Oral History Interview

with

Mr. H. Struve Hensel OSD General Counsel, 1953-54

Conducted on

October 26, 1983

bу

Dr. Maurice Matloff

Office of the Secretary	of Defense 5 USC 552
Chief, RDD, ESD, WI	IS and
Date: [[APR 2013	Authority: EO 13526
Declassify:	Deny in Full:
Declassify in Part:	
Reason:	
MDR: /3-M- //,	77

OSD Historical Office The Pentagon Washington, D.C. 20301

13-M-1127

Final transcript sent to Mr. Hensel May 10, 1984

This is an oral history interview with Mr. H. Struve Hansel, held in Washington, D.C., on October 26, 1983, at 2:00 P.M. We will begin first by focusing on Mr. Hensel's role as General Counsel in the Office of the Secretary of Defense, a position he held between August 1953 and March 1954.

Matloff: Mr. Hensel, I wonder if you could begin by telling us something about how the position of General Counsel was established. Were you drawn in on the background discussions? What role did you play in setting up the office, since this was a new position?

Hensel: The concept originated, really, in the Navy Department, when I first suggested to Secretary Forrestal the idea of a civilian organization of lawyers that would represent the government in dealing with industry, in connection with the procurement of materials and services. It was carried over to the War Department with a somewhat modified approach. When the Department of Defense was established, it was also brought in to that Department. So it really existed in a form when I first came into the Defense Department. The General Counsel was not a presidential appointee at that time. He became that later. When I was asked to succeed the then-existing General Counsel, we started off by making a review of the Defense Department under a committee that was headed by Nelson Rockefeller. I started out as counsel to that committee. In the work of that committee, we provided for a number of assistant secretaries of defense with specific jobs. The general counsel was to be the equivalent of an assistant secretary and a presidential appointee. He would have a number of assistant general counsels that would be counsel in fact to

APR 0 8 2013

all these new assistant secretaries of defense that were recommended by Rockefeller and adopted by the Eisenhower administration.

Matloff: Was this part of Reorganization Plan Number 6?

Hensel: I don't remember the number now, but it was the reorganization plan.

Matloff: This is the way it has come down.

Mensel: I think that probably the most important part of that early step was the establishment of the power of the Secretary of Defense. There had grown up in the earlier administration [the Truman administration]—

I think even when Lovett was there—the notion that the statute left a number of gray areas of authority. I remember officials' using the term "gray"—specifically with regard to the Secretary's not having control over the constituent services. I did not share that view. I felt that the statute had made him the absolute executive so far as the three services were concerned, subject, of course, only to the President. As one of our first jobs Frank Brown, who had been there, and I wrote an opinion stating that the Secretary of Defense had complete and final authority subject only to the President. I discovered during the war, in my period in the Navy, that, in the government, if you assert authority and make it stick, you have it. We asserted it. From then on there was no more talk of "gray" areas.

Matloff: Focusing on the position of General Counsel, do you recall what the responsibilities of that office were to be?

Hensel: I think it was a very short directive. As I remember it, it assigned full responsibility for all legal matters in the Department of

Defense and the three services. I set about to appoint general counsels in the different services.

Matloff: Your appointment came from the Secretary of Defense?

Hensel: From the President. When the reorganization plan was adopted,

the General Counsel became the equivalent of an assistant secretary, and
was appointed by the President.

Matloff: Were any instructions or directives given to you at the time that you took over?

Hensel: Just that general one assigning responsiblity for the legal affairs.

Matloff: Can you tell me a little about how you organized your office?

Bensel: I organized it with the concept of a very small central office. I think, as a matter of fact, that Frank Brown was the only other lawyer in that central office. Then we had individual lawyers attached to each assistant secretary of defense and in the three services. I didn't continuously supervise the three services. I let those run essentially by themselves, although I did have a responsibility for them. They did check in with me from time to time. I kept in rather close contact with the men who represented and advised the different assistant secretaries,

Matloff: This was in the Office of the Secretary of Defense itself?
Heusel: Yes.

Matloff: How about your relations to the Secretary of Defense and the Deputy Secretary of Defense? Were you in frequent contact with them?

Hensel: Yes. I was the only counsel they had.

<u>Matloff</u>: What kind of problems did you face, when you took over as the first General Counsel of the Office of the Secretary of Defense?

Hensel: The main problem was the establishment of the authority of the Secretary of Defense, which I've just briefly described. I am sure that the opinion letter is still knocking around the Department and is part of the Bible. There weren't any other serious problems that I can now remember. We did not get into the questions of pay and various emoluments to the uniformed services. Those were handled by the Judge Advocate Generals. But we did all of the civilian work, notably questions of legislation and the procurement of material and services.

Matloff: What do you feel that you accomplished in the position?

Hensel: I would say the greatest accomplishment was the establishment of the authority of the Secretary of Defense, which is settled for all time.

Matloff: Let me turn now to your other role, the position as the Assistant Secretary of Defense for International Security Affairs, in which you served from March 1954 to June 1955. I wonder if you can recall the circumstances of your appointment to that position. What instructions or directives, written or oral, were given to you, and by whom?

Hensel: Do your remember the name of the man that held the job before I did?

Matloff: Frank Nash.

Hensel: Yes. Frank Nash. I had known Frank Nash from the Navy days.

Frank wanted to return to business life and Wilson [Charles Wilson],
who was then the Secretary of Defense, asked me if I would take on the
job that Frank had been handling. I agreed. Just about that time the

Date: APR 0 8 2013

McCarthy problem broke, and I was named as one of the principal agents of his attempted destruction. Consequently, for a period of time I could not deal with either being General Counsel or taking on the new job of Assistant Secretary of Defense. The assistant secretary of defense in charge of international security affairs operated in the field of liaison with the State Department as a policy conduit, and also in administering the huge military aid program. He therefore had a combination of policy and administrative work. When Nash left, I was involved in the McCarthy hearings.

Matloff: Had you become a target?

Hensel: Yes. I was named as one of the principal men that were trying to interfere with his operations. So I was involved in the hearings all the way through until I was finally dismissed, when they realized that McCarthy had nothing, and had just trumped up the charges to stir up trouble. During that interval, Roger Kyes, who was the Deputy Secretary of Defense, had reviewed the Nash setup, and had prepared a reorganization chart, which Wilson handed to me. I said that I could not comment on it because I did not know anything about it, and that I would not comment on it until I had a chance at least to talk to the State Department. John Foster Dulles was then Secretary of State. I had known him in the practice of law in New York. As a matter of fact, he interviewed me for a job when I came out of law school, and I went instead to a rivel firm. I wanted to talk to him, and I also wanted to make a survey of how we were administering our job in the field. Until that time, I couldn't comment on it. Wilson said, "Well, OK, you go shead and make your trip and make your contacts." I did. I

I had appointed a fellow by the uame of Wendell Anderson to be my representative at NATO in Paris, and he and his wife went with me. Coming back, we stopped at his place in Bermuda, flew down some secretaries, and laid out a program of how we thought it ought to be administered. Our approach was quite different from Kyes' concept. We thought we were in great shape. We handed the program to Wilson when we got off the plane and said, "There it is." He did not like it at all. I can't remember the details, but it was a question of the responsibility and procedure on transmitting the orders and of the extent to which we would allow the program to be originated in the field. Wilson and I had a very bad time about it. So much so that I contemplated resigning. Bob Anderson persuaded me not to. He said, "Why don't you go take a vacation?" I went out West and did some fishing for a while.

Matloff: Anderson had succeeded Kyes by then?

Hensel: Yes. When I came back, Anderson called me and said, "I want you to come and see Wilson, and please keep your mouth shut. I've got it all worked out." So I came up. Wilson was all smiles, and replied, "Stu, you know you never explained this thing to me properly." I replied, "I'm sure of that, or else I'd have sold it." He went on to say, "Why didn't you tell me that it was just like the General Motors export corporation?" I said, "The only trouble was that I didn't know anything about a General Motors export corporation." He said that the program was perfectly clear and that it was fine.

Off we went. I think that it worked out very well. I don't know what it is like now. I know that they've split the activity into policy and administration,

which we didn't have. I had quite a different concept. I wanted policy made in the State Department. My thought was that State was responsible for international affairs, and that we were responsible for carrying out what State wanted to accomplish.

Matloff: Basically an implementing agency, then.

Hensel: Exactly. I didn't think that we were into politics. Now it seems to me that they are up to their ears into international politics.

Matloff: What substantive problems did you face when you took over? Hensel: We had not restored sovereignty to Germany and so one of the early problems we faced on the policy end was the restoration of sovereignty to Germany and the extent to which we would make contributions and help Germany rearm. On the program end it was a question of trying to figure out a year in advance what would be needed to help the nations who were allied with us prepare to establish control over their own countries. That was the case in Iran. I remember that a few hundred miles from Tehran there was no law and order at all, and the country didn't have the capability of maintaining it. To try to say specifically what would be needed a year in advance was almost impossible. if not completely impossible. Moreover, I wanted to introduce some flexibility into the programs. That was very, very difficult in dealing with Congress. Congressmen wanted to know how many tanks we were going to buy. My whole point was that many times I didn't know if any were going to be bought and that we just could not get into that kind of a rigid box. I didn't succeed in that respect, and we had a lot of rigidity. It made for a lot of trouble. Problems would arise and nations would come to the United

States and deal with Eisenhower and Wilson, who, without saying anything to me, would agree to give them certain things which I didn't have in the budget. Also on the policy end it was in the same time that we set up the Southeast Asia Treaty Organization. Those were the major things. Involved was a question of relations with the State Department and, believe me, the State Department was not amxious to announce policy.

Matloff: You've touched on some of those major problems, and I hope we'll come back to them in some detail as we go along. Let me ask you, while we're on the question of the original appointment to the position, what in your background did you feel proved useful? Was your prior association with the Navy, for example, as Assistant Secretary of the Navy, or your experience as General Counsel, a help or a handicap?

Hensel: A great deal of help. When I first came into the Navy Department, just before the beginning of the war, I did not really know anything about government. It was, fortunately, a period when everything was being reorganized. The old bureaucratic system was not capable of fighting a war. So I learned the business from the ground up, and did know something about government administration and relations with Congress. Forrestal was a great teacher. So I'd say that it was extremely helpful. I think that's the reason that Kyes came to me.

Matloff: Let me ask you the same question about the staff that we raised before. How much leeway did you have in selecting and organizing your staff?

Hensel: I insisted on complete leeway. There was one political effort to place somebody—no really to displace somebody that was there and who is

capable fellow and knew the business pretty thoroughly, but he voted in Ohio and had voted for Stevenson. The Ohio representative wanted the job. I said, "You are going to have to fill two jobs if you want that one." I sat down and talked to him, and I think I really persuaded the fellow that he was off on the wrong track and that we needed capable men no matter what their politics.

Matloff: Did you change the organization or procedures in any significant way from what they had been?

Hensel: The idea of these assistant general counsels advising assistant secretaries was brand new. I didn't change anything. I established them.

Matloff: Let's shift to the question of your working relationships with the top officials in OSD in this capacity as head of the ISA organization. Let's start at the top, with Secretary Wilson, and with the Deputy Secretary, for example, Anderson.

Hensel: First Kyes, and then Anderson. Kyes was still there for a short period of time.

<u>Matloff</u>: How often did you see these two gentlemen in their official capacities? How close were you with them?

Hensel: I was very close to Bob Anderson, with whom I had a great deal of rapport. Wilson and I did not see eye to eye on anything. So it was far better that I not see him.

Matloff: Did you enjoy working for Wilson?

Hensel: No. I think that Wilson was an extraordinarily limited man. He had grown up in General Motors. I think that his great comment, that if I had only

Date: APR 0 8 2013

told him that it was just like the General Motors export corporation, explained the whole thing. He was not terribly articulate. At least I did not think so. You may remember that great story, the great hullabaloo, that he said. "What is good for General Motors is good for the country." It was changed. largely by Wilfred McNeil, to say, "What is good for the country is good for General Motors." That isn't what Wilson meant at all. He didn't mean that what benefits General Motors will benefit the country. What he meant was that General Motors is the biggest industrial organization in the world, and has the most efficient approach to everything. Therefore, what works well in General Motors, administratively and organizationally, will work well in the country. I don't know why that was never really explained. I guess that the papers did not went to explain it that way. It was much more fun to talk about it the other way. But I think it was an illustration of Wilson's approach. If he couldn't draw an analogy to General Motors, he was lost. He could deal with the Russians, because they were like the labor unions. You give them a little something, and then they are very quiet. I did not think that he was a good man for the job.

Matloff: Then you were dealing mostly with the other deputy secretary, with Anderson.

Hensel: As a matter of fact, once we had established the setup that I had in mind, I was left pretty much alone. I would say that I saw Bob Anderson, quite frequently, because we were friends, in addition to being in the business together. But I had my closest contacts, I guess, with John Foster Dulles and with Bob Murphy in the State Department.

Matloff: How about your relations with the military services? With the service secretaries, for example? Did you have any dealings with Secretary of the Army Stevens, Secretary of the Navy Thomas, Secretary of the Air Talbot?

Hensel: Yes. I would say that they were uniformly good. Stevens, of course, as you know, was caught in the McCarthy affair, so that his usefulness was badly damaged. Charlie Thomas had been in the Navy at the same time that I was, and we knew each other very well. Talbot and I got along.

Matloff: How about relations with the Joint Chiefs of Staff and its

Chairman? Did you have many dealings with them on questions of substance or
administration?

Hensel: As I remember, Radford was the Chairman.

Matloff: Yes. Ridgway was the Army representative, Admiral Carney the Havy CNO, and Twining the Air Force Chief of Staff.

Hensel: I did not have very much contact with Ridgway. Radford was an old friend from the Navy days, and so was Carney. I think that we established a good rapport with the uniformed services. Here was one place where the Navy background certainly helped. When the civilians arrived at the start of the war, there was tremendous conflict with the uniformed forces. We had never known each other; we had different types of education. They were starved, in the sense of their economic benefits, and they couldn't live the same as the rest of us did. It took quite a bit of doing to get to know each other and to develop mutual respect, which, I think, we did get. I know Radford was very willing. Radford and I had become very close friends. I think that

the uniformed forces began to realise what we could bring to the Defense Department, and we recognized what they could bring. The great contribution that Forrestal made to administration, which I fear has been completely forgotten, was that under the Secretary he established sort of a dual line of authority. The Assistant Secretary in charge of procuring material reported to Forrestal, not to the Chief of Naval Operations; the Chief of Naval Operations reported to Forrestal as Secretary. The Chief of Naval Operations was in charge of operations, and the principal man in that respect. He told us what he wanted in the way of materiel. We would never object unless he was asking for something of which he already had plenty. His was the final word in that regard. We found out how to get the materiel, the price to pay for it, and the like. So there was a split between the administrative business side and the operational side. Today, it all goes up to the Chief of Naval Operations. I can assure you that he does not know as much as he should know about the procurement side. I think that we carried this approach into the Defense Department. Thomas was certainly fully aware of it. Anderson caught on to it very quickly, because he was Secretary of the Navy at the start, and Thomas was over in the Defense Department as one of the Assistant Secretaries of Defeuse.

Matloff: Did you sit in on any of the Joint Chiefs of Staff meetings?

Hensel: No.

Matloff: Even when they met with State, you weren't in on those?

Hensel. No.

Matloff: Let's focus a little bit on relations with the State Department, since this obviously was where you did have some liaison. With whom were you consulting there? How much coordination was going on with State during your tenure?

Bensel: A great deal. I saw a lot of John Foster Dulles. I went in his plane to Europe when we agreed with Great Britain and France to restore sovereignty to Germany. I went with him on the Treaty of Paris. I had my own plane and used it when we went out to Bangkok on the Southeast Asia Treaty Organization but I was very closely allied with Foster out there.

Matloff: Was there any significant friction or disagreement between the State Department and the ISA, which was referred to as a "little State Department" in the Defense Department?

Hensel: We had a problem when I first advanced the idea that the State

Department should take the responsibility for the policy end. To what extent,
for instance, did State want to rely on Italy to police the Mediterranean?

They did not want to put it down in anything that resembled writing at
first. I remember that young Douglas MacArthur was particularly difficult
on that, but Bob Murphy straightened the matter out rather quickly. He said,
"That, of course, makes sense." Then each of us had our own job, and we
were able to operate in those jobs. I would say that otherwise everything
went very well.

Matloff: The two bureaucracies got along well?

Hensel: Yes, because we knew what we were to do. I was not trying to encroach on them and they were not trying to encroach on me. I fear that today everybody is in everybody else's back yard, trying to tell how the lawn ought to be cut.

Date: APR 0 8 2013

Matloff: Let me ask you about your relations with congressional committees.

Were you, as part of your job, being called before the committees and the bearings? If so, were you given complete leeway when you gave your testimony?

Hensel: I wasn't given complete leeway, in the sense that I was the final srbiter on how much money we would ask for, and all of that. So far as dealing with Congress was concerned, I did not have what I would regard as supervision from Wilson or Kyes. Fred Seaton, the assistant secretary in charge of congressional liaison, and I became very close friends and worked very closely together.

With State and the committees, again my experience with the Navy during the war, I think, helped a great deal. I got along very well with Carl Vinson during the Navy period, after the first meeting, when I went up to see him. Puffing on his cigar, he turned around to me, smiled, and said, "Now, young man, what Wall Street firm did you come from?" And I raplied, "Congressman, I didn't come from Wall Street; I came from Broad Street." I was attacked very severely by the Judge Advocate General, who wanted to do away with my legal organization, and there was a long battle in the Vinson committee, in the course of which I got to know Uncle Carl very well. I could call him Uncle Carl to his face. We worked up an arrangement in which I trusted him and he trusted me. I never let him down. I think I got that reputation in Congress. I saw a lot of Congressmen during the fight over the unification of the services, when I was sort of spearheading the Navy position.

Matloff: Had you been in on those discussions?

Hensel: I was in charge of the presentation of the Navy case.

Matloff: For the 1947 National Security Act?

Hensel: Yes, leading up to that, I mean. Lawton Collins proposed a very tight consolidation, which I attacked very severely. But, I think, I was very, very careful never to try anything fancy before the Congress, but to be absolutely straight with them. It stood me in very good stead. I never had any trouble other than with HcCarthy, and that was trumped up.

Matloff: I take it that you didn't feel that you had to clear with the Secretary of Defense any position that you were going to be taking.

Hensel: I always cleared it with Seaton, who was speaking for the Secretary of Defense.

Matloff: How about relations with the White House and the National Security Council? Did you sit in on any of the National Security Council meetings?

Hensel: No, I did not sit in on them. I knew Sherman Adams very well. His wife and my wife painted together. Through the McCarthy hearings Sherm showed his support for me in a number of ways. As a matter of fact, he and I were at the same fishing camp at the time that his resignation was more or less forced.

Matloff: Let me come now to the question of the perception of the threat in the world. What was the dominant attitude toward the Soviet threat that you found in the Department of Defense upon assuming office in ISA, if you recall? How serious was it viewed? Did you agree with it? Were there differences of views within OSD, and with other federal agencies, for example with State and CIA?

Hensel: I don't think that there were many disagreements. I think that it was recognized that a Cold War was in progress. If you remember, Dulles was

APR 0 8 2013

very, very definite, indicating, "You are either for us or against us." He didn't recognize a lukewarm position, to which I might have been more sympathetic. We pretty much followed the Dulles philosophy and were doing our best to counteract the effort of the Russians to spread their authority and influence throughout the world. I think one thing that was true of all the allies—I remember making this comment in many speeches—that we had made a lot of mistakes but I had not encountered a single country that thought we wanted to take it over or run its government. I didn't think the same could be said about the Russians.

Hatloff: Did you encounter any differences of perception on the part of
friendly governments about the nature of the threat? Did they see eye to eye?
Hensel: I can't think of anything.

Matloff: Let's look at the question of the New Look policy which the Eisenhower administration was advocating and its connection with the strategic planning going on at the time. Do you recall at the time what your view was of the significance of the New Look that the Eisenhower administration was promulgating? Remember, along with it went the question of the strategy of massive retaliation. These were the buzz words of the day. Do you recall how you viewed those at the time?

Hensel: I have a feeling that this theory of massive retaliation was overdone.

Again another newspaper stunt. They spread it. There is no doubt that Foster

Dulles said it in one of his speeches. I did not see any plan or program

that really contemplated putting it into effect. Foster had said many times

that he went to the brink. Maybe we did; I don't know. I don't think that

we went to the brink as much as Kennedy did during the Cuben missile crisis. I think that there was a great deal of emphasis at that time on our nuclear power, and that there was then more of a belief that it would be effective than there probably is today. I was always somewhat skeptical of its use, not because I thought it was a weak weapon but because I was afraid that it was too overpowering a weapon. I can remember saying, "I don't want to take an elephant gun to shoot a pheasant." Remember, when we came in, the preceding administration had worked on a program that set out a level of strength four or five years in advance. That was the level that they wanted to attain and then maintain and were gradually building toward it. The only trouble was, it seemed to me, that they were building irregularly. I mean that you were getting the wheels of the car and not the motor. You were going to have the car five years from now, but right now you didn't have anything at all. You had a lot of spare parts. I thought that we ought to go more on the idea of a machanic. You remember those old Meganno sets, where you got the girders and the steel and everything, and then you added things to it, but you could make something right to begin with. I was all for concentrating on a program of balanced growth. I think that was pretty much the general idea, so far as building up our strength was concerned.

<u>Matloff</u>: Do I understand correctly that ISA was not drawn in on the formulation of the New Look policy?

Hensel: No. As a matter of fact, I got into more of that in the days when I was counsel for the Rockefeller Committee and later General Counsel. Wilson did have one concept that I don't think he got too far with, that is, to the

¥

maximum extent try to buy for the military items that were in commercial use and trade. Do not design the special ashcan; see if you can't find one that's in existence. You will get it cheaper and more regularly. Matloff: How about the impact of the New Look on the ISA policies, planning, or implementation? Did it have a strong effect on the programs that you and your associates were trying to put into effect? Hensel: If by the New Look you mean the idea of massive retaliation, I do not think it was translated into practice at all. We were not dealing with nuclear weapons in supplying our allies or other friendly nations. We were giving them ordinary guns. In lots of places we were trying to get them what might be called police materials and equipment, because it was a question of restoring law and order to their countries. The strange story to me always was in Vietnam. I met Diem. As I had been traveling around and was "mister moneybags," everybody was asking for this and that. To my great surprise, Diem said he wanted wery, very few things. He said, "As a matter of fact, if you could get me two things, I'd be able to deal with this situation. First, I would like all the cameras I can get. I don't care how old they are. You know, I don't know my population. If I could get pictures of them all, it would be a great thing. I could identify them." He also said, "The other thing I want are short wave radios. Today, if one of my villages gets attacked, it has to send a runner off to Saigon. It takes a couple of days before he gets here. If I could have short wave radios-- I don't care if they're only 50 or 60 miles in radius-I can set up a series of them and get word very quickly into the capital wherever there is trouble." It seemed

like a pretty good request. I brought it back. I never knew what happened to it because I left very shortly after that.

Matloff: This was while you were on the ISA job?

Hensel: That was the job. I think that we did not have to get involved the way we did there, but once we had participated in the execution of Diem, I guess that we were involved.

<u>Matloff</u>: Since we are on this New Look, can we try one other question that you might consider? Do you believe that President Eisenhower conceived of the New Look policy primarily as a means of achieving a stable peacetime economy by reducing defense costs, or as an effective and viable strategy for protecting national security in the Cold War era?

Hensel: You are asking me to get inside his head a little bit, but I'm not sure I can do that. I would think that he did it for both reasons. I think that there was a belief that we could save money and be just as effective. Handling a military budget is almost an impossibility. I don't know if you have ever sat in on the buildup of one, but I know that when I first became Assistant Secretary of the Navy, Forrestal called me in to one of the budget presentations. I watched these men in uniform prance through their charts and all that sort of stuff, and they came down to a total at the end. When they left, Forrestal turned to me and said, "Now what do you think?" I replied, "I haven't got any grasp of it whatsoever. I see a lot of figures. They multiply out accurately, but whether they are any good or not, I don't know." I just remember the matter of planes. Somebody would postulate that we needed 50 squadrons. Now a squadron consists of so many. So you multiply

It out, and you come to a figure—that we need a thousand and 53 planes. The one thing that I knew was wrong was the 3. You can't figure that closely. I suspected that the figure should be either 1100 or a thousand. You go all through that and you get their special requirements for specifications that are a little out of the ordinary. How you can police that, I just do not know. I think McNeil came the closest to being able to deal with it, but I don't think there's been a McNeil in some time. I just don't know how they get hold of it. I think Eisenhower was sincere in his belief that he could save money and at the same time defend the country.

<u>Matloff</u>: Let me ask you, while we're on the questions of strategy, did ISA play any role in strategy-making during your tenure, either in the formulation or the coordination? Was it drawn in at all on the positions that Defense or its various parts, particularly the services and the Joint Chiefs of Staff, were taking on strategy questions?

Hensel: As I remember, there was a joint committee with State. I don't know whether somebody else sat in on it. Bob Bowie, I think, was the State representative. There was an Army officer, a great big fellow attached to my organization who attended those meetings and who reported to me and told me what was going on. Generally I tried to stay out of it. If he came back and said, "they want you to get such and such an item," and I thought it was impossible, I'd speak up. But I tried to stay out of that end of the field. Matloff: We've been talking a little about weapons. Did ISA or yourself as head have any attitude or position on the buildup, the use, and the control of nuclear weapons?

Hensel: No.

Matloff: On questions of conventional versus nuclear defense, you were not drawn in on that either?

Hensel: No.

Matloff: May I ask one more question before we go on to other areas? Did you have any feeling that the ending of the Korean War had significance for American defense planning and policy in any way? Some people have written, of course, that "massive retaliation" grew out of that. That is one line of thought. Another involves the lessons drawn by General Taylor—that we had to get a more "flexible response" strategy. The threat to Europe was seen by some to be more urgent after Korea. You remember that the buildup in NATO came quite quickly on the heels of the attack in Korea. So the events seem to have been linked. Did you have any feeling about the impact of the Korean War on our defense policy and planning?

Hensel: Nothing that I can remember now. So far as our buildup in Europe was concerned, we were relying largely on the men we had on the ground, who were telling us what they needed. We were making contributions to internal order. But I don't remember anything that was startling, and I don't think there was. I never connected the end of the Korean War with massive retaliation until you did just them.

<u>Matloff</u>: There are other reasons that have been advanced about the origins of New Look and massive retaliation. Some have said, for example, that they reflected the influence of the British, who were thinking along the same lines at the time. Others have pointed to the Air Force impact on the doctrine.

Hensel: I'm guessing, but I would think that massive retaliation grew out of the time when we had the bomb and nobody else did. I don't think that it was carefully examined once the Russians got it. I don't honestly think that Poster Dulles was trying to implement it to any extent.

Matloff: Let's turn to the question of interservice competition and its impact on the policies, programs, and operations in ISA and on other parts of OSD, if you care to comment on those. How serious a problem was interservice rivalry for you in your position in ISA?

Hensel: I did not have much trouble with it. As a matter of fact, I could say that I didn't have any trouble with it. I was fully aware of the problem. I believe that a certain amount of rivalry is healthy. It was talked out at great length during the period of the fight over unification. I don't know the extent to which it operates today on the budget. But we were coming in during the afternmath of the Key West agreements that Forrestal had hammered out. While I don't think they were being followed exactly, they were more or less. I didn't think that there was too much fight over the problem. Matloff: This is the period, to refresh your memory a little, when Generals Ridgway and Taylor were Army Chiefs of Staff, and the Army was constantly being outvoted in the Joint Chiefs, chiefly on the questions of roles and missions, limited war, and conventional buildup. General Taylor has described the period in his writings as the "Babylonian captivity" of the Army. Hensel: I remember all of that. I didn't think that it had an impact. I thought I could understand why Army leaders thought they were being shortchanged. I always thought it was a good bit their own fault when they let the Army Air

get away and establish a separate air force. Then you got into the question of who controls a missile. I thought that it was all their own fault, and I wasn't too sympathetic with either Ridgway or Taylor.

The control of the state of the control of the cont

Matloff: Let's focus on the budget, which you've touched on at a number of points already. What role did you and your office play in the formulation of the defense budget?

Hensel: Not the Defense budget. We did get drawn in on the military aid budget. We worked it up by asking our various representatives and the various countries. The military aid representatives worked with the country to which they were attached, which more or less originated the request for help and aid. I don't know the extent to which our representatives made some suggestions, but, at any rate, we were presented with a request that the individual representative there okayed. We tried to work them all together. We would ask questions, and we tried to produce a presentation with which we could then go to Congress. As I told you, I was always worried about the rigidity of it, even for a year. I made some suggestions which aroused a great deal of opposition and were not successful, specifically, that we be given certain amount of money that we could spend freely. Congress could not see that. I don't know what the right enswer is. I know that extreme rigidity is a mistake. I can understand why Congress was reluctant to give anybody a blank check. I was not asking for a blank check so much as flexibility in how the money was spent, and let Congress put the ceiling on it. Matloff: Considerable writing has been done about the strong influence exerted by Secretary of the Treasury George Humphrey and the budget directors

Page determined to be Unclassified Reviewed Chief, RDD, WHS LAW EO 13526, Section 3.5

Date: APR 0 8 2013

of the period upon national security policy through the budget. Did you have any feeling that that was a strong influence?

Hensel: I'm sure that it was on the overall amount. I was pretty much given the ceiling. I never argued very much about it, because I always took the position that I did not know whether any of these requests were sound. I could not see that far in the future. I never had any trouble with Humphrey.

<u>Matloff</u>: Did the fact that each of the services was presenting its own budget—the "vertical approach" to budget making as it is called—have any impact on your activity?

Hensel: No, not on mine.

Matloff: Let's turn to some of the foreign relations problems that we have already touched on. You mentioned NATO before. How about your relationship to the NATO alliance? How far were you and ISA involved with NATO policies and buildup? You already indicated that your office did not get into strategy questions very much.

Hensel: There was nothing of significance that I can remember.

<u>Hatloff</u>: What did you see, if you can recall, as NATO's major problems at the time? There was, of course, the question of Germany.

Hensel: The restoration of sovereignty to Germany and the upsetting of the General Contract by Mendes-France. That is what I remember most clearly about my connection with NATO.

Matloff: The question of EDC, the European Defense Community proposal?

Hensel: While we were occupying Germany, we know that we had to get out of it somehow. A great deal of work on the lower levels had been put into

what was called the General Contract, that was to deal with Germany's relations with France, England, and the United States. It was short of a restoration of sovereignty. Although it had been accepted in the lower levels of the French government, it did not seem satisfactory to Mendás-France, who turned it down. We had been looking forward to this great solution of the German problem, and it suddenly was out of the question. That was the first time I went with Foster Dulles to London. We sat down with Eden, who came up with the idea of the restoration of sovereignty. I've now forgotten the terminology, but there was in existence a treaty under which we could operate. Matloff: The Brussels Treaty?

Hensel: The Brussels Treaty, which had been in existence. But Eden was the only one who had thought of it. We decided to go forward with the restoration of sovereignty. So there was a long period of negotiation with Mendès-France before he agreed to that. The result was finally accepted at the Treaty of Peris. That was the major part of the relations with NATO that I had.

Matloff: Largely the Garman question, the relations of Germany to the European allies?

Hensel: The resolution of that question and the buildup of the Germans.

When I was first there, they did not have a Defense Department. They had an office headed by a fellow by the name of Blank. I remember Erhard's coming to see me once in the Defense Department. He was then in charge of the Treasury, or their equivalent of the Treasury, under Adensuer. He was trying to ascertain the extent to which he should supervise the expanditure of

monies by the Defense Department and I was trying to persuade him to stay out of it. I said, "Give them a certain amount of money, look to them to do the job, and criticize them if they didn't do it right, but don't try to dot every i and cross every t over their shoulder." I don't know whather I was persuasive. I don't think that he did get into it. Dulles had a great many contacts with Adenauer, and I was frequently present.

Matloff: While we are on the German question, this might be a good time to talk about the rearmament, along with the question of sovereignty. Did you or your associates have any misgivings, at least at first, about the rearmament of Germany, considering its past history, its leanings to the east as well as to the west? Some officials have commented that they felt some misgivings, but went along for other important reasons. Do you recall having any such doubts at all?

Hensel: I think that we always had to face the worry that there was something built into the German mentality that was militaristic. Having a German background myself, I was less taken with that concern because I didn't find any particularly militaristic background in myself. I got to know a good many Germans who did not have it either. I think you always realized there was a danger. You didn't ignore the problem, but the thought of having a vacuum in the Pittsburgh of Europe seemed to me to be an impossibility.

Matloff: There has been some writing along the line that NATO itself was designed as much to contain Germany as to contain the Soviet Union. Do you believe on the basis of your experience in ISA that there was something to that?

Hensel: Say that again?

<u>Matloff</u>: That NATO itself was designed as much to contain Germany as to contain the Soviet Union—to bring Germany into an orbit where it could work out its policies within the allied framework, a new partnership.

Hensel: I think it accomplished that. I don't know that it was really designed for that. Once we restored sovereignty to Germany, we did want them to be on our side. To that extent, NATO was a way of inviting them onto our side.

Matloff: You spoke before about Mendès-France, and I think that you were touching on the European defense community idea, the idea that there would be a European army with contingents from Germany and other European countries.

Prance, that had suggested the original proposal, killed it in the end. Did you have any feeling as to why that movement had failed?

Hensel: That had all taken place pretty much while I was out of the government.

Matloff: Between '52 and '54 was the period.

Hensel: I thought it was a little before that, because I was there in '52 and '54, but I was out from about '46 to '52. You sure it was after '52?

Matloff: Yes. The two key events were the proposal in '52 and its failure

in '54. Then came the concept of putting Germany into the Western Alliance itself, and not using the European defense community idea as the way of integrating the German rearmament buildup.

Hensel: I think that the idea of the general compact of the European defense community went down the drain pretty much with Mendès-France, and I thought that occurred pretty early in my term. I'm moving years up a little bit.

You're probably more accurate than my memory, but it doesn't strike any chord in my memory.

Matloff: Did you have the feeling back in your days in ISA that the American military role in NATO would be permanent or long term? Remember, in the original discussion of the treaty-before you became involved with it at all-when Acheson was put on the griddle in Congress on the question of ratifying the treaty, he was asked whether this would be a permanent American military commitment. He had answered, "No." Later on, obviously, he had to back off from that very definite no. Did you have any thoughts about that? Hensel: I think I just assumed that it was going to be permanent. I don't recall any misgivings or any discussion about it.

Matloff: Let's switch now to the other part of the world. You have already touched on Diem. Let me ask you this question. As I trace the dates, you came to ISA at the height of the Dien Bien Phu crisis, and a few weeks later had to deal with the communist takeover of northern Indochina as a result of the Geneva conference.

Hensel: Yes. I can remember discussing with Admiral Radford [Chairman, JCS] the extent to which we would help the French with additional equipment.

Matloff: Can you recall what your impressions at the time were of the significance of these developments—the crisis in Dien Bien Phu, the failure of the French to hold on there, and the outcome of the Geneva conference with the takeover by the communists soon thereafter in northern Indochina—for American security interests?

Hensel: I think that we were all being guided by what I call the Dulles theory of "you are either for me or against me." Therefore at the conclusion of Dien Bien Phu and the French collapse we pretty much wrote off north Indochina. I mean that we expected to lose it. We thought that the south would be of a completely different philosophy and more democratic. There was serious consideration of a general plebiscite. We moved away from that notion with the thought that the northerners would just not permit any kind of fair voting there. They were going to vote as a controlled block and therefore you could have no fair elections. Certainly during the time that I was there, we had confidence that Diem could pull it out. If you remember. he was harassed by those two religious sects that had their own armies. I can remember sitting with him in the capital room when he said. "Do you know there are guns that are trained by these two sects on this very room. now. that could reach us? I said that I did not. I recall feeling a little uncomfortable about that concept, which didn't seem to disturb him. Certainly when I left the Department, I had confidence in Diem. Maybe I was unduly impressed by his request for cameras and short-wave radios. Lawton Collins was there in Saigon at that time as our representative. I always thought that he, too, felt that Diem could pull it out.

Matloff: There was a rather widespread feeling among American officials, in the wake of these events in Dien Bien Phu and Geneva, that communism was on the march and that the free world generally was being put on the defensive. Do you recall having any such thoughts?

Hensel: I thought that communism was on the march. I would not have described our position as being just defensive. We were

, . . .

countering with an effort and a fight to appeal to these various countries. In the course of that, I made the statement that whatever such countries might think of us, nobody thought that we were trying to take them over. They could not say the same about the Russians.

Hatloff: Since we have touched on Dien Bien Phu, I should ask whether ISA was consulted about any possible American help during that crisis? Hensel: There was a request for additional help, either just before Dien Bien Phu fell or immediately thereafter, that I remember discussing with Radford. Whether it came as a formal consideration or not, I can't now remember. But he was very much opposed to the idea of throwing good money after bad. I certainly was of the same opinion. The French were hopeless. France was not doing well in Indochina. I remember that, even in the south, when Collins and I were there, during the trips the French general in charge made from his home to his office down those crowded streets, people had to jump out of the way of his car. He didn't slow down. It was as though he was saying, "I'm the great man; get the hell out of the way." That is not a way to appeal to people. I think that for a long period of time, when the French civil servant was about to retire, he was sent out to Vietnam, where by little peculations he could accumulate his retirement fund. I believe that the people knew it. The French had completely lost the confidence of the people. Matloff: We were giving military aid to the French in Indochina. Hensel: Yes, but nothing like what they wanted. They also wanted some more

material help in the sense of fighting men.

Matloff: Was ISA brought in at all in connection with the Geneva conference?

Hensel: Not with it.

Matloff: How about the domino principle? You remember the well-known principle that was so frequently expressed by Secretary of State Dulles, President Eisenhower, and other officials, and incorporated into various basic policy documents. As Assistant Secretary of Defense, ISA, did you accept this principle? Was there any serious skepticism, to your knowledge, in ISA or elsewhere in the administration concerning the validity of the principle? Hensel: I certainly remember talking about the principle at length. I don't think I took it terribly seriously. I had gotten to the Bangkok conference, where SEATO was established, a little ahead of Dulles, and I had explored around with the different nations out there and met Dulles when he landed. I had come up with the thought that, domino theory or not, various nations were worried and wanted to know whether we would come to their aid. if they needed it. I can remember that Dulles sat on the plane and sketched out a speech on the subject. I said, "I don't think it's what they want to hear. They want to know, if they ask you, whether the United States will help them. It is not with the thought of any domino theory or anything, but whether, if they need help, they can look to 'big brother'." He recast his whole speech in the light of that notion. I never knew that I really understood the domino theory. I think certainly that each success breeds confidence that you can make another try at something else. To that extent, if I win one country, I have a better chance of winning the second than I had before I had won the first. But the idea that everybody would collapse, like dominoes, I never shared.

Hatloff: You mentioned the ISA, and particularly yourself, playing a part in the founding of SEATO. Was this an active role in the formulation of the treaty, as well as in the alliance?

Bansel: It had been agreed upon, before I took on ISA and the Bangkok conference had been set up, to formulate the final treaty. I did participate in the Bangkok conference. I was one of Dulles's aides and assistants and to the extent that help was needed from the Defense Department I was there to encourage or discourage. So I was there through the whole treaty negotiation, and was familiar with it.

Matloff: Can you recall, after the Geneva conference, did Indochina continue to be a crisis area from your vantage point, or was the situation reasonably stabilized for the time being?

Hensel: I don't think that I can say that it was a crisis point, and I don't think that I can say it was stabilized. It was a difficult problem. You had to get the French out of the southern part. I don't remember how that phase was finally terminated and the French general left. You had Diem, who was somewhat of a Christian. You also had these two religious sects which had religious beliefs that were part Buddhism, part Christianity, and some other strange mixtures. You had refugees, moreover, from the north that you had to settle. I can remember going out to inspect one of the camps just outside of Saigon that they had set up. It was an unsettled community and there was a question of how much we were going to do for it. While I did not get into the economic side of it, I came back and said, "The requests for military aid are on the low side: for God's sake, give it to them."

Matloff: Apart from Indochina and Germany, which you have discussed, what were the principal trouble spots or issues during your tenure as Assistant Secretary of Defense, ISA? For example, during your term, the Guatamalan crisis came up. Was ISA in any way involved in that?

Hensel: Not particularly. We knew of it and I was quite aware of it. We were more into it than was revealed publicly at that time, but I can't recall our having taken any action in connection with it.

Matloff: Any other crises?

Hensel: I can't recall them now. That is a long time ago and my memory is short.

Hatloff: You are doing very well. This is back about 30 years. Let's talk a little about Cold War policies. We've touched on a number of them in the process of our discussion. How effective was military aid, on the basis of your experience, as a tool for political leverage in the Cold War?

Hensel: I think that if we had not done something, Russia would have moved into many more spots. I remember during the Italian problems, when Clare Luce was ambassador, or ambassadress, there, the first time I met her she said, "You know, the whole point of military sid is to stop Italy from becoming communist." I replied, "It may have that effect, but that is not going to be my approach. I think that it's a question of making Italy sound, and you're going to have to work out your fight with communism on some other basis." She always used to tease me about how I scared her with that.

Scaring Clare Boothe is very difficult for any man to do, so I know I didn't do it. But we did have that slight difference. I never heard from her

again on that subject. All of our activities were directed just to making
Italy a stronger power militarily, rather than saying, "If you don't step on
the communist union . . . " I forget where the unions were but I know they
were particularly difficult in the Fiat setup. We never made that a condition.

Matloff: Do I understand correctly that ISA was drawn in both on the formulation and the implementation of the military aid program?

Hensel: I think we were in on the formulation to this exent. We had the representatives out in the field, who got the requests from the individual countries, forwarded them to Washington, where we at least totaled them up. I don't think that we had a terrible lot of influence on deciding what the total amount was going to be. But we did have the problem of paring it down to that amount.

Matloff: Did OSD encounter any major problems in administering the military assistance program during Wilson's administration?

Hensel: None that I can remember.

<u>Matloff</u>: How about overseas bases? Did OSD or ISA take the lead in developing overseas bases, or did the services handle that problem?

Hensel: No, the services did. As I said, we had problems with some countries. We have been talking about Italy. It reminds me of the time when we were planning to send a number of planes to Italy, which the government had said it wanted. When I got over to Taly on one of my trips, I found out that Italy had passed a tax law which imposed a tax on aviation fuel, even on the government. Consequently, the air force budget had been seriously cramped by this tax, and the airmen did not have the money to fly the planes, as

much as they should. As a result, there had been accidents, and they lost some planes. I remember sitting with the Minister of Defense in Italy and saying that I was very disturbed about it. He responded, "There is nothing that I can do." I said, "No, I don't suppose there is. The only thing is that, when I get back to Washington, I am going to have to tell our government that you are losing planes because you aren't able to fly them and practice enough. I can just hear my Congress saying, 'We can't send you those planes that we're promising for the three months from now.'" The tax was withdrawn before I got out of Rome. There were a few little problems like that, but they were never very serious.

Matloff: Let's turn to the question that you have touched on, your perspectives on the OSD organization and management. Looking back at the experience in which you were engaged, you talked about the reorganization in 1953. I take it that from your perspective you considered the organization of the Defense Department under that reorganization effective. Am I concluding correctly? Hensel: Yes, I think you are.

Matloff: As a result of your experience both as General Counsel and as ISA head, do you have any thoughts about the need for any more changes in the top levels within DoD, or in the relations between the top levels of DoD with the State Department and National Security Council in the national decision making apparatus?

Hensel: I can't say that I know how it is run now, and I don't know exactly how many of the changes have lasted. I assume that most of the assistant secretaries are still in existence. I know that my old ISA has been split

into two parts, about which I have expressed a great deal of skepticism. I am not sure that that is a wise idea. I don't know how that is working.

But, otherwise, sitting in on the Rockefeller Committee, I thought the recommendations made sense. I think it most important to get the right men. You can work out the best organization chart in the world, and a couple of ineffective and inefficient people can wreck it. You can have the worst organization chart in the world, and a couple of very good men can make it go. I am not a great fellow for charts, because I don't think that the charts do the work; men do the work.

<u>Matloff</u>: You would emphasize people, then, rather than the structure of the organization?

Hensel: Yes, I think that's important. If you can get both together, then you have the perfect system. I don't mean to denigrate the idea of a sound organization, because there is no sense in putting a capable man into a position and then tying his hand behind his back.

Matloff: You talked earlier about Wilson. I wonder if I could ask you to give some thumbnail sketches of the personalities, styles, and effectiveness of the various people with whom you worked in the OSD? We can hold Wilson for the while. I think that you mentioned that you thought highly of Anderson. Are there any others that you would be willing to comment on—for example, Radford?

Hensel: Radford, I thought, was tops; an extraordinarily capable fellow, who had been a very close friend during the Navy days. Thomas was good. Charlie just died, you know.

Matloff: How about Secretary of the Army Stevens?

Bensel: I thought that Stevens got into the McCarthy mess where he didn't have to. I think that Bob, who had a good reputation in commercial life, was not adapted to the government game, as often happens. He didn't understand it, but he was quite sure that he knew it better than anybody else. I don't want to review all of the details about the growth of that McCarthy-Army fight, which, as I say, I thought was unnecessary. At least I didn't think that Stevens had to get into it that way. He did not consult me on it. I was not involved in the situation, in spite of McCarthy's saying that I was. I did not think that Talbot was an effective Secretary of the Air Force; Lewis, who was his assistant, I thought was a much sounder fallow and did a much better job.

Matloff: How about McNeil?

Hensel: McNeil was extraordinarily good, but, then again, he was one of my finds. I was the one that put him into the position of Comptroller of the Navy. It was just great luck. I can't remember that I knew Mac much before then. But we were casting around for someone, and I knew a number of the accounting people that had come into the Navy Department, like Paul Grady from Price Waterhouse, and Harold Stuart. They had recommended McNeil. I had met him a couple of times. The more you saw of him, the more he grew on you. He was very, very capable. As a matter of fact, my falling out with Stevens came over McNeil. I can remember very clearly that I was at a dinner party on R Street, at Bill Foster's house. After dinner Stevens began to complain to me about McNeil's effect on the Army budget. I said, "I will

Matloff: How about Secretary of the Army Stevens?

Bensel: I thought that Stevens got into the McCarthy mess where he didn't have to. I think that Bob, who had a good reputation in commercial life, was not adapted to the government game, as often happens. He didn't understand it, but he was quite sure that he knew it better than anybody else. I don't want to review all of the details about the growth of that McCarthy-Army fight, which, as I say, I thought was unnecessary. At least I didn't think that Stevens had to get into it that way. He did not consult me on it. I was not involved in the situation, in spite of McCarthy's saying that I was. I did not think that Talbot was an effective Secretary of the Air Force; Lewis, who was his assistant, I thought was a much sounder fellow and did a much better job.

Matloff: How about McNeil?

Hensel: McNeil was extraordinarily good, but, then again, he was one of my finds. I was the one that put him into the position of Comptroller of the Navy. It was just great luck. I can't remember that I knew Mac much before then. But we were casting around for someone, and I knew a number of the accounting people that had come into the Navy Department, like Paul Grady from Price Waterhouse, and Harold Stuart. They had recommended McNeil. I had met him a couple of times. The more you saw of him, the more he grew on you. He was very, very capable. As a matter of fact, my falling out with Stevens came over McNeil. I can remember very clearly that I was at a dinner party on R Street, at Bill Foster's house. After dinner Stevens began to complain to me about McNeil's effect on the Army budget. I said, "I will

make only two suggestions. Do not get into a battle with McNeil about the facts, because that's the one thing he will have absolutely accurate. You can fight McNeil on the conclusions that he draws from the facts, but don't challenge him on the facts." He replied, "It's the facts that I want to challenge him on. My men tell me that he's all wrong." I said, "I will wager right now that your men are wrong." It developed into a rather unpleasant conversation at the end of a dinmer party. Stevens never consulted me again until he was driven to it by the McCarthy thing breaking around his neck.

Matloff: Any other comments about the Joint Chiefs, other than the Chairman?

Hensel: Admiral Carney was good. I knew him very well. I did not really get to know General Ridgway at all well. I did get to know Nate Twining and General Shepherd.

Matloff: Let's focus a little on Secretary Wilson. How would you characterize him as an administrator of the Defense Department? Did you consider that his administration on belance was effective? Did he choose able subordinates and associates? Did he shop around for advice, or did he rely on a few trusted advisors? What was his philosophy of management and organization? Hensel: I did not think that it was good. I thought that he was a poor administrator. He had grown up in the production side of General Motors. I came to the conclusion that the great administration in General Motors was done on the financial side, with which he had little contact, although he was president of the company. His approach to administration was to get you in the room and try to talk a subject to death until you agreed with what he was going to say rather than his making a decision. I don't know whether he

disliked making a decision, or whether he thought that it was better that he wear you down with talk. Dinner time would be coming and he would go on talking. I can remember saying to him when I was General Counsel, "Look, if you are going to issue a directive. I want you to get the directive written and signed. Send for the man whom it's going to affect, and let him see that it is written and signed, and then explain it to him. But don't let the fact that he has a chance to change your mind ever cross his mind." As I say, I think that all of his approaches to problems had to be in relation to his experience in General Motors. I can remember the big row I had with him about research. You remember his famous statement: "I'm not interested in why grass is green or why toast turns brown." He told me very seriously. "Our research programs are a mistake because we found out in General Motors that research was a waste unless you could reduce it to practice within a year." I said, "We're not selling automobiles. I can understand why you don't want to get too far ahead of your existing cars, because you have a second hand market to worry about, and if you destroy that, you probably won't sell the new ones. So you've gone about trying to creep up on it gradually. But if I can start some research here that would get me an unusual weapon five years from now, believe me, I would start working on it. " He could not see that. As he said, "What is good for General Motors is good for the country." I don't think Kyes was any better.

Matloff: If you had to answer the question, "Was he effective as a link between the Department of Defense and higher authority, was he able to make the Department of Defense a useful instrument of national policy, and at the

same time protect its interests within the federal bureaucracy," what would you say?

Hensel: I would say that he did not accomplish anything in either direction.

But I don't think that hurt the Defense Department very much, because I think there were people in Defense who did have the respect of others.

<u>Matloff</u>: Did he develop an understanding of the complexities of national security policy and problems?

Hensel: I don't think so.

Matloff: Was he able to rise above the level of executing the President's policies and programs as directed?

Hensel: I think that he probably did contribute a certain amount of impetus to the idea of trying to buy items in consercial use. How effective he was otherwise, I would be skeptical. I don't think that Secretary of the Treasury Humphrey had much use for him. I think that his relating everything back to General Motors made it impossible to take him too seriously. When a fellow seriously says, "I know how to deal with the Russians; they're like labor unions," you don't listen to him much more.

<u>Matloff</u>: This touches on the question of whether he was able significantly to influence the development of national security policies through his position in the Cabinet and the National Security Council.

Hensel: I didn't sit in on those, so I can't really comment.

Matloff: Did he ever express any views about disarmament or arms control?

Hensel: Not to me.

<u>Matloff</u>: Let's talk a little bit about the Eisenhower presidency, which is interesting scholars these days. The view of the Eisenhower presidency is

undergoing considerable change as a result of the feeling of scholars now, of some scholars at least, that Eisenhower was an activist president, contrary to the earlier view that he was passive or even negative, and was letting his advisors run with the show. The revisionists are writing now about the "hidden hand" presidency.

Hensel: That's Greenstein.

Matloff: From your vantage point in ISA, and from your perspective in connection with the Eisenhower role in international security affairs, can you shed any light at all on this question?

Hensel: I would say that my experience would be more along the Greenstein theory of "the hidden hand," that Eisenhower was exerting a great deal of influence. I thought that it was a good administration. I don't think that he did as much to develop the political side of the Republican Party as perhaps he might have done. I think that he was probably a better President than he was head of the Republican Party.

Matloff: Did you get any glimmerings of the Bisenhower-Dulles relationship?

Hensel: I think it was close.

Matloff: Was one dominating the other?

Hensel: I don't think that I would express it that way. I would say that there was no doubt that Dulles accepted Eisenhower as the boss. I think, on the other hand, that, unless Eisenhower had serious questions, he would defer to Foster in Foster's particular field.

Matloff: Could you get any glimmer of the relations between Eisenhower and Wilson?

Hensel: I would say this. I got the feeling that Seaton, who was an Assistant

Secretary of Defense and who later became Secretary of the Interior, and in the interval was over in the White House as Assistant to the President, was much closer to the White House than Wilson. Most of Wilson's dealings with the White House were with Seaton. I had a lot of contacts with Sherman Adams and I never knew Sherman to have any with Wilson.

Matloff: Let me now ask you the last question. You have already spoken about what you regard as your achievements in setting up the General Counsel's office. Would you now look at your tenure in ISA? What would you regard as your major achievement or achievements during that period?

Rensel: I would think that it was the idea of working out with the State
Department—I don't know whether it has lasted or not—the idea that State
would determine policy and ISA and I would try to implement it, as best we
could. I think that it was a division of work that is sound. Again, I was
working with Murphy and Merchant, and maybe it was because of the people. I
had confidence in them and I think they had a certain confidence in me. I
think that is terribly important. It is one of the unsolved problems of our
government, because each time that we change an administration, we get a lot
of new people in who don't always know each other. The great advantage of
the British Civil Service is the fact that they all know each other. They
have all gone to the same schools. I don't whether it is that which causes
them to trust each other. Haybe they trust the right ones and don't trust
the ones who should not be trusted. During the war, a lot of us came out of
New York law offices, and places like that. We did know each other, and
that was a great help.

Secretary of Defense and who later became Secretary of the Interior, and in the interval was over in the White House as Assistant to the President, was much closer to the White House than Wilson. Most of Wilson's dealings with the White House were with Seaton. I had a lot of contacts with Sherman Adams and I never knew Sherman to have any with Wilson.

Matloff: Let me now ask you the last question. You have already spoken about what you regard as your achievements in setting up the General Counsel's office. Would you now look at your tenure in ISA? What would you regard as your major achievement or achievements during that period?

Bensel: I would think that it was the idea of working out with the State
Department—I don't know whether it has lasted or not—the idea that State
would determine policy and ISA and I would try to implement it, as best we
could. I think that it was a division of work that is sound. Again, I was
working with Murphy and Merchant, and maybe it was because of the people. I
had confidence in them and I think they had a certain confidence in me. I
think that is terribly important. It is one of the unsolved problems of our
government, because each time that we change an administration, we get a lot
of new people in who don't always know each other. The great advantage of
the British Civil Service is the fact that they all know each other. They
have all gone to the same schools. I don't whether it is that which causes
them to trust each other. Maybe they trust the right ones and don't trust
the ones who should not be trusted. During the war, a lot of us came out of
New York law offices, and places like that. We did know each other, and
that was a great help.

Matloff: Let me ask you the converse question. Yours was a relatively short tenure. Was anything left undone that you wished could have been completed? What disappointed you the most at the end of the tenure?

Hensel: That I was never able to get my ideas of the flexible budget across, rather than the idea that we had to have a rigid system—for example, France will get so many tanks over the next number of years, no more, no less. I would much rather have been charged with accomplishing missions, and he given a certain amount of flexibility during the course of the year to achieve those missions.

Matloff: Thank you very much, Mr. Hensel, for sharing your recollections and comments with us.

Hensel: You are entirely welcome. I've had a good time reliving the past.



OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

(Administration)

March 26, 1984

Page determined to be Unclassified Reviewed Chief, RDD, WHS IAW EO 13526. Section 3.5 Date: APR 0 8 2013

Mr. H. Struve Hensel 5020 Overlook Road, N. W. Washington, D. C. 20016

Dear Mr. Hensel:

Enclosed is a transcript of the interview which you held with Dr. Maurice Matloff of this office on October 26, 1983. In accord with our previous policy, we have taken the liberty of making aditorial changes for the sake of clarity. Please make any changes, corrections, or additions that you wish and return the transcript to us. After you return the transcript, we shall prepare a final version and send you a copy for your records.

As I indicated in my letter of September 22, 1983, the information contained in the transcript is intended primarily for use in the preparation of a history of OSD. We shall, of course, follow your wishes in the matter of future access to your interview. Four categories are normally in use: category 1--open; category 2--permission of interviewee required to cite or quote; category 3--open only to DoD historians; and category 4--permission of OSD Historian required. Please indicate what your wishes may be in the matter.

We appreciate very much your help and your willingness to discuss the important events in which you played a key role. A self-addressed envelope is provided for your convenience.

Sincerely,

Alfred Goldberg OSD Historian

Enclosure as stated

alegny 1-