

Kennedy, Nixon and Business

Much has already been written about the quickly aborted presidency of John F. Kennedy on this 10th anniversary of his untimely death. A good deal of the retrospective comment, being calm and dispassionate, has been critical of his performance.

What goes often unmentioned in these newer assessments is that Kennedy had a practical and pragmatic side. For example, for all of his dramatic confrontations with big businessmen, he was getting along better with the business community at the end of his 1,000 days in the White House than is Richard Nixon, supposedly pro-business.

Kennedy had surrounded himself at the start with a sophisticated group of economic advisers. But he had been sensitive to Gen. Eisenhower's attempt to pin a "fiscally irresponsible" label on him, and in the early phase of his

administration moved exceedingly cautiously.

Yet, Kennedy couldn't shake an "anti-business" tag, a feeling that was heightened by his crack-down on rising steel prices in 1962, and his private observation — that found its way into print — that his father had told him that big businessmen were sons of bitches.

Kennedy quickly saw that he needed a rapprochement with the big business community. After moving against the Business Council's privileged advisory role with the government, he re-installed the Council with more power than that private club had had before; instituted the first investment tax credit; and moved in classical, pro-business ways to fight recession and reduce balance of payments deficits.

It wasn't until early 1963 that Kennedy, under the guidance of economist Walter W. Heller, resorted to expan-

sionary policies that really got the country moving again, three years after his campaign promise to do so.

By that time, the business world had begun to understand that its route to higher profits and real prosperity lay through full employment, stimulated by a tax cut and a planned deficit.

In mid-1963, the biggest businessmen in the country formed a friendly committee headed by Henry Ford II and Stuart T. Saunders, then president of the Norfolk & Western Railway Co., to lobby for a \$10 billion tax cut. Kennedy returned the favor by siding with business against some of his own advisers who had wanted to stress tax reform.

So as 1963 moved toward a close, business hostility toward Kennedy was being slowly, but not completely eroded. His Treasury Secretary from the beginning, Wall Streeter C. Douglas Dillon, provided a convenient conduit for bringing the business view-

point directly to the President.

Four days before he was cut down by a mad assassin in Dallas, Kennedy catalogued for a business audience in Tampa a list of his friendly gestures to the corporate society. It was a proper assessment, for Kennedy was actually paining his liberal friends by an excessive concern for what businessmen would think.

True enough, Kennedy never had the successes that Lyndon Johnson enjoyed, almost at once, in selling himself, as a man business could do business with. There was an immediate sense of identification between LBJ and the wheeler-dealers of the corporate establishment.

Except for a brief period when John Connally was around, businessmen have never had a channel to Nixon, who remains as much a man of mystery to business leaders as to others in American society. "I don't know any businessman who could effectively talk to Nixon unless it's Rebozo or Abplanalp — and they wouldn't because that would end their friendship," says one corporate leader.

Agnew was on occasion dispatched as an emissary to business groups, but key leaders have had a low opinion of the former Vice President. In fact, one of the reasons for business unwillingness this past summer to push for Nixon's

resignation was a total distrust of Agnew.

In assessing the crisis of leadership that increasing numbers feel is endangering the country, businessmen who would like to make their views known to the White House feel that there has been no way to do it. "I assure you," says one, "that if a businessman tried to get a private conversation with Mel Laird, he would have trouble."

Looking back on it all, key business leaders acknowledge that they had more influence with Kennedy and Johnson than they ever had with Nixon. Moreover, they know now they needlessly feared Kennedy's economics at the start, and the Nixonomics has proved to be no bed of roses for the business community.

Nixon, they feel, has been a President leading the country into massive budget deficits, rampant inflation, higher unemployment, price and wage control — and now — as we enter an energy crisis, into an economy of scarcity, reduced profits, and probable recession. All this from a man the business community considered "safe," and supported heavily with personal endorsement and heavy campaign contributions.