

Interview with Eli Ginzberg
New York City
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Conducted by Edward Berkowitz

Berkowitz: Let me begin by asking you a little bit about your intellectual background. I know that you were born in 1911 and went to Columbia as both a graduate and undergraduate.

Ginzberg: Seventy years on the campus.

Berkowitz: As an undergraduate at Columbia were you an economics major?

Ginzberg: I wasn't really any major. It's a good question.

First time that it's been asked. I had an unusual undergraduate experience because my father took the only sabbatical leave to open the new department of Jewish law at the Hebrew University in Jerusalem in '28. That was my sophomore year. The family broke up. My sister went to England. My father explored with a friend at Oxford whether I ought to spend the year at Oxford. The friend wrote back, I think correctly, that it's not useful to come to Oxford one year because it takes a long time to get acclimated, so we decided I'd go to Heidelberg, which was his university. German was my native tongue, although I was born in New York. World War I came and I came home at the age of six and said, "If we don't stop speaking German, I'll leave the house." Then we went to Germany for the first time in '22. We went over

to western Europe to see the relatives, so I got my German back. Then I forgot it again. By '28 when I went over to Heidelberg, my father accompanied me because Columbia said that it would only give me credit for the year at Heidelberg if I was enrolled. So he showed up there and a very minor official said to my father, "Why don't you write to the Minister of Education, tell him you're a graduate, tell him your son just wants to spend a year here and he's not planning to take a degree." So I spent my second year at Heidelberg; it was the best year of my whole education. It was a spectacular university at the time. I took my first course, several courses in economics, at Heidelberg. I came back to Columbia then and got credit for the year. Columbia at that time was very relaxed. We could begin graduate studies as a college junior, if you were a good student. I took all kinds of courses, so I would be hard pressed to be sure what I majored in. I'm not even sure we had a specific requirement to major. I began my graduate studies in economics really as a junior in the college. I got my PhD in '33. It took me two years after my B.A.

Berkowitz: Was Heidelberg one of these places that Americans like Richard Ely had been? That generation of economists, many of them, went to Germany.

Ginzberg: We had a leading old man here at Columbia. The leading

old man was E. R. A. Seligman, and he became something of a sponsor of mine. I had him the last year that he was here. He taught both the history of economics—for which he used notes that were forty years old—and was also an expert on public finance. I later became a close friend of his daughter, so I saw a lot of Seligman both socially here in New York and at Lake Placid I used to visit with him. He was Jewish.

Berkowitz: And he was on the faculty in the '20s?

Ginzberg: He was on the faculty since 1880 or so.

Berkowitz: And that's because he was sort of the *Our Crowd* type?

Ginzberg: He was of the banking family. He sold his library—out of which my doctoral dissertation came, *The House of Adam Smith*—for a couple of hundred thousand dollars to Columbia in 1931.

Berkowitz: Your dad was born in Germany.

Ginzberg: No, my father was born in Lithuania. He was German trained.

Berkowitz: So how did he get to be such an eminent guy, an immigrant?

Ginzberg: He was an emigrant, but he was a great genius.

Berkowitz: Was he a privileged person in Lithuania? Why did he come here?

Ginzberg: He came here to become professor at the Hebrew Union

College in Cincinnati. They broke the contract while he was on the way, because he was too radical. That's a joke, because he wouldn't have stayed in Cincinnati a week. He would have found it so unpleasant. He was ready to go home, to back to Europe to find a job, when Jud Selzberger—this is all written up; I wrote a book on my father and three books on myself. He began to do the *Legends of the Jews* as a holding operation, which Johns Hopkins is now publishing in paperback for the first time, the seven volumes of the *Legends of the Jews*. Funk and Wagnall was doing the Jewish encyclopedia and he must have written about a fifth of the encyclopedia. Then the Seminary began in 1902. Schechter came from Cambridge, England, and they upgraded and modernized the Seminary. The rich German Jews in New York were interested in facilitating the Americanization of the Russian Jewry. That's what that was all about. Jacob Schiff, Louis Marshall, the Lehmans—they all played a key roll in the Seminary, although they were not observing Jews, of course.

Berkowitz: Was your dad born middle class? He seems to have done quite well.

Ginzberg: First, I'm a descendent of the Vilna Gaon.

Berkowitz: I've heard that said of many people.

Ginzberg: Well, no, there's a new big, fat book out. There's no question about it. No question about it. My father knew the

family back to 1500 in Italy. They came over the Alps and settled in Germany. So he came from a very distinguished line of scholars. The joke about whether he was upper class or not is that when he met Mr. Schiff, Jacob Schiff, the chairman of the board of the Seminary, for the first time, Schiff said to him, "Are you a relative of my good friend Baron de Guinsburg in St. Petersburg?" My father said, "I'll tell you the story very simply. The Ginsberg family, up to the 19th century, had the distinction of successive generations of great scholars with a very big output. In the 19th century the family divided between those who continued in scholarship and those who started to make money. Baron Guinsburg belongs to the part of the family that started to make money."

Berkowitz: Interesting. Going back to you, you were a graduate student briefly. Wesley Clair Mitchell was there at the time. He must have been a dominant figure in the department.

Ginzberg: He was my major mentor.

Berkowitz: If you worked with Wesley Clair Mitchell did that mean you had to study business cycles?

Ginzberg: No, I never took his course in business cycles. I took his course on current types of economic theory. This was 1930-31. The Depression was getting bad. I had always, even in Heidelberg, made a practice of talking to my teachers before and

after class. Coming out of my father's household, the flow of scholars was something I took for granted, so I wasn't intimidated by the academics. I pushed Mitchell very hard in class, out of class, as to what he thought was going on with the worst depression the country had, and he kept saying to me, "I haven't studied it enough, and I don't know. I won't offer any suggestions to Washington or anywhere else." I couldn't understand that, since I was in my more aggressive mood. I had very substantial interest in psychoanalysis. I even thought, for a very brief time at Heidelberg, that I would maybe study medicine. I wasn't interested in medicine, and I wasn't interested in dealing with eight patients a year, but never the less Freud had made a big impression on me. So I couldn't understand how a guy who had written a classic book in 1913 would tell me in 1931 that he hadn't studied it enough. My interpretation of Mitchell has just been published in the *Journal of Political Economy*. After 52 years—over 60 years—it's just out. They still haven't sent me the reprints.

Berkowitz: Was the National Bureau of Economic Research at Columbia?

Ginzberg: No, it was downtown. My relationships with Mitchell, unlike all of my friends, I never had anything to do with the Bureau in a working relationship. Arthur Burns, Mitchell's

successor, was a close personal friend also, but I had nothing to do with Mitchell downtown. What I did do finally with Mitchell was to give a joint seminar with him up here after I began to teach. The kids asked me to push him to do something better than that course which we had detailed notes on. We ran a seminar called "Economic Theory and Economic Change" for four or five years.

Berkowitz: You also mention in your autobiography that you studied with John Maurice Clark who was John Bates Clark's son?

Ginzberg: Yes.

Berkowitz: With John Bates Clark I think of wage determination. John Maurice Clark I don't quite have a good fix on his work.

Ginzberg: I would say that the American Economic Association gave Mitchell its first top distinction when they went into giving distinctions and J.M. Clark was the second prize winner. J.M. was an unusually talented fellow. He wrote quite well. He was the most impossible teacher alive. We used to take turns staying awake, but he was a very nice person. I was quite close to him also and I edited with Abramovitz J.M.'s essays called *A Preface to Social Economics* in the mid '30s.

Berkowitz: When did Arthur Burns come to Columbia?

Ginzberg: Oh, he came late to the faculty. Mitchell couldn't get him in. That was his farewell gift to Columbia. He couldn't

squeeze him in before. He got Leo Wolman in and he got Joe Dorfman onto the faculty, but he couldn't get Burns. Burns was a very roughneck fellow. During his PhD examination, one of his professors went around the table in a stage whisper saying, "Let's flunk the son of a bitch."

Berkowitz: His name was originally something like Burnsweig, is that correct? He's from Bayonne.

Ginzberg: I never knew that. His mother pushed him to come over here and explore the college.

Berkowitz: You got an appointment at Columbia right after this, right?

Ginzberg: Not quite. There are two other steps in there. I got a traveling fellowship, and I ascribe that to Hitler, because it said in the Columbia catalogue of the time, "Preference will be given to children of American parentage," which meant Jews didn't have to apply. I had no intentions of applying, but I had very good connections on the faculty. One of the people who later became the Dean here said, "You apply and leave the rest to me." And they cleaned it up with the Cutting family.

Berkowitz: That's interesting. And that's when you went to study corporations?

Ginzberg: That's correct. That's when I went all through the United States. As an American historian, I'll show you a new

book--*New Deal Days* (Transaction Press)--that just came out on those days. I wrote it in 1933-34, but it's just out. That's the year I went across the country.

Berkowitz: Did you go to Filene's, those kind of progressive employers? Johnson's Wax? Where did you go?

Ginzberg: I went to Kodak, General Electric, Proctor and Gamble, General Motors, Sears Roebuck, International Harvester, Humble Oil in Texas, Metro Goldwyn Mayer, etc., etc. U.S. Steel, Goodyear.

Berkowitz: When you were at Kodak did you get to meet Marion Folsom?

Ginzberg: I knew Folsom from 1933, from that trip.

Berkowitz: So you went abroad and you went on this trip and then?

Ginzberg: Then I got a scholarship grant at Columbia to work on my notes from that big trip, and I finally wrote a book--it took me three years to do it--called *The Illusion of Economic Stability*. That's really the incorporation of that trip.

Berkowitz: When you wrote that book were you already on the faculty at Columbia?

Ginzberg: No. I joined the faculty in '35.

Berkowitz: So you had a fellowship just to write. Then you were in the Business School at Columbia?

Ginzberg: My original appointment, and my whole life

technically-I eventually became the Hepburn Professor of Economics in the Business School. That was the only place where they had any money at all, so they put me in there, which turned out to be, from my point of view, a very good place. Because I was not interested in what happened to economics later on. It became entirely too mathematical for me.

Berkowitz: But in 1935, though, what would you say your field was? The history of economic thought? The kind of thing that Dorfman later did?

Ginsberg. Yes. Mitchell made a real fight for my soul, because he thought that was silly for me to be involved with economic theory. He didn't object to people reading. When I asked him whether I could teach it, he had stopped teaching his course. The kids had to take economic theory for the orals. So I asked him whether he had any objection to whether I taught it. He said, "No, of course not, but I think it's a mistake. What do you want to waste your time on that for?" He had a low opinion of teaching.

Berkowitz: That's the Columbia ethos, I guess, which you've also written about. When did this sort of turn over? That history of economic thought is a little bit like what your dad did in a sense, rather scholarly.

Ginzberg: I began empirical research in what I call economics and

group behavior in '39. I got my first sizeable grants out of which came my books on the unemployed. There are only two major studies of the unemployed during the Great Depression: one by Bakke and one by me. The other thing that I did was a book on the Welsh miners. The third book was on the trade unions. They were all part of economics and group behavior. I was very influenced by Karen Horney, the psychoanalyst, who was lecturing at the New School. She was a brilliant woman, had a wonderful sense of humor, and was personally interested in helping me get going as an empirical researcher.

Berkowitz: Would you have said that Elton Mayo was a mentor as opposed to, say, Edwin Witte? In other words, you weren't really an institutional economist, but did this sort of industrial psychology. Wasn't there a fellow at Columbia who did that? I know a lot of it was a Harvard Business School.

Ginzberg: We really didn't go that way at Columbia. We had a fellow by the name of Seager in labor initially. He was a very old fashioned type. Then there was Leo Wolman. My interests in psychology came in other ways. They came through my cousin who was a psychoanalyst and who worked with me on the unemployed. He brought in another very able Austrian by the name of Hans Herma.

Berkowitz: I want to get to your interest in health. I know that the Second World War was very important in that. I did read your

autobiography and I know that you went to work as a civilian, but I couldn't quite figure all the institutional details of that. Could you tell me a little bit about that?

Ginzberg: That's pretty easy to tell. Mayor LaGuardia had troubles with getting the WPA program to work in New York, so he asked the Army for some help, and he got a Lieutenant Colonel Brian Somervell. When he was here as the WPA Administrator, I was starting my work on the unemployed, and I made contact with Somervell and his staff. Somervell got called back and he completed the Pentagon. It never would have been finished, the actual building of the Pentagon.

Berkowitz: Was he an engineer? Corps of Engineers?

Ginzberg: Right. He went from Lieutenant Colonel to Lieutenant General in one year practically. He became the head of the Army Service Forces. I stayed in New York. I was doing some consulting work for the federal government, the office of the President, before the war broke out, but I did not leave immediately and go to Washington because I had these three projects that I didn't want to throw overboard. So I tried to bring them to some kind of partial conclusion so that I could finish them at some later time. But by the end of the spring semester of '42, I knew that my time was up. I had to get down there. I had a very good offer from Bob Nathan who was running

the economic planning for the civilians who were worrying about the war. Nathan was a student of Kuznets at Penn. They had a major effect on accelerating the U.S. activities in World War II. I decided that since I had this contact with the military and there was a war, I would probably be better off to go with the military, although there was a big difference in the wage levels. But I said, "What the hell." The Army offered me enough money to live on nicely, so I wasn't interested in optimizing my income. Somervell had an office filled with bright people who oversaw the whole organization, and I became, in a very real way, Somervell's initial advisor on manpower and personnel. Since I knew him and was relaxed with him—he was a fairly intimidating guy. One of the people he supervised was a certain General of the Army. I began to write in Somervell's name all kinds of critical letters telling everybody that I was dealing with, including the Surgeon General. There was an assistant Surgeon General—who later became the Surgeon General—who became a very close friend of mine, my sponsor. That was Raymond Bliss. He became the Surgeon General after Kirk. Kirk was the Surgeon General when I was down there. Bliss found out that I was writing these letters and asked me to come over. Then he asked me if I'd ever seen an Army hospital, and I said no. So he set up a very fancy trip with our own airplane and took me all around the country to look at these

hospitals. He had one condition: when I came back, I was to report to him what I found. So when I came back I walked in--being in civilian clothes was a great help. Mitchell did that to me. He told me, "Stay with your civilian clothes. Otherwise you'll be of no use."

Berkowitz: Was this the Mitchell who later became Secretary of Labor?

Ginzberg: No, this was Wesley Clair Mitchell. I later became very close to the Mitchell who became Secretary, but that's another story. That Mitchell worked for Somervell and we became very close friends. Anyhow, to make a long story short, I came back and told Bliss it was even worse than I thought. And he said, "Good. You fix it. Take a leave of absence and come over here and tell me what I've got to do, and fix it up." So I did it. I spent a couple of months getting it in order. At the very last minute, the person I had picked to head it up, who had been part of the Adjutant General's office, got cold feet. He decided he couldn't. In retrospect, he was right. He would never have survived, never had any influence. So Bliss said, "OK, you do it."

Berkowitz: What year was that?

Ginzberg: That was 1943.

Berkowitz: Were you not drafted because you were too old?

Ginzberg: No, they asked for my exemption. They asked for eighty exemptions. I was in perfect health, I wasn't too old, and I had no wife and no kids, but Bliss asked for the exemption.

Berkowitz: Why weren't you drafted in 1941 then, when the war started? The draft had started in 1940, I believe.

Ginzberg: That's a good question. It just didn't come up to me. They thought I was busy. I was doing consulting for the President, or something like that. Finally it came. I had to pay one visit to my Draft Board with the letter from Bliss.

Berkowitz: Did you get to know many of the doctors that were working then?

Ginzberg: In Washington, I had a private medical school: Hugh Morgan who was the Chief of Medicine; Mike DeBakey who was the Deputy Chief of Surgery; and Bill Meninger became my intimate friends. We worked together all the time.

Berkowitz: What about some of the people who made their names during the war? For example, did you know Howard Rusk?

Ginzberg: Yes, I got to know him during the war.

Berkowitz: He was a big player, wasn't he?

Ginzberg: He was a big player in the Air Corps, but we had trouble.

Berkowitz: He wanted the job of the head the Veterans Administration that went to General Hawley. I think Rusk wanted

to do that job. So you, then, essentially helped to arrange these things? What was your contribution?

Ginzberg: I was the Chief Logistical Advisor to the Surgeon General of the Army. I had responsibility for reorganizing the entire Army hospital system of the U.S. where we took the seriously injured battle casualties from overseas, both Pacific and Europe, and provided definitive treatment for them. I really put specialized medicine on the map in the United States. That was what Bliss wanted me to do. He wanted every soldier who was badly injured to get the very best professional treatment possible. We focused the whole structure in and around specialists. All this argument about whether we have too many specialists you can trace back to my establishing it.

Berkowitz: Were these new hospitals?

Ginzberg: Yes, most of them were brand new. The Army had a few hospitals like Walter Reed, Brooke General Hospital out there in Hawaii, the one in San Antonio. But basically the whole structure--the army took forty-five thousand physicians out of practice in the United States, a hundred thousand nurses, and had about five to six hundred thousand ward personnel. I had to worry about all of that.

Berkowitz: One thing that's striking to me about the little bit I know about that is that World War II is so different from the

other wars, they mobilized the whole society, upper class people went, which was quite different than the other wars. If you worked at Johns Hopkins as a psychiatrist, they tended to take whole units. That's an interesting phenomenon.

Ginzberg: That's absolutely correct. Mt. Sinai did, Hopkins did, Duke did—the major academic health centers.

Berkowitz: They were sort of in the Army as a unit. And they went to the South Pacific together.

Ginzberg: They did it in World War I too.

Berkowitz: Vietnam was so different than that. It's so much better, in a sense, to have the whole society mobilized, isn't it?

Ginzberg: Quite a fantastic war.

Berkowitz: After the war then...

Ginzberg: I was very careful to back away from things medical, because my special interests were in the human resources more broadly. I knew that, given this experience—they gave me the highest medal they could, the gold medal for exceptional civilian service; I became a member of the Senior Medical Consultants to World War II; I was the only one without a medical degree—I realized that it would be as easy as anything if I wanted to make a lot of money in the medical economics field. But I didn't. That was not my schtick. So I backed away from it. Governor

Dewey caught up with me in New York in the late '40s because some of his staff were people that I knew. I didn't know Dewey at that point. He had some problems in New York State so I did my first post war study, which was *Pattern for Hospital Care*. He asked me to look at the whole hospital system in New York State. I did that, and then I had a colleague who was in charge of the nursing department at Teachers' College, and she said would I get together a group of distinguished people and look at the nursing problem. So I did a little book for her called *A Program for the Nursing Profession* in '48 that MacMillan, I think, had six printings, and I point out to the nurses still today that they're not up to what we recommended at that point in time. Except for the Dewey job and the little book on nurses, I didn't have anything to do with health for all practical purposes.

Berkowitz: In the '50s then?

Ginzberg: In the '50s I had nothing to do with it. Eisenhower appointed me to the National Mental Health Advisory Board in '59. In '61 the Jewish Federation asked me to take a look at their sizeable Jewish hospitals in New York City and figure out what was going to happen. So Peter Rogatz and I wrote a book for them. He's still a good friend of mine. He was a physician who had worked with Martin Cherkasky, who was the great leader at Montefiore. So I only went back into the health thing in a big

way after Medicare and Medicaid, after 1965, because I realized that with my "unique" background--and it was a unique background--at that point I had something to contribute.

Berkowitz: Let me just go back for a second to this Mental Health Advisory Board. Who were some of the people that were players? Was Robert Felix still around?

Ginzberg: Felix was in charge (of the NIMH). I had big troubles with them. A lot of them were friends of mine. I was close to the Menningers, both Karl and Bill. Bill had gone through the war as a Chief Consultant. But I remember that I was very unsettled by the fact that the Congress, when I first joined, was giving us something over 45 million dollars a year for research, and I thought they weren't spending it very well. In the four years I was on board, Congress went from 45 million to 185 million roughly. That's the order of magnitude. Felix went to Great Britain and, I think, misunderstood what he found there. He thought that the big trick was to empty out the state mental hospitals, and I kept saying to them, "You don't know what you're doing. There's not going to be any support services in the communities. People in the private practice of psychiatry have no intentions of taking care of the poor, and you're making a mess." I said, "I understand that we have a lousy state hospital system, but that's not the answer."

Berkowitz: They'd already had, hadn't they, this study in 1957, this big commission that favored deinstitutionalization?

Ginzberg: There were some beginnings. You're quite right. I can't remember his name, but he did two studies, as a matter of fact, and he came out in that direction. I had big fights with both Felix and the rest of the people, but I didn't win.

Berkowitz: Did you ever know Shannon? He was a little bit off in the distance, I suppose.

Ginzberg: Oh, yes. James Shannon was really the great architect of NIH. I had an awful fight with Shannon. I wanted a few bucks for a black friend of mine at Tuskegee, and he gave me a hard time, but I won. Shannon was really quite a guy.

Berkowitz: So when Medicare was passed in 1965, what did you say to yourself?

Ginzberg: I say, "I cannot ignore the fact that I had the greatest experience of almost anybody-not *almost*, of *anybody* in the United States-with big medical systems." At this point with Medicare, Medicaid coming back, I said all right, although I was very involved with my human resources stuff. I was appointed by Kennedy in '62 under the Manpower Development Training act, and I stayed with the Manpower stuff 'til Reagan got rid of me in '82. So from '62 to '82 that was still my major commitment, but I got more and more involved in health.

Berkowitz: Would the word "manpower" have been used like that in the 1950s? You talked about manpower economics. Or was that in the 1960s?

Ginzberg: I wrote the book on the *Human Economy*, which is a more theoretical volume, in '75. And I used "manpower" on the first page with an asterisk. I said "manpower" according to my usage here includes "womanpower" because I won't use the word "personpower." I had long interests in women's problems and I was the director of research for the National Manpower Council that Ford had established at Columbia and Eisenhower had done the appointments. So manpower was in common use. That was the word we used.

Berkowitz: And you were associated also with Senator Clark and the Manpower Training Act in 1962?

Ginzberg: Oh, yes, I was right in the middle of all of that.

Berkowitz: But then when Medicare came along, you just said, "I'll augment my portfolio."

Ginzberg: It was just too much a part of me not to. I didn't know we were going from forty-one billion dollars to a trillion dollars in thirty years, but I sensed that this was big stuff.

Berkowitz: Did you have contacts with the people who passed Medicare as well?

Ginzberg: I knew Wilbur Cohen quite well, but I wasn't involved

in that legislation.

Berkowitz: How did you know Wilbur Cohen? What was the contact there?

Ginzberg: That's a good question. I really don't remember. I knew Wilbur well. I knew Phil Lee from the early '60s on. In 1960 I had written a letter to the *New England Journal of Medicine* saying they were not thinking right about manpower in the health field. So I made a connection between manpower in general and health manpower. The usual notion was that we needed a hell of a lot more doctors. I agreed we needed some more doctors. I suppose another piece of this whole development was that I was very closely befriended with Major General Howard Snyder who was President Eisenhower's personal physician-and I was close to Eisenhower-so I got involved periodically in kibitzing with the President about some of this health stuff.

Berkowitz: That's quite remarkable that even when he was president you saw him.

Ginzberg: Oh, I saw him every other week. I sent a tremendous amount of papers over to Abilene.

Berkowitz: So what's your take on this big debate about how smart Eisenhower was? Fred Greenstein has this idea that he was actually a much better administrator than we know.

Ginzberg: He was a highly competent guy. He was a conservative

so the other people didn't like him.

Berkowitz: But you liked him?

Ginzberg: Yes, I liked him. I was constantly in disagreement with him. I had a deal with Eisenhower when he left Columbia and became president, he said anything you want to write to me, send it to General Snyder and Snyder would put it on his pillow. So I was, for eight years, telling Eisenhower all the things he didn't want to hear. Absolutely. It was a very special relationship.

Berkowitz: That's interesting. One of the things you mention in your book, also during the Eisenhower period, is that in 1956 or so you organized a session at the American Economics Association on health economics.

Ginzberg: Earlier. I think it was in '53, maybe '54. It was quite early. It was when Frank Knight was the president of the American Economics Association and Milton Friedman was running the meetings for Knight. Knight was totally incompetent at running anything. I was a big admirer of Knight, had met him and liked him. Milton knew that and Milton asked me to do that.

Berkowitz: Did you get along OK with Milton Friedman?

Ginzberg: We've always been friends, but I had one conversation with Milton when I came back in '34 and I met the new students at Columbia. We remained friends, but I never had anything intellectually to do with him. This was something that was

beyond me.

Berkowitz: I see. He's quite sure of himself you know. He really believes that stuff. I've had conversations with him where I said, "Do you really believe that?" and he said, "Oh, yes."

Ginzberg: Oh, absolutely.

Berkowitz: Who was on this panel at the American Economics Association? Who would have been a health economist in the 1950s?

Ginzberg: That's a very good question. I collected them with difficulty.

Berkowitz: I can't think of any right off the bat.

Ginzberg: Wilbur Cohen was in that field a little bit. I had a young fellow that I brought into the Army who later became a very good health economist, Herbert Klarman. He lives in Baltimore. I found him through Milton. I ran into Milton in World War II in Washington and I said, "You have to do me a favor because I'm stuck and I just need to get somebody in the office who's been trained in economics." Milton said, "I think I've got the guy for you. He was a B+ student of mine." And I said, "Milton, your B+ student is good enough for me. For me it would be an A. What's he doing?" Klarman was escorting prisoners of war from New York to, I think, some place in Tennessee. So I got him.

Berkowitz: Was Klarman German?

Ginzberg: No, Polish.

Berkowitz: He speaks with an accent I know.

Ginzberg: I don't really remember whom I got, but I had a few people. It was not a recognized field. There's a distinguished British health economist who says that that meeting that I ran-I read this later on-was the beginning of health research in the United States. That was the inaugural meeting. I think so. He overdid it, but that's not too far off. I wrote it up in the *American Economic Review*.

Berkowitz: That's interesting. That meeting in the '50s? That's in the *AER*? That would never happen today.

Ginzberg: I don't know whether it's in the Proceedings volume or the regular.

Berkowitz: That's interesting. Now in 1965 you say you're going to get reinvolved. How did that manifest itself?

Ginzberg: Well, it means I was willing to open myself up to some discussions. I was just finishing a book, and I found that I had become involved in the Academic Health Centers with the Josiah Macy Foundation, the president of which I knew.

Berkowitz: Who was that?

Ginzberg: Bowers. And he asked me to run an Academic Health Center meeting for him in New York. That was in the mid '70s or

maybe early '70s. The New York Academy of Medicine got hold of me and I went to some of their meetings. They had an able guy there, so I gave him a little help. I opened myself up to it. After the work for the Federation of Jewish Philanthropies that book came out, something on the hospital system. That was in the early '60s. I always tried to respond to Jewish requests if they were reasonably within my competence.

Berkowitz: But by the 1970s you seem to be writing quite a bit on health care reform and that kind of thing. How did that come about?

Ginzberg: I don't really remember. I remember that I talked with Mayor Lindsay and we had a meeting on Medicare and Medicaid. They were saying all kinds of things and I told the mayor I thought he was nuts. He thought he was going to solve New York's problem by the new money coming in. I told him he'd only be in worse trouble. So I think there were just enough things happening and people knew that I had this World War II experience, and I became responsive to some of them. I suppose I went on some radio shows.

Berkowitz: What would be your contribution then, that they should look at manpower?

Ginzberg: No, no. I was pretty broadly interested. By the mid '60s I had a major piece in the *New England Journal* on the

manpower stuff. That's why it began. I was heavily involved. Phil Lee was the Assistant Secretary of Health in the mid '60s. The executive director of the New York Academy of Medicine got me involved in some policy issues, but I was more heavily involved than I remembered on the health front in Washington in the mid '60s. Phil Lee and I became close friends. He's never forgotten that I was fighting with him not to go and increase the physician supply by as much as he was going to.

Berkowitz: Were you aware of any kind of formal structure for health services research, academic associations and that sort of thing? Was that something you would have been involved in or no?

Ginzberg: I'd never been really involved in that until they gave me the award in 1990. I've never gone to any of those.

Berkowitz: And you weren't involved in the politics of the Public Health Service?

Ginzberg: No, nothing to do with them.

Berkowitz: One thing you were involved with, though, is the Robert Wood Johnson Foundation.

Ginzberg: That goes back to the first meeting. David Rogers had moved from being dean at Hopkins to Robert Wood Johnson in the early '70s. That coincided with the IOM study. Blendon told me later on that he had pushed into David's hands a volume that I had published in '68 called *Men, Money and Medicine*. So I was

clearly involved in some health stuff earlier. That's a volume of essays. That's how I met David. He had been reading my pieces coming down to Washington for the meeting. We became very close friends and he became the head of Robert Wood Johnson. His selection is not too complicated, so he was a pretty good guy to start a new operation. He didn't find it exactly easy to be head of Robert Wood Johnson and eventually it fell apart, but not until the late '80s.

Berkowitz: What is Robert Blendon's background? He was also with the Robert Wood Johnson Foundation.

Ginzberg: He was the vice president. Came out of public health, very able guy, Hopkins graduate. Whether Blendon knew Dave Rogers at Hopkins I don't know. Blendon early on became interested in this whole questionnaire approach, public opinion and so on. I used to see a lot of Blendon. His wife came up to the house for dinner when my wife was alive. She's a very able woman. She's a pediatrician, but a researcher. She's a professor up at Harvard now, came out of Pennsylvania. Maggie Mahoney was over at Robert Wood Johnson. David had a hard time with Robert Wood Johnson. The way the foundation was set up, a layman from the top management of Johnson & Johnson was going to be the chairman of the board for the Foundation, so David was always Number Two, but he refused to accept that. So there was

all kinds of trouble. He had me out a few times talking to his trustees, trying to make some peace.

Berkowitz: Did you know Walsh McDermott? How would you have encountered him?

Ginzberg: Probably through Johnson, but I'm technically carried as visiting professor at Cornell. I was a big admirer of Walsh. So probably through Robert Wood Johnson.

Berkowitz: Did Robert Wood Johnson give the Center money?

Ginzberg: They gave me research money.

Berkowitz: What kind of studies did they expect you to do with that money?

Ginzberg: I did a whole bunch of studies. I've listed them in the last book I did for them.

Berkowitz: This is a book called *Improving the Health of the Poor: The New York City Experience*, by Eli Ginzberg, Howard Berliner and Miriam Ostow, by Transactions Press. They're your publisher? They seem to be pretty faithful.

Ginzberg: That's one of them. They gave us money for Edith Davis and Milman to do a book called *Health Care for the Urban Poor*. Then Eli Ginzberg, Edith Davis and Miriam Ostow did *Local Health Policy in Action: The Municipal Health Services Program*. Miriam Ostow was my long-term colleague. She was here for thirty years with me. Then Eli Ginzberg and Conservation of Human Resources

Staff did *From Health Dollars to Health Services: New York City 1965-1985*. Then *Changing U.S. Health Care: A Study of Four Metropolitan Areas*. These are all Johnson supported pieces.

Berkowitz: Did they give you money for specific projects?

Ginzberg: They never did give me money except for specific projects.

Berkowitz: I see. So what have you learned from all this work? Do any lessons emerge that one could apply to, say, the Clinton health initiative? I know you've written about that as well.

Ginzberg: That's what I did on the New York background type of stuff.

Berkowitz: I think that Sar Levitan must have learned his method from you. You publish with a co-author and you publish a lot.

Ginzberg: I've always worked with people. I can't work by myself. I mean, I can work by myself but I don't like it.

Berkowitz: So what opinions do you come away with, having had this involvement in both manpower and health? Were you a fan of Clinton's health care?

Ginzberg: The hell I was.

Berkowitz: No, you were not?

Ginzberg: I couldn't believe when it finally blew up that he, having been elected President of the United States, hadn't assured himself before he went out for that that they had the

votes to do it. That was inconceivable to me. I remember we had discussions. I had a very bright older doctor working with me who had both a law degree and a medical degree from Yale. At one point, months before the Clinton plan was finally dead, he said to me, "I don't know whether anything is going to happen." And I looked at him in total amazement because I would say as late as May of '94 it was still inconceivable to me that Clinton had lost control and there wasn't going to be something happening. I couldn't imagine anybody who was smart enough to be elected President of the United States didn't know that you had to have the votes ahead of time for that. I knew Ira Magaziner was a bad choice. I didn't know anything about Hillary, but I didn't think she knew anything special about health care. To keep the AMA out there completely, it was just unbelievable. When it finally failed, I was only annoyed at myself that it took me so long to see the cumulative nature of his errors. Not one, but *cumulative*. I think if Clinton had said to Phil Lee and a couple others of us, "Sit down and give me a piece of paper that I can send up to the Congress that will move this thing ahead," it would have taken us about five days.

Berkowitz: Who would have been the two others that you'd have on your team?

Ginzberg: Well, Bruce Vladek was working for them. Very able

guy. I knew his mother. She's still busy, working like nobody's business. She's very close to several of the unions. Anyhow, there would have been no problem at all. I would say that the third person could have been any one of a group of people all the way from Newhouse to Reinhardt. It didn't matter. Now you have a fair number of quite able people in the field.

Berkowitz: What would it have looked like, your plan?

Ginzberg: It would tell the Congress, "Here are our ideas about how to make sure that we move expeditiously to get a minimum, a *minimum*, universal health insurance system in place. In my new book, I point out that we have all the money already in the budget. We have six hundred billion dollars of governmental money. No reason why you couldn't do it tomorrow except that the leadership is so bad that we haven't even recognized the money is there.

Berkowitz: But is a lot of it Medicare money?

Ginzberg: Medicare, Medicaid.

Berkowitz: So you'd have to take it away from the old people and give it to younger people.

Ginzberg: You don't have to take it away from the old people. You would have to work out a deal with the elderly, but for six hundred billion you could do it.

Berkowitz: Let me ask you one last question if I might, in terms

of the manpower studies that have been your main focus. What's going to happen with the next generation of manpower studies?

Ginzberg: I don't know. Once Reagan came in, that really was definitive as far as I was concerned. We had gotten, on the manpower side, about eleven or twelve billion dollars still of program money in the late '70s. I knew we were in trouble because the Democrats in the Senate—I used to go up and testify three or four times a year—I knew they were fed up. So I knew that the manpower dollars were going to get tight. That was clear. But I think more than that happened. I think we have never been able to figure out how to run a what I would call the employer of last resort, being the government. I made a deal with Arthur Burns when he was the head of the Federal Reserve, that I would try to control the amount of money we asked for from the Congress for manpower training if he would come out in favor of the government as the employer of last resort. And he did it. It took him a year, but I negotiated with him and he did it. But we don't know how to do that. That's still the major shortcoming. We still don't know how to do it. But that's the way we ought to go.

Berkowitz: Of course what we do have now is that the welfare program seems to heavily emphasize that.

Ginzberg: Yes, well that's all messed up.

Berkowitz: Really.

Ginzberg. Yes. You see, the country's never been very sensitive to the poor and the marginals. This is not a country that has much interest in the poor and the marginals. Given the fact that the economy has been this good and inflation has been this absent, they couldn't care less. All they know is that it's not good to have people on perpetual welfare. That's not so smart. Everybody knows that.

Berkowitz: But what's interesting to me is that the manpower programs have been incredibly bad, universally bad, especially in welfare, and yet they continue to be supported. Congress continues to believe that the work is the answer and that they should provide work, in spite of the fact that none of these programs has ever worked.

Ginzberg: Two points. The conservatives are correct to say that people ought to work for a living. They won't take the consequences of that insight to make it possible for the poor to get either the education or the support services that they need, or the job offers to do that. So they're not wrong; they're right. I wrote a memo for Carter before he was elected, at the request of Carter's staff, on work and welfare. I laid it all out. I said, "Mr. President, you're interested in work. This is what you've got to do, a, b, c. And it's going to cost you a lot

of money."

Berkowitz: I see. I appreciate this very much. Thank you.