

Verbatim Transcript

of
AN ADDRESS TO THE NATIONAL PRESS CLUB

by

MR. CYRUS EATON

at

National Press Building

Washington, D.C.

Thursday, October 30, 1958.

MR. JOHN HORNER (PRESIDENT):

~~MR. HOLEMAN:~~ We are quite pleased today, gentlemen,
to have with us distinguished guests.

At this time I would like to present to you on my left
the President of the United Mine Workers of America, Mr. John L.
Lewis.

(Applause)
HORNER

MR. ~~HOLEMAN~~: And on my right, another long-time friend
of our guest of honor, the former Senator, Burton K. Wheeler.

(Applause)
HORNER

MR. ~~HOLEMAN~~: And on the left, the Editor of the
Washington Post & Times Herald, Mr. J. Russell Wiggins.

(Applause)
HORNER

MR. ~~HOLEMAN~~: And on my right, the Director of the Folger
Shakespeare Library, the Honorable Louis B. Wright.

(Applause)

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HORNER
MR. HOLEMAN:

We are pleased to have with us one of our members, the Assistant to Mr. Eaton, Director of Public Relations of the Chesapeake & Ohio Railway, Mr. Howard Skidmore.

(Applause)

HORNER
MR. HOLEMAN:

And also to have as our guests today two bankers from my home town, Lynchburg, Virginia, the President and Vice President of the Peoples National Bank & Trust Company, ^{Horner} My brother, L. W. Warner --

(Applause)

HORNER
MR. HOLEMAN:

(Continuing) -- and the Vice President and Trust Officer, Richard Powell.

(Applause)

HORNER
MR. HOLEMAN:

As you probably know, our guest of honor is a native of Nova Scotia. He was born in the lobster village with the intriguing name of Pugwash, ~~and he was educated for the Baptist ministry.~~

He went astray on a casual visit to Cleveland. He had \$20 in his pocket when he stepped off the train in Cleveland to visit an uncle, and he needed a job. He got one as a night clerk in a hotel. It was his good fortune that the uncle in Cleveland was the pastor of a church attended by the John D. Rockefellers.

(Laughter.)

HORNER
MR. HOLEMAN:

He was invited, along with his uncle, to have dinner one evening at the Rockefeller home. When Mrs.

c2 Rockefeller learned of his hotel occupation she ~~sagged~~^{sighed}. She said, "A seventeen-year-old boy from the country should not be exposed to the temptations of after-dark life in a downtown hostelry."

(Laughter.)

HORNER

MR. HOLEMAN: So she asked her husband, "Isn't there something he can do around here, John?"

(Laughter.)

HORNER

MR. HOLEMAN: John said there was, and young Mr. Eaton became an errand boy and a social companion to the richest family in the world.

Then and there he proved the truth of the saying that if you don't have money, associate with it as closely as possible.

(Laughter.)

HORNER

MR. HOLEMAN: Ten years later, or maybe less, Cyrus Eaton was a millionaire. He began in business seriously as an adjuster for a gas company, the job being to ^{pacify} classify all of the homeowners who did not like to have their lawns torn up by working crews engaged in laying gas mains.

He was, for a while, a cowboy in Saskatchewan, but in 1912 he began extensive activity with the utility industry. He has had connections since then in ^{the} iron ore, railroads, coal, shipping, steel, rubber and paint industries.

Once he gave a personal check of \$18 million to save the

Trumbull Steel Company from liquidation.

In 1952, as you may remember, he lent the employees of the Cincinnati ^Equirer \$7,600,000 to enable them to buy the paper, which was about to be merged.

A few years ago he turned his home at Pugwash into a vacation place for eggheads throughout the world for the purpose of an exchange of views which he hoped would lead to a formula for living in this nuclear age. At one time, I believe, his empire included the interurban transportation that ^{had here} we ~~have~~ known here as the Washington, Baltimore & Annapolis Company. Many of us have ridden on that line.

To show you how farsighted Mr. Eaton ~~is~~, was, he accommodated a prominent Baltimore investor who wanted to buy into the line, the WB & A. He sold all of his interests and the company promptly folded.

Herbert Hoover used to invite Mr. Eaton over to the White House to toss a medicine ball around on the lawn. He has been ^{invited} there since, of course, as ^{by} a ~~guest of~~ both Mr. Truman and Mr. Eisenhower. More recently he has been a guest of Nikita Khrushchev, and he is here today to tell us something about that visit in a talk which ~~he has~~ ^{en} titled "A Capitalist Looks at the Commissars."

I am delighted, gentlemen, to present to you at this time the Chairman of the Board of the Chesapeake & Ohio Railroad, ^{way} Mr. Cyrus Eaton.

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(Applause.)

MR. EATON: Mr. President and Gentlemen:

One of my first visits to the Nation's Capital was a very unhappy one. ^o In our railroads in March of 1909 we made great preparations for the entertainment of guests ^{from} all over the country to inaugurate ^{as president} our fellow-Ohioan, ~~Mr.~~ William H. Taft.

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They brought in thousands of cars, because people had to go out to Baltimore or Annapolis for ^{sleeping} accommodations. There is nobody here old enough, except, perhaps, Mr. Lewis or Senator Wheeler, to remember what happened on that March 4th, 1909.

The most terrific snowstorm ever known in the history of this part of the world occurred. Six feet of snow fell. All of our lines were tied up. We couldn't turn a wheel for three days. And I observe that there are some forecasters who suggest that there may be a snowstorm next Tuesday. (Election Day.) (Applause)

MR. EATON: It may have some influence, not only in Washington but throughout the world.

That snowstorm was very disastrous to us. Our losses were so great that we had to put our railroad into receivership and subject it to a drastic reorganization.

I don't know whether, if the vote is as emphatic as some people indicate, there may be some reorganizations called for, especially in the Department of State and in our representation in the United Nations.

I observe that the Department of State has already gotten its alibi out by saying that foreign issues are not to be of any important consideration in this vote next Tuesday.

That isn't what I hear from Maine or Michigan or Minnesota, or California.

(Continuing:)
Senator Wheeler: And Montana. -- I don't know so much about that as the

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other states...

(Laughter)

MR. EATON: I have this feeling: that when the new Senate comes in, after next Tuesday, they will have a responsibility that they will have to take with the utmost seriousness concerning our foreign relations.

I needn't remind you men of Washington that both the head of the State Department and the head of our Delegation ^{to} of the United Nations were rejected by the voters of their respective states. That is a fact. It may be ^{that} the new group who have responsibility here will take it seriously.

When I came to the United States at the time the Chairman referred ^{to} the beginning of the century, this nation was perhaps the only one in the world that did not have a single enemy. We had other desirable conditions then; our national debt then was a billion and a quarter, which Mr. Rockefeller thought was too big, ~~And~~ we had no income tax.

We have made enormous strides since then. *by*

(Laughter)

MR. EATON: By skilful movements we have contrived to tread on the toes of nearly every nation in the world.

And I don't need to remind you of the back-breaking character of our income tax and the fact that our debt has now reached a high of \$280 billion and is now going up.

Those are ^{next} fast changes, and I think that if one looks back.

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and looks forward and takes into consideration the present, he maybe becomes very serious about the conditions that we face.

When I started to work for Mr. Rockefeller, one of our frequent guests was Dr. Harper, the first President of the newly formed University of Chicago.

Dr. Harper was not only a good scholar but a great salesman. And the Rockefellers contributed the total sum of \$75 millions to the establishment of that university.

Dr. Harper, ⁱ on my first summer, had just returned from an extensive trip through Russia, accompanied by two or three leading Chicago businessmen.

He came back with the greatest enthusiasm for that country and its future. He described it as the land of magnificent distances, with immense potentialities, and that ^{it} some day would emerge from the twilight which it was suffering from ^{under} ^{then} its rulers and be one of the great nations of the world.

His son, Sam Harper, a contemporary of mine and a brilliant scholar, became a Russian specialist. He became head of the Department of Russian at the University of Chicago, and by special arrangement with the ~~University~~, he spent six months of the year at the ~~University~~ and the other six in Russia.

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Those of you who are seriously interested in Russian history, I commend to you Sam's book entitled, "The Russia In Which I Believe."

I cite these connections with Russia to show you that ~~for a long time I have been a student of Russian affairs.~~ ^{and} You will realize from my background that I could hardly become a Communist; I am a Capitalist by theory and practice. I have always preferred Adam Smith to Karl Marx, and I am such a confirmed ~~Capitalist~~ and such an enthusiastic one that I ^{try} ~~tried~~ to persuade myself that if Karl Marx were living in the United States today and saw the great progress of this country under ~~Capitalism~~ ^{Capitalism} saw what has been accomplished by our industrial leaders, by the wisdom of our labor leaders who have moved away from ~~Socialism~~ and toward ~~Capitalism~~ ^{Capitalism} that if he were here and saw the state of this ~~Nation~~ as contrasted to the conditions that existed in England in his day, he would be a ~~Capitalist~~.

Now, when World War I came on, Cleveland, my home town, was the center of supply for the Russian Army. We had many Russians ^{visit} there and supplied a great deal of war materials to that nation, and I had much to do with arranging credits, ^{and other things.} ~~and the other things that went along.~~

When the Revolution occurred 41 years ago, two of my friends were in Russia in important jobs. One was Dave Francis, formerly Governor of Missouri, who was then our Ambassador. And then that rugged Bull Mooser, Raymond Robbins,

of Chicago, was there heading the Red Cross ^{mission.} drive. ~~And~~ ^M my friend Dave Francis was as fine a business man as this country ever produced.)

At the time he got to Russia, he was more interested in a good cigar and a game of bridge than he was ⁱⁿ trying to understand what was going on in that vast nation, and he reached the conclusion that Communism was going to bust up quickly ^{we need not} and ~~he didn't~~ worry about it.

Raymond Robbins, who had a wider understanding of history ^{and} ~~than~~ of economics, held that Communism was there to stay and, whether we liked it or not, we would have to put up with it.

~~Now,~~ ^I in recent years I have seen, as the ~~Chairman~~ mentioned, a lot of Russian scientists and scholars who have come to our little village of Pugwash to exchange ideas on the great dangers of the atomic bomb and what could we do to persuade statesmen to take it seriously and to mitigate its hazards.

~~I wanted to~~ ^{as} I had never been in Russia, but ~~I'm~~ a great reader of its history and ~~of~~ its literature, ~~but~~ I did want to see it myself, so I went there a few weeks ago, ~~and~~ I had the busiest time of my life; from early in the morning until midnight I saw everything and everybody that I wanted to see. The only engagements I had ahead of time were with the Ambassadors of six or seven countries -- our own Embassy, the British Ambassador, ^a Canadian, France, China, India,

Japan.

But ^M ~~My~~ impressions were the same as every traveler who reports. One is amazed at the speed with which the people are moving. One is astounded at their dedication to their work. One is captivated by the unfailing friendliness of all the people.

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I visited their farms, their factories, their railroads. I saw, I think, seven of their chief Ministers. The ones I was especially interested in were the Ministers of ^{Foreign} Internal Affairs, of Agriculture, of Transportation, of Banking, and of Foreign Trade.

I went into the schools, the universities, the museums, the libraries, and one is captivated by their eagerness to learn.

The library, with twenty million volumes, had every room crowded. They have from six to ten thousand people a day in there to get books or pamphlets or magazines. [They are really going places.)

Now, ^{it} that does not mean when one says that / that he believes in the socialistic system, ^{That is} but is trying to be realistic and to tell this nation what is really going on and what we ought to do to see if we can't get along with them rather than to destroy ourselves.

One of my most interesting interviews was with the Premier, Khrushchev.

Now, I believe that the Russians, their ~~Government~~ and their people, want to make peace with us; that they want to get along with us. [I think that our own propaganda is terrific.)

Every time they make a mistake -- which they often do -- we play that up very big ^A and, because of it, we persuade ourselves that they are about to fall apart, even as my old friend,

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Dave Francis, thought would occur ^{forty} ~~thirty~~ years ago.

But that isn't going to happen. They are dedicated to socialism. And, remember, ~~that~~ for forty-one years that system has gone on, and they have done the most amazing job ^{of} ~~in~~ educating ^{and} ~~or~~ indoctrinating their people. They are all for the system -- good, bad/ or indifferent. And that is especially true of the young people.

I found them amazingly friendly. I found them really, genuinely scared about what they think America is going to do to them.)

They see us ^{all around them} building missile sites, ^{of} and they read ~~our~~ ^{the} statements ~~that come out from~~ our statesmen and many of our writers, and they are genuinely alarmed ^{about it.} ~~about it.~~ They want to make peace, and I think if I recite for a moment what Khrushchev said to me, that may be convincing to you. I think it represents the attitude of the Russian people and of the Russian Government.

He said he had been immensely impressed with ^I the findings of our scientists who had met at Pugwash. He said, ^I ~~An~~ in this country we have great respect for the scientists. They have immense influence, and they have warned us of the deadly character of these atom bombs and hydrogen bombs, and we know how destructive they would be. ²²

He said, "We are spending immense sums here on military defense, and I'd like to stop it."

He said, "I want to tell you what my chief interests are in the job which I have. The first thing I want to do is to ~~enormously~~ expand our educational system. That means hundreds of thousands of schools and hundreds of thousands of new teachers. That's Number One.

"Number Two, I want to expand our housing." He said, "If you will observe these apartments we have put up in Moscow, we have only scratched the surface, and we have a program that will go on way beyond my lifetime in building homes throughout this country, because I want every Russian family to have a good home with every modern convenience."

He said, "My next interest is in agriculture." ~~He said,~~ "You know, I was born on a farm, and I have an immense interest in ^{it.} ~~that.~~ He said, I know we have ~~got~~ great room for improvement, and that is a place to which I want to give attention, because I want to see that every family in Russia has an abundant supply of good food."

"Now," he said, "I would like to see America." ~~He said,~~ "I have the greatest respect for American industry." He said, "When America came into World War II, Stalin said to us, 'The side that has the support of the industrial might of America is going to win this war.'" He said, "I have ^{great} ~~enormous~~ respect for the American industrialists, and I'd like to see your factories, I'd like to see your railroads. We have an enormous railroad program. I'd like to see how you do it."

"I'd like to see your farms; I'd like to see your people. I'd like to go there and I'd like to be friends."

"Now," he said, "A good many visitors ^{who} come to Russia, go back home and say, 'The people are friendly but the government wants war.' Nothing could be further from the truth. I want peace, and I am prepared to sit down any time and negotiate an agreement where ^{we} can trade together ^{and} exchange ideas."

I said, "You understand that I adhere to a different philosophy, different form of government, different form of economics than you subscribe to."

He said, "I understand that thoroughly."

I said to him, "There is no chance in the world of ever making the United States socialist or communist, ~~that~~ that I had have a wide acquaintance in the United States and I don't know a single Communist, and I don't think there are many, ^A and any thought of ~~any~~ propaganda or education that would turn the United States into a socialist nation, to say nothing of communist, ~~it~~ is just a flight of the imagination."

He said, "I recognize that. All I want is to have you say to me, 'We will leave you alone, and we will leave you alone, and we will each wish the other luck, and we will trade.'"

Well, I said to him, -- they are very sensitive -- I said, "Don't be too disturbed when an American statesman makes a speech that is critical of Russia." I said, "That is a habit we have. Our people have a great sense of humor --"

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(Laughter)

(Continuing) -- and they laugh those things off.)

~~I said,~~ "If you will have someone translate for you the speeches that were made ^(by the two sides) in this coming campaign ~~between the two sides~~ and see what each predicts for the other, you ^{will} ~~would~~ decide that the country could not possibly survive, whichever side was elected."

(Laughter)

He has a sense of humor, and that is why he is a good man to deal with. He does not have that inflexibility that his predecessors had, and he can laugh. And we had a lot of laughs together.

After we got through talking, we went out on the street and walked around the Kremlin, ^{(museums and the gardens and} and the ~~musicians~~ were having a good time together.

Well, that is his message.

Now, he said, "I'd love to have President Eisenhower come to Russia." ~~And he said,~~ "I would guarantee him a wonderful reception from the Government, a marvellous demonstration from the people, and I ~~would tell him that he would be~~"

~~(Laughter)~~~~(Continuing) -- "that he would be improving."~~

~~And he said,~~ "I would guarantee him that he would be perfectly safe here."

And I think that is one thing that impresses a visitor,

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~~the~~ the lack of^f lawlessness. You see a wonderful discipline.)

Take the children in school, their politeness, their good manners. I want to find out how they do it, because I have thirteen grandchildren. I'd like to use some of that method on them.

(Laughter)

But it is a marvellous success in dealing with their youth. And, for instance, take their policemen.

We went down to the station to go over from Moscow to Leningrad in their big train at midnight, and all the railroad officials turned out to give us a send-off and a big crowd was around. The only policeman in sight was one woman without any revolver or arms.

It is a marvellous success they have had in that field, which we have got to give them credit for, no matter what other bad mistakes they make.

But that is his attitude.
Soviet Russia

I went from ~~there~~ to the conference of our Pugwash

Scientists in Austria, ~~and their~~ 80 top scientists of the world from 22 countries, ^A and all of them, ^{experts on} ~~who had to do with the discovery of the atomic bomb and the hydrogen bomb, all great experts in that field, and they~~ were unanimous on two things:

One, that in a nuclear war, no city on either side would be left; that 90 per cent of our people would be destroyed; that there are already stockpiled and in existence enough atomic and hydrogen bombs to destroy every city in the world.

^{Two,} ~~And they are all agreed on this,~~ that there isn't any possible defense against the atom bomb and the hydrogen bomb, and when we talked to our people about civil defense or military defense, we are leading them astray and may encourage them to get into war if they thought there was some protection. There isn't any.

That was the unanimous view of 80 of the top scientists of the world from 22 countries, including the top people from the United States who had to do with the atom bomb from its infancy, when we worked out the chain reaction ^{at} ~~with~~ the University of Chicago.

And I ^ewant around Europe. I was in France and Germany and Austria and England, and I saw statesmen, industrialists and bankers and journalists. I hear ^{some} our folks claiming great

credit for the fact that peace exists in the world. Well, while I was there peace was raging in the Formosa Straits.

And everyone in France, ~~in~~ England, Germany, Austria, Denmark, they were all terrified at the chance of someone, either by accident or by design, touching off a nuclear war that would destroy us all.

I spent a day ~~in Denmark~~ with Nils Bohr, leading citizen ^{and} of Denmark, who is a great scientist, who was with us in Chicago in developing the bomb. He told me that a year before the bombs were exploded in Japan he came to Washington to see Mr. Roosevelt and ~~he~~ told him, ^{BT} "there are going to be no secrets about this, because once it is known that the bomb can be made, then any nation that has a couple of physicists and some industrial equipment will be able to make a bomb. Let's do something now, in the early stages, so as to prevent the catastrophe that may overtake the world." But ^{Bohr's} Roosevelt died, and his warning was not taken seriously.

But there ^{is} ~~is Denmark, that beautiful city of~~ Copenhagen, and when they think that the dropping of one bomb on that ancient and beautiful city would turn it into dust and ashes, they are deeply disturbed ~~about it~~. But, then, they take it with much more seriousness than we do in America.

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~~and~~ in whose integrity and wisdom I have great confidence, ^{had} just returned from Formosa / when I was in London.

He said there are eight million ^{Chinese} Chinamen on that island, and ~~he said~~ they feel that Chiang Kai-shek was foisted upon them by the American Navy and is being supported ~~in the style~~ to which he was accustomed by the American taxpayer.)

And he said to me, "The most unpopular nation in Formosa is the United States of America."

Now, just one second on the cold war:

If you spend fifty billions this year, you will probably have to spend sixty the next and seventy the year after.

We ^{will} just go on from one extravagance to the other until this nation will go bust, just as sure as we are all here.

~~So~~ ^T therefore, I think the cold war is no solution.)

The solution is to get together ^A and with these people I believe we can make a trade with the Soviet Union.)

We can make a trade with Red China ^A and I think we ought to do it.

~~Now~~ ^M maybe the way to make that happen is to persuade Mr. Dulles to take a long, well-deserved holiday and let someone like John Lewis, who is accustomed to tough trading --

(Laughter)

(Continuing) -- both with his opposition and handling his own men, somebody like that, and not a panty-waist, ^{tough} to tackle that ~~top~~ job.

We can do it. ~~And~~ ^L let's get away from this madness that will destroy us, either through nuclear warfare ^{or} through extravagance ^{With} ~~and of~~ all the money we spend on ~~all of these~~ nations / to buy them, they won't stay bought. They want a handout next day.)

"What have you done for me lately?" you see, is the philosophy.

~~And~~ ^I At is dangerous.) ~~The way to do it -- for instance, if I, in business, if one of my most hated competitors, one of my most dangerous ones,~~ following what I considered unsound practices, would say to me, "Let's have lunch together and talk these things over and see if we ~~cannot~~ come to some agreement," I wouldn't waste a second to accept his invitation.

I think our President ought to go to the Soviet Union.

~~Now,~~ ^W ^(his) With ^A wonderful personality and great frankness, why can't he go?)

Who keeps him from going?

^{Ike}
And if ~~he~~ did not want to tackle the job, I don't know whether Mr. Lewis would, but he could / do it.

I have gone way beyond my ^{time} ~~time~~ I don't have a ghost writer.
I can't find anyone ^{who} ~~that~~ will let me say what I want.

(Laughter.)

Questions:

HORNER

MR. ~~HOLEMAN~~: Thank you very much, Mr. Eaton.

This is quite an experience, to sit between Cyrus Eaton and John L. Lewis and not ~~to~~ know precisely which one is on the left and which on the right.

(Laughter and applause.)

QUESTION: Mr. Eaton, the announced purpose of Russia is to communize the world. How can you say they want to get along with the United States?

MR. EATON: Everyone who believes in his theory wants to share it with everyone else. I remember when we were going to make Christians of all the world, when Mr. Rockefeller used to subscribe large sums to ^{do} it ^I ~~but~~ they didn't think of shooting us down because we advocated that point of view.

I don't believe that the Russians have the slightest thought of communizing the United States. I think that no Russian of any responsibility has any notion of it. But we emphasize that because it keeps our people scared, and keeps us putting up ~~these~~ vast sums of money for instruments of defense which, if they were ever used, would destroy all of us.

QUESTION: Sir, you speak of Khrushchev's intentions as "peaceful". When he says, "We will bury you," do you think

he means to do so peacefully?

(Laughter.)

MR. EATON: That was a piece of what ~~has become~~ ^{is} known as campaign oratory in this country, and I think that all he meant was that they would tell their story so eloquently and persuasively that we would all want to adopt his system; it ^{would be} ~~was~~ such a success, ~~that~~ they were going to ~~go to~~ such heights that we would be ^a ~~a~~ way behind in the race.

And I must say to you that they are galloping along, and if we are going to ~~get anywhere~~, hold our place ^(and) meet the future, we ^{must} ~~have got to~~ have a close ^{alliance} ~~reliance~~ between labor and capital.)

We have got to have the support ~~in that field~~ of the farmer, of the journalist, of the ^{scholar.} ~~editor.~~ I think those people who have made America have got to get together and, if we do, ^(Mr. Khrushchev) ~~Mr. Khrushchev~~, I think, will find his people turning toward our system, rather than adhering to his own.

QUESTION: Mr. Eaton, two related questions, sir:

Did you have an opportunity to be captivated by the sight of an estimated 15 or 20 million prisoners of the Soviet slave camps, and did you and Khrushchev touch on the Hungarian revolution in your conversations?

If so, did you in any way reproach him for his conduct on that occasion?

MR. EATON: Khrushchev and I did not mention Hungary,

but everywhere else I went -- England, France, Germany, Austria -- I talked about Hungary. Two of our leading American scientists who have had to do with the atomic bomb from the start were born in Hungary. They love the land of their birth.)

at the Pugwash meeting
 We had, in addition ~~to that~~, a brilliant representative of Hungary. And wherever I could see a statesman or a Hungarian, I said, "What about Hungary?"

And this is the answer I ^{got} ~~got~~ from a ~~very~~ leading citizen of Hungary, a man who has spent a lot of time in England, speaks good English, and understands what went on:

^H ~~Now,~~ ^W he said, "What happened in Hungary was not because they were Communists but because they are Hungarians." And he said that wherever there is a revolt against an established government, it is the custom to bring out the military to suppress it, and that is what happened in Hungary.

^A ~~Now,~~ another man said to me, "We Hungarians are an emotional people and our young people are especially easily stirred up. And the message that we kept getting from America every week was that if you get rid of the Russians and join your system, the high standard of living that prevails in America will be instantly installed and established in Hungary."

~~Now,~~ he said, "That was misleading us. There was nothing that the United States could do about it, nothing they ever

intended to do about it, and," he said, "in my judgment of it, the Hungarian issue is a phony one."

QUESTION: Mr. Eaton, you were quoted in the Paris edition of the New York Herald Tribune of September 25, 1958, as follows:

"I am confident that in Khrushchev we have a man with whom we could deal."

Assuming that the quote is correct, in view of what has happened in Hungary and Czechoslovakia, Poland and other places, why do you feel that Khrushchev can be trusted?

MR. EATON: Remember, they distrust us quite as much as we distrust them. And this distrust can go on until finally we decide to fight it out, and that finishes all of us.

~~Now,~~ ^P people can be trusted when the arrangement made is one to their advantage, and certainly I have not seen anything more logical than Khrushchev's statement to me as to why he wanted peace.

~~Of course,~~ ^I it is an advantage to him. If ^{war plans} ~~it~~ persists ~~in~~ ~~the war plans~~ with these enormous expenditures, ~~where~~ he cannot do ~~these~~ things for his people, ^{and} that is ~~going to be~~ very serious. ^T ~~And~~ the great danger to us is that they will conclude that we are out to destroy them, and some day, somebody will start dropping hydrogen bombs, and that is the end of civilization.

I think ~~that for selfish reasons,~~ you can trust people

selfish
when their ^{own} interests are going to be highly served by
the bargain made.

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QUESTION: Sir, the seemingly favorable things you found in Russia, are they the same sort of thing a visitor might have said about Nazi Germany?)

What would you say is the difference?

MR. EATON: I think there is a vast difference.

The Russians have had their present system going for forty-one years, ^I and ⁱⁿ the early stages, ~~of that~~, I think they were in a fanatical mood, ^{but} ~~and~~ I think time has done an awful lot for them.

And ^T you take ^(the) ~~this~~ position of ^(the) ~~a~~ scientist. In Russia, the scientist has enormous influence. In Germany, they drove the leading scientists out. Many of them came to America. But in Russia, they are being kept and being supported. ~~And~~ I think you have a situation that is totally and completely different.

QUESTION: Mr. Eaton, did you or have you invited Khrushchev to be your guest?

MR. EATON: I haven't. I would very much like to. I would suppose that/ as the head of his state, perhaps the most single influential man in the world, ~~that~~ he would hardly come unless the invitation were backed by our State Department. I think nothing would be finer than to have him see America. We have nothing to hide. We have everything to be proud of. To let Khrushchev see our great installations, our great enterprises, our farms, our people, our way of living, would be

something that would make an enormous contribution to the future peace of the world.

QUESTION: If the Soviet ~~Union, sir, Soviet~~ Government, is so desirous of peace, why does it subject the United States to such a vicious propaganda campaign?

MR. EATON: It is in reply to our propaganda campaign, which is certainly direct^{ed} to overthrow^{ing} their system of government, ~~to take the world away from them and their friends.~~ It is replying in kind to what we do to them. And I think it is a great mistake.

I think the ~~one that~~^{United States} first ought to set the example of killing off invective, the hurling of opprobrious remarks, ~~is the United States. And~~^{If} ~~if we did it,~~ Dulles would stop writing essays, the President quit sending those ghost-written letters ~~maligning them~~^{denouncing the Soviets,} ~~or not maligning them but denouncing them.~~ I think you would get an immediate response from the Russians.

The Russians are the most friendly people, probably, in the world, unless it is the Chinese. They would go along if they thought we meant it.

QUESTION: Sir, what do you mean by "ghost-writing"?

(Laughter)

MR. EATON: I take it that those frequent letters that go to Mr. Khrushchev from our head of ~~the~~ Government ~~were~~ ^{are} probably composed by Mr. Dulles. I have known his firm and

him for many years, and he is a great master of preparation of briefs. We call ^{ed} them "briefs", but they were long and expensive letters.

(Laughter)

MR. EATON: ~~Instead of the principals~~ ^I as I said, ~~if~~ two heads of great corporations were going to try and make a trade together, they would not have their publicity departments issuing statements telling what a so-and-so the other fellow was. They would start trusting ^{him} them and trying to get together ~~with them.~~

QUESTION: Mr. Eaton, you spoke of propaganda.)

Why do you think the Soviet Union jams the Voice of America program, the Russian language broadcasts, even proceedings of United Nations' debates?

MR. EATON: I am very far from approving all that goes on in Russia. I have been looking for some of the good things in their conduct to mention and to emphasize; and I think there are a lot of them. But they are somewhat in the position that the United States was after its Revolution. My ancestors happened to be on the wrong side. They were what were called "Tories". Their properties were confiscated, and they were allowed to escape with their lives provided they moved to Nova Scotia. Some of them made a very bad trade. One of them had a big property on Wall Street. He exchanged it for six hundred acres on the Pugwash River.

(Laughter)

MR. EATON: If you go back to the bitterness of feeling on the part of those who won the war of the Revolution toward those on the other side, you ^{can} ~~could~~ understand how bitter the feeling is among people who have just established a new system of government.

Mind, here is a very old nation. Some of those buildings we saw were nearly a thousand years old. But they have made this terrific change where they are undertaking probably the greatest experiment -- I don't mean "great" in the sense of desirable, but extensive experiment -- ever attempted in the history of mankind. So that when someone says something bad about it or criticizes it, they get very angry. ^o ~~and~~ _^ one of the greatest weaknesses of the Russian temperament is his sensitiveness to criticism and lack of a sense of humor and his taking with the utmost seriousness anything that is said in criticism of him, which we don't do here.

QUESTION: If, sir, the Russian people are so dedicated and so unified, why are they afraid of writer Boris Pasternack?

MR. EATON: My guess on that unhappy incident is that ^{the} ~~that~~ protest from Russia ^{is} ~~and~~ on behalf of the fanatical young people, ^{who} ~~that~~ are so dedicated to their system, ^W when you talk with a grown-up, seasoned Russian, man or woman, you ~~will~~ find a philosophical approach, ^a ~~of~~ willingness to weigh the ^{pros} and cons. But the young people, ~~they~~ think their system is just ~~too~~ too wonderful, and they think that anyone who criticizes it is their enemy, ^W ~~and~~ when some ~~very~~ distinguished writer in their own country turns out a magnificent work of art in which he shows the weaknesses of their system, instead of reacting to it as we did to "Babbit" ^t or the ^{The} "Grapes of Wrath", [^] they take it seriously.

~~And that is an expression~~ [^] I would gamble that Khrushchev himself and the members of his [^] Cabinet were not hot and bothered about ^{it} ~~that~~ at all, but the great outburst of protest from the young people, ~~just as we have in this country, is~~ [^] what inspired that unfortunate act.

QUESTION: We will shift to another subject.

How do the United States and USSR compare in production of hydroelectric, steam and atomic power?

MR. EATON: My friends in the utility industry, ~~have just~~, ^{have just} sixteen of them, [^] been there examining their power installations. A group of my friends in the steel industry have just

been there examining their steel plants. Remember, they were starting almost from scratch, and in those two fields they have made perfectly astounding strides.)

(This year Russia will produce almost as much steel as the United States of America. And the one who measures the industrial strength of the country by the amount of steel it turns out ^{as I do,} is enormously impressed by that.

I think in steel, in power and in atomic energy, you cannot discount them. Their sputnik is the answer to that.

I rode in their jet planes from Copenhagen to Moscow and Moscow to Paris, and they are very finely designed, substantially-built, marvelous planes, all of which proves that the Russian engineer is very different from those ~~men~~ who came to Cleveland in the beginning of World War I. Their engineers are thorough, their scientists are men of the highest competence.

For instance, some of my American friends, in pointing to the Russian delegation which was in Vienna, would ~~point at that man~~ and say, "That man is probably the leading mathematician in the world." "There is ~~a man that is~~ probably the greatest chemist in the world."

They have talent of that kind, and if we can only get some kind of an understanding with them so that we ~~were~~ ^{are} working together for each other's advancement, it would be a very great thing for the world.

QUESTION: Mr. Eaton, we have just three questions. If you would, please, sir, we would like for you to answer this one, if you can sum it up briefly:

What is the future of American railroads, generally; will they be out of passenger business, except for commuter business, by 1970?

MR. EATON: That depends on the attitude of the government, Federal, State and municipal, towards the railroads. Russia struck me as being a railroad man's paradise, because wherever you went you saw publicity that the railroads were the backbone of the country and the whole future depended on their expansion and the management was just too, too good.

The railroads in this country have been the whipping boys for many, many years: Heavy burdens of taxation, heavy subsidizing of rival transportation. I think maybe it has dawned on America that the railroads are extremely valuable in their economy, and I hope that with that new point of view and with the help of you gentlemen of the press, we will revitalize the railroads until they again will become a very important cog in our economy.

QUESTION: Mr. Eaton, someone here wants to know, is tipping banned on Russian railroads, as it is on the C & O?

(Laughter.)

MR. EATON: Tipping. Well, they do endeavor to discourage tipping in all categories. They won't accept tips,

and you take all of the people who were helping us, such as interpreters, chauffeurs and the railroad people, they didn't want to take tips. It is against the idea that if you are devoted to your country and your enterprise, you don't need a tip. I think they'll probably change.

QUESTION: We have just one more question:

But, before I ask that, Mr. Eaton, I wish to present to you on behalf of the National Press Club this certificate of our appreciation for your appearance here today.

(Applause)

QUESTION: And the final question, sir, is:

Are you now or have you ever been a member of the John Edgar Hoover Fan Club?

ME. EATON: I haven't been, and that was something that people asked me about in France and England, and Mr. Khrushchev asked me about it, as to why a committee of Congress was concerned about what I was thinking about or what I had to say.

It went all over Europe. And I have a feeling that our policemen, of course, are of great importance, but I want to tell you that there is far less emphasis on police in Soviet Russia than in America.

When Khrushchev and I went out walking around in the streets, we had no bodyguard, no police. We mingled with the crowd. They applauded him and took his picture.

Our Chief Executive doesn't take that kind of a chance. He may ^{out at} ~~get on~~ the golf club, but when he goes traveling there is a big force accompanying him.

I think Mr. Hoover has done a great job, but I will hope he will realize that the policeman has some limitations and that it is not up to him to decide what people should think or

what they should say.

And when he undertook to give the Supreme Court a tongue-lashing, I thought that that was going pretty far for a policeman.

MR. HOLEMAN: Thank you very much.

(Applause)

(Thereupon, the press conference was concluded.)