



**JOHN W. SNYDER
FORMER SECRETARY OF THE TREASURY
(1946 – 1953)**

ORAL HISTORY

Taken in the Month of
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Treasury Historical Association



Copy of the Portrait of Secretary of the Treasury John Snyder
Portrait, oil on canvas, was painted from life in 1947 by Martha Greta Kempton
Portrait was purchased by the Treasury Department on November 11, 1948

Photograph courtesy of the United States Treasury Department

INTERVIEWER: Secretary Snyder, let's talk about personal impressions first. Do you recall your first reaction on being nominated to be the Secretary of the Treasury?

SECRETARY SNYDER: Well, it's going to be a little surprising to you, about the time that I had to reflect. President Truman announced at a press conference that he was appointing Fred Vinson as Chief Justice of the Supreme Court. [Fred Vinson was the third Secretary of the Treasury to be appointed Chief Justice of the Supreme Court, serving 1946-1953. The first two were Roger B. Taney (1836-1864), who served the second longest term after John Marshall, and his immediate successor Salmon P. Chase (1864-1873)]

The reporters started to rush out but stopped to ask, "Wait a minute, who's going to take his place at Treasury"? He said, pointing at me, "That fellow sitting right there." So, you can see how much time I had to reflect upon the appointment.

INTERVIEWER: Did you have any inkling?

SECRETARY SNYDER: No. Frankly, I had been hoping very much to be able to go back to St. Louis to the First National Bank. I had given up the Presidency [of the bank] to come to help Mr. Truman when he first became President, and continued to hope to find a way back. I was his first appointment – he named me Federal Loan Administrator, as that job was open at the time and there was no question about replacing someone. As I had considerable experience in the RFC [Reconstruction Finance Corporation] and in the Federal Loan Administration, I was immediately confirmed. [Secretary Snyder was confirmed on June 11, 1946, five days after his nomination.] I was in the Federal Loan Administrator job about three months and did quite a number of things there in consolidating war-time subsidiaries, and planning for the financing for the re-conversion period. I worked out a plan between the banks and the RFC to share loans to small business and to larger business for the transfer from war to peace. I had consolidated all the various subsidiaries such as the Defense Plant Corporation, Rubber Reserve Corporation, Defense Supply and others back into the mother corporation, the RFC. And, about that time, Henry Morgenthau resigned as Secretary of

the Treasury. President Truman and I had talked about that before. He and I discussed a successor quite a bit. We knew well that he would not retain Morgenthau in that office.

It was my opinion that Fed Vinson would be of great value to him up on the Hill because, with the war over, we would run into all sorts of legislative problems, particularly taxes and reorganization of the government and things of that character. Because of Vinson's long experience in Congress in the House Ways and Means Committee, we thought that he would be a very good man for the President's Cabinet in the tax side of it and so I was fully expecting that appointment. When he was appointed, I was unexpectedly moved over to his job, the OWMR [Office of War Mobilization and Reconversion]. Of course, that was not a spot that I would have chosen for myself. It was more or less a workable operation, so far as mechanics were concerned in wartime as things were somewhat controlled by our being in an emergency war situation. But, once the war was over, getting the cooperation back, getting the departments back in their old functions again was a pretty delicate political operation and I had never been in politics at all. The only time I got in politics was when Mr. Truman was running for office and that was to help in the background in raising funds. So, I was, in my own mind, not suited for that highly political position. It was not a happy appointment as far as I was concerned, but the President was in Potsdam and the ox was in the ditch, so, without any question I went along and was sworn in and operated that department for about nine months. We think we did a tremendously good job in spite of what the papers, the liberals, and the opposition felt about it. We had, within less than nine months after the war, the peacetime economy running to a capacity that was in excess of what it was before the war. So, the move out of OWMR for me was very pleasant. It was good to get into business and banking, which I knew something about.

So, that was the immediate reaction. However, it was not so much as to what my reaction was, but the suddenness of it. I had to get quickly to the Under Secretary of the Treasury [the second highest ranking position in the Treasury Department from

1921 to 1972 when the position of Deputy Secretary was created by an act of Congress] and assure him that I knew nothing about this, or I would have talked with him if I had known it, and that I definitely wanted him to stay on. That was Governor O. Max Gardner from North Carolina, who was helping Fed Vinson out over there, and I certainly didn't want to lose him. After I got through talking with him, I told him (I went over to his house – this was late in the afternoon – he had gone to the Mayflower to his apartment), so the minute I got out of the press conference, I made a bee line down to their apartment and caught Mrs. Gardner and O. Max there and told him what had happened and the circumstances. "It's up to you now, Governor, what we do about this. If you will not stay with me, I'll go right back and tell Mr. Truman that I won't take it." "Oh," he said, "you can find plenty of people." I said "No, you're the one I want and I want to urge you to take it and I hope that you'll see your way." Well, he and his wife talked about it and while they did, I said "I'll tell you this -- if anything ever comes up that you want, after helping me get settled over there, if Mr. Truman can get it for you, I'll certainly do my best to get him to do it." "Oh," he says, "I think you're pretty sincere about this, therefore, I'll promise you I'll help you get started." He did not make a long-time commitment. [Mr. Gardner served from March 1946 to January 1947.]

INTERVIEWER: Nowadays, there's a lot of pre-clearances and pre-investigation.

SECRETARY SNYDER: Well, that's the proper thing to do, of course, but Mr. Truman was suddenly catapulted into that job and quite a number of FDR's Cabinet members wanted to get out. But most of them – about half of them, I'd say – promised to stay on for a few months so that he could look around and get people he wanted. Miss [Frances] Perkins [Labor] was one, [Henry] Stimson was one, and there were several. The Postmaster General [Frank] Walker was not well and he had been trying to get out for some time. They acted very kindly about it. By July [1945], all but [Henry] Wallace, [James] Forrestal, [Harold] Ickes, and [Henry] Stimson [the Secretaries of Commerce, Navy, Interior, and War respectively] had resigned.

INTERVIEWER: Did you have any preconceived view of the Department and were these substantiated or changed as a result of your six-year tenure?

SECRETARY SNYDER: Well, I guess I had quite a number of preconceived notions about certain segments of it, as I had been in banking all my life and had been before the Treasury on bank matters before. And, when the crash came in '29, I was asked by [one of the Office of the] Comptroller of the Currency's [regional officials], Robert Neil of the St. Louis, Missouri District, to help with some of the closed banks, and it ended up that, at one time, I had eight that I worked with, trying to either get them reorganized, reopened or to liquidate them. I was very fortunate in that, because of the eight, one of the eight reopened, four liquidated up in the top eighties or ninety percent. One liquidated in full. Two unfortunate ones had their presidents commit suicide when they closed. So, you can imagine what you'd find in such a bank. They experienced bad liquidations because somehow the banks' liquid assets had been taken out before the suicides.

Then, of course, I had been in the Defense Plant Corporation, running it for Mr. Jesse Jones. I went down to Washington in 1940 and, with several of the RFC people, Emil Schram, Hans Klagsbrunn, Cliff Durr, and Claude Hamilton, Chief Counsel for the RFC, we organized the Defense Plant Corporation, whose function was to furnish money to build plants to build things for the war. So, we set up a rather unique system which I could take three or four days to tell you all about, but it will suffice to say that, during the course of our operations over three or four years, we advanced over \$11 billion [to build] plants for the war. We built up the aircraft operations — we built 15 or 20 plants for that. We built all the synthetic rubber plants, we built all of the magnesium plants, and we built aluminum plants. We actually financed everything you could think of from plants to build tanks, to build trucks, and even to industrial diamonds. That was about the smallest one we built.

Well, Defense Plant was given *carte blanche* in drawing on the Treasury for the money that we needed. So, I got very well acquainted with Treasury during those three

or four years. And, of course, having been in banking, I was back and forth from the bank with the Comptroller very regularly and, of course, when it came to the management part of the Mint and the Bureau of Printing and Engraving, the Customs — those were all things that I had to get in and get acquainted with.

INTERVIEWER: Did you ever think during this period, before you had any inkling that you would become Secretary, what you might do if you were Secretary?

SECRETARY SNYDER: I never gave any serious consideration to becoming Secretary of the Treasury before I got the appointment.

INTERVIEWER: Did you enjoy your job?

SECRETARY SNYDER: In the Treasury, yes. Very much so, but even then, it had its unpleasant sides. Our problem in the Internal Revenue was anything but pleasant at times. We had men that, for political reasons or for greed or for something, as collectors, went haywire. After we had studied IRS under O. Max Gardner, and later Lee Wiggins, whom I brought in to succeed O. Max Gardner, their studies began to unfold that there was something askew in the Revenue Service. By the time Lee quit, I had moved in myself to see if we couldn't get it straightened up. Then we found that the further we dug, more sketchy problems came up and, in due time, the head of the [IRS] got in trouble and went to jail [after he left office] for some of his missteps. We then brought in a company to make a thorough study and recommend a reorganization. The principal recommendation they brought out was to take the Service out of politics and stop the patronage appointments of the collectors. This we did and, fortunately, I just got under the wire as we just installed the last Collectors of Internal Revenue a few months before we went out of office in January 1953. So, we did get that job finished. Generally speaking, the Treasury, I have found, just required a thorough reorganization. The Customs department [Bureau] had practically become dormant during the war. There were not a lot of imports and exports you know, and many of the good people had gone somewhere else. It meant going in and completely establishing new rules and new planning and new

field work programs, and that sort of thing, so I again brought an outside company in to help accomplish that.

The Coast Guard was organized initially way back in the early days of the Treasury to assist in the collection of customs because of the imports and exports brought in by ships. The Coast Guard watched and helped hold down smuggling and that sort of thing. But, in time of war, the Coast Guard, because of its water-borne attitude, was transferred to the Navy and, then, when the war was over, it was put back into the Treasury. Well, it came back to me shortly after I arrived in the Treasury. It had been in the Navy for four years during World War II, and I had a situation to meet in which I had 385,000 enlisted men in an organization that, during peacetime, would require 75,000 or 80,000. And, I had all the sea-going vessels, the airplanes and equipment of that sort that had to undergo a housekeeping job to get the organization down to a workable peacetime operation. That required skill and reorganization and management, which we think we did very excellently.

INTERVIEWER: Could I ask, getting back to the IRS, you said that, prior to your tenure, the revenue collectors, the tax collectors, were not under the competitive civil service system.

Mr. Snyder: Well, no, they were appointees of the congressmen. The congressmen appointed them and the President normally checked them. They were given a checkup by the FBI or the Secret Service and the President appointed them. They were purely patronage jobs.

INTERVIEWER: Were these at the supervisory level?

SECRETARY SNYDER: Yes, they were at the supervisory level, the rest of the employees were all under Civil Service. For instance, the St. Louis office would have a Collector and he was a pretty important man to the Senator and to the Congressmen of Missouri because there were always tax problems. They wanted a man who was sympathetic and, sometimes, he got over-sympathetic.

INTERVIEWER: Did you find any evidence that Presidents had used the IRS tax

collection and tax investigation functions for political purposes as recent presidents have been accused of doing?

SECRETARY SNYDER: No. I'm pretty sure that FDR didn't. I know Truman did not. No, it got to be largely...if anyone was misusing it, it was the Commissioner or the Collector of Internal Revenue. [Joseph D. Nunan] was the first one to hold the position under President Truman. Morgenthau had appointed [Nunan] Commissioner of Internal Revenue. He was in that job when Truman took office.

FDR made [Robert E.] Hannegan the Chairman of the Democratic National Committee and kept him there while he ran for office in the 1944 election.

The Postmaster General had for years been the Chairman of the Democratic National Committee, and it was largely a political job because the postmasters were all appointed as patronage appointments. When Mr. Truman became President, Postmaster General Walker was sick and early resigned his office. Mr. Truman made Hannegan Postmaster General and he continued as Chairman of the Democratic National Committee until he later resigned.

INTERVIEWER: Was being Secretary of a large and important cabinet job different in kind or degree from your other high-level jobs, especially as Director of War Mobilization and Reconversion?

SECRETARY SNYDER: Well, War Mobilization and Reconversion was a completely different type of operation. It had a very small staff and was housed in the east end of the White House, in the annex over there. The Treasury, when I went in there, had 110,000 uniformed employees and stretched in every crack and cranny of the nation, and it had all sorts of different bureaus, so there's just no comparison with OWMR. That was a close-knit policy group. It could not compare even in a modest way to RFC, because the RFC was much larger with offices all over the country.

I will tell you of an incident that might help you understand this problem: When I went to my uncle's little country bank down in Forrest City, Arkansas, it was a small bank, and I'd just gotten back from World War I,

where I'd been in Europe with the 32nd Division as Captain of Field Artillery, and serving as operation officer on the 57th Field Artillery Brigade. But, when I got back and went into a little country bank belonging to my uncle, Judge E.A. Rolfe, I didn't know a thing about banking. So, what I did...I learned everything from sweeping out to going out to collect overdrafts and dozens of other things. I learned the adding machine, to post books, to make loans, to foreclose all loans, and I learned to draw up mortgages. So, as I went on up the ladder, I found that, as I got to the bigger banks, instead of one person, it was usually a department. There was a bookkeeping department; there was a loan department; there was a department where you had a department head who was actually the one fellow in my first bank. And, then, when I got up to Washington to the RFC, I just found that it was the same way, only there they were spread out all over the country. But, it was the same operation knit together. The Treasury, that part, was a gradual buildup of adjusting to conditions.

INTERVIEWER: As a manager and in terms of personal relationships, was government service very different from private industry?

SECRETARY SNYDER: Oh, Yes, it was tremendously different for many reasons. In certain principles, no, but when you considered certain principles that are required and necessary in dealing with people and studying character, and making judgments, whether you can trust this person with this responsibility, all of those things were somewhat the same. But, where the difference comes in is on the political side. The RFC had a great deal of politics connected with it in that Congressmen and Senators and others would want a plant built in a certain place and we had to juggle around, and you learned how to get along on that. But, in a bank, your board of directors is about as far as you have to go, except that you have to comply with the laws that are put together controlling certain policies and actions of the bank, have so much reserves on your deposits in cash, that you can make loans up to a certain degree, and all those sorts of regulations. Largely, though, you and your board of directors, and the bigger the bank gets, you

and the executive committee run the business.

INTERVIEWER: Whereas, in the government...

SECRETARY SNYDER: You have to go to Congress; you have to go to the President; the public demands and you've got to do this, that or the other one. Yes, it's a whole lot different. Well, for instance, I've just created a memorial to President Truman, a scholarship program. Senator Symington came to me and said, "John..." But, you see, all these things go way back and I have to give you some background information. I introduced Symington to Senator Truman years ago. Stuart Symington was head of the Emerson Electric in St. Louis and was a very fine fellow and a friend of mine. I introduced him to Mr. Truman and they became good friends too, so when he got into his race in 1940 for reelection for Senator, Symington pitched in and helped. When Truman was running for Vice President with Roosevelt, Symington was right in there as he also was in 1948. He gave up his company and came to Washington to work for President Truman in 1945. The last year that we were in office, Symington ran for and was elected to the Senate and had remained there until a couple of years ago. So, about two or three weeks after the President died [December 26, 1972], Symington came to me and asked what the Congress could do to enact an appropriate memorial to our great President, that he would have liked. "Can you help us?" I said I'd be delighted. He asked, "Do you have anything in mind?" "Yes, I have, but I will tell you to start with that President Truman would never want a pile of bricks and stone to commemorate the past. He would want something that would build for the future." He said "that's it," but I said "wait a minute. I will have to talk to Mrs. Truman and Margaret about it; they may want something different." So I went out to see them and they were delighted with the idea. I came back and told Symington and he said "Wonderful. Let's have it."

I went to work putting a plan together...I borrowed people from Georgetown University, George Washington University, Harvard and Vanderbilt to help me put together a program that would give a four-year scholar-

ship to people to be leaders in government. They could come in and give leadership, inspiration and guidance to government operations, because I had seen along the line a need for it. A way back in the Defense Plant Corporation, under the pressure of war, we would get good people and we got bad ones. You could get mediocre ones, sometimes geniuses, but you didn't always get a positive, able crowd. So, there was a good opening for trading in on the background. Then later, when you needed government-trained people on every hand, it would be awfully fine if you had a source of competent, able, and well-prepared people.

So, I set up the plan originally on the angle that, at first, my idea was to catch the students as fresh as possible before they got wild ideas, liberal views, or one view or another. But, the more I talked about it to heads of schools and college presidents, they said "no, you're going to find that, when the freshman comes in, he's so busy throwing off the shackles of home and enjoying his new freedom that he's not thinking about what he's going to do later. He's just passing his grades, getting into school politics, going out with girls...his mind is not nearly ready for this. Well, what about a sophomore? No, he's just so glad to throw away that green cap and begin to get some dignity and recognition around the campus and have a little authority over the freshmen, it won't do. Well, what about the juniors? That's different. When a student wakes up one morning and finds out that "I'm a junior and have only got two more years to prepare myself for what I'm going to do"...he begins to think. So, we set it up so that the scholarship program would start with the junior grade of an accredited college...he'd get a bachelor's degree and then go on to get a master's degree. By that time, we know that, with our plan, we can have him trained. But, we immediately ran into the problem that you had to be extremely cautious in outlining the study program, because colleges did not want the government fooling around with their curriculum. We decided that the type of course would depend upon the student. But, how are those students going to know about the electives? Just by happenstance? So, we thought of this one: "Nominees for a Truman Scholarship must include in their

nomination materials a statement of interest in a career in government that specifies in some detail how their academic program and their overall educational plans will prepare them for their chosen career goal. Courses in history, political science, public administration, economics and finance, and international relations are among the types of studies considered by many educators to be appropriate for such a career. Because no list of areas of study can be comprehensive or exhaustive, nominees should feel free to offer other relevant and appropriate fields of study that they believe will help prepare them for a career in government.”

Then we thought of a new idea -- that between the bachelor's degree and the master's degree, give them a year's leave of absence and get them a real job in government. We tried it out on the governors, on the mayors, and on the federal departments. All of them approved of the idea, as it would reveal to the student the electives that should be chosen in the last two master's years. The plan made it voluntary on the part of the students. We're not going to force them to do this, because some might want to go on and get through and get married, or if he's already married and wants to get a job, so we made it selective whether he would do it or not. Well, it just turned out magnificently. Nearly half of them have taken that option. Most of those who chose law want to go on without interruption. But, it's just been splendid...the government is happy over it; the governors are happy over it; and the mayors are happy over it.

One more thing and I'm going to drop that subject. We are now selecting the fourth class...it took us three years to put that through Congress. I made up my mind that we should not be running up to Congress every year to get appropriations, so I got the Treasurer of Georgetown University and the Treasurer of Harvard University to make up a projection of a budget of what it will take to educate these students annually, when you get your full 2-1-2 [course]. It came to about \$1.5 million per year. We went to Congress and included in the legislation \$30 million cash, which now is invested in government securities. The operation cost of the Foundation is paid out of the income from

the corpus. So, it's now a perpetual program, fully financed.

Now, this gets back to something you asked me awhile ago. We were set up by Congress, signed by the President, as an independent establishment of the Executive Branch of the United States Government. We are so independent that we only have to consult or see or check with 12 other departments, the Civil Service [Commission], Treasury, the Bureau of Engraving and Printing, the GAO. Do you know that, if we design a special type of stationery, we have to go up to Congress because we want to put Truman's picture on the letterhead? If we'd just taken a piece of paper and printed the agency's name on it, okay, but if you wanted any special design,...well, anyway you asked awhile ago and I'm answering it in a simple way.

INTERVIEWER: So, as a decision-maker in government, you have a lot more strings on you than in the private sector.

Do you remember any particularly funny anecdotes?

SECRETARY SNYDER: Well, yes. I've always enjoyed this one. A bank got into trouble, so the Comptroller [of the Currency] came up to me and said "We've got a bank out in Missouri. It's a good bank, a three generation bank, but these last two scions of the family went to Yale and they just got so important that they can't go out and get the farmer to plant his crops right, and they can't bring pressure when they get behind on payments...and have taken in a lot of real estate in payment of loans, and they've got a lot of delinquent accounts. Can you do something about it or make a suggestion?" I said "yes," and I picked up the phone and called a friend of mine down in Fayetteville, Arkansas, and I said "Mr. Covey, I want to borrow your son." He said, "What do you mean? Borrow my son?" "I want him to go and clean up a bank and get it on its feet again." "No, John, you can't have him, because he is going to take my place. I'm not going to ..." I interrupted, "You can have him back." "Yes..." he said, "I know... Look at you -- you were coming back in three weeks when you went to Washington and never did get back." I said, "Wait a minute. I promise to get him back." He finally said, "All right, you can have him."

I told the Comptroller to send for the bankers. They came in and brought their last two examination reports. After glancing over the reports, I said, "Now, what's the trouble?" "Well, we just can't get payments on some of our frozen assets, and our father told us to come and see you and that you were an old friend of his, and that you'd help us out." "Well," I said, "all right, I'll help you out. I've just looked over these reports and can see what the trouble is that you're in right now. I'm willing to help you. If I can get you a man and send him down there, will you let him take care of all past due paper and all bank-owned real estate?" "Oh, we'll resign" [they said] "No," I said, "Three generations of your family have run that bank. Your name means a great deal around that part of the country." "Well, we didn't think of that." "All I want you to do is to make him vice president in charge of collections. He won't have anything to do with making loans. He won't have anything to do with cashing checks or anything else. That's all he's going to do. You give him a list of the delinquent loans and the other real estate." "Yes, sir, we'll do just that."

So, I got back with young Covey and told him he could do this job. "Now," I said, "I don't want to hear from you unless you get in trouble. But, now, if you get in trouble, call the Comptroller and he'll come in and tell me about it. But, otherwise, why you just get out there and get these loans paid. Just send me your trial balance once a week." I said, "That's all I want, just the trial balance."

Well, the Comptroller brought up the trial balance and I took a look at it and, after about three or four months, I noticed that the delinquent loans were slipping out. Then I saw two or three pieces of real estate missing. In about 10 months, it was amazing what had happened. So, on the anniversary of his being there, I sent for Covey. "I'll give you a trip to Washington. Come on up here; I want to see you." He came in and I said, "Matt, you've done a darn good job. Now tell me how in the world did you do that when those boys told me that it couldn't be done?" He said, "Mr. Secretary, I did most of it before I found out I couldn't."

I always loved that story. Just think about it. Maybe that's the way most of us get things

done. We pitch in; we don't look at the resistance; we just plow in.

Now, I want you to get the things you're most interested in.

INTERVIEWER: Did Treasury change a great deal over your tenure?

SECRETARY SNYDER: Oh, yes, quite a bit. All that required reorganization. We changed many of the agencies. Customs just became entirely new; the Coast Guard, the Narcotics Agency...

INTERVIEWER: O.K. You were talking about the changes in the Treasury over the years of your tenure.

SECRETARY SNYDER: Oh, yes, the Internal Revenue was completely revamped and reset up and the collectors were taken out of the patronage and were put in under civil service, and...

INTERVIEWER: How about atmospheric changes as opposed to policy changes?

SECRETARY SNYDER: Well, the general attitude towards the public, I think, was changed a great deal...Oh, I know now what I wanted to tell you.

When I first went into the Treasury, I found out that my predecessor had hardly in the nine months he had been there become acquainted with the various department procedures. He got into the work of World Bank creation and a number of different post-war political problems. So, the first thing I did after getting settled into the office was to invite, individually, every agency head to come in and have a talk – to tell me how he or she was getting along. What were the problems, if any? What would they like to do in their organization? How could he improve his department? What relations was he having with Congress, and how did he get along in meeting those problems – and things of that sort? I made an agreement with them – if they would look over their situations carefully and would come back to see me about their units and, particularly if we needed to get into reorganization, that we would let them have an important part in that.

It had an electric effect on them because I gave them open sesame to my office any time they had a problem, you see. So, we

developed a very close relationship all the way through the Treasury. I actually went down to their agency and would meet with a great number of their employees, all the way down to the messengers. And, it had a great deal to do with building up morale. I'll tell you one of the incidents because, during the war, the people had been drafted, they had gone into bigger jobs in the large companies that had been built up and, as a result, [that] type of employee had a different quality than that required by efficient employees, particularly in Internal Revenue. It had sunk considerably. So, what could we do now that is new and not too involved and too dramatic to look as if we're tearing up everything? What can we do to improve this? I hit upon a great scheme.

A young chap I happened to run into out in the Middle West, the manager of a hotel, and I never had such excellent service, and I asked him "How do you get this instant attention to a guest?" I said your wants are almost anticipated and the courtesy is great. Well, he told me how he did it. So, I said "Can I borrow you?" He was with a chain hotel. As a result, I called Mr. Statler, "Can I borrow one of your managers?" He said, "What do you want? Do you want to start a hotel down there?" I said, "No, I just want to learn something of his management?" He said, "You can have him."

Well, he came down and we talked. Then we went for a meeting with the first group. We had tried out our plan in the Internal Revenue. There were some three or four hundred in the meeting. I said, "The Commissioner has given me permission to talk with you here and I've got a man here who knows your job better than anybody." You just saw the bristle there...you saw this handsome chap there, and I said, "Now, I'm going to have him...I'm going to talk with him about your job...your personal job, and we'll see if we can be of some help in getting it to running smoother and iron out some of the problems." Oh, they were just ready to get up and walk out. Then, I said, "Now that person is you." I then said, "This is what we're going to do. We're going to give you a sheet of paper that's got three lines on it: (1) necessary, (2) partially necessary, and (3) unnecessary. Every time that you make an unusual motion, mark it down. For instance, if you get up and walk down to the

water cooler for a drink, were you really thirsty or did you just want to see who that pretty blonde was sitting there close by?" Well, they began to laugh. "Now," I said, "that's what I'm going to do and that's what I want you to put down...was it necessary, partially necessary, or unnecessary? And, for a week, I'll let you do that. Then, the next week, we're going to let you swap with your friends next door to you and check and see if you agree with what he has written. Now, what that's going to do is to improve...you'd be surprised how that is going to improve the quality of the work that is done in this department. And, I think we're going to be able to save a lot of time and money."

Do you know, that within about eight months, we reduced that 110,000 down to 92,000 people. We called it "Work Simplification Program," and it worked. Well, it's those kinds of things that you've got to get cooperation from. I think that helped your question you asked there.

INTERVIEWER: What would you say are your most important accomplishments as Secretary of the Treasury?

Secretary Snyder: Well, there were so many. The Treasury Department had not been in international banking finance to any extent before the Marshall Plan, except in the early settlements.

The United States made an awful mess after World War I in trying to help reconstruct war-torn Europe by loaning money to the participants, expecting it to be paid back. There is a table right in the Treasury that has engraved plates on it that describe the loans to every country that was made and, do you know, that Finland is the only country that ever paid their loan. Getting over the war, the devastation, the loss of young people and everything, the loans were never paid. So, I insisted that, when we started to talk of helping after World War II, let's either make grants or make workable loans if there is a way to pay them back. Let's just make them the grant. That led into the Marshall Plan.

The Treasury had not...we had not had anything [like] the volume of income taxes before World War II because the taxes when we first went into the war were relatively

small and only touched a limited number of people. By the time I got in the Treasury, it was after the war, taxes had gone up, they touched everybody and, so, that had to be reorganized and recast because our tax collection has been a largely voluntary matter and, if we ever let that get out of hand, we're going to have one terrible time. So, you can see from just that, there is a big difference in the Treasury when I went there. So were there differences at a lot of places. Those reorganization jobs were a new facet because some of the departments had never been changed from the time they had been created right up to the present.

Then, I found that FDR had transferred over to the Treasury all sorts of jobs because he could keep his hand on them, and Mr. Morgenthau was very attentive to whatever FDR wanted. And, so he moved purchasing of airplanes and purchasing of many things over into the Treasury. He moved the procurement of strategic and critical materials over there. There's a whole list of things. They didn't belong in the Treasury. He just about disseminated the Commerce Department and put that nice old gentleman, Secretary Daniel C. Roper, over there who was content to sit there. [Daniel Roper had earlier served as Commissioner of the IRS, 1917-1920] Well, I began to move those back to where they belonged... to where they had expertise in that operation or where they could build up expertise. So, that was of tremendous importance. Well, I've spent the morning talking about the various things that were all important and trying to say what was THE important one. I think that my biggest was the one that I gave you yesterday. I typed that and gave it to you. My greatest objective was to return the wartime economy to a peacetime economy for the growth of the country.

INTERVIEWER: But, didn't you almost not immediately...subsequently, you had to gear up again for another war?

SECRETARY SNYDER: Well, yes, not until 1950. We had five years to get a lot of things done.

But, referring to the Korean War – President Truman and I were out in Missouri when he got a call from [Secretary of State Dean] Acheson that North Korea had invaded South Korea. The President said, "All right,

I'll come right back." That was on a Saturday afternoon. Acheson said, "No, wait until tomorrow and then I'll call you and give a closer report, and then I'll tell you whether you should come back sooner." So, about noon, I got a message in St. Louis to be at the airport at 2:00; the President would pick me up and we'd return to Washington.

When I go aboard the plane, the first thing he did was call the newspaper men into his cabin, after we were off the ground, and they had no way of leaking what they heard, as they could not use our radio, because the pilots wouldn't let them do it. He had them hooked, so he called them in and told them and me at the same time what had happened. He said, "Now, I don't pledge you to secrets because by the time we get there, it will be all out anyway." And, then he dismissed them and they went back to their seats. He said, "Now John, what will you do if this is as bad as it sounds or worse? What will the Treasury do?"

"Well," I said, "Mr. President, the very first thing I would do would be to ask you to call the Congressional Chairmen that have to do immediately with the things that you decide tonight. Call them up to your office tomorrow morning and tell them about this. The next thing I want you to give me is authority to put a stop on the budget of any unnecessary spending projects. The next thing I want you to give me is authority to go up on the Hill and see all the chairmen and ask them to stop any bill that's to cut taxes. Then, I want you to give me authority to start working with the Ways and Means Committee and the Finance Committee to start raising all the taxes we can...new taxes." He said, "John, how did you know about that?" I said, "You told me; [that was] the first I knew about it, but you asked me what would I do in facing this problem if it was serious." "Well," he said, "you have that authority."

We were met at Blair House by about 14 people from State, Defense, different parts of Defense; the Attorney General [J. Howard McGrath] and House Speaker Sam Rayburn were also there. We had dinner and then sat there and made the plan while sitting on the patio – look out my window of the Foundation office, and you can see the patio where we made the decision.

The United Nations had a regulation that, if any member country attacked a member country, that it became a United Nations affair. It was attacking the United Nations. This was a case where North Korea was attacking South Korea, and both were members. Well, we had to see that any action taken was under the cloak of the UN. Sunday, [Secretary of State] Dean Acheson arranged for this resolution to be adopted by the Security Council of the UN, declaring a state of war. It now meant that the prestige of the United Nations was on the line. The UN was requested on June 27th to help carry out the provisions of the resolution. The Treasury followed the program that I had proposed to the President on the plane, and in nine months' time we had passed three tax bills.

I also went to the Federal Reserve and pointed out that we have a problem here. We are faced with a situation from which Mr. Truman and I have seen two world wars and read about another one, which Bismark, the Kaiser and Hitler started for lesser instances than this one. If this is as bad, if China is brought into this action, we don't know how big it's going to be. Now, please help us hold interest rates down until we see how big it's going to be, because it will be a frightful thing for us to do -- go into a world war on a rising interest rate pattern.

Well, we got fair help for about a year and, then, of course, politics had moved in and some of the Federal Reserve people thought it was a good way to humiliate the Treasury interest rates, and all that sort of thing, and move the Financial Center back to New York because Washington by World War II had become the financial center of the world. We have the World Bank here, the Monetary Fund, the Federal Reserve, the Comptroller of the Currency, the Federal Deposit Insurance Corporation all located here in Washington. And, every Monday or Thursday, we put out more new paper than all of Wall Street put together. So, we had suddenly been catapulted into being the world center of finance.

INTERVIEWER: I don't know if you mentioned it, who was at the meeting of the Treasury on the Terrace?

SECRETARY SNYDER: Those present at the Blair House dinner on June 25, 1950, were:

- Secretary of State Dean Acheson
- Secretary of the Treasury John Snyder
- Secretary of Defense Louis Johnson
- Under Secretary of State James Webb
- Secretary of the Army Frank Pace
- Secretary of the Navy Francis Matthews
- Secretary of the Air Force Thomas Finletter
- Generals Omar Bradley, Joseph Collins, and Hoyt Vandenberg
- Admiral Forrest Sherman
- Ambassador Philip Jessup
- Assistant Secretaries of State Dean Rusk and John Hickerson

INTERVIEWER: That's when you decided to make the Korean War a United Nations' effort?

SECRETARY SNYDER: No, Acheson was instructed by President Truman to go to the UN on Monday and get the adoption of the resolution through the United Nations Security Council. So, all member nations were supposed to come through with aid. They didn't. However, three or four sent token troops, Australia sent some and France sent a few. The load turned out to be on the United States.

INTERVIEWER: One related question which is appropriate to that one is: Regarding the end of the Second World War, I noticed in your biography it said that you were present and asked for advice by Mr. Truman on all his important decisions. [See notes on unpublished Snyder biographies at the end of the Oral History]

SECRETARY SNYDER: I didn't say that; somebody else may have said it for me, but I never made that statement. Mr. Truman and I were long-time friends; we had spent two weeks together at training camps for many years and sitting around, we'd just talk about all sorts of things and mostly you get acquainted with what kind of person he is, what are his principles, how does he get along with his family, how does he do his work, what are his ambitions, what does he know about history. Well, you learn those

things and we got to where we were the closest of friends and, in everything that we would do, we would work together.

When I was running the Defense Plant Corporation, if I'd have a little trouble here or there, I'd go to the Truman Committee and get help...things of that character. So, we had just become the very closest of friends...our families were also. We both had a daughter a piece, they went to school together all the way through college, they joined the Junior League together, they belonged to the same sorority, Godmother of the other's children, so we got to be very close knit. We went on trips together. We took our families down to Williamsburg and that sort of thing. So, it was only natural that Mr. Truman....

I was in Mexico when FDR died. I was on the bank's business...I was to take the job as president on July 1st. I was down in Mexico with a group of American bankers trying to work out an equitable exchange rate between the peso and the dollar and had been very successful. A friend of ours was giving a little luncheon to celebrate. And, A.P. Giannini was sitting next to me. [Founder of the Bank of Italy, which became the Bank of America]. Mr. Giannini was one of the first bankers to offer banking services to the middle class.] He said, "Out on the West Coast, we hear bad things about the President's health; I know that you've told me that you and Truman are good friends, now tell me what kind of man is he?" Well, I went on to tell him that, when I first met Mr. Truman, he was the county judge in Jackson County, Missouri. He built two courthouses. He was the first country judge in Missouri to have a grid system of hard surface roads. He built three or four eleemosynary buildings. But, in planning each one, he'd travel to see where they had built courthouses and how they did it, what their problems were, etc. On the roads, he went around and found out what kind of base they should have or what traffic load they should prepare for. And, then he'd request bids for the concrete, and I noted Mr. Pendergast never got one ton, he had to live up to the specifications, etc. [Thomas J. Pendergast was a Missouri politician who created a powerful political machine and was the long-time head of Missouri Democrats.] And, I stated, whenever it looked like he had a

problem, he tried to get a competent person to advise him. Giannini said, "Well, you've made me feel better." You won't believe this, but it wasn't thirty minutes before the butler came in and announced that the radio had just announced that FDR was dead Well, that just woke up everybody -- what are we going to do, what's going to happen?

"Well," I said, "remember I'm a banker like all the rest of you. I've got to get back to my bank and start to find out." And, they said, "Of course. With my knowledge of Washington, I should know that they have a great problem there...we've heard that FDR had never told Truman one iota about the problems of the Presidency." I said, "Without doubt, the President has one tough job to face, but I think he's going to do a good job at it by his natural way of taking over problems in the past. Right at this moment, I venture to say, that he's the most popular man in the Senate, having worked with the members as Senator and then as Vice President. He would get people when they were at odds together and help work out the problem." I said, "He's got a wonderful chance to try to take this load on. But," I said, "it's going to be a very tough one."

We kept on talking and, within an hour, the butler came in and said "There's a phone call for you; as soon as you get back to your hotel, you are requested to call the White House." Well, I got up then and said good-bye, and [Harold] Helm, [President] of the Chemical Bank of New York rode back with me and went up to the room and sat on the bed while I called "Mr. T." "What are you doing down there? I need you. When can you get back?" I said, "Well, Mr. President, don't you remember, I'm just a citizen now. I don't have those privileges of special planes that I used to have when I was working for the government." He responded, "You go over there to [George] Messersmith, the Ambassador, and tell him to get you up here as quickly as you can." Well, it worked out, but the "quick as you can" took nearly a day. You know, in those days, you just had DC3s (21 passengers) and they stopped everywhere for fuel and passengers. That was the saddest trip, people standing around, saying "We've lost a great President. Who can possibly take his place?" It was the saddest trip. I was

almost in tears by the time I got up to Washington the next evening.

INTERVIEWER: I was leading up to a question regarding your consultations and the confidential nature of your relations with President Truman; I was wondering whether he ever discussed -- since it was one of his most controversial decisions -- whether he ever discussed the dropping of the atom bomb on Japan.

SECRETARY SNYDER: He didn't know about the A-bomb until Secretary Stimson told him after he was sworn in; until then he knew nothing about it. And, at that time, it wasn't a certainty -- they were still preparing for a test of it. They were not sure of it until after Truman was on his way to Potsdam. Stimson flew over there to tell him the situation about the success of the first bomb and that it worked. And so, he had no time to talk with me about it or discuss it at all because he made the decision while he was abroad.

INTERVIEWER: What was your greatest disappointment as Treasury Secretary?

SECRETARY SNYDER: The OWMR (Office of War Mobilization and Reconversion). I don't think there's any doubt about that. But, I did the best I could there, and the net result was pretty satisfactory. All of my life, I've been accustomed to tackle any job with which I was faced. Let's go back to WW I. I didn't know which end they put the bullet in artillery guns. I went, of all things, and applied for and went to first Officer's Training Camp. We were first put into the infantry because we didn't know one thing from the other, and I dropped guns on my feet and I couldn't keep step. And, the first two Saturday mornings they called the training company to attention and read off a list of names and said report to the Captain's office. They were told goodbye, as they weren't wasting time with anybody that wasn't going to fit. So, as we were sitting there, we thought we're going to be next, so we went for a walk...went down the barracks street...we got way up the far end and there were all these cannons lined up, three inch guns, horse picket lines and everything and we said, "What's all this? Is this the artillery?" Well, I said to Sam Mann, my partner, "That's pretty fine; do you like it? It

looks pretty good to me." Well, the non-com said "Why don't you go over there and see the Captain leaning up against the door; that's the Captain of Battery A. Why don't you go over there and talk to him and see if you can get transferred."

Well, we went over and it was Captain Burleson, a nephew of the Postmaster General. Burleson was a regular army officer captain and was sent there to train troops in artillery. He said, "You look like a hell of a soldier." I replied, "Well, the first time I had a uniform on was a couple of weeks ago." He said, "Come in, sit down." He found out I was taking electrical engineering in school and he said, "Well you know you ought to know mathematics pretty well." I added, "I know about horses; I've been riding ever since I could stick on bareback." "Oh, you have?" And then he said, "What about you, Mann?" "Well, John and I have grown up together and whatever he says, I've done too." The Captain told us, "I'd like to have you fellows. People don't know what the artillery is and everybody who is going to training camp goes into the infantry. I'm a little short of people, and I'd like to have you. Where are you?" "We're in Company B." He said, "Oh, I know Smith pretty well down there. I'll phone him that you've made the request and transfer you up here."

Well, I'm not going to go too far into that. We got commissions as second lieutenants in Field Artillery. I was assigned to the 32nd Division, which was training in Waco, Texas. The next thing I know, the General, who was Commander of the 57th Field Artillery Brigade of that Division, took a liking to me at a Saturday night country club dance, and called me to come over to his office the next morning. After I'd gotten two hours catechizing on everything to religion, and this thing and the other, he said, "How would you like to be my aide?" I said "Why, General, I don't know what an aide is. If it means being associated with you, I want it." He said, "All right, you're my aide."

Fortunately, we just hit it off beautifully, and the first thing I learned is that we were going to use French artillery. I was going over to school in France. So, off I went and, before the troops left Camp Coetquidan, France, to go to the front, I was Brigade Operations Officer of four field artillery regiments. I

went all through the war...we were in the second Battle of the Marne, in the Argonne, and all sorts of front engagements. Our brigade was the tops. The French called us "The Iron Brigade." After Armistice Day, the General was just about worn out and had to go back to the hospital. He said, "Now look, John, I've just learned something; our brigade is not going to get to go with the Army of Occupation. We're too torn up, too shot to hell...horses, men. I've arranged to transfer you to division headquarters of the 32nd Division." "Well," I said, "I don't want to leave you." He replied, "I'm going to the hospital and you can't go with me and sit around there and do nothing." So, I said yes, and went on with the Army of Occupation. General Lassiter was the Commander, and after a few days in Germany, he called me and said, "We've got a problem. We've won the war and everybody wants to go home. What are we going to do about getting some morale built up here? I want you to take charge of that for the Division. Whatever you do, I'll back you up, but do something to get their minds off of wanting to go home."

I went back to my quarters and sat for two hours...what to do, what to do...and all of a sudden, the Red Cross, the Veterans Association, the Boy Scouts came to my mind. They all had experts over there to help build up post-war morale. I got representatives of all three of them in and said, "Now, here's what the General wants done. What shall we do?" We hit on this -- We'll build up a basketball group in every regiment. We'll build up football; we'll build up wrestling; we'll build up prize fighting. In every outfit, we'll build up troops of home talent plays in every regiment. And, I suggest that we get on the radio and, the first thing you know, we had top leaders from the United States who weren't really in the service. We knew who it was that was in the service who was qualified."

Well, anyway, when we got through with it, we went down to France, to the Palais des Glaces in Paris for the All American Meet and carried off several great honors and then came on back home.

Now, it's just being at the right place, meeting the right man, and getting an opportunity. Look at Truman. Look at

Walter Smith going up there to try to put these insolvent banks together. [Walter Smith was the President of the First National Bank of St. Louis.] Smith liked the way I did it and he took me into his bank. And, Jesse Jones was a friend of his, and he introduced him to me and Mr. Jones borrowed me to go down to the RFC. [Jesse Jones is considered one of the most influential leaders in reviving the American economy after the Great Depression and the second most powerful man in the New Deal after FDR because of his control of the billions of dollars that were distributed by the RFC.] I was there for four years, running the St. Louis Agency for them, and four more heading the Defense Plant Corporation.

Well, you can see how it's just getting it done before you find out you can't. It goes back to Covey. I thought that it would help you see that, if you put your heart into it, you get it done.

INTERVIEWER: When you were Secretary of the Treasury, did you have any failures and great disappointments?

SECRETARY SNYDER: I suppose that the Internal Revenue was my biggest disappointment, but that was largely an outgrowth, and wasn't our failure exactly. I had to get it straightened out. It was a great disappointment to learn that trusted employees had feet of clay. We had to work out the problems, and we had to solve them, whatever they were.

INTERVIEWER: What impact do you feel that you had on the national economy?

SECRETARY SNYDER: I suppose my biggest impact on the national economy was in the fact that I was able to work with President Truman, and was able to attack the tough jobs with him, for us to have the joint talent of cooperation and working with people.

You see, Jimmy Byrnes, when he had OWMR [May 1943-July 1945], was, in his mind, the ruler; he called himself the Assistant President and all that. [James Byrnes had a career in every branch of American government. He served in Congress from 1911 to 1925 and as a Senator from South Carolina for ten years, 1930 to 1941, during which time he

championed the New Deal. He served as a Justice on the U.S Supreme Court, 1941-1942, but resigned to return to politics. He was elected Governor of South Carolina, 1950-1955. James Byrnes accompanied FDR to the Yalta Conference; served as Secretary of State under President Truman, attended the Potsdam Conference, and was central in defining and shaping postwar foreign policy.] When I got in there, I began to call the Cabinet members and everybody back, and said, "Now wait a minute; how do you want to do this? How do we want to move this?" It was cooperation getting them to work with me, instead of ordering them to do it. As a matter of fact, I recommended to the President that he dissolve this OWMR, as he didn't need an Assistant President. He was the President, and he could always find or lean on his Cabinet members.

I stuck largely to running the Treasury. Mr. Truman and I had many a visit together that no one knew about. I had an arrangement that my name didn't go on the list out on the front desk, except when a group was in, and occasionally for something special. But, I went in the back door, through Miss Conway's office [Rose A. Conway, Administrative Assistant to the President's Office] to see him, or I would go over to his room at the White House, after he'd left his office. I don't want to appear to be putting too much emphasis on our relationship, but it was a good one, and we were able to work things out. We had matters that we didn't agree on, not in principle, but in procedure. And so, I think my impact was being able to be with Mr. Truman frequently and privately. The day he got back from Potsdam, I wrote a letter of resignation, and took it with me when I went to meet him. He had cabled me to meet him at Norfolk, and I went down and rode up to Washington on the train with him. I told the President, right off the bat, "Here's a piece of paper I want to give you." It was my unconditional resignation that he could accept at his pleasure...that would be if I wasn't doing the job he wanted. He didn't have to fire me; he'd just have to accept my resignation. He kept that letter until a luncheon at Acheson's home the day he left the Presidency. Mr. Truman and I were talking and I said, "You look pretty sober." He said, "John, I was just standing here thinking...you know, four hours ago, I could

have said ten words and in fifteen minutes, it would be quoted in every part of the world. Right now, I can talk thirty minutes and nobody gives a damn. Just then they announced luncheon, and with that he reached into his pocket and said, "I won't need this anymore," and I had my letter of resignation back.

Well, it was that kind of relationship; it wasn't any of this buddy stuff, or that sort of thing. I was just down there to do a job for him and, if I couldn't do it, I was ready to get right out. I wasn't seeking a job or anything of the sort. I had a wonderful job back in St. Louis, if I could get back to it.

INTERVIEWER: Did your discussions with him, then, range beyond financial matters?

SECRETARY SNYDER: Oh, yes, but I'm not trying to say that I was an influence over him. However, we talked over everything. Mrs. Truman would join us many times and we'd talk about various problems and personnel, and I would help him move people around many times. If somebody just didn't fit, he would say do something about it, and I'd find a way to do it without its falling back on him. And, he had a few Cabinet problems that I was able to, quietly in the background, work around on things. He would try things out on me, whether I knew anything about it or not, just to see what my reaction would be as a citizen. And, then, because of these various things that we'd work out together, he knew my mental processes to solve problems. So, I feel like I was of considerable value to him by having someone he could unload on whenever he wanted to...and know that it wouldn't get out of hand.

INTERVIEWER: Were there people who, knowing of this relationship, tried to work through you to get to Truman and have influence with Truman?

SECRETARY SNYDER: It wasn't necessary...I mean, are you talking about Cabinet members or what?

INTERVIEWER: Say, any interest groups or people outside the government?

SECRETARY SNYDER: I've got eight large boxes of correspondence in my files...yes, they'd write me pages and columns. "You MUST get Mr. Truman to see this or see

that.” Well I just took that in stride and, if it was worthwhile, I’d talk with him about it. And, if he wanted it looked into further, we’d get the right person to do it. Oh, yes, that’s only natural, but Mr. Truman never denied access to his Cabinet members. Any time you said, “I want to come in to see you,” you got to see him. People are always asking me the question: “Did some of the Cabinet members try to arrange for you to help them get in?” No, because it wasn’t necessary. Even those that had begun to lose his confidence...if they wanted to go to see him, he’d see them. Henry Wallace, when the President fired him, he called him over there and said, “Yes, I think it’s time we had a talk.” If that answers your question.

INTERVIEWER: Let’s move into discussion of the policy process, beginning with inter-departmental relations on some of the issues that you raised. Specifically, what was the relationship between the Treasury and the other Cabinet departments?

SECRETARY SNYDER: Most cooperative. I don’t know of a single Cabinet member, except, probably, Bob Hannegan [Postmaster General], who didn’t like my conservatism. He was a New Dealer-type and he wanted to do this, that and the other, and I said, “The President’s got eight or ten liberal people around him...can’t he have one conservative?” He would often say, “You have a way of arguing with him about things that you can persuade him with.” I would reply, “I can’t persuade him to do anything.” He said, “Well, it just looks like he’ll listen to you more than anybody else,” which wasn’t true, of course. He wanted to be Number One, and Truman did not have that kind of confidence in him, and it irritated him considerably. But, that’s the only one I know. With the rest of them, I couldn’t ask for a better relationship with any of them, and we had splendid cooperation...the whole Cabinet.

INTERVIEWER: What about as an institution...was the Treasury considered along, say, with the State Department, above the other Cabinet level departments?

SECRETARY SNYDER: Naturally, Defense, State and Treasury were the three top ones during that time. The State Department because of the various international operations and our dealings

with our enemies and with our allies that were diplomatic matters that required a great deal of intimate relationship between the President and the Secretary of State. The same holds true with our huge army that we had scattered all over the world. We had to pull them together and get them reorganized. We had to see that the countries that we had overcome were properly policed and, therefore, the Secretary of Defense had a great deal to discuss until Mr. Truman in 1947 reorganized the Defense Department. It used to be the two departments, the Army and the Navy, while Air Force was in the Army Air Corps...it was called. And, then, of course, with this sudden catapulting the United States into a financial peer of all nations, because we had money and were in good economic shape and we had less strain on our natural resources than the other countries...our allies, and, of course, President Truman, after he had returned from Potsdam, he had me take a group over and take a look at what the devastation of Germany and France was likely to create a demand on us for assistance, what we were going to do. Tremendous mountains of supplies, surplus that was left on the ground. So, the Treasury got into the financial side of it and had to work with the Defense and State Departments about what the call on us might be.

So, those three and, of course, always the Attorney General, [who] was called in from the legal side, although I will say that Mr. Truman never had an Attorney General who quite ranked in his mind with the three top ones [Cabinet officers] I’ve just mentioned. Of course, now I didn’t mean that Commerce didn’t have a big part. Agriculture was important, getting their agriculture revitalized. Labor. If you ask about the ones that were depended on in the larger load, it was the three departments, State, Treasury and Defense.

As you know, the ranking of the departments is based on the time they were admitted into the government. The State Department was number one, Treasury Department was number two and Defense was number three. So, we were ranked in seating at the Cabinet by the President, but as you can see the actual workload was in that order too. Right after World War II, those were the

central things that would [attract] the President's attention more...he would require the cooperation and work of those three together.

INTERVIEWER: But, his personal relationships with Dean Acheson and the Secretary of Defense were not as close as his relationship with you?

SECRETARY SNYDER: Well, they didn't have the background or long acquaintance; he had never known them. General Marshall, until Truman went over to see him one time to offer his military services, had never known him. You see, he and I were colonels in the Reserve Corps, and that's what got it started. I was made Division Commander on a Paper Exercise in the Presidio in San Francisco. It was called "The Defense of the West Coast Against the Yellow Peril." We went out there and made plans on paper for bringing armies in and setting them up and defending against a yellow peril attack. But, the Navy and the Army took us high ranking officers in and unloaded on us the facts of life. And, of course, it just shocked me to learn about what Japan had built up in its huge navy...their air force, their whole war system was a shock. Their airplanes didn't have all the instruments and the equipment and everything that ours did...just so it would get off the ground and follow the leader. And, that's all it was...and if they told the pilot to dive down with his bombs and hit a ship...that was an order. It was entirely different from our system. Kamikaze was a new tactic for me.

I came back to St. Louis and made a beeline up to Washington, and told Mr. Truman and Jesse Jones. Mr. Jones said "I don't think we're ever going to get tangled up with Japan and I don't think we're ever going to get into a war. Well, all of a sudden, July 4, 1940 (it was 1939 that I went out to Yellow Peril), he asked me to come down to Washington. He said, "Now, look, John, you know all that has been happening over in the War and Defense Department. We're getting called on more and more for loans for business to manufacture things to be shipped to the allies, and the Boards of Directors are not wanting to take that expenditure in capital investment on if the war gets over tomorrow, and they'd be

caught with all these extra facilities, etc. I want you to come down here and get us acquainted with the brass over in War and Navy so we will know who to talk with when we get these requests for financing a plant or for raw materials or for capital investments, etc." He said "We just want you to stay down here for three or four weeks, and help us get acquainted."

So, I was going to have a nice three weeks visit to Washington. Jesse Jones and I were going to have some big parties; we were going to have admirals and generals over and we were going to get acquainted with them.

"So, come on now," my wife said, "you'll get down there and never know when to come home." "Well," I said, "I'll get back just as quick as I can." As it turned, my job lasted four years.

We set up all of those parties and all of a sudden, why, we were in great need of mechanical lathes, and automatic lathes, so we found out we had about two million dollars' worth on a wharf in Hoboken that had been sold to the French before the French had collapsed. So, the War Department wanted to get hold of them and send them to some of our plants. So, Mr. Jones came in and said, "How can we get possession of these lathes? Let's find out."

I went to the French Embassy and asked the French Ambassador if the French wanted to sell a bunch of their equipment that they couldn't use. Well, he had never thought about that. I said, "Find out and see if you can pass title on them to us." He said, "I don't know who to go to because there is Free France and then Vichy France." They didn't know who was what, don't you see?

Well, anyway, he said we'll take a chance. So, then I went to my friends, the Ladish Lathe Manufacturers, and asked about the lathes in New York. He said, "They're wonderful lathes except their motors are wound for different phases for the French than they are or us." I said, "Does that make them absolutely worthless for us?" No, he thought something could be done, so he called his engineer in and asked what would have to be done to the motors. He said, "All you have to do is to take the motors out and strip them and rewind it to the phase that we use

here in the United States.” And, I said, “Is that a tremendously difficult job?” He said, “It’s slow, but it can be done.”

In about three weeks’ time, we owned those machines and we had these experts from all these machine crews up there. [They] set up shop and rewound those motors. Well, that just touched off Jesse Jones. In a short time, I was head of the Defense Plant Corporation [which] financed plants in which to build materials for defense and war. As I said, my three weeks lasted four years.

INTERVIEWER: Did the other Cabinet members perceive you as having a special status on the Cabinet, compared with themselves?

SECRETARY SNYDER: I always consulted with them about everything. I wouldn’t let anything happen that affected them that they were not informed by Mr. Truman and Cabinet....you know I could debate just to show that I didn’t have any inside track or anything of that sort. You see, they all believed I did have; even though I tried not to let it come to the surface. I was always on their side in helping them with the President.

INTERVIEWER: What about with regard to the institutional power of the Treasury as a department?

SECRETARY SNYDER: Well, it was tremendously powerful in getting tax bills passed and all the things that we were operating there, issuing money and taking care of the deficit. For your information though, during my six and a half years as Secretary of the Treasury, Mr. Truman and I went up until the last six months taking in more money than we spent. It was only the last six months of his term that we had to go into deficit financing. Well, yes, I was pretty busy doing those things. No question about it...vital.

INTERVIEWER: In initiating policies and programs, were your relations with other Cabinet Secretaries formal or did you do this on an informal basis.

SECRETARY SNYDER: I didn’t know how to be formal with them; they were Jim, John and Bill, and we’d sit down and talk it over together. I would say that it was informal. There was never any stiff back formality about it. With some of the underlings, why they might get their backhair up and say,

“Well, what do you know about this diplomatic matter? What do you know about these special designs?” and so forth. Well, that didn’t bother me one iota. I had a friendship with the top man that was always just tops and unbiased.

INTERVIEWER: In the Cabinet and in other inter-governmental meetings in which you participated, did the Treasury’s views on non-financial matters prevail at all?

SECRETARY SNYDER: Oh, we had many battles won and battles lost -- on procedures, though, not on principles so much as just on how to handle it and so forth. No, I would say that I’d lose a battle every now and then; there wasn’t any sure shot that...Frankly, it had its way, but the President was marvelous. The man who created *U.S. News and World Report*, David Lawrence, had *open sesame* with FDR, and so FDR was just wonderful. Truman wasn’t that way and so he [Lawrence] didn’t care much for Truman. But, lucky for me, he did like me and we used to go down and spend weekends at his place and talk about what we could do with the Nation’s problems. He got so that he’d come over to the Treasury and, one day he was sitting there when he said, “John, I’m going to tell you something that will probably knock your eyes out.” He said, “You know if you will give Harry Truman all the facts, he’ll damn near come up with the right answer.” Now, wasn’t that interesting? That’s exactly what Truman used to do. Often, he would take a document home with him at night and, when it would come in the next morning, it would just be scratched up from start to finish. He put himself into studying his bills; he didn’t sign them just because somebody said so. And, I didn’t ever let our debates get into an open argument in the Cabinet meetings. But he and I...sometimes I would sit for nearly two hours with him while he swam in the White House pool, or we would go up to his study and continue our discussions. One topic was about the steel mill procedures. I was dead set against taking them over, because I didn’t think such action would hold up in the courts. But, someone told him it would. He was so damn mad at the steel mills. Because they were causing a problem in a time of distress, he went along with it. So, a lost battle, but he said in his book that he had more trouble with me

as far as arguing with him was concerned, but once we settled it, he had no concern about my cooperation. It was never on a matter of principle, but on matters of procedure.

Let's take Marshall, for instance. How many times he used to say to me, "Look, John, you run the money end of it and I'll run the State Department."

Take Dean Acheson...Mr. Truman thought Dean was a distant sort of fellow. But, Dean was a remarkable man. He had a strong British background, but he and President Truman trusted each other; read his book and you can see how he respected him. But, Dean wasn't over at the house many times. He couldn't have walked in the White House and gone up to Mr. Truman's bedroom, with no one questioning him, because he just wouldn't have done it.

Mr. Truman had the greatest respect also for General Marshall. He trusted him and you'd say they were close friends. Mr. Truman and I used to go down and spend Sunday with them and that's about as close as anything. And, with me to Marshall, I was "Snyder;" he never called me "John" or anything else. I had a birthday and I didn't know how he found out about it, but he called [my daughter] Drucie [Snyder Horton] and said "The Secretary is going to have a birthday, and I'd like to send him something." And, she said, "General, you're not going to send him anything. Why don't you and Mrs. Marshall come out to dinner and we'll just have a birthday dinner." And, do you know, that afternoon, he sent a cake that had been baked over there in the Army – a big birthday cake. It was that kind of warmth, and yet it was not the same kind of friendship Truman and I had, and that Truman had with him. Although there was a deep-rooted trust and respect, you see. [Drucie Snyder Horton, a graduate of GW, was active in civic and cultural affairs in Washington and did volunteer work at several private schools (1947-1984). She was a close friend of Margaret Truman's.]

INTERVIEWER: How were your relations with the committee chairmen in Congress with whom you dealt? Were they formal or informal?

SECRETARY SNYDER: I spent 35 or 40 percent of my time up on the Hill. I would go to the chairmen of the committees as I was planning to bring up a bill, maybe five or six months in the future...I would go as far ahead as possible, telling them what I was planning to do and asking their advice, and so by the time the bill got up there, I had friends that were helping me in the committees, and they got it in there. There were many people and many chairmen of various committees that the Treasury had to deal with. Sam Rayburn was one of my very closest friends. [Congressman Sam Rayburn of Texas served from 1912 to his death in 1961. Mr. Rayburn was elected Speaker of the House three separate times, serving a total of 17 years.] Muley Doughton of the House Ways and Means Committee was one of my closet friends. [Texas Senator] Tom Connally was another and [Oklahoma Senator] Bob Kerr, just to name a few. My work with the Congress went along fine; I was always highly pleased with the results I could get by letting them know well ahead of time what was coming up.

INTERVIEWER: Did you socialize with any members of Congress?

SECRETARY SNYDER: Oh, yes. I would go up there for lunch with them frequently and, of course, met and talked with many of them at the various Washington official and social functions.

One instance was an example of the unusual. When I was at Vanderbilt, I was in the theatrical club and, whenever a company would come to town, if there was a sickness or a dropout, they'd come out to our club at Vanderbilt and ask us to get substitutes. Russell Rose and I were usually the ones they sent. George Arliss came to Nashville once, so we found ourselves down at the theatre filling in as spear bearers. We met the most lovely young lady...a little British girl, who took us in and introduced us to George Arliss. This little girl and I got to be good friends while she was in town. I took her out to dinner once or twice.

Years went by, Champ Clark's wife had died and sometime later, he invited me to go to dinner with him and his prospective new bride. She turned out to be the little girl I had met in the Nashville theatre. So you see, just amazing things happen, being at

the crossroad at the right time. [Champ Clark was a Congressman from Missouri who served as Speaker of the House of Representatives from 1911 to 1919.]

INTERVIEWER: How about specific examples of Treasury's involvement outside financial matters, say, in housing and employment policies?

SECRETARY SNYDER: Fortunately, the Treasury didn't have so much inter-agency trouble. It was in the OWMR where I had the battles about housing...about the controls. The progressives over there, the dreamers, wanted to control everything, and they didn't want to give up any control, for in their opinion, if you'd give up one single control, the whole economy would collapse. But, I insisted "You can't do it that way when things come into supply, you have to find a way to help the free market to reopen." We had built up a tremendous reserve of savings bonds, and everyone was ready to jump in and buy something that they had not been able to get. Because of the war, you hadn't been able to buy an automobile or a house in three or four years. The workmen in house building had changed because they had gone in to the building of factories and the building of bridges and the building of other war necessities. And, here we came back all of a sudden, and we had to realize that to switch back from a wartime economy to a peace time economy was not so simple. In the lumber business, for instance, you had to start in the forest; the way they cut the timber had a great deal of difference as to whether it was going in to building ships, heavy construction and that sort of thing. It was in the way that they felled the tree, the way they selected the timber. It was the way they sawed up the timber after they got it to the sawmill. Then, on top of that, when you got the lumber to the site, you had to have the right workmen who could fabricate the house. We'd lost the trained men in the war...we'd lost the journeymen; we'd lost the plumbers and the electricians. It was necessary to build that supply back up to where it could meet the demand.

To try to accomplish the magic of housing control, they brought in the Mayor of Louisville, Wilson Wyatt, to become the czar of house building. And, I said that it was all right, and he could have a free hand. I went

to President Truman and said, "Now, Mr. President, they want to do a great house building job. They want to build 50,000 houses in a year; it can't be done, but I don't want to stand in the way of it. I want you to take housing out of OWMR and put it in the hands of Mr. Wyatt, and give him a free hand in running it." The President did this immediately.

First, they drew up a questionnaire and sent it to every soldier out of the service: Would he like to have a house? Do you want a two-story house? How many bathrooms do you want? Do you want electricity? Well, they got them back by the thousands and, so, built up a real demand.

To help the plan work, *Fortune Magazine* printed one of the most glamorous feature stories on what was to happen in housing. They drew floor plans, made water color pictures of interiors and exteriors and they took those colored pictures and said that the United States Government was going to build all these houses for the returning veterans.

I repeated to the President that it could not be done. But, I did not want to stand in the way of it.

Unfortunately, it was the biggest bust you ever saw. Largely because of those very things most needed were not in supply. The pieces most needed weren't there; it was like having a [jigsaw] puzzle with dozens of the major pieces missing.

INTERVIEWER: About Treasury's role in employment policy, say the Employment Act of 1946?

SECRETARY SNYDER: Well, if you're talking about the minimum wage and all that sort of thing, we could always take the position that we considered reasonable. But, when some of the economists in OWMR came out with an estimate of 8 million unemployment, well, I just wouldn't believe that, and Max Gardner, who was at the Treasury at that time and was Cabinet Advisor to OWMR, agreed with me. But I was up in Boston making a speech when the office released it for publication. I caught hell over it. As it turned out, we never had over 3-1/2 million, but I caught the blame there and the papers accused me of putting that

out in order to pass the Full Employment Bill up in Congress.

I had problems of that character but, generally speaking, we got along pretty well.

INTERVIEWER: What were the Treasury's relationships with the smaller agencies, such as the Federal Trade Commission and the Interstate Commerce Commission?

SECRETARY SNYDER: It was casual because we had no occasion to see them. It was a rarity that they would ever bring a problem to us. Our relations, as I said, were more or less casual.

INTERVIEWER: What were the Treasury's relationships with the Council of Economic Advisors and the Federal Reserve Board?

SECRETARY SNYDER: With the Federal Reserve Board, you almost have to know the interdependence of the Treasury and the Fed. The Fed does a vast amount of chores, I'll say, for the Treasury. They distribute all the currency and coins; they distribute all bills; they distribute all the government bonds and assist in marketing new issues. They keep track of the required balances of the banks. We're so dependent on them in so many ways that the Fed and the Treasury must get along.

The only real problem I ever had was that one of the officials promised me and Senator Maybank that, while I had an eye operation, we would hold a *status quo* in market operations. The day I had my eyes operated on, the Fed removed support of the Government bond market. Well, we soon got it straightened out with the Accord that I'd authorized my Treasury staff to work out with the Fed. The gentleman who had forgotten what he'd promised resigned. President Truman quickly put a new man in. There has always been harmony since. Right now, [Paul] Volcker, Fed Chairman [August 1979 - August 1987], is one of my good friends. I gave a dinner party for him when he came in. [William McChesney] Martin and [Arthur] Burns [Federal Reserve Board Chairmen] have always been treasured friends. [Marriner] Eccles [Chairman 1934-1948] and I ... I have a letter from Eccles with an assurance that he could always rely on me living up to what I'd agreed on.

INTERVIEWER: You said that the Treasury was dependent on the Fed. Was there any way in which the Fed was dependent upon the Treasury?

SECRETARY SNYDER: Well, yes, because the two have to manage the money market. The Fed is only one phase, the Treasury has a lot to do with managing the money and determining the interest rates and that sort of thing; the President has a lot to do with it in working out legislation that will keep the economy in balance. And, it takes all those different tools. The President has got to hold back on all excess spending or you're going to have deficit financing which is inflationary which throws the burden on the Fed for its part of it, as well as the Treasury on its part of issuing new issues. So, you see, they are interdependent on each other in so many ways, but then on top of that, because of their big organization, the Treasury uses the Fed tremendously.

INTERVIEWER: What about the relationships of the Treasury with the Council of Economic Advisors?

SECRETARY SNYDER: Well, the Council of Economic Advisors is a planning group; they are not an operational group at all. They study the economy, the ethics, the markets, the gross national production and all that sort of thing.

While the Council of Economic Advisors was concerned primarily with the problems of unemployment and economic depression, the job of the three-man council was to help the Administration decide what the government should do to help the nation's economy function smoothly. President Truman elected to have the Council work very closely with the Bureau of the Budget. The two Chairmen of the Council of Economic Advisors during the Truman Administration was first, Dr. Edwin G. Nourse, and then, later, Leon H. Keyserling. The Treasury worked with both very cooperatively through the Bureau of the Budget. Dr. Nourse came from the Brookings Institution and had spent many years teaching economics in the Middle West. [Edwin Nourse was an agricultural economist who helped to develop the field. He served as the first Chairman of the CEA from 1946 to 1949.] Leon Keyserling [the second Chairman of the CEA, 1949-1953, he helped to draft

much of the Fair Deal legislation] was a product of the New Deal, a Harvard law graduate, and came to Washington through connections with Senator Robert Wagner of New York. [Democratic Senator from 1927 to 1949] They were both qualified men, but they differed greatly in point of view. My principal disagreement with Keyserling in later years was his continual counsel with the President to the effect that the government could go much deeper into deficit financing from year to year in order to finance social measures. However, Keyserling built up quite a reputation. He and I were good friends. As a matter of fact, I received a letter just about three months ago, stating how warmly he respected my views and how invaluable I was to Truman, and all about the merits of the plan of mine, the Truman Scholarship foundation. He felt it to be of tremendous value in bringing better people into the government.

INTERVIEWER: So, your personal relationships at the time with him were good?

SECRETARY SNYDER: We would discuss a bill or something of that sort and, of course, I would usually express my views, and if anything developed that I thought was inappropriate, I just got word to the President to keep his eye on it.

INTERVIEWER: You and he must have had some basic disagreements on policy?

SECRETARY SNYDER: Oh, yes, but we never really got into a fight or anything.

INTERVIEWER: Would you characterize the fundamental philosophical and policy differences between yourself and [Leon] Keyserling?

SECRETARY SNYDER: Well, one thing I remember: he kept telling the President that we could stand a debt much bigger than I thought proper. I believed in balanced budgets and I demonstrated it, because I had three balanced budgets right after the war, and I kept getting more money in. Of course, Korea came along and threw that out of gear. He kept saying the volume of the Gross National Product and all this, that and the other would let us go higher and higher in our deficit financing and in raising our government debt. That, I just didn't agree with.

INTERVIEWER: Was there a formal meeting each week between the three economic policy agencies, Treasury, Economic Advisers and the Fed?

SECRETARY SNYDER: No, he had a little group that used to get together to talk over things. I don't know how frequently they met, but it was just for trying out ideas. It wasn't an official meeting in so far as I knew.

INTERVIEWER: So, the three agencies had no regular formal meetings?

SECRETARY SNYDER: No regular ones. When the occasion arose, we'd get together or the President would have us in.

INTERVIEWER: But, didn't you see the need for it...for regular formal meetings of the three agencies?

SECRETARY SNYDER: No, they were planners and they presented the plan to the President, who would call others in and they'd say what they thought of it.

INTERVIEWER: Did the Commerce and Labor Departments have any formal official voices in economic policy making?

SECRETARY SNYDER: Labor, to a certain extent, was always pushing for higher wages and things of that sort. Commerce took an effective role in the economy. They had Harriman [Secretary of Commerce, 1947-1948] and Sawyer [Secretary, 1948-1953]. Both of them had been Ambassadors. [Charles] Sawyer had been Ambassador to Belgium and [Averell] Harriman had been Ambassador to Russia and London. Charley Sawyer had been Lieutenant Governor of Ohio, and so they were men of background and were able to stand their ground very well and did a good job.

INTERVIEWER: But, were there no formal economic policy meetings among these agencies?

SECRETARY SNYDER: No, we started that, because [Secretary of the Navy] Forrestal and I thought it would be nice for the Cabinet group to have luncheons occasionally to try to take a burden off the President by going over current national problems. But, the staff around the President said, "Oh, they are building a cabal, you see," so we dropped the idea.

I had another plan that every Tuesday I would take over to see the President eight or ten top businessmen, always with a labor leader included, and he got the biggest lift out of it. It allowed him to talk to the head of General Motors, IBM, all leaders of standing. He enjoyed it thoroughly. [Long-term Philadelphia Congressman] Bill Green would come and sit with us. But, some of the White House staff would say, "That's no good. Word will get out that you've fallen for big business, and that sort of thing." He talked to me about it and I said let's drop it...it will be your loss, but you're the one who has to decide about the politics and, if you think it might not be wise, let's drop it. Well, he said, "Let's just drop it." But, he always regretted it because he got so much out of it, and the businessmen found out what a real person he was, and he found out that they were pretty concerned people about what the country was doing.

INTERVIEWER: How would you characterize your relationship with Clark Clifford? [Advisor to President Harry Truman and subsequent Democratic Presidents. Served as White House Counsel, 1946-1950 and as Secretary of Defense 1968-1969.]

SECRETARY SNYDER: I knew Clark Clifford back in St. Louis. He was with a law firm there and I had known him well. We were in the same social group. He came to Washington as Assistant Naval Aide to [James K.] Vardaman [Jr., a Captain in the U.S. Navy in World War II] and, when Vardaman went over to the Fed [served as Governor on the Federal Reserve Board 1946-1958], [Clifford] moved into Vardaman's place as the Naval Aide to the President. He resigned from that post when Sam Rosenman resigned as Counsel to the President. [Samuel Rosenman was the first White House Counsel (October 1943-February 1946), working for both FDR and Harry Truman. He wrote speeches for FDR for many years and coined the phrase "New Deal"]. Clifford eased into that position [in February 1946] and stayed there until the election in 1948. He didn't believe that Truman could get elected and, when he did get elected, Clifford decided to go into law practice here, so he resigned. But, he's done extremely well. As a lawyer, he has been most successful. Clifford and I worked together very cooperatively while I was

Secretary of the Treasury, and we have continued as friends up to date.

INTERVIEWER: Again, with regard to the Council of Economic Advisers, was there harmony or difficulties in implementing the Economic Stabilization Act of 1946?

SECRETARY SNYDER: Between what?

INTERVIEWER: Treasury and the Council of Economic Advisers?

SECRETARY SNYDER: They were planners and so, if they'd present a plan to the President, then he'd have others to express their views on the plan.

INTERVIEWER: How often did the Treasury raise new policy ideas and were new ideas for the Treasury...how did they gain acceptance?

SECRETARY SNYDER: I guess what you're meaning, there largely would be policies about the financing of the debt. That was just constant. We were in a continual conference with the Ways and Means Committee and the Finance Committee staffs. We were always taking plans over to the President to discuss, and when they got to a point where they were shaped up...where action was going to be taken, the President brought the matter up with the Cabinet and got views of the Cabinet on procedures. "What do you think about this?" or "Will you run into trouble on that?" As to rate making and the issue of long-term and short-term issues, that was not a Cabinet conference matter. It was largely for us to get together with the Fed and with the bankers.

I had monthly meetings with the bankers who came down to advise me on what the banks could absorb or what the market could absorb, and what the rates would have to be before we would put out a new issue on government paper. There are four different types: there's the bill, which is one year or less. They usually put it out for three, six or nine to twelve months. There are the notes that mature up to five years. And, then, there's the bond, which is for longer periods, and the savings bond.

Well, on those matters, we were in constant consultation with the Fed and the banks and the market, as well as the President, as to

what was the proper thing to do. Will the market stand a long-term bond now? Better stick to bills this time. Because every week we had a roll-over...some became due and then, when there was a shortage through the over-spending and deficit financing, we had to add to the outstanding volume, and all those things had to be checked with people that were involved in policy making. It was an everyday affair. You were making new policies or changing policies, adjusting policies and finance. The question as to whether to sell savings bonds or not, that was largely with the Businessmen's Association as to whether they'd support us in selling bonds to their employees. They would be called in; there was no real reason for us to talk with the Attorney General about anything or the Labor Department, although we used to do it...with the Employment Deduction Plan we'd usually clear that...they'd have no objection to us doing that because it affected their labor dealings. Did I answer that, or do you have another angle?

INTERVIEWER: In terms of the Treasury's relations with the other Cabinet departments and the launching of new policies and new ideas, how did the Treasury's rate of success and rate of innovation compare with other Cabinet departments?

SECRETARY SNYDER: Well, they are so different. You see, the rest of the Cabinet had nothing in common to compare, unless you bring up a policy that I haven't touched on here. We just can't compare a function of another department's policy as to how it would work for the Treasury. And, what the Treasury did rarely would fit nowhere but the Treasury. If we missed it, why the Treasury came up short. If we made a wrong guess or didn't do something just right, we might get a lot of talk, that we were running rates up and we couldn't build houses or cars. We'd get all that criticism, and we'd have to work with it. Because those were policies we were daily working with and with whom-ever was affected by it. These problems are largely incomparable, one department with another.

INTERVIEWER: Getting back to Congressional relations...you were talking about your personal relations with the Committee members after you became Treasury Secretary. What was your

impression of what the Treasury's relations with Congress had been like before you became Secretary and did you have to work to change those?

SECRETARY SNYDER: No, FDR was pretty savvy on that and he kept the White House liaison active up there. No, he was very good on that. We didn't have any real problems with breaking in a new idea.

INTERVIEWER: Were there any issues which arose between you and the Congress that tended to chill relations between...?

SECRETARY SNYDER: There was the Internal Revenue Reorganization bill, where we took their patronage away from them. They were very upset over that. Otherwise, I recall no unusual issues.

While I would say they were upset against that specific Treasury action, well, I'll tell you something as an example. They got pretty upset over it as they were going to lose one of their favorite collectors. Somebody, a faulty collector, went to Senator George who had been one of my very closest friends, because of Max Gardner and because of Bob Woodruff. [Mr. Woodruff ran Coca Cola for over 62 years, amassed a fortune, financed the campaigns of Georgia Congressmen and Senators and helped to combat poverty in Georgia] Woodruff practically financed Senator George's campaigns. [Senator Walter George of Georgia served in the U.S. Senate from 1922 to 1957] Bob Woodruff still is one of my very good friends. But, anyway, this collector went to George and told him about the goings on that were supposed to be occurring in connection with the placement of the new offices under the reorganization.

George got up and just took me to task very strongly about it on the floor of the Senate. Frankly, I was shocked and I sat down and wrote to him. I said, "Dear Senator, In all my years in public life, I have never been so embarrassed, humiliated, and deeply hurt as I was to read what you said about me, which things were absolutely untrue." And, I said, "You're not that kind of a man, and if you'd do that without talking to me about it, I want you to know it's hurt me to the core, and I have told Evelyn [Mrs. Snyder] that this is the most crushing thing that has ever happened to me in my public life." Do you

know that he got up on the floor the next day and apologized. He said he'd been misinformed and he'd learned a lesson and, whenever he was given anything of that sort he was going to have it checked thoroughly. So, we went right on being very good friends. But, it took a little give on both sides to do it.

INTERVIEWER: Did Senator Joseph McCarthy and the era of McCarthyism have an impact on the Treasury Department? [Republican Senator from Wisconsin (1946-1957). McCarthy first gained prominence in 1950 with an address charging that U.S. foreign policy failures were due to Communist infiltration into the U.S. Government. He claimed he had a list of Communists who worked in the State Department. As Chairman of the Senate Subcommittee on Investigations he was considered to have unjustly damaged the reputation of many witnesses. His conduct during the televised Army-McCarthy hearings resulted in his censure by the United States Senate,]

SECRETARY SNYDER: No, because we didn't have much communism in the Treasury when I arrived. When I went into the Treasury, there were six people who were supposed to have connections. But, that takes hours to talk about because here we were, partners with Russia. FDR was sending word around – "help the Russians any way you can. We want them to help us relieve the pressure on our Western Front. If they'll take the Japanese off our backs in the East, and so forth, it will be easier for our troops on the Western Front," and that went down through the organization. The Secretary would say, "Oh, we've got to help the Russians." And, then, the next man and it goes on down. There were six names that the FBI sent to the Treasury that were supposed to be involved in Communism. I got rid of four of them in no time at all. One of them declared his innocence and transferred to the Commerce Department, and the last time I heard of him, he was still there...and they hadn't found him guilty yet. There was one man, who had an unhappy personality, a Jewish chap...brilliant as the devil, very valuable in the monetary field, particularly in foreign currency. He went before four hearings and just stood up and denied any guilt and told the truth. Finally,

he came to see me and said, "Mr. Secretary, I want to tell you, you have been kind to me. If I were in your place, I would have fired me when I was called up the second time, and I'm not going to humiliate and embarrass you anymore. I'm going to resign."

I said that "I think you're being considerate; it is embarrassing, you know it is, you see it in the papers. I have great confidence in the work that you've been doing, but I feel, for everyone concerned, I should accept your resignation." I helped him get a job, though, with some organization in New York, and he went up there in the export business, and was doing very well until McCarthy found him and called him in again and started to hammer him. So, he finally said, I'm going to take the Fifth and stop this. Apparently, that was all they wanted, as they called that a confession. They never tried him. He went on back to work, and the last I heard, he was still there.

That's about the only thing that ever touched me in the Treasury. It was more difficult in the Agriculture Department and the State Department -- those were the ones that really got the McCarthy treatment.

INTERVIEWER: Was Harry Dexter White in the Department when you became Secretary?

SECRETARY SNYDER: No, he had already left.

[Harry Dexter White came to Treasury in 1934. He served as the first Director of the Division of Monetary Research (1938-1945). He became a chief advisor to Secretary Henry Morgenthau. He served as an Assistant Secretary from January 24, 1945 to May 1, 1946. Mr. White was one of the major architects of the Bretton Woods system and with John Maynard Keynes wrote the Charters of the IMF and World Bank. Harry Dexter White was appointed America's first Executive Director of the IMF and left the Treasury on May 1, 1946. Harry Dexter White died on August 16, 1948. Claims that Mr. White was a Soviet spy have been debated for years.]

INTERVIEWER: So, the effect of McCarthyism on the Treasury Department . . .

SECRETARY SNYDER: None, as far as I'm concerned. If you go back, you'll see that the Treasury was not involved after I got there.

INTERVIEWER: On other Congressional matters, who took initiative in important legislation, Congress or the Treasury?

SECRETARY SNYDER: Well, it all depends on what it was. Now, if it was a matter that the President had, if it was an Administration matter that was going on, why that was all laid out. We'd have a meeting with the President, and he'd say we'd like each of you to help in your fashion on the Hill. You see so-and-so, and you see so-and-so, and yes, we'd all pitch in. But, it was largely whose department it affected. But, the White House liaison representative would be told to get up there and fight.

INTERVIEWER: How about actual bill drafting on taxes and fiscal matters...Was this done by Treasury staff?

SECRETARY SNYDER: Well, yes, Treasury and the Ways and Means Committee and the Finance Committee [drafted the bill]. Most tax matters originate in the House Ways and Means Committee, but we brought up many bills of our own. We always went up and worked them out with the Ways and Means Committee. It's a deathblow to get them against you. We had very close relations with the staff. It was a rarity if somebody wanted a Customs, for instance, might want to change customs' rates; we'd have to work around and bring Customs into it, shippers, importers, and exporters, and things of that sort. So, it was largely as to what the matters were as to how they were handled.

INTERVIEWER: On the important tax and fiscal bills, was there a pattern? Did the Treasury draft the bill and then go to the Hill, or had the Hill already drafted its own legislation?

SECRETARY SNYDER: You get together and try to blend them, but normally the Treasury would go down and tell the Ways and Means Committee what their problems were for that year, what the prospects or deficit financing were going to be, and if there was going to be a surplus, what could

be done about it to cut taxes. It was very cooperative.

INTERVIEWER: Did you or the Treasury Department have to lobby on the Hill beyond Ways and Means to get support?

SECRETARY SNYDER: Oh, yes; after you once got it out of Committee, you had to get everyone with influence to back you up.

INTERVIEWER: Was Executive Branch lobbying then as acceptable as it is today?

SECRETARY SNYDER: Oh, yes.

INTERVIEWER: Any particular techniques?

SECRETARY SNYDER: No, just trying to tell them or persuade them to believe that it was the thing to do...there might be a little horse-trading sometimes: if you do this for me, I'll do this for you.

INTERVIEWER: What kind of "pork-barrel" legislation and policies did the Treasury have?

SECRETARY SNYDER: Now, that was within the Congress itself. We wouldn't be involved in anything like that.

INTERVIEWER: Do you think the Treasury's relations with Congress have changed since you left office?

SECRETARY SNYDER: Well, they got pretty bad under Nixon and they are trying to get along with Carter. Carter came down here with the idea that he could run things without asking anybody about matters. But, I think he's gone a long way now with improving relations.

INTERVIEWER: What was your impression of John Connally as Secretary of the Treasury? [John Connally was a Democratic politician from Texas who later switched to the Republican Party and supported President Richard Nixon. John Connally began his career as an aide to General Dwight Eisenhower before transferring to the Pacific Theater in World War II; He became an aide to Senator Lyndon Johnson. President Johnson appointed Connally Secretary of the Navy. John Connally was elected Governor of Texas (1963-1969) and as Governor was riding in the motorcade when President and Mrs. Kennedy visited Texas on November 22, 1963. John Connally was seriously

wounded in the shooting which killed the President. John Connally was appointed Secretary of the Treasury by President Nixon and served from February 1971 to June 1972. As Secretary he oversaw the removal of the United States dollar from gold and its new role in a floating rate international economic system.]

SECRETARY SNYDER: He was not a good Secretary. He can charm the whiskers off a cat. I love to hear him talk. And, I've known him for many years. He came up here with LBJ as an assistant. He's been a very able politician up until he deserted his Party, and they could never forgive him for that. He was Governor twice and had had awfully good backing. But when he went with Nixon...

INTERVIEWER: Have there been any outstanding Secretaries of the Treasury since the Truman Administration? Or, have there been any other outstanding Secretaries?

SECRETARY SNYDER: Well, it's just been a continuation of deficit financing. We haven't had but one balanced budget...second year, I think. I was the last one who ever paid anything on the debt. From Eisenhower's time on, the debt has just grown and grown. However, that was not always the fault of the Secretary. Yes, we have had some fine Secretaries.

INTERVIEWER: Let's talk about the policy process in terms of the relationships among the bureaus within the Treasury itself. How would you characterize the general relations among Treasury bureaus; were they cooperative?

SECRETARY SNYDER: Well, the different agencies are so unlike. What has Customs got to cooperation with? What has Internal Revenue? Their functions are so different.

INTERVIEWER: The functions are too disparate?

SECRETARY SNYDER: Yes, that's right.

INTERVIEWER: How about policy coordination within?

SECRETARY SNYDER: There's a great Treasury spirit that runs through the years. Being a Treasury man made you a member of the lodge. I think they're so disparate that there isn't a matter of cooperating or

anything -- although there might be a little here and a little there. But, as a whole, the Treasury has a great corporate unity.

INTERVIEWER: Did you formulate policies with them [the bureaus] on both [an] informal and formal basis or was it all informal?

SECRETARY SNYDER: Most generally on an informal basis.

INTERVIEWER: We were talking about formulating policy.

SECRETARY SNYDER: Well, maybe. Of course, there would be a bill or a policy that was built up in one of the agencies that they thought was important. Then, they brought it to the Secretary and to the General Counsel, and we would go over it. And, if it seemed to fit in with everything, then we worked with them to get it in proper context. But, then, of course, it also worked the other way. If we thought that something should be done, well, we worked up an idea and asked them to take hold of it and see what they could make out of it.

INTERVIEWER: Can you estimate how often you met with all the bureau heads as a group?

SECRETARY SNYDER: Rarely. Unless it was some big occasion...social. There was no need for it. There was no objective there, and people were working too hard to take up their time, when there was no end result.

INTERVIEWER: Did major changes in bill policy, say as related to Customs, have to be passed through you and reviewed by you?

SECRETARY SNYDER: Absolutely.

INTERVIEWER: What control did you have in the selection of [bureau] heads and in the Assistant Secretary of the Treasury?

SECRETARY SNYDER: I was never given anyone that I hadn't recommended...let's put it that way. They were always my recommendations. I made a woman Treasurer for the first time in history.

INTERVIEWER: That's an interesting point, given the fact that the post of Treasurer of the United States has always been regarded as a highly partisan, political position. How is a person nominated and selected in terms of the political machinery for that position?

SECRETARY SNYDER: Well, you see, when I arrived, there was Treasurer Julian, who had been there through FDR's time. [William Julian served from 1933 to 1949.] He was always a favorite son of Ohio at the convention...and then that was just a routine procedure. He was nominated and, then, he came on back in as Treasurer. Here they had no real responsibilities. They made speeches. They went around. They had no real responsibility that wasn't taken care of by a staff. They'd assign certain things to the Treasurer. It was purely political. When Julian was killed [in an automobile accident in May 1949], why I just decided that it would be a good time to put a woman in, and I cooperated with the political setup of the Democratic Party organization and obtained five names from them, from which I selected Georgia Neese Clark, whom I knew. Her father owned three banks and she inherited them. [Ms. Clark gave up a stage career to go home to run her father's banks.] I knew she would know something about the language anyway, and she could put up a good act in making speeches and so forth. So, I put her in and we've always had a woman there ever since. Treasurer Clark was given quite a number of responsibilities and performed very well.

INTERVIEWER: Were you directly accessible to bureau heads?

SECRETARY SNYDER: Absolutely. They had access anytime they wanted to see me. There was no question if they wanted to get in to see me. That's why I told you about that initial opening meeting that I had with them, every one of them, and I talked with them and gave them the key to the door.

INTERVIEWER: So, bureau heads were not autonomous in their operations?

SECRETARY SNYDER: Oh, no!

INTERVIEWER: You mentioned that you visited all the bureaus at the beginning of your term.

SECRETARY SNYDER: No, no. I scattered that out. I had them all in one after another, at the beginning of my tenure. Then, it was up to them, and conditions, if they wanted to see me. But, the gate was always open to them. My visiting them went right up to the last year. I remember the last

year. I must have had large groups – among them Engraving and Printing people, one of the warmest and most delightful occupations. I had kept that up at all times.

INTERVIEWER: Let's move into Departmental management and personnel in some more detail below the level of the bureau heads. When you entered office, what was the opinion in the Department and what was your impression of its general overall management when you first took over?

SECRETARY SNYDER: Well, it was not well coordinated. You see, we'd...Vinson had gone over there [to Treasury] and had been there nine months. He'd devoted most of his time to external affairs; he'd done very little to become involved in the general operation of the Treasury. His Under Secretary, O. Max Gardner, really ran the Treasury. There was a great many things that had to be done in reorganizations and things of that nature. Of course, Max Gardner tried to do a great number of things. He was a very able administrator. He was able to keep things moving along. But, so far as the Secretary's involvement, why things were largely done without getting him too much involved. It might be mentioned to him or something of that sort. He was up to his ears in the new World Bank setup and organization.

INTERVIEWER: What were the principal problems with the Department's management when you took over?

SECRETARY SNYDER: Personnel, building up morale. Changing the tempo of the work – like in Internal Revenue, when all of a sudden we were just a huge operation without the proper personnel to do the work. That was true nearly all around; we didn't have the top-grade personnel in the lesser jobs, because they'd been scattered due to the draft and because many of them, like Customs and the Coast Guard had completely changed in nature during the war. The Coast Guard went up to 385 enlisted men and dropped back to 80, so that required a complete reorganization there, and Customs had to start to go from doing practically nothing to a tremendous re-establishment of trade and tourism.

And, then when we got out of the Volstead Act [brought in Prohibition which lasted from

January 1930 to December 1933], the work of law enforcement stretched over to drugs and things of that sort, so that you had to get completely new training in. We had a Department [Bureau] of Narcotics, you know, in the Treasury as long as I was there, and the Bureau had to work very closely with Customs. I want to mention, too, that I think that the Treasury contributed as largely or more largely to effectively combat crime than any department in Washington because we were called on from so many different angles. You know the story that [Al] Capone went to jail for breaking the income tax [law], not for any of his killing people or drugs or bootlegging, and all that sort of thing. And, we combatted this problem of black-market money. While I was there, we cut the issues of bills down to 500 dollar size. At one time, we had \$10,000 to \$20,000 certificates. We just cut them back so as to make it more difficult in black-market transactions on huge scales, as it would take larger bundles of money for the big deals.

INTERVIEWER: Despite the work of the Hoover Commission, was improved government management a prominent public topic in the late 40s and early 50s? [Hoover Commission studied the organization and operation of the Executive Branch of the Federal Government - and recommended changes from 1947 to 1949.]

SECRETARY SNYDER: We started in the Treasury early. We were way out ahead. You see, President Hoover happened to be a friend of mine back in World War I, because I met him in Europe when he was over there on the Food Commission. So with others, I got Mr. Truman to invite him in on the food situation in Europe. Mr. Truman made him the food man. So, later, after his taking over of the Hoover Commission, he asked me to be on the Hoover Committee and be in charge of Ohio. [Mr. Snyder returned too late from a trip abroad to serve.] I gave a schedule to you already. I showed you how we cooperated with the Hoover work. We were number one to him. We were way ahead at all times. We had either already done it or were ready to do it.

INTERVIEWER: You hired a number of consultants for studies of management of the Department. What was your personal

input into the changes that were finally made?

SECRETARY SNYDER: Well, I would sit and talk to them seven hours at a time. I wanted to get the job done. I wanted to build up good relationships; I wanted to increase the workflow. I would say that the amount of time I spent on it was considerable.

INTERVIEWER: How would you characterize your relations with the Under Secretary and the Assistant Secretaries?

SECRETARY SNYDER: I had a letter from Lee Wiggins recently, and my secretary said "Why, that's almost a love letter." That was just how wonderfully we got along together. All of them...I don't know how any single one...they were all most cooperative ... friends, we were real friends.

INTERVIEWER: Were any of them...those who might be characterized as political hacks or were they all highly competent?

SECRETARY SNYDER: No, we had fine people in the top spots in the Treasury. There were no political hacks...except, with the Internal Revenue, we had troubles there. And, we finally got that straightened out.

INTERVIEWER: How great was the input of the Under Secretary and the Assistant Secretaries in the policy process?

SECRETARY SNYDER: I would ask for their counsel on things and for suggestions. Will this work? Will that work? What are the weak spots in this? Where will we run into difficulties in implementing this? Always, I got excellent studies. They would go out and seek advice. I know every one of them would. I was pleased with their work.

INTERVIEWER: How did the policy process operate within the Department? Was this through formal or informal means?

SECRETARY SNYDER: Very informal. We would sometime have three or four; sometimes one and sometimes, I'd bring in five or six.

INTERVIEWER: And, your top staff had direct and easy access?

SECRETARY SNYDER: Oh, yes.

INTERVIEWER: Did the Under Secretary or Assistant Secretaries suggest any major policy changes?

SECRETARY SNYDER: Oh, many times. Take [Assistant Secretary John S.] Graham – he had the Coast Guard and the Mint and Engraving and Printing. He was always coming in with ideas where we could improve this, that or the other. [Mr. Graham served from 1948 to 1953.] Ed Foley was one of the bright boys who came down in the very beginning. He was involved in the early Treasury work, and then he went into the Army as finance officer, and then came back as Assistant Secretary. Later, I made him Under Secretary, when Wiggins left. [Lee Wiggins served from 1947 to 1948.] [Edward Foley was appointed General Counsel of the Treasury Department in 1937 and left in 1942 to join the Army. He served in the Italian theater during World War II. He was appointed Assistant Secretary (1946-1948) and then Under Secretary (1948-1953.)]

INTERVIEWER: Were the personalities and styles of Gardner, Foley and Wiggins different from yours and, if so, how did those personality differences affect the policy process?

SECRETARY SNYDER: No, we had a community spirit there. I got Mr. Truman to name [O. Max] Gardner to the Court of St. James. His work in the Treasury was superb. And, with [Lee] Wiggins, I get letters today from him regularly. He always refers to how much he had enjoyed being in the Treasury, and how much he deeply appreciated the trust and confidence I put in him...and this is 30 years later.

INTERVIEWER: How about your relationships with Assistant Secretaries Graham, Martin and Andrew Overby? [Andrew Overby was an Assistant to the Secretary, 1947-1948, and served as Assistant Secretary, 1952-1957.]

SECRETARY SNYDER: I borrowed Andy from the Federal Reserve Bank in New York, and he never went back. He went from me over to the World Bank. Today, he's one of my very close friends.

Martin's father [William McChesney Martin, Sr, was the President of the Federal

Reserve Bank of St Louis from 1929 to 1941.] and I were friends in St. Louis. Martin's father was the [third] head of the St. Louis branch of the Federal Reserve. Young Martin had been made head of the New York Stock Exchange, following the Whitney blow-up. [Richard Whitney the President of the New York Stock Exchange, 1930-1935, was convicted of embezzlement and went to Sing Sing Prison from 1938 to 1941. The New York District Attorney who prosecuted the case was Thomas E. Dewey.] Then when the war came on, he went as a finance officer into the Army; he wanted to get out of it after the war. So, we got him released and put him in charge of the Export-Import Bank, and then as soon as he cooled off over there, I brought him over to the Treasury as Assistant Secretary (1949-1951). Then, I got Mr. Truman to make him head of the Fed (1951-1970). You can't have any closer relationship than that.

John Graham was one of the dearest, finest young men I ever knew. Just trusted him with everything; he was just a top young fellow.

INTERVIEWER: Did they have different styles from you?

SECRETARY SNYDER: Maybe...well, yes. But, that didn't keep us from working things out. They had their own training and you must remember most of them were pretty highly educated. You know that I never had had an education, so you might find there would be a difference; I had experience which helped match their education probably; I don't know. But, we got along all right.

INTERVIEWER: I'll mention another name, then, Fiscal Assistant Secretary Edward F. Bartelt. [Mr. Bartelt served 1945-1955.]

SECRETARY SNYDER: There was one of the finest chaps, too; I just trusted him wholly; he had a brilliant financial mind. He's the one who helped work out the Accord with the Fed.

INTERVIEWER: Were there any formal executive development programs in the Treasury?

SECRETARY SNYDER: What do you mean by that?

INTERVIEWER: Well, formally trained people to train the higher level people.

SECRETARY SNYDER: Other than that, the work simplification program; yes, we were always trying to give people the chance to grow and work out plans.

INTERVIEWER: But, nothing like the current programs of the Civil Service Commission?

SECRETARY SNYDER: No, this recent program was developed by the new Civil Service Director, when he came into government under President Carter.

INTERVIEWER: What programs did you have that tended to simplify government operations?

SECRETARY SNYDER: Yes, we had one particular accomplishment of which we were very proud, and one that could not have been undertaken under any other circumstances. The time that James Webb was in Budget [Director of the Bureau of the Budget 1946-1949 later appointed Administrator of NASA from 1961 to 1968; led JFK's all important Moon Landing Program], and my friend from North Carolina, Lindsay Warren, was running the GAO [Comptroller General 1940-1954], we got together and decided to work out a uniform accounting system for the entire government. It was just the greatest thing in the world. It used to take from three to six months to get a consolidated report on employment or on cost, or on any feature of government. Now, we can do it in three days. It used to be that, if a new department was set up, all they had to do was take any accounting system and say that this is what we want to use, and it was approved. We just had about five or six hundred different sets of books (accounting systems) and now we've got them all uniform.

When I left the Treasury, I got a receipt from George Humphrey, my successor, for the Treasury. We even re-counted the gold in Fort Knox; we arranged for a committee to come in and went over everything. In the copy of the paper *International Finance Towards the Stable World*, we were trying to work the operations of the Treasury. Those things are all ... you asked what did I do...you can see from the report and

supplementing data of the participation of the United States Treasury during the Truman Administration.

INTERVIEWER: Those are all going into the Truman Library?

SECRETARY SNYDER: Well, eventually. I've got, for your information, as much as 87 linear feet of records already over there; that's a lot of material, isn't it?

INTERVIEWER: What was your view of the career civil servant?

SECRETARY SNYDER: Mixed ... there were some of them who were just tops, and others that were just simply there for clock-watching. There's one thing I used to check on very carefully: how much excess leave and sick leave did this person have. And, if his record showed none, I said, "Oh, they are just living it up just as fast as they go and, therefore, they were clock-watchers and were just taking every advantage possible. They really weren't keenly interested."

Then on the other hand, there were those that had too big a reserve; I always wanted to look at them too...did they have something they were trying to cover up? I'll tell you why that happened. When I was a youngster in a bank, a chap had come into the bank after high school and had worked his way up through every department (this was a little bank). He was cashier of the bank. And, everyone trusted him with the world. And, then, all of a sudden, the bank examiners did a thing that they'd never done. They'd usually come in the afternoon after the bank had closed. They've always run the deposits and the savings accounts, and then come in the morning and take the general books. This time they were in a rush, and so, after checking the checking and savings accounts, they then ran up the general ledger and they were out close to \$50,000. So, the chief examiner called me at home and asked me to come down, and he told me that we had a peculiar situation. I said, "Let's go through it and we'll see what it was." I noticed a figure that was practically what they were off on the general ledger, and I said, "Wait a minute, look at this...this is the same figure." So, I said, "I think we'd better check this out." The young man that I just mentioned had come all the

way up in the bank to be cashier and he asked permission to keep the general ledger, so he could keep up on things and he could watch the bank grow. Well, the examiners called him down. When he came in the bank, he said, "What are you doing down here at night?" He was told that they wanted to ask him if he knew of any irregularities on the balance sheet, and with that, he said, "I haven't a damn thing to say..." He shut up. Well, they found what it was. He, as it turned out, was paying drafts of a cotton buyer, and the cotton buyer got deeper and deeper in his overdraft and couldn't cover. So, it ran up to nearly \$50,000. What he was doing was juggling the control sheet of the deposit accounts with the control sheet of the balance of the books, and then in the morning when he went in, he would add it to the deposit account control sheet and take it off the other. He had gone through two examinations. It was caught because the examiners just happened to be in a hurry that particular time.

Well, it was having experiences like that ...oh, I went into the First National Bank in St. Louis, and I set up a ruling there that everybody had to take a vacation every year of two weeks. They had to submit their requests to the cashier and have it approved and they had to go on schedule. Another person from another department would come over and take their places. And, we saved ourselves many problems that way. Because the first fellow, I described, would never take a vacation. Make them take their vacations and you removed a temptation. Well, excuse me ... let's go on.

INTERVIEWER: Did you have any preconceived views about civil servants before you got into the government?

SECRETARY SNYDER: Yes, I did. I just started observing at the wrong place. After World War I, the government set up the Veterans' Bureau. It was peopled heavily with patronage appointments. Its headquarters was located just across the street from the RFC. I would go over there to see a friend of mine. I used to say to him, "You surely didn't select any of these people," and he said, "I don't know what to do with them." But, he was the one who told me they were always a way behind in their sick

leave, and then they'd quit, and there was no way for the VA to collect. So, I thought that was a mighty strange way to run an office. I began to check into it, and found that, generally speaking, the RFC and the Treasury had a better checking system. So, I kind of had my fingers crossed...on Civil Service, if that answers your question.

INTERVIEWER: Once you got in and had experience with civil servant employees, did you experience a change?

SECRETARY SNYDER: After the Treasury?

INTERVIEWER: Yes.

SECRETARY SNYDER: Yes, because we did something about it; we put in that work simplification turnout.

INTERVIEWER: How professional were the employees in your view compared with employees in the private sector?

SECRETARY SNYDER: In the Finance Department, they were excellent; in some of the others, not so good.

INTERVIEWER: Was that a fault of the Protection of Tenure? So, you couldn't fire them?

SECRETARY SNYDER: Yes, to some extent. We couldn't fire them. If we tried to fire them, we would run into trouble.

When World War II was over, I was in OWMR, and so I told "Mr. T." that we had many agencies that were created for the war; their work was done. If we gave them time, they were going to establish themselves in some man-made work, and go on and on. "What should we do about it?" He said "Get rid of them." And, I said May I have Sam Rosenman and make a committee of Sam and me (Sam Rosenman was the first White House Counsel; he was asked by President Truman to remain in that position) to thin out the agencies whose war work was completed. He agreed.

So, Sam and I sat down, and found that there was one, two, three that had finished their jobs. So, we wrote the heads and asked them to come in. We told them that they had done a splendid job, and we were highly pleased with it and commended them, but it was time for them to close up their offices. Do you know, that before we could

turn around and get settled, we'd get a call from a Congressman ... "You can't do that. Why, that man is one of my protégés, and I'm not going to have him thrown out. We've got work for that agency." Well, after that had happened about five times, I said, "Sam, what are we going to do?" I asked him "How tough are you?" He said, "I'll be as tough as you are." So, I said "I'll tell you what we'll do; let's look these over, let's issue an Executive Order signed by the President that the agency has been discontinued as of August 3; whatever remains in the agency will be transferred to a regular department for wind-up. And, we'll call him in and hand it to him with the President's signature." He said, "Well, you are tough; and I said, "Well, you said you'll be as tough as I am." He said, "Well, let's try it." We closed 40 agencies that way, and did we catch hell for it on the Hill. But, that was before I got to the Treasury; that was over at OWMR. But, you had to do it; it was the only way you could get the agencies closed down.

INTERVIEWER: What was the input of Departmental personnel, career personnel, especially the senior civil servants and the bureau heads, in terms of policy making?

SECRETARY SNYDER: When called on, excellent. When you give them a guideline and what you're after...very good.

INTERVIEWER: Did you have much influence over what the Hoover Commission recommended for the Treasury?

SECRETARY SNYDER: Yes, a great deal, because we'd done most of it already. And, we would meet with them and, if it looked good, we'd say "yes, we agree with you on that." If it didn't, we would just try to talk them out of doing it. And, because of our record, they'd usually accept it because we'd done it. I would say that that went for about two-thirds of what they had on their agenda for us to do.

INTERVIEWER: What about the Hoover Commission's recommendations for other agencies? Did you have any input?

SECRETARY SNYDER: No, I didn't.

INTERVIEWER: On August 2, 1950, you created an Assistant Secretary for Administration [originally titled Administrative

Assistant Secretary] under [the President's] Reorganization Plan No. 26 of 1950. [Treasury Orders Relating to Organization and Procedure, No. 122] This, I gather from reading those notes ended up in the Hoover Commission's Report or in their recommendations, but was this something you recommended to them that they then recommended to you?

SECRETARY SNYDER: We did that ourselves when I moved Mr. Overby, the man that I was going to give that job to, over to the World Bank. So, I used him over there for relationships between the Treasury and the World Bank. But, I had other problems of getting good men. The Republicans had begun to give us a pretty rough go there and people up in that level got to thinking it was a short-time job, because usually it was the procedure that, when a new President came in, he could pretty well clean house and bring his own people in within a few months or a year. So, after knowing there was only two more years to go, there was just no one with the caliber I wanted that would be interested.

INTERVIEWER: Is that why it took so long to get the post in the first place?

SECRETARY SNYDER: No, I don't know about that. We might have gotten it earlier; nobody thought Mr. Truman was going to be elected in 1948 and then after we got past that hump, we got things running pretty smoothly and I came along with this idea of expanding the executive a little and then it cropped back up again. For the type of people I wanted, you'd have to get them to quit good jobs.

INTERVIEWER: Did the Treasury see a need in the late 40s and early 50s to hire more women and minorities? Especially for higher management?

SECRETARY SNYDER: There was a lot of talk about it, but we went on and got the best employees we could; we didn't pay much attention as to whether they were men, women or minorities.

INTERVIEWER: So, it was pretty much an "old boy" network?

SECRETARY SNYDER: No, no, I didn't mean that. I thought you meant just go out and hire a woman because she was a

woman. We just filled the jobs with good people from the promotions and applications, and things of that sort. It was pretty hard to hire someone from the outside who didn't have any government record. That's what I thought you were talking about.

If a person [who] qualified for an opening was a woman, well, fine...I always had a reputation of looking for good distribution and, fortunately, we were in good shape. We've got about 50/50 now with no control whatever; it just turns out that way in our scholarship program we've got about 50% men and 50% women.

INTERVIEWER: Did you make any recommendations so that the Department would increase high level management for minorities and women?

SECRETARY SNYDER: No.

INTERVIEWER: Was the Civil Service Commission responsive to Treasury personnel management needs?

SECRETARY SNYDER: Generally, yes, because we gave good jobs and they had continuity and the Civil Service was happy to give us good people.

INTERVIEWER: In your day, Treasury had a lot of its own examining power, didn't it?

SECRETARY SNYDER: Not in the Civil Service area. We did...what you're thinking about now were the collectors down in Internal Revenue. They didn't have to pass any examinations or anything. And, lots of times, there were cases where some of them would bring in some of the people as assistants and things of that sort.

INTERVIEWER: In those days, did the Bureau of the Budget set ceilings...employment ceilings, and did they try to control the number of people on board? Who controlled you in terms of the numbers of people you could hire and where you could put them?

SECRETARY SNYDER: The truth of the matter is, with this work simplification program, I had cut our employment from 110,000 down to 92,000, and I was awfully proud of it. And, I went up to Congress with my budget...I always went up with the budget. I didn't send it through an assistant.

I'd do it myself for the first hearing and turn it over to the staff for the final examination. I probably told them what I'd been able to do by increasing the value of the employees and the value of their work at the same time. I had been able to bring the total number down by taking care of everything through our work simplification program. I was leaning over to get patted on the back when...what do you think..."No wonder we can't get jobs down at the Treasury!" was the retort. My heart was broken. So far as putting any ceilings on it, it was just the opposite. And, within two years, Secretary Humphrey had it up to 125,000.

INTERVIEWER: Did you ever have any dealings with the National Civil Service League?

SECRETARY SNYDER: No.

INTERVIEWER: What is your attitude towards having top management officials as career civil servants versus having them as political appointees?

SECRETARY SNYDER: I would say, have them grow in capacity rather than bring them in from the outside. Because, you don't know, you can't always rely on the type of examination that they'd been given...coming in brand new.

INTERVIEWER: So, you're for a strong career system in the Civil Service?

SECRETARY SNYDER: Yes, I am, because it's one way of assuring continuity.

INTERVIEWER: But, that doesn't make good employees?

SECRETARY SNYDER: Well, some of them are going to be that way, and some of them are not. You've got to depend on trying to make it interesting for them and let them know you're watching them.

INTERVIEWER: You put Personnel in the Office of the Secretary. What was the management role of the [Office of] Personnel in the Treasury? Especially, the role of Personnel in the budget process? Did the Personnel department in the Treasury have any managerial advisory role or did they get involved in budget in terms of escalating workloads?

SECRETARY SNYDER: Yes, each agency head worked up his own requirements and, with one of the Assistant Secretaries, would have it carefully gone through with one of our top personnel people. We ran a pretty close check on it in the Treasury.

INTERVIEWER: Did you regard the personnel people as part of management or basically as clerks?

SECRETARY SNYDER: As part of management. I wanted them to feel that they had a responsibility.

INTERVIEWER: Were they capable of pulling that off?

SECRETARY SNYDER: Oh, yes. The ones I had were excellent. The fact was that the four people I had in that area all went to big corporations after I left.

INTERVIEWER: Except they didn't stay career civil servants?

SECRETARY SNYDER: No, but they had been up to that point. When I left, they just didn't want to stay. I took it as a compliment that they enjoyed their work with me, but didn't want to risk what would come next.

INTERVIEWER: Some questions on monetary policy: Do you feel that the monetary crisis of the 1970s were handled as well as the monetary crisis of the 1940s, or do you feel...?

SECRETARY SNYDER: No, wait a minute...in 1940, we were in [a] war.

INTERVIEWER: Well, let's say, the late 40s?

SECRETARY SNYDER: The International Monetary Fund started in 1946; you see, the war was over in 1945. So, it would be 1946 before we began to get into that area. Yes, I think we did a better job than they are doing now.

INTERVIEWER: Specifically?

SECRETARY SNYDER: Look at the deficits that are piling up here and the number of people employed, and it starts up at Congress. Just think, when I came down here in 1940 to set up the Defense Plant Corporation, we had one Senate Office Building; we had one and were building the second House of Representatives Building.

Mr. Truman, as Senator, had nine people in his office; Symington, when he went out last year had 42. And, I don't think they were turning out nearly as good a job as we were turning out after the war. Does that answer your question?

INTERVIEWER: Were the international monetary problems today more pressing than the matter of international trade during your tenure as Secretary?

SECRETARY SNYDER: You're mixing things up. Number one: The monetary problems of the countries were largely worked out in the Monetary Fund and in the World Bank. Now, the World Bank makes loans for building up a country's capacity for utilizing their raw products, their natural resources, to build a railroad that will bring food and raw materials to the port, to build shipyards, if they are finding it difficult to ship their products coastwise. All those things were carefully studied out, and the money was advanced. It was worthwhile. In the Monetary Fund, the problem was to adjust the balance of payments in case of a crop failure, a flood, a bad year or something of that sort. They would loan the member country money in order for them to meet their balance of payments for goods brought in. So, that took somewhat of a load off the individual monetary policy, external...foreign, as you say...on the Treasury because we could usually route that sort of problem through the Monetary Fund or the World Bank.

But, we had our own things that we were doing that were apart from the World Bank or the Monetary Fund in which there was a direct relationship of the United States with foreign countries. And, I think we did a better job because, in the Treasury, we had some very fine people whom we had trained to go and study the country to see if they were capable of using the money they wanted to borrow profitably. And, now, we've just allowed the private sector of banking to move out and make loans in foreign countries indiscriminately and excessively. Yes, I think we did a better job.

INTERVIEWER: What do you think is going to happen when countries like Mexico and others start defaulting on their obligations?

SECRETARY SNYDER: We'll have another New York City [Loan Guarantee case] if somebody doesn't come through. And New York City's problems are not over now. But, we did guarantee their loans so as to keep them rolling for a while. If they don't get on their feet and tighten up, the time's coming when those loans are due and when the government is called to pay them, then you're going to have a genuine problem of taking over and having the government run cities. And, I think that we made a very sad error when FDR did this; he told the cities do not worry; let him take over the tax collecting and he would give back the funds and so forth. The trouble with that was he would give it back for political purposes and it has since been that way, and a lot of the states have surrendered taxing power and didn't have to. We were still solvent enough that they were able to go along without coming to the government for money. And, they were being penalized for those that didn't. And that's not good in my opinion.

INTERVIEWER: Did you recommend the creation of a special position for monetary affairs, which is now under the Under Secretary for Monetary Affairs?

SECRETARY SNYDER: Well, I didn't set up any particular position, I don't think. That came along fairly recently. I think again of all those Under Secretaries, [Assistant] Secretaries and all that sort of thing. No, I don't recall setting up any specific department for that. Although I had...that was the job Martin was handling. He was kind of just overseeing it; the staff was working it up. [Secretary Snyder did not set up a special position for monetary affairs, but he did modernize the duties of the three major offices established in 1938 by Secretary Morgenthau (Research and Statistics, Tax Research, and Monetary Research) in 1947 so they could meet the challenges of the postwar world. On December 14, 1950, Secretary Snyder established the Division of Foreign Assets Control by Treasury Order 128.]

INTERVIEWER: The follow-up on this question which I'm not sure will come out...is, if you made such a recommendation, why was the idea turned down and never implemented?

SECRETARY SNYDER: I just don't remember ever making it.

INTERVIEWER: Are there any differences in Treasury policy when bankers are Secretary of the Treasury, as compared with economists or Connally politicians?

SECRETARY SNYDER: Yes, I think. Well, let's not say bankers per se, but a man with some banking experience. [Treasury Secretary Andrew] Mellon, for instance, was never a banker per se, but he was in things that were doing banking business. And, he did a good job, except he was entirely too tough. I remember going to see him one time when I was trying to save a bank in St. Louis. It was one of our outlying banks, and the downtown banks felt, if that bank went under, that it would just bring a flood of withdrawals. So, they asked me to come to Washington to see what I could do.

The Comptroller of the Currency was opposed...wouldn't even talk to me about it. "Oh, no," he said, "You'll have to talk to the Secretary." I said, "All right, let me go see him." He said, "Do you know him?" I said I'd never met him. I said, "Do you want me to get a request from..." and he said, "Oh, no, no, I just wanted to know if you knew him. I'll call him and see if he'll see you." So, I went in to Secretary Mellon. He was in the same office that I later served in. I walked in and he said, "I want you to tell me...you're from out in St. Louis, where people are pretty sound thinkers about practical matters." He then asked me if I saw why they wouldn't let him put his art gallery over in the Ellipse. I said, "It would be a beautiful place for it." He said, "They've turned me down; they said it will cut off the White House view of the Washington Monument." I wondered how I was ever going to get around to talking about the St. Louis bank.

But, I finally got to tell my story to him. He said, "John, you might as well learn early that, if we're going to straighten out this banking situation, that we've got to squeeze them dry. That statement amazed me. It was the toughest policy I'd ever heard; and he meant it. Anyway, I was able to get him to let me save that bank, provided I go back there and raise \$200,000 of new capital. I promised him and, of course, I was talking to a banker...so, we saved the bank.

Mr. Schick, I think that I shall let all of my successors tell their own stories. Each has his own successes and his own trials.

INTERVIEWER: Would you expound on your role in getting the banks to reduce their holdings of Government securities?

SECRETARY SNYDER: Well, it wasn't very difficult to do. I told you I had these bankers come in about every other month and just put it up to them. Well, let's go back to why I had all of them.

When I went in the Treasury, I called the American Bankers Association and told them that I wanted to talk with them at their next meeting. This is what I said: "Gentlemen, this is a matter of your making a decision; do you want the Treasury Department to continue to sell savings bonds or do you not? I've been hearing so much about the complaint of competition. If I continue, I want you to know that I'm going to take away all this patriotic screen and everything will be savings for savings only, to send a child to school, to buy a home, to retire on...for an economic reason and not for a patriotic reason. That will be our theme...to sell it to people for opportunities and investment. But, I want you to tell me whether you will back me up in that or whether you'd rather we'd stop. I'll do whatever your decision is. If you say you want me to discontinue it, that you will not support it, we're out. If you say that you want me to stay there on the basis that I've just named and that you will stay in there and help, then we'll continue."

It was unanimous to stay, you see; we went through the Opportunity Drive, the Minuteman Drive, and all that, and the bankers just did a get job of helping.

So, later, I went to them again, and I said, "Now, we're piling up a lot of money in banks in Treasury securities. Those are very volatile. Now, what we'd like for you to do is to help us with the payroll savings plan and help us sell savings bonds to individuals. You talk to your customers and get them to make these deductions. And you'll sell bonds to the employee and he'll save them to send his boy to school, and so forth. That will, of course, naturally put down the amount that you bankers have had to buy when we make an offer."

I want to stop the heavy holding of savings bonds in banks. I want to try to get them into the public holdings, the insurance companies, and places like that, for a permanent investment. Once they've invested in something, they'll likely hold onto it as long as it meets their needs. And, that's how I got them to do it, and they cooperated.

I guess you know, I've been proud of it. I am the only Secretary of the Treasury who has ever been given the Public Endorsement and Certificate of Honor by the American Bankers Association. Did you know that, Mr. Schick?

INTERVIEWER: Was there a public demand in the late 40s and early 50s, despite the fact of wartime, to reduce government expenditures?

SECRETARY SNYDER: We tried. President Truman did. FDR didn't have a chance because he was dead before the war was over. We tried to hold the budget down. We did ... look at the record ... seven years and taking in more than you spent. That was holding it down and not expanding it.

INTERVIEWER: Did you perceive a public groundswell from that kind of policy?

SECRETARY SNYDER: There was never any public groundswell. Because the public would usually try...the general public, you've got to realize, may be selective, but you take the general public now, that's most of the votes...will go out for most of these social things and that runs into money in a big hurry. There was a demand for all these social participations which, if we'd gone along with them all (we didn't go along with some) why it would have run up the cost. There was never any groundswell that I know of. Unless you could take one at a time. What do we have...a Congress here that just before an election raises their own salary. That's no groundswell; if the groundswelled, they'd feel it from home, wouldn't they?

INTERVIEWER: What was the most important policy recommendation you made that resulted in budget surplus?

SECRETARY SNYDER: To try to keep from cutting back on taxes; by opposing the bills to reduce taxes by our pay-as-you-go

program; to try to hold down the operating costs of the government as much as possible.

Mr. Truman was the only President who seemed to understand and know the budget. He'd have a press conference, and I'd sit on one side of him and the Budget Director on the other, and he'd bring the press in and answer their questions about it. Sent it out to them three or four days ahead of the time and let them come in and ask questions. He always had the two of us there; occasionally, I'd be called on for an answer; occasionally the Budget Director would; but, most of the time, he'd answer himself, showing he knew what each one of those figures stood for. He showed that he was trying to hold the budget from over-spending. [Budget Directors serving from 1946 to 1953 were James Webb, Frank Pace, and Frederick Lawton]

INTERVIEWER: There were several questions on the Treasury Federal Reserve Accord in 1951...specific questions. The first one is: can you briefly describe the situation that led up to the Accord?

SECRETARY SNYDER: I've already told you that yesterday.

INTERVIEWER: And the Accord was initiated by you, wasn't it?

Secretary Snyder: Right out there in bed at the hospital with my eyes all banked up with sandbags; I had cataracts removed.

INTERVIEWER: And your role in developing it was to personally get together with the head of the Federal Reserve?

SECRETARY SNYDER: For the present issue of the bonds, I promised to come out as soon as I could with a little higher rate, and we would exchange them for those in the market. From then on, we would then work on a plan together. That's all there was to it; it was just a verbal agreement. We never published it. All we said was we had an accord, and that's why they called it the "Accord."

INTERVIEWER: Did the Fed object or acquiesce in the Treasury's position or vice versa? You said it was a case of mutual...

SECRETARY SNYDER: Oh, yes, we agreed to it.

INTERVIEWER: Did this policy process affect future Treasury-Fed relations?

SECRETARY SNYDER: We got along fine; it was about two years before I got out.

INTERVIEWER: In your view, was the Accord necessary to help stabilize the economy?

SECRETARY SNYDER: It was the only way to get it done. We were reasonable people in the Treasury.

INTERVIEWER: A question occurred to me as I was looking through some of these materials. I noticed that the two and three quarter percent Treasury bills are due in two weeks, on August first and April first 1980, and I was wondering what...I assume that no one is holding those anymore.

SECRETARY SNYDER: I suspect that these were some highly discounted rates.

INTERVIEWER: So, they bought them very cheaply?

SECRETARY SNYDER: They might have, yes.

And we agreed that we would hold on until we found out the extent of the involvement because of the invasion of North Korea into South Korea.

INTERVIEWER: What had interest rates been like in the early 40s and late 30s when World War II started?

SECRETARY SNYDER: Oh, we'd let them grow...well, in the 40s, you're backing the war. [Marriner] Eccles was in on that...he and [Secretary] Morgenthau. Eccles [Chairman of the Federal Reserve Board, 1934-1948] backed that 100 percent. Up until 1945, why, less than 2 and 1/2 percent. And, it was not until after President Truman got in that we began to carefully raise the interest. And, we were letting them gradually go up. [Under Secretary] Wiggins, a banker himself, was gradually letting them rise with my approval.

INTERVIEWER: We have an 18 percent interest rate today. Are there any lessons for today?

SECRETARY SNYDER: I don't know. I just think the rates are entirely too high. Chairman Volcker is a man of great integrity

and knows that interest rates are but tools to fight inflation. He went in there to show that he was determined to try to do something about it. It hasn't worked. We're still going out and paying 15 percent for mortgages for homes. I can't justify that, but what are you going to do when it really bucks the trend?

INTERVIEWER: Was it a hard fight to get the idea of the Accord accepted or just a hard fight to get these positions?

SECRETARY SNYDER: Oh, it wasn't hard. We definitely knew we couldn't let it go on. It had to be corrected. The Fed couldn't keep raising interest rates.

INTERVIEWER: What was the fate of them after the time they were sold?

SECRETARY SNYDER: We came out with a little higher rate there and you could turn in the old ones for them. We went along with it. We didn't have any trouble.

INTERVIEWER: You described in some of the papers you gave me the Treasury's role in the development of the General Agreement on Tariffs and Trade. Are there any footnotes?

SECRETARY SNYDER: No, that was largely a matter of the Customs working with the International Trade Association. You asked if there were any footnotes, sure. I had it -- oh, here it is [locates book] -- *International Trade Organization*, and it tells how they worked it out together.

INTERVIEWER: So, there's a volume that is headed for the Treasury Library? That's a copy of what's in the Truman Library, right?

SECRETARY SNYDER: I think so, because it's a statement by Secretary Snyder on the International Trade Organization Charter before the House Committee on Foreign Affairs, May 11, 1949. Here's the Treasury position.

INTERVIEWER: What was the role...?

SECRETARY SNYDER: We cooperated. You want an answer -- yes, we cooperated.

INTERVIEWER: What about the actual policy-making prepared by the State Department? Was the Treasury active in this policy-making?

SECRETARY SNYDER: Yes, it was through the Customs [Service]. The State Department was only a partner. It was more in backing up the World Bank.

INTERVIEWER: In the Spring of 1940, the U.S. began a program of freezing all foreign assets of the United States. As part of this program, a survey was developed to measure the amount of foreign investment in the United States, and American investment abroad. The survey based on 1941 and 1943, respectively, was published and disseminated during your Administration. Did you ever see the results of those surveys?

SECRETARY SNYDER: Those were pretty sketchy. There was nothing ever publicly released, really. We closed in on some of the big ones, like the big chemicals and four or five mining operations, and there was a lot of trading off.

INTERVIEWER: The report states that this was the first time that complete information was available on the holdings of foreigners in this country and the question is why weren't these surveys pursued again? It was 20 years before another survey was done. Was it believed that policy could be made without continuous gathering of such data?

SECRETARY SNYDER: Well, the Eisenhower Administration got a wrong notion, so we began to allow banks -- and not only banks, but General Motors or IBM and many others -- to go over and invest in plants in foreign countries and, when you start doing that, you're exporting American capital and what they completely overlooked was the fact that they weren't only exporting capital, they were exporting jobs. Because, if they went over there and built these big plants, the jobs would be given to the foreigners and we'd lose jobs over here when the foreign plants began exporting to the U.S. items produced in the U.S.-owned plants. It was not a well thought out program. And, of course, they were taking full advantage of it and using cheaper labor to come and flood our market with a lot of things, and so you see, these trade agreements here began to get out of gear.

INTERVIEWER: Did the Commerce Department object to the Treasury's pursuing these surveys?

SECRETARY SNYDER: No.

INTERVIEWER: Did the Treasury Department feel that the Commerce Department sample surveys and sample estimates were sufficient for the policy?

SECRETARY SNYDER: No, they were just horse-trading, and what we were trying to find out was if there was a lot of investment over here that were Hitler investments...sort of like the black market. Of course, there was just a great deal – a lot of business in St. Louis. But, personally, I think that (I just told you) is reason that after we once got the Hitler stuff lined up, we were anxious to put some U.S. money back over there to help build up the country and forgetting about the repercussions that could come.

INTERVIEWER: How would you have controlled the multi-national corporations – the development of multi-nationals? Would you have controlled development of multi-national corporations, the American investment abroad, if you had any power?

SECRETARY SNYDER: I would have definitely tried to minimize it.

INTERVIEWER: How?

SECRETARY SNYDER: Well, we'd just have had to put a limit on the amount of export[ed] capital.

INTERVIEWER: What do you think the impact of that would have been?

SECRETARY SNYDER: I don't know. Maybe, none at all, but I would have tried it. There would have been a row from Wall Street, but that isn't the place that controls the Administration's power.

INTERVIEWER: What was the Treasury's role in the Marshall Plan?

SECRETARY SNYDER: Well, it was tremendous. The Treasury had to handle the monetary side of it. We had to help ECA go over there to the countries that we were trying to help and examine their monetary systems and see if they were going to make proper use of the money. We had to try to see to it that the countries that could contribute in some fashion did so. We would have to hold down the total cost. So, I set up a group of trained men...that's how I got associated with Georgetown University.

The Treasury didn't have any international monetary people to speak of at the time. So, if we'd get a request that a country was wanting to get some more money, why, we'd have to send someone over to find out what they were going to use it for. Did they have the capacity to use it? Could they turn it to their good and learn to improve themselves.

To do that, I had to get a course set up in international law and diplomacy and language of the country. And, Georgetown opened up classes like that for my people. So, I was grateful and, when I got out of government, they said, "We helped you, now you come over and help us." I said "What do I know about education?" President Bunn said, "Just come over and talk with me." [Father Edward Bunn was President of Georgetown University 1952-1964.] Well, I couldn't back out of that, because they really did help me when I needed it. So, I went over to help the Georgetown President. The next thing you know, I said, "We ought to build up a group of alumni." So, we spread out and got people involved from all over the United States, and called our group the Board of Regents, an impressive name. They have helped Georgetown's growth through the years.

INTERVIEWER: Was there a reason you went to Georgetown, as opposed to Johns Hopkins?

SECRETARY SNYDER: No, because it was just what I told you.

INTERVIEWER: Well, so is the School of Advanced International Studies.

SECRETARY SNYDER: Was that in existence at that time?

INTERVIEWER: Well, right after the War. I just wondered...[Georgetown's School of Foreign Service was established in 1919; SAIS was established in 1943. Both were established as schools of international relations to meet the needs of training leaders for a new postwar world.]

SECRETARY SNYDER: Well, it was Georgetown that asked me. So, I went over there. I know Father Walsh, Father Bunn and Father McGrath. [Father Walsh, a Jesuit Priest and Professor at Georgetown, founded the University's School of Foreign Service in 1919, the first school for

international relations in America.] [Father McGrath's long career included serving as Dean of the College of Arts and Sciences (1950-1957); Academic Vice President (1955-1966) and as the Executive Secretary of the Board of Regents 1970s.)]

INTERVIEWER: Did you initiate Treasury's participation in the Marshall Plan or wait until State approached you?

SECRETARY SNYDER: No, actually, the man who's most responsible for the Marshall Plan was William Clayton. [Clayton, after a long-career in the American Government, developed America's postwar foreign economic policy.] FDR sent Clayton over to Europe to study what the national economic states in Europe was going to be after the war. The report he came back with was so shocking that Dean Acheson wrote a speech touching on it and, unfortunately, chose to deliver it in Vicksburg, Mississippi. Nobody paid any attention to it. But, it was decided that it was worth another try, and, as Harvard University was offering Marshall an honorary degree, Acheson wrote his speech in which Marshall said that the United States should be prepared to help those who wanted to help themselves. Acheson advised Ernie Bevin that this was coming out in a speech at Harvard University by Secretary Marshall. [Ernest Bevin was one of the most powerful British union leaders in the first half of the 20th century. He served as Labor Minister in Winston Churchill's wartime cabinet and as Britain's Foreign Secretary after World War II, 1846-1951.] Dean Acheson advised him to read it and immediately declare it a great boon to mankind, which he [Mr. Bevin] did, saying that it was wonderful to have America willing to help. That's how it really got started.

INTERVIEWER: Formally, how did the Treasury then work on the task forces?

SECRETARY SNYDER: We had to get in and see how we were going to finance it, and we had to work with the State Department to see about what the extent was. We had to take the Clayton Report and analyze that, as to how much food and economic help it was going to take, how much know-how, how much construction work, and all that sort of thing, and try to get an estimate on what it was going to cost. The Treasury was in it up to their ears. I

would like to show you the letters from the heads of state in Europe and the ministers of finance. They were most grateful to us for coming over there and helping to work out tough problems. So, it was all working together – Treasury steps in here, and State Department there, and so on. It was all working together and President Truman would guide it.

INTERVIEWER: On the law enforcement responsibilities of the Treasury, do you feel that the Treasury's law enforcement agencies were effective?

SECRETARY SNYDER: I told you that – yes. I think they were very effective. No question about it; we did more than just control narcotics. We did more through our control of black-market operations through the Internal Revenue to tighten up on these gangsters, in curbing their activities and smuggling. We were very effective in controlling that and stopping a lot of those gangs from ruining this country with contraband and so forth. I think we did a great job.

INTERVIEWER: Was part of the effect on this of the drug control a function of the Narcotics Control...a function of the magnitude of the traffic of that time compared with now. If you had to do it now...?

SECRETARY SNYDER: We had better control of it then than they do now.

INTERVIEWER: Is that because of the administrative mechanics by which you controlled it or simply because it was a much smaller...?

SECRETARY SNYDER: Well, both.

INTERVIEWER: What are the administrative mechanics to which you attribute the effectiveness of control?

SECRETARY SNYDER: Well, the people we had working in those various departments.

INTERVIEWER: Compared with the FBI, did the Treasury take a major active role in trying to break up organized crime?

SECRETARY SNYDER: No, except through the various operations.

INTERVIEWER: Did IRS get involved in trying to get people convicted – get

organized criminals convicted after Al Capone?

SECRETARY SNYDER: Oh, yes.

INTERVIEWER: Was that your [Treasury's] idea or was that the FBI's idea or the Justice Department's idea?

SECRETARY SNYDER: Justice and FBI never offered any suggestions as to what the Treasury did because that was our own idea.

INTERVIEWER: Were the Treasury's relations with the FBI harmonious?

SECRETARY SNYDER: I would say restricted – they were always trying to get the Secret Service over to Justice.

INTERVIEWER: We didn't discuss that on tape earlier?

SECRETARY SNYDER: I thought we did.

INTERVIEWER: No, we discussed it at lunch.

SECRETARY SNYDER: Well, they were trying to get control of that type. If they had ever got the Secret Service in [into the Justice Department], they would have gone for our Internal Revenue. That's one of the finest crime control outfits in the country. So, then, it would have been our Narcotics [Bureau], our Customs [Service]. We had a marvelous setup there. We did have. I've lost track of it now. We worked up a system whereby we made arrangements with the top leaders in Europe to notify us of any big sales of jewels or gold or anything of that sort that took place over there. We were immediately on the alert for them...when they would land. We would put a stop to it.

INTERVIEWER: Didn't they have a rationale on terms of function for taking over the police-like services, especially the Secret Service?

SECRETARY SNYDER: Did who?

INTERVIEWER: The FBI.

SECRETARY SNYDER: Oh, yes. They had a great rationale for it. It was so clear that all they wanted was just to get that function over there and a lot of people said you know what they're trying to do is to get a control of the President's operation.

INTERVIEWER: How did you decide how to thwart that?

SECRETARY SNYDER: By lobbying the Congress for what we wanted...that we'd been carrying the Secret Service all the time and just pinning it on to different agencies at budget time and we wanted to give it genuine status in the budget operations, which needed Congressional recognition of the important status of this unit that was taking care of the President, protecting the President.

INTERVIEWER: How did the FBI react to your political success?

SECRETARY SNYDER: Well, they were very upset about it and they accused me of slipping up in the night and persuading the Congress to pass the bill, although we'd been having hearings for weeks. It was out in the open. But, there was actually a piece in the paper that the Treasury had slipped up there and had this passed in the night.

INTERVIEWER: Did you have any personal dealings with J. Edgar Hoover?

SECRETARY SNYDER: Yes, he and I received honorary degrees at George Washington [University] at the same time. We were friends. He invited me down there and I've had two or three speeches that I went down to deliver about law enforcement to the FBI.

INTERVIEWER: President Truman was not an admirer of J. Edgar Hoover...?

SECRETARY SNYDER: I just used a little more delicacy.

INTERVIEWER: Was there ever any types of personal retaliation or anything by Hoover?

SECRETARY SNYDER: To me or...?

INTERVIEWER: Yes. Did the Treasury ever have any relations with the CIA?

SECRETARY SNYDER: Oh, I don't know ...working arrangement or anything of that sort...that was out of our area.

INTERVIEWER: The Treasury Historical Association understands that the CIA's wartime predecessor [OSS] had an office in the Treasury Building. Do you know if that is true?

SECRETARY SNYDER: I don't know. I could find out very easily.

INTERVIEWER: I guess they want to know or they wouldn't have put the question in.

SECRETARY SNYDER: They ought to be able to find out right in the Treasury. [Information was not found.] I never was aware of it. Are there any other topics you'd like to explore?

INTERVIEWER: No, unless it's...I've read all these things... Well, those will be on file anyway...people could get access to them.

SECRETARY SNYDER: Now, I've got something to ask you. Will the record that they are going to compile be more than just your tapes? [Treasury Historical Association's Oral History program only consists of the Oral History taken with the chosen subject.]

INTERVIEWER: I gather...I don't know.t...

SECRETARY SNYDER: Because we can't possibly, when you start to answer questions, look at all of that. We can't sit here in one afternoon and put in the whole Treasury operation. We're hitting highlights of certain phases of it. Now, remember THA has told me that I can edit these tapes. I just wanted to be sure if things didn't come out the way I intended them to...the way the facts are or diplomacy, I could change them. [Secretary Snyder reviewed the transcript and made a few changes.]

INTERVIEWER: On the chiming of the clock... we'll close the interview.

NOTE

The Treasury Department Library and the Research Staff at the Truman Library assisted THA in finding three drafts of biographies of John Snyder in the Snyder Papers. None were ever published.

Boxes 92 through 102 contain background material and drafts of chapters for a biography by Charles H. Kraus prepared between 1953 and 1968.

Boxes 102 through 105 contain draft chapters of a biography by Sterling Sappery prepared between 1968 and 1974

Box 106 contains drafts of a biography written by Robert Cochran in 1977 and 1978.

Box 106 also holds two folders of material separated from other biography files. File is not described any further.

And Box 179 contains two files labeled Snyder biography – unpublished, that carry no author and appear to be for an autobiography.

ADDENDUM

Minor editing, punctuation, and editor's remarks and identification of persons mentioned in the Oral History, have been added by the Treasury Historical Association.

The Treasury Historical Association expresses its appreciation to the Treasury Department Library for providing research assistance and for giving THA access to the invaluable Treasury collection.

The 77-page unannotated transcript of THA's John Snyder Oral History has been filed since 1980 in the Treasury Department Library and in Box 179 of the John Snyder Papers in the Harry S. Truman Presidential Library, Independence, Missouri.

<https://www.trumanlibrary.gov/library/personal-papers/john-w-snyder-papers#admin>

Link to John Snyder's Oral History with Steven Hess, taken in 1967 and filed in the Truman Library.

<https://www.trumanlibrary.gov/library/oral-histories/snyder1>

Dorothy Roper Daly, a long-time Treasury Civil Servant and the first Chairwoman of THA's Oral History Committee, said of THA's choice of oral history subjects:

"We approached them because they were there in the Department at the time of a very important period in history – the Depression and World War II."

INTERVIEWER – Dr. RICHARD P. SCHICK

The late Dr. Richard P. Schick was born in Detroit Michigan. He received a B.A. in English and Mass Communications from Wayne State University, an M.A. in International Relations from the School of Advanced International Studies of the Johns Hopkins University, and a Ph.D. in Government and Politics from the University of Maryland in 1970.

Dr. Schick taught Political Science at the University of Maryland and Washington College. At the time of conducting this interview, Richard Schick was a Project Director and Principal Researcher for the National Civil Service League, one of America's oldest public interest groups, for which he consulted state and local governments on affirmative action and public sector labor relations.

While with the League, he was appointed to the U.S. Congress, Commission on the Organization of the Government of the District of Columbia, which led to the development of the District's Home Rule Charter.

Subsequently, he was a Senior Research Associate for Northwestern University's Kellogg Graduate School of Management's Public Management Program, where he was Principal Investigator for a groundbreaking U.S. Department of Labor-funded study of Federal Labor Markets.

Dr. Schick has also consulted on public employment issues for the Police Foundation and the U.S. Department of Agriculture's Office of the Inspector General.

He then worked for over 20 years as an instructional designer for computer-based health and safety training, mandated by the Labor Department's Occupational Safety and Health Administration (OSHA), for the Detroit-based automotive industry. He retired back to Washington D.C. in 2007.

Dr. Richard Schick was the co-author of *The Public Interest in Government Labor Relations*, named by Princeton University's Industrial Relations Section as "one of the outstanding books in labor relations and labor economics" of 1977, as well as several articles and book chapters on public employment issues.

BIOGRAPHY of JOHN SNYDER

John Wesley Snyder was the 54th Secretary of the Treasury serving June 25, 1946 to January 20, 1953. His selection was made more interesting by the fact that, at the time of his appointment, he had been a very close friend of Harry S. Truman for 19 years and had become the President's closest personal adviser.

John Snyder was born on June 21, 1895, in Jonesboro, Arkansas, the third of six children. His mother, Ellen Hatcher Snyder, was a homemaker; his father, Jeremiah Hartwell Snyder, owned a small patent medicine manufacturing and distribution business and was a minor inventor. John Snyder was admitted to Vanderbilt University and studied electrical engineering in 1914 -1915. But a downturn in his family's fortunes forced him to leave college after his freshman year. He worked on his uncle's farm and timber business in northeast Arkansas for the next two years.

In 1917, John Snyder enlisted in the Army Infantry when the United States entered World War I. He relates the story in his Oral History how he found and signed up for the 57th Field Artillery Brigade of the 32nd Division. He was commissioned a Second Lieutenant and was sent to serve in France in 1918, where he fought in five different sections of the Western Front, including the Second Battle of the Marne and the Argonne Forest, the final battle of the war. He was promoted to Captain and was later decorated by both the United States and France, which awarded him the Croix de Guerre. After World War I, he obtained a commission in the U.S. Army Artillery Reserve. It was at one of the Reserve's summer encampments that he first met Harry S. Truman.

John Snyder met Harry Truman at the Reserve Encampment at Fort Riley, Kansas on July 9, 1928. Both had been advanced to Reserve Colonels and commanded regiments in the same brigade. He described his immediate feelings about Harry Truman in his Oral History in the Truman Library. (p.18)

I think it's pretty clear in my mind that I immediately had a feeling that here was a man that you could like--here's a man that you would enjoy getting better acquainted with. He has something that gives you a good feeling whenever you meet him; when he shakes hands with you and looks you in the eye, there's a twinkle there, there's a grip in his hand that gives you a feeling that here is an acquaintance that I'd like to cultivate.

Mr. Snyder relates in THA's Oral History how their friendship deepened during the annual Reserve Corps summer encampments.

John Snyder married Carrie Evelyn Cook on January 5, 1920. They had one daughter, Edith (Drucie) Snyder, born on June 15, 1925.

Between 1919 and 1931, Mr. Snyder worked in several small-town banks in Arkansas and Missouri rising to the position of Cashier. Shortly after the start of the Great Depression, the bank where he worked collapsed and he was appointed its liquidator. From 1931 to 1937, the Office of the Comptroller of the Currency, the bureau of the Treasury Department that was established by Congress in 1863 to regulate national banks, hired him as a National Bank Receiver in Missouri and he began his first relationship with the Treasury Department. As a

Receiver, he experienced the ravages of the Depression as he closed, liquidated, or restructured many disaster-ridden Missouri banks.

Appointed Regional Manager (1937-1943) of the St. Louis, Missouri, Reconstruction Finance Corporation's (RFC) Loan Agency by its powerful Administrator, Jesse Jones, Mr. Snyder continued to live in St. Louis. The RFC, originally established by President Herbert Hoover in January 1932 to help combat the Depression, loaned money to banks and other financial institutions that, in turn, loaned money to farmers and businesses to stimulate the economy. In 1940, he was promoted to a second job as Special Assistant to the Board of Directors of the RFC and, as he humorously remembered in his Oral History, went to live in Washington, DC for a short stay that lasted four years, from 1940 to 1943.

Simultaneously, John Snyder, with a group of other officials, helped to set up the Defense Plant Corporation as a subsidiary of the RFC. He ran the new agency with the title of Executive Vice President and Director from 1940 to 1943. The Defense Plant Corporation operated from August 1940 to July 1945 and loaned \$9 billion to 2,300 projects in 46 states and several foreign countries to build new factories and mills that were leased to private companies which, in turn, devoted the plants to military production and provided all types of war materials.

John Snyder returned to Missouri in 1943 to serve as Vice President of the First National Bank of St. Louis. Eighteen months later, in April 1945, he was called back to Washington by the new President, Harry S. Truman, and appointed Federal Loan Administrator. This was the first time he succeeded Fred Vinson. Three months after that, in July 1945, President Truman chose Mr. Snyder to head the Office of War Mobilization and Reconversion. For the second time he succeeded Fred Vinson.

The Office of War Mobilization and Reconversion (1944-1947), known by its initials, OWMR, was a very important agency and John Snyder as its Director played a leading part in and was responsible for many of the policies and programs that supervised the conversion of the American economy from war to peace. As he stated in his Oral History: "My greatest objective was to return the wartime economy to a peacetime economy for the growth of the country." He succeeded in his objective and oversaw a reconversion that resulted in very little unemployment while hundreds of plants returned to peacetime production.

One of John Snyder's most important accomplishments while heading OWMR was his success in steering a bill through Congress that provided government insured education to veterans, a provision which later became a prominent part of the GI Bill of Rights. He was also responsible for planning a national housing program.

Despite these successes while at OWMR, John Snyder was criticized for the way he released the brakes on the economy. His handling of the steel strike in early 1946 was also criticized.

The third time that John Snyder succeeded Fred Vinson was as Secretary of the Treasury.

John Snyder opens his Oral History with the story of his appointment as Secretary of the Treasury in answer to a question at the end of the Press Conference announcing the appointment of Fred Vinson as Chief Justice of the United States Supreme Court. Years later Mr. Snyder told an interviewer for *Newsweek* that no one was more surprised than he was and that he had never discussed the idea with President Truman at all.

John Snyder's confirmation to the position of Treasury Secretary was swift, in part because he had been cleared for top level jobs only months before. He was nominated by President Truman on June 6, 1946. The Senate Committee on Finance favorably reported on his nomination on June 10 and he was confirmed by the U.S. Senate on June 11. He was sworn into office as Secretary of the Treasury on June 25.

John Snyder's appointment was met with cries of cronyism. The Secretary was often the subject of continuous criticism and bitter attacks in the press. Many of those criticizing Secretary Snyder were members of the Truman Administration, many of whom were staunch New Dealers. His conservatism and his response to union demands for wage increases led many to perceive him as anti-labor and he was accused of antagonizing a vital constituency of the New Deal. However, he proved to be a valued Cabinet member who absorbed much of the hostility aimed at the White House during the stormy post-World War II and Korean War years of 1946 to 1953.

Secretary John Snyder was wary at first of the large cost of the Marshall Plan. His mind was changed by a trip to Europe for President Truman in 1947. After that he played a key role in formulating and financing the plan to restore war-torn Europe and Japan. He participated in the rehabilitation program for the Philippines and the aid programs for Greece and Turkey of 1948. He also worked on the financial reconstruction of Germany and Japan in 1948 and 1949.

In the Truman Administration, John Snyder had no rival in budget policy. He clearly stated in his Oral History, "I believed in balanced budgets." He stood against the reduction of taxes and advised President Truman to veto the two Congressional attempts to do so. President Truman wished to pay for the Korean War by tax increases and Secretary Snyder was successful in achieving this goal.

Secretary John Snyder had six great accomplishments. He completed overseeing the conversion of a wartime economy to peacetime production in a period of rising (and at times soaring) inflation and tumultuous labor-management relations. He had a budget surplus four times in 1947, 1948, 1949, and 1951. He was the first Secretary of the Treasury since Andrew Mellon (1921-1932) to reduce the national debt [by \$5 billion] while balancing the budget. He guided the Full Employment Act of 1946, a Keynesian law that he did not fully like, through a hostile Congress. It was one of the major pieces of legislation of the postwar era. He played an active role in America's efforts to reconstruct a war-torn world. And, he assured a more impartial administration of the tax laws by reforming the IRS.

In addition, Secretary Snyder increased the efficiency of the Treasury Department, turned the reason for the purchase of U.S. Savings Bonds from patriotism to thrift, and guided legislation through Congress that reorganized and simplified government accounting systems.

A word must be said about John Snyder and the Treasury-Federal Reserve Accord of 1951. Treasury and the FED disagreed as to the role of interest rates for government securities. He and President Truman wanted low interest rates because they were concerned about maintaining a market for government bonds. The Federal Reserve favored higher interest rates believing that economic stabilization was the dominant goal of monetary policy and the stability of securities markets a secondary goal. The Accord of March 1951, which he discusses in his Oral History, ended the disagreement between the two agencies. (See Biographical Dictionary, p.344)

Treasury Historical Association

John Snyder relates in his Oral History his proudest achievement after leaving the Treasury Department. This was the establishment of the Harry S. Truman Scholarship Foundation for college juniors and seniors and graduate students who chose to pursue a career in government. He designed the program as a living memorial to President Truman. He worked on the law establishing the memorial and scholarship fund after President Truman's death on December 26, 1972, with Senator Stuart Symington of Missouri and President Truman's White House Counsel Charles S. Murphy. The law creating the Foundation was signed on January 4, 1975. The program is run by the Harry S. Truman Scholarship Foundation, an independent government agency. John Snyder was the Chairman of the Board of Trustees from January 1975 to December 1983, when he was elected Chairman-Emeritus for life.

After he left Treasury, Mr. Snyder was the President and a Director of the Overland Corporation of Toledo, Ohio, an investment company, from 1953 to 1966. He remained an advisor to the Treasury Department between 1955 and 1976. He was a Trustee of the Harry S. Truman Library and a member of the American Legion. John Snyder was an active Charter Member of the Treasury Historical Association.

John Snyder's wife, Evelyn Cook Snyder, died on May 21, 1956. He never remarried. His daughter, Drucie Snyder Horton, died on April 29, 1999. Secretary of the Treasury John Snyder died on October 8, 1985, at his home on Seabrook Island, South Carolina.

The Treasury Historical Association wishes to thank the Archivists at the Harry S. Truman Presidential Library and the executive staff of the Harry S. Truman Scholarship Foundation for their help in our research on Treasury Secretary John Snyder.

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Box List of John W. Snyder Papers held by the Harry S. Truman Presidential Library. Independence, Missouri.

<https://www.trumanlibrary.gov/library/personal-papers/john-w-snyder-papers>

Box 179 holds THA’s Oral History taken in 1980 by Dr. Richard Schick

John W. Snyder Oral History Interview. By Jerry N. Hess. November 8, 1967, pp.1-26; quotation at p.18, date at p.17. Harry S. Truman Presidential Library. Independence, Missouri.

<https://www.trumanlibrary.gov/library/oral-histories/snyder1>

John Snyder cleared up the oft repeated Battery D story.

Well, here we're going to clear up a myth that's been existent for a long time—maybe Mr. Truman and I should have corrected it earlier but we never thought it could do any harm and we just didn't go to the effort to put a stop to it, because we didn't see how it would be any damage to history, so we sort of let it go--maybe it would have been better if we had stopped it at the time. I had not known Mr. Truman prior to World War I. I had not known him nor was I with his battery during World War I -- I was not with the famous Truman Battery "D" -- he was in the 35th Division, I was in the 32nd Division. (p.16)

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