Interview with Carl Kaysen (Boston, February 1989)

Caption: On February 1989, Carl Kaysen, Deputy National Security Adviser to US President John F. Kennedy in the early 1960s, gives an interview in which he refers to the US Government's position in relation to the EEC and to US Government decisions, notably on military and agricultural matters, that had a direct impact on the Community.

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Carl Kaysen, recorded interview by Pascaline Winand, February 1989, Boston, MIT. (Carl Kaysen: Deputy Special Assistant to the President, White House) Duration of interview: 55 minutes.

Carl Kaysen: During the Kennedy administration the President certainly was so to speak in favor of the EEC. He was in favor of going forward. On the other hand, very few concrete decisions presented themselves in which an American choice had to be made. Where they did they were mostly in the military sphere,and one had to say decisions we took did *not* help the EEC, quite the contrary. They weren't taken for that reason, but that was their effect. And the few specific illustrations I can remember in which there were presidential decisions about the EEC involved conflicts about agricultural issues. I remember the chicken war because I was involved in the discussions. I had to listen to poor old Orville Freeman complain about how mad he was and how mad the agricultural congressmen were and so on. For instance there was no decision,... well let's say the latter decision about the EMS. That was a decision in which we had to give up some interest so to speak in order to approve it. And we did, we were for it, yet it meant, let's say if you took a very mercantilist view, it meant giving up, allowing some more discrimination against the dollar by Europeans. Much earlier, of course in the Truman and Eisenhower administrations we took many decisions with respect to the Marshall Plan, and other matters, which allowed Europeans to discriminate as a group against the dollar, and we didn't fight restrictions and so on. That was because we were committed to an idea that the integration of Europe was politically helpful, and we were supporters of the Schuman plan, the EDC, and so on. There were no decisions of that importance in those years. What I was thinking of is that the military ties affected political leaders, they affected a specialized segment of the military, the bureaucracy and so on. In times of crisis they affected every body, in normal times they didn't. The economic ties affect everybody in ordinary life. Now, I

suppose I go to Europe once or twice a year at least, sometimes twice, and I have done it every year even since before I served in the government. Since William Parker and I were comrades in arms. We were both in a strange enterprise in the OSS. But not a very heroic part of it.We weren't jumping from parachutes. And so to speak each year when an American comes at least if he is sensitive to these things, he is more and more struck by the increasing integration of everyday life. I mean if you drive on Italian roads Italy, you know you see trucks from Holland, from Belgium,the U.K., you also see trucks from Poland, but not as many.If you are riding an airplane, it's always a multi, polyglot group,mostly businessmen, especially if your are flying from London to Turin, or Rome to Zurich. One of the things that I was thinking in that memo was that the everyday quality of economic ties as opposed to the rather either restricted or exceptional quality of the political ties.And some of the military ties were negative. It's inevitable that if you have foreign troops there are unpleasant incidents and things of that sort. Something else that was in my mind although I was just a university student at the time was to remember the thirties, the increasing protectionism, the creation of a German trade bloc. That by the way played a large role in the minds of many people. Think for example, of someone like George Ball, who was first Undersecretary of State for Economic Affairs, then Undersecretary of State, the second ranking officer in the State Department. He was a very francophile person, he had worked with Schuman and Monnet, he had been a lawyer for them, he had lots of business ties in Europe where he practiced law.And he was already a mature man in the thirties, not a university student.(ten years older than I) and had this experience and was very very mindful of it. Now I first met George in 45, so it's a long relation. I would say that that kind of image was very very important to his way of thinking.The two most important military decisions that were made about military matters that worked against the EEC were the initial decision not

to give the French some military assistance. And that was less the President's decision than it was a congressional attitude which was very strong and which the President didn't want to fight. MacNamara was very strongly resistant to other people nuclear forces. He thought the British force was nearly useless, which is in some sense correct except politically not very shrewd. He was against the French force for the same reason, he was tremendously impressed with the problems of controlling even our own nuclear force, of having it do what you wanted it to do. And if you think about the command and control problems, if you ever are in a war they are horrific. And if you think of adding to those problems the problems of international coordination. So from McNamara's point of view, thinking rather narrowly about how to make the nuclear forces effective is you wanted to use them, and McNamara was basically a dove, he didn't want to use them, but he believed that it was his job to make them effective, from this perspective you can understand why he thought little of the British force and had no desire to add a French force to it. The President was less committed to that, probably readier to hear the political arguments for helping the French and Nitze who was an Assistant Secretary of Defense, and important person in the administration was rather sympathetic to the De Gaulle request. But the Congress, especially the leading members of the Joint Committee on Atomic energy, congressman Hollowfield? of CA, etc..were very strongly opposed to sharing the secrets. It took a great deal of effort and Lobbying to get the British reincluded in the cooperative agreement. Now this is a speculation, I never discussed this question directly with Kennedy, question to ask Bundy how much the issue of cooperation with the French was raised directly with the President and how much the congressional negativism on this constrained him. My own speculation is that that was an important factor.He might have been sympathetic to Nitze's arguments but also thought it's a fight I can't win. And you must remember in thinking about the Kennedy

administration that he did not have a working majority in Congress. A large part of the democrats, especially in the senate, were Southerners, who were conservatives, hostile to him for a lot of reasons and very uneasy about just agreeing with him.He had some temptation of giving this to De Gaulle.(read Neustadt etc.offer Polaris to De Gaulle) De Gaulle refused because he realized that McNamara had upset the British government and had struck a real political blow to MacMillan and McNamara was not a man with good political sense, quite the opposite, he is a remarkable man but tha's not his great talent, and he simply didn't think about the question: what will happen to Peter Thorneycroft, Macmillan. And of course Macmillan and Kennedy had quite a friendly relation and Kennedy felt the kind of embarrassment that he was the cause of a political wound to MacMillan and he had to do something to make good. That had profound effect.Every observer believes that this was the cause of the De Gaulle veto on the first application to the Community.Q; John Newhouse's book? B: Good.

Q: The "special relationship"?

K: The Special relationship was perfectly genuine. After all the President could pick up the phone and talk to Macmillan. If he wanted to talk to De Gaulle he had to have Chip Bohlen or somebody as an interpreter and even so -I met De Gaulle literally once at the President's funeral- I cant' imagine talking to De Gaulle was easy for anyone. And talking to Macmillan was very easy. And Macmillan was a kind of uncle to Kennedy in a certain sense. Now he had no illusions about the power of the British ..he was a man of a great deal of political realism. But the affectional ties were strong. Remember that his father had been Ambassador, that he spent some time in London that his sister married an Englishman. Now both his brother in law and his sister were killed.His brother in law was killed during the war and his sister was killed later in a plane crash.And that Englishman was very well connected he was called the Marquis of Ardington he belonged to the Cecil family, which is one of the great families in England. And the Ambassador

to Washington for half the Kennedy administration was Ormsby-Gore, later Lord Harlech, when his father died. He also was killed in an automobile crash. He was cousin by marriage to Kennedy.They were about the same age. They had been friends when they were both back there in London. Now I can say from my own experience that they liked each other, they really had a kind of rapport. He talked more easily and intimately to Ormsby-Gore than he did to several members of his own cabinet.This wouldn't have been possible with a Frenchman, a German etc...On the other hand while it's all there and influences people and attitudes that Kennedy was a careful man and a thoughtful man and he didn't think that the British were more important so to speak in a calculated sense. Concrete example. In 62, Chinese border war with India, at one of the first meetings, Nehru asked the United States for help.And Rusk said the British wouldn't take the lead, and Kennedy said with impatience which he usually almost never displayed to any groups larger than two people: well you know Dean they don't have any money they are not going to take the lead, if we don't do it, nobody will do it.So he wasn't unrealistic about the facts.But these attitudinal and emotional and cultural facts are really important.

Q: August 62 and January 63 memo. One to President other one to Bundy.What kind of joint action among the leading Western nations were you contemplating as far as monetary arrangements were concerned.

K: I was contemplating some move from the current situation of the IMF to something like the Keynes plan, that there would be an international reserve currency rather than the dollar and that the EEC o would be a major contributor to that.Of course in the twenty some years since then the Mark has become a reserve currency so has the yen etc. I had the general proposition in mind that the system wasn't working well, that the French were very hostile to the then situation.The French complained. The Germans didn't complain but they grumbled a great deal. The British were in deficit as often and we were and didn't

play a great role. As I say in may memorandum to the President the Secretary of the Treasury and the Undersecretary represented a view which saw the dollar's role as an international currency as a desirable one. There's no doubt that the international banking Community made some extra income out of the fact that the dollar was the major international currency but X and I batted this one back and forth a little although we never did anything formal about it, we concluded that there really wasn't a hell of a lot of money in it.That if you got out of this and got into some international SDR but with a much bigger role than it had now, which is the kind of way we were talking about. How much would this cost the United States in invisible income?etc..Tobin was in the council of economic advisers, we were close friends, we had been graduate students together at Harvard and we were both in the society of fellows, which is a kind of research fellowship at the same time, so we were close friends. My role in that area was really to talk with Jim and with Walter Heller and be another channel for their views, and I would reinforce them on NSC ground. I saw the President much more frequently than Jim did.

Q:January 21. Solution to BOP was to increase exports. Assuming this didn't work.

K: I'm not in international trade, international money, that' not my field.But let's say that people I listened to all said that the dollar was overvalued and Tobin and Heller and I did urge the President to go off gold and let the dollar float. He had no desire to do any such thing.Dillon told him it would be a disaster and a defeat and everything.In the profession, by about 58, people were saying the dollar is overvalued.

Q: Reducing military expenditures, aid to developing countries..Burdensharing etc..(turn tape)

K:It was a mixture of exhortation and pressure. You know we sold the Germans the Pershings that was a discussion that started in the Kennedy administration but wasn't completed until the Johnson administration. We had

two reasons for doing that one was a military reason, McNamara felt this very strongly and this was something that Bundy and I reinforced to the President. We didn't like the alert aircraft, we had fighter aircraft, we had German, Dutch, Greek, Turkish fighter aircraft with their engines ruffing? up and nuclear weapons on their wings sitting on the end of a runway. We had varying numbers, 50, 100 alert aircraft all through Nato, we didn't like them. They seemed to pose a great risk of some kind of inadvertent action. We got permissive action links, these are sort of electronic locks on the bombs. And those were something that Kennedy was very much interested in and ..We also said let's get less aircraft and let's substitute the Pershings which are better controlled that a fighter aircraft. Of course the Pershings had American warheads but they were German owned missiles.And therefore there was a big purchase price and the Germans were running a surplus and we were happy to get in the hundreds of million of dollars.Francis Bator was very much involved in this.

There was something else that McNamara did that reflected in that memorandum which we thought was a terrible idea but we couldn't stop him from doing it.For a while we had something called the gold budget and I was in charge of it and I had to get from every cabinet officer an estimate each month of what part of his expenditures cost an outflow of dollars. And of course the biggest element was McNamara and MacNamara would was something of a boy scout and when he started to feel that he should save foreign exchange, he started doing such ridiculous things, as ship jeeps home from Germany to the United States to be repaired and so on.I remember a conversation that Tobin and I had with him in which Tobin pointed out that this was a way of having several dollar values that you had a military dollar which you devalued because you charged much more for a mark than its exchange value if you were willing to ship a jeep home which cost perhaps half the price of the jeep. And after about six months of that the President was

finally persuaded that that wasn't a good idea that we should stop it.

Q: Memo, who wrote it? Ball?

K:It's Ball.

Q:Nixon administration.

K: I'm so hostile to the Nixon administration that. I think both Nixon and Kissinger really took the role that America should run the whole world and Kennedy basically didn't believe that. Johnson I would be less ready to speak for.Kennedy certainly felt that he had the responsibility that the Europeans depended on the United States. But somebody had said to Kennedy would you be ready to give a political united Europe control of its own nuclear weapons he probably would have said yes.Also Kissinger and Nixon both had contempt for other people.And Kennedy was more ready to treat other people in a more equal way.etc(About Kissinger)

Q: The Multilateral Force?

K: I had little role in the project. It was to laugh when I heard about it.(Laughter) I never took it seriously, slightly absurd.

Q: What other possibilities did you see for Europeans to participate in their own defense?

K:I really didn't see many other possibilities.In the first place I believed even then and more strongly ever since that by perhaps 55655, the European perception of threat had diverged fundamentally from our own and that no European government really wished to spend more on defence or lengthen its conscription and certainly every European country other than Germany was not only content with the division of Germany but would have positively opposed any change in that situation if they had had an opportunity and only some Germans and too many Americans thought that the division of Germany was a bad thing. The French thought it was an excellent thing etc..So in that sense only a very precipitate and unwise move by the United States: an enormous withdrawal would have led to greater European unity and greater European defense efforts. And therefore

there was nothing to do. I don't think as I look back on it, I think we weren't wise in relation with what we did in relation to the French it would be better if the French nuclear force had the same relation to us that the British nuclear force has or a similar one.But the multilateral force seemed to me just a gimmick and since everybody in the navy thought it was idiotic, it didn't seem to me that it was going to happen.There is a man called Lee, G.H., a retired admiral.(Squidge) He is a very intelligent man . Ought to be in good help. (Call up office of the Personnel on department of the navy)

Adenauer? Our attitude was that clearly he was a great man and clearly he was a nuisance.

He wrote a letter certainly every two or three months so to speak asking for reassurance: do you still love me and do you still support the unification of Germany, etc..

Q: Britain's candidacy in the Common Market?

K: We were very strongly for it.I mean Macmillan supported it. Ball who was a senior official and very influential, was very very strongly for it. He had been a friend of Monnet. He was a Monnet disciple.I remember we were disappointed at the veto I don't think we were so surprised.

Q: President and De Gaulle?

K: The President was rather generous and catholic in his taste. He saw that De Gaulle was an impressive figure and in some sense a great man. He probably found him cold to talk to. I think you get some sense of the relationship when you see the message that De Gaulle sent to Kennedy at the time of the Cuban missile crisis. Kennedy sent Acheson to talk to De Gaulle. (etc..)Kennedy had a good relation with Brandt.I spent some time together with Brandt and Kennedy and he admired Brand because he was a bright man and I think this would have been an important factor in his attitude towards De Gaulle. Kennedy was always admiring moral courage and physical courage.

Q:Open comments.

K: One issue that shows the other side of all this. Any American president is very conscious of the burden of the defense of Europe and one of the relations that shows that is the relation between the President and the NATO commander. And the relation between Kennedy and Norstad was not good.Norstad first of all appeared to Kennedy as a lobbyist for Europe rather than an American officer and every NATO Commander takes that role. And then Norstad wanted to have his independent control of nuclear weapons and no President wants anybody to have independent control. So there were these points of tension. It would be interesting to see how Eisenhower felt about that,since Eisenhower is the only person who fulfilled both roles.And of course it's very different because Gruenther succeeded Eisenhower immediately. Eisenhower's immediate successors had been his subordinates. It's a very different relation. So Kennedy was the first civilian. It was a tense relation, with McNamara too.

General Wheeler was not an important person in the Kennedy administration he had an important post he was Director of the joint staff. He became chairman of the JCS only later. In the Kennedy administration, if he wanted to call somebody in the White House he would call me.I was Bundy's deputy.Wheeler would not come to the NSC meetings.He was a very sensible decent fellow but not very distinguished. Norstad was neither sensible nor decent, but he was very bright and very talented and very ambitious.(censured)