plans to finish it some day.

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**KERR, JAMES W (INSLOW)** March 11, 1914- Canadian business executive

Address: b. Trans-Canada Pipe Lines, Ltd., 92 King St. E., Toronto 1, Ontario, Canada; h. 15 Forsythe Place, Hamilton, Ontario, Canada

Trans-Canada Pipe Lines, Ltd., the world's longest natural gas pipe line, running 2,290 miles from Alberta to Quebec, went into operation in October 1958. Its president and chief executive officer is James W. Kerr, who was appointed in December 1958, succeeding Charles S. Coates, who supervised the design, engineering, and construction of the pipe line.

Kerr came to his new position after a successful career in Canadian Westinghouse Company, Ltd., during which he became the firm's vice-president and general manager of the apparatus products group. As a native Canadian, he should find more favor with the "Canada-First" elements in the Conservative Parliament than did his predecessor, Charles S. Coates, a Texan.

## GEORGE FROST KENNAN

Career diplomat, historian and educator, George Kennan has helped shape American policy toward the Soviet Union since 1933. His contributions to the policy of containment and his prize-winning studies of U.S. foreign policy, from American Diplomacy 1900-1950 to Russia Leaves the War, revealed his deep insight into East-West relations, the challenges of communist expansion and nuclear weapons policy. For his many contributions to our national security and to the study of international affairs, George Kennan's fellow Americans proudly salute him.

### C. DOUGLAS DILLON

Ambassador to France, Secretary of the Treasury, Chairman, Metropolitan Museum of Art -- C. Douglas Dillon dedicated himself to making America and the world better. Under President Eisenhower, he helped build European economic and military unity. For President Kennedy, he was chief architect of economic policy. Through his leadership, the Metropolitan Museum became the second-largest art museum in the world. For his lifetime of extraordinary public service, a grateful nation honors him.

## LEVEL 1 - 2 OF 2 STORIES

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HEADLINE: DILLON STEPS DOWN AT MET MUSEUM

BYLINE: By MICHAEL BRENSON

## BODY:

Douglas Dillon, who guided the Metropolitan Museum of Art through a period of its largest growth and public success, stepped down yesterday after 14 years as chairman of the board.

During his tenure, Mr. Dillon, who is 76 years old, helped conceive and implement the museum's master plan, which is now only two steps short of completion, as well as the idea of the "blockbuster" exhibition. He has been succeeded by J. Richardson Dilworth, a former chairman of Rockefeller Center and the vice chairman of the museum board since 1968.

"During all the years that Mr. Dillon has been both a trustee and chairman," said Philippe de Montebello, director of the museum, "he has made numerous contributions to the Metropolitan in terms of leadership and vision, as well as gifts and works of art and substantial funds. Mr. Dillon is a builder."

"Mr. Dilworth is respected by the staff and he knows the museum inside out," Mr. de Montebello added. "He has been chairman of the museum finance committee, which brought him close to the inner workings of the place. He has been involved on many other committees, including acquisitions."

'Less Competent, Less Prominent'

"I regard myself as far less competent and far less prominent than Douglas Dillon, who has been Secretary of the Treasury, Under Secretary of State and Ambassador to France," said the 67-year old Mr. Dilworth, a retired investment banker with Kuhn, Loeb & Company, a senior fellow of the Yale Corporation and chairman of the Institute for Advanced Study at Princeton University. "There are periods of great accomplishment and periods of consolidation. I think this will be a period of finishing as well as we can what has been started."

With Thomas P. F. Thoving, Mr. Dillon conceived the master plan, which was intended to put more of the works in the collection on view, make works in storage accessible to visitors and scholars and put the work on display and their curatorial departments in the same place.

Mr. Dillon helped raise \$118 million for such additions as the American Wing and the Michael C. Rockefeller Wing for primitive art. The Metropolitan is now the world's second largest art museum after the Louvre. It has also become New York City's No. 1 tourist attraction.

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In 1977 Mr. Dillon initiated the museum's split administration, in which Mr. de Montebello as director would be responsible for curatorial decisions and the president, William B. Macomber, would be in charge of administrative and financial matters.

#### Second Fund-Raising Drive

Last October Mr. Dillon announced the start of a second fund-raising campaign, primarily for endowment, with a goal of \$150 million. Up to this point, \$94.5 million has been raised.

"This is the first year in a while we have not run at a deficit, and that is because of the Vatican show," Mr. Dilworth said. "We are under-endowed. The first thing we have to do is to see that the endowment is adequate."

Mr. Dillon has also given the museum some of his own works of art, primarily in the area of Chinese painting, and what is believed to be more than \$10 million. He financed the Metropolitan's Douglas Dillon Galleries of Chinese Art. Mr. Dillon will remain on the executive committee of the board and will continue as chairman of the acquisitions committee.

SUBJECT: SUSPENSIONS, DISMISSALS AND RESIGNATIONS; APPOINTMENTS AND EXECUTIVE CHANGES

ORGANIZATION: METROPOLITAN MUSEUM OF ART (NYC)

NAME: BRENSON, MICHAEL; DILLON, DOUGLAS; DILWORTH, J RICHARDSON

**DILLON, C(LARENCE) DOUGLAS**

b. Aug. 21, 1909; Geneva, Switzerland.  
Secretary of the Treasury, January  
1961-March 1965.

C. Douglas Dillon was the most influential member of President Kennedy's economic policy-making team. His success in persuading the President that the nation's most pressing economic problem was the balance of payments deficit steered Administration policy along a moderate course and ruled out more adventurous liberal solutions to domestic problems.

Dillon came from a wealthy social background similar to that of Kennedy. His father made a fortune on Wall Street, building the firm of Dillon, Read & Company into one of the country's largest investment banks. Dillon attended Groton and Harvard before his father bought him a seat on the New York Stock Exchange for

\$185,000 in 1931. After serving an apprenticeship with some smaller investment houses, he joined Dillon, Read as a vice president in 1938. He followed the company's president, James Forrestal, into the Navy Department in 1940 and saw action in the Pacific toward the end of the war.

As chairman of the board of Dillon, Read after the war, Dillon supervised the firm's far-flung domestic and foreign holdings and doubled its investment portfolio in six years. He was an active Republican, working with John Foster Dulles in the 1948 presidential campaign of Gov. Thomas E. Dewey and initiating a "draft Eisenhower" movement in New Jersey in 1951. In 1953 Eisenhower appointed Dillon ambassador to France, where he served until 1957, when Dulles recalled him to Washington to become undersecretary of state for economic affairs. He contributed heavily to the Republican presidential candidate, Vice President Richard M. Nixon [ *q.v.* ], in 1960 and was considered a natural appointment to a Nixon cabinet. [See EISENHOWER Volume]

President Kennedy's selection of Dillon as Secretary of the Treasury in January 1961 was an expression of his own deep concern with the balance of payments deficit and the resulting "gold drain." By placing a "sound money" man with Dillon's Wall Street, solidly Republican credentials in the top financial post of his Administration, Kennedy intended to reassure the financial community, which was apprehensive about the "easy money" proclivities of the incoming Democratic Administration. "The need for world confidence in the dollar, and the danger of a 'run on the bank' by dollar holders," said Theodore Sorensen [ *q.v.* ] in *Kennedy*, "were the decisive influence in his [the President's] choice of a Secretary of the Treasury."

Kennedy, moreover, shared Dillon's moderately conservative outlook on economic matters at the time of his appointment. Throughout the Kennedy Administration Dillon enjoyed easy access to the President and was one of Kennedy's few political associates who socialized with him as well.

The preoccupation of Kennedy and Dil-

lon with the balance of payments question exerted a strong conservative pull on the Administration's overall economic policy. Swelling annual payments deficits since the late 1950s had left large deposits of dollars in the hands of foreigners, whose recurrent loss of "confidence" in the dollar's value led them to trade in dollars for American gold, the value of which was then fixed in relation to the dollar. The resulting "gold drain" alarmed the financial community and both the Kennedy and Johnson Administrations.

Anxious to solidify the standing of the dollar and stem the gold outflow, the Kennedy Administration tended to rule out economic initiatives that might increase inflation and thus undermine foreigners' confidence in the dollar. In the first two years of the Kennedy Administration, Dillon's success in maintaining the priority status of the payments deficit blocked the path of more aggressive fiscal and monetary stimulation of the economy or heavier spending on social programs.

The chief advocate of the latter approach within the Kennedy Administration was Walter W. Heller [ *q.v.* ], chairman of the President's Council of Economic Advisers (CEA). Heller and Dillon represented the two major opposing poles of economic thought in the Administration's policy-making councils. Heller advocated the active promotion of economic growth by the federal government employing the Keynesian techniques of fiscal stimulation via spending and tax cuts. Dillon voiced the Treasury's traditional opposition to deficit spending and generally resisted unorthodox proposals emanating from the CEA.

For the most part President Kennedy chose Dillon's cautious strategy over Heller's activist approach. Kennedy's decision in May 1961 not to recommend the substantial public works program urged by Heller and Secretary of Labor Arthur Goldberg [ *q.v.* ] was an important early victory for Dillon. In the jockeying over the size of the fiscal 1963 budget, Dillon's argument that another large deficit on top of the \$7-billion deficit for fiscal 1962 might spark another crisis of confidence in the dollar won from Kennedy a pledge to keep

the 1963 budget "strictly in balance." This resolve signified defeat for the CEA's expansionary fiscal strategy and left no room for increasing social welfare expenditures, since the Administration sought larger appropriations only in the areas of defense and space exploration. (As it turned out, the 1963 budget contained a \$6.2 billion deficit.) For almost two years Dillon also succeeded in blocking Heller's proposal for a sizable tax cut. Later he joined President Kennedy in favoring the \$10 billion fiscal stimulus.

A proponent of tax reform, Dillon oversaw the Treasury's formulation of a reform package in 1961 and 1962 and defended the program before Congress in 1962. He argued for Treasury proposals to withhold taxes on interest and dividend income, a device to curb widespread tax evasion, and advocated closing loopholes for foreign "tax haven" corporations and for businessmen deducting entertainment expenses. Much of the Administration's reform program was rejected or eliminated by Congress in the summer of 1962, but Dillon and the Administration endorsed the final package because it contained the feature they considered most important, the 7% investment tax credit.

Dillon said the tax credit was essential in order to enable American industry to modernize its plant and equipment and to bring it "abreast of its foreign competitors." Dillon also sponsored the Treasury's liberalization of depreciation guidelines, designed to permit businesses to claim greater tax deductions for depreciation of equipment and machinery. These guidelines, long sought by business, were promulgated by the Treasury in the summer of 1962. The investment credit and the changes in the depreciation timetables restored roughly \$2.2 billion to corporate treasuries.

Together with the resourceful Undersecretary of the Treasury for Monetary Affairs Robert V. Roosa [q.v.], Dillon devised a complex series of measures to counteract the balance of payments deficit and the outflow of gold. Among the monetary solutions they tried were the prepayment of debts owed by European nations and the accumulation of foreign currencies by the

Treasury to facilitate currency "swaps" during times of speculative pressure on the dollar. Controlling inflation and encouraging exports were broader elements in the balance of payments strategy. Dillon backed the Trade Expansion Act of 1962, which was designed to invigorate U.S. foreign trade by giving the President discretionary tariff-cutting authority.

Despite confident predictions by Dillon and Roosa in the fall of 1962 that the U.S. payments deficit would be eliminated by the end of 1963, the annual deficits continued unabated. In the summer of 1963 they advocated further steps: a rise in the Federal Reserve Board's discount rate and an "interest equalization tax." The increase in the discount rate from 3% to 3½% occurred in July 1963. Dillon, Roosa, and William McChesney Martin [q.v.], chairman of the Federal Reserve Board, hoped that the increase would forestall a flight of capital from the U.S. towards higher interest rates abroad. The "interest equalization tax" was a levy on foreign securities sold in the U.S., making it more expensive for foreigners to borrow in the U.S.

The Dillon-Roosa balance of payments strategy encountered opposition within the Administration. Their agile monetary maneuvers within a framework of traditional economics were substitutes for the sweeping reform of the international monetary system advocated by Heller and James Tobin on the CEA and also by individuals within the State Department. The monetary reformers advocated establishing a new international mechanism with the resources to expand international liquidity. Dillon and Roosa spearheaded the Treasury's opposition to such a scheme, denying that there was a serious liquidity shortage and arguing against any arrangement that involved a loss of sovereignty by the U.S. Dillon's adeptness at setting up roadblocks to ideas opposed by the Treasury became known as "dillontory" tactics around Washington. Sorensen recalled that Kennedy once remarked to Dillon, "The Treasury is very skillful at shooting down every balloon floated elsewhere in the Administration."

The Dillon-Roosa-Martin group likewise overcame efforts by Heller and Tobin to

win Kennedy's support for lower short-term interest rates. The CEA believed that lower interest rates would stimulate the economy by making capital more available. In its view a strong economy would do more to arrest the balance of payments deficit than anti-inflationary measures.

Kennedy also used Dillon for foreign policy assignments. He made Dillon head of the American delegation sent to Punta del Este, Uruguay, to inaugurate the Alliance for Progress in August 1961. There Dillon pledged \$20 billion in low-interest loans over the next 10 years to improve Latin America's living standards. "We welcome the revolution of rising expectations," Dillon said, "and we intend to transform it into a revolution of rising satisfactions." Dillon also sat on the National Security Council and took part in the tense deliberations during the Cuban missile crisis of October 1963.

Dillon's most significant shift in office was his conversion to Heller's view that sweeping tax cuts were needed to promote economic growth. By late 1962 Dillon had accepted the argument that high taxes were placing "shackles" on the economy. His evolution on the subject roughly paralleled President Kennedy's own developing views in favor of tax reductions. Nevertheless, Dillon still exerted a powerful restraining influence on the impact of the cut. Fearful that the budget deficit might become unmanageable if taxes were reduced by \$10 billion at once, Dillon convinced Kennedy to spread the tax cut over three years. "To do it all at once and have a tremendous deficit," Dillon told the Advertising Council in March 1963, "would not inspire confidence in the rest of the world and could be very dangerous for our balance of payments."

Dillon further acted to brake the tax cut's fiscal momentum by insisting on revenue-raising reforms and a rigorous spending-control policy to accompany the reductions. He worked strenuously throughout 1963 to win passage of the Kennedy tax cut, defending the cut and the reforms before congressional committees. In the reform package Dillon placed special emphasis on a proposed 5% floor to be placed under all

personal itemized deductions, a revision designed to recoup \$2.3 billion for the Treasury. He also defended the Kennedy tax program before business audiences, and along with Treasury Undersecretary Henry Fowler [ *q.v.* ], prodded influential businessmen to form the Business Committee for Tax Reduction in 1963.

The Administration sacrificed the reforms, including the 5% floor, in the summer of 1963 in order to win passage in the House of a tax cut totaling \$11.2 billion. The bill did not pass the Senate until after President Kennedy's death. In February 1964 President Johnson signed an \$11.5 billion tax reduction, which cut personal income tax rates from the existing range of 20%-91% to 14%-70% and cut the corporate income tax from 52% to 48%.

Dillon retired as Treasury Secretary in March 1965. [See JOHNSON Volume]

[TO]

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POLITICAL PROFILES: THE EISENHOWER YEARS (1977)

**DILLON, C(LARENCE) DOUGLAS**

b. Aug. 21, 1909; Geneva, Switzerland. Ambassador to France, January 1953-January 1957; Deputy Undersecretary of State for Economic Affairs, January 1957-July 1958; Undersecretary of State for Economic Affairs, July 1958-April 1959; Undersecretary of State, April 1959-January 1961.

C. Douglas Dillon grew up amid affluence in New York City suburbs. He attended Groton and Harvard and in 1931 was given a seat on the New York Stock Exchange by his father. Seven years later he became vice president of Dillon, Read and Co., the investment banking firm founded by his father. Dillon followed the firm's president, James V. Forrestal, into the Navy Department in 1940. During World War II he saw action in the Pacific as a Navy air operations officer. After the War Dillon became board chairman of Dillon, Read. There he supervised the firm's far-flung foreign and domestic holdings and doubled its investment portfolio in six years.

A prominent Republican, Dillon worked with John Foster Dulles [*q.v.*] in Gov. Thomas Dewey's 1948 presidential campaign. In December 1951 he initiated the

"draft Eisenhower" movement in New Jersey and became a large financial contributor to the 1952 Republican presidential campaign.

President Eisenhower named Dillon ambassador to France in January 1953. Dillon frequently represented Secretary of State Dulles at the 1954 Geneva Conference on Indochina and assisted Special Ambassador David Bruce [q.v.] in attempting to persuade the French to accept European economic and military unity. The French, fearful of German rearmament and of sacrificing their sovereignty to a supranational army, rejected the European Defense Community in August 1954. However, at the end of the year, they agreed to a compromise solution: the admission of West Germany into the North Atlantic Treaty Organization under the aegis of the Western European Union.

In January 1957 Dillon became deputy undersecretary of state for economic affairs. During the course of the year, he was given supervisory authority over the entire U.S. foreign aid program. In April he was named alternate governor of the International Monetary Fund (IMF), and in December, he was appointed to the Development Loan Fund (DLF). Dillon was promoted to undersecretary of state for economic affairs in July 1958. His increased power reflected Secretary of State Dulles's belief that the State Department should play a more positive role in implementing foreign policy. It was also an indication of the Eisenhower Administration's desire to devise a more ambitious and coherent foreign aid program. Vice President Richard M. Nixon [q.v.] was instrumental in choosing Dillon for the job of coordinating foreign aid, believing that Dillon could ably argue the case for increased expenditures before a skeptical Congress.

With his new authority Dillon sought to revamp foreign aid policy, arguing that Communist technical advances demanded more rapid development of the Western world's economic strength. The U.S., he asserted, could no longer grant foreign aid on an emergency basis. Speaking in November 1957 he advocated a five-year extension of the Reciprocal Trade

Agreements Act and more money for the DLF, especially for African and Asian nations. He also urged Congress to approve U.S. membership in the Organization for Trade Cooperation, an agency designed to administer the 38-nation General Agreement on Tariffs and Trade. Finally, he recommended more private investment and greater use of the Export-Import Bank to help the underdeveloped nations.

Dillon's ambitious designs met with considerable success. In September 1957 the Inter-American Economic Conference called for a reduction of trade restrictions among member nations, increased efforts to stimulate investment capital and inter-governmental cooperation on the problems of raw material producers. Dillon encouraged the creation of regional common markets in Latin America, although he pointed out that the U.S. could not join because of conflicting agreements with other parts of the world. In August 1958 Dillon announced U.S. support of the Inter-American Development Institution, formed to provide development loans to Latin American countries.

In April 1959 Dillon became undersecretary of state, the second-ranking post in the State Department. He retained his authority over economic affairs and achieved two of his most notable successes in the last year of the Eisenhower Administration. In September 1960 Dillon submitted a \$500 million program to the Inter-American Economic Conference meeting in Bogota, Colombia. Despite Cuban denunciations of the Act of Bogota, all the other nations agreed to the proposal. The social development plan, a forerunner of President Kennedy's Alliance for Progress, was to be financed by the United States but administered by the Inter-American Development Bank. With its aims of modernizing Latin American economies, improving standards of living and fostering land and tax reform, Dillon hoped that the plan could help democratize Latin America and thus make the rest of the Hemisphere immune to Communist revolution. In December 1960 Dillon's persistent efforts to convince the Western Europeans to develop more ambitious foreign aid programs led to the estab-

lishment of the Organization for Economic Cooperation and Development (OECD). The OECD, consisting of the U.S., Canada and 18 European nations, succeeded the Organization for European Economic Cooperation and marked the beginning of a coordinated foreign aid policy by the developed nations.

Although Dillon was a large contributor to the 1960 Nixon presidential campaign, President-elect Kennedy asked him to join his cabinet as Secretary of the Treasury. Dillon accepted Kennedy's offer and became the most important economic policymaker during the Kennedy Administration. He continued at his post under the Johnson Administration. Unable to achieve a rapport with Johnson, Dillon left the Treasury in March 1965. In February 1967 he became president of the U.S. and Foreign Securities Corp. [See KENNEDY, JOHNSON Volumes]

[JCH]

Dietrich is now acting in a radio drama *Time for Love* on the Columbia Broadcasting System network, which, like the very popular *Cafe Istanbul* program in 1952, is a series of international adventure plots with Marlene playing what *Time* called "the same romantic *Weltschmerz* role with whispered snatches of French and German songs."

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**DILLON, C(LARENCE) DOUGLAS** Aug. 21, 1909- United States Ambassador to France; banker

*Address:* b. c/o American Embassy, Place de la Concorde, Paris, France; 46 William St., New York 5; h. Far Hills, N.J.

For the critical diplomatic post of United States Ambassador to France, President Dwight D. Eisenhower in January 1953 named C. Douglas Dillon, who resigned as chairman of the board of Dillon, Read & Company to accept the appointment. With his twenty-two years of experience in international investment companies and knowledge of the financial problems involved in building a military defense program, Dillon has the task, among other duties, of advancing the Republican Administration's new economic and mutual aid policies in France. Chairman of the executive committee of the New Jersey Republican State Committee since 1949, Dillon actively supported Eisenhower's candidacy for President in 1952.

Clarence Douglas Dillon was born in Geneva, Switzerland, on August 21, 1909, one of two children (a boy and a girl) of Clarence and Anne McEldin (Douglass) Dillon, American citizens who at the time of their son's birth were traveling in Europe. The elder Dillon, an investment broker and later founder of the banking firm Dillon, Read & Company, returned to the United States with his family in 1910. Graduated with high honors from Groton School in Massachusetts in 1927, young Dillon entered Harvard University, where his major subjects were American history and literature and where he became manager of the varsity football team and a member of the student council before receiving his B.A. degree *magna cum laude* in 1931.

About a month after joining his father's firm in September 1931, Dillon left to become a floor trader on the New York Stock Ex-

change, on which he acquired a seat, reported the *New York Times*, for \$185,000. During the five years of his membership on the exchange (1931-36), he was also an associate member of the New York Curb Exchange. Rejoining Dillon, Read & Company, Inc., in January 1938, Dillon held the vice-presidency of the firm and membership on the board of directors from that year to 1941. In January 1946, after his return from World War II service, he became chairman of the board. (Dillon, Read & Company, a firm of investment bankers with world-wide interests, grew out of the banking firm of William A. Read & Company. In 1916 Clarence Dillon became president of the organization and kept that position when the firm took its present name, in 1920, and launched what have been described as "some of the most spectacular financial operations of the 20's.")

In January 1938 Dillon was also made a director of two investment houses with which he had become associated a year earlier, the United States and Foreign Securities Corporation and its subsidiary United States and International Securities Corporation. These corporations, of which Dillon was elected president in November 1946, were organized by Dillon, Read & Company in 1924 as publicly owned investment trust concerns with far-flung domestic and foreign holdings in chemicals, metals, natural gas, oil, and public utilities. In 1951 they showed a net income of \$4,712,414. Dillon accepted responsibilities in a third major business affiliation when he became a director in May 1947 of the Amerada Petroleum Corporation, which was established in 1921 (its present name dates from 1941) to develop and exploit petroleum in the United States and the Province of Alberta, Canada. Nearly eight million acres are owned or controlled by the firm, which in 1951 produced 23,271,654 barrels of crude oil.

Commissioned an ensign in the United States Navy on October 26, 1940, Dillon soon afterward gave up his business associations for the period of his service in World War II. In the Naval Reserve from May 1, 1941, to November 4, 1945, when he returned to inactive duty with the rank of lieutenant commander, he mainly fought with the air arm of the Seventh Fleet stationed in the Southwest Pacific and took part in a number of major operations. Dillon was awarded the Air Medal, the Legion of Merit Medal, and the Navy Commendation Ribbon.

Since his discharge from the Navy Dillon has been an active member of the Republican party, working with John Foster Dulles on the foreign policy team in the 1948 Presidential campaign of Governor Thomas E. Dewey. The next year the county of Somerset, where he resides, elected him to the New Jersey Republican State Committee, on which he served as chairman of the executive group. In December 1951 he initiated the "draft Eisenhower" movement in his State and took part in the appeal to New Jersey voters to participate in the Republican primary elections regardless of their previous political affiliations, and in this effort clashed with supporters of Senator Robert A. Taft. Dillon was an alternate delegate-at-large



Karsh, Ottawa

C. DOUGLAS DILLON

to the National Republican Convention in Chicago in the summer of 1952, which nominated Dwight D. Eisenhower for the Presidency. The *New York Herald Tribune* reported that Dillon had expected a place in the new Administration, but was "surprised" when President Eisenhower designated him United States Ambassador to France in January 1953. Dillon's only previous Government experience was in 1940 when he made a special study of the Navy Department for the then Under Secretary of the Navy, James Forrestal, who was his close friend. After accepting his diplomatic appointment, Dillon resigned as head of Dillon, Read & Company.

As outlined by *United States News*, Dillon's Ambassadorship carries with it the responsibility of advancing "President Eisenhower's plan for a closely integrated, well-armed Europe, prepared, with United States help, to rise to its own defense against any Russian attack." Dillon's task is to "combat the trend [in France] against European unity, away from cooperation, and toward French nationalism." His knowledge of international finance is expected to be useful in the proposed possible "examination" of United States foreign aid policies, as they affect France. Before leaving for his post in Paris, Dillon told a group which held a luncheon in his honor that France and its ministers had been leaders in creating the idea of European economic and military unity, and stated that antagonism to the United States in France was fostered by Communists. His mission, he said, would be to try to make the French people see "what we are really trying to do." One aspect of Dillon's role as Ambassador, as viewed by Drew Middleton of the *New York Times*, is to mediate, if necessary, between France and West Germany in any difference that might arise to threaten ratification of the Bonn peace contract with the Western Allies and the European Defense Community

Treaty. The new Ambassador presented his credentials in Paris on March 13, 1953.

Charitable and public organizations Dillon has served are the United Hospital Fund and two New York hospitals, the State Charities Aid Association, the Metropolitan Museum of Art, and the United States Council of the International Chamber of Commerce. He is an overseer of Harvard and permanent treasurer of the Harvard class of 1931. His clubs are the Racquet and Tennis, the Links, Knickerbocker River, and Recess in New York; and the Metropolitan in Washington, D.C. Married on March 10, 1931, to Phyllis Chess Ellsworth, Dillon is the father of two daughters, Phyllis Ellsworth and Joan Douglas. His religious affiliation is Episcopal. Dillon, who has been described as "handsome," has brown hair, blue eyes, stands an inch over six feet, and weighs 180 pounds. His taste in reading reflects his interest in history and current events. His other forms of recreation are golf, tennis, small-boat sailing, enjoyment of art, and management of his family's 300-acre farm in the foothills of Somerset County, New Jersey. The Ambassador, who speaks French, has traveled in France on business and vacation trips.

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#### DOUGLAS, MARJORY STONEMAN

April 7, 1890- Author

Address: h. 3744 Stewart Avenue, Coconut Grove, Florida

When Marjory Stoneman Douglas' book *The Everglades: River of Grass* (Rinehart) was published in 1947 and became a best seller, she achieved national recognition in a career devoted primarily to fictional and factual writings on Florida.

Prior to this achievement, Mrs. Douglas was already recognized as a writer of short stories approximately forty of which appeared in the *Saturday Evening Post* over a period of fifteen years. *Collier's*, *Woman's Home Companion*, *Reader's Digest*, and other national magazines have carried her writings. She received the second prize in the O. Henry Memorial Collection of 1928.

*Road to the Sun* (Rinehart, 1951) was Marjory Stoneman Douglas's first novel. In the making ten years, it is a "tense Florida drama." Her accurate knowledge of Florida history in this and *The Everglades* made her the logical choice for a representative story in the new "The State of the Union" series. This historical story, with teen-age characters, is laid in 1845, the year Florida joined the Union. This is her first book for young people.

Marjory Stoneman Douglas was born in Minneapolis, Minnesota, on April 7, 1890. Her

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**DILLON, C(LARENCE) DOUGLAS**

b. Aug. 21, 1909; Geneva, Switzerland.  
Secretary of the Treasury, January 1961-March 1965.

C. Douglas Dillon was the son of a Wall Street banker who made a fortune building Dillon, Read & Company into one of the country's largest investment firms. Dillon attended Groton and Harvard. In 1931 his father bought him a seat on the New York Stock Exchange for \$185,000. After serving an apprenticeship with some smaller investment houses, he joined Dillon, Read as a vice president in 1938. He followed the company's president, James Forrestal, into the Navy Department in 1940 and saw action in the Pacific toward the end of the war.

As chairman of the board of Dillon, Read after the war, Dillon supervised the firm's far-flung domestic and foreign holdings and doubled its investment portfolio in six years. He was an active Republican, working with John Foster Dulles in the 1948 presidential campaign of Gov. Thomas E. Dewey and initiating a "draft Eisenhower" movement in New Jersey in 1951. In 1953 Eisenhower appointed Dillon ambassador to France. He remained there until 1957, when Dulles recalled him to Washington to serve as undersecretary of state for economic affairs. Dillon contributed heavily to the Republican presidential candidate, Vice President Richard M. Nixon [ *q.v.* ], in 1960 and was considered a natural appointment to a Nixon cabinet. [See EISENHOWER Volume]

President Kennedy's selection of Dillon as Secretary of the Treasury was a surprise to many and an indication of Kennedy's strong desire to have a "sound-money" man in the nation's top economic post. Dillon remained the most influential member of

Kennedy's economic policymaking team throughout the Administration. His success in persuading the President to give priority status to the balance-of-payments deficit was crucial in shaping Kennedy's moderate fiscal course, which ruled out more activist solutions to the economy's problems. As Treasury Secretary, Dillon devoted himself to alleviating the intractable payments deficit, to devising and promoting the Kennedy tax program and to spearheading the Treasury's opposition to proposals for international monetary reform and lower interest rates emanating from the Council of Economic Advisers. [See KENNEDY Volume]

After two years of opposition Dillon became persuaded in late 1962 of the need for a massive tax cut to stimulate the economy. The House passed an \$11 billion tax reduction bill in September 1963, but the Senate had not acted on the measure by the time of Kennedy's assassination in November. Dillon was instrumental in convincing President Johnson to push the tax cut in the Senate and to accompany it with significant spending cuts in order to forestall inflation and conciliate Senate conservatives. As in the Kennedy Administration he exerted a conservative pull on economic policy. The Senate passed the tax bill in February 1964.

In August 1965 Dillon declared that further tax reductions were desirable, stating that "high priority should be given to a thorough overhaul of the hodgepodge of excise taxes remaining from World War II days." "Many of these taxes," Dillon said, "no longer serve their purpose. Instead, they increase business costs, weigh unevenly on consumers and are often an unnecessary nuisance to taxpayers and government alike."

In March 1964 Dillon testified against a plan of Rep. Wright Patman (D, Tex.) [ *q.v.* ], chairman of the House Banking and Currency Committee, to reform the Federal Reserve System. He particularly opposed a provision placing the Secretary of the Treasury at the head of a new Federal Reserve Board. "Experience over many years and in many countries," Dillon said, "has taught us the wisdom of shielding those who make decisions on monetary pol-

icy from day-to-day pressures." He also spoke against a proposal permitting interest to be paid on checking accounts.

Because of his social background Dillon never achieved the rapport with President Johnson that he had with President Kennedy. In comparing the work of Dillon and his successor Henry Fowler [ *q.v.* ] on the tax cut in 1963 and 1964, Johnson remarked, "He [Fowler] was there night after night, while Doug Dillon was going to tea parties or putting on his white tie and tails."

Dillon resigned in March 1965 to return to private finance. He became president of the U.S. & Foreign Securities Corporation in February 1967. Dillon was a member of the Senior Advisory Group on Vietnam, a group of prestigious Establishment figures that advised Johnson in March 1968 to de-escalate the Vietnam war. In the same month, as head of the Advisory Committee to the U.S. Treasury on International Monetary Affairs, he urged a tax increase, warning that failure to do so would "endanger worldwide confidence in the dollar" and "risk a serious upheaval in the international monetary system." Arguing against federal spending cuts as a substitute for a tax increase, he declared, "There is no feasible substitute for tax action to curtail the inflationary excesses in domestic demand that are now spilling over into imports."

[TO]

WHO'S WHO IN AMERICA, 1988-1989

**DILLON, CLARENCE DOUGLAS**, retired investment company executive; b. Geneva, Switzerland, Aug. 21, 1909; s. Clarence and Anne McE. (Douglass) D.; m. Phyllis C. Ellsworth, Mar. 10, 1931 (dec.); children: Phyllis Ellsworth (Mrs. Phyllis Collins), Joan Douglas (Duchesse de Mouchy); m. Susan S. Sage, Jan. 1, 1983. Grad., Groton Sch., 1927; A.B., Harvard U., 1931, LL.D., 1959; LL.D., NYU, 1956, Lafayette Coll., 1957, U. Hartford, 1958, Columbia U., 1959, Williams Coll., 1960, Rutgers U., 1961, Princeton U., 1961, U. Pa., 1962, Middlebury Coll., 1963, Tufts U., 1982. Mem. N.Y. Stock Exchange, 1931-36; dir. U.S. & Foreign Securities Corp. and U.S. & Internat. Securities Corp., 1937-53; pres. U.S. & Fgn. Securities Corp. and U.S. & Internat. Securities Corp., 1947-53, pres., dir., 1967-71, chmn. bd., 1971-84; dir. Dillon, Read & Co., Inc., 1938-53, chmn. bd., 1946-53, chmn. exec. com., dir., 1971-81; ambassador to France, 1953-57; under sec. of state for econ. affairs Dept. State, 1958-59, under sec. of state, 1959-61, sec. of treasury, 1961-65. Pres. Met. Mus. Art, N.Y.C., 1970-78, chmn., 1978-83; hon. gov. N.Y. Hosp.; chmn. Rockefeller Found., 1972-75, Brookings Instn., 1970-76, former pres. bd. overseers, Harvard Coll. Served from ensign to lt. comdr. USNR, 1941-45. **Decorated Air medal, Legion of Merit. Mem. Soc. Colonial Wars N.Y., Soc. of Cincinnati. Clubs: Racquet and Tennis, Knickerbocker, Links, River, Century, Pilgrims (N.Y.C.); Metropolitan (Washington).** Office: 1270 Ave of Americas Room 2300 New York NY 10020

## THE ECONOMY

### Man with the Purse

(See Cover)

A mild midwinter sun glinted on the sumptuous Uruguayan resort town of Punta del Este, 65 miles east of Montevideo. It was an odd setting for talk about poverty, but there last week, in the blue and white assembly hall of Punta del Este's Cantegril Country Club, the economic ministers of 21 hemisphere nations gathered to launch a historically dramatic new program of massive aid for Latin America's underdeveloped nations—the Alliance for Progress (see THE HEMISPHERE).

The U.S. spokesman was Treasury Secretary Douglas Dillon. While Cuba's spinach-bearded economic commissar, Che Guevara, glowered in his chair, Dillon opened the conference with the most generous offer of help in U.S. history. In a flat, toneless voice that failed to hide the tremendous promise of his words, Dillon vowed that the U.S. would take the lead in securing \$20 billion in low-interest loans over the next ten years to raise Latin America's living standards. "We welcome the revolution of rising expectations," he said, "and we intend to transform it into a revolution of rising satisfactions."

**Plans & Policies.** Over the years, the U.S. has been an indifferently good neighbor to Latin America, misunderstanding and misunderstood, pledging much but producing little in the way of desperately needed capital investment. But there was a new tone to the U.S. commitments made at Punta del Este—and this tone reflected the convictions and attitudes of both Democrat John F. Kennedy and Republican Douglas Dillon. As custodian of the world's richest treasury, Dillon presides over the fiscal plans and policies of a nation with a record gross national product of \$515 billion; as the fiscal housekeeper for the U.S. Government, Dillon works within the roomy confines of the largest peacetime budget in history—\$87.7 billion. But unlike most of his Treasury Department predecessors, Dillon does not consider himself simply a watchdog of the taxpayer's dollar. "He believes in good housekeeping," says a Treasury staffer, "not just to admire the house, but in order to utilize it." To Dillon, the U.S. economy is a dynamic weapon in the cold war, an arsenal of dollars that must be strategically employed against world poverty to halt the spread of Communism. Under Doug Dillon, the staid U.S. Treasury is no longer just the Government's check-cashing and revenue-gathering arm: it is an active, shaping force in U.S. foreign policy.

Treasury's present boss may well be the most paradoxical picket on President Kennedy's New Frontier. For the past 8½ years, shy, spare (6 ft., 2 in., 185 lbs.) Clarence Douglas Dillon, 51, has ably served the public in posts of enormous influence and responsibility, but he is virtually unknown, and even less understood, by the public he serves. Dillon is a pragmatic, liberal Republican who holds down one of the most sensitive jobs in a Demo-

cratic Administration (not all Republicans can forgive him that). He can coldly and calmly approve a \$6 billion deficit for the nation; he can also fret over the health of the honey locust trees near his home. Steeled in Wall Street's rough and tumble, Dillon preserves a diffident professorial manner, and revels in tastes that few of his countrymen share: vintage wines, Savile Row suits (from Henry Poole & Co.), fine paintings and finer porcelain.

**Ghettos & Genius.** For all his aura of patrician well-being, Douglas Dillon is only two generations removed from the ghettos of Poland, where Samuel Lapowski, his paternal grandfather, was born. Migrating to Texas after the Civil War, Lapowski set up shop as a clothier, first in San Antonio and later in Abilene, took his mother's maiden name of Dillon, pro-

pered enough to send his only son Clarence to Harvard. Shrewd, smart and blessed with a good poker player's sense of timing, Clarence ("Baron") Dillon was the only boy in his class ('05) to own a car—and the one who perhaps drove ahead the farthest. The Baron was an authentic Wall Street genius: he built Dillon, Read & Co. into one of the nation's largest investment firms, retired with a personal fortune of more than \$100 million.

Clarence Dillon's only son was born Aug. 21, 1909 in Geneva, while the Baron and his bride were on a two-year post-honeymoon "health tour" of Europe. "My father was injured in a bizarre accident just before his marriage," Doug Dillon explains. "He was at a railroad station in a small resort outside Milwaukee when an express went by the station at full speed. A Saint Bernard had wandered onto the tracks; the train hit him and threw him into the crowd. The dog's body knocked my father against a pillar, breaking his skull. He was unconscious for a week."

Doug Dillon spent a secluded, affluent

childhood in a series of suburban homes around New York City. The grandest of them all was Dunwalke, an estate in Far Hills, N.J., that his father has owned since 1920. A wiry child who could read swiftly and understandingly at the age of four, Dillon was sent to be educated in private schools. The most challenging was the Pine Lodge School in Lakehurst, N.J., whose headmaster insisted that his every pupil learn the art of reading fast—and Dillon today ruffles through even technical papers at 400 words a minute. While at Pine Lodge, Dillon met and became friends with three heirs to another notable fortune: Nelson, Laurance and John Rockefeller III.

**To Harvard, Inevitably.** Dillon went on to Groton, where he graduated second in his class, and then, inevitably, to Har-

ward. Around the Yard, recalls a former professor, he was known as "a terribly able fellow." Too weedy to play football, he managed the freshman and varsity teams, played squash and tennis (when he was 15, he had qualified for the National Junior tennis championships). Dillon's academic interest was American history and literature. He had no care then for fiscal theory, and even now likes to boast that "I never took a course in economics in my life."

Dillon was a bridegroom before he was a bachelor (of arts). Three months before he graduated *magna cum laude*, he married pretty, buoyant Phyllis Chess Ellsworth of Boston. Doug took his bride on a European honeymoon, stopping off at Monte Carlo to try out his system for winning at roulette. The young couple cashed in enough chips to buy a set of Napoleon-era china, which they still use—but the future custodian of untold U.S. billions decided that the system was "too boring," and has not used it since.

Before World War II, Dillon made

many trips to France; a favorite stopping point was Château Haut-Brion, a 104-acre estate in Graves that produces one of the most subtle and exhilarating wines of Bordeaux. Once owned by Talleyrand, the château had been bought by Dillon's father in 1933. Over the years, Doug Dillon has taken deep personal interest in the property, and still reserves a large share of Haut-Brion's output for his own use. He takes a connoisseur's quiet pride in his knowledge of wines. "I can tell the year of a given Bordeaux or the district it came from," he says, "but I can't spot both the year and the vineyard."

**Parental Shadow.** In 1931 Dillon bought himself a seat on the "big board" with a fatherly gift of \$185,000, served an apprenticeship with smaller investment houses before joining Dillon, Read as a junior partner. The parental shadow loomed large over the firm—the Baron was board chairman—but Doug Dillon proved that he could hold his own as a Wall Street expert. When Britain, at the start of Lend-Lease, was trying to dispose of some U.S. corporate assets, he took on the delicate \$40 million deal that set the American Viscose Corp. (until then a subsidiary of Courtaulds, Ltd.) on its own feet. Dillon, who was then 31, handled the complex transaction without a flaw.

In 1940 the president of Dillon, Read, James V. Forrestal (later the nation's first Defense Secretary), went to Washington as Under Secretary of the Navy.\* Doug Dillon went along with him, helped form the Office of Strategic Services (predecessor of the CIA), spent three frustrating years behind a desk before he wangled an escape into action in the southwest Pacific. Serving as an air-operations officer of the Seventh Fleet, Dillon flew on "black cat" (night reconnaissance) missions, took part in bombing runs against Japanese installations in the

Philippines. "We were shot at a little," he recalls modestly. "I know what tracers look like." By the time he was mustered out, Dillon had risen from ensign to lieutenant commander.

Dillon went back to investment banking as Dillon, Read's board chairman, soon took on the added job of handling the huge U.S. & Foreign Securities Corp. Dillon managed both jobs with apparent ease—and actually doubled Dillon, Read's investment portfolios in six years. "Anybody else who treated Dillon, Read as a part-time job would have been a drag on us," recalls a partner in the firm. "But Douglas would sit down with all the documents of a transaction, and in 20 minutes he'd have a real grasp of the problem. It was incredible."

**Victory's Spoil.** Another growing interest of Dillon's was politics. "I imagine he was bored as hell with banking," says a friend. A lifelong Republican, Dillon

worked with John Foster Dulles on the 1948 presidential campaign of New York's Tom Dewey; a year later he won an election as a G.O.P. state committeeman. In 1952 he helped secure New Jersey's Republican delegation for Presidential Candidate Dwight Eisenhower, contributed heavily to Ike's campaign chest. After the election, on Dulles' recommendation, Dillon got an impressive spoil of victory: the ambassadorship to Paris.

To many, he did not seem an auspicious choice. Despite his love of France and his connection with Château Haut-Brion, Dillon spoke schoolbook French. He also seemed too young (43) and inexperienced to handle a post made all the more touchy by the growing troubles of France's Fourth Republic.

Dillon made a doubtful start as a diplomat. "Whenever a difficult problem came up," recalls one former embassy staffer, "he got a cold in the head." But as France's problems—notably in Indo-China and with the European Defense Community—grew worse, Dillon stepped up to the challenge of his assignment. He and Phyllis spent an hour daily with a French tutor; within weeks Dillon was visiting the Quai d'Orsay without an interpreter. In a social swim where lavish entertainment was a matter of courses, the

Dillon dinners were worth a star, perhaps two, in the *Guide Michelin*. Dillon was what bureaucrats call a "quick briefer." He read every cable that left the embassy, demanded hyperaccurate reporting from subordinates. He had a habit (as he still does) of catching up aides on small—but often significant—errors. Eventually, even the Foreign Service pros gave him their respect.

**Unifying a Tangle.** In 1957 Dillon was called home to take over the post of Deputy Under Secretary of State for Economic Affairs (later upgraded to Under Secretary), and put to unifying the U.S.'s well-meaning but tangled foreign aid problems. Secretary of State Dulles relied heavily on Dillon's fiscal experience; so did Dulles' successor, Christian Herter.

During those latter Eisenhower-era years, Douglas Dillon laid down U.S. policy for negotiations under the 38-nation General Agreement on Tariffs and Trade (GATT). He teamed up with the Export-Import Bank and the International Monetary Fund to work out loan deals that eased temporary balance-of-payments problems for Brazil, Colombia, Britain, the Philippines, Chile and India. He took an immense interest in Latin American affairs, represented Ike at last September's Bogotá conference, which programed the spending of \$500 million in U.S. development grants. Dillon's monument was the Organization for Economic Cooperation and Development—a Marshall Plan successor that now molds the foreign aid programs of the free world. Dillon helped draw up plans for the program, and last December, weeks before he moved into Treasury, proudly signed the OECD charter.

**Trooper in Skirmishes.** Thanks largely to his passion for unadorned fact, to his careful homework (he likes to field questions without having to whisper to aides for an answer), and to his polite and unruffled demeanor, Dillon proved to be one of Ike's most valuable troopers in skirmishes with Capitol Hill. He is not a man to make memorable quotes, but accomplishes more by not drawing attention to himself. One time he did not entirely escape the limelight was during the U-2

spy case last spring. Christian Herter was at a NATO foreign ministers' meeting in Istanbul, and Dillon was Acting Secretary of State when word reached Washington that the Russians had shot down a U-2. Dillon, who had been fully briefed on the plane's real reconnaissance mission, nonetheless allowed State Department spokesmen to release a trumped-up cover story that the U-2 was merely on a weather-scouting flight. He did not tell his press officers the real truth until after Nikita Khrushchev announced that Pilot Francis Powers had been taken alive. Caught mouthing a useless lie, State was roundly scored for the gaff.

During last fall's presidential campaign, Republican Dillon loyally contributed \$11,000 to G.O.P. campaign funds. Actually, he was a safe bet to stay on in a top Government job no matter which candidate won. Dick Nixon thought of him for a top Cabinet post. So also—after New York Bankers Robert Lovett and John McCloy turned down the job of Treasury Secretary—did John Kennedy, who desperately wanted to forestall criticism of the New Frontier by placing a sound-money man in the sensitive Treasury job.

**"He Needs You."** Dillon, with his banking and diplomatic experience, was obviously an excellent choice for Kennedy's purpose. They had first met in 1956 at Harvard, when Dillon was grand marshal at the 25th reunion of his class and Senator Kennedy the winner of an honorary degree. After the ceremony, they dropped by the select Spee Club (both men were members) to chat, later became friends and occasional golfing companions. But when President-elect Kennedy asked to come to Dillon's house (Dillon thought it should be the other way around) and came through several days later with an offer, Dillon, as a good Republican, had plenty of doubts. He got only lukewarm encouragement from Nixon. Ike also was cool, but told him: "You can hardly refuse if the President of the United States says he needs you and you can serve conscientiously." After a week of soul searching, Dillon took the post.

Before the inauguration, questions about Treasury's new chief were plentiful. Republicans—and conservatives generally—wondered how Dillon could live with the free-spending Democratic platform commitments. Easy-money liberals asked whether Republican Dillon would stand in the way of the new Administration's efforts to get the country out of a recession. But at his senatorial confirmation hearing, Dillon managed to seem both fiscally sound and fiscally imaginative, came out in favor of the balanced budgets that conservatives wanted and the recession deficits that liberals felt necessary. He was approved without dissent.

**A Free Hand.** Moving into his spacious office in the grey, temple-façaded Treasury building next door to the White House, Dillon called for every document since 1789 that provided a job description of the Secretary's portfolio, then set

out to make the department his own. Unlike Secretary of State Rusk, Dillon did not have his top echelon of aides picked in advance by Kennedy. He took advantage of his free hand to build a Treasury staff that moneymen rate as possibly the best since the days of Alexander Hamilton. Dillon's right-hand men:

- HENRY FOWLER, 52, Under Secretary. Witty, white-haired "Joe" Fowler is exactly the kind of tested, Washington-wise administrator that Dillon needs to run the daily routine of the department. A onetime lawyer for TVA, Fowler has

served as counsel for a Senate subcommittee, the Federal Power Commission and the War Production Board. He headed the Office of Defense Mobilization during the Korean war. Thorough, cautious and sound, Fowler worked on the task force that John Kennedy set up before his inauguration to consider anti-recession plans.

• **ROBERT V. ROOSA**, 43, Under Secretary for Monetary Affairs. The selection of bow-tied, scholarly Banker Roosa (pronounced Roza) to be Treasury's No. 3 man was audibly cheered by the U.S. financial community. A former teacher at both Harvard and M.I.T., Roosa was for four years research director for the Federal Reserve Bank in New York, earned a reputation in his trade as "the best central banker in the world." He has a good teacher's ability to talk lucidly on complex subjects, makes a brilliant congressional witness. Roosa has been the man behind Dillon's efforts to lower long-term interest rates, improve the management of the national debt.

• **JOHN LEDDY**, 47, Assistant Secretary for International Affairs. Bookish, boyish John Leddy has been making or carrying out foreign policy all his working life. He spent four apprentice years as a press-agent for the old Pan-American Union, then went to the State Department as a division assistant for trade agreements. Serving on a variety of State's economic desks, Leddy helped plan for GATT, the Marshall Plan, did spadework for Dillon in shaping the Act of Bogotá, the Colombo Plan, the OECD.

With such men at his side, Douglas Dillon has established himself as one of President Kennedy's most efficient Cabinet operators and as a trusted voice in White House conferences on everything from Berlin to school aid. Unlike some other Cabinet officers, says one Washington onlooker, "there is no one between Dillon and Kennedy." He created a smooth working relationship with careful, conservative William McChesney Martin, boss of the Federal Reserve Board. To the surprise of Washington trouble watchers, Dillon did even better with Liberals David Bell, director of the Budget Bu-

reau, and "the Professor," Walter Heller, chairman of the Council of Economic Advisers. Last week, just before he left for Uruguay, Dillon walked out of a presidential conference with his arm around Heller's shoulders, jocularly asked him to "keep the shop while I'm gone." Says Heller: "We're on the same wave length. We may not see eye to eye on all the problems, but we see the broad objectives clearly."

**Out of Recession.** The first New Frontier objective Dillon faced was guiding the economy out of the recession. He happily went along with such Administration pump-priming gestures as fast payment of G.I. insurance dividends and a defense spending speedup. But he argued strongly against the \$1 billion public works program that both Heller and Labor Secretary Arthur Goldberg favored. Dillon won: Kennedy refused to embark on make-work spending.

A major aftermath of the recession was a budget deficit. Counting heavily on tax measures that Congress was unlikely to pass, Dwight Eisenhower had optimistically submitted a balanced budget for fiscal 1961. After his initial review of the estimates last February, Dillon announced that the nation in reality faced a deficit of \$1 billion, later raised the figure to \$3 billion. Dillon is quite willing to let the deficit ride as high as \$6 billion. Last month, during the planning for President Kennedy's televised speech on Berlin (TIME, Aug. 4), he argued against the tax hike that other voices called for on the ground that the economy would recover faster from the recession without a new limitation on spending. But Dillon hopes to bring in a balanced budget next year, when the economy should be both boomward bound and ripe for a sweeping tax reform that he hopes to nudge past Congress. "Under an extremely conservative system," he says, "budgets are balanced every year. In others, a permanent balance is not the number-one goal. Our aim is to bring it into balance regularly, depending on the state of the economy."

**Crusade for Trade.** Dillon is also attempting to stem the outward flow of U.S. gold, but admits that current efforts

to prevent any further drain on Fort Knox are "not satisfactory." This year, thanks, among other things, to a one-shot \$587 million prepayment of postwar loans by West Germany, the payments deficit (which last year ran to \$1.5 billion) may be brought close to a balance. But to keep a permanent balance, the U.S. will have to undertake a crusade for trade. "We have got to keep our export total high," Dillon says. "We can do this by keeping our prices as competitive as possible, and this will mean a restraint on wages and prices. We have also got to watch our overseas expenditures as carefully as we can. Some of these expenditures are necessary for security, but there are ways in which the military can cut down."

At Treasury, Dillon pays lip service to the work-all-night attitude of the Kennedys, but gets his job done without too great a sacrifice of his own long-held habits. He reads three newspapers before reaching his desk by 8:45. Dillon is notoriously demanding of subordinates, often interrupts oral reports with a sharp "That's not what I've asked for."

**Down in the 80s.** Doug Dillon tries to get home by 7:30; his Washington residence since 1957 has been an embassy-sized villa in Washington's Kalorama section, lavishly decorated with 18th century French furniture, his wife's collection of porcelain, paintings by Renoir and Monet.\* Sundays, Episcopalian Dillon worships at Washington's National Cathedral, makes fitful efforts to keep his golf game down in the 80s. He also does his heavy reading on weekends; aides have come to dread Monday mornings, when the Secretary invariably shows up with a dozen or more memos with demands for immediate action.

Despite his quiet success, Banker-Diplomat Dillon has not yet stilled all the doubts and criticisms about his fitness for

\* Dillon is the only Cabinet member who can match homes with Millionaire Jack Kennedy. Besides his Washington residence, he has an apartment on Manhattan's Fifth Avenue, a winter retreat at Hobe Sound, Fla., called La Lanterne, a summer place in Darkharbor, Me., an estate in Far Hills, N.J., a "cottage" at Versailles, France.

the Treasury job. On Capitol Hill, a few G.O.P. Congressmen joke bitterly about a "Dilloncrat"—meaning "a Republican big spender." The cautious Fed suspects that Dillon does not worry enough about the inflationary danger that trails after big deficits. "The Treasury line now is not so clearly defined as in the past," complains one member of Ike's Treasury team. "When we were over there, maybe we were a bunch of fuddy-duddies. But by God, there was no question where the line was. Certain things were sin."

**"Multiple Objectives."** Dillon's defenders—and the Washington woods are full of them—answer that such criticisms are beside the point. In the new Administration's view, Treasury no longer has the negative function of just guarding the dollar. "Treasury policy," explains one White House adviser, "is moving toward multiple objectives. It seeks a sound dollar, a reasonable balance of payments, the checking of inflation, full employment, a reasonable rate of growth. What Dillon stands for is the best possible performance in all directions."

So far, Doug Dillon has managed to keep track of those directions without losing sight of the ultimate objective of his economic policy: convincing the uncommitted nations that U.S.-style free enterprise is both healthy and helpful, and better than Soviet-style Communism. "This is the challenge," Dillon once said, with his customary earnestness. "Are we going to persevere in our efforts to help the one billion people in the free world's less developed areas place themselves firmly on the road to progress? If we do not measure up to the challenge—if through unwise or inadequate actions on our part we allow the newly emerging nations to be dragged one by one into the Communist orbit—then, as surely as night follows day, our own freedom cannot long endure."

# Captain of Our Economic Campaign

In banker-politician Douglas Dillon, the State Department has its first over-all chief for the intricate program of foreign trade and aid to underdeveloped nations.

By EDWIN L. DALE Jr.

WASHINGTON.

**F**OREIGN economic policy, a catch-all term that covers a wide variety of activities, is something that the United States has been practicing and talking about throughout the period of the cold war. But for the past year something new has been added: the Government for the first time has a "captain" to run the whole show.

He is a former New York investment banker and ambassador named C. (for Clarence) Douglas Dillon, and he has been running the show with a zest not seen here since the days of the Marshall Plan. It is an intricate and subtle business—far more complicated than simply combating the much-discussed "Soviet economic offensive"—and the record to date indicates rather strongly that the President and Secretary of State Dulles have found the right man for the job.

Mr. Dillon's formal title is Under Secretary of State for Economic Affairs—a title, incidentally, upgraded from deputy under secretary this year on the initiative of a Congress that was so impressed by Mr. Dillon that it wanted to give him higher rank. The job title does not tell the whole story, however. Sometimes with a formal directive and sometimes without, Mr. Dillon has gradually taken either full control or a leading role in the many-sided foreign aid program, the field of tariffs and trade, the operations of the vastly expanded Export-Import Bank, the relations of the United States with the World Bank and International Monetary Fund, the farm surplus disposal program—and negotiations with Congress on most of these.

For reasons closely connected with the personalities of both men, Mr. Dulles has, in effect, turned this whole field over to Mr. Dillon. This was not the case with Mr. Dillon's predecessors in the "E" (for Economics) area of the State Department, a relatively obscure group that included Samuel Waugh, Herbert Prochnow and, on an acting basis, Thorsten Kalljarvi.

**U**NDoubtedly the main reason for the Dulles decision is that Mr. Dillon instinctively places his political foot at least as far forward as his economic. His predecessors, with no discredit to them, were fundamentally "bankers"—fellows who shuddered at the thought of lending money to countries like France and Turkey and Brazil that were clearly living beyond their means. But Douglas Dillon sees France and Turkey and Brazil as crucially important allies of the United States whose internal stability cannot be allowed to be destroyed by severe economic strain.

Because of his innate political orientation, Mr. Dillon does not overrate the role of economics in the current power struggle. He would be the last to claim the leading role for economic factors in such tribulations as, for example, the

Iraqi revolt, the Indonesian civil war or the Algerian rebellion.

But there is no doubt of his belief—a belief that now has the status of gospel within the Government—that the future safety of the United States will be heavily dependent on the course taken by the underdeveloped, usually politically uncommitted, one-third of the world that has become the focus of the current phase of the cold war. A key element of this gospel, though the point is occasionally disputed from the outside, is that economic factors will be decisive in the political outcome.

The new element in the situation, as

compared with the earlier post-war period, is, of course, the growing use by the Soviet Union of economic weapons. The United States has been using them all along, mainly to create or maintain situations of economic strength or at least stability, in those parts of the world where basic political interests already coincided with our own—first Europe, then such Asian nations as Korea, Vietnam and the Philippines.

These operations are continuing, and mostly succeeding. But under the Soviet challenge a new dimension has been added to foreign economic policy in the past few years—the goal of fostering economic development as

such, whether the nations in question are allies of the United States or not. Mr. Dillon puts it this way:

"During the past year I have become deeply impressed by the overshadowing importance to the United States of meeting the Communist challenge in the less developed countries. . . . In my judgment the most important economic question facing the United States is: What economic system will these 1,000,000,000 people of the less developed countries ultimately choose in their struggle against poverty? . . . Whether the verdict will go to the Communist system or to the Western system of freedom will, I believe, be heavily influenced by the effort which the industrialized countries of the West are prepared to put forth in helping the less developed areas to achieve an adequate rate of economic growth."

The real problem, however, is more complicated than just "promoting development." It is a problem of wielding a variety of weapons in different ways for different situations, some of them as much political as economic. Douglas Dillon's aim is to win the weapons from Congress and to use them for the hardheaded purpose of protecting the security of the United States. This suits Mr. Dulles, who has never been exactly enchanted by economics, just fine.

**T**HE most striking aspects of Douglas Dillon's captaincy of foreign economic policy are imaginativeness and flexibility. No idea is too daring to be considered, and fear of Congressional reaction is never enough, per se, to kill a plan before its birth. The results of this kind of approach, in the brief period of a year, are impossible to exaggerate. These are some of the things that have been done:

(1) After half a decade of talk, the United States has suddenly let the world know that it favors larger contributions, including dollar contributions, to the World Bank and Fund. These two institutions, particularly the fund, have played an extremely important role over the past few years in keeping the world economy on an even keel. Now they need more money and Mr. Dillon wants to give it to them.

(2) After an even longer period of talk, the United States has announced its willingness to consider contributing funds to an inter-American development bank. This may be of more symbolic than practical importance, but that is exactly the point. The bankers were quite rightly against it, on the grounds that other lending institutions already existed. But Mr. Dillon perceived the political intensity with which the Latin-American countries regarded the question.

(3) The staid old Export-Import Bank has quietly been converted into a major instrument for spot—and, in banking terms, rather "unsound"—help for crisis situations in key countries. In the past year the bank has "bailed out" or helped bail out (Continued on Page 38)

EDWIN L. DALE Jr., of The Times Washington bureau, often writes on personalities who hold economic or financial jobs in government.

(Continued from Page 8)

Brazil, Colombia, Britain, the Philippines, Chile and India. That is, it has sometimes made "balance of payments" loans—loans direct to the treasury of a country that was desperate for foreign exchange—as distinct from carefully worked out "project" loans for development. In some of these cases, the prospects for repayment are not all that a banker would like, though the bank will undoubtedly be repaid in the end. Also, an unpublicized new device has been discovered for helping to deal with these highly important balance-of-payments crises, namely, postponement of repayments due the United States on past loans. This has been used in the cases of Britain, France and Turkey.

(4) The United States for the first time has announced its willingness to talk over the perennial request of the underdeveloped raw-material producing countries for "commodity agreements" aimed at stabilizing prices and markets and thus stabilizing these nations' earnings of foreign exchange, possibly by some form of guaranteed minimum purchases by the U. S. The first item being discussed is coffee. Though in the end no agreement may be reached, the very participation of the U. S. in the discussions is something new under the sun.

(5) Largely under Mr. Dillon's prodding, the Administration swallowed its principles and recommended a subsidy and stockpiling scheme for the domestic mining industry rather than raise tariffs on lead, zinc and possibly copper. The reason: the economic impact of higher tariffs of such key friends as Chile, Peru and Mexico.

In addition, and of at least equal importance with these accomplishments, the Dillon regime has succeeded in making a fairly aggressive foreign economic policy respectable in the two places that count most—Congress and the Treasury.

Congress has just passed the longest extension of the reciprocal-trade program in history, with no seriously damaging protectionist amendments, in the face of a nearly universal impression that protectionist sentiment has never been so strong. It also passed a foreign-aid bill of \$3.3 billion, cutting the Administration request less than in most recent years. Finally, it added another \$4.2 billion to Mr. Dillon's arsenal by expanding the authority of the Export-Import Bank and the farm-surplus disposal program.

As for the Treasury, that

department has been, during parts of the post-war period, the bane of those men, concentrated in the State Department, who have felt that imaginative use of economic policy, and in particular economic aid of various kinds, was essential to a successful foreign policy. Under George M. Humphrey the Eisenhower Treasury often seemed like a sort of inverted ficawber—always looking for something to turn down.

The assumption of office by Douglas Dillon coincided very closely in time with the appointment of Robert B. Anderson as Secretary of the Treasury. The two men hit it off at once. While Mr. Anderson is anything but a spendthrift, he has been persuaded of the need to do the sorts of things that Mr. Dillon deems essential, even though most of them cost money. Otherwise—to cite a key example—the proposal to expand the resources of the World Bank and Fund, an area that has always been the exclusive province of the Treasury, would never have got off the ground.

This catalogue of innovations in foreign economic policy under Douglas Dillon's direction does not mean that his main task in life is to spend more and more of the taxpayers' money with less and less control over it. There is still plenty of the investment banker in him, and he has no intention of rewarding foreign profligacy. As evidence, he has welcomed and promoted a significant new device for gaining a *quid pro quo* for the help given to countries that are in trouble largely because of their own extravagance.

This is the device of the "package" aid program, in which the *quid pro quo* is extracted not by an unfeeling and imperialist Uncle Sam but

by the impeccably impartial Monetary Fund. In the case of Brazil, Turkey and France in the past year—with India probably to come—the fund contributed some of the aid and won from the countries' governments pledges to live more modestly in the future. It is still far from the case that any friend of the United States or key neutral need only get itself in trouble to find Uncle Sam's coffers open.

**B**ESIDES coping with crises and developing new instruments for waging foreign economic policy, Mr. Dillon's job requires him to deal with such touchy matters as aid to Poland and Yugoslavia, fostering the exciting new movement toward European economic unity while protecting basic United States export interests, gradually filling the partial economic vacuum left by France in Tunisia and Morocco and by Britain in Jordan and Libya, and the perennial questions involved in East-West trade.

While he has a fair variety of weapons to employ, the prevailing opinion among those most concerned with the economic side of the current struggle is that he needs still more. The greatest deficiency, in the eyes of Mr. Dillon and others, is in the portion of the arsenal that can be directed specifically at the newly developing, recently independent nations that have become the targets of the Soviet economic offensive. The chief weapon is the new Development Loan Fund, a portion of the foreign-aid bill. Congress last year voted only \$300 million and this year only \$400 million, compared to the \$1 billion annually that Mr. Dillon feels is the minimum needed to meet legitimate requests of na-

tions that are determined to develop at all costs.

Adequate or not, the arsenal of weapons is still an impressive one. What manner of man is it who wields this rather unprecedented power in the foreign economic field?

The most striking thing about Douglas Dillon on first impression is that he talks and looks so very much like what he was in private life—a graduate of Groton and Harvard who went into Wall Street. His inflection, in particular, is unmistakably Groton-Harvard. If it were ever true that this sort of man, or the "striped pants" type of diplomat, could never get anywhere with the "small-folks" Congress, Douglas Dillon has disproved it.

Finance and foreign policy—with a smattering of pure domestic politics—have made up Mr. Dillon's life. He joined his father's Wall Street firm, Dillon, Read & Co., after graduating from Harvard in 1931. Except for a few years as a Stock Exchange floor trader and a four-year interlude in the Navy in World War II, he remained there until the Eisenhower Administration called him to public service in 1953. By that time he had been for several years chairman of the board of the firm.

Mr. Dillon's interest in foreign policy began as long ago as his college days, when history was his major subject, and grew as a result of the widespread foreign operations of the Dillon, Read firm. By 1948, already an acquaintance of Mr. Dulles, then a private lawyer, he was working on foreign policy speeches for Thomas E. Dewey in the Presidential campaign. His *entrée* into the Eisenhower entourage was made all the easier by his leading role in helping win the key primary in New Jersey—

his home state—for General Eisenhower over Robert A. Taft in 1952.

He was thus a fairly typical—and more than typically influential—example of an Eastern "modern Republican" with a particular interest in foreign affairs. Mr. Dulles chose him as Ambassador to France, the nation's No. 2 ambassadorial job, and he served for four years in Paris with what is generally regarded as great distinction. Then in March, 1957, Mr. Dulles called him to his present post.

To his subordinates in the "E" area of the State Department Mr. Dillon is unlike anyone they have seen before. "Two things have struck me," says one veteran. "The first is his knowledge of detail. He reads every line of every paper and every figure in the appendix. I honestly don't know how he gets time to do it, but he does."

**T**HE other is his ability to persuade people. Obviously, we're bound to like it in our shop when our top man carries the weight this fellow does. Look at Treasury. Or Congress. I've often wondered how he does it, and I think maybe the main reason is that he doesn't give people any malarkey. People can have confidence in him.

"Quite frankly, we like him very much, and I think you'll have a hard time finding anyone around here with a different view."

As for Mr. Dillon himself, there is no doubt that he relishes his present role. He does not put it in terms of power, but that is what it comes down to. The things that can be done, he says, "are much more important than what any one private person can do."

**DILLON, Clarence Douglas.** Born in Geneva, Switzerland, April 21, 1909; son of Clarence Dillon, investment banker, and Ann McEldin (Douglas) Dillon; Episcopalian; married Phyllis Chess Ellsworth on March 10, 1931; father of Phyllis Ellsworth and Joan Douglas; attended Groton School; received B.A. from Harvard in 1931; worked for Dillon, Read and Company of New York City, and was member of New York Stock Exchange, 1931-1936; elected vice-president and director of Dillon, Read and Company, 1938; called to Washington to aid in statistical control center for U.S. Naval Department in 1940; commissioned ensign in U.S. Naval Reserve in October 1940, was called to active duty in 1941, rose from ensign to lieutenant commander, and discharged in 1945; chairman of board of directors of Dillon, Read and Company, 1946-1953; president of United States and Foreign Securities Corporation, 1937-1946, and director from 1946-1953; president of United States International Securities Corporation; director of Amerada Petroleum Corporation from 1947 to 1953; member of board of overseers of Harvard, 1952-1958; U.S. ambassador extraordinary and plenipotentiary to France, 1953-1957; made deputy undersecretary of state, 1957-1958; became undersecretary of state for economic affairs, 1958-1959; chosen undersecretary of state, 1959-1960; appointed SECRETARY OF THE TREASURY in the cabinet of President Kennedy and continued under President Lyndon B. Johnson, serving from January 21, 1961 to March 31, 1965; most important contributions were formulation of new tax policy and aid in founding Alliance for Progress; member of boards of governors of Metropolitan Museum of Art and New York Hospital; trustee of Groton School; member of Society of the Cincinnati, Society of Colonial Wars, Century Association, and Knickerbocker Club; collects art; raises Guernsey cattle on farm in Somerset County, N.J. Jim F. Heath, *J.F.K. and the Business Community* (1969); Hobart Rowan; *Free Enterprises: Kennedy, Johnson and the Business Establishment* (1964).



Karsh, Ottawa

C. DOUGLAS DILLON

to the National Republican Convention in Chicago in the summer of 1952, which nominated Dwight D. Eisenhower for the Presidency. The New York *Herald Tribune* reported that Dillon had expected a place in the new Administration, but was "surprised" when President Eisenhower designated him United States Ambassador to France in January 1953. Dillon's only previous Government experience was in 1940 when he made a special study of the Navy Department for the then Under Secretary of the Navy, James Forrestal, who was his close friend. After accepting his diplomatic appointment, Dillon resigned as head of Dillon, Read & Company.

As outlined by *United States News*, Dillon's Ambassadorship carries with it the responsibility of advancing "President Eisenhower's plan for a closely integrated, well-armed Europe, prepared, with United States help, to rise to its own defense against any Russian attack." Dillon's task is to "combat the trend [in France] against European unity, away from cooperation, and toward French nationalism." His knowledge of international finance is expected to be useful in the proposed possible "examination" of United States foreign aid policies, as they affect France. Before leaving for his post in Paris, Dillon told a group which held a luncheon in his honor that France and its ministers had been leaders in creating the idea of European economic and military unity, and stated that antagonism to the United States in France was fostered by Communists. His mission, he said, would be to try to make the French people see "what we are really trying to do." One aspect of Dillon's role as Ambassador, as viewed by Drew Middleton of the New York *Times*, is to mediate, if necessary, between France and West Germany in any difference that might arise to threaten ratification of the Bonn peace contract with the Western Allies and the European Defense Community

Treaty. The new Ambassador presented his credentials in Paris on March 13, 1953.

Charitable and public organizations Dillon has served are the United Hospital Fund and two New York hospitals, the State Charities Aid Association, the Metropolitan Museum of Art, and the United States Council of the International Chamber of Commerce. He is an overseer of Harvard and permanent treasurer of the Harvard class of 1931. His clubs are the Racquet and Tennis, the Links, Knickerbocker River, and Recess in New York; and the Metropolitan in Washington, D.C. Married on March 10, 1931, to Phyllis Chess Ellsworth, Dillon is the father of two daughters, Phyllis Ellsworth and Joan Douglas. His religious affiliation is Episcopal. Dillon, who has been described as "handsome," has brown hair, blue eyes, stands an inch over six feet, and weighs 180 pounds. His taste in reading reflects his interest in history and current events. His other forms of recreation are golf, tennis, small-boat sailing, enjoyment of art, and management of his family's 300-acre farm in the foothills of Somerset County, New Jersey. The Ambassador, who speaks French, has traveled in France on business and vacation trips.

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#### DOUGLAS, MARJORY STONEMAN

April 7, 1890- Author

Address: h. 3744 Stewart Avenue, Coconut Grove, Florida

When Marjory Stoneman Douglas' book *The Everglades: River of Grass* (Rinehart) was published in 1947 and became a best seller, she achieved national recognition in a career devoted primarily to fictional and factual writings on Florida.

Prior to this achievement, Mrs. Douglas was already recognized as a writer of short stories approximately forty of which appeared in the *Saturday Evening Post* over a period of fifteen years. *Collier's*, *Woman's Home Companion*, *Reader's Digest*, and other national magazines have carried her writings. She received the second prize in the O. Henry Memorial Collection of 1928.

*Road to the Sun* (Rinehart, 1951) was Marjory Stoneman Douglas's first novel. In the making ten years, it is a "tense Florida drama." Her accurate knowledge of Florida history in this and *The Everglades* made her the logical choice for a representative story in the new "The State of the Union" series. This historical story, with teen-age characters, is laid in 1845, the year Florida joined the Union. This is her first book for young people.

Marjory Stoneman Douglas was born in Minneapolis, Minnesota, on April 7, 1890. Her

Dietrich is now acting in a radio drama *Time for Love* on the Columbia Broadcasting System network, which, like the very popular *Cafe Istanbul* program in 1952, is a series of international adventure plots with Marlene playing what *Time* called "the same romantic *Welt-schmerz* role with whispered snatches of French and German songs."

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**DILLON, C(LARENCE) DOUGLAS** Aug. 21, 1909- United States Ambassador to France; banker

Address: b. c/o American Embassy, Place de la Concorde, Paris, France; 46 William St., New York 5; h. Far Hills, N.J.

For the critical diplomatic post of United States Ambassador to France, President Dwight D. Eisenhower in January 1953 named C. Douglas Dillon, who resigned as chairman of the board of Dillon, Read & Company to accept the appointment. With his twenty-two years of experience in international investment companies and knowledge of the financial problems involved in building a military defense program, Dillon has the task, among other duties, of advancing the Republican Administration's new economic and mutual aid policies in France. Chairman of the executive committee of the New Jersey Republican State Committee since 1949, Dillon actively supported Eisenhower's candidacy for President in 1952.

Clarence Douglas Dillon was born in Geneva, Switzerland, on August 21, 1909, one of two children (a boy and a girl) of Clarence and Anne McEldin (Douglass) Dillon, American citizens who at the time of their son's birth were traveling in Europe. The elder Dillon, an investment broker and later founder of the banking firm Dillon, Read & Company, returned to the United States with his family in 1910. Graduated with high honors from Groton School in Massachusetts in 1927, young Dillon entered Harvard University, where his major subjects were American history and literature and where he became manager of the varsity football team and a member of the student council before receiving his B.A. degree *magna cum laude* in 1931.

About a month after joining his father's firm in September 1931, Dillon left to become a floor trader on the New York Stock Ex-

change, on which he acquired a seat, reported the *New York Times*, for \$185,000. During the five years of his membership on the exchange (1931-36), he was also an associate member of the New York Curb Exchange. Re-joining Dillon, Read & Company, Inc., in January 1938, Dillon held the vice-presidency of the firm and membership on the board of directors from that year to 1941. In January 1946, after his return from World War II service, he became chairman of the board. (Dillon, Read & Company, a firm of investment bankers with world-wide interests, grew out of the banking firm of William A. Read & Company. In 1916 Clarence Dillon became president of the organization and kept that position when the firm took its present name, in 1920, and launched what have been described as "some of the most spectacular financial operations of the 20's.")

In January 1938 Dillon was also made a director of two investment houses with which he had become associated a year earlier, the United States and Foreign Securities Corporation and its subsidiary United States and International Securities Corporation. These corporations, of which Dillon was elected president in November 1946, were organized by Dillon, Read & Company in 1924 as publicly owned investment trust concerns with far-flung domestic and foreign holdings in chemicals, metals, natural gas, oil, and public utilities. In 1951 they showed a net income of \$4,712,414. Dillon accepted responsibilities in a third major business affiliation when he became a director in May 1947 of the Amerada Petroleum Corporation, which was established in 1921 (its present name dates from 1941) to develop and exploit petroleum in the United States and the Province of Alberta, Canada. Nearly eight million acres are owned or controlled by the firm, which in 1951 produced 23,271,654 barrels of crude oil.

Commissioned an ensign in the United States Navy on October 26, 1940, Dillon soon afterward gave up his business associations for the period of his service in World War II. In the Naval Reserve from May 1, 1941, to November 4, 1945, when he returned to inactive duty with the rank of lieutenant commander, he mainly fought with the air arm of the Seventh Fleet stationed in the Southwest Pacific and took part in a number of major operations. Dillon was awarded the Air Medal, the Legion of Merit Medal, and the Navy Commendation Ribbon.

Since his discharge from the Navy Dillon has been an active member of the Republican party, working with John Foster Dulles on the foreign policy team in the 1948 Presidential campaign of Governor Thomas E. Dewey. The next year the county of Somerset, where he resides, elected him to the New Jersey Republican State Committee, on which he served as chairman of the executive group. In December 1951 he initiated the "draft Eisenhower" movement in his State and took part in the appeal to New Jersey voters to participate in the Republican primary elections regardless of their previous political affiliations, and in this effort clashed with supporters of Senator Robert A. Taft. Dillon was an alternate delegate-at-large

Dillon's father founded <sup>161</sup> Dillon Read

## LEVEL 1 - 1 OF 2 STORIES

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Dillon

HEADLINE: DILLON AND ARTS FEDERATION HONORED

BYLINE: By DOUGLAS C. MCGILL

BODY:

With speeches, music and dancing, the New York art world yesterday celebrated the 75th anniversaries of two of its most formidable institutions: the American Federation of Arts and Douglas Dillon.

The idea for the celebration - which started with a cocktail reception at the Metropolitan Museum of Art and moved to the Pierre Hotel for dinner and dancing - began with the federation, a nonprofit group that organizes major art and film exhibitions that travel here and abroad. The organization decided to celebrate its 75th anniversary with a fund-raiser honoring Mr. Dillon, the recently retired chairman and longtime benefactor of the Metropolitan Museum, who became 75 years old in August.

"Douglas Dillon has had a lifelong and distinguished career in the arts, finance, government and diplomacy," said Wilder Green, the director of the federation. "In the arts, he's been a patron, a collector, a donor, and an advocate. He's a kind of Renaissance man."

Among the guests of the evening - a gala affair that at both the reception and dinner was dense with shiny black tuxedos, gleaming with champagne glasses and loud with excited talk - were many of America's most well-known arts figures: the artists Robert Motherwell, Helen Frankenthaler, Louise Nevelson, Red Grooms and Christo; Frank Hodson, chairman of the National Endowment for the Arts; Kitty Carlisle Hart, chairman of the New York State Council on the Arts; Philippe de Montebello, director of the Metropolitan Museum; J. Carter Brown, director of the National Gallery of Art in Washington; the photographer Richard Avedon; the theatrical director and art collector Mike Nichols; the art historian and lecturer Rosamond Bernier, and the writer Brendan Gill.

'We Have Our Giants'

"We sometimes talk as though there had been giants in the old days and none today," said Rawleigh Warner Jr., the chairman of Mobil Corporation, in printed remarks honoring Mr. Dillon, published in a program for the evening. "But the crowded history and brilliant achievements of Douglas Dillon make it manifest that we, too, have our giants."

A biography of Mr. Dillon, contained in the program, spelled out that crowded history: he began his career in 1931 as an investment banker and member of the New York Stock Exchange while still in his 20's. After four years in the Navy, he went on to serve as United States Ambassador to France from 1953 to 1957, as Secretary of the Treasury from 1961 to 1965, as president and later also as

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~~Chairman of the Metropolitan Museum from 1970 to 1983.~~

During his years at the Metropolitan, Mr. Dillon led the museum through 13 years of growth, despite the difficult times caused by New York City's financial crisis. According to Mr. de Montebello, Mr. Dillon spearheaded an aggressive acquisitions program - especially in the field of Chinese paintings - and also raised the great majority of the \$100 million needed for the museum's renovation and expansion of the 1970's. He was also one of the museum's greatest individual benefactors, donating nearly \$20 million during those years.

In an interview before last night's gala, Mr. Dillon said that his lifelong interest in the arts was intensified during his time as Ambassador to France. "Art gives an understanding of other people and other countries," Mr. Dillon said. "It's noticeable that if you like the art of a country, you realize that the people who produced it must be fairly decent people that you ought to be able to get along with."

It was this belief, Mr. Dillon said, that motivated much of his work in the arts - which in fact extended far beyond his chairmanship of the Metropolitan. In 1967, for example, Mr. Dillon also became the first chairman of the Business Committee for the Arts, the arts-financing group of chief executives from leading American businesses. Later, he was instrumental in founding the Institute of Museum Services, the Government agency that was formed in 1977 to help museums insure art treasures borrowed from foreign countries for such "blockbuster" exhibitions as "The Treasures of Tutankhamen."

"Douglas is a marvelous person," said Mr. Warner. "He's the last person in the world to tell you the things he's accomplished. And because of his wealth, he's able to put up his share of the money."

## Tribute to Federation

Among last evening's guests were also many who personally paid tribute to the American Federation of Arts. Founded in 1909 by Elihu Root, who was then Secretary of State under Theodore Roosevelt, the federation's first mission was to send fine-art exhibitions into America's hinterlands to redress the cultural imbalance that favored the Eastern states.

Since those early days, the federation has organized dozens of traveling exhibitions that are still aimed at sending art to places that it rarely reaches. Today, the federation sends about six such shows each year - as well as programs of avant-garde films and documentaries on art - traveling throughout the United States and sometimes abroad. In recent years, the federation has organized such diverse exhibitions as works on paper by Mark Rothko and the current show of Maori sculpture at the Metropolitan.

"I've lectured and traveled all across the country, and seen all kinds of institutions," said Robert Motherwell, for whom the federation organized the first major retrospective of his prints. "There are very few that are intimate, low-key, know exactly what they are doing, and who do it with great generosity and pleasantness. I've encountered only three or four of those in my life, and the A.F.A. is one."

GRAPHIC: photo of artists

*C. Douglas Dillon's U.S. & Foreign Securities was once the toast of Wall Street. Now, however, the closed-end fund is about to be liquidated because it is literally worth more dead than alive.*

## O death, where is thy sting?

By Richard Phalon

United States & Foreign Securities Corp. went public back in 1924, a heady time for closed-end investment companies. USFS had, for starters, the golden touch of the fund's underwriters, Dillon, Read & Co. (the Dillon family still controls about one-third of USFS). And then there was the fund's structure. It was one of the first of the big, leveraged closed-ends designed to extract maximum benefits from the Great Bull Market then exploding. The portfolio was a bellringer, too, chockablock with such up-and-comers as General Electric, Brooklyn Edison Co., the Continental & Commercial National Bank of Chicago and the First National Bank of New York City.

Not surprisingly, USFS burned up the track. Its common stock—a giveaway attached to the \$100 preferred that provided the fund's leverage—at one point reached a giddy \$99 a share. It was a typical brainchild of Clarence Dillon, the canny financier, who numbered among his achievements a victory over the House of Morgan for control of Dodge Brothers—on which Dillon promptly turned a handsome profit by merging the auto company with Chrysler.

That same shrewdness saved USFS from going down the tube in the 1929 crash—a fate that claimed many other swinging closed-ends, which learned too late that leverage has downside risks as well as upside rewards.

U.S. & Foreign, chaired since 1969 by C. Douglas Dillon—Clarence's son—has long since slipped into relative obscurity. Douglas Dillon, though an investment banker to the core, had far broader interests than his father. Now 74, his résumé includes such public service as Ambassador to

France, Under Secretary of State for economic affairs, Treasury Secretary and a recently ended 14-year stint as head of the board of directors of New York's Metropolitan Museum of Art.

The \$185 million fund, meantime, was being run on a day-to-day basis by solid, conservative professionals like Allan Comrie, who took over as presi-

clude sizable chunks of Superior Oil, IBM, Corning Glass, Gerber Products and Dart & Kraft.

The investment strategy, until the last year or two, was cautious. Through much of the 1970s, USFS' portfolio turnover rarely got much higher than 15%, and in several years it ran 10% or less. The caution has brought stockholders an average annual return of 10.1% over the last ten years—about par for old-line closed-end investment funds.

Along with most of the other old-line survivors, USFS suffered from a common ailment. With rare exceptions, the market value of its stock traded on the Big Board at a deep discount below net asset value. There were long periods when its prime assets could have been bought for as little as 75 cents or 80 cents on the dollar.

Why so much indifference to such gilt-edged values? "Lack of sponsorship," for one thing, says Allan Comrie. Except for such newer (and much more volatile) funds as Heizer Corp. and the Nautilus Fund, which offer the flash and glitter of high-tech port-



Financier and public servant C. Douglas Dillon  
**A liquidation that could be a shrewd call of the market.**

dent in 1969. USFS doesn't have quite the glamour of one of the Dillon family's other major holdings, the renowned Bordeaux vineyards of Château Haut-Brion—but there was the same insistence on blue chip quality. The fund's five biggest holdings in-

folios, most closed-ends are adrift in the backwaters of a grossly inefficient market. There is so little Wall Street interest in the closed-ends, in fact, that only one firm of any size specializes in them—Thomas J. Herzfeld & Co. of South Miami, Fla.

The recent bull market has treated USFS and its shareholders quite well. The fund, as it happened, picked a good time to become more aggressive. Portfolio turnover jumped to 18% in 1981, and to 27% last year. At the same time, there has been a sizable increase in the fund's capital distributions, the discount has narrowed significantly and assets have reached an alltime high.

But, alas, there is a flaw in the closed-end concept that plagues USFS. To get better treatment in the stock market, a closed-end needs generous capital gains payouts. As Allan Comrie points out, such big capital distributions are a "form of self-liquidation. You can't grow," he says, "if you're passing on the assets that you need to grow on."

And so, after 59 years, through bull market and bear, USFS is going to resolve the chronic dilemma of the discount by liquidating the fund.

Stockholders will be asked to vote on the move at a meeting scheduled for February. If they approve, the portfolio, which at the moment includes some \$50 million in unrealized capital gains, should generate more than enough cash to cover such closeout costs as legal fees, severance pay and the like. Comrie thinks these liquidation costs will probably amount to less than 3% of assets. Wall Street seems to agree with that estimate. At the moment, USFS is trading at a discount of about 4%—one of the lowest it has seen in many, many years.

Death wasn't the only way out. USFS could have closed the discount at any time by changing into an open-end fund, merging or somehow working out an exchange deal on its portfolio. Comrie says all those alternatives, which might have spared shareholders the capital gains levies they will owe on any profits they show, were explored and found unworkable. "Liquidation," he says, "seemed the best way out for all shareholders, including the Dillon family."

The family's share of the fund amounts to about \$60 million, but as always, the yeast of the human factor is at work beneath the numbers. One easy inference is that Douglas Dillon, despite his still manifest energies, may well be doing some estate planning. The proposed liquidation of the fund follows by less than six months the sale of the family's interest in Dillon, Read to the Bechtel Group. Like his canny father before him, it may well be that Douglas Dillon is making it possible for USFS to go out the way it came in—close to a crucial turn in the market. ■

*Margaret Thatcher loves the free market. François Mitterrand hates rich men's toys. Are the Concorde's days numbered?*

## Mach zero

By Marcia R. Berss

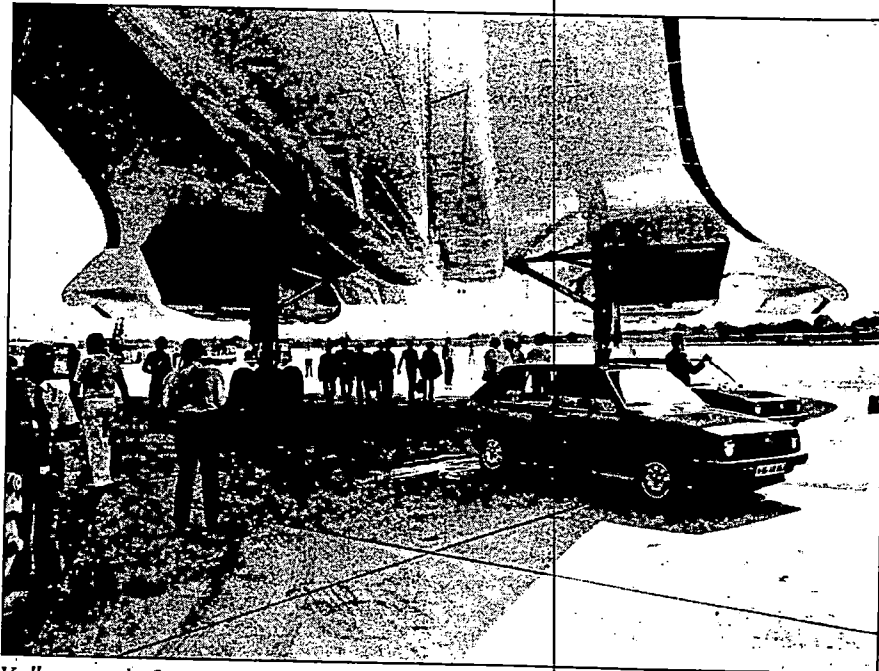
**R**IDING IN THE CONCORDE is fun, if cramped. But operating the supersonic airliner can be very unpleasant. British Airways and Air France own seven of the \$2 billion planes each, and half of those are mothballed or used as spares. Those flying now run only across the Atlantic and lose buckets of money, even though one-way tickets cost \$2,000.

Sure, British Airways claimed its first profitable year in 1981, and this year may post profits of \$18 million on revenues of \$120 million. But that involves some very generous cost allocation. Forget depreciation; the planes were a gift outright from the

British government in 1979. And it still pours \$20 million a year into the Concorde program. The French subsidize, too, though despite government help Air France still posted a \$15 million Concorde deficit last year.

This situation isn't likely to continue. Next March, Britain will withdraw all taxpayer support for the Concorde. In addition, Margaret Thatcher wants to sell off British Airways, and that may happen as early as next year. Management may then be forced to defend the Concorde before shareholders and not merely the politicians who bankrolled its development.

The French, of course, have long been the airliner's staunchest supporters. But that may be changing.



Volkswagen's Concorde charter in Munich  
Yours for \$15,000 an hour with all the canapés you can handle.

THE WHITE HOUSE

Office of the Press Secretary

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For Immediate Release

January 17, 1989

The President will award the Presidential Medal of Freedom, the highest civilian award of our Government, at a luncheon to be held at the White House on January 19, 1989. The following individuals will be given this prestigious award by the President.

Ambassador Michael Mansfield and Secretary George Shultz are being honored for their many significant contributions in the fields of national interests, public services and world peace to the United States.

The Presidential Medal of Freedom is awarded to persons who have made especially meritorious contributions to (1) the security or national interests of the United States, or (2) world peace, or (3) cultural or other significant public or private endeavors.

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THE WHITE HOUSE  
Office of the Press Secretary

For Immediate Release

January 19, 1989

REMARKS BY THE PRESIDENT  
DURING MEDAL OF FREEDOM LUNCHEON

The State Dining Room

1:22 P.M. EST

THE PRESIDENT: Thank you. Thank you very much. When we finish this luncheon I hope you'll stick around a little while: We're having a tag sale upstairs and everything must go. (Laughter.) But, really, thank you all for coming to be with us here today.

Truly, one of the privileges of this office which I've found greatest joy in exercising has been the opportunity to present our nation's highest civilian honor, the Medal of Freedom. To stand, as I have had the honor of doing, with the recipients of this award has been to stand with the flesh and blood and spirit that is the greatness of America, men and women who have so greatly served our nation and helped keep her free.

The contribution of each recipient has been unique and noteworthy. And today is no exception as we honor two remarkable Americans, Mike Mansfield and George Shultz.

Mike Mansfield has dedicated the entirety of a very long and productive lifetime to public service. He served in both Houses of Congress, spanning seven presidents, and held the post of Senate Majority Leader longer than any other person. A former professor of Far Eastern history, he played an important part in shaping America's Asian policy, serving on both the House Foreign Affairs Committee and the Senate Foreign Relations Committee and then as our Ambassador to Japan. For a sizeable portion of America's history as a nation, Mike Mansfield has been in service to his country.

George Shultz -- my voice cracked just as I got to you. -- (laughter) -- George Shultz has been a Marine, an academic, and a businessman, and a public servant. He has held four Cabinet-level posts, distinguishing himself as a Secretary of Labor, Director of the Office of Management and Budget, Treasury Secretary, and finally as one of America's great Secretaries of State. Over the last 6-1/2 years, in managing our foreign policy, he has served wisely and met great challenges and great opportunities. George Shultz has helped to make the world a freer and more peaceful place.

And there's nothing so precious and irreplaceable as America's freedom. In a speech I gave 25 years ago, I told a story that I think bears repeating. Two friends of mine were talking to a refugee from Communist Cuba. He had escaped from Castro, and as he told the story of his horrible experiences, one of my friends turned to the other and said, "We don't know how lucky we are." And the Cuban stopped and said, "How lucky you are? I had someplace to escape to."

Well, no, America's freedom does not belong to just one nation. We are custodians of freedom for the world. In Philadelphia, two centuries ago, James Allen wrote in his diary that, "If we fail, liberty no longer continues an inhabitant of this globe." Well, we didn't fail. And, still, we must not fail. For freedom is not the property of one generation; it's the obligation of this and every generation. It's our duty to protect it, and expand it, and pass it undiminished to those still unborn.

MORE

Now, tomorrow is a special day for me. I'm going to receive my gold watch. And since this is the last speech that I will give as President, I think it's fitting to leave one final thought, an observation about a country which I love.

It was stated best in a letter I received not long ago. A man wrote me and said, "You can go to live in France, but you cannot become a Frenchman. You can go to live in Germany or Turkey or Japan, but you cannot become a German, a Turk, or a Japanese. But anyone, from any corner of the Earth, can come to live in America and become an American."

Yes, the torch of Lady Liberty symbolizes our freedom and represents our heritage, the compact with our parents, our grandparents, and our ancestors. It is that lady who gives us our great and special place in the world.

For it's the great life force of each generation of new Americans that guarantees that America's triumph shall continue unsurpassed into the next century and beyond. Other countries may seek to compete with us, but in one vital area -- as a beacon of freedom and opportunity that draws the people of the world -- no country on Earth comes close. This, I believe, is one of the most important sources of America's greatness. We lead the world because, unique among nations, we draw our people, our strength, from every country and every corner of the world.

And by doing so we continuously renew and enrich our nation. While other countries cling to the stale past, here in America we breathe life into dreams, we create the future and the world follows us into tomorrow. Thanks to each wave of new arrivals to this land of opportunity, we're a nation forever young, forever bursting with energy and new ideas, and always on the cutting edge, always leading the world to the next frontier. This quality is vital to our future as a nation. If we ever closed the door to new Americans, our leadership in the world would soon be lost.

A number of years ago, an American student traveling in Europe took an East German ship across the Baltic Sea. One of the ship's crew members from East Germany, a man in his 60s, struck up a conversation with the American student. After a while the student asked the man how he had learned such good English. And the man explained that he had once lived in America. He said that for over a year he had worked as a farmer in Oklahoma and California, that he had planted tomatoes and picked ripe melons. It was, the man said, the happiest time of his life. Well, the student, who had seen the awful conditions behind the Iron Curtain, blurted out the question: Well, why did you ever leave? "I had to," he said, "the war ended." The man had been in America as a German prisoner of war.

Now, I don't tell this story to make the case for former POWs. Instead, I tell this story just to remind you of the magical, intoxicating power of America. May -- we may sometimes forget it; others do not. Even a man from a country at war with the United States, while held here as a prisoner, could fall in love with us. Those who become American citizens, love this country even more. And that's why the Statue of Liberty lifts her lamp to welcome them to the golden door.

It is bold men and women, yearning for freedom and opportunity, who leave their homelands and come to a new country to start their lives over. They believe in the American dream. And over and over they make it come true for themselves, for their children, and for others.

They give more than they receive; they labor and succeed. And often they are entrepreneurs. But their greatest contribution is more than economic. Because they understand in a special way how glorious it is to be an American, they renew our pride and gratitude

in the United States of America, the greatest, freest nation in the world, the last best hope of man on Earth.

The Medal of Freedom represents the reverence the American people have for liberty and it honors the men and women who through their lives do greatest honor to that freedom. The lives of the two men we honor here today tell a story about freedom and all its possibilities and responsibilities, and well, both those that inhere in each free man and woman, and those that fall upon a great and free nation.

Our honorees have dedicated their lives to preserving and protecting America's freedom. They have engaged themselves in the larger cause, that of humanity and of the world, to help extend freedom to people of other lands. There is no task more fitting for Americans than that.

So I will now read the citations for our two very distinguished award recipients and present to them their medals. Perhaps I should mention that our first recipient today -- the one who calls me "kid" -- (laughter) -- is the son of immigrants, from a country called Ireland.

And now, if Michael Mansfield and George Shultz would please come forward -- George, you're due here. During World War I, Mike Mansfield, not yet 15, enlisted in the United States Navy, crossing the Atlantic seven times before he was discharged. His service to country would span seven decades, and would help shape America's destiny as a Pacific power. Through 34 years in Congress -- including 16 as Senate Majority Leader -- and with more than a decade as U.S. Ambassador to Japan, Mike Mansfield has set his indelible mark upon American foreign policy and distinguished himself as a dedicated public servant and loyal American.

(The Medal is presented.) (Applause.)

AMBASSADOR MANSFIELD: Mr. President, First Lady, Mr. Secretary of State and Mrs. Shultz, Ambassador Matsunaga and Mrs. Matsunaga, my former colleagues from both the House and the Senate; our distinguished guests; ladies and gentlemen.

I can't begin to express in words, Mr. President, my deep appreciation for what you've said about me and the encouragement which you've given me in my post as your Ambassador, your personal representative, our country's Ambassador to Japan.

However, I think that much of the credit should go to Maureen, my wife, who, down through the years, has been such a wonderful helpmate; whose advice, counsel, and understanding I appreciated; who worked harder at any job I've had and received little credit in the process. So I want to say how much I owe to her, how much I'm indebted to her, how much I appreciate what the President has said -- who has laid out a sound policy for our future in the Pacific and East Asia. I appreciate the advice and counsel that George Shultz has given to me from time to time. And I appreciate the fact that, for the first time in memory, that we have both a President of the United States and a Secretary of State who are actively interested in the Pacific, in Japan, and in East Asia. I anticipate that the policies these men have laid down will be continued.

In conclusion, we may recall that Robert Sandburg, one of our poets, said on a certain occasion, there are things to do, miles to go, and promises to keep before we sleep. Well, Maureen and I have traveled many miles. We have had and still have things to do and we still have the promises we made over half a century ago when we were joined together. So to her I want to give special thanks for all that she has been able to do with me. And to the President and Nancy, my thanks, my appreciation for their thoughtfulness and consideration. Thank you very much. (Applause.)

MORE

THE PRESIDENT: Unyieldingly dedicated to the protection of the American national interest, the advancement of freedom and human rights, the battle against tyranny, and reductions in nuclear arms, George P. Shultz has presided over the Department of State during one of the most critical periods in the history of this nation's foreign policy. For years of public service and his vital part in inaugurating a new era of hope in foreign policy, his countrymen honor him.

(The Medal is presented.) (Applause.)

SECRETARY SHULTZ: Mr. President, you know, Obie has been traveling a million miles around the world with me, so it's been a great partnership. But, Mr. President, I feel very special about receiving this award from you, and let me explain why. There's a phrase that's catching on -- "The Reagan Years" -- there's a ring to it. And, Mr. President, it is the ring of freedom.

You have advocated it, fought for it; you have known that the price of freedom is eternal vigilance; you have known this is a matter of principle on which you don't compromise; you have known that there are times when it requires action, sometimes, at least initially, not necessarily popular action, but you have to do it. You have also known and I've heard you say many times that the strength comes from "We the People;" that we get our legitimacy and you get your legitimacy as President from the people. And you've never been in any doubt, and none of us have, about who we came here to serve -- the American people.

And I see you there with your arm around Nancy. I had the privilege of going with Nancy a couple of months ago to the United Nations where she spoke about drugs. And she had the courage to say that one of the root causes of this worldwide problem is too -- is use of drugs in the United States. And we have to say no. So Nancy, too, has been a fighter for freedom -- freedom from drugs. And we love you for it and revere you for it, Nancy.

So all of these things make me especially proud to have served with you, to have been your Secretary of State, and to receive a medal from you called the Medal of Freedom has a significance for my life and Obie's life and my children that we will never forget. Thank you, Mr. President. (Applause.)

THE PRESIDENT: Thank you. Well, ladies and gentlemen, I have been privileged to participate in this recognition of the service of these two gentlemen to this great country of ours. I'm glad that all of you could be here. And now, my clock tells me that, like the letter I got the first week I was here from the little 11-year-old girl who told me all the things I had to do and then said, "Now, get over to the Oval Office and go to work" -- I see I've still got a few more hours of work ahead of me and we're a little behind schedule. And so we'll bid you all farewell and thank you again for all being here and participating. (Applause.)

END

1:42 P.M. EST