

Serving Neither Wisely Nor Too Well

THE CHAIRMAN

John J. McCloy: The Making of the
American Establishment

By Kai Bird

Simon & Schuster, 800 pp. \$30

By Michael R. Beschloss

SPEAKING at the Haverford College commencement in June 1965, John J. McCloy modestly refrained from mentioning himself when he said that at crucial moments in history, "No amount of education nor doctrine fully bridges the gap to sound decision. The Romans would have understood what I am trying to say. They had a word for it—*gravitas*—and the one who possessed it had the respect and regard of his countrymen, whether he was in the forum or on the farm It means a core, a weight of judgment and honest appraisal."

Puckishly anointed by John Kenneth Galbraith in 1961 as the "chairman of the American Establishment," McCloy no doubt expected that his biographer would see him as the living embodiment of *gravitas*. He no doubt hoped that the story of his career as Wall Street lawyer, public servant, chairman of the Chase Bank, Ford Foundation, and Council on Foreign Relations would impress Americans with the notion of leaving their fate in the hands of a wise elite.

The Chairman does exactly the opposite. With careful understatement and an effort to let the facts speak mainly for themselves, Kai Bird portrays an all-too-often narrowminded, bigoted, stubborn, myopic, ruthless and self-glorifying man who was nevertheless entrusted with great public and private power for almost a half-century.

McCloy was born poor in 1895 to a Philadelphia insurance clerk and his Pennsylvania Dutch wife. After his father died, his mother worked as a society hairdresser for 50 cents an hour, following her clientele during summers to the Adirondacks and Mount Desert Island, Maine. —Continued on page 10

Michael R. Beschloss is the author, most recently, of "The Crisis Years: Kennedy and Khrushchev, 1960-1963."

The Chairman

Continued from page 1

McCloy's early years resemble those of a figure who was ultimately less successful in making himself known for disinterested public service: Joseph Kennedy. McCloy missed few opportunities to put himself in places where, as he put it, "all the right people went." These included Amherst College and the famous military training camp at Plattsburg, New York, which in the summer of 1915 was attended by much of the Northeastern elite. McCloy worked to make himself "known" to a few of these men.

A graduate of Harvard Law School and a well-paid partner in an eminent Wall Street firm by age 34, McCloy grabbed the opportunity to enter government in December 1940 as an \$8,000-a-year special assistant to Secretary of War Henry Stimson. Bird notes that in that post, "more than any other official," McCloy was responsible for the sending of Japanese-Americans to camps surrounded by barbed-wire fences for three years.

Bird writes that McCloy "allowed his fears of sabotage and his penchant for decisive action to sweep aside any other considerations. In the aftermath of Pearl Harbor, he was willing to take the kind of harsh steps from which other civilians shrank. And as a lawyer he believed he had found a way around the Constitution in the interest of taking whatever action was necessary to defend the country."

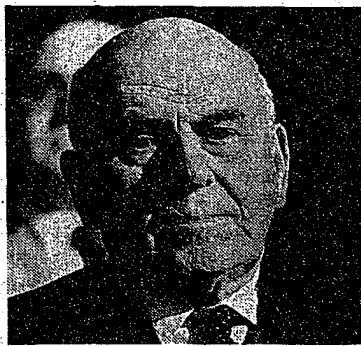
Despite the decisive Pacific victory at Midway, McCloy's chief worry was that the camps were not being opened fast enough. In 1942, he wrote, "I wonder if anyone realizes the skill, speed and humanity with which the evacuation of the Japanese has been handled by the Army on the West Coast?"

The author notes that as liaison to the War Refugee Board, McCloy was in a "unique position" to demand consideration of military action to rescue the Jews of Europe. Instead McCloy applied "benign obstruction."

McCloy distrusted the stories of the Holocaust as Jewish exaggerations. Bird writes that he felt Jews "could be their own worst advocates," that "any aggressive advocacy on their part was somehow grating and impolite." In 1944, McCloy testified against a congressional resolution backing a Jewish "commonwealth" in Palestine. He blocked the admission of Jewish refugees to the U.S. on grounds of preserving "Army morale" and keeping anti-Semitism under control.

"This attitude paralyzed McCloy when it came to dealing with any issue associated with Jewish interests," writes Bird. McCloy blocked bombing raids against the Nazi death camps, falsely claiming that it would require "the diversion of considerable air support." Bird argues that if McCloy had not blocked the raids in August 1944, "some hundred thousand Hungarian Jews in Auschwitz would have been spared death by gassing. With the gas chambers destroyed, the Nazis would have been forced to suspend the industrial scale of their murders. McCloy bears substantial responsibility for this misjudgment."

After the war, McCloy served as U.S. High Commissioner in Germany, where he showed greater empathy for the suffering of the mandarins of the Nazi war machines who had been convicted at Nuremberg. In 1951, he granted clemency to Alfred Krupp and eight members of his board of directors. Bird writes that Krupp bore "a special responsibility" for Hitlerism, "not only because he was guilty of using slave labor and plundering, but also because as a Krupp, he was



BY JAMES K.W. ATHERTON—THE WASHINGTON POST
John J. McCloy in 1976

the most recognized symbol of all those German industrialists who aided Hitler."

McCloy returned to New York in 1952 as chairman of the Chase Bank and was used by President John Kennedy as a special adviser on disarmament and a counselor during the Cuban missile crisis. In 1970, as a lawyer for U.S. oil companies, he won an assurance from Attorney General John Mitchell that there would be no antitrust penalty if members of his oil clientele negotiated jointly with the oil cartel OPEC.

Hopping across the boundary between public and private, he involved Justice and State Department officials in the talks. Later, during an investigation, Senator Clifford Case asked McCloy how he could have "represented anybody, including the U.S. government, without the U.S. government knowing what was being done until you told them about it." During the 1973 Yom Kippur War, McCloy and ARMACO oil clients drafted an "eyes-only" memo to President Richard Nixon urging him not to side with Israel because doing so would "have a critical and adverse effect on our relations with the moderate Arab oil-producing countries."

In his dotage (he died in 1989), McCloy enjoyed an inordinate amount of praise as a public-spirited American of impeccable judgment. At a testimonial dinner, Henry Kissinger lauded him as one who "heard the footsteps of God as he went through history." On the few occasions when these paeans were interrupted by criticism of his record, especially on the Japanese-American internment and the failure to bomb Auschwitz, McCloy was outraged.

In 1981, Congress debated whether to provide reparations to those Japanese-Americans rounded up during World War II. During hearings, one prisoner, by then a Pennsylvania judge referred to his peoples' being "incarcerated." Angry, McCloy replied, "I don't like the word 'incarcerated.'"

He insisted that Congress do nothing to tie the hands of presidents in future crises: Perhaps a war with Cuba might compel some future president to intern large number of Cuban-Americans in southern Florida. There were hisses and boos. McCloy later called the hearings a "disgrace": "Money, money, money. Why don't they dun the Japanese government? We didn't attack Pearl Harbor. They did."

Bird's work is comprehensive, absorbing and deeply researched. It leaves the reader astonished at how little McCloy was penalized for monumental misjudgments that caused millions of people to suffer. One is also struck, for all of McCloy's rhetoric about *gravitas*, by how little soul-searching went into those choices. He was a man of utter certitude who did not know how much he did not know.

Oh, yes. A few weeks after speaking to the Haverford seniors about *gravitas* and "weight of judgment," McCloy was called to Lyndon Johnson's State Department to be briefed on Vietnam and offer his opinions on the war. He told Dean Rusk and Robert McNamara that Vietnam was a "crucial test" in the Cold War: "You've got to do it. You've got to go in."