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On May 21, 1968, while the warring parties in Vietnam held peace talks in Paris, twenty-four business executives engaged in a heated exchange with Republican Illinois senator Everett Dirksen in his Washington, D.C., office. As described by the Chicago Daily News reporter Betty Flynn, the fifteen-minute meeting began with a plea by the business delegation to a "Republican candidate not persisting in hawkish attitudes" to push for a military withdrawal from Vietnam. The delegation misjudged Dirksen's outlook. Although he was arguably a press favorite, Dirksen was also critical of congressional doves. Insisting that "whether we like it or not, this is a military operation," Dirksen then added, "I can't betray the people back home." One of the businessmen retorted, "We are the people back home" before trying to explain that "Twenty minutes after we leave Saigon, that government would fall apart. We are laying waste to a country without just cause." Dirksen snapped: "You don't have the facts. . . . I know my history. I know my geography. We're not going to get anywhere arguing like we do." Recovering his composure at the end of the meeting, Dirksen thanked the men for their visit.
The delegation could be forgiven for misjudging Dirksen, who had questioned overall military strategy and as early as 1966 cited war expenditures and Great Society programs as inflationary. "Every housewife who shops in a grocery store knows this. [Higher prices] are the living, breathing, signs of this destructive burglarizing force." On the matter of military expenditures, the businessmen had arrived at a similar realization and only the year before their meeting with Dirksen had organized into the Business Executives Move for Vietnam Peace and New National Priorities (BEM). The group served as a new voice in the growing chorus of opposition to American involvement in Southeast Asia.

The businessmen involved in the BEM had been shaped by the Second World War and Roosevelt's New Deal, and they tended to accept postwar liberalism's assumptions, including the continuation of the New Deal with Lyndon Johnson's Great Society programs. These were also men and women of privilege whose well-being relied on a healthy economy where American consumers could buy their products and services and where monetary policies ensured low borrowing rates. Moreover, these were parents and citizens who could not but be affected by the events of the period. Their collective critique of the Vietnam conflict was unified by a concern for what former president Eisenhower called the "military-industrial complex" and the wisdom of the market, which, according to their data, had been negatively affected by the war. The decade of the sixties was a "drama acted out on many stages," and the BEM occupied one of them. The men and women of the BEM are often recognized in the standard script of the period for their role in the Moratorium, when millions of Americans took part in the largest political demonstration in American history on October 16, 1969. Much of the BEM's work has remained obscured by the more overt protests of the period and what is at present limited archival material, but extant manuscripts offer insights into the importance of a segment of the business community's involvement in the antiwar movement. As will be made apparent, these business executives recognized that their titles and their social status could be used to shape the political debate about the war and domestic policies. This essay offers a first step toward the inclusion of these significant antiwar activities into the future histories of the Vietnam War and is an attempt to account for the economic critique that was a chief motivation for these businessmen's activities. Conservative economic attitudes among business leaders of this period—at the National Association of Manufacturers, the Business Roundtable, and the U.S. Chamber of Commerce—have been well docu-
mented, but the history of the BEM suggests another, much less studied, aspect of business activism in the late 1960s and early 1970s. In early 1968, Paine, Webber, Jackson & Curtis ran a full page ad in the *New York Times* asking, “What would peace in Vietnam Mean for You as an Investor?” At the end of April that year, BEM activists Erwin Salk and John Tittle testified before the House Committee on Veterans Affairs, where they left, in addition to a prepared statement, a copy of this ad. Salk, the main spokesman, was active in founding the BEM, and in his testimony to Congress proceeded to answer the question: “Peace in Vietnam would be the most constructive—and the most bullish thing that could happen to the stock market.” The Paine, Webber analysis concluded that defense demands had “stretched the nation’s production facilities to the point where there was virtually no remaining reserve of economic resources. Result: a substantial increase in inflationary pressures.” An end to the war, the analysts reported, would bring an end to these inflationary pressures as “the threat of demand/pull inflation would subside.” Even the *Wall Street Journal* took notice: “On the increasingly rare occasions that rumors of Vietnam peace negotiations circulate, stock prices go up sharply—and that’s about the only time they do go up. Whenever the fighting intensified or threatens to intensify, inventory sell shares in enough volume to produce a sharp price break.” However, this trend of buying when escalation began and selling on word of peace began to fade as “the war also adds to the drain of dollars out of the U.S., which both Wall Street and the White House see as reaching crisis proportions. In the fourth quarter, the balance-of-payments deficit hit a seasonally adjusted $1.8 billion, the worst in any quarter since 1950.” In short, the material cost of the war was becoming increasingly evident, so that even conservatives like Phyllis Schlafly questioned the war and its demand for resources that could be better utilized elsewhere.

The BEM entered into these robust foreign policy discussions when it was created in 1966. The origins of the group lay in the protracted correspondence of Chicago-based mortgage broker Erwin “Bud” Salk with Seymour Melman of Columbia University, a professor of industrial engineering and operations research. Melman was a co-chair of the Committee for a Sane Nuclear Policy that opposed the Cold War arms race. His academic work focused on analyses of the military-industrial complex—what Melman refers to as the “Cold War Institutional Machine”—and the country’s commitment to Cold War Keynesianism, which he argued helped pull the United States into the Vietnam conflict. In his 1965 book *Our Depleted Society*, Melman
described his research as "an economic audit of the price that America has paid for twenty years of Cold War." Melman observed how a "process of technical, industrial, and human deterioration has been set in motion within American society. . . . The wealthiest nation on earth has been unable to rally the resources necessary to raise one fifth of its own people from poverty." This was a result, he argued, of "an unprecedented concentration of America's talent and fresh capital on military production." Melman then proceeded to lay out the variety of ways in which these resources were being squandered on firms and projects that ultimately siphoned off public revenues but contributed no growth to the economy. In his correspondence to Salk, Melman connected what he observed to be a "new, viable strategy for the new condition of the civil rights movement" that emphasized economic opportunity with these other underlying assumptions. The "start of a debate on guns vs. butter" could now be had, with the result that the "civil rights and the peace movements will move in mutually supporting, parallel action."

Melman included a prescient observation on the outflow of gold from the U.S. economy and its implication for the country's prosperity and world standing. By 1949, having become the world's creditor, he found, the United States had accumulated a gold stock worth $24.4 billion. By 1964, that reserve had been depleted by 35 percent to $15 billion. As Melman recognized, "the foreign commitments have been growing and by the middle of 1964 the total short-term claims against the United States amounted to $20.5 billion." This threatened the value of the American dollar. The debts were the result, Melman observed, of a $3 billion annual cost of foreign military presence (apart from the domestic cost of paying for troops and equipment). Indeed, quoting from the Joint Economic Committee of the Congress, Melman insisted that "American officials have allowed the fear that foreigners might convert their dollars into gold to become an all-pervasive stifling influence on United States initiative and action on a wide range of domestic and international problems." This was likely due to the encouragement of capital flow out of the United States to places where higher interest rates prevailed, and the outflow resulted in trade deficits and increasing pressure on the gold reserves.

In July 1966, it was Melman who suggested to Salk that a peace organization for the business community was necessary. "I think this may be the proper time, before it is too late, for responsible men of the business community to examine the implications of these propositions. It would seem appropriate that we convene an open meeting of business leaders to explore the meaning of what is happening." Melman's letter to Salk enumerated
concerns with respect to Vietnam that would also reflect, if not foreshadow, the concerns of the BEM and others in the business community: Vietnam expenditures are robbing the domestic economy of resources as well as contributing to inflation; the value of the dollar is dropping internationally, and yet the U.S. economy is also ailing in its ability to compete. Only a week after receiving Melman's letter, Salk sent out a dozens of letters to associates around the country trying to interest them in "the convening of a national conference of business leaders from industry, banking, trade, etc., to be held in Washington, D.C., to ponder a number of questions related to [the Vietnam war and military expenditures]."

Around the time that Salk was posting his letters, Mary Cushing Niles, wife of BEM founding member Henry E. Niles (chairman of the Baltimore Life Insurance Company), urged Senator Joseph Tydings of Maryland to speak out against escalation in Vietnam. The senator confided that he was constantly being pressured on the war by professionals of every stripe but never by businessmen. When she told Henry about the conversation, her husband responded with an open letter campaign to the White House that culminated on December 28, 1966, with 83 signatures.

The cover letter to President Lyndon Johnson read:

I believe that you sincerely wish to bring the war in Vietnam to a conclusion. It is known that you are under pressures from many persons who would have you go all out for a military solution by using our tremendous military might to crush North Vietnam. I believe that such a step—aside from its moral aspects which I believe deeply concern you and many of us—would be unlikely to win the lasting peace we want...

My purpose in getting the signatures to the Open Letter was not to add to your heavy burdens but to offset pressure from the 'hawks' and to do a little, which I felt I could do, toward building world peace.

Niles also stated: "Many companies—possibly all companies—may lose their assets, customers and prospects if the war in Vietnam keeps intensifying and widening. As Chairman of the Board of the Baltimore Life Insurance Company, I believe that I have a major responsibility to do what I can to prevent such losses."

On May 28, 1967, another full-page ad appeared in the New York Times, this one an open letter to President Johnson with 300 signatures. More imploring than the earlier open letter, this one nonetheless
urged the president to “stop the bombing, de-escalate military activity in South Vietnam, negotiate with all parties which are now fighting.” Given that this letter precedes the Tet Offensive, which had a galvanizing effect on the antiwar position the following year, Johnson should not have been surprised by early 1968 when his own inner circle, responding to many of these same concerns, turned against the war.

The two efforts by Niles and Salk brought the two organizers and their supporters together. A year later, the name of the proposed group was the “National Committee of Business Executives for Peace” (though “for Ending the War” was also recommended). Besides Bud Salk and Henry Niles, the other BEM founders included Harold Willens, a Los Angeles business executive; and William Fischer, president of Fischer Machine Company in Philadelphia. Other executives of various profiles would eventually be active in or supportive of the organization, including Charles Simpson, general manager for Philadelphia Gas Works; and Lee B. Thomas, Jr., president of Vermont American Corporation. Both would sit on the executive board. The first co-chairmen of the organization in 1967 were Niles and Willens. Later, Fischer, Salk, Simpson, Thomas, and Joseph E. McDowell, president of Servomation Corporation in New York, would sit on the executive committee. President Eisenhower’s head of the Securities and Exchange Commission, Sinclair Armstrong, and Robert Roosa, former undersecretary of the Treasury, were also among the Washington insiders with BEM membership.

Several of the local affiliates have left behind a documentary record offering insights into the organization’s work and its constituents. The St. Louis local was founded by Thomas Hardy, the owner of the Hardy Salt Company, who was later the chairman of the BEM. His committee included dozens of executives from banking, finance, and manufacturing. For an example of the constituents of the BEM, consider this sampling of the active membership of the St. Louis committee:

Marvin L. Madeson, ITT Aetna Finance Co.
Wm. Stix Friedman, Burns, Stix Friedman & Co.
Leo A. Drey, Pioneer Forest
Wilber E. Eckstein, American Commission Paper Co.
Victor H. Gavel, Gaywood Manufacturing Co.
Larry R. Gavel, Gaywood Manufacturing Co.
George T Guernsey, III, Manchester Bank
Harold Hartogensis, George Johnson, Advertising
A similar cross-section of the business community could be found in the organization in Chicago. The national BEM also lined up nearly a dozen military officers and diplomats as sponsors, including Brig. General William Wallace Ford, Brig. General Samuel B. Griffith, Brig. General Robert L. Hughes, Rear Admiral Robert C. Huston, General David M. Shoup, General William B. McKeen, and Rear Admiral Arnold E. True. Kennedy confidant John Kenneth Galbraith also was active in the group and gave several lectures on its behalf. A group called Corporate Executives Committee for Peace that eventually merged with the BEM to become the New York branch of the organization had seven Revlon executives on its steering committee. At a June 1970 event for that organization, the speakers included John Kerry, the future senator and secretary of State; a Twentieth Century Fox executive, Hal Davis; as well as Attorney General Ramsey Clark; Democratic Senator Alan Cranston of California; and Harold Willens of the BEM.

The primary figures in the BEM were also often active on several fronts, and antiwar activism served as an extension of their other activities. Salk's congressional testimony suggested that it was a matter of self-interest for the business community, but some background on the men suggests that a deeper commitment also existed. For example, Salk was active on civil rights issues long before he became active on the war. As president of the forty-second largest mortgage firm in the United States, Salk criticized real estate redlining and housing restrictions and underwrote hundreds of social justice causes. Like many of the business executives in the 1960s who were involved in the BEM, he was also a veteran of the Second World War. Salk propelled himself into the public eye with statements in the press, both locally in Chicago, and later nationally, about racist real estate contracts and housing codes. He attacked both as anticapitalist. Salk was aware of the history in the South of black mutual aid societies developing insurance companies and the long history of business apartheid that accompanied segregation. Salk's colleague, Henry Niles, held religious convictions as a
Quaker that compelled his antiwar activities. Niles had connections to the New Left and radical activism through his daughter Alice's marriage to Staughton Lynd, the radical historian whose firing from several universities over his political activities spawned some of the many outcries of the period. Niles would later criticize Nixon, the Quaker president, by telling a House subcommittee that "We feel that we are getting from the military diminishing security at escalating cost... Heavy military spending, started under past administrations but continuing high throughout the Nixon administration has been and now is the major cause of inflation. The production of military hardware, although it generates payrolls, makes no additions to the supply of consumer goods and services available." The activities of Thomas Hardy's family also suggest the ways in which personal commitments play out on the political stage. His wife, Jane, was active in the League of Women Voters and would be an outspoken advocate for the empowerment of the United Nations' International Criminal Court. The Los Angeles chapter of the BEM was headed by A. R. Appleby, who regularly attended stockholder meetings and asked discomfiting questions about the company's ties to Southeast Asian military operations. Harold Willens, president of the Los Angeles–based Factory Equipment Supply Company, eventually devoted himself to full-time activism first with the BEM and later with the nuclear freeze movement. Like Erwin Salk, he had served in the Pacific during the Second World War. The left-wing magazine the Nation now sponsors a Nation Institute that endows an award in Willens's honor, the Harold Willens Peace Fellowship.

It was Willens who was instrumental in pulling the founding meeting together in September 1967 at the Statler-Hilton in Washington, D.C., which featured a keynote address from Marriner Eccles, the Utah banker whom President Roosevelt had once appointed chairman of the Federal Reserve Board. Eccles had also been involved that year in forming with former John Kennedy advisors John Kenneth Galbraith and Arthur Schlesinger the group Negotiations Now, which intended to sway policy away from the singular pursuit of military victory. Marriner Eccles's address at the founding is instructive of the BEM's core principles and what worried the Johnson and then Nixon administrations. He began with a rejection of the Cold War consensus and the belief in a monolithic expansionist communism that was directly at odds with the war's conservative supporters. While communism had been advancing, the Soviet Union's control over it had been waning, he argued. "We see every rebellion as the result of a deep plot out of Moscow or
Peking, when it usually is the result of crushing poverty, hunger and intolerable living conditions." In a frank statement of moral equivalency, Eccles wondered what the United States would do if Russia were daily bombing an American ally. "It is inconceivable that we would limit ourselves to providing only military equipment, as they are doing." At the core of the argument was a material concern: "This war is directly causing a substantial increase in the deficiency in our international balance of payments, which is already serious." He then lamented the neglect of the initiatives of Johnson's Great Society. In a bracketed reference at the end of his address, Eccles credits the British historian Arnold Toynbee and the radical historian Howard Zinn (who went on to write *A People's History of the United States*) "for the assistance I received from reading their excellent articles." The parenthetical acknowledgment underscores Niles's earlier admission that the business community was in a sense responding to the antiwar movement already under way and taking that political struggle to the corridors of power in ways that the New Left could not. Unlike the New Left, where the dialogue was predominantly in the streets and on campus, the BEM was bringing that dialogue to Congress and two successive presidents, albeit with a variation on that antiwar message.

It would not be until January that the group finally opened its Washington office under the direction of Robert Maslow, who was formerly employed by the Arms Control and Disarmament Agency. The D.C. office's activities were devoted almost solely to lobbying but also included a two-month speaking tour by Don Luce, the former head of International Voluntary Services in Vietnam. In contrast to other antiwar organizations, the BEM was able to regularly land high-profile meetings with government officials. According to Harold Willens, the initial press coverage of the group was entirely by his own efforts: "That fantastic coverage BEM got through my lengthy interviews on prime time NBC and CBS news shows was not arranged by anyone else. Only by me. I called and got to the right people and 'sold' them on the merit of our story." The meetings with officials would seem to have resulted through the same type of effort and networking. In March 1969, a delegation met with Senator Tydings and also Charles Schultz, the former director of the budget. That same month a meeting was held with Jonathan Moore, special assistant to the undersecretary of state. And in April, the delegation landed a meeting with Henry Kissinger's special assistant, Dean Moor. Then in June, the group's J. Sinclair Armstrong testified before the Defense Subcommittee of the House Appropriations Committee. According to the
organization's files, Henry Niles also "made off-the-record contacts with former very high government officials." In May, the organization hosted an "emergency meeting" that included speeches by Senators John Cooper, William Fulbright, and Ralph Yarborough along with several other representatives. By July, the organization had 2,531 members. By the next year, these members included Robert T. Bernstein, president, and Bennett Cerf, chairman of the board, of Random House; Roger Sonnabend, chairman of the board of Sonesta International Hotels; George Weissman, president of Philip Morris; Max Palevsky, chairman of Xerox; and Lawrence Phillips, president of Phillips-Van Heusen Corporation. Membership would top out at 11,000 by the end of 1970, and this growing network alarmed President Nixon, who added the organization to his "Enemies List.

The group became very active, especially its speakers bureau. It actively undertook lobbying activities, coordinated meetings with other groups, funded political campaigns, held luncheons and fund raisers, published a newsletter, underwrote visible public relations campaigns, issued press releases that frequently made it into print, and bought radio spots. Organizing occurred in more than a dozen cities: Chicago, New York, Detroit, Cleveland, Los Angeles, Kansas City, Portland, Oregon; Boston, San Francisco, St. Louis, Baltimore, Seattle, Louisville, and eventually in Milwaukee, Atlanta, and Minneapolis-St. Paul, with chapters also in Indiana, Iowa, Maine, New Mexico, Ohio, Nebraska, and Tennessee.

By 1968, the goals of the BEM became more focused to emphasize the group's nonpartisanship and followed to the letter the 1967 New York Times full-page ad with the additional demands to "negotiate with all parties, including the National Liberation Front" and "Support the general principles of the Geneva agreements of 1954." Henry Niles contextualized these goals in the starkest business terms:

Each individual and each business should do its part toward building a secure and peaceful world. The life insurance business has a particularly strong interest in and obligation toward world security for the following reasons: 1) Even a small war could affect our mortality experience from losses due to direct casualties (which are covered by practically all life insurance contracts now in force) and losses due to the effect of atomic fallout. 2) Huge military expenditures may lead to inflation which will decrease the value of dollars in which we pay our policyholders or their beneficiaries. Too much inflation
would be ruinous to our business. 3) A war which involved action against this country would probably cause great losses in our investment portfolios.36

The BEM's activists pushed this line at its various events and through letter writing campaigns, petitions, and congressional lobbying, and in their newspaper and radio ads. In 1970, the BEM also helped finance the Citizens Commission of Inquiry into atrocities in Vietnam. Early that year, the BEM had finally been able to reach out to a separate group of Wall Street activists and forge an alliance with the Corporate Executive Committee for Peace, 350 businessmen who had also made inroads in official Washington.37

Despite the wealth of its membership, BEM suffered financial and internecine setbacks. The group experienced infighting, as the Los Angeles chapter's leader pushed for a Daniel Ellsberg support fund, which he played up in the media and gave the impression of the backing of the national organization, whose members forced his resignation. The St. Louis office under Hardy's leadership set up a separate Ellsberg Defense Fund that was distinguished from the BEM and managed to raise several thousand dollars. A Pentagon Papers Defense Fund was also planned in St. Louis.38 Even though formal membership was rising, a lack of funds necessitated closing the BEM's Washington office. The office was reopened in 1971. The St. Louis and Chicago offices, for which there is good accounting data, both reveal very modest campaigns. St. Louis was only spending close to $1,000–2,000 per month and bringing in barely enough to support its expenditures. A great many of BEM's initial supporters were also not keeping up with their dues, even though they remained on the membership lists and continued receiving the group's monthly newsletter as free riders. In late 1970, Henry Niles wrote to the National Council members that "it was obvious that we have been under-staffed and under-financed for many months, especially during the months of the political campaign when potential contributors were giving heavily to candidates of their choice." A national meeting just held in San Francisco was attended below the quorum of 50 percent of the members.39

Still, business executives had access to resources that brought peace advocacy to the establishment. A series of full-page ads in the Washington Post and New York Times provoking questions about the conflict was difficult to ignore. "How to Make a Killing in the Market," read one header; "That Effete Corps of Impudent Snobs Is About to Do It Again," read another. Creative summaries of the group's official position followed below the
The group also co-sponsored with New National Priorities what was called “Operation Housecleaning.” In two election cycles, the BEM targeted a group of hawks in Congress, defeating three in each election. The 1970 campaign derived from Progressive magazine’s “Nixon’s Silent House of Hawks,” prepared by Garrison Nelson. By the group’s own admission, the 1970 effort was poorly coordinated, but the Washington, D.C., office of the BEM expressed satisfaction with its victories that year. In the second cycle, the group endorsed George McGovern and pledged $50,000 to defeat the “deadly dozen” hawks in Congress. “The Deadly Dozen are not necessarily the most pro-war Congressmen. To be selected each must have a definitely pro-war voting record and each must be facing an opponent who is anti-war and who, we believe, is strong enough to make the incumbent vulnerable.”

The 1972 effort was more concerted but with the same results—three victories—so that over the course of two election cycles, the group had defeated six of its fifteen political targets. Among the congressmen the group backed were Pete McCloskey (California), Eugene Gallegos (New Mexico), and Roger Boas (California). The BEM expenses for 1972 came to $30,660 in direct expenditures to candidates.

The 1970 campaign also brought the executives a new political challenge that mustered the organization’s resources in a political battle that has had long-lasting repercussions. As a result of its deep pockets, the group commissioned a series of sixty-second radio spots and attempted to purchase time to air them. A Washington, D.C., station, WTOP, refused to air the messages, at which point the BEM filed a “Fairness Doctrine” complaint with the Federal Communications Commission. The outcome on August 5, 1970, ruled that the radio station could legitimately refuse to sell one-minute segments of its “commercial” spot-announcement time, even though WTOP had previously sold spot announcements to political candidates during election campaigns, because, the commission maintained, BEM’s concerns necessitated “more in-depth analysis than can be provided in a 10, 20, 30, or 60 second announcement.”

The organization also utilized political theater to make its point. John H. Whitaker, who chaired the Kansas City branch of the organization and owned a local cable company, hatched a plan to meet with executives at the Honeywell Corporation at their headquarters in Minneapolis. Whitaker wrote to Honeywell board chairman James Binger in February 1972, with the observation that Honeywell had begun to realize an increase in its computer business while it had decreases of 24 percent in its defense branch. Whitaker
was concerned, "Since the Pentagon frequently asserts that it is attacking only 'military targets' in Vietnam I found it important to know the definition of a military target as stated in the Air Force manual [citing US Air Force ROTC manual of May 1961]." However, he discovered that:

[M]ost of the victims of anti-personnel bombs are not killed rather they are maimed. . . . Products made by your company are destroying in a massive, indiscriminate, and impersonal way the entire social fabric of part of the world. In 1965, the Catholic Church declared in the Document of Vatican II: "Any act of war aimed indiscriminately at the destruction of entire cities or of extensive areas along with their population is a crime against God and man himself. It merits unequivocal and unhesitating condemnation." (Pastoral Constitution on the Church in the Modern World, n. 80.) I am sure you and your company do not bear this responsibility lightly. . . . As the executive responsible for computer system development and related hardware purchases, I would not consider Honeywell computers until the manufacture and distribution of this inhumane weaponry is ceased. I am going to encourage your Users Group to adopt a similar position by making them aware of the diversity of your interests.

This letter earned him an interview at Binger's Minneapolis office. Whitaker brought with him several other people: Dick Fernandez, Richard Falk, and Fred Branfman. Fernandez was involved in Clergy and Laymen Concerned about Vietnam (CALCAV), which had in 1970 been involved in the planning of the Winter Soldier Investigation. Falk was a Princeton University professor of international relations who was already well known at that time. His recent work is perhaps also relevant—beginning in 2005, he chaired the Board of the Nuclear Age Peace Foundation, a direction that the BEM would take in the 1980s, when Bud Salk attempted to reactivate the organization. Branfman would not necessarily have been known by Binger at the time but is best known now as an antiwar activist who lived in Laos and was responsible for exposing the secret air war there. The resulting press reports of the meeting were devastating for Honeywell. Whitaker claimed in correspondence to Binger after the press treatment that it had not been his intention to invite the one-sided response the meeting attained, though it is difficult to imagine how such a campaign and invited press attention could
not have gone otherwise. Binger and Honeywell were driven to damage control, which resulted in a convoluted press release that, rather than point out that Whitaker and his colleagues had been mistaken about Honeywell's present defense production (which apparently they had been), instead offered a terse and flat justification for its military production capacity:

We cannot agree with this reasoning. So long as a military or defense establishment of some sort is needed, and most Americans agree that one is needed, the ultimate decision as to types and quantities of weapons to be available and used must be the responsibility of the Department of Defense, monitored by the national administration and Congress as representatives of all the people.

It is essential for the survival of our democracy that corporations carry out public policies declared by elected representatives of the people. . . .

Honeywell has been on record for a number of years as wanting the war ended as quickly as possible. Honeywell people share the same human feelings and respect for life that our critics claim as their justification.

Another idea expressed that we feel needs comment is that the war is somehow good for Honeywell's business. From any standpoint we would prefer to conduct business in a world of peace. War is wasteful. It uses tax dollars that could be better utilized to strengthen the economy and meet the needs of our society.

It is apparent that the current wave of protest has as its principal emotional appeal the idea that certain weapons are more horrible than others and that those who make them are war criminals.

There are no nice weapons. It is one of the tragedies of humanity that weapons exist at all, but the stern lesson of history is that those who cherish freedom must be prepared to fight for freedom.

Anti-personnel weapons of the type most frequently criticized have the same purpose as hand grenades, conventional bombs or bullets. They were not developed for use against civilian population as has been charged. . . .

We flatly reject the charge that manufacturing these weapons makes Honeywell people war criminals. This is a slanderous charge that is utterly devoid of merit.17
If Whitaker was not a pacifist, one might get the impression by his actions that he was.

While the motivations among the members may have varied, and the group's campaigns were equally diverse, the end results of the group's efforts are best understood in the context of business as usual, which echoed the Paine, Webber assessment and others discussed so far. Two months after the founding of the BEM, Bud Salk's November 9 speech in Chicago was introduced into the Congressional Record by Representative Robert W. Kastenmeier, a Wisconsin Democrat. As he had on the previous occasion before the chamber, Salk began from the claim that "the massive spending for the Vietnam war has been the most significant and unsettling economic factor in determining the priorities of the Federal Budget, and has been the central force in the destabilization and distortion of the American economy. . . . Allocations of American resources for the design, manufacture and the operation of armaments have risen 60 percent in just over two years, and have brought the military budget to a level where it represents the largest single sector of the American economy." From Salk's standpoint as a mortgage banker, this meant that "aside from the virtual depletion of great society programs," the capital market was bearing the brunt of the financing of the war, resulting in a "capital shortage of severe proportions and the highest interest rates since the aftermath of World War I." As he proceeded to explain, the net result was private competition with the government for investment funds, so that in 1966 there was a "12 percent decline in physical volume of construction, even though the needs for virtually every kind of residential, commercial, industrial and public construction increased rapidly." Investors were finding entirely too many opportunities in the bond market to want to invest elsewhere. For Salk, priorities were inverted: "reliable estimates have pointed up that it would only take somewhere between $90 and $120 billion to eradicate all slums and provide decent housing in their place." Invoking Kennedy's and later Martin Luther King, Jr.'s, line on inevitable revolutions, Salk closed by saying: "By ignoring the national priorities at home . . . we plant the very seeds of destruction and revolution that we feel so dedicated to fighting abroad." These concerns were echoed by Louis B. Lundborg, chairman of the world's largest bank, Bank of America, who testified before the Senate Foreign Relations Committee in April 1970 on "Why Peace Would Be Good for Business." He was not officially affiliated with the BEM, but based on a
report by his bank's Economic Department, which reads much like the
Paine, Webber analysis, he told the Senate: "[The war in Vietnam] draws
off resources that could be put to work towards solving imperative problems
facing this nation at home. And despite the protestations of the new left to
the contrary, the fact is that an end to the war would be good, not bad, for
American business." In his analysis, Lundborg explained that "When we
survey the very real needs in our economy in the areas of housing, urban
transit, environmental pollution, etc., it is clearly evident that we do not need
to create war-related demand for resources in order to maintain full employ­
ment." He offered figures: prior to the U.S. commitment to Vietnam, defense
spending averaged $50 billion per year. Assuming this would have remained
the case, the increase of $118 billion per year was slightly above the annual
$112 billion in spending for residential construction. He also insisted that
even if the conflict in Vietnam had been profitable for the country, he
"would not support our role in the war." War spending had been infla­
tionary since 1965, he concluded, when expenditures for the conflict began
to amplify the effects of near full employment.

Besides the board room of Bank of America, other executives also ex­
pressed concern. The director of IBM, Thomas J. Watson, Jr., stated that "If
we continue, I believe we will soon reach a point where much of the damage
will be irreparable." And New York's governor Nelson Rockefeller would call
for a hasty conclusion to the conflict in order to avoid "greater disasters in
the future." This came at the very moment that the Senate Foreign Relations
Committee rescinded the Gulf of Tonkin Resolution by an 81–10 margin and
declared that Nixon was in violation of the Constitution.

In short, aside from the growth of the military-industrial complex, a
cross-section of the American business community opposed to the war had
concerns about inflation, about the neglect of the War on Poverty in order to
fund the war, and about Nixon's plan for a 10 percent increase in the income
tax. They were not alone in their concerns: President Nixon and economists
in his inner circle also observed the effects of the Vietnam War inflation on
the trade deficit, as well as other related factors, according to a report by the
Commission on International Trade and Investment Policy. Throughout
the 1960s, U.S. companies were moving funds abroad to avoid taxation, and
depositors were moving funds overseas to find higher rates of return, because
the Federal Reserve had imposed a ceiling on interest rates for depositors.
There were other moves abroad, like gambling on exchange rates and financ­
ing takeovers, that drained the United States of currency. As the Bretton
Woods system required dollars be backed by gold, foreign countries started demanding American gold reserves as the dollar began to lose its value. By 1971, the United States had depleted one-third of its gold reserves, so Nixon decided to stop selling it. The American government in its ongoing expenses for the war was, therefore, also driving inflationary pressures in the bond market, which had ripple effects throughout the economy.54

The January 1968 Paine Webber Jackson & Curtis analysis discussed at the outset of this chapter bemoaned that “the escalation of the Vietnam conflict to its present level has created an enormous increase in defense demand” and that “this has been superimposed upon demand from both the private and public sectors of the economy, which—already—had stretched the nation’s production facilities to the point where there was virtually no remaining reserve of economic resources.” The report went on to suggest that “Funds needed for the war in Vietnam could be rechanneled to the war on poverty. Education, highways, housing—all would come in for higher government appropriations as a result of the end of the war in Vietnam. . . . A substantial reduction in total government spending seems doubtful.” It then noted that the United States had developed a sizable balance-of-trade deficit against Britain that was equal to the “dollar flow from our commitment to Vietnam.” An end to the war, then, would reduce this deficit and put the country in a better position to achieve a balance of payments.55 From a later vantage point, it seems clear that the Vietnam War was not the sole cause of the economic problems beginning to confront the United States: these business leaders were in fact observing the decline of the Bretton Woods system. But at the time, the war seemed to be the primary culprit. Indeed, the death knell for the War on Poverty and the budget priorities for 1968 marked a decisive shift in government interest in a healthy demand side of the economy. The New Deal that laid the social foundation for the men of the BEM set as priorities social commitments that were evident in Johnson’s War on Poverty but quite absent from the agenda to fight in Vietnam. The use of public funds to stimulate the economy and to assist the impoverished was accepted by these activists, and the inability both to fund the war and to fund social programs was not lost on them. Sargent Shriver, the Kennedy son-in-law who directed the Peace Corps and the War on Poverty, was told that his Community Action Program was to be defunded in order to increase the defense budget.56

The efforts of the BEM may even have played a role that was undoubtedly critical in the eventual withdrawal. A recent history of the Tet Offensive
suggests that the business community’s negative reaction to that event convinced Secretary of Defense (and Wall Street attorney) Clark Clifford of the need for an exit strategy. In March 1968, President Johnson blamed Clifford for what he saw as poisoning his strategic discussion in his National Security team. Johnson’s “Wise Men” had turned against the war by early 1968 because of the pervasive belief, according to Clifford, that “Vietnam was weakening us at home and in the rest of the world. And they were right.”

Clifford’s biographer suggests that this conclusion resulted from Clifford’s intimate awareness of “what members of the business and legal establishment were thinking.” “These guys who have been with us and who have sustained us so far as we are sustained are no longer with us,” as Clifford put it. “[M]ajor elements of the national constituency—the business community, the press, the churches, the professional groups, college presidents, students, and most of the intellectual community—have turned against this war.”

Clifford, like many of these men, also reconsidered his moderate hawkish position after the Tet Offensive. Yet business pressure alone hardly brought Clifford around, as he would privately confide later to Henry Niles: “We have become the barbarians of the world.... I would put no limit at all on what Nixon would do.”

It is even possible that BEM’s organizing fostered business organization later in the 1970s. Given his contacts in the American business community, it seems reasonable to associate Clark Clifford’s connections with his appointment to the board of Business Roundtable in 1978 as a sector of American business began to recognize a need for coordinated lobbying. Representative Paul McCloskey (R-California) told Erwin Salk years later that “Many times I have mentioned in a speech that it was really the business community that finally brought the tragedy of Vietnam to an end.”

Henry Niles could report to the BEM membership in mid-1968 that “Responsible sources in Washington tell us that the growing opposition of the business community has been a vital factor in whatever progress toward peace there has been since the beginning of the year.” It is also noteworthy that dissident intellectual Noam Chomsky reasoned at that time that only a shift in elite opinion would bring the war to a close, on the assumption that elite opinion shapes policy to begin with. Moreover, George McGovern claimed to Henry Niles in 1972 that the “Business Executives Move for Vietnam Peace has played a vital role in the search for an end to our national folly in Vietnam. Perhaps the most important contribution has been the breadth you have brought to the anti-war effort.”
Momentum against the war among the businessmen had been building for some time, as Yale political scientists Bruce Russett and Elizabeth Hanson found when they published *Interest and Ideology* in 1975. They wanted to gauge the interests of American businessmen on U.S. foreign policy and a number of domestic issues. Utilizing an earlier study of American elites (in the media, organized labor, and business) conducted at Columbia University, Russett and Hanson asked the same questions again of a group of business vice presidents at Fortune 500 firms and another group of ranking officers at the five war colleges. The Yale sample consisted of more than 1,000 businessmen, almost all over the age of 40, and nearly half in their fifties. Nearly three-quarters of these men were veterans of the Second World War. Among the findings were that 61.5 percent of businessmen believed “trade, technical assistance, [and] economic interdependence” were the most important approach to world peace. This reply garnered six times more responses than any other answer. More than 57 percent of businessmen believed that the threat of communism abroad had decreased over the previous decade, and about the same percentage believed (though some of them with qualifications) that the United States had contributed to the escalation of the Cold War “by overreacting to Soviet moves or military developments.” The business community was also divided over the cause of poverty being “due to cultural and psychological problems of the poor,” with nearly 47 percent in disagreement and just over 53 percent in agreement. More than 52 percent also believed that it had been incorrect to commit ground troops to Vietnam, with an overwhelming 77.1 percent agreeing with the claim that the Vietnam War had been bad for the economy. And nearly 90 percent believed that the war had negative consequences for “American social and political institutions.”

Coming in 1975, the sentiments could very well have represented hindsight, but given the arguments of the membership of the BEM nearly a decade before, certainly some of those surveyed had come to these conclusions much earlier.

In the final analysis then, what finally threatened the Cold War endeavor of Vietnam was business-as-usual but not necessarily the business of war. Congress responded, McCloskey and others suggest, not to democracy being in the streets but to businessmen concerned about the American economy. The business executives were latecomers to the antiwar movement, though the BEM’s founders both had associations and activities peculiar to them that defined their corner of the movement. The emergence of a business opposition to the conflict brought further pressure to bear on the

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leaders of the United States' aggression abroad. The antiwar segment of the business community saw in the Vietnam War a misallocation of state resources: the cost of borrowing to pay for the war was driving up interest rates for American businesses, infrastructure was being built abroad while neglected at home, and government support for American business was going to those sectors that supported the military rather than to industries that would produce profits and long-term growth. In short, the Vietnam War was bad for American business. That this outlook and its prescription came at a moment when larger structural forces in the global economy shocked the industrialized world and were setting the stage for a postwar readjustment during the 1970s could not have been foreseen. These American businessmen also recognized that war was not necessarily good for the health of the state. Indeed, the work of the Business Executives Move for Vietnam Peace illustrates quite literally that the historical balance sheet of the Vietnam War's costs only ran further into the red.