

Oral History Interview
with
GENERAL JESS LARSON

General Counsel to War Assets Administration, 1946-47; Administrator, War Assets Administration, 1947-49; Administrator, General Services Administration, 1949-53.

Washington, D.C.
May 26 and June 5, 1967
by Jerry N. Hess, Harry S. Truman Library

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HESS: General Larson, for the record would you give me a little of your personal background? Where were you born, where were you educated, and what positions did you hold prior to your service in the Truman administration?

LARSON: Well, I was born in what is now Oklahoma, but at the time of my birth it was known as Indian Territory. This was in 1904, which was three years before Oklahoma became a state. I grew up in Chickasha, Oklahoma, attended public schools there, and went to the Missouri Military Academy, for my high school work, at Mexico, Missouri. I then attended the University of Oklahoma and the University of Oklahoma Law School.

When I was two years out of law school, I ran for mayor of my home city, Chickasha, Oklahoma. This was a

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mayor-council form of government and the mayor was the chief executive officer of the city; he presided over the sessions of the City Council, and also acted as the Municipal Court Judge. It was a full-time job which I enjoyed immensely. I was reelected for my second two-year term and then I stepped aside. The following year I was a candidate for Congress in my Congressional district. I ran against the incumbent who had been in Congress for some time; and then I learned the grim lesson that there is no prize for second place in politics.

Because of having come out second and without funds -- this was in 1934, and in the middle of the Depression -- I found myself really somewhat strapped and heavily in debt. My wife and I moved from Chickasha to Oklahoma City where I practiced law. I became interested in the administration of E.W. [Ernest Whitworth] Marland, formerly a prominent oil man in Oklahoma, who had just been elected Governor, succeeding the picturesque "Alfalfa" Bill Murry. Governor Marland had served a term in Congress, was identified with Roosevelt and the New Deal, and was a very forward-looking, social-minded man. He appointed me as secretary of the Oklahoma State

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School Land Commission, and I served for four years in that capacity, which gave me an opportunity to participate in State government, as I had participated in local government as Mayor of Chickasha.

During this period I had my initiation in State politics. I managed the Governor's unsuccessful campaign for the United States Senate during the latter part of his four-year term. At the end of his term, I left State government and went into the practice of law in Oklahoma City.

Within a little over a year, I was called to active duty in the Oklahoma National Guard -- this was in September of 1940. I was with the 45th Division, and I remained with that Division until my combat duty was terminated with my having been wounded over in Italy near Cassino and sent back to the United States in the latter part of 1943.

After my convalescence period, I was assigned to the Field Artillery School at Fort Sill, Oklahoma as an instructor, and I became head of the Tactics Department there. I was serving in that capacity for about a year when I was transferred to the General Staff of the War

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Department in Washington. I arrived in Washington in mid-summer of 1945. I served in the Pentagon on the General Staff for about a year -- the war was over, both in Europe and in Japan. I chose to remain on active duty for a short period of time, because my wife -- who was a victim of Parkinson's disease -- had been admitted to Walter Reed Hospital as a patient. Because of my military status, she was eligible for medical treatment there, and it was excellent. I wanted her to continue the treatment there, so I decided to remain on active military duty. I also wanted to be identified with the legal profession.

I became aware that the War Assets Administration -- the disposal agency for surplus property generated in the course of the prosecution of the war -- was staffing up with military people because of the difficulty in getting experienced civilians. Through some of my military friends who had gone to War Assets, I was invited to come to War Assets, and was fortunate enough to be assigned as an Assistant General Counsel in the office of the General Counsel, War Assets Administration. This was in mid-summer of 1946. I was well satisfied with

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my assignment. Lt. General [Edmund B.] Gregory, the Administrator of W.A.A., was succeeded shortly after I came in by Major General [Robert M.] Littlejohn. General Littlejohn had been on General Eisenhower's staff and was somewhat of a stormy figure, although a very fine, dedicated, efficient officer.

General Littlejohn very quickly developed some misunderstandings with the Congress, and with the advent of the 80th Congress, this situation became more and more difficult for him and for the administration of the agency. I found that I was spending most of my time representing the agency before this Congress. As a result I quickly became acquainted with all the problems of the Agency and with all the top administrative people. When things reached an intolerable impasse, along in the fall of 1947 -- that is, an impasse between General Littlejohn and the Congress -- General Littlejohn went to the White House and offered his resignation. Without my knowledge, I later learned he had recommended that I be appointed in his place. Well, when I learned about this, I was quite distressed, because I knew that I would have to get off active duty and then my wife would no longer be eligible to be a patient at Walter Reed. I

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was torn between my responsibilities to her and my desire to accept the appointment if it were tendered to me. I had the yen for public administration in my blood.

Within a few days I was offered the job of Administrator by Mr. John Steelman, who was an assistant to the President and a very fine and efficient and able man. We became very close friends and remain so to this day. He arranged an appointment for me to meet with the President.

I had never met the President, although I had seen him on one occasion some years before that. When I was ushered into President Truman's presence, he had what appeared to be a dossier of my career before him, and referring to that, he greeted me very warmly as a fellow artilleryman. We discussed artillery and some of my experiences as a commander of a direct support field artillery battalion before I was wounded in Italy. We also discussed the Field Artillery School, and I was amazed to find that he was quite alert to everything that was going on, even down to the latest technical details of field artillery. He abruptly changed the conversation and said, "I have a job for you to do and I want you to get on with it. You know the purpose of your being

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here is for us to get acquainted and for me to tell you what I want you to do when you become Administrator of the War Assets Administration." At this point I told the President of my dilemma, caused by my desire to continue my wife as a patient at Walter Reed. He listened very

attentively and he didn't say a word. He reached over and picked up his telephone and asked the operator to get the Commanding General at Walter Reed Hospital. He turned back to me and started chatting about the problems of War Assets Administration, and within a minute or so the call came through and I'll never forget the President's words. He picked up the telephone and he said, "General, this is Harry Truman. General Larson is here in my office, and I've got a job for him to do. He's going to have to get off active duty in order to accept the job, but I want you to transfer the responsibility of his wife's being a patient out there in your hospital to me. From now on she'll be a Presidential patient in your hospital and you take care of her as long as Colonel Larson is in the Federal service, if that is necessary." And that ended the conversation; the President then turned to me and said, "Now, do you have any other problems? Of course, I was so moved by this experience

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that I couldn't answer.

I was returned quickly to reality when the President said, "Now look, I want you to get rid of that surplus property; I want you to do it as quickly as possible and I don't want any scandal. I know it's a tough job, but you're a tough man, and I know you can do it."

With these words I was ushered out of his office into the presence of the press who asked me what the President had said, and I told them that he wanted me to get rid of surplus property without any scandal. They took a pretty cynical view of this, and later I learned that their cynicism was not without foundation because the assignment was full of pitfalls and problems. However, it was interesting and stimulating.

That was how I met President Truman, and that was how I became a member of his official family. My appointment was sent to the Senate and, much to my amazement, was held up at the request of Senator [Millard E.] Tydings of Maryland. This, I learned, was because of an action that I had approved when I was General Counsel of the Agency, involving the disposal of an industrial plant in Salt Lake City. This was later worked out, although not

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without much bickering, and I was confirmed by the Senate. This was in 1948 -- early '48. I had been appointed in the fall of 1947. Congress was not in session when I was appointed, but it came into session in early '48 for the second session of the 80th Congress.

HESS: General, a few minutes ago you referred to a time that you had seen President Truman before. Would you tell me about that?

LARSON: Yes, this was an extremely interesting experience. I was a student at the Field Artillery School in Fort Sill, Oklahoma. I was a student in the National Guard and Reserve officers' class in the autumn of 1939. This class was a class of selected National Guard and Reserve Officers that came in in September and stayed through mid-December -- a period of three months -- and was a very excellent technical course, and I devoted three months to it and it equipped me for my responsibilities later on as a battalion commander. At that time I was a Captain in the Oklahoma National Guard and was practicing law in Oklahoma City. We were in

class one day around Thanksgiving time and our assignment for that class called for artillery service

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practice on the Signal Mountain range at Fort Sill. There were about twenty of us in my section, and we were standing in a row behind the instructor while one student would go forward to the battery commander's telescope and be assigned a target, and then he would be required to compute the data for placing the fire of the batteries (which we had generally located all to our left) upon that target. We were being graded both on our efficiency in accomplishing this and by the length of time required to do it -- the shorter length of time, of course, getting a higher mark.

We'd been there for an hour or more, I guess, and deeply engrossed in the problems that were going on, when suddenly we realized that a group of people were dismounting from command cars to our rear. We looked back and here were a group of civilians accompanied by Colonel McIntyre, a very picturesque and well-known character in the old Army. Colonel McIntyre escorted the group of gentlemen up to a point on our flank and I recognized one of them as the senior senator from Oklahoma, Senator Elmer Thomas. The instructor stopped the proceedings and greeted the gentlemen and introduced our class to them, and it was then that we found that this was a subcommittee

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from the Military Affairs Committee of the United States Senate: I didn't recognize any of the other gentlemen. There were four or five of them who were obviously Senators, but about at this point, one of these Senators spoke up (I later learned he was Senator Harley Kilgore of West Virginia); he said something like this, "Harry, you've been bragging about what a great field artilleryman you are, let's see you fire one of these problems." Thereupon the Senator designated as Harry stepped forward, and I recognized him as Senator Truman of Missouri.

Much to our amazement and more, I think, to the amazement of his colleagues, Senator Truman stepped forward, and a target was identified to him. He indicated that he had the target identified, he took an envelope or piece of paper out of his inside coat pocket, he made a few measurements with the battery commander's telescope, he stepped over to a range finder, made a few notes, and within record time had computed his firing data and was giving his commands for initial firing to the telephone operator, who was sitting immediately in front of him. In a very few seconds, the first round was off and in the air. All of us had our field glasses to our eyes, and much

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to our amazement, his first round landed within the vicinity of the target. Senator Truman immediately made his corrections, gave his commands, and the gun crews must have known that some unusual person was there because they responded very quickly. The second round was off and Senator Truman had a bracket on the target with only two rounds fired. He then very properly brought in the remaining guns of the battery and further refined his bracket before going into a fire for effect with a minimum number of trial rounds. It was really an amazing performance. We, of course, appreciated the performance more than the Senators did, but the commandant, Colonel McIntyre, made a little speech in which he critiqued the performance in the most glowing terms.

Later when I became associated as a member of the official family of the President's administration, I recounted this incident to him and he remembered it in great detail, and had great fun in talking about it.

HESS: General, for our next question, let's take up the subject of the renovation of the White House during Mr. Truman's administration. Did he take an active interest in what was going on across the street? (The President

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was living in the Blair House across the street from the White House.)

LARSON: Yes, of course. By this time -- this was in 1950, I believe -- the President was forced, literally forced, to move out of the White House because it was virtually condemned by every engineer and architect and expert who had looked at it, and there really was serious danger of the second floor falling in. I, in the meantime, had gone through the War Assets operation, had been transferred in 1949 -- or had been appointed in 1949 -- as Administrator of the old Federal Works Agency, and then a short time later when Congress enacted the Federal Property and Administration Act of 1949, creating the General Services Administration, I was appointed the first Administrator of the General Services Administration, and around the Federal Works Agency I organized the General Services Administration known as GSA.

I found myself responsible again for surplus property. I also found myself responsible for the National Archives and all record-keeping within the Government. The regulation creating GSA brought the Bureau of Federal Supply out of the Treasury Department and made it a part of the

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new Agency. We had responsibility for general property management within the Federal Government, both real and personal property. For the first time all responsibility for overall property management was brought together in one agency in the Federal Government. Setting it up and operating it was extremely challenging. I say that preliminary to speaking now about the renovation of the White House.

Within the old Federal Works Agency there had been the Public Buildings Administration, and, of course, we carried that on as it is carried on today, by GSA, in the same tradition. We conceived, planned, acquired the land, did all the technical architectural and engineering work, and let the contracts and supervised the construction of Federal buildings, other than certain specialized buildings, like buildings for post office use only, military buildings, and the Treasury operation of the Mint. By far and large, the administrative buildings and the space required for carrying on the Government's operations were under our jurisdiction and this, of course, included the White House. So, our agency, GSA, was the agency responsible for the technical care and operation of utilities, etc., of the White House

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as it is today. The old Federal Works Agency, Public Buildings Administration, had long been aware of the construction shortcomings of the White House. Several incidents happened where

large chunks of plaster fell off. The floors sagged; pipes bent under the shifting, causing leaks; and many other flaws wrought by age and previous renovations came to light. The President recognized the problem and he moved his family and his base of operations across the street to the Blair House, and we proceeded to go forward with a complete renovation of the White House. Really it was more than a renovation; it was a rebuilding.

This was accomplished, as you will recall, by a White House Commission -- or a Commission on the Renovation of the White House, I believe it was called -- created by an act of Congress and staffed in a bipartisan manner with members of the Senate, members of the House, and civilians appointed by both Houses of the Congress and by the President. The committee had its own staff, but it did not have any authority to obligate funds, and it had no funds other than funds to administer itself. And, so, it was GSA's responsibility to obtain the funds,

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go to the Congress, obtain the funds and advertise and let the contract for the renovation of the White House.

The plans for this renovation had been approved in detail by the Commission and the consensus of everyone concerned, including the President, was obtained in these plans. They called for the preservation of everything about the White House that could be preserved, but in order to make the White House structurally sound, it was necessary to completely dismantle, and I mean completely dismantle, everything from the White House except the four walls, which were constructed of stone. Even the stones in the basement had to be moved because the basement was enlarged considerably; it was deepened to provide adequate shelters. Everything, except the four walls without a roof, was finally stripped down, and that's where the work started. President Truman, who continued to operate the Presidency from his office in the West Wing of the White House, was right there on the job every day, and he was acquainted with every detail of construction in that complete rebuilding of the White House.

His keen interest in the operation led to a very close association with me as head of GSA because, between the

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Commission on the Renovation of the White House, the contractor, GSA's inspectors on the job, and a great many newspaper people and architects who voluntarily injected themselves into the act, there was a controversy on almost every detail of the construction. President Truman, recognizing this and wanting to go forward with the construction, solved this problem by making the decisions himself. He literally made decisions about where a partition would go here or there, where an outlet would be, what veneer taken from the White House would be preserved and put back, and what wouldn't; and he did this with amazing agility and great sense of form and balance, and a keen and deep appreciation for architectural and building problems. Personality problems were interesting; some of these involving my own people required that the President set up a schedule where he and I had breakfast together several mornings each month during the time of this operation. I personally accompanied him around the White House on inspection trips early in the morning before the workmen arrived, and he would make his views known. Mrs.

Truman also took an active interest and made many valuable suggestions. It has never been generally known and recognized just how much Harry

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Truman and his dear and beloved wife, Bess Truman, put into the rebuilding of the White House. Other occupants have come along in the meantime and have made some very fine artistic contributions, but it tends to be forgotten that the White House was literally rebuilt stone by stone by Harry and Bess Truman.

HESS: What were a few of Mrs. Truman's suggestions, can you recall?

LARSON: Mrs. Truman was very active both in the selection of, and in the operations of, the interior decorators -- I believe Sloane and Company were finally chosen as the interior decorators. And Mrs. Truman's taste and her ideas about color schemes and fabrics that went into the living quarters of the White House were eventually accepted. The public rooms are those which the public knows best, and these were carefully reconstructed as they had been traditionally, with some lightening up of color schemes which were Mrs. Truman's ideas. Mr. Truman's taste in colors and decor went into the redecorating of the White House, and the result was, I must say, a very light and airy, yet extremely dignified, effect.

HESS: I've heard there was some discussion about the color

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of the Presidential Seal above the blue room, is that correct? Do you recall that? Someone suggested that it be ivory so that it would not contrast with the pastel colors, but the President said it should be the regular color of the Presidential Seal which had a deeper blue on it. Do you recall that?

LARSON: Yes, I do recall that. The President's decision was to leave it as it was. Another interesting thing about the seal -- I don't remember the exact details now -- but there was a Presidential Seal embedded in the foyer of the White House near the entrance from the North Portico that was made of brass, and the eagle's beak was pointing in the wrong direction. This was about to be put back with the same mistake when the President noticed it and insisted that it be corrected.

HESS: Was it facing the arrows and he wanted it facing the olive branch?

LARSON: I believe so.

HESS: I think he had a change in the seal during his administration, or something like that.

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LARSON: Oh, I guess that's what it was. He changed the seal -- had it officially changed by statute -- this is correct -- now I recall. The contractor was about to put it back as it was before.

HESS: Are there any other changes that the President suggested or anything about the renovation the President brought about that might not be generally known? Any other changes that he thought should be made?

LARSON: I don't recall any at this time, Mr. Hess. The President was very emphatic about making the White House completely durable. I believe our cost was something over five million dollars in carrying out this job. The White House is now a reinforced, steel structure. There are heavy steel girders that were constructed immediately inside the walls that remained standing, and all of the cross beams and all of the underpinning is of extra heavy gauge steel. This was at Mr. Truman's insistence. He said that this was going to be the last time that the White House was to be rebuilt, and it must be built so that it could endure any stress such as bomb blasts and so forth. Of course, by that time he knew enough about nuclear power and the hydrogen

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bomb to know that no structure could be built to withstand a near hit, but he went as far as he could. I would say that the durability of the White House is one of Mr. Truman's contributions.

HESS: On the subject of Mr. Truman's interest in the budget on the various agencies -- what can you tell me about that as a man who has prepared many budgets and presented them to the Bureau of the Budget?

LARSON: Well, as I've indicated, my Government service goes back to the local government of a small city of sixteen thousand people. My experience also goes to the operation of a state government from the standpoint of the Governor and also as the head of a very interesting operation within that state government -- the State of Oklahoma. I had experience in the operation of the military establishment both in combat and in training, and I have never met a man who was a more able administrator of the public's business -- the details of the public's business -- than President Truman. He had a deep appreciation for public administration and deep-seated understanding of public administration, going back to his days in local government as one of the county judges or

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county commissioners, as we called them in Oklahoma, administering the affairs of Jackson County, Missouri. As a result of this background and experience and of Mr. Truman's tenacity of purpose to understand everything for which he was responsible, I found that insofar as my agency was concerned, that when I talked to Mr. Truman about a problem -- which I didn't do very often -- but when I did, I found that he had a very amazing detailed knowledge of the operations of my agency which he had gotten from studying the Budget before he sent it up to Congress. He had a wide grasp of what was going on in his Administration. I don't know what other Presidents have done since or before President Truman, but I doubt that there's been a President who paid such close attention to the details that went into the Federal budget as did Mr. Truman. Actually, he knew an amazing amount of these details. He knew firsthand many of those line items that went into the vast appropriation to run the Federal Government. He knew them because he took them home and he studied them at night before he went to sleep. He was an amazing man. He grasped details, he wanted details, and then after he had the details, he reduced the problems to their ultimate simplicity; they were easy to understand and he made his

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decisions promptly and decisively, and it was an inspiration to work with a man like him. This was particularly so since he was a man who also had those basic qualities of leadership that everyone who worked with him sensed. There was a feeling of loyalty to the people he appointed, and you felt it. Some people have said he had this to a fault. I know in my own case, and I think I can speak for every man who was close to Mr. Truman, that there wasn't any amount of work that we wouldn't do for him and for the success of his administration. He created a high motivation in all of us who were responsible to him.

HESS: What were a few of the problems that you were presented with when you were forming GSA -- your first few months in GSA -- do you recall offhand?

LARSON: Well, of course, we had many, many problems; many difficult problems. We were putting operations of the Government together in a new grouping. We were pulling them out of their old traditional sanctuaries where they had operated more or less isolated and independently for many, many years. The Bureau of Federal Supply

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had been in the Treasury Department since the days of Alexander Hamilton, and it had had some very able direction and had done a commendable job under the circumstances, but the reluctance, the opposition to change, that is a basic human characteristic, ran through all of the agencies that I brought together, and this presented me with my most difficult problem.

HESS: What agency would you say hesitated the most?

LARSON: That's difficult to say. I really couldn't say. To analyze for a moment, let us take the old Federal Works Agency, which had been headed very ably by General [Philip B.] Fleming, who was a great friend of President Roosevelt's, and a very able man. He had done great work in the area of public works and civil works programs during the Depression; in the early days of the New Deal. General Fleming had brought three agencies together to form the Federal Works Agency: the Bureau of Public Roads; the Bureau of Public Buildings; and the Bureau of Community Facilities. These operations weren't necessarily related to one another. The only thing they had in common was that they were all builders; they were all constructors.

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Public Buildings had an added responsibility that to manage space, which is more than just construction and planning, and they had done a commendable job. They, at one time, had been in the Treasury Department and had been moved, I believe, by President Roosevelt when he created the Federal Works Agency. The Bureau of Public Roads had been in the Department of Agriculture at one time and then I think it was an Independent Agency before it was brought into the Federal Works Agency. The Bureau of Community Facilities was more or less a New Deal operation designed to assist communities by way of public works programs -- water supplies, sewage disposal and facilities of that sort.

I found when I first came to the Federal Works Agency, that in spite of the fact that the Bureau of Public Roads and the Bureau of Public Buildings occupied space in the same building in San Francisco, that these two bureaus, which were a part of the Federal Works Agency, only corresponded with one another through the National Headquarters of the Federal Works Agency in Washington, D.C. I found that the geographic areas they were responsible for were not coordinated.

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There would be a geographic region or area containing several states assigned to the Public Roads Administration that wouldn't correspond to a region of Public Buildings Administration even though they were both a part of the Federal Works Agency.

There were the kind of administrative discrepancies recognized by the first Hoover Commission when they began to think in terms of a central agency to manage all of the Federal Government property. The Hoover Commission was Mr. Truman's idea. He persuaded former President Hoover to come in and take this job, and there was a great rapport between him and the former President. President Hoover being engineer-trained had a great feeling for organization. Harry Truman had little formal training; nevertheless he had a great feeling for organization and he had a great grasp for public administration. These two had an appreciation for one another and made a great team.

The Hoover Commission recommended the establishment of a central agency to administrate all the property of the Federal Government. This agency became known as GSA, General Services Administration. Recognizing that

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roads was a different problem, it recommended that eventually Public Roads go to the Department of Commerce where it is today (or was until the Department of Transportation was created). Within a year, as soon as the necessary arrangements could be made and some basic legislation passed, Public Roads was transferred out of GSA to Commerce.

There were big problems in organizing GSA. GSA's authority cut right across the bow of every Cabinet officer who is a department head. On the organization chart of the Government, the Cabinet officer is the department head and is generally recognized as being a member of the President's Cabinet as an officer of wide authority and responsibility. To administer the property of the Government in the interest of the Government's overall efficiency, you have to step on some toes. Naturally a department head, a member of the President's Cabinet, feels that he has some authority over the space that his people work in, and he certainly does have and should have, but Congress saw fit to create a higher authority and placed in the President the responsibility for carrying out the management of all property of the Government through the General Services Administration.

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The General Services Administration is an independent agency with the administrator appointed by the President, with the consent of the Senate, and he reports directly to the President; this is done, of course, through the President's staff and necessarily so. But I might say to an amazing

extent in the days of President Truman, he wanted the reports made directly to him rather than to staff for the simple reason he wanted to know what was going on, and he was always available, always accessible, and was most cooperative. Without this kind of support, I doubt if GSA would have ever gotten off the ground, because we did have some serious problems with the departments in exercising our overall authority. We being a service type organization always tended to approach it, in my day and I'm sure since, with the attitude of a service organization that we're here to give you service Mr. Cabinet Officer and your department, and only when we think things can be done more economically, and are convinced of that, will we be arbitrary about our decision.

The President gave me about three months to get organized -- it might have been four months, I've forgotten now -- and he requested me to appear before the

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Cabinet and give them a briefing. I appeared before the Cabinet and preliminary or by way of introduction of me, the President said in his remarks that he had long thought such an agency as GSA should be operating within the Federal Government, that he and former President Hoover both agreed on this point and it was on their responsibility that the Hoover Commission had recommended this action in the first place. The Commission, of course, concurred, as did all the scholars who were consultants to the Commission and experts in public administration. The Commission, however, had recommended that the General Services Administration be a part of the Office of the President, but from a practical standpoint the President realized that the caretakers of public buildings, the guards of public buildings, the elevator operators and all that sort of thing, the procurement officers and so forth, should not be employees on the President's staff and it was obviously not possible to do that. Therefore, an independent agency was created. The President told the Cabinet this, but he admonished them that this concept was sound and that it must work and that I as administrator must have this cooperation. This was a pretty good send off. Then in the hour I spent on briefing the Cabinet on the

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concept of the operation of the agency, we got off to a good start and most of these type problems were solved amicably and without any misunderstandings.

One of our difficult problems was with our relations with the military. Now the Department of Defense objected strenuously to the creation of a central management agency that would interfere with the operations of the military. This was a sound and valid objection. Certainly no wise public administrator would want to assume the responsibility for supplying the military establishments when he did not have any responsibility for the security of the country in the sense that the military has that responsibility. At that time, the Secretary of Defense was the former Assistant Secretary of War, a very prominent lawyer, a West Virginian, who died recently. He was succeeded by General Marshall -- I'll think of it in a minute...

HESS: Louis Johnson?

LARSON: Louis Johnson. Louis Johnson took a very firm and aloof position on this matter and was most uncompromising because obviously there is a great overlap in the supplies for the military and the supplies for the civilian

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operation of the Government. This is in the area of what is classified as "common use" items; I mean, a desk is a desk whether a general is sitting behind it or a civilian administrator is sitting behind it. Writing paper is writing paper for the same obvious reason. Well, it was in this area that GSA thought it could make a contribution even to the military. However, there was a compromise written into the ACT which provided that the military could lodge an objection to an area where GSA attempted to invoke its authority after consultation and so forth between the heads of the agencies, which compromise forced consultation, and consultation between reasonable people always worked out the problem. But here again, you are getting into the empires of many, many people in a great big bureaucracy -- I don't use bureaucracy in a derogatory sense; this is a human characteristic and people are reluctant to give up any authority which they previously have exercised. I understand today that great progress has been made between GSA and the Department of Defense, and GSA does a great deal of the procurement and through its warehouses supplies great items of supply to the defense establishment --

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that it is in a position to procure both for the civilian government and the military government -- and I think as a whole it's worked out very wisely. This was in the beginning a problem and always a problem.

Of course, I found myself with the surplus disposal problem again, and, of course, by the same token that the people in a bureaucracy don't want to give up the things that they want to keep, they want to give up things that they don't want to keep. And in the generation of surplus -- the military, of course, is the biggest generator of surplus -- the military would have been very happy for the fact that all they have to do with anything that is surplus is ship it to GSA and they're responsible for disposing of it. In drafting the act, in which I had some part in doing along with my general counsel at that time, Mr. Maxwell Elliott, who made a great contribution in drafting the act, we provided in the act that the General Services Administrator would make the decision about who disposed of the property. I had been through War Assets -- the War Assets experience -- and one of the most troublesome problems we had was to get control of our inventory. Now these articles had been shipped to us from other agencies and reams of paper dumped in our laps and out of that we had to get

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some orderly type of inventory to know what we had to dispose of and know what we disposed of after we had gotten through and give an accounting for it. Well, we never did get control of it, although we spent a considerable amount of money. There were so many insolvable practical problems that we finally just disposed of a great deal of property, with the understanding of the General Accounting Office, without having firm inventory. I wanted to eliminate this. I felt the agency that created the surplus, had the item on its inventory, could be better accountable for it, and, therefore, could organize for the disposal, under general rules and regulations promulgated by the agency. This, I understand, is working out very well. The military didn't like this. They

wanted us to take over the whole responsibility of it by shipping it to us. This is just one little problem.

Incidentally, although you haven't asked me, I'm sure scholars looking at the operation of the Government in this period, particularly the period of the Korean war, will be curious to know why the administrator of the General Services Administration was also the administrator of the Defense Materials Procurement

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Agency -- DMPA. There's an interesting story about how that came about. We had gotten into the Korean war, as you know, in the summer of 1950. We went into a semi-mobilization basis and later a fuller mobilization basis, although we never reached the same degree of mobilization that we reached in World War II. There was passed the Defense Production Act of September, 1950, and in this Act the matter of increasing the source of supply of strategic and critical materials was recognized. Since the General Services Administration had inherited from the Federal Supply Agency the old strategic stockpile -- which is another subject of great interest -- Congress felt that GSA could make a contribution here in this area. So there was authority written in the Act for the General Services Administration to participate in these programs that called for the expansion of production of strategic and critical materials -- expansion of production facilities such as aluminum and that sort of thing. However, the President wanted to operate -- I think wisely so, and Congress too -- to operate through existing agencies of the Government and try to avoid the creation of a whole myriad of wartime agencies such as was done during World War II, because not only did these agencies frequently get into

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conflict, but the liquidation turned out to be a problem. I was aware of that firsthand, and I certainly concurred in this concept of operating through the agencies.

Well, as a result of that, the Department of Interior was given the responsibility for expanding the source of supply of many strategic and critical materials. Through its Bureau of Mines and the great amount of natural resources that are produced on public lands and so forth, this was a logical allocation. However, in operation it soon became apparent that an old line Government agency geared to a specific performance of a specific problem over a long period of years [finds it] extremely difficult to reorient itself, to cause a more rapid achievement of objectives. The Interior Department struggled valiantly with this, but the production of strategic materials was lagging.

I was in Europe in the summer of 1951 in an effort to negotiate the expansion of some production of materials found in the Congo country -- I was negotiating with the Belgians primarily -- when I got a trans-Atlantic cable from the President to return home. The Bureau of the Budget had recommended to the President that he take this responsibility out of the Department of the Interior and

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create a new agency called Defense Materials Procurement Agency, and the President had decided that he wanted me to take over that operation. So I hurriedly came home and went into

consultation with the people at the Bureau of the Budget, and we analyzed the problem. I pointed out to them that in order to expand production, the Government was going to have to assume an obligation for the purchase of the material that would be generated beyond the war. When the war was over, we would still have mines and this type of operation going on, that the owners had made the investment and that they couldn't just cut off, so there was only one place for that material to go and that was into strategic stockpiles.

Then we had a strategic stockpile much larger than is necessary today because then the stockpile was based on a four and later a five-year war. This country could fight a war and maintain the civilian economy at wartime levels with reduced levels of civilian consumption. We could fight a war without running the risk of submarines sinking ships in great numbers as had happened in the early days of World War II. It was a sound concept, but when the concept came along that the war would be a shorter war, why stockpiles goals changed. I'm not sure the present

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day experience in Vietnam bears this out but, in any event, I don't want to get into that. But going back to the decisions that led to combining DMPA with GSA -- not necessarily combining it, but operating it right alongside GSA and right in conjunction with the stockpile.

HESS: At the time it was first set up, were they thinking of moving you over there and getting someone else to head GSA?

LARSON: Right.

HESS: The President was asked in a news conference about that time if a new man had been appointed or if there was a new man in the works to take your place at GSA and the President said that, well, the second man in charge over there is running things now. In other words, he implied that they were thinking of getting someone else, but they never did.

LARSON: They didn't because the decision was made that I would wear both hats -- that I would be responsible for both agencies. There was a second factor that entered into my considerations and I advanced this in my arguments in favor of operating the two together, and that was

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again my War Assets experience. I saw, here, aluminum plants that the Government had gone out and built in World War II and when the war was over the Government had them back on their hands. The War Production Act of 1950 recognized this problem and admonished the Executive branch that they should keep new plants necessary in the hands of private industry to the extent possible. I certainly concurred in that concept because industry could walk away and leave a whole community without the benefit of the payroll it had created to prosecute the war, and the Government having the responsibility for the disposal of the property -- management of it -- and disposal of it with all of the myriad of problems that that brings about. I felt that it was wise to keep this in the hands of private industry, but that if anything did come to GSA for disposal, it was better that GSA have all of the operating experience that went into the creation of that plant or that mine or that operation so that there would be a continuity of know-how. The

President bought this concept and agreed that I would wear both hats, and we literally set up DMPA within GSA and we operated it under that concept.

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There were some problems, but I think in the main it worked out very well and I think even today GSA has built up the know-how and experience, which it continues, that it will always be there in case of another emergency, and could be used for very rapid expansion. I hope that would be the case anyway. That's why our old War Assets experience of the cost of the disposal of property, [caused] our effort to keep the expansion in the hands of private industry, and in so doing, we had to enter into purchase contracts or floor-price contracts. Or if private industry didn't get the price, they could deliver it to the Government, with the stockpile as a recipient for that, and that stockpile was administered by GSA. It all made a good deal of sense, and in retrospect it probably would have been wiser to just have increased GSA's responsibility in this area and never have created DMPA. Probably it was necessary at the time to assure the Department of Interior that it was necessary to have a new agency so that they would make no objections to turning loose the responsibility that they had.

HESS: One question I should have asked a while ago, what was the attitude of the National Archives in 1949 when

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they were taken in by General Services Administration?

LARSON: Well, a lot of people wondered why in the world the National Archives was being brought into a central property management agency. What the public didn't know was that the Hoover Commission in its deliberations had found out just what an important part of space, the management of administrative space, that the management of records constituted: The creation of records, the amount of space required to house and make accessible the records of the day-to-day operations of the Government is something which the average layman just doesn't comprehend at all. Well, frankly, I didn't comprehend it even with my background of government at the local and state level, and even in the military.

The one man in the Government who, I think, understood this more than anyone else -- strange as it might seem -- was the Archivist of the United States, Dr. Wayne Grover. He had made contributions to the deliberations of the Hoover Commission in this regard, so when GSA was created with the property management concept, this also included the management of records. Now the historians even today, some of them, are not happy about

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this because they see a distinct difference between historical records and day-to-day records or administrative records. Well, administrative records, as Wayne Grover pointed out, become historical records and there is always a transition period going on. The Archives came not only willingly but enthusiastically into GSA, and the people who came in with it were progressive-minded. They had a dedicated concept which Dr. Grover had imbued them with, of this record management within the Government. They had their scholarly historical concept also which they brought in, and this combination brought a very refreshing intellectual approach to that otherwise

are mundane problems of keeping records, and the Government has made great strides in this connection. A scholar shouldn't forget that in evaluating the economics of space management, that a filing cabinet filled with dead records in space that costs ten dollars a foot to administer is a pretty expensive item, and the guidelines which the Archives have set up -- their operations of records management -- had been more advanced than even private industry in this regard. It's been a great contribution and, I think, one of the greatest things that happened in public administration in a long time.

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HESS: Mr. Truman's interest in fair treatment for small business is well known, but did he ever say anything to you about how he would like small businessmen to be treated -- since you were one of the biggest buyers in the world?

LARSON: Oh, yes. Mr. Truman was constantly reminding us of our obligation to encourage the small businessman in how to do business with the Government. Mr. Truman understood the complications of doing business with the Government. He understood how large corporations had a great advantage in maintaining large staffs here in Washington in order to determine the requirements of the Government and get at that business early even in the planning stage, and his idea when he encouraged the creating of the Small Business Administration was that there would be close cooperation between the General Services Administration and the Small Business Administration, and the military, and the other large procurement or buying agencies of the Government.

In the early days of the Small Business Administration, we put what we called a circus on the road, and we went all over the country with local Chambers of Commerce and

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businesses, industrial organizations, organizing meetings where we held seminars on how to do business with the Federal Government. We met many hours together, our staff did, in streamlining our procedures to make them more adaptable to the requirements of the small businessman. This is a problem that goes on even to this day, and I'm not sure how successful the Government has been in meeting it, but certainly under Mr. Truman's leadership the machinery was set up to start it and we certainly tried to meet it with his enthusiasm pushing us along.

HESS: One of the changes that you inaugurated when you were administrator of GSA was the setting up of the ten regional offices around the United States. What were some of the problems involved in that? Anything come to mind?

LARSON: Well, there really were no serious problems except the political problems. Every large city within an area wanted the headquarters. And there was the elimination of existing Government headquarters agencies. A Bureau of Public Buildings office that would be closed and moved into the GSA office always brought the normal problems that

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you have in that connection. But we had no serious problems in the organization -- setting up of the ten regions. They were set up to carry out our policy of decentralization of operations to the

highest possible degree. The tendency in any large bureaucracy is always for the central office to gather more and more power -- more and more operational responsibilities. Well, the operations are out in the regions and this is where I wanted to build the strength of operational know-how.

When we set up these regions, I tried to staff them very carefully, with not only able administrators but men who had a sense of public relations -- public relations with the other agencies of the Government and with the public within their region. I found this worked extremely well. I found that Congress liked this because they had rapport with the man down at the operation. Members of Congress could talk to this man about their problems without having to bring your constituents in to Washington, and so forth. In each of these regional offices we set up a small business office to assist small business people -- this was in accordance with Mr. Truman's program -- and we tried to decentralize as much of the procurement as

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possible out of Washington and into these regional offices. I think it worked quite well.

HESS: I have a general question on congressional liaison. Could you tell me how the various agencies which you headed carried on congressional liaison, and in this matter did you ever work through the White House?

LARSON: Well, you know that question has never been asked me before -- did I ever work through the White House. In my experience we did not work through the White House except really when the White House called upon us to render some assistance. In the congressional liaison involving our own program, we operated pretty much on our own. If a major piece of legislation were up -- for instance, the Property Management Act itself -- I was at the Federal Works Agency at the time when this was being considered; well, that, of course, being a piece of the President's legislation, we worked through the White House. But in day-to-day liaison we didn't go through the White House; we went directly to the Hill. Now as to the other part of your question -- how did it work in the agencies which I headed -- my answer to that is probably not going to be a very objective answer. I mean objective in this sense,

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because I started out in War Assets as being responsible for legislative liaison, and I personally took a great deal of interest, much more than, I think, the average administrator would, in legislative liaison -- in my relations with the Congress. My relations with the Congress for the agencies that I headed were pretty personal.

While I had a small legislative liaison staff, I felt that my relations with Congress were so important that if I were to properly mind my agency and carry out the responsibility to the Congress, that I had to keep these people informed firsthand about what I was doing and what I was planning to do. And I spent a great deal of my time in doing this. I had Mr. Russell Forbes, a very experienced scholar in public administration, as my deputy in GSA and I had some very good assistant administrators or deputy administrators, whatever they call them now, heading up the general categories of organization, and I was free to spend more time on the Hill than an administrator who would be more oriented to the details of operation.

HESS: Now in checking the *Official Registers*, I found that the War Assets Administration was the only one that had

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a man with the official title Congressional Liaison, is that right? When you were in General Services Administration, nobody actually had that title did they?

LARSON: I don't remember. Maybe the title was not Congressional Liaison but certainly I looked upon them as congressional liaison people, and we had people that devoted fulltime to that. We had a couple of people in GSA that devoted fulltime to congressional liaison.

HESS: In checking the *Official Register* yesterday, I typed out the card and the only one I could find was War Assets, but I suppose the other men did the same thing.

LARSON: They did the same thing under another title. I wasn't aware that there was another title.

HESS: You mentioned a while ago that sometimes the White House would call you. Who would phone you from the White House?

LARSON: A member of the President's staff; on personnel matters, Donald Dawson was the personnel man over there at that time. Sometimes the President would ask Mr. Matt Connelly to call me about a matter which had been

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brought to his attention. Dave Stowe, Dr. Steelman, David Lloyd, David Bell I don't remember so much, Clark Clifford -- in the early days when I was in the administration they would communicate with me -- occasionally General Vaughan and very infrequently the President himself.

HESS: Did you have a pretty good working relationship with the members of the White House staff?

LARSON: I had an excellent working relationship with the members of the White House staff, and I had access to the President when I felt I needed him. I think the President wrote me a letter when he left the Government, and I left shortly thereafter, that he was aware of the fact that I had bothered him less than some of his other official family. This was deliberate on my part. The President backed me up so completely in my judgment and my decisions, that I felt he had problems bigger than mine and I should avoid taking them to him. I can remember on five major issues that I went to the President on, and I prepared myself thoroughly and I got a favorable ruling from him on four of those.

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HESS: What were those?

LARSON: Well, most of them were involved in this marriage of GSA and DMPA. One of the most serious was that I wanted my representative in Europe and in Africa negotiating for contracts and trying to encourage the owners of natural resources to expand their production to take care of our requirements. We found that in the case of Belgium, for instance, the Belgian Government owned a great deal of the production in the Congo itself. The same thing was true of some of the British companies and the French companies that operated in Africa and in other parts of the world -- in the Far East. I found that my representatives needed some kind of diplomatic standing in order to be recognized, and deal on the effective levels of foreign governments. My representative was former Brigadier General Tom Wilson, who was an engineer and who had been General MacArthur's transportation officer. He was a civilian businessman, onetime head of Trans World Airlines. General Wilson was in London. He was always being relegated to lower echelons of foreign governments and we found this took a great deal of time. I requested the State Department to give him some kind of

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diplomatic title -- I suggested sort of a roving minister type of title. Well, the State Department took a very dim view of this since he was not a career man in the State Department. They felt that they could handle these things where their embassies were set up, but they weren't set up to operate in the emergency we were operating in. Dean Acheson and I appeared before the President with our respective positions and the President ruled with me and General Wilson was made a minister. I felt this was quite flattering because such a great and able man as Dean Acheson had been overruled by the President in this one instance.

The people in my agency knew -- because people in a big organization somehow will always know -- what the head of the operation thinks of their boss, and they knew that I had the confidence of President Truman and that he was loyal to the people in whom he placed his confidence. [They knew] that he would back me up, and this made for a spirit that went right down to the lowest echelon of employees in the General Services Administration, and it's something which it is difficult for a President to project. In my opinion, President Truman projected this

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more than any other President. The personality of President Roosevelt no doubt got down to and inspired a great many people on the lower levels, but with all due respect to succeeding Presidents, this intense loyalty that President Truman had reflected itself in a feeling of belonging, a feeling of wanting to do a better job on the part of the people down below. I don't say it's true in every instance, but this, I think, is a statement my contemporaries would agree with me on in the Truman administration.

HESS: Do you recall the other matters you took to the President?

LARSON: They were mostly matters of organization. I had a matter one time that a friend of the President's kept bringing up to him about entering into contracts for the procurement of asbestos which was a strategic item. This friend had become financially interested in an operation in Canada. My people looked into this operation in Canada and they reported that it was a questionable operation -- it was a marginal operation -- and they recommended against putting

any money into it. Well, the President's friend was a very close friend and still is -- I won't mention his name -- but he bothered the President

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so much on this and was no doubt so convincing, that the President asked me to come and talk about it. I made inquiries to the staff to find out to what extent I should be prepared, and I found that I should be prepared to the fullest extent, so I organized a couple of charts -- small charts - went to the President and talked from my charts to him in support of our decision not to go into this. The President's remark I never will forget, "Isn't it a shame, that for the sake of friendship you have to spend this much time on the subject."

You know the President said something to me one time when I had been called in on a matter involving civil defense. This was an extremely difficult problem, as it is today, and the President turned to me -- I had made some contribution, to this discussion -- and he says, "You know, Jess, the greatest thing that ever happened to me is that I wasn't born smart." He said, "I had to work like hell for everything I've got, and that includes my knowledge." I think it was indicative of him, and he did work at everything he went into. I recall in connection with civil defense, word came out that the hydrogen bomb had been developed by Russia -- I think this was in '50

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or '51 -- anyway this threw our planners into somewhat of a state of consternation because here was the capability of the enemy to drop a bomb on Washington and completely eliminate the central Government. Many millions of dollars have been spent and many plans have been made since that time to try to solve this problem. I don't know the present status of it, but I hope and I'm sure means have been developed that the central Government would not be wiped out with one bomb.

The planners got to work and, of course, GSA having control of public buildings was always in on planning -- GSA sits on the planning boards here in the Nation's Capital even now. I sometimes think they don't exercise as much influence as they possible should, but in any event they have that responsibility -- it's a great agency for planning because it has this responsibility for space -- but in any event, GSA, by Executive order at the direction of the President got the responsibility for coming up with a plan for the preservation of the National Government -- I think it still has that responsibility but I'm not sure. Well, I set up a special planning team and they come up with the obvious, simple solution of decentralizing, and they

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recognized that you couldn't take all the operations of the Federal Government out of Washington. They came up with a plan whereby they went out in circles, mathematically in accordance with the estimated capabilities of the bomb and also in degree of sensitivity of the agency, and they placed them in a closer circle or the next farther out circle or the next farther out circle, recognizing that communities would build around these installations. That brought about the whole concept of community planning, of area planning, or urban planning if you please. And we had a preliminary drawing of possible moves. The Atomic Energy Commission is now out here in Germantown, Maryland; this is in accordance with this original plan drawn up in GSA at the time I was there.

We didn't know how the President was going to buy this plan, but somebody remembered -- I don't know whether it was the Archives or who it was -- but they came up with a plan for the development for Jackson County, Missouri that had been made during the term of the Chairmanship of the Board of County Judges of Harry Truman. This was accompanied by a big map and there was a paperbacked book about three quarters of an inch thick with diagrams, and

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it was a very comprehensive study. The plan for the development of Jackson County was built on this same general plan of having green areas in between communities so there wasn't just one continuous cancerous growth of a community, such as is reflected in our cities today. It was really a very far reaching plan. I think the date of this plan was 1930 or thereabouts. I thought, well, since there's a similarity here, I'll take this over to the President when I present him with this plan. I walked in the door with this book in one hand and the plans for Jackson County and rolls of drawings under my other arm of what we proposed to do in the City of Washington. The President recognized immediately his plan and said, "Where in the hell did you get my plan for Jackson County: I've been looking for that. Let me see it." And that was the last I saw of the plans for Jackson County. The President took it, but he talked with a degree of comprehension and intelligence about community planning that I would say was equal to or transcended those experts that I had brought in to put on this team to plan for the expansion of the City of Washington.

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Second Oral History Interview with General Jess Larson, June 5, 1967, Washington, D.C. By Jerry N. Hess, Harry S. Truman Library.

HESS: General, to begin, perhaps we can clear up something that may cause researchers to puzzle over a little bit and that is about your title. Could you tell me a little bit about your military career?

LARSON: Yes, I'd be glad to, Mr. Hess. I enlisted in the Oklahoma National Guard when I was sixteen years old. At the time I was going to military school up in Mexico, Missouri, and I went to National Guard summer camp with my local unit at Chickasha, Oklahoma. I stayed in the Guard after I had finished military school and while I was a student at the University of Oklahoma where I was taking ROTC. There was a vacancy in my battery down in Chickasha and I had an opportunity to take a commission as a Second Lieutenant in the Oklahoma National Guard. I took this commission back in 1923. I was still not twenty-one years old but since I'd told a little story about my age when I enlisted, my military age was twenty-one. I might add it took me a long time to finally get this straightened out, but in any event, I was an

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officer in the Oklahoma National Guard from 1923 to 1940 when the 45th Division was mobilized at the time of the emergency declared prior to Pearl Harbor.

I was a Lieutenant Colonel at the time we were mobilized, having just been made a Lieutenant Colonel. I served through active participation in the war as a battalion commander of the 160th

Field Artillery Battalion in the 45th Division, stationed in North Africa. We made the landings in Sicily, where I was injured in combat, and was sent back to North Africa. I later rejoined my unit in Sicily just before we took off for the invasion of Italy at Salerno. I was in command of my battalion through the early part of the Italian campaign until I was wounded up near Cassino, and was sent back to the United States.

I went to Fort Sill, Oklahoma, as an instructor in the Field Artillery School and there I was promoted to Colonel. At the end of the war in 1945 -- at the end of the war in Europe -- I was sent here to Washington to the General Staff. I served on the War Department General Staff until 1946 as a Colonel on extended active duty. I then was given an opportunity to transfer to a legal job over at the War Assets Administration which was a

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new agency then; it had been created by Executive Order and was headed by Lieutenant General Gregory who had been the Quartermaster General of the United States. He staffed this agency with a number of military people, of which I was one. I served then on extended active duty in the War Assets Administration until 1947 when I was appointed administrator of the War Assets Administration. I have heretofore related the circumstances of that appointment.

I then transferred to the Army Reserve as a Colonel of field artillery. Having become acquainted with Stuart Symington who was then the Assistant Secretary of War for Air and who later became the first Secretary of the Air Force when a separate Air Force was created, I became interested in the Reserve program of the Air Force. In 1951, I believe it was, I transferred my Reserve commission from that of Colonel in field artillery United States Army Reserve to Colonel, United States Air Force Reserve. The Air Force gave me some very stimulating assignments as a Reserve officer and I had some most interesting tours of duty. I worked very diligently with the staff of the Air Force and in 1956 I was

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promoted to Brigadier General, Air Force Reserve and in 1961 I was promoted to Major General, Air Force Reserve. I retired after having served five years in grade, in March of 1966 as a Major General, United States Air Force Reserve. My colleagues, aware of my military activities as a civilian soldier and a civilian air man, have over the years referred to me by the military title and this seems to have stuck.

HESS: The last time we talked, I asked you about some of the problems that you faced as administrator of General Services Administration, but I failed to ask about some of the problems that you faced in your previous assignment when you served in War Assets Administration -- you served in various positions, there. What were some of the difficulties that come to mind when you look back on the days of the War Assets Administration?

LARSON: Well, there were some tremendous administrative difficulties, difficulties of administration in the program of disposing of the huge surpluses that were created as a result of our prosecuting of World War II. Those of us who lived through this era, of course, are well aware of the suddenness with which the end of mobilization hit

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the nation. There was a hue and cry for the boys to come home; this was quite natural. Our armed forces were very rapidly demobilized and this demobilization created a tremendous inventory of surplus property ranging from the personal items of a soldier or a military man's equipment, such as gas masks, shoes, uniforms, clothing, bedding, and that sort of thing, clear up to the closing down of tremendous industrial establishments. These were establishments that were actively engaged in the production of primary aluminum, plants that were actively engaged in the production of steel -- basic steel -- mines that were producing natural resources as well as entire military camps and bases and all of the myriad of items that modern warfare calls for.

Now this was really quite a chaotic situation from the standpoint of trying to administer it orderly. The War Assets Administration was created under the authority of the Surplus Property Act of 1944, I believe, and that act had created what was called a Surplus Property Board, but it gave wide powers to the President to adjust the administrative structure for carrying out the mandates of the legislation and it took various forms. The

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Surplus Property Board was conceived as a policy-making body, and this policy-making body would lay out the rules and regulations and sort of generally supervise the feeding of this inventory of industrial and personal use items into the economy. But the inventory would remain in the hands of the agency that had created it, or the agency that had the responsibility at the time of the closure, or the time of the secession of the hostilities. This was found impractical because of the difficulty of administering the large number of agencies that were involved, and by Executive Order an organization was created called the War Assets Corporation, I believe it was.

There were a great many corporations created by act of Congress and by Executive order to carry out the jobs involved in World War II -- the War Plants Corporation, the Defense Materials Corporation, and a number of others -- the Metals Corporation, to name a few. Many of these were administered by the old RFC -- Reconstruction Finance Corporation. It was found that to exercise proper control over this disposal, it was necessary to bring this into a central type of organization. It was soon

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discovered that the corporation's concept was not flexible enough, and so the President sometime in 1946, I think -- I was still at the Pentagon at that time -- issued an Executive Order which set up what became known as the War Assets Administration and this was the agency that finally carried out the job. I say carried out the job -- I'm sure that if you look around the Government even today you will find a great deal of its inventory still in the possession of the Government. But in any event, the job of War Assets Administration was to dispose of this property.

Now the inherent problem, which I have spoken of, [is in] having a tremendous inventory which I can best describe by the manner in which it was referred, namely by the "Dollar Value" -- the so-called dollar value of this property as best could be determined at the time or should I say about six months after the War Assets Administration was created. The figure that was arrived at, which is not an accurate figure but is in the ball park, was that this inventory amounted to

about twenty-seven and a half billion dollars. This was acquisition cost -- that is what it had cost out of the public funds

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of the nation: Twenty-seven and a half billion dollars is an inventory that just exceeds one's imagination. It was then and remains today, of course, an inventory far in excess of any single corporation in the country, or in the world. I think that someone said that these assets were in excess of those of the Bell Telephone Company, U.S. Steel, General Motors, and Sears and Roebuck all combined, and various comparisons were made at that time. But this was the inherent problem, getting a hold of this inventory, getting control of it, organizing people to dispose of it, devising methods of disposing of it and that sort of thing.

Now an additional problem was created by the Act itself. I believe there were some twenty-odd so-called "objectives" of the Surplus Property Act of 1944. Congress had written all of its experience over the years, it seems -- at least in the economic field -- into this Act. The property was to be disposed of so as not to create a monopoly; the property was to be disposed of so as to aid small business. The property was to be disposed of in a manner that would assist in education. The states, cities, counties and local subdivisions of the Government were to have a priority.

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To make it even more complicated, the service man -- the man who had just gotten out of service -- was to have a priority in the purchase or acquisition of this equipment, and many of these were contradictory. When it came right down to making the disposals or setting up a disposal program -- and this made an exceedingly difficult job -- these were the two big problems.

There were many other problems, [such as] the problem of personnel. The President found that you couldn't get a civilian to run this job and he had to turn to the military. So you found a lot of military men who were nervously, I might say, in this job, because it's not a military man's profession to be in the selling business, to the extent we were in the selling business. Now we didn't have all the surpluses, thank goodness. The Maritime Commission had the responsibility for disposing of surplus ships in this country, and the State Department had the responsibility of disposing of that equipment that was left overseas, which was not brought back to this country. You might recall that a great deal of the equipment was brought back to this country, particularly from the Pacific Islands where there was no possibility of disposing of it in those areas

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other than just dumping it in the sea or something of that sort. So these were some of the problems.

Naturally we had a great many pressures from people who wanted to take advantage of this disposal program to make a great deal of money, and I'm not condemning this idea at all. The Government could not possibly have disposed of this property on a retail basis, so to speak, and so we had all kinds of schemes and devices thought up and presented to us or thrown at us, or which we confronted after they had already existed, that turned out to be in violation of one or

more of the provisions of the Act, or just created plain windfalls for people. There were a great many so-called windfalls.

When I came into the program, we had 62,000 employees. We had 33 regional offices scattered from Hawaii, Alaska, Puerto Rico to every state in the United States. We went through all sorts of reorganizations and that sort of thing, and we finally came down to ten regional offices. And in the remarkably short time of about two and a half years, we reduced that force from 62,000 down to less than 4,000, and we reduced this inventory from twenty-seven billion to about four billion dollars. And we did have some heartaches.

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We did have some so-called scandals. I found myself in exceeding hot water for several years even after I left the Government because of what people thought they had uncovered as having been a diabolical scheme to defraud the Government. All of these matters, of course, so far as I know, were looked into by Congressional committees, or by the Department of Justice, or by proper authorities. And there were a good many convictions of people, but all in all, when you consider the problem that confronted us, the pressures we were under, the state of the economy at the time, the attitude of the public, I've just got to confess that the Government did a pretty creditable job under those circumstances. Not that it couldn't do a better job -- you can always do a better job -- but this was an exceedingly difficult job.

HESS: How would you rate the success of the War Assets Administration?

LARSON: Well, it depends on what you mean by success. I think we kept scandals down to the minimum. We did a remarkably good job under the circumstances of meeting the objectives of the Act. We did satisfy a lot of ex-servicemen, all

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of whom wanted jeeps and that sort of thing. We didn't satisfy all of them, of course, but we did give priority to small businessmen. We created competition in some of the big industries where competition had not existed before, namely the aluminum industry. We got this property back into the channels of trade and into the mainstream of economic life of this country, in a manner that did not dislocate any industry. We didn't throw the people out of employment, and that sort of thing. We disposed of property, in some instances, in a manner so as to create an economic unit in a community that had not had an economic unit before. We were under great pressure to cannibalize many of our plants.

I think of the basic magnesium plant located in the southern part of Nevada, at Henderson, Nevada. This plant cost the Government about one hundred and sixty-one million dollars, I think. I sold that plant to the State of Nevada, represented by the Colorado River Commission which is a constituted body of that state, that administers the power resources of that state generated from the Colorado River, principally the Hoover Dam. This plant was built where it was to take advantage of

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the power resources of Hoover Dam, as it required a great deal of electric power. I sold this for eighteen million dollars with one dollar down and the eighteen million dollars to be paid by the state over a period of time, as the state realized money out of this property, with no interest charges to the state. Well, I was criticized in some sources for this, and I was under a great deal of pressure to dispose of this to the expanding economy because it was an electrolytic process that had a tremendous amount of electrical equipment -- generators and all of the sort of electrical equipment that goes into electrolytic reduction of metal. There was a great demand for this all over the world and the scrap dealers and surplus property dealers came in, and through Congress created great pressure to dismantle this plant sitting out in the desert as it was. The argument was made, how can this ever be an economic unit sitting way out here in the desert? Some of us thought that it could because of the power resource, and today, I'm proud to say, that this is the largest industry in the State of Nevada and it employs approximately 16,000 people and is a tremendous source of creation of wealth. Now that's one example of what motivated us and guided us in

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in the disposal of this property, and this is one of the successes that we had.

We had some failures. An effort to take an airfield or an Army training camp with temporary type buildings and create an industrial base or industrial unit from that is a little difficult, although many brave communities, and ourselves, tried all over the country. All in all, I think it was a success. It did contribute to the rehabilitation of our industry for civilian production at the end of the war, and while it was tremendously costly to the Government, of course, I think we got about five billion dollars out of this twenty-seven billion dollars, and it cost us about a billion dollars to administrate or something close to that, so only four billion dollars out of twenty-seven billion dollars is not a very good record, but there's a great deal more to it than that. A great many small educational institutions were helped over a very difficult period during these years with the surplus properties that they received from the Government, because they had a great influx of students and they didn't have the physical plant to administer it. I personally am quite proud of it.

There are many things I'd do differently, but it was

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an exciting job. It was a job with a lot of pitfalls -- I was told by my friends I could not win -- meaning that I was bound to come out under a cloud on this. Well, I don't think I did, looking back. I made many friends. I had a tremendous experience that a country boy from Oklahoma could not possibly have dreamed of in the days of his youth down on the banks of the Washita River.

HESS: General Larson, during the time that you were in the Government, of course, you worked quite closely with the Bureau of the Budget, most administrators do, but what is your opinion of two of the men who served as director of the Bureau of the Budget, Frank Pace, Jr. and Frederick J. Lawton? Just your opinion of their effectiveness on the job.

LARSON: Well, my opinion is that each of them in his own way was effective and made a great contribution; yet, each of them was an entirely different individual and went about the accomplishment of the job in an entirely different manner.

HESS: Tell me about the two men.

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LARSON: Well, Frank Pace was a young man -- he's still a young man -- who had had a brilliant career following in the footsteps of his illustrious father down in Arkansas. [His father] was one of the outstanding lawyers of that part of the country and one of the leading lawyers of the entire country. Frank grew up in this atmosphere. He demonstrated, I think, his brilliance by graduating from college at a tender age, and Frank came into the Government. I'm not exactly clear as to how Frank came into the Government, but I believe he was in the Bureau of the Budget as a deputy director or assistant director at the time Jim Webb left as director of the Bureau of the Budget, and I believe, went to the Department of State.

Frank Pace came in as the director. He was full of enthusiasm. He was alert to and aware of and educated in the modern concept of management as they existed at that day. I'm not sure whether Frank was exposed to Harvard School of Business or not, but in any event, he was worthy of having been exposed to it because he was on his toes and way up front in modern management techniques as they existed at that time. He brought a flair and a flamboyance into the job. He was colorful, he was persuasive,

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he was effective before congressional committees. He was a highly intelligent man and he had great rapport with the President, and as far as I can recall he was a leader and in the Bureau of the Budget. It's sometimes difficult to be a leader because you have to be both an expert and an intellectual, so to speak. You have, I think, the best brains of the Government, and I don't say it disparagingly of any other agency, but there is a higher concentration of the best brains of the Government in the Bureau of the Budget, I think, than any other one spot; and this is as it should be. I think Frank led this group of intellectuals well, and made a great contribution in the years that he was there.

He was followed, as you know, by Fred Lawton. Fred was a career man; I think Fred started at the lowest levels of the Civil Service in a clerkship, if I'm not mistaken. Fred had gravitated to the Bureau of the Budget by virtue of his natural intelligence and his high devotion to the public service. Fred, no doubt, had a more thorough, basic knowledge of the problems of public administration from the ground up than Frank Pace might have had, and I say this only as my own opinion. But, in any event, no man has ever been

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in the Bureau of the Budget, in my opinion, who had a more sound draft of the basic concept of public administration than Fred Lawton. It had been his life; he had devoted himself to it, and I think in that job he reached the pinnacle of his career as a public administrator. He was completely different from Frank Pace in that he was not flamboyant. He played everything low key. He was sure of himself because of this vast experience that he had. He had a firmness and a

resolute manner that carried him along as a leader equally as effective as Frank Pace's flair and flamboyance and obvious high degree of intelligence carried him. They both made a great contribution.

HESS: How would you characterize your agency's dealings with the Bureau of the Budget? Were they successful? Your working relationships.

LARSON: Yes, I would say they were successful but they were not without their problems. There was a chap in the Bureau of the Budget by the name of Charlie Stauffacher who, I believe, now is with American Can Company. He has been quite successful in business. Charlie is a highly intelligent man. He was one of the bright young men in the Bureau of the Budget both under Pace and Lawton. Charlie worked

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closely with the Hoover Commission and made a great contribution in the concept of creating a General Services Administration, and Charlie felt some responsibility in this area. I had great respect for Charlie; I think he had some respect for me, and we were and we worked closely with one another. I think it was this relationship that helped me in working with the Bureau of the Budget.

There is, as every administrator knows, the tendency of the Bureau of the Budget in carrying out its responsibilities to get deeply into the details of the administration of an agency. There is a tendency, I think, to overuse the authority they carry, being a part of the White House or members of the President's own staff, but it is the job of the director to overcome this, and it's a job of every department and agency head to recognize this and work with them. This creates problems at the lower levels but all in all I think our budget-making process is a sound one. I found that in my own case, that if I forced myself to take the time, whatever time was required, and organize my work so that I participated in the budget-making processes of my own agency at a very early point when those processes started, and if I maintained that close

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relationship right up to the presentation of that budget to the Bureau of the Budget, that I was equally as well equipped as the man in the Bureau of the Budget to evaluate these programs and to espouse them and to support them. I had some success at carrying on in that manner.

This followed right on through to the presentation of the budget to the subcommittees of the House and Senate Appropriations Committees. I can't boast of as much success there as I had in the Bureau of the Budget because there's a tendency on the part of some members of the Congress to be quite arbitrary in their evaluation of programs, and there isn't anything you can do about this because the chairman of the subcommittee of the House Appropriations Committee has more power over an agency than perhaps any other member of the Congress. In our system it is necessary to recognize this and work with it. I had a particular problem in General Services in this respect. I had a subcommittee of the House Appropriations Committee that was responsible for my agency and several other unrelated agencies -- I say unrelated to property administration - - so there was no common problem running through them, and the chairman and members of the House subcommittee certainly

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had their hands full in trying to evaluate, with as little time and the small staff that they had, these various problems.

The subcommittee's treatment of my problem was never quite fair and is today not quite fair to the General Services Administration, because the General Services Administration is a Government-wide agency. It has responsibilities in every department and every agency of the Government, to furnish the space in which they work, to take care of it, to police, to clean that space, to furnish the utilities, to manage the records, to supervise the procurement of their supplies and the distribution of those supplies. This doesn't make any difference whether it's the Department of State or Department of Interior or the Treasury Department or what department it is -- it's a Government-wide department. There were other subcommittees that had the responsibility in the House Appropriations Committee that have it today, of the State Department, of the Treasury Department and so forth.

Now, my little subcommittee could care less about my problems with the State Department or the Treasury Department and so forth; they were just looking at me as one

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of the agencies that they had to deal with. I think it would have been better, and would be better today, if the overall appropriations committee had the responsibility for an agency that has overall Government responsibilities, because in the processes of appropriations the subcommittee's report is always adopted by the full committee, and that's final. I hope I didn't take too much time getting off on that tangent, but that is a problem that any administrator with a Government-wide responsibility will run into.

HESS: A while ago when I was listing the directors of the Bureau of the Budget, I inadvertently left off James Webb. Now he was there before you came to General Services Administration, but you probably worked with him at the time you were at the War Assets Administration.

LARSON: Yes, this is true; not for very long, however, because he went to the State Department along about this time -- I've forgotten when. I really got to know Jim Webb better when he was in the State Department than I did when he was the director of the Bureau of the Budget, and he is a close friend of mine to this day. I have great respect

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for Jim Webb as a public administrator. Like Fred Lawton, he likewise started at a low level in the Government and is a man with great background and experience in public management.

HESS: You mentioned Senator Symington previously. Did you have any particular dealings with him when he was chairman of the National Security Resources Board, that come to mind?

LARSON: Yes, indeed, I had a very close working relationship with Stuart Symington when he left the Air Force as its first Secretary after having served, I think, three years, and then came over to the National Security Resources Board -- don't know what that's called today -- it was

called Office of Emergency Management, I think, at one time and its been known by a number of names, but it is the facility that is a part of the President's own staff -- part of the White House organization -- that has the responsibility for planning for national emergencies insofar as our resources are concerned, other than military resources. The chairman of that was a member of the President's Security Council at the time, and it is a most important device in the management

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of the overall Government from the standpoint of the President's responsibility. I might say, it's my opinion, that over the years this has been somewhat downgraded.

Now we had some big men in this job. Stuart Symington was a very able man. He was followed by Charlie Wilson who left the presidency of the General Electric Company to take over this job, and I had the opportunity to work closely with him. Henry Fowler, the present Secretary of the Treasury, I think, succeeded Charlie Wilson and demonstrated even then his great capacity for public management and for handling National resources. My relations with Stuart Symington were on a personal basis, and were most pleasant, as they remain to this day. Senator Symington then was not Senator; he left that post to run for the Senate in Missouri, as you will recall. I think he was there a little less than a year. This was the early days of the Korean conflict and the early days of carrying out the Defense Production Act of 1950, in which he was the principal officer of the President in carrying that out. In the expansion of our capacity to produce aluminum, to produce copper, to produce all of the metals, Stuart Symington laid the groundwork and supervised

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the agencies of the Government that did the detail work, of which my agency was one. I found that it was not unusual to get a call from Stuart Symington anytime of the day or night because he was constantly on the job and constantly alert. He was a very effective manager. He had some of the flamboyance of Frank Pace. He had had a great deal of experience in industry, and success in industry, and he carried a breezy sort of forcefulness into his job that carried people along with him, and he was quite effective.

HESS: You mentioned Charles E. Wilson. What kind of a man was Mr. Wilson?

LARSON: Well, it's always good to distinguish between the two Charlie Wilsons who served prominently in the Government. This was "Electric" Charlie as distinguished from "Engine" Charlie who was the General Motors president who came in under Eisenhower as the Secretary of Defense. "Electric" Charlie was, in my opinion, the greatest industrial statesman that it has ever been my privilege to know and to work with. Charlie Wilson was a man who started at the bottom. He was a self-educated man; he

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spent his life in General Electric. He was a highly dedicated man who had the highest sense of public responsibility, he really brought great integrity and great experience to his job in the Government; he was a decisive man. It was a pleasure to take to Charlie Wilson those matters which required his decision, because you soon learned that you had to be brief, you had to be convincing and you had to be absolutely certain there were no flaws in your armor or in your

argument when you presented them to him because his vast experience, his intellect, went right to the core of the problem; he analyzed it with you in a forceful yet friendly way, and he made his decision and he backed you up. He was a very unusual man.

HESS: General, on December 15, 1952, President Truman dedicated the shrine for the Declaration of Independence and for the Constitution at the National Archives. Could you tell me the events that led to the transfer of those documents from the Library of Congress to the National Archives?

LARSON: Unfortunately, Mr. Hess, I haven't done my homework since I had no inkling that we might have this question up for discussion this morning, and I can't give you the

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the details of the long period of planning and execution of plans that went into -- that culminated in the event you have referred to.

HESS: What comes to mind after this long passage of time?

LARSON: Well, what comes to mind after this long passage of time, most vividly, is the very farsighted concept that Wayne Grover, the Archivist of the United States, had in this regard. This was Wayne Grover's baby, so to speak. Perhaps someone back in Roosevelt's days, at the time that the Archives were established, might have envisioned a National Archives including the sacred documents of our past and of the history of this country, but few people were aware of it. Wayne Grover went about accomplishing this; by this, I mean the creation of a true National Archives, by bringing these basic documents into the National Archives. He went about it in a quiet way, in a deliberate, in an intelligent and well planned way, that brought it to its culmination. I had the privilege and the opportunity of working with him. I was out in front of some of these operations particularly at the latter part, but Wayne Grover laid the ground work that made

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it possible to do this, taking the original document, the Declaration of Independence and the Constitution of the United States, in their original form, out of the Library of Congress, where they had rested from the beginning, out of the jurisdiction of Congress, which is so jealous of its own prerogatives and its own image. It's almost inconceivable looking back that they would have given up custody, so to speak of those documents; however, Wayne Grover laid his groundwork well, and he went about convincing the appropriate authorities of the Congress that this was the appropriate thing to do from the standpoint of National Archives, of a repository of the Nation's history.

Now I entered into this at the time negotiations reached the level of the two appropriate authorities, one of whom was probably the strongest leader that the House of Representatives has ever had in its history, the Honorable Sam Rayburn of Texas. Fortunately, I had a personal relationship with Mr. Rayburn and he was not only cool, but he was adamant against the idea in the beginning, and with the arguments that were furnished to me by Wayne

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Grover, and with Wayne's patience, and my eloquence, and Mr. Sam's basic patriotism and intelligence, we finally converted him to this concept of starting the National Archives with the basic national documents of the Nation.

The other individual was, of course, a colorful former Vice President, Alben Barkley, and Senator from Kentucky for so many years. Vice President Barkley was not so difficult to convince as had been Mr. Rayburn, but it did take some visiting and some time, [to obtain] the approval of these two men. Vice President Barkley, of course, had been the majority leader of the Senate and a very able one under Roosevelt and also under President Truman before he was selected as Vice President to run with Truman in 1948. He had great prestige in the Senate and his support practically carried the Senate establishment with it, because the Senators had confidence in his judgment and they knew that he would not do something that would be harmful to that body or to the country as a whole.

HESS: General, what do you recall about a period of transition from the Truman administration to the Eisenhower administration?

LARSON: Well, my recollections in this regard are somewhat hazy in detail although a few things stand out rather

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vividly. I would say right off that it was not comparable to the transition between Eisenhower and Kennedy. I think that transition in which Mr. Clark Clifford had a great deal to do -- was an important factor -- went off quite smoothly and in a manner becoming to a proud nation such as ours. The Truman-Eisenhower transition did not go off smoothly at all. This was not the fault of President Truman. I think the acrimony of the campaign had affected President Eisenhower in an unfortunate way, and while President Eisenhower is a big man, and I'm a great admirer of President Eisenhower, and I served under him, and I'm proud of that service under him -- he was a great commander, but he was not schooled in the field of public administration. His advisors, I might say, were likewise not well schooled, but the Republicans had been out of office for a long time. They came in pretty hungry and they were not willing to tolerate any orderly and businesslike transition -- the transition was a very abrupt one.

Of course, you know there was the famous "I will go to Korea" incident, and President Truman made his plane available to the President-elect to go to Korea, in what some people considered, probably the President-elect

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himself, a flippant manner. This was just not true. President Truman was acting in the manner in which he normally acted, decisively, quickly and with no fanfare, and he assumed this was the thing to do and he did it. This didn't help the situation; that is, the President-elect's interpretation of that didn't help the situation. There was very little effort, that I was aware of, on the Cabinet level. I think the President-elect designated his Cabinet officers in the latter part of November or early part of December, after the election. Some of them, I understand, didn't come to town until after the inaugural. There were emissaries sent around, but there certainly was not the kind of

businesslike transition that existed at the time that the Kennedy administration came in. And I might say that the success of this was due to the experience that had been gained by the Eisenhower people, over eight years of responsibility.

I, in my own area, was approached. Naturally, being a Presidential appointee, I was prepared to leave the Government with President Truman, and I made my personal preparations toward that end. Maxwell Rabb

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was a close association of Henry Cabot Lodge. Henry Cabot Lodge had been Eisenhower's campaign manager, and I had known Maxwell Rabb when he had worked for Henry Cabot Lodge on the Hill when Lodge was a member of the Senate. Maxwell Rabb first approached me in about mid-December, and he said that he was going to be with the Eisenhower administration; he said that surely you are going to remain with us. I recall very vividly. I told him that, no, I did not plan to stay with the new administration, that it was time for me to leave the Government, and that I planned to leave with President Truman. He said, in effect, "Please don't do that; will you stay with us until we can find a successor for you, and you can help break him in?" I said I would be glad to do that because I had a lot of pride in General Services Administration, having been its first administrator. He said, "Fine, you will hear from us." I had a telephone call from him, I think, about a week before the inaugural, which was early in January. I hadn't heard anything more and I was still making my plans to leave. He said, "Are you prepared to meet with Governor Peterson?"

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Governor Peterson was Val Peterson who had been Governor of Nebraska; he was Governor of Nebraska, I guess, since his term had just ended the first week in January, 1953, and he was made administrative assistant to the President, as soon as President Eisenhower came in. I had a call from him stating that he wanted to see me as soon as he got in the White House, and that he wanted to talk to me about staying on in my job. Well, in view of that, and having a desire to make an orderly transition as far as my department was concerned, and to at least give my experience to my successor, I changed the letter of resignation which I had addressed to President Truman, and addressed it to the President of the United States, acceptable at his pleasure. I went about doing my job in the manner in which I had been doing it. We had the Korean war going on at that time, and we had a good many responsibilities.

Within a few days after the inaugural, I was called over to the White House by John Steelman, who had stayed over under Eisenhower to help make an orderly transition, but his transition was more confined to the White House staff than it was other agencies of the Government. He

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was with Governor Peterson, who I met for the first time, and Governor Peterson told me that the Eisenhower administration wanted me to remain in the job. I told him that my resignation had been submitted to the President, at his pleasure, that I was anxious to help my successor by giving him the benefit of my experience and I would stand by awaiting that action. I said I did, for personal reasons, want to leave the Government within two or three months.

I went back to my office, to carry on my job as I had always carried it on, and about a quarter of 6 on the afternoon of January 27, my secretary rushed breathlessly into my office with a very short, crisp note that had been hand delivered from the White House, signed by President Eisenhower accepting my resignation immediately. The letter was dated January 26th, so obviously I had worked a day beyond my tenure. I was naturally somewhat taken by surprise by this turn of events and I attempted to get a hold of Governor Peterson. I finally reached him about 7 o'clock that evening. He was completely unaware of what had happened and said that he would look into it immediately. I told him that I was turning my duties over to my deputy, who at that time was Russell Forbes, who has since passed

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away. I did, beginning that evening; I turned over my responsibilities to Russell Forbes and he carried on the agency in continuity, and I got my things together and left the office that night. I learned sometime later that the acceptance of my resignation had been prompted by Governor [Sherman] Adams, who was the sort of chief of staff at the White House, and did it without consulting Peterson or any other member of the White House staff.

HESS: Had you talked to Governor Adams at anytime during this period?

LARSON: I had never talked with Governor Adams during that period, nor since. Well, this was quite all right with me, but it's indicative of the lack of organization that existed early in the Eisenhower administration within the White House staff itself, and understandably so. I think it was also indicative from a conversation which I later had with friends of mine within the Republican Party, that Governor Adams was under such great pressure from the highly partisan Republican members of Congress, and Republicans everywhere, that there be a complete sweep, that everybody they said [who was] "tainted" with the

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Truman administration, be completely obliterated from the Government. This was borne out a year or so after the Eisenhower administration came in, because my personal secretary, a girl who was a career girl and was highly capable, was most efficient and had great knowledge of the requirements of the office of the administrator of General Services, was called on the telephone by Republican members of Congress. They asked if she was the same girl that was there during the Truman administration, and they proceeded to berate her to a point where she asked to be transferred, and was transferred, to another job within the agency. This, I think, was unfortunate. I would be deeply disturbed if this ever happened again in the history of our Government. I don't think we'll have a period like that. But, in any event, that was the experience of my transition.

Now, later on, I think it was some four or five months later, in the middle of the summer, I was called by a man by the name of Mansure, who said that he would like to see me; that he had been offered the job of administrator of General Services. His name was Edmund F. Mansure -- they called him Ed -- and he would like to talk with me before he

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accepted the job. He wanted to know what it was about. He was staying at the Mayflower Hotel. I made an appointment early the next morning to have breakfast with him. I had breakfast with

him and spent most of the day [with him]. We retired to his room in the hotel and with the aid of large sheets of wrapping paper and a bold pencil I charted out, as best I could, a course of instruction on the organization and the responsibilities of the General Services Administration. I naturally was enthusiastic about it. I don't know whether he caught some of my enthusiasm or not, but anyway he ended up in the job.

He later sought my advice in the early days of his being in the job, and I even discussed personalities with him, I urged him to make certain changes of individuals that I thought was best for the agency. Unfortunately for him and for the agency, he didn't move decisively in this direction, although I don't say this critically because I have great sympathy for him and what he faced, but as he told me himself, he was constantly under harassment. He was never able to see the President personally; I think he only saw him one time. He handled

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everything through the White House staff. The agency personnel soon became aware of the fact that the agency did not have the ear of the President. Other department heads and agencies of the Government completely ignored the agency because the head of it did not have the personal support of the President.

I think this was a great mistake of the Eisenhower administration. Apparently this mistake is laid at the door of Governor Adams again, because he wanted to keep from the President all the detail that he could, and this is commendable, but the President has the responsibility. As Harry Truman used to say, "The Buck Stops Here", and President Eisenhower should have been required, in my opinion, to face this responsibility -- which he would have -- had not the staff been so protective. As a result, poor Mr. Mansure was ineffective -- I don't mean in a personal way -- but everyone ignored him. The agency suffered because the agency was relegated from a Presidential-level agency to practically a third or fourth level operation in the Government, and it is only within recent times, in my opinion, that the agency has recovered from the blow that was dealt to it by this failure, really, in transition.

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HESS: General, just a summation of several of the things talked about. How would you rate Mr. Truman's administrative abilities?

LARSON: Well, of course, I'm not objective in that regard, but trying as I can to be objective, and having lived Washington since 1945 and occupied a post where I observe and evaluate the Presidents that have come since President Truman, I would not hesitate to say that of this group with all of their contributions, with great things that they have been identified with, none of them possessed the capacity for administering the mundane details, day-to-day requirements, of keeping the Federal Government going that Harry Truman had. He not only had the capacity to do this, he used this capacity. And one of the devices he used decisively in this regard was the loyalty and of the people he chose to operate the Government. This was a tremendous activating factor in getting out and doing a good job, and it might be well on a closing note of history to relate this incident which is indicative of the President.

Everyone who lived in the period will recall the latter part of the Truman administration, I'm sorry

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to say, was referred to as the period of the "Truman scandals." This, I think, was a combination of Republican politics and communications media irresponsibility, or even a coalition between the owners and managers of communications media -- the press, television, and radio -- and the so-called power structure of the country that so much wanted a Republican President at that time. In any event, there was overplayed and overemphasized a series of normal occurrences that have come up in every administration, and will continue to do so, because you're dealing with human beings. Of course, there were mistakes made by individuals. When those mistakes were made and where they were made and where the responsibility was clear there has been no President that has taken more decisive action than President Truman in dismissing or disposing of the individual, and he did it publicly, as everyone knows. He didn't shirk that responsibility. He didn't require the submission of a resignation or he didn't go a round about way to do this; he stood right up and made the decision.

Well, in the period of the so-called "Truman scandals," you will recall the tax scandals were one facet of that

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and, of course, [so were] the hearings that were being held on the Hill at that time by a committee of the House of Representatives. There were certain rather sordid individuals that came in as witnesses, and it was in the course of one of these hearings that I found myself having been named as an associate of certain individuals in connection with an alleged conspiracy to attempt to defraud the Government. This was a very vague charge made by a man who was then under indictment who later went to the penitentiary, but nevertheless my name was out and the fat was in the fire. The circumstances were that during a period of my administration of the War Assets Administration, a certain little whimsical sordid kind of character took to hanging around the headquarters of War Assets Administration. He was an interesting and amusing fellow and I found myself being friendly to him. His name was Frank Nathan. Much to my amazement this committee produced witnesses that came up with a set of circumstances that indicated that this fellow Nathan had seemingly acted with my sanction -- sort of muscled his way into the disposal of a small aluminum property out in California. This, of course, had nothing to do with

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taxation which the House Committee was investigating, and the principal investigating committee of the Congress was then, as it is now, a subcommittee of the Senate Committee on Government Organization, now headed by Senator John McClellan. His predecessor in that committee was the distinguished Senator (who has since died), Senator Clyde Hoey; he had been Governor of his state and a member of the Senate for many years, highly respected by his colleagues and everyone, and a very able man.

I called Senator Hoey who was at his home in North Carolina and asked him if he would not investigate me, and his committee did in a most objective way go about thoroughly investigating this incident which I have related, and brought out the fact that this character had learned by

sheer coincidence, in overhearing a conversation, that a disposal was about to be made and was able to talk his way into participating in that disposal. The committee was never able to find any participation on my part that was not proper. The only improper thing was obvious, that I had permitted an association -- a personal association -- that was unfortunate and many people have since learned the same lesson the hard way, as I learned it.

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But the point I want to make is [that] going back to the beginning of this incident, President Truman was so harassed with what seemed to be his whole Government crumbling around him, as the newspapers seemed to depict it at that time, and the commentators. He was on his sojourn, his annual winter sojourn in Key West; this was in late 1951, I believe. I called the President. He came to the telephone, and I said, "Mr. President, some accusations have been hurled at me. I have such respect for you and for the public service that I will not be put in a position of embarrassing you and I want to offer you my resignation." He said in his typical way, which I think is best described by repeating exactly what he said; he said, "God damn it, Jess, tell me the truth; did you do anything wrong or didn't you?" I said, "Mr. President, as God is my witness, I have not knowingly done anything wrong. I have done the best I can." He said, "I believe you." He said, "Get in there and fight the sons of bitches and I'll back you up to the end," and that was Harry Truman. And this is the kind of loyalty that made him a great leader and a great administrator because the people that he gave this kind of loyalty to, I think, likewise did a good job in the administration.

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The first Hoover Commission's great reforms were accomplished under President Truman and he and he alone was the instigator of this movement. The creation of the Department of Defense was under his administration. The reorganization of the security structure of the Government with the National Security Council and so forth was an innovation of Harry Truman. It is still the President's principal facility through which we deal with crises today. And many, many other innovations of administration of the Government are traced to this man who learned his basic Government at the grassroots, namely in the county government of Jackson County, Missouri.

HESS: General, could you tell me what you recall about the difficulties that arose for Matthew Connelly after the days of the Truman administration?

LARSON: Well, I have some very unpleasant and vivid recollections about the incidents that happened to Matt Connelly -- his trial in St. Louis, his conviction and the various appeals that were made. There were, in effect, two appeals that went all the way to the Supreme Court, involving questions of constitutional rights evolving out of Connelly's trials,

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which I personally handled. I did not participate in the trial of the case nor was I close to it at the time of the trial, but in the matter of raising the money to finance the appeals and devoting a great deal of my time and effort in working with the lawyers who carried the appeals up through the Circuit Court and to the Supreme Court, I acquired a great feel for the whole procedure. Of course, I was thrown in close association with Matt Connelly during this period of time, and of course, I had known him quite well when I was in the Government and he was in the office of

the President. It was more than a casual acquaintance; it was a close and warm personal friendship, which exists to this day. I was associated with him as a confidant and advisor through the difficult time of the final failure of our appeal in the Supreme Court and his commitment to the Federal Institution up in Connecticut. I was associated with him in his effort to obtain a Presidential pardon. This covers the instance of which I have some familiarity.

I had formed an opinion of Matt Connelly when I first met him. Matt Connelly was one of the most personable, intelligent, dedicated, loyal, honest men that I ever

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met. He was Irish to the tops of his fingers. He loved people, he loved companionship. When he had no other duties, he would imbibe alcoholic beverages to the point where perhaps he should not, but he was never vicious or mean or vindictive or unpleasant. He never conducted himself in a manner where you would even be ashamed of him in public. He was a man that operated under tension; he was one of those tightly wound up individuals that probably naturally resort to stimulants to relax. He had a great political acumen and a great feel for the political incident. He was deeply, deeply devoted to President Truman with a devotion that was an admirable thing to observe.

Now the charges what were made against him were charges that grew out of acts on his part which he never gave the slightest thought to analyzing before he did these acts as to whether or not this would bring embarrassment on himself or on the Presidency. And certainly he was never remotely aware that these acts would constitute a criminal act. What he did was to call up an officer of the Government and make an appointment for a lawyer from Kansas City who had been identified with a political

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organization that President Truman had been identified with for a long period of time. This was no more than what I would have done under the same circumstances -- [to] call up and ask for an appointment, or to call and ask how a certain matter was progressing in which this lawyer was interested. The man who was most at fault here was the man who urged Matt Connelly to do these things, because he was a man in a position to know best whether or not he was embarrassing. He was the man to know whether he was taking advantage of the Office of the President and an innocent member of the President's staff, and to create the circumstances that led to these things.

HESS: Are you speaking here of the Kansas City lawyer?

LARSON: I'm speaking primarily of Harry Schwimmer, who incidentally never testified and was never brought to trial. It came out in the trial at St. Louis that Matt Connelly had accepted a suit and an overcoat from Harry Schwimmer, and apparently in the minds of the jury this constituted a payoff, and therefore validated the conspiracy, from a criminal standpoint. This is an over-simplification of that lawsuit. But the then Attorney General of the

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United States, the Attorney General under Mr. Eisenhower, Mr. [Herbert] Brownell, set up a special project in his office to accomplish the embarrassment of Harry Truman, and this was the extent to which that office went, with all of the resources of the Federal Government at his disposal. I am not aware of any similar incident in the history of our country, and God forbid it ever happen again. Perhaps it is the hand of justice, fate, that Mr. Brownell and the prosecutor at that trial -- his hand-picked prosecutor -- have seldom been heard of since. But in any event, this literally brought to an end the life of a very fine human being -- Matt Connelly. I say literally brought to an end, because since that conviction was upheld by the Supreme Court in, I believe, '58 or '59 -- I can't remember the date -- Matt Connelly has died. He's still alive but he's just a vegetable. All pride went out of him, and today he is a pitiful human being. He has never been able to rise out of the suffering that he went through in this regard.

HESS: Why do you think they coupled his case with that of T. Lamar Caudle?

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LARSON: Well, because Lamar Caudle was one of the officers of the Government that Matt Connelly called to either make inquiry or make an appointment for Harry Schwimmer -- I've forgotten just what the circumstances were in detail. But this made him a part of the same conspiracy and the Government insisted on their being tried together. Lamar Caudle, of course, his actions speak for themselves. They indicate the kind of an individual he was. I knew Lamar Caudle quite well. Lamar Caudle's greatest shortcoming was that he was a blabbermouth and he got to be an Assistant Attorney General of the United States. A man who's a blabbermouth occupying this kind of a position can create a lot of trouble for himself and for others. Unfortunately, and with my great sympathy, this was the case of Lamar Caudle. Lamar Caudle had become sort of a symbol of a questionable public official, as a result of these tirades of talking that he went on which the press picked up, to their amusement, and presented to the country as a sort of clown. They presented him as sort of a clown, and it was in this atmosphere that the two of them were brought together for trial in St. Louis.

Matt Connelly should have had a severance. In my

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opinion, had he had a severance, I don't believe he would have been convicted, although I must say that I don't think that Lamar Caudle deserved the conviction that he got either. I don't think he did anything dastardly or wrong, other than that he used extremely poor judgment in what he did and what he said. This was one of those strange miscarriages of justice, which the Federal Government itself cannot wash its hands of because it was really a conspiracy within the Department of Justice to bring about these convictions. I don't think it contributed anything to the morality of Government. Certainly we have the conduct of one of the principal figures of President Eisenhower's own staff that was just as subject to criticism and was despicable, if you want to use the word, which I hesitate to use, if not more so than the actions of both Caudle and Connelly. I speak of Governor Adam's association with people who were doing business with the Government, but these are incidents that are unfortunate and which have gone by the board.

The tragedy that happened to Matt Connelly and Lamar Caudle and others, of course, are just incidents, which, in my opinion, were created for the sole purpose of discrediting Harry Truman as a President, and the Democratic Party

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which he represented. I can take consolation in the fact that Harry Truman, because of his character and because of his ability, has certainly risen above this pettiness, as he was always above it. [He rose above] the effort that was made by certain segments of our intellectual community to identify Harry Truman with failure because of his background of practical politics, because of his association with the Pendergast political machine in Kansas City; they so degraded him that he could not possibly have carried out the responsibilities of the President in the manner in which he did. Time has taken care of this. History will further take care of it. It is indicative of the fact that a human being, an individual, with the dedication, the patriotism and the integrity and the devotion to duty can rise to the occasion under our system.

One other thing about Mr. Connelly which I didn't mention. I remember with great heartaches the incidents leading up to Matt Connelly's going to the penitentiary in Connecticut to serve his time. One of the greatest public servants I've ever known, Jim Bennett, who was head of the Bureau of Prisons of the Department of Justice

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for many years, is now retired. [He is] a great man and a man who possesses greater feeling for the problems involved in crime and in the punishment of crime than any other living human being today. Jim Bennett's really a great public servant and a great man. Jim Bennett has great compassion and he knew Matt Connelly, only casually, but felt the warmth of Matt's true character and, although he never expressed it to me, I think he was equally indignant as am I, about the treatment that Matt had received in our so-called processes of justice. He made it possible for Matt to be admitted to the penitentiary with the least amount of fanfare possible, without violating any regulations or extending him any more than any other unfortunate individual under these circumstances might be extended. I am sure that in his own way he kept close watch on Matt during his commitment, during the time he was serving his sentence, although, Matt, to my knowledge, received no privileges, any more than any other inmate would have received.

Then, of course, when Matt got out of the Federal penitentiary, having served his sentence, Matt felt -- and I was with him numerous times discussing this -- that if

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he could get a Presidential pardon that he could regain control of himself, that he could obtain gainful employment, that he could make a contribution toward earning a livelihood for himself and his family, and so forth. Well, we tried to condition Matt to the facts of life that a President just couldn't give a pardon offhand, that he had to go through a certain period -- sort of probationary period -- before he could be considered. The late Jim McInerney was in the Truman administration as an Assistant Attorney General, head of the criminal division, who later practiced law here in Washington -- one of the great lawyers of this country. Jim McInerney was very close to the Kennedy family and it was finally through Jim McInerney's efforts that Senator

Kennedy, then Attorney General Kennedy, I think, was persuaded to recommend to his brother that Matt Connelly be given a Presidential pardon. [He was given that] I believe, shortly before President Kennedy was assassinated in 1963. Well, of course, theoretically this wipes that slate clean, but unfortunately Matt Connelly had suffered so much, and so deeply that the scars, the wounds, are still there and the man is still suffering very much to this day.

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HESS: Thank you very much, sir. General, one last question. What is your estimation of Mr. Truman's place in history? A hundred years from now how will he be thought of?

LARSON: You flatter me that my opinion of Mr. Truman a hundred years from now will be worth anything at all. Looking at it as an ordinary citizen who had an opportunity in his lifetime to be exposed to Government at every level, both military and civil, who has been active in politics and who feels some responsibility as a citizen, and who has a deep sense of patriotism, I would say, unequivocally, that President Truman will be recognized a hundred years from now by the decisiveness of his decisions, by the firmness of his hand on the helm of Government. And he will stand without a peer, in my opinion, for the period up to now, in our Government, as a strong if not the strongest President from the standpoint of personal flintiness, of personal integrity, of absolute firmness in conviction and decisiveness of action.

HESS: Do you have anything else you want to add on Mr. Truman or the Truman administration?

LARSON: No, Mr. Hess, I think I've rambled a great deal and

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said a great deal. You can tell from my remarks that it was a great and thrilling experience in my lifetime and one which I cherish. The only trouble with having had an experience like this which comes to an end before a man reaches the age of fifty, is that he has a hard time finding things in life after that period of time that are challenging. But I must say that I have adapted myself to being just an ordinary lawyer and I find that I can enjoy life by sitting on the sidelines, so to speak, of the great events that shape history but with a keener knowledge of their impact.

HESS: Fine. Well, thank you very much for your time, sir.

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