A president's first task with respect to primary advisers is to select them. The principles which Truman applied in 1946 in choosing the three original members of the Council of Economic Advisers were far better than those used by all subsequent presidents. (The qualifications and "fit" of the members chosen is a separate issue, which I shall discuss below.) With exceptions too rare to be noted, all subsequent presidents have selected the members of the CEA from among distinguished professors of economics at universities; in practical terms they have looked to the chairman to pick the other two members; and at times they have permitted an outgoing chairman virtually to designate his successor. This has been wrong in theory and has produced unfortunate results. The structure of economic thought and of research, writing, and teaching at universities should create no presumption that professors engaged in these activities are uniquely—or even particularly—well equipped to serve on the CEA and deal with matters involving an integrated overview of the whole economy and an integrated grasp of national economic policies. This erroneous presumption has meant excessive "inbreeding" within the CEA and excessive reliance upon one school of economics at any given time. It has made the other two members of CEA so indebted to the chairman, or so similar in background and thought, that the president really gets the benefit of only one person's advice instead of three. It could be argued that one adviser rather than three is preferable, although I do not share that view. But it does a disservice to the president and is disingenuous to create the impression in Congress and with the public of three advisers when there is really only one—plus two staff members, albeit of higher rank than the regular staff. The process has also had the highly undesirable result of abbreviating tenure among CEA members, who have come in for a while, burnished their reputations thereby, and then returned to the university from whence they came or gone on to something else.
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President Truman, in contrast, made the selection of the original CEA members a presidential choice in fact as well as in form and also obtained advisers of various backgrounds, independent of one another. He chose a “professional economist” in Edwin G. Nourse, a former president of the American Economic Association and head of the School of Economics at the Brookings Institution. The president chose John Clark, who had experience in politics as a member of a state legislature and as a delegate to a national convention and who had acquired one of the larger American fortunes and served as vice-president of Standard Oil of Indiana. In 1929 (before the stock market crash) Clark had sold his stock holdings and moved to Johns Hopkins University where he earned a Ph.D. in economics and served thereafter as dean of the graduate school of business. And the president chose me. I had completed at Columbia University all of the requirements for a Ph.D. in economics except writing a thesis, a project I had abandoned when I entered the New Deal in March 1933. I had been an instructor in economics at Columbia just before then, and I was a lawyer as well as an economist. When I was appointed to the CEA, I had had more than thirteen years of federal government experience both on Capitol Hill and in the executive branch, had conducted the studies and written the bills for some of the New Deal’s most important economic and social legislation, and had had top-level administrative experience as deputy administrator and acting administrator of [the Public Housing Authority] one of the larger federal agencies.

The next question is whether President Truman selected three members for the original CEA (and other members later on) who could combine their useful independence and differences in background with a recognition that their utility in giving advice to the president depended upon reasonable harmony, instead of the bickering and breakdown that had confronted, for example, the early TVA [Tennessee Valley Authority]. Here again, Truman made sound selections. As conceded generally—even in Nourse’s book, *Economics in the Public Service* (written after he left public service in distemper and before he had regained his equilibrium)—the three original members of the CEA under Truman achieved a remarkable degree of harmony on economic matters as such. (The sole exception was on the noneconomic issue of testifying before the Congress, which will be discussed below.) For the period from 1946 to 1953 as a whole, there were six Annual CEA Reports to the president (five of them published), ten Annual and Semi-Annual CEA Reports transmitted to the Congress with the Economic Reports of the President (only beginning in July 1948 were there separate CEA Reports, which reduced the president’s Economic Reports to very brief documents), more than
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twenty-five unpublished CEA Quarterly Reports to the president, and a considerable number of unpublished CEA reports to the president on special subjects, often undertaken at his request. In only two or three relatively unimportant instances was the CEA divided in these reports, the most significant being a difference of about $2 billion in the acceptable size of the defense budget when Louis Johnson was secretary of defense.

The benefits which President Truman derived from the degree of harmony within the CEA on matters of basic policy and approach were not achieved by presidential fiat or prescription, but rather by his judicious original selection. Although the president picked CEA members of various backgrounds and independent minds, he recognized that he was picking men to serve his administration in jobs of cabinet-level importance and that they therefore had to be closer in their own thinking to the policies of a Democratic administration than to those of a Republican administration. This was true of Nourse, Clark, and myself. Nourse called himself an "independent" in politics; Clark and I had been conspicuously identified with the Democratic party. But on economic views and approaches, the three of us were very close, although our views were not identical. I had long been identified as a Keynesian, with a strong belief that the government's policies could be used variably to promote economic stability and growth. But unlike many later CEA Keynesians who took this position but did great damage to economic policy by placing too exclusive a reliance upon it, I had always pointed out that the behavior of investments, profits, prices, and wages in the private economy had an even larger quantitative influence. Thus, I had always insisted on an integrated analysis of the needs and potentials of the economy as a whole, accompanied by goals for achievement, and urged the use of public policy not only directly but also to influence without controlling (except to a degree in time of war) the decision-making processes within the private sector.

Nourse was also of the Keynesian viewpoint and, like me, was distrustful of it only in the sense that some claimed too much for it. And he, perhaps even more than I, directed attention to the need for delicate adjustments in the private sector. Accordingly, we were both committed to a combination of vigorous and definitive national policies and national efforts through education—or what some call the jawbone method—to influence the private sector.

Clark was less precise and less articulate in his general views, but as a liberal in economic and political philosophy, he had no difficulty in serving within the Truman administration framework. In those rare instances of economic policy where Nourse and I disagreed, Clark was
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very likely to come down on my side (as he did on the question of relations between the CEA and Congress); and he joined with me in being much more interested than Nourse in monetary policy and in low interest rates.

As I have suggested, the only serious difficulty and discord within the Truman CEA involved the issue of whether the CEA should testify before the Congress on occasion, particularly before the Joint Economic Committee when it held hearings on the Economic Reports of the President. From the outset, Nourse insisted that CEA should not, alleging that to do so would force him either to disagree publicly at times with the president or to defend presidential policies which he deemed unsound. Clark and I felt strongly to the contrary. We pointed out to Nourse repeatedly that to enjoy being chairman of CEA but avoid tasks which he temperamentally regarded as onerous was like trying to have one's cake and eat it too. We felt that men of integrity were obliged to support the president for whom they worked when the differences between the president and themselves were slight and to resign when they were sufficiently great and that the chairman of CEA was indistinguishable in this matter from a cabinet secretary, the budget director, or the head (or heads) of the military establishment. Under the law the Economic Reports were prepared and sent to Congress with the assistance of the CEA, which created the normal expectation that the reports would be explained to Congress by the CEA. The Economic Reports had to have some executive branch "trustee" when they got up on the Hill; and it was patently inadequate and slightly ridiculous when, due to the unwillingness of the CEA chairman to appear before Congress, Averell Harriman and Charles Brannan and Paul Porter, in turn, had to explain and defend the overall economic policy of the president. Finally, we argued that regardless of the substantive merits, it was usual and proper for a procedural matter regarding the functions of CEA to be determined by majority vote and not by the chairman acting unilaterally.

But despite the strong views we held, Clark and I never pressed this issue with the president nor put it before the public; instead, we acquiesced in the Nourse position until mid 1948. Despite this, Nourse advertised our internal difference in the media, thus creating the public impression that Clark and I were too "political" while he remained "objective." This charge was damaging to the CEA for a spell, but in fact, the charge arose only because of my defense of presidential policies in which I believed. Nobody, at any time, charged me with recommending to the president for "political" reasons any policy in which I did not believe; nor did President Truman ever exert the slightest "political" pressure on me.
Nourse’s own position, however, on the issue of testifying before Congress may well be suspect (and I mention this only because it bears on my evaluation of President Truman’s behavior in this matter). Nourse made speeches all around the country in part defending and in part attacking President Truman’s policies—and, incidentally, thus negating his alleged reason for not wanting to appear in the one forum in which it was really necessary. The plain fact is that Nourse did not want to be closely affiliated in the public eye with President Truman’s policies. This was not because of any substantial disagreement with them, but rather because of his desire to remain CEA chairman. The Republican congressional victory in 1946 had led him to expect the election of a Republican president in 1948. Shortly before the 1948 election, Nourse wrote to Senator Taft (chairman of the Joint Economic Committee in the Republican Congress), sounding the senator out as to his—Nourse’s—chances of holding on to the job come 1949. The reelection of President Truman was a severe disappointment to Nourse (I remember the look on his face the morning after and the candid remarks of his secretary); his resignation in the summer of 1949 was due in large measure to the Truman victory. Thus, Nourse really behaved more “politically,” in a narrow personal sense, than either Clark or I. This friction within the early CEA might have destroyed another agency or impaired its main work; not so in the case of the Truman CEA, for the reasons I have already stated.

The friction over congressional testimony affords one of the very few instances of which I am aware when President Truman fell short in a matter of administration or “command.” The question of CEA members appearing before Congress was not an economics issue at all (where the CEA members’ differences were to be respected by the president); it was an issue of the orderly and proper functioning of a vital government agency. My conviction is that President Truman, at the outset of a problem of which he was fully cognizant, should have told Nourse promptly in early 1947 what the president’s concepts about the role of the CEA were—and should have made clear what they were. Instead, the president remained silent until mid 1948, when he quietly passed the word that those CEA members who wished to testify on the Hill could do so, but that Nourse need not.

Consequently, Clark and I appeared before the Senate Banking and Currency Committee in mid 1948 during its hearings on inflation. He and I first appeared before the Joint Economic Committee in early 1949, as did the three CEA members (after Nourse’s resignation) each year until the end of the Truman administration. With the advent of the Eisenhower administration, the new CEA chairman, Arthur Burns, finessed the matter of congressional testimony in a peculiar way: he agreed
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to appear before the JEC, but only off the record. Every CEA chairman
since Burns has defended the president's program vigorously and openly
before the JEC, through the media, and all around the U.S. Because I
had blazed the trail, no one called them "political" for doing so; and but
for Nourse, no one would have done so in my case, for it represented
an accepted course.

I have never been sure that President Truman was correct, even on
the grounds of political strategy, in his tender temporizing with Nourse
for almost three years. The president privately referred to Nourse, not
too admiringly, as "the old gentleman" but seemed to overestimate his
public prestige. If the president had told Nourse, early in 1947, what
the CEA should do on the Hill, I do not think it would have produced
a resignation at that time. And even if it had, the negligible public stir
would have been no greater than when the inevitable resignation oc­
curred in mid 1949. It has always seemed to me hard to understand
why with Nourse, President Truman departed so evidently from his
habitual decisiveness in doing what he thought was right, regardless of
projections about public reaction.

Over the years, President Truman found increasing use for the CEA,
both in its direct relationship to him and in its relations to others, in and
out of the administration. This was reflected in the amount of authority
and encouragement that he gave the council. Nourse's claim in *Eco­
nomics in the Public Service* that Truman had only perfunctory interest
in the work of the CEA and held it or the chairman at arm's length is
entirely without justification; Nourse simply did not comprehend the
nature of the presidency. The CEA met regularly with the president at
least six times a year as a matter of course during the Nourse years, and
the chairman and the president met even more frequently. Near the
beginning, the three members were also invited on occasion to attend
cabinet meetings to brief that group on the economic situation. After I
became CEA chairman, my reasonably frequent requests to visit alone
with the president were always welcomed. Whenever I phoned Matt
Connelly for this purpose, I always got a date set immediately, and it
was never too far off.

The council or the chairman always sat around the table with the
president and members of the White House staff to go over the drafts
of the Economic Report line by line as it neared its final stage; and
during the Truman administration (unlike succeeding ones) there were
two Economic Reports rather than one sent to the Congress each year.
In addition, as earlier stated, the CEA submitted four Quarterly Reports
to the president and from time to time was requested to furnish reports
on special subjects.
Beyond these contacts between the president and the CEA which might be characterized as "normal," I was often asked to prepare or work on drafts (or portions of drafts) of presidential speeches and/or messages, sometimes asked to write a talk for him on economic subjects, and in many instances asked to join the president and the White House staff to go over these line by line.

There was still another kind of opportunity for me to be in direct contact with President Truman. From time to time when I became chairman of the CEA, or at least from the time of the advent of the Korean War, I was invited to all or most meetings of the cabinet and even of the National Security Council. I did not attend these meetings as an onlooker, sitting against the wall, available to answer questions that might be posed, but rather as a full participating member, sitting at the cabinet table (where the NSC also met) and being accorded by President Truman exactly the same treatment as the others during the course of the discussions. This was a strong indication of President Truman's appreciation of the importance of the CEA—and/or perhaps of his regard for me. To the best of my knowledge, no subsequent chairman of the CEA has been fully accorded this status.

The utility to the president of the CEA and/or its chairman depends also upon the opportunities accorded by the president that enable the advisory body or individual to maintain contacts with others in the government, to influence them, and to benefit by their specialized knowledge and experience. In these respects, President Truman's conduct was excellent. The continuous working relations of the CEA with other agencies and individuals were indispensable to the CEA's work; these relations were known to President Truman, and without his personal action at times, especially in the formative period, they would not have been so full nor useful. At the cabinet level, I maintained cordial relationships with those secretaries concerned substantially with economic policies. In the early stages, drafts of the Economic Reports and the council's Annual and Semi-Annual Reports (which were published and submitted to Congress) were sent to the appropriate cabinet officers for their comments. The CEA was not instructed nor obliged to accept these comments, but I can recall no important instances when initial differences of emphasis or opinion were not ironed out before the president accepted the documents and they were submitted to Congress. I maintained a similar relationship, much less definite and regularized, with Chairman [Thomas B.] McCabe of the Federal Reserve Board.

I am not going to discuss separately the relationship between the CEA and the Bureau of the Budget except to state that it always operated on practically the same basis as with the cabinet departments.
Beyond this, the initial stages of formulating the federal budget for each fiscal year benefited by the CEA's appraisal of the economic outlook and its policy implications. I must admit, however, that there has always been an unfortunate tendency—and especially so recently in both the executive branch and the Congress—to deal with the budget excessively as an entity in itself. In fact, the budget is only one instrument, to be sure the most important, of national economic policy; and it has long been my view that the "Budget in Brief" should be an integral part of the Economic Report. All too frequently, the Economic Report has been a rationale for the budget, instead of the budget being derived from the Economic Report.

These top-level contacts were facilitated by the formal and practically year-round relationships which I initiated between members of the CEA staff, the staffs of various departments, and some others. These links were especially fruitful because they followed about the same organizational pattern as that of the CEA staff. By common consent of all CEA members, even when I was vice-chairman, I was predominantly responsible for the organization of the CEA staff and for the direction of its studies and work programs; I gave these tasks constant and intense attention. In some agencies large and small, these tasks are entrusted to a ranking staff member rather than to the agency head (or heads). I am convinced that this is a very bad practice; it may happen because agency heads are sometimes selected for reasons other than their competence and/or because they devote relatively too much time to external public relations.

The CEA's contacts with members of the White House staff did not—and could not have been expected to—add as much to the "economics" of CEA work as did the contacts with others, detailed above. But the White House staff contacts did add greatly to the council's influence with President Truman, both directly and through his staff's confidence in the CEA. The continuing contacts of the White House staff were both with members of the CEA and with its staff, but were never along disorderly lines; and the demarcation between the two lines of contact soon became clear. My own contacts with the White House staff were frequent, ad hoc in timing, and usually impromptu, with the initiation coming from either side.

As of May 1, 1951, the interagency committees working with the council (through a CEA staff member designated by me to serve as chairman of each) were: Current Economic Analysis; General Economic Policy; Fiscal Analysis; Agriculture; Wage-Price Policy; International Economic Policy; and Short-Term Projections. Within the CEA at that time, there were also staff committees on statistics; editing; long-range projections and requirements (including industry structure, business investment, and materials); manpower; and public works development and housing.
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Despite their obvious propinquity to the president, the White House staff never behaved, at least in my area of work, as a super-layer between me and the president, nor did it ever compete with me. Indeed, the staff never acted as if it and I were peers, nor even as if I were first among equals in advising the president about economic policy; it always acted on the premise that this was predominantly my job and not theirs. Nonetheless, the staff's involvement in my services to the president was essential. And the very reason why the White House staff never overstepped was simply because President Truman, as a good administrator, did not give two people the same job, knew whose job was whose, and supported the person to whom a job was assigned.

If I were to list my contacts with these White House staff people in the order of their influence with the president and the extent of their contacts with him (as I saw it), I would place Clifford first, when he was there, and then Murphy, when he succeeded Clifford. Next were Bell and Elsey and Lloyd and Stowe, whom I set forth alphabetically. It was a rare experience to be associated with these men. Although I cannot estimate quantitatively the extent to which my influence with the president was due to the support I received from these men, who saw him more frequently and whose basic views and sympathies were so similar to mine, clearly the extent of my success in influencing policy was very substantially attributable to these men. But this was a circular process; in turn, my influence on them was not inconsiderable. We respected and liked one another, and we were all selected by President Truman and were devoted to his purposes and to him personally.

My contacts with John Steelman, the assistant to the president, were inconsequential during my years on the CEA, except that he contacted me and had (or claimed to have) considerable influence in the selection of the CEA members. I should mention, however, that Steelman could well have been a thorn in the side of the CEA, primarily because of his "conservative" views and alliances and also because of his aggrandizing tendencies. But the actions of President Truman himself and the great influence with the president of other members of the White House staff, especially Clifford, prevented it from happening. I hold this to be a mark of President Truman's excellent judgment; it had very little to do with organizational or administrative patterns. (By the time Murphy succeeded Clifford, I was less dependent on others to help me with the president.)

When the CEA presented the draft of the first Economic Report to the president in late 1946, it was completely rewritten and mangled in Steelman's office. If this practice had been tolerated, the CEA would have become an adviser to Steelman rather than to the president, and
that was neither the intent of the Congress nor sensible on any grounds. But largely on my personal insistence, with strong support from Nourse, all concerned parties sat around the table in the chairman's office and brought the draft back very close to what the CEA had originally intended. This incident was never repeated; Steelman never again intruded. He did persist, however, at least during the Korean War, in preparing and publishing reports at regular intervals on the economic situation and outlook. My own view is that President Truman should have put a stop to this. But he may be excused on the grounds that the Steelman reports never attained the dignity or public acceptance of the CEA work and, therefore, were not really damaging. Still, they were clearly wasteful. If published reports were desirable with this frequency, the president should have asked the CEA to prepare them.

It should also be added that in the sharp policy differences which sometimes arose between the liberal and conservative forces within the Truman entourage, the distinct and valid impression is that Steelman usually lined up on the side of the conservatives—ordinarily including Treasury Secretary John Snyder and Commerce Secretary Charles Sawyer. Such a division is neither unusual nor undesirable; it may be helpful. The fact that President Truman almost always adopted the liberal view is attributable in a large part to the skill and persuasiveness of Clifford, in some part to Truman's increasing respect for and confidence in me, in part to some of the other liberal members of the cabinet and White House staff, but most of all to President Truman himself. After all, he made the decisions.

The manner in which the president's Economic Reports and the CEA's published reports were initially drafted within the CEA should be described. The CEA initially drafted the Economic Report of the President, which until mid 1949, as I have said, was a long and comprehensive single document; thereafter, the president's report was very short, also drafted initially within the CEA, and ultimately transmitted to the Congress with a very comprehensive CEA report. I have already depicted the contacts with President Truman and others in the later stages of preparing these reports. In drafting the CEA report, the various CEA staff committees prepared memoranda in their respective fields and made some attempts to integrate them. But when I was vice-chairman as well as when I was chairman, I always rewrote these considerably, modified some of the interpretations, asked for additional coverage, and worked the entirety into a unified and cohesive draft. In the case of the Economic Report of the President, after it became a brief one, I did the draft myself and then consulted with the staff. Thereafter, for both the president's and the CEA's reports, the three members of the council
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got over the two drafts with selected members of the staff and made any changes in style and substance we deemed desirable. When this task was completed, we circulated the drafts in the manner I have already explained.

All this was entirely in line with my firm concept of the appropriate division between staff and agency head (or one designated agency member). This setup within the CEA never caused any difficulty between me and other members—indeed, it was much appreciated by Nourse when he was there—partly because it was obviously sound and turned

Leon H. Keyserling, chairman of the Council of Economic Advisers, outlines economic fluctuations during the first six months of the year, July 25, 1950.
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out to be workable and partly because neither Nourse, Clark, nor the later CEA members, [Roy] Blough and [Robert] Turner, had any inclination to exercise the role which I performed.

Under Truman the Economic Reports of the President and the published reports of the CEA were much more comprehensive in an important respect than under subsequent administrations. Instead of concentrating almost exclusively on fiscal policies and recommendations related thereto, they treated specialized problems requiring microeconomic programs and policies. A substantial part of the work of the CEA staff, under my direction, looked into problems of current or potential shortages in steel and a number of other basic lines of production. This type of work, which commenced in earnest for a couple of years before the Korean War and was indicated in the 1949 and July 1950 reports, was contained extensively in memoranda within the CEA. With the advent of the Korean War, attention to these specific areas of the economy became much more intensive and, not without the influence of the CEA, was carried forward largely by the Mobilization Agency. Yet, when the January 1953 reports were issued, Prof. Alvin Hansen said that they were the best examples he had seen thus far of planning documents. Our economic situation in recent years would have been much better if similar planning and more comprehension and cohesiveness in the development and application of national economic policies had been carried on.

With the advent of the Korean War, there were a number of other important examples of my contacts with, influence upon, and help from those who advised the president directly. As mobilizer, Charles E. Wilson held regular meetings of his staff, I believe about once a week, to follow up on the mobilization program. Of course, I would not put myself in the position of being a member of Wilson’s staff or as being under his direction in any way, but I was invited and did attend these staff meetings. This gave me a good opportunity to know what was going on in this field, to let Mr. Wilson have the benefit of my advice (which he frequently took), and, not infrequently, to differ with him. Some of these differences ultimately came to the attention of the president in one way or another. Indeed, Mr. Wilson and I differed on the issue which ultimately led to his termination by President Truman and replacement by Henry Fowler. Nonetheless, my relations with Mr. Wilson were always friendly and continued for many years after we both had left public office. I also maintained similar useful and cordial contacts with Eric Johnson, Michael DiSalle, and Alan Valentine when they were involved in the Korean War.

Second, during the Korean War there was an advisory committee to Mr. Wilson (or to the president, but that met with Mr. Wilson—although
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President Truman attended on some occasions), composed of representatives of industry, labor, and the general public. It was appointed, I believe, by the president. At the instance of the president and with his encouragement, I briefed this group from time to time on the economic aspects of the war effort.

Third, there were frequent meetings during the Korean War of a working group that dealt primarily with National Security Council problems and documents; most of the people at these meetings were high-level staff members rather than their principals. But I deemed these meetings to be of sufficient importance for me always to attend them in person. This was valuable to me, and I believe that it was valuable to the president. In any event, he thought so.

There was also a session that was in some ways more important than any of the contacts I have described (other than the meetings with President Truman himself). From late 1946 or early 1947 to about the time President Truman announced he would not run for another term, a small group met on Monday nights for dinner and discussion at the residence of Jack [Oscar R.] Ewing. This group regularly included Ewing, Clifford, Murphy, Undersecretary (and then Secretary) of Agriculture Brannan, Assistant Secretary of Labor David Morse, Assistant Secretary of the Interior C. Girard Davidson, and J. Donald Kingsley and John Thurston, who were assistants to Ewing. A few others, such as Howard McGrath when he was chairman of the Democratic National Committee, attended very irregularly.

The task of this group, with the knowledge and approval of President Truman, was to develop policies and programs that the president might adopt in the national interest—with due consideration for achieving better results in the 1948 presidential elections than the Democratic party had managed in 1946. Although all the president's top-level advisers, including me, played a part, it was Clifford who primarily reported to President Truman the positions formulated by this group. Clifford's role within the White House and his consummate skill, tact, and powers of persuasion with the president were unquestioned. I do think that in matters of substance rather than tactics, perhaps due to my longer and wider range of experience with domestic policies and programs and my more intensive study of them, I made as large a contribution as any other person to the deliberations and decisions of the Ewing group—and in that sense to what ultimately affected the actions of the president. The proper apportionment of credit between contributions of substance and of persuasion I must leave to others in their evaluation of the evolution of the Fair Deal.

In the discussions at these Ewing-group meetings, I sometimes
advanced political arguments in support of the substantive positions I espoused; but I never advanced for political reasons a position which I thought undesirable in substance. And while I cannot appraise in every case the extent to which other members of the group were affected by substantive and political arguments, I have already stated my strong belief that in general we were people of like minds: We thought much the same about what was good for the country; we accepted the Democratic philosophy of “watering the economic tree at the bottom”; and we were deeply desirous of doing what was right by helping a president with the same intent.

I turn now to the nub of the whole matter: President Truman’s response to the CEA services, as reviewed above, and the effects of his decisions on the economy and the people. In my contacts with President Truman at group meetings, including those of the cabinet, I deemed him to be an excellent and discerning presiding officer, so to speak, rather than a dynamic leader or innovator. He listened well; he elicited the best from the people around him; he maintained a calm and friendly atmosphere; and he stated his own positions clearly. He seemed to play no favorites, although it became obvious over time that without hurting anyone’s feelings he valued the opinions of some more than of others. There are, however, natural limits to the productivity of relatively large group meetings, and most of the president’s important decisions were made on the basis of discussions with a smaller number of people or with only one person. His decisions were sometimes made in their presence and sometimes when he was alone.

In my meetings with the president alone, or in meetings between him and the CEA as a whole (which usually ran from fifteen to thirty minutes), he exhibited the same qualities and proceeded in much the same fashion as I have just described. His knowledge of the workings of the government, as is well known, was exceptional for a president. A good part of the time, he knew his own position on an issue when it was first brought up and stated it firmly and clearly. Otherwise, he listened attentively to the position expounded by those with him, and then usually stated his views at once. In almost all cases involving my direct contacts with him, he agreed with my position, which of course made me feel good. But I did not regard this as unusual; he had confidence in all or most of his major advisers and acted on the principle that they knew what they were talking about and were highly competent in their specialized fields.

I have just stated some of the reasons why President Truman almost always accepted the basic economic policies which I recommended or joined in recommending. But there were other, and perhaps more funda-
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mental, reasons for this. The president and I were essentially compatible in our economic and social philosophies and in our concept of the role of the federal government. Without being at all an expert in economics, which no president is likely to be, President Truman had unbounded confidence in the unrivaled capabilities of the American economy. He recognized fully the need to call forth the greatest possible use of our bountiful resources through optimum real economic growth. He felt the imperative need to harness our productivity to the service of the people at large. He held fast to the traditional Democratic position that the economic tree should be watered primarily at the bottom, without treating any sector unjustly.

Harry S. Truman was an uncommon common man, and he represented first and foremost the people in all that he did. Perhaps he had read more than most presidents. But he seldom paraded the knowledge thus gained (although his reading of history entered into many of his judgments), and he never intellectualized. And because of the broad mutuality of approaches to economic policy between President Truman and me, I never found it necessary to expound general philosophy or theory to him, and he probably would not have had much interest if I had attempted to do so.

I want to add a few comments beyond what I have already said about the advisers close to Truman. Regarding the White House staff, I have already discussed Clark Clifford rather fully. Charlie Murphy, whom I had first known near the beginning of the New Deal when I worked for Senator Wagner and he was in the Office of the Legislative Counsel on Capitol Hill, was relatively reticent and quiet on the White House staff and sometimes made self-deprecating remarks in an entirely unwarranted fashion. But his heart beat for the common man, especially the farmer, and no one could have had better judgment or been more fundamentally outspoken and candid when the occasion arose. David Lloyd had a thorough grasp of economics, read widely on the subject, and after leaving the White House wrote an excellent book on government spending, \textit{Spend and Survive}, which I reviewed favorably in the \textit{Washington Post}. He also wrote two good novels. He was perhaps the most intellectual member of the White House staff, although of no higher mentality and of considerably less patience and tact than some of the others. David Bell was also a highly trained economist with an excellent mind, who was very precise in his thinking and cross-questioning. George Elsey was very able and endowed with a very fine personality; some people would call him “clean-cut.” My contacts with David Stowe were much less frequent, but I had high regard for his abilities in general and for his knowledge of labor relations in particular. I have already said a
good deal about Steelman, but in all fairness I should add that he was very hard working, had great ability along some lines, and was, in my opinion, fundamentally honest. I think that his lining up with the conservatives was not mainly ideological—I do not think he had too much ideology—but was rather because he seemed to value the approval of these people. All in all, as I have said, this description of the White House staff, to the degree that it is accurate, speaks worlds about the president who selected them.

Among the cabinet, I was closer to the liberals than to the conservatives, although I was on good terms with all of them. Shortly before Truman appointed me chairman of the CEA, he took me aside in the Cabinet Room and said, "You have won Snyder and Sawyer completely over." I replied, "Mr. President, I had to sell my shirt to do it." And President Truman replied, "Oh, no, you didn't!" My closest cooperation and most enduring friendships with members of the Truman cabinet were with Brannan and Harriman; I was also relatively close to Secretary of the Interior [Oscar L.] Chapman and Secretary of Labor [Maurice J.] Tobin.

There was only a single instance when President Truman's treatment of me may have been less than fully generous, although I cannot pass judgment on this because I do not know all of the facts. When a vacancy at the top occurred, President Truman usually filled it very quickly, especially when there was a second man whose qualities he knew—for example, when he replaced Frank Pace with James E. Webb as director of the budget. But my appointment as CEA chairman was not until about eight months after Nourse resigned. Almost immediately after that resignation, the president said to some of the White House staff people, "Now we can appoint Leon." But it seems that two lines of resistance developed.

First, some of the Establishment economics professors did not like the fact that I did not hold a Ph.D. in economics (I have described my record in that field); and more importantly, they thought that I was too "political" (also discussed above). They came down from Massachusetts and visited with Secretary of Labor Tobin on this subject. He told them that the arguments they cited against my appointment were among the best reasons for it. Second, there may have been some initial opposition among some of the cabinet conservatives; just prior to my appointment as chairman, President Truman told me that I had completely won them over.

These movements and possibly others led John Steelman to contact some economists and ask them whether they would be willing to serve on the CEA, although it is not clear whether he was referring to a
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membership or to the chairmanship. This, in turn, led in some quarters to the story that President Truman appointed me as chairman only after others had turned the job down. There is no evidence of this, and it is not true. President Truman never offered, nor authorized anyone else to offer, the chairmanship to anyone else.

In addition to what President Truman told the White House staff people as soon as Nourse resigned, at an early stage he assured Jack Ewing that he intended ultimately to name me chairman and asked Ewing to pass the word along to me: "Tell Leon not to worry and to keep his shirt on." Nonetheless, the long delay was embarrassing to me and, in my view, unnecessary. If the president had known me as well when I was vice-chairman as he came to know me during my almost three years as chairman, the appointment delay would not have occurred.

In my considered judgment over the years to date, Harry S. Truman was a great president. He knew where he wanted to go and how to get there. He was not sensational, but he was sound in the best sense of the word. His sympathies and his concern for the lot of the common man were the hallmarks of his entire domestic performance. In the important spots, he put the right people in the right jobs, and he used them about as effectively as possible.