

Oral History Interview
with
FISHER HOWE

Member staff Office of Strategic Services, Office of Director, Washington, London, Mediterranean, Far East, 1941-45; Special Assistant, Under Secretary of State, Economic Affairs, 1945-46; Executive Secretary, Board of Foreign Service, Department of State, 1947; Deputy Special Assistant to Secretary of State, 1948-56.

Washington, D.C.
July 10, 1975
by Richard D. McKinzie, Harry S. Truman Library

The Harry S. Truman Library
Independence, Missouri
October, 1978

NOTICE

This is a transcript of a tape-recorded interview conducted for the Harry S. Truman Library. A draft of this transcript was edited by the interviewee but only minor emendations were made; therefore, the reader should remember that this is essentially a transcript of the spoken, rather than the written, word.

RESTRICTIONS

This oral history transcript may be read, quoted from, cited, and reproduced for purposes of research. It may not be published in full except by permission of the Harry S. Truman Library.

Oral History Interview
with
FISHER HOWE

Washington, D.C.
July 10, 1975
by Richard D. McKinzie, Harry S. Truman Library

[1]

MCKINZIE: May I ask how you happened to come into Government service in the first place? Had you decided at an early state in your career that you wanted a career in Government? Historians get very interested in why people go into Government in the first place, is it for purposes of prestige, money...

HOWE: As kind of an example, as a case history, I got out of Harvard in 1935 and went to work for a thread business. I think, lurking in the

[2]

back of my mind was the diplomatic service, as I was selling thread in such disparate places as the Adirondacks, Colorado, Arizona, and Yorkshire, England. In 1939 or '40, I precipitously left that job to come down and study for the Foreign Service. Then after taking the exams, I went into OSS and immediately went abroad. I was accepted into the Foreign Service, but they told me to go down to Guayaquil, which, in the midst of the war when I was working in a key job in London, I was not about to do.

I was in OSS right to the very end and was working for General [William J.] Donovan. I moved over to the State Department in September of 1945, because a friend of mine from London days was working in the economic side of the State Department and had recommended

[3]

me to [William L.] Clayton and his deputy, Willard Thorp. My interest in the Foreign Service, but not yet being in the Service, led me to be the staff officer for economic affairs. I was not an economist and have never been an economist.

MCKINZIE: Did you share Will Clayton's views about economic realities and his scheme for the world -- what amounts, as I understand it, to free trade?

HOWE: Well, I think that's a somewhat oversimplified picture of Clayton's view. Clayton was a very strong reciprocal trade man, and he built a very strong reciprocal trade staff, headed by Clair Wilcox. They were out in front in trying to build an international organization. It was then within the United Nations framework, known as ITO, International Trade Organization,

[4]

which was the forerunner of GATT [General Agreement on Trade and Tariffs]. Clayton, as a very strong free enterprise businessman, could not have been a more effective man in leading this show. Nobody could accuse him of being a soft-minded bureaucrat, trying to lead the country to theoretical goals of free trade. So that's why he was extraordinarily valuable. He was just a very, very strong man -- a very mild, gentlemanly figure, but a very strong man, very perceptive.

MCKINZIE: In the course of those early months when you were working in that office, did you have anything to do at all with the continuing negotiations with the International Monetary Fund and the International Bank for Reconstruction and Development?

HOWE: Not directly. I was dealing with the people

[5]

who were working on these matters, including Pete [Emilio] Collado -- and Ken [John Kenneth] Galbraith, I think, was involved in this some, too.

MCKINZIE: How would you assess the tone of those times, among those people? That is to say, were they hopeful that these international financial institutions were going to be adequate for the

task of reconstruction and development as they then saw them, or were they simply something they hoped would do that?

HOWE: That's a very difficult question, very perceptive but very difficult, and I don't know. On the British loan, which was a forerunner to Bretton Woods I think they had a sense of desperation. The British loan was a key element in bringing the world around to

[6]

a stable position where it could move forward, and there, I think, they felt it was an absolutely necessary requisite. Then they moved on, and I think they were very hopeful that they could set up an international structure that could be relied on for many years ahead. They had such a community of view amongst the economic titans of the world, Keynes and the ones in this country. I don't even know who were the principal ones who opposed it; there seemed to be such a strong and common bond amongst them that this was the direction to go.

MCKINZIE: How did Willard Thorp, who was Assistant Secretary at that time...

HOWE: He was first Deputy Assistant Secretary when Will Clayton was Assistant Secretary, and then when Will Clayton moved up to be Under Secretary

[7]

he became the Assistant Secretary.

MCKINZIE: He was the only Assistant Secretary to serve the whole period under Truman, as I recall; at least he had the longest tenure. I'm wondering what the secret of that is. Is it simple flexibility to work for the men above you, or did Willard Thorp have his own kind of power within the State Department's hierarchy?

HOWE: I haven't the faintest idea. Willard Thorp was always an enigma to me. I did not see how, in bureaucratic terms or in economic terms, he had the clout, but he certainly had the permanence and he went on to successful other ventures. He was, for many years, head of BELD in Paris. I never could understand that. A lot of people get away with it because they've

[8]

got all the charm in the world; some do it because they have some other particular feature. But Willard was, I think, a well-trained economist, and, by the same way, he could talk circles around anybody who was not an economist when he was talking on an economic subject.

MCKINZIE: What about the Treasury Department in all of that? Everybody was vying for a piece of the action in those days, and I understand that the Treasury Department did, at various times, have, if not the upper hand, at least a considerable amount of influence. These internal matters do affect, often, outcomes.

HOWE: I agree with you entirely, but I've got to bow out from the question. I don't have any clear recollection of the part played by Treasury in this. They were obviously in it, and I was obviously aware of their being in it,

[9]

but it doesn't come through in any positive enough way that I can contribute to it.

MCKINZIE: Do you recall the discussions about the various loans and the whole idea of making bilateral financial agreements during 1945 and 1946? The Dutch requested loans, the Belgians requested it, the French, and, indeed, the Soviet Union.

HOWE: I don't feel that I can contribute on that.

MCKINZIE: Your concerns were with the organization of the Foreign Service?

HOWE: The relationship of economic officers in the Department to foreign posts, and a problem which is current today of how you get specialists in the Foreign Service that are good enough to deal on economic subjects and still be treated

[10]

properly and advanced within the Foreign Service. It's an amazing thing how comparable the problems are. I happen to, again, be working on it right now.

MCKINZIE: What could you do in 1945-1946?

HOWE: I could press very hard, and I think with some success, in the formation of the legislation which came to be the Foreign Service Act of 1946, and in developing a structure within the Foreign Service administration that would give more weight to the interest of the economic section of the Department and to other departments who were interested, notably Commerce, Agriculture, and Labor. Treasury was in a rather unique and small, special position.

MCKINZIE: I have heard some people say that in those years the political people often didn't

[11]

listen to the economic people, that the economic people were off doing their analysis, that the political people were off doing theirs, and that oftentimes they were operating tangentially, but they weren't operating in the same gear.

HOWE: The political people were acting as if the economic had no major significance to what they were doing, and they treated economic officers with scorn. The first economic officer who had any weight at all was Ambassador Livie [Livingston] Merchant, and he was appointed as special assistant to Secretary Clayton and then went over to be Minister for Economic Affairs in Paris. He subsequently joined the Foreign Service, moving over onto the political side so that he lost all economic coloration. But he was the first fully successful economic officer in the Foreign

[12]

Service.

MCKINZIE: Were you involved at all in recruiting economic people?

HOWE: No. No. There was no active recruitment of economic people. There was a recruitment into the Foreign Service according to a generalist pattern, and then certain ones of those who were economists would move into the economic field more than others -- people like Jack [John Wills] Tuthill and...

MCKINZIE: There are a number of kinds of economists -- particularly then, there were a number of different kinds of economists. From your position, where you were trying to structure the system so that they would have some influence, did you detect a particular economic coloration of these people? Were they adherent to the Will Clayton view?

[13]

Did those types tend to rise to the top?

HOWE: No. Those who rose to the top in the Foreign Service -- and this is a very sad thing to say -- those who rose were the ones who played a Foreign Service game correctly, almost regardless of their economic competence, but certainly regardless of any theoretical base for their economic views. And it was those who could be most acceptable to the overriding political environment that the Foreign Service presented. Sad, but true. It's improved a lot, but it isn't improved as much as it must.

MCKINZIE: Did you approve of the system whereby State Department officers could transfer laterally into the Foreign Service?

HOWE: Yes, but the Foreign Service didn't. One

[14]

of the things I pressed for strongly was the recruitment of more officers. This is a somewhat different answer to your earlier question. The first legislative act, immediately after the war, for recruitment into the Foreign Service was called the Manpower Act, in which the Foreign Service was given the authority, and indeed was pressed, to take in 250 people at lateral levels, rather than at the bottom, in order to get both numbers and to get specialities included, particularly the economic speciality. And the Foreign Service drug its heels on this, so that in the course of the life of the Manpower Act, two years or three years, they may have taken in a hundred or a few more than that, less than half of the quota that they were pressed to take in. This was indicative of

[15]

the fact that they did not want to take people in laterally, and they did not recognize the need to take in people with previously demonstrated abilities in specialities.

MCKINZIE: So, your position, then, was to simply go as far as you could with...

HOWE: Oh, I pressed very hard to have the Manpower Act implemented to the full and to make sure that lateral entry provisions were in the new act and, to the fullest extent possible, would be utilized. To that extent I was not welcomed in the Foreign Service environment, because they felt

that the Service depended entirely on a closed service, which means no lateral entry except in the rarest circumstances, and taking people in at the bottom.

MCKINZIE: Well, you served under three Secretaries

[16]

of State while Truman was President. I guess Stettinius was out by the time you came in.

HOWE: I think Stettinius was Acting Secretary when I came in, and then Byrnes came in shortly after that; he did not last long.

MCKINZIE: And then Marshall and then Acheson. Of those three Secretaries, were there discernible differences in their attitudes toward the Foreign Service? I gather that Marshall had a somewhat different view.

HOWE: Yes, Marshall was such an Olympian figure that I don't think I ever met with him, and I didn't get any clear impression of what his views were. Acheson understood the Foreign Service and dealt with it. Byrnes did not understand the Foreign Service and put in Donald Russell, who didn't understand the

[17]

Foreign Service; and, so, there was just all kinds of confusion in the Byrnes period. Acheson was Marshall's Under Secretary and then he left for a while, then came back to be Secretary.

MCKINZIE: That's right.

HOWE: And so [Robert A.] Lovett was Under Secretary after Acheson, that's right. And Lovett also understood, although not quite as well as Acheson, the forces at work in the administration of the Foreign Service. Acheson, bless him, understood, but he was not all that good an administrator. He was just an administrator in the sense that he was prepared to put a significant amount of time on the problem, and no Secretary of State has ever been prepared to put a significant amount of time on

[18]

the problem. At least Stettinius might have, but he didn't understand foreign policy, so he had great instability in that.

MCKINZIE: Well, then, you're coming close to the crux of the question during those years, and that's morale within the Foreign Service. Structure can effect to a certain degree, but then so can the time, which saw all of that business of loyalty. Truman had his own loyalty board, and then, of course, it phased into the [Joseph R.] McCarthy investigation. And those, in a way, would seem to be detrimental to a feeling of esprit with the Foreign Service. And yet on the other hand, it had the Foreign Service, at long last, making a difference, out from under this sort of

[19]

repressive thumb of Franklin Roosevelt.

HOWE: I think the key element there was the fact that the Foreign Service had a significant control of the key positions within the Department, and the attacks upon the Foreign Service were all external to the Department. So, you could find esprit in a common defense within the fortress. And Acheson, of course, was the lightning rod for that, certainly in the McCarthy kind of thing. So, the Foreign Service morale was low, but I don't think it was all that low, for the reason that they could stand together in an embattled position. Within the Department, people like Bill [William Burnett] Benton were unhappy with the closedness of the Foreign Service, so he would try and do something about it, and there were some external people like Donald Russell or Joe Panuch, the deputy

[20]

to Don Russell, J. Anthony Panuch -- they would fight the establishment of the Foreign Service. But they were too few and didn't have enough clout, and there were enough big Foreign Service officers around, like Loy Henderson and Harry Villard, and Jack Hickerson and Doc Matthews, who held the key positions throughout the Department -- Selden Chapin, Julian Harrington.

MCKINZIE: Would you consider that rivalry sufficient to have affected the operations of the Department between the Foreign Service and the non-Foreign Service people in the Department?

HOWE: No, the non-Foreign Service people were largely of two kinds, even as there are now; there are the specialists in economics and the specialists in public information and cultural

[21]

affairs. There were almost no Foreign Service officers in the economic side. All Foreign Service officers were on the political side. This was a functional rivalry and almost a division of the State Department into that which was peopled by Foreign Service officers and that which was peopled by non-Foreign Service officers. The Wriston program tried to overcome this, but for different reasons, I think; by that time, the Wriston program was too late.

MCKINZIE: If it were going to be reformed, it should have been reformed in the early postwar years?

HOWE: That's right. And it should have been a reform of the Foreign Service, not to enlarge the Foreign Service to try and encompass the Department. What it did was to remove the

[22]

ability of the Department to develop the specialists that it had to have. By the nature of the Foreign Service, you're not going to have real specialists. The Foreign Service is a generalist corps the way it has been built, and even the Wriston program was based on a generalist officer and the success of a generalist officer.

MCKINZIE: Foreign Service officers, though, had to take on a constantly increasing amount of baggage. As the U.S. foreign policy expanded, in a sense, taking on such things as aid, Point IV, technical assistance, and as the cultural exchange programs increased, it would seem that the list of duties became longer.

HOWE: I don't think that the Foreign Service took those on, and I think this may be the trouble.

[23]

These functions of responsibilities were assumed by the State Department, but Foreign Service officers went right on being traditional Foreign Service officers, which means that they would communicate on political matters with the host government, mostly in a bilateral, not a multilateral, way. There were some specialists -- for instance, in the trade agreements -- but again, they were not Foreign Service officers; they were people from the economic section, many of whom then moved over to the Foreign Service. Win [Winthrop G.] Brown is a keen example, and Willis Armstrong, but many did not, such as John Leddy.

MCKINZIE: How did your own work change when Will Clayton left the Department?

HOWE: When the Foreign Service Act was passed,

[24]

they set up a Board of Foreign Service, and they wanted to demonstrate that they were open-minded about life, and so they asked me to come over and be the executive secretary of the Board of Foreign Service. This was, among other things, to satisfy the other agencies, notably Commerce, which had a very strong lobbying position that they did not want to be dominated by the Board of Foreign Service as an instrument of the Foreign Service. I lasted in that about a year and a half, and I think the Foreign Service then wanted to get somebody who was more captured than I was prepared to be. So, I moved. They sent me to the War College, and I came back to Intelligence.

MCKINZIE: In Acheson's office?

HOWE: Acheson was then Secretary, Park Armstrong

[25]

was the Director of Intelligence, and I became the Deputy Director. At that time, there were, oh, as many as 700 or 750 people in the intelligence side of the Department. They were doing research of an encyclopedic kind under a special program that was financed by CIA. They were also purportedly doing research reports in support of policy. Our major problem then was to relate the product of that intelligence more directly to the policy needs. The research boys were mostly inherited from OSS -- a part of OSS that I had not been in, the Research and Analysis Division -- and they felt that it was more important to do the research that they thought was important rather than what the policy officer necessarily thought was important. They were partly right, but I think they were very wrong in maintaining as much independence in

[26]

what they did. And this is a constant fight within the Department. It's a built-in fight, it's a healthy fight: How much is intelligence going to be responsive to declared policy needs, and how much is intelligence going to tell policy what it ought to hear?

MCKINZIE: What was Acheson's attitude toward that?

HOWE: Well, Acheson's attitude was sound on the basic principle, which came out in his decision in the Hoover Commission (he was the Deputy Head of the Hoover Commission). The task force had come out for breaking up the intelligence divisions and putting them under the regional political divisions, and Acheson said, "That won't do," and said that it was going to be maintained just as a central function, that the Secretary must have an independent line of

[27]

information. This he maintained while he was Secretary of State; and he always looked to Park Armstrong or me to get for him a view that would be free of what the political line, which had a concern of policy, was saying the situation was.

MCKINZIE: He didn't get his material for his defense perimeter speech, in which he left out Korea, from the Intelligence Bureau?

HOWE: Funny, but I never looked back to find what the source of that was. I don't think he needed any intelligence to know or not to know; he was not apt to have left anything out by mistake. I don't know. I want to go back to *Present at the Creation* to see what he said about that. I've forgotten what he said, but I can't believe that it was carelessness.

[28]

MCKINZIE: President Truman talks about people in the State Department; particularly in the case of the Palestine question in 1948, he had a kind of "striped pants" idea of those people in the State Department, which, I gather, is not unusual for Presidents to have. But would you sense that sort of, not presidential contempt, necessarily, but some very mild form of disapproval of all of it?

HOWE: Oh, I think so. I think one was aware of it. I think that Acheson was a very strong barrier between. He protected the Foreign Service from Truman, and protected Truman from the Foreign Service. Acheson was so close to Truman. Truman saw Foreign Service officers -- he saw the Ambassadors when they got to that level -- but he dealt principally with Acheson. And so I don't think Truman's disdain for them

[29]

was necessarily harmful to their morale.

MCKINZIE: Could I ask you a couple of questions about the intelligence work in the Department? Did they send down these encyclopedic reports as far as the desk officers?

HOWE: No. The encyclopedic reports were, as I say, a special program that was important, because it gave very good funding for area divisions. The encyclopedic product was amassed by CIA from all agencies and put together so that all of the information on the terrain and the economy and the political structure of every country was therefore available to the Government. The political officers had nothing to do with that; in fact; the State Department had no particular interest in it. It was a vestige of wartime intelligence form with

[30]

pictures and everything else; a luxury you could then afford, a major encyclopedia of information. The same divisions, however, using some of the people that worked on NIS but also using non-NIS people, prepared reports on the political and economic and cultural matters that were current at the time.

One important impact of the Acheson organization was that every morning the director or the deputy director of the Intelligence Bureau briefed the Secretary's meeting, and this meant that intelligence always could get a voice to the Secretary. Every single morning we would brief them on what were current events, and we would know what was current in the Secretary's meeting on which there was need for views. We would take back views of the divisions and check them against what the

[31]

facts were in the case, or the estimate of the case. Then where we identified differences, we could send memoranda to the Secretary which, at times, differed quite considerably from the political evaluation -- political evaluation always being suspect as tainted with the policy matters which relate it.

MCKINZIE: That was a very low profile unit at the time; the papers rarely referred to it, and it seems unusual that there should be, what you say, 550 people in it.

HOWE: Yes. The size was related to the encyclopedic endeavor. I don't know; its present size is anywhere from 250 to 350 people, which is not too different from what it was then, ex the NIS program, the National Intelligence Survey (which is the encyclopedic group). And

[32]

then it was divided amongst the areas and functional divisions. Their mission is really very much the same; it has changed in the manner in which it performs its mission and how responsive it is directly to the Secretary as against the regional divisions; what kinds of products it has, what relationship it holds with the intelligence community, what contributions it makes to the intelligence community, and what special intelligence matters it handles.

MCKINZIE: Were you in a position to be attending high-level conferences outside of Washington during your tenure?

HOWE: No. No, I traveled abroad on a couple of occasions, really to help the Embassies to understand the needs of the Intelligence Division at home and, to some extent, to deal

[33]

with friendly counterparts, such as the British.

We had a liaison with CIA, and CIA's overseas efforts needed to be explored a little by the departmental officials responsible, of which I was one.

MCKINZIE: At that time, however cumbersome and bulky the whole operation was, did you consider that there were definite lines of control and that those lines were open so that administration was orderly and there was not a great deal of siphoning off or befuddlement at various levels of the administration?

HOWE: No, I must say, as I reflect on it, I think we were not as effective as we should have been. The bureaucracy was stubborn in its ways, and we should have been able to make it more effective. Now, I have no specific steps that

[34]

I now think of, but I think it has become a great deal more effective -- the intelligence function within the Department -- than we had it. And I wish we could have moved more. But as to its personnel, a division chief and an analyst that has been doing things, you've got to change the body before you can change the effort, really.

MCKINZIE: Did you have a personal interest in any one area?

HOWE: No, I did not.

MCKINZIE: You were overseeing the whole thing.

HOWE: I was overseeing the whole thing.

I might add that Lucius Battle was a special assistant to Secretary Acheson, as was Jeff [Jeffrey] Kitchen, and both of them

[35]

were good. Loy Henderson, Carl [Carlisle H.] Humelsine, Jack Hickerson, and George McGhee are all people who would be very knowledgeable on these times and are reasonably available people now to talk to. They would each bring their same prejudices even as I have.

MCKINZIE: Mr. Howe, thank you very much.

[36]

INDEX

Acheson, Dean, 16-17, 19, 24, 26-27, 28, 30, 34
Adirondacks, 2
Arizona, 2
Armstrong, Park, 24-25, 27
Armstrong, Willis, 23

Battle, Lucius D., 34
Benton, William B., 19
Board of Foreign Service, U.S. State Department, 24
Bretton Woods, 5

British loan, 1946, 5-6.
Brown, Winthrop G., 2.3
Byrnes, James F., 16

Central Intelligence Agency, 25, 29, ,33
Chapin, Selden, 20
Clayton, Will, 3-4, 6, 12
Collado, Emilio, 5

Donovan, William J., 2

Foreign Service Act of 1946, 10, 23 Foreign Service, U.S.:
 economic affairs, 2-3, 9-13
 functions of, 22-23
 lateral entry into, by State Department personnel, 13, 15
 morale in, 18-19
 political officers, 10-11, 21
 recruitment for, 14-15
Free trade, 3-4

Galbraith, John K., 5
General Agreement on Tariffs and Trade (GATT), 4

Harvard University, 1
Harrington, Julian, 20
Henderson, Loy, 20, 35
Hickerson, John D., 20, 35
Hoover Commission, 26
Howe, Fisher, background, 1-3
Humelsine, Carlisle H., 35

International Monetary Fund, 4
International Trade Organization, 3

Keynes, John M., 6
Kitchen, Jeffrey, 34
Korea, Acheson perimeter statement on, 1950, 27

Leddy, John, 23
Lovett, Robert A., 17

McCarthy, Joseph R., 18, 19
McGhee, George C., 35
Manpower Act, 14-15
Marshall, George C., 16
Merchant, Livingston, 11

National Intelligence Survey, 30, 31
National War College, 24

Office of Strategic Services, 2, 25

Panuch, J. Anthony, 19-20

Reciprocal trade, 3-4
Russell, Donald, 16-17, 19-20

State Department, U.S.,:
 economic affairs, 2-6
 Foreign Service, rivalry with members of, 20-21
 intelligence activities, 24-27, 29-34
 Truman, Harry S., relationship with, 28
Stettinius, Edward R., 16, 18

Thorp, Willard L., 3, 6-8
Treasury Department, U.S., 8-10
Truman, Harry S., relationship with U.S. State Department, 18, 28-29
Tuthill, John W., 12

United Nations, 3

Villard, Harry, 20

Wilcox, Clair, 3
World Bank, 4
Wriston program, 21-22

Yorkshire, England, 2