

November 30, 1963

1:16 p.m.

113

TELEPHONE CONVERSATION BETWEEN THE PRESIDENT AND MR. DON COOK
(To Don Cook)

DC: Mr. President?

LBJ: You're already out spending all that money you fat-cats make up there
...they tell me you're down at Saks Fifth Avenue?

DC: Well, I had a young crew in town for the Thanksgiving Holidays
and I had to take them down and keep them from being naked.

LBJ: And...how old is he?

DC: Well, he's about sixteen, now.

LBJ: Well, I've got a sixteen-year old girl...and she's very unhappy about
Secret Service accompanying her on all of her dates..

DC: Oh, I'll bet she will be..they certainly don't like to be

LBJ: You better tell Nick to come down and see us..

DC: Well, I certainly will..

LBJ: I want to see you sometime next few days whenever you're free.

DC: All right..I'll....

LBJ: When is Nick going back?

DC: He's going back, I think, Monday..Monday morning sometime..but
I'll be glad to come down anytime that will fit into your schedule
...

LBJ: I appreciate your memo, very much, and thought it was excellent and
I just want to philosophize with you a little bit...

DC: All right. I'll be delighted to come down..

LBJ: Well, if you do...why don't you just check your schedule...I don't want
to mess up any of your business...but you try to figure out if you can
come down Monday afternoon...I think that'd be good..maybe have
dinner with us..

DC: On Monday afternoon....

LBJ: But if you'd rather come Tuesday...just call Bill Moyers in my office and tell him when you're coming..what plane you're arriving on...and I'll have a car to meet you.

DC: All right. Why don't I call him Monday morning...

LBJ: That's right....that's right...tell him what day suits you best...because there's not anything...except I'm just lonesome for you.

DC: Well, I'll do that....may I say something?

LBJ: Yes sir.

DC: Oh, you're gonna make a magnificent President...I want to say that and everybody else up here I've talked to says the same thing.. this was a remarkable performance.

LBJ: I want to be..and that's what I want to talk to you about...I want to get some more ideas and I want you to start looking for some good people because our great problem....but we need some top-flight people ...for instance, we've got nobody to run the war in Vietnam for us... we need the ablest man that we've got...the toughest Chief of Mission you can have...Lodge is just about as much an Administrator as he is a Utility Maintenance...he just

DC: He never had to do it...

LBJ: He never had to do it and doesn't know one damn thing about it...just leaks to the Press and keeps everybody fighting each other..we need an able, tough, guy, to go there as Chief of Mission...and, now that's not anything to be desired by anybody...but I don't imagine those 8, 10, 000 boys out there desire it either...but we've got to either get in or get out...or get off...and we need a damn, tough cookie.. and somebody that can say, now, this is it...and has enough judgment to realize he can't make America Vietnam into an America overnight.. Cause if they do...the other damn government will fall..but, there's just some of the illustration...we need the ablest man you can get to operate Latin America...they're just coming in here and bumping

... hell we've got Col. Chennault down there..

LBJ
Contd

American national... held as a hostage... and we can't get him out... don't know what to do about it... and so forth... Andrew Jackson has been in a war... or he'd had Chennault... but that's what we got there and we've got Alliance for Progress but it is being run by an alliance of misfits... we've the foreign aid bill... about the same way and nobody has any confidence in it.

DC

L... I think that is true... of course... the one thing that I've... over a period of time that I've heard the most... criticism about... is the foreign aid program... frankly... there's just constant criticism of it but I don't know that the people who talk know what they're talking about but the fact that they do talk is the important thing not whether they're right or not... because they either have to be educated to understanding that what is being done is right or something needs to happen but there's a lot criticism of the foreign aid program, Mr. President, without any question.

LBJ

How's the market doing?

DC

Well, it certainly showed a lot of confidence and I believe that we're going to be looking forward to really a very good '64 and '65... and I think that there's real possibility of coming into a period of pretty good feeling in the country generally and I think with very little help the economy can produce a gross national product greater than we've ever seen in the whole history of the republic. There never was a time when I have felt so confident about what can take place... I have been a little troubled about the Federal Reserve Board and what it is doing... up to now, I think it really has done an exceptionally good job but they progressively whittled down the ²FRRerve in the bank system until it is quite marginal now... it is hovering around about \$100 million a week and if Bill Martin ever pushes this thing from that free reserve to a net deficit in the banking system, I think it is just going to change the picture and change it very considerably. It is the one thing on the horizon that I think is a real uncertainty and one that could have some very bad results.

LBJ

Well, what do we do about it?

DC

Well, I think he's part of the government and if he doesn't understand it I think he's got to be made to see it. I just can't conceive of the Federal Reserve Board, with the powers that it has a... the influence that it has on the economy generally, to just operating by itself... I think the Treasury, the Federal Reserve Board and the Office of the President need be very closely coordinated... and the Treasury and the Federal Reserve have got to be, I think, close parties I think to the implementation of the President's program... whenever and whatever that program turns out to be. Do you have one

DC more minute?

Contd

LBJ Yes.

DC Let me mention one thing to you that I ran into yesterday.. I was at a meeting with a few people and when .. they were all utility people.. when it was finished ... there's a fellow by the name Venard who is the head of the Trade Assn it is called the Edison Electric Institute.. every year they have a meeting in Chicago about this time of the year.. and they get the Presidents of all utility companies from all over the U.S. ... to come into a meeting there.. discussions of various kinds of problems.. so on.. he told me that one of the things that they intended to do this year.. I just listened to him.. was to get ahold of two or three people who allegedly were .. knew you.. knew something about your previous policies and perhaps your polite return of mind.. to have them say something about what might be expected generally.. not in the utility field but just generally from the Administration.. one of the fellows.. I asked who they were considering.. I knew he was after me.. He said Len Hill.. and of course I know him to be an old and good friend.. I don't know whether he's been talked to but if he hasn't been.. this particular group you know, covers the whole U.S. ... if there's anything that should be said to them, I think that one of your people might talk to him and get to him before somebody else does.

LBJ All right

DC Another name that was mentioned.... can't remember, oh my goah..

LBJ Ed Clark?

DC Ed Clark.. yes. He mentioned him also and of course I know him, too. He asked me whether I'd be willing to do anything, and I told him I had very serious doubts about anybody really.. so soon.. endeavoring to talk to a group like this in any authoritative way.. that nobody could ever speak for the President to begin with and it may be that it would be unseemingly to participate in this kind of a thing but I thought I would tell you that this is being planned that.. my tentative feeling was it would be better just to keep out of it altogether but that two other people will be asked and if you wanted to affect it one way or another .. that is whether they did participate or not.. and what they had to say.. the time is now because this is very close.

REX All right.. You be thinking about what you think I ought to say to them and..
LBJ or a message detailed... bring back to them.. what would be prudent and at the same time progressive.

DC Yes. I understand. O.K. I'll see you Monday afternoon.

LBJ Monday afternoon.. if that is agreeable, if it is not, you call and make it Tuesday if you want to or anytime. Bye.

DC Bye