

TRANSITION TEAM REPORT

*to the President*

*August 20, 1974.*

- I. White House and Executive Office Organization
  - A. Principles
  - B. General Organization
  - C. Domestic Policy Organization
  - D. Economic Policy Organization
  - E. Personnel Organization
  - F. Counsel to the President
- II. Ford Presidency
  - A. General
  - B. Specific New Ideas
  - C. Review of Policy Proposals in Process
- III. Meeting with Key Individuals
- IV. Implementation

I. White House and Executive Office Organization

- These are the organizations which help you administer your own activities and through which you plan and coordinate the programs of the Executive Branch. Executive Office officials must be confirmed by the Senate and are required to testify; not so for White House staff.
- There must be neither too few nor too many people having regular direct access to you for this purpose.
- The organization must conform to your personal style of working relationships.
- There must be a chief of staff for administration, but there should not be a chief of staff for advice and policy direction.

## IA General Organization:

- There is considerable agreement that in the White House Staff you should have at least the following five separate and distinct people, each having direct access to you:
  1. Legal
  2. Press and public information
  3. Congressional liaison and political advice
  4. Personnel
  5. White House administration (paper flow, offices, cars, schedules, correspondence, etc.)
- In addition, you may wish to have a principal adviser for domestic policy as a member of the White House Staff.
- The Executive Office agencies should be used to develop policy options for your consideration in conjunction with the heads of departments and agencies, to monitor the progress and effectiveness of governmental programs.
- The Cabinet-level department heads and heads of other line agencies should be your principal advisers and spokesmen on policy.
- The White House Staff and the OMB staff have grown much too large and have become enmeshed in too much detailed direction of the departments and agencies.

## IC Economic Policy Organization

- The major problem here is the competing and overlapping organizations created during the last few years.

- Option 1

- Eliminate Rush office.
- Council on Economic Policy (CEP) to focus on domestic economic issues, chaired by the Secretary of the Treasury.
- Council on International Economic Policy (CIEP) to focus on international economic issues regularly chaired by the Secretary of State on behalf of you, the statutory Chairman.
- You would be the overall (CEA) authority on all economic policy, Greenspan as Chairman of the Council of Economic Advisers (CEA) to monitor the overall economic situation and act as your "consultant."
- You, the Secretary of the Treasury, and the Secretary of State would be the Administration's spokesmen on economic policy.

- Option 2:

- Eliminate the Rush office.
- You chair the CEP, focused on domestic economic matters, as well as the CIEP.
- Designate Executive Director CEP and CIEP.
- You would be the sole authority and spokesman on all economic policy, using Greenspan to coordinate the activities of the domestic and international councils and to act as your "consultant."

- Comment: Almost everyone we have talked to agrees that the Rush office should be eliminated. Greenspan feels he cannot be effective as the principal spokesman on economic matters. There is considerable feeling you should personally direct and pronounce economic policy.

• Recommendation: Option 1

- Reasons: You can decide overall policy direction and mediate Cabinet disputes with Greenspan's staff support to you. You will be overall spokesman for Administration economic policy, but not the sole spokesman. The role of the Cabinet will be more visible and more of the less important decisions can be delegated outside the White House and Executive Office.

IE

## COUNSEL TO THE PRESIDENT

The Office of the Legal Counsel

In the early years of the Nixon Administration the Attorney General's Department did major legal work for the President, and the Legal Office in the White House dealt primarily with matters of propriety and other internal problems. Later, of course, both the Legal Office and the Special Office became almost totally concerned with the various aspects of the Watergate affair. Accordingly, a big change is necessary.

In addition, because of Watergate, the Department of Justice is now "independent" of the Presidency.

Option I: Continue a relatively low-grade, internal operating Legal Office.

Option II: Upgrade the Legal Counsel, establish it in the White House as the President's legal right arm. It <sup>would</sup>~~should~~ continue handling internal problems but in addition energize the development of policy concerning conflict-of-interest, ethics, etc., or, at the very least, have a major input on same. The various functions outlined in the attached paper by Ed McCabe should be considered for this office.

Comment: There is unanimity that this Office should not only be upgraded but that the head of the Office should be a top-grade personal appointee of the President, with regular entree to him.

Recommendation: Option II

Reasons: Necessity, because of the "independent" Department of Justice and the <sup>essentially</sup> ~~pressing need for~~ a strong legal right arm for any President.

THE WHITE HOUSE COUNSEL  
UNDER PRESIDENT EISENHOWER

By: Edward A. McCabe

1. Legal job, calling for mature and experienced lawyer judgments. Not a Hill-type job. Not a speech-writing function. Not in any sense a P.R. job.
2. Function very different from the Department of Justice. Many in-house lawyer functions in the White House itself. Department of Justice is an advocate for Departmental positions within the Executive Branch. Also, Department is legal adviser to all Departments and Agencies -- as well as the Chief Law Enforcement office.
3. Even so -- very important that there be good relations with the Attorney General and his senior aides. There should be no encroachment by either office on the prerogatives and function of the other. No conflict should be tolerated -- but key must be which office handles which chore best. Once in a rare while, the President himself might have to referee a dispute and decide who does what. Unlikely.
4. Many lawyer things, by statute, come to the President. CAB overseas air route matters. Some Maritime matters, and others. Justice Department has no role in many such things -- and might even have an adversary role to defend. So, President's White House Counsel handled.
5. White House Counsel's Office (under DDE) was focal point for development of the President's legislative program.
  - a) Included the coordinating function on messages from the President -- the coordinating of Departmental views and advice on what these messages should say -- when a special message went to the Hill with a part of the President's legislative program.
6. Counsel also processed bills the Congress passed -- for Presidential signature or veto.
  - a) Seeing to it a bill as passed was consistent with the program of the President. This, of course, involved contact with Budget and the concerned Departments. (Here, Justice on many bills could well have a conflict of interest.)

- b) Coordinate views and advice on any signing message or comment.
  - c) Coordinate veto messages, with Budget and the concerned Departments.
7. Handle various Presidential Proclamations -- Captive Nations' Week, etc., etc.
  8. Pass on questions that touch on any private (usually commercial) use of insignia, labels, etc., that may imply Presidential or White House endorsement of some product.
  9. Review FBI investigative reports and authorize clearance of all Presidential appointments.
  10. Gather the necessary facts and assess them in those cases where disciplinary action develops against, say, a Presidential appointee on one of the regulatory boards or commissions, or someone in an Executive Department or Agency. Several times this function led to a resignation, or a dismissal.
  11. Coordinate Executive Branch activity on Congressional investigations that overlapped 2 or 3 Departments and Agencies.
  12. Review, for the President, prior to his acting on them -- certain disciplinary matters in the military. These include discipline of general officers, and military death sentences. There were more than just a few of these in the Eisenhower years, probably a Korean war aftermath. Pattern might conceivably repeat itself in the next few years.
  13. This office was manned by 3 people under President Eisenhower. There seems to be a real advantage in holding the numbers down (5 or 6 at the most) with at least half of these having real experience.

## II. Ford Presidency

### A. General

The style and the institution of the Presidency have been inflated greatly since 1960, and must be put back into perspective. The Ford Presidency should become a part of the American scene rather than the focal point for planning the country's future. To that end, we suggest the following for your consideration:

1. Cut the size of the White House Staff and of OMB substantially. Cut the number of military assigned to White House duty and insist on civilian attire except for formal occasions.
2. Cut the trappings of the Presidency. All staff not of Cabinet rank should be given parking places instead of routine portal-to-portal service. The black limousines should be used only for distinguished guests.
3. You should consider stopping the practice of having the Chairman of the Republican National Committee's routinely attend Cabinet meetings.
4. You should consider a series of small informal dinners with national leaders and top officials of your Administration.
5. Return to Grand Rapids, possibly on Veterans Day or Thanksgiving. Richard Nixon didn't have a hometown.
6. Have a few dinners with your children and their friends.
7. Take occasional walks in various D.C. neighborhoods (not just the inner city problem areas) to meet your new neighbors.
8. Play golf occasionally on the South Lawn, for relaxation or while talking business.

## II. Ford Presidency

### B. Specific New Ideas

To start establishing a Ford presidency by actions as well as by words, there are a number of specific actions you might take in approach and on issues over the next few months.

1. Regional Visits. There will be pressure on you to help Republicans campaign this fall, conflicting with the need to avoid partisanship in pulling the country together. The people need to get to know you, and you need to listen to non-Washington voices.

You should consider regional visits to several cities (not necessarily the largest) representative of each region of the country. In one or two days, you could schedule a few speeches, meetings with elected officials, business, community and labor leaders, give television interviews for use on broadcast stations in the region, and take side trips to suburbs and smaller towns.

2. Visit with top career Civil Servants. The career Civil Service was consistently treated by the former Administration with suspicion and hostility. They are concerned about their role in government, about the pay compression in the top grades, and about orderly career development. You should consider meeting soon with ten or twenty top civil servants in the Cabinet Room for about an hour. You also might consider calling for a modest Congressional pay increase after the elections to alleviate the pay compression problem.

3. Sharing your education. The people need to feel confident of your grasp of the country's problems. You might convey this effectively and also raise public understanding on inflation, energy, and a few other key problems by "a little straight talk among friends" sharing your education on these matters with the American people. President Nixon always tried to sound like he had an infallible answer when he went on TV, and a change in this regard would be healthy.

4. Parks. America is recognized around the world as a leader in preserving the beauty of its land through national parks and wilderness areas. Moreover, the town park is a prominent feature in American life. You might consider making the beauty of America and the expansion of parks for the people one of the themes of your Administration

5. Pension Reform. This bill could be signed on Labor Day, with a strong statement about how sound pension rights are essential for a mobile work force, as well as for the economic freedom of the individual in our corporate economy. You could call the Nixon-supported bill a solid beginning for truly comprehensive and far-reaching pension reform in the future.

6. Automobile Safety Legislation. This bill, cutting back on the over-zealous regulations of the Department of Transportation, points up the hazards of government's over-protecting the public from themselves. You could use the signing of this bill as an occasion to make a key point of the "new conservatism" -- that excessive government regulation of our lives and our commerce, even in a good cause, can be carried too far.

7. Cuba. You might consider asking Kissinger to review the desirability of reopening relations with Cuba.

8. Amnesty. The issue of amnesty for draft evaders does not seem to have caught hold even though many are calling for it. You should consider developing a proposal after the issue of President Nixon's prosecution is resolved.

9. Murphy Commission on Organization for Foreign Policy. You accepted Mike Mansfield's invitation to go to the Hill for a lunch with this Commission hosted by Arend Lubbers. This might be a good place to discuss organization for international economic policy or to inform them of your thinking on that subject.

## II. Ford Presidency

### C. Review of Policy Proposals in Process.

We offer the following suggestions on how you may wish to handle the following items already "in the pipeline" in a way significantly different from the current thinking of OMB and the Domestic Council:

1. Reassessment of Project Independence and ERDA. FEA is to submit a blueprint for Project Independence by November 1. The quality of planning, however, has been marred by inter-agency squabbles. Likewise, the legislation establishing ERDA has become a Christmas Tree bill. The ideas behind Project Independence and ERDA are good, but you might wish to get a good person in charge and have a careful reassessment of the proposals before you get committed to either. You might also wish to let the ERDA bill die in conference and start over next year.
2. Javits' Public Employment Proposal. The Javits public service employment bill is opposed by Alan Greenspan and others as unworkable. However, rather than veto the bill, it would be useful to have Greenspan work with Javits to get a more practical plan to achieve the shared objective.
3. Shift of OEO Community Action Programs to HEW. Rather than continue the hard-line Administration opposition to retaining the Community Action Programs in any form, you should consider immediate support of a compromise to transfer Community Action Programs to HEW and termination of OEO. Once at HEW, the appropriations for these programs can be decided as part of the overall HEW appropriations.
4. FY 1976 Budget Projections. OMB has established a tentative total of \$330 billion for fiscal 1976 budget, and sent guidance letters to the departments based on that figure. It is important that such projections not become firm until after the Economic Summit Conference.
5. Establishment of an Under Secretary of Defense. The Department of Defense has requested authority to establish an Under Secretary of Defense in lieu of a second Deputy Secretary of Defense, but State, OMB, and NSC staffs are likely to oppose. The new age of negotiations, combined with the need for maximum strength without large defense budgets, require DOD to have top-quality management. Treasury has a Deputy and two Under Secretaries and the State Department has a Deputy and three Under Secretaries.

### III. Meeting with Key Individuals

- While carrying forward many of the policies of the past Administration, you will want to end the accumulated hostilities.
- The pattern of groups and individuals you meet with will influence the character of your Presidency.

We have given Al Haig a list of individuals and groups we think you should consider meeting over the next few months. This list includes many distinguished leaders in their fields and has been compiled for the above purposes rather than taken only from White House files, also small businessmen, farmers, and small town law enforcement officers not normally found on such lists.

The categories recommended include business, labor, arts, religion, science, education, health care, youth, civil rights, and agriculture. We recommend no meetings with minority groups as such, but rather careful inclusion of blacks, women, and ethnics as part of one or several other categories.

## IMPLEMENTATION

With the submission of this report, the Transition Team completes its assigned and agreed tasks. However, transition to a Ford Presidency will continue.

That means that you, those who you have appointed, those who were serving who you have decided to <sup>remain</sup> retain on a permanent basis, and those you bring in, must be organized to assure that you have the best chance of continuing to move effectively towards a successful Presidency. This is not an easy task. The institution has built-in resisters to change. Following are some illustrative steps that might be taken towards this end:

1. You should meet each week with a small group of your new White House appointees -- Marsh, Hartmann, terHorst, Buchen, etc. The agenda for that meeting should be to review where you were, where you are and where you are going. This <sup>transition monitoring group</sup> should be continued through 1974.

2. A meeting should be scheduled, <sup>roughly</sup> at least every three weeks throughout 1974 with some of the group that undertook the original planning -- Burns, Griffin, Harlow, Laird, et al. This should be a small group -- <sup>poss. of</sup> ~~no more than~~ six, composed of people who know you well enough that they can speak ~~to you~~ directly, disagree with you, argue with you and <sup>provide</sup> ~~give you~~ insights from outside the building.

3. One of the interesting aspects of serving on the Transition Team was to note that we immediately <sup>became</sup> ~~served as~~ a lightening rod where <sup>for</sup> suggestions <sup>to</sup> ~~could~~ be directed from ~~all~~ sources in and out of government as to how things could be done better. In most instances <sup>the suggestions</sup> ~~those ideas~~ had been plugged into the regular system and rejected. <sup>many</sup> ~~Some~~ of them were not worth much, but <sup>some</sup> ~~many~~ were. There is a great deal in the pipeline in terms of nominations, legislative <sup>positions</sup> ~~decisions~~, policies -- too many to review at one time. However, it might be desirable to develop some mechanism <sup>continue to</sup> ~~to~~ serve as a lightening rod. <sup>for possibly two months.</sup> This would require your designating someone who would become known and identified to review <sup>such</sup> ~~these~~ matters, ~~on a continuing~~ ~~basis.~~ It would give people a release valve outside the system during the <sup>period</sup> ~~six months~~ ahead.

4. As indicated in the personnel memo, you should personally designate an individual to study, monitor, review, and establish a personnel and recruiting function to serve you -- possibly through February 1 or March 1.

5. <sup>For a period</sup> To the extent there are items that you want someone to look at -- problem areas -- that were not thought of during the life of the Transition Team, you should <sup>of a transition nature.</sup> ~~probably~~ identify them and have some <sup>individual</sup> ~~place~~ that ~~you can~~ <sup>ed</sup> assign responsibility <sup>for them, rather than simply asking to be</sup> ~~other than the principal~~ staff people in charge of that function <sup>and who made the earlier decisions to handle them.</sup> ~~at the present time.~~

August 16, 1974

ACTION LIST

DUE DATE	RESPONSIBILITY	ITEM
Friday morning	Whitehead	✓* Ford Presidency
Friday morning	Morton	Schedule meeting for 2:30 or 3:00 on Tuesday (after Packard)
Friday morning	Morton	Meeting, Cabinet Room, after meeting with the President breaks up
Friday noon	Whitehead	✓* White House and Executive Office Organization Principles + general organization
Friday noon	Whitehead	✓* Meetings with key individuals
Friday afternoon	Rumsfeld	Implementation
Friday evening	Whitehead	✓* Economic organization
Friday evening	Cheney	• Domestic policy
Friday evening	Rumsfeld	✓ Personnel
Friday evening	Scranton/Buchen	✓ Legal
Saturday morning	Cheney	Organizational charts
<del>Saturday noon</del>	<del>Whitehead/terHorst</del>	<del>Press organization</del>
Monday morning	Whitehead	Review with Morton, Marsh, Buchen, Hartmann
Monday afternoon	Whitehead/Cheney/Scranton	Redraft
Monday evening	Rumsfeld, et al.	Review and final typing

August 16, 1974

ACTION LIST

DUE DATE	RESPONSIBILITY	ITEM
Friday morning	<u>Whitehead</u>	✓ Ford Presidency
Friday morning	Morton	Schedule meeting for 2:30 or 3:00 on Tuesday (after Packard) <i>(2 hours)</i>
Friday morning	Morton	Meeting, Cabinet Room, after meeting with the President breaks up
Friday noon	<u>Whitehead</u>	✓ White House and Executive Office Organization Principles
Friday noon	<u>Whitehead</u>	✓ Meetings with key individuals
Friday afternoon	Rumsfeld	✓ Implementation
" "	<i>CTW</i>	<i>reviewed Marsh, Seiden; Hartman</i>
Friday evening	<u>Whitehead</u>	✓ Economic organization
Friday evening	Cheney <i>(PTW/Hitt)</i>	✓ Domestic policy
Friday evening	Rumsfeld	✓ Personnel
Friday evening	Scranton/Buchen	✓ Legal
Saturday morning	Cheney	✓ Organizational charts
Saturday noon	<u>Whitehead</u> /terHorst	✓ Press organization
Monday morning	<u>Whitehead</u>	Review with Morton, Marsh, Buchen, Hartmann <i>46 min</i>
Monday afternoon	<u>Whitehead</u> /Cheney/Scranton	Redraft
Monday evening	Rumsfeld, et al. <i>overall; ch/Staff</i>	Review and final typing

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Naphtan

→ Jim Norton - daily paper.

retro's

how things came about

Fri

J Byrnes

Maxwell Rabb.

Sec. Cab., Ike.

WS  
& Dick H.C.

DR

TRANSITION TEAM REPORT

---

Donald Rumsfeld  
Jack Marsh  
Roger Morton  
William Scranton

August 20, 1974

## TRANSITION TEAM REPORT

### I. White House and Executive Office Organization

- A. Principles
- B. General Organization
- C. Domestic Policy Organization
- D. Economic Policy Organization
- E. Personnel Organization
- F. Counsel to the President

### II. Ford Presidency

- A. General
- B. Specific New Ideas
- C. Review of Policy Proposals in Process

### III. Meeting with Key Individuals

### IV. Implementation

Attachments: (1)

I. White House and Executive Office Organization

- Following are the various organizational arrangements for consideration to help in administering your activities and through which you plan and coordinate the programs of the Executive Branch. Executive Office officials must be confirmed by the Senate and are required to testify; not so for White House staff.
- There must be neither too few nor too many people having regular direct access to you for this purpose.
- The organization must conform to your personal working methods.
- There must be a chief of staff for administration, but there need not be a chief of staff for control of information, advice access, or policy direction.

General Organization:

- There is considerable agreement that in the White House staff you should have at least the following separate and distinct people, each having direct access to you:
  1. White House administration (scheduling paper flow, offices, cars, correspondence, etc.)
  2. Press and public information
  3. Speech writing and other written statements
  4. Congressional liaison and political advice
  5. Legal
  6. Personnel
- The Executive Office agencies should be used, in conjunction with the heads of departments and agencies, to develop policy options for your consideration and to monitor the progress and effectiveness of governmental programs. You may wish to have a principal advisor designated for:
  1. Economic Policy
  2. Domestic Policy
  3. National Security Policy
  4. Budget
- The White House staff and the OMB staff are too large and have become involved in too much detailed direction of the departments and agencies. A number of White House staff functions could be moved to Executive Office agencies, and a number of Executive Office functions could be moved to the departments and agencies.

## Domestic Policy Organization

- The major problem is overlapping and competition between OMB and the Domestic Council staff.
- A second problem is that both OMB and the Domestic Council staffs have become involved in too much detail on departmental programs and have interjected themselves between the department heads and the President on policy formulation.
- Option 1:
  - President chairs the Domestic Council, as in Option 2.
  - The Director of OMB would be the Director of the Domestic Council, and would work with the department heads to provide the options and recommendations you need for decisions on major domestic policy and budget issues.
  - The Associate Director of OMB for Policy and Programs would assist the Director of OMB in developing and analyzing policy options.
- Option 2:
  - You chair the Domestic Council, changed to be composed of heads of departments and agencies not principally economic or international.
  - The Director of the Domestic Council would be your principal assistant for domestic policy development on the White House staff.
  - The Domestic Council staff would work with the department heads to provide the options and recommendations you need for decisions on major domestic policy and budget issues.
  - The OMB would be reduced in size and scope to provide budgetary control, legislative clearance, and management evaluation of departmental operations, much like the office of a comptroller in a department or a corporation.

- Comment: Almost everyone we have talked to agrees that you need to eliminate the overlap of functions between OMB and the Domestic Council staff. The natural separation is between (1) budgetary control and management and (2) development of policy options and staffing of recommendations for your decision. There is considerable feeling that the President and the appropriate department heads should be the spokesmen for Administration policy and that each department head should be allowed more flexibility than at present in implementing your policy decisions. Option 2 is superficially more palatable to Congress, but Option 1 would probably make for better relations in the long run if you get a politically attuned Director.
- Recommendation: Option 1.
- Reasons: With the new Budget Committees, you will need high-level appointees who can be available to testify on the policy aspects of the Administration's budget as well as the financial details. You cannot afford to mediate personally the inevitable disputes between those with budgetary control and those with policy staffing control as Option 2 would require. Moreover, you could more readily attract highly capable people to top positions in OMB under Option 1 than to OMB and Domestic Council Director under Option 2.

## Economic Policy Organization

- o A major problem here is the competing and overlapping organizations created during the last few years.
- o Option 1:
  - Eliminate Counsellor-level Economic Coordination office.
  - Council on Economic Policy (CEP) to focus on domestic economic issues, chaired by the Secretary of the Treasury, on the President's behalf.
  - Council on International Economic Policy (CIEP) merged with the Office of the Special Trade Representative to focus on international economic issues, regularly chaired by the Secretary of State on behalf of you, the statutory Chairman.
  - You would be the overall authority on all economic policy, Greenspan as Chairman of the Council of Economic Advisers (CEA) to monitor the overall economic situation and act as your "consultant" and advisor.
  - You, the Secretary of the Treasury, and the Secretary of State would be the Administration's principal spokesmen on economic policy.
  - Quadriad and Troika would function as in the past.
- o Option 2:
  - Eliminate Counsellor-level Economic Coordination office.
  - You chair the CEP, focused on domestic economic matters, as well as the CIEP.
  - Designate Executive Director CEP and CIEP.
  - You would be the sole authority and spokesman on all economic policy, using Greenspan to coordinate the activities of the domestic and international councils and to act as your "consultant."

- o Comment: Almost everyone we have talked to agrees that the Rush office should be eliminated. Greenspan feels he cannot be effective as the principal spokesman on economic matters. There is considerable feeling you should personally direct and pronounce economic policy.
- o Advantage: President can decide overall policy direction and mediate Cabinet disputes with Greenspan's staff support to you. President will be overall spokesman for Administration's economic policy, but not the sole spokesman. The role of the Cabinet will be more visible and more of the less important decisions can be delegated outside the White House and Executive Office.
- o Disadvantage: The economic area may well be the most difficult problem of this Administration. Intimate public Presidential involvement and identification with this issue might do unnecessary harm.
- o Recommendation: Option 1 Variation. Option 1, but place the Vice President in charge of coordinating economic policy, or appoint a man such as David Rockefeller or Walt Wriston as Secretary of the Treasury or Secretary of Commerce and also as Assistant to the President for economic policy to perform the coordinator-spokesman role.

## PERSONNEL

Nothing you can plan will be more important to the success of the Ford Administration than your selection of personnel.

Lady Bird Johnson wisely wrote in her book that, with no disrespect to the Kennedy team, the single greatest mistake LBJ made was not bringing his own team sooner.

The Administration is presently staffed with many fine, abled, dedicated men. However:

- (a) they were recruited, hired, and directed by personnel system controlled totally by Haldeman, Malek, Jones and Weimer, none of whom would seem to fit your approach to government,
- (b) they are exhausted,
- (c) some may have vulnerabilities from the past two years,
- (d) some have developed difficult relationships with the rest of the government during this tough period now past.

With the good feeling that exists toward you today, good people can be recruited. However, the good feeling could erode during the fall campaign and as economic or other problems arise. The time to recruit is now. If not, the public will conclude, it is "business as usual."

Attention to personnel is vital to your success. It is your principal control point. Without full attention by you to personnel matters, there will not be a true Ford Presidency.

Some suggestions:

1. The most important thing you can do with respect to personnel, is for you to resolve to spend a significant portion of your personal time on the subject of personnel. The better job that is done, the less time you will have to spend during the remainder of your Presidency on problems, because you will have people in whom you have confidence and who will have the stature and ability to do the job.

2. Everyone previously connected with recruiting and approving personnel should be taken out of that line of authority.

3. Freeze hiring now, except as specifically approved by a person of your selection. This can be done by pointing out that you intend to reduce the size of the White House staff.

4. Put a man of stature in charge of personnel immediately, as your personal representative, if only for a five-month period, to (1) advise you, (2) recommend reorganization of the system, (3) staff the office with new personnel and recruiting people, (4) initiate top recruiting now and (5) serve as a lightning rod and point of information about people who would like to come in as well as people who are presently on board.

5. The new man in charge of personnel should be someone of stature, such as you would name to your Cabinet, but who would prefer to spend only five months on leave either from another government post or from the private sector (Laird, Scranton, etc.).

6. Go after two or three top appointments from outside the government by early September. It will send a signal to the country and the Administration that you plan to upgrade. The appointment of a David Rockefeller or a Walter Reston would serve as an attraction to other outstanding people around the country who would then be encouraged to come. The appointment of individuals of less stature in this early period will be a signal to the contrary.

7. It may or may not be desirable or possible to make your Vice President also the head of a Cabinet Department. However, it might be desirable to see that he has something substantive to do. You, of course, are an expert on the Vice Presidency. However, it is my view that depending on who is selected, he might serve as your top man for either Domestic Policy, Economic Policy or National Security Policy.

8. There is general agreement that the White House staff has deteriorated in the last two years and that many are one or two notches over their heads. You should announce a reduction in the White House staff of 10-30% within two weeks. The White House staff is bloated. It has probably trippled over the last six years. The only time you will be able to reduce it is now. If it is not down by a third by January 20, 1975, it will be even larger than today by 1976.

9. We have not been asked, and thus, not made specific recommendations as to personnel. However, we have received a lot of unsolicited advice during our discussions. When a personnel man is selected by you, our files will be turned over to him.

10. You need Blacks in your Administration, including minorities in your personal office.

11. You should promptly, in consultation with the former President, name a man to handle liaison with Mr. Nixon.

12. Look over retiring House and Senate members, Governors, Republican and Democrats, Frelinghuysen, Edith Green, Chamberlain, etc., and sprinkle the good ones throughout the government soon.

13. There is some uncertainty at the present time. That is not all bad. However, I recommend a direct approach. As soon as decisions can be made, people should be seen personally. If it is best that they leave, they should be told. If they are to go but could be useful elsewhere in the Administration, we should go to work and find the place. If they are to be kept, they should be told and relied on and given responsibility and good management direction.

14. As far as timing, you might think of the personnel aspects of the movement toward the Ford Presidency in three segments:

a. Changes to be made prior to October 1, 1974 -- prior to the election;

b. Changes to be made between the election and January 20, 1975. The men that are in place on January 20, will be your team for the remainder of this term;

c. Filling vacancies as they arrive -- Post-January 20, 1975.

15. Specific procedures should be arranged so that there is careful, humane, decent treatment of those individuals who will be leaving. It is not complicated, but it takes a little time and has to be organized. This should be the case whether they are leaving voluntarily or involuntarily. These are fine men who came to serve their country. It has been tough. It is critical to recruiting that those who are thinking about coming into this Administration, see clearly that the people who are there or have been there, were well treated. Further, it is the right thing to do.

16. As important as recruiting and having good people, is managing and leading them once hired. The individual who assumes the responsibility for personnel for you, who must report directly to you, should attend to these matters. He should see that people are briefed on ethics, their responsibilities, and on the expected behavior pattern.

If the success or failure of the Ford Presidency depends in large part on people, the personnel function is critical. To be successful you must have full confidence in the individual you assign that responsibility and he must be properly organized to do it.

## COUNSEL TO THE PRESIDENT

### The Office of the Legal Counsel

In the early years of the Nixon Administration, the Attorney General's Department did major legal work for the President, and the Legal Office in the White House dealt primarily with matters of propriety and other internal problems. Later, of course, both the Legal Office and the Special Office became almost totally concerned with the various aspects of the Watergate affair. Accordingly, a big change is necessary.

In addition, because of Watergate, the Department of Justice now is seen as having some "independence" of the Presidency.

#### Option 1:

Continue a relatively lower key, internal operating Legal Office.

#### Option 2:

Upgrade the Legal Counsel, establish it as the President's legal right arm. It would continue handling internal problems but in addition energize the development of policy concerning conflict-of-interest, ethics, etc., or, at the very least, have a major input on same. The various functions outlined in the attached paper should be considered for this office.

Comment: There is unanimity that this Office should not only be upgraded but that the head of the Office should be a top-grade personal appointee of the President, with regular entree to him.

#### Recommendation: Option 2

Reasons: Desirable because of the "independent" Department of Justice and the essentiality of a strong legal right arm for any President.

Rumsfeld strongly favors Option 1. The Department of Justice should not be "independent."

THE WHITE HOUSE COUNSEL  
UNDER PRESIDENT EISENHOWER

By: Edward A. McCabe

1. Legal job, calling for mature and experienced lawyer judgments. Not a political type. Not a speech-writing function. Not in any sense a P.R. job.
2. Function very different from the Department of Justice. Many in-house lawyer functions in the White House itself. Department of Justice is an advocate for Departmental positions within the Executive Branch. Also, Department is legal adviser to all Departments and Agencies -- as well as the Chief Law Enforcement office.
3. Even so -- very important that there be good relations with the Attorney General and his senior aides. There should be no encroachment by either office on the prerogatives and function of the other. No conflict should be tolerated -- but key must be which office handles which chore best. Once in a rare while, the President himself might have to referee a dispute and decide who does what. Unlikely.
4. Many lawyer things, by statute, come to the President. CAB overseas air route matters. Some Maritime matters, and others. Justice Department has no role in many such things -- and might even have an adversary role to defend. So, President's White House Counsel handled.
5. White House Counsel's Office (under DDE) was focal point for development of the President's legislative program.
  - a) Included the coordinating function on messages from the President -- the coordinating of Departmental views and advice on what these messages should say -- when a special message went to the Hill with a part of the President's legislative program.
6. Counsel also processed bills the Congress passed -- for Presidential signature or veto.
  - a) Seeing to it a bill as passed was consistent with the program of the President. This, of course, involved contact with Budget and the concerned Departments. (Here, Justice on many bills could well have a conflict of interest.)

- b) Coordinate views and advice on any signing message or comment.
  - c) Coordinate veto messages, with Budget and the concerned Departments.
7. Handle various Presidential Proclamations -- Captive Nations' Week, etc., etc.
  8. Pass on questions that touch on any private (usually commercial) use of insignia, labels, etc., that may imply Presidential or White House endorsement of some product.
  9. Review FBI investigative reports and authorize clearance of all Presidential appointments.
  10. Gather the necessary facts and assess them in those cases where disciplinary action develops against, say, a Presidential appointee on one of the regulatory boards or commissions, or someone in an Executive Department or Agency. Several times this function led to a resignation, or a dismissal.
  11. Coordinate Executive Branch activity on Congressional investigations that overlapped 2 or 3 Departments and Agencies.
  12. Review, for the President, prior to his acting on them -- certain disciplinary matters in the military. These include discipline of general officers, and military death sentences. There were more than just a few of these in the Eisenhower years, probably a Korean war aftermath. Pattern might conceivably repeat itself in the next few years.
  13. This office was manned by 3 people under President Eisenhower. There seems to be a real advantage in holding the numbers down (5 or 6 at the most) with at least half of these having real experience.

## II. Ford Presidency

### A. General

The style and the institution of the Presidency have been expanded greatly since 1960. The Ford Presidency should become a part of the American scene rather than the focal point for planning the country's future. To that end, we suggest the following:

1. Cut the size of the White House staff and of OMB substantially.
2. Cut the number of military personnel assigned to White House duty and consider civilian attire except for formal occasions.
3. Reduce the trappings of the Presidency. Staff not of Cabinet rank should be given parking places instead of routine portal-to-portal service. The black limousines should be used only for distinguished guests.
4. Stop the practice of having the Chairman of the Republican National Committee routinely attend Cabinet meetings.
5. Consider a series of small informal dinners with national leaders and top officials of your Administration.
6. Return to Grand Rapids, possibly on Veterans Day or Thanksgiving. You have a hometown.
7. Have a few dinners with your children and their friends.
8. Take occasional walks in various D.C. neighborhoods (not just the inner city problem areas) to meet your new neighbors.
9. Play golf occasionally on the South Lawn, for relaxation or while talking business.

## II. Ford Presidency

### B. Specific Ideas

To help establish a Ford Presidency, there are several specific actions you might take in approach and on issues over the next few months.

#### 1. Regional Visits

There will be pressure on you to help Republicans campaign this fall, conflicting with the need to avoid partisanship in pulling the country together. The people need to get to know you, and you need to listen to non-Washington voices.

Consider regional visits to several cities (not necessarily the largest) representative of each region of the country. In one or two days, you could schedule a few speeches, meetings with elected officials, business, community and labor leaders, give television interviews for use on broadcast stations in the region, and take side trips to suburbs and smaller towns.

#### 2. Visit with top career Civil Servants.

The career Civil Service was consistently treated by the former Administration with suspicion and hostility. They are concerned about their role in government, about the pay compression in the top grades, and about orderly career development. Consider meeting soon with ten or twenty top civil servants in the Cabinet Room for about an hour. You also might consider calling for a modest Congressional pay increase after the elections to alleviate the pay compression problem.

#### 3. Sharing your education.

The people need to remain confident of your grasp of the country's problems. You might convey this effectively and also raise public understanding on inflation, energy, and a few other key problems by "a little straight talk among friends" sharing your knowledge on these matters with the American people.

#### 4. Parks

America is recognized around the world as a leader in preserving the beauty of its land through national parks and wilderness areas. Moreover, the town park is a prominent feature in American life. You might consider making the beauty of America and the expansion of parks for the people one of the themes of your Administration.

#### 5. Pension Reform

This bill could be signed on Labor Day, with a strong statement about how sound pension rights are essential for a mobile work force, as well as for the economic freedom of the individual in our corporate economy. You could call the Administration-supported bill a solid beginning for truly comprehensive and far-reaching pension reform in the future.

#### 6. Automobile Safety Legislation

This bill, cutting back on the over-zealous regulations of the Department of Transportation, points up the hazards of government's over-protecting the public from themselves. You could use the signing of this bill as an occasion to make a key point of the "new conservatism" -- that excessive government regulation of our lives and our commerce, even in a good cause, can be carried too far.

#### 7. Cuba

You might review the desirability of reopening relations with Cuba.

#### 8. Amnesty

You could consider developing a proposal.

#### 9. Murphy Commission on Organization for Foreign Policy

You accepted Mike Mansfield's invitation to go to the Hill for a lunch with this Commission hosted by Arend Lubbers. This might be a good place to discuss organization for international economic policy or to inform them of your thinking on that subject.

## II. Ford Presidency

### C. Review of Policy Proposals in Process.

Suggestions on how you may wish to handle the following items already "in the pipeline" in a way different from the current thinking of OMB and the Domestic Council staff:

1. Reassessment of Project Independence and ERDA. FEA is to submit a blueprint for Project Independence by November 1. The quality of planning, however, has been marred by inter-agency squabbles. Likewise, the legislation establishing ERDA has become a Christmas Tree bill. The ideas behind Project Independence and ERDA are good, but you might wish to get a good person in charge and have a careful reassessment of the proposals before you get committed to either. You might also wish to let the ERDA bill die in conference and start over next year.
2. Javits' Public Employment Proposal. The Javits public service employment bill is opposed by Alan Greenspan and others as unworkable. However, rather than veto the bill, it would be useful to have Greenspan work with Javits to get a more practical plan to achieve the shared objective.
3. Shift of OEO Community Action Programs to HEW. Rather than continue the hard-line Administration opposition to retaining the Community Action Programs in any form, you should consider immediate support of a compromise to transfer Community Action Programs to HEW and termination of OEO. Once at HEW, the appropriations for these programs can be decided as part of the overall HEW appropriations.
4. FY 1976 Budget Projections. OMB has established a tentative total of \$330 billion for fiscal 1976 budget, and sent guidance letters to the departments based on that figure. It is important that such projections not become firm until after the Economic Summit Conference.
5. Establishment of an Under Secretary of Defense. The Department of Defense has requested authority to establish an Under Secretary of Defense in lieu of a second Deputy Secretary of Defense, but State, OMB, and NSC staffs are likely to oppose. The new age of negotiations, combined with the need for maximum strength without large defense budgets, require DOD to have top-quality management. Treasury has a Deputy and two Under Secretaries and the State Department has a Deputy and three Under Secretaries.

### III. Meeting with Key Individuals

- While carrying forward many of the policies of the past Administration, you will want to end the accumulated hostilities.
- o The pattern of groups and individuals you meet with will significantly influence the character of your Presidency.

We have given Al Haig a list of individuals and groups we think you should consider meeting over the next few months. This list includes many distinguished leaders in their fields and has been compiled for the above purposes rather than taken only from White House files, also small businessmen, farmers, and small town law enforcement officers not always found on such lists.

The categories recommended include business, labor, arts, religion, science, education, health care, youth, civil rights, and agriculture. We recommend no meetings with minority groups as such, but rather inclusion of Blacks, women, and ethnics as part of one or several other categories.

IMPLEMENTATION

This report completes the tasks you asked us to undertake. However, it does not complete the transition to a Ford Presidency.

You must organize, on an initiative basis, those whom you have appointed or reappointed and those you will bring in to assure that you continue to move effectively towards a successful Presidency. This cannot be an easy task, since the institution has built-in resistance to change.

Some illustrative steps that might be taken to this end are:

1. Until you have implemented a new organization, you should meet each week with a small group of your new White House appointees -- Marsh, Hartmann, terHorst, Buchen, etc. The agenda for that meeting should be to review where you were, where you are and where you are going.
2. You should meet every few weeks, individually or in small groups, with some of your close friends and outside advisers. These should be people who know you well enough that they can speak their mind directly, disagree with you if need be, and give you the perspective from outside the White House.
3. As indicated in the personnel memo, you should personally designate an individual to study, monitor, review, and establish a personnel and recruiting function to serve you at least through December.
4. You should designate an individual, either permanent or parttime to serve for a time as a "lightening rod" or "wild card" outside the regular White House organization until your new organization and personnel begin to take hold. This individual could undertake special projects, watch the flow of policy development in the staffing process, and serve to get views of your outside advisers in to you and, as appropriate, into the staffing system before things get too far committed.

THE WHITE HOUSE  
WASHINGTON

WS — Byzant

✓ VS → 376-7729

✓/62+PB

USIA afternoon filing  
dinner EAX

Ken Smith. →

t H • temp pen.

THE WHITE HOUSE  
WASHINGTON

Buckley

- X
- Y
- 1. Personal on
- 2. Substans. man  
& coord.
- 3. Error man.
- 4. Shed

mark

Hartman

Boig

THE WHITE HOUSE

Tom Whitehead

Pers -

Tom:

Please consider how we can promptly get Eva on the White House payroll as my secretary.

I assume the transfer should be done through Frank Pognatta, but I thought you should talk to him first so as to explain her present salary rate, classification etc. (about which I do not know) and work with Frank on determining what would be to Eva's advantage.

Thanks!

TAD

MORTON

COMMENTS ON AUGUST 20 DRAFT OF TRANSITION TEAM REPORT BY TAB

TAB I - C: Domestic Policy Organization

Second paragraph: Add . . in some cases they interject between the agency head and the bureaus

TAB I - C: OPTIONS

*very good.*

I do not agree that the best way to go is Option #1. The Director of the Domestic Council must have creative and political responsibility which are not necessarily part of the profile of the Director of OMB. If they are one in the same, the President and/or agency heads will not have the input necessary to make the "trade off" decisions which will identify the policy of the Ford Administration. Constructive debate must take place at the highest level of government before options go to the President. The Cabinet and Agencies must have an agent in the White House viz. the Director of the Domestic Council. I don't believe the Director of OMB who must retain budget control and whose bureaucracy is career and anti-program in nature can fill both roles without frustration for the President and the Cabinet. (And the GOP members of Congress.)

Suggest the Vice President be considered for Director of Domestic Council.

Comment and Reason:

1. The qualifier "if you get a politically attuned director" is too big an "if." It must be remembered that OMB is basically a career non-schedule C organization with many bridges into the bureau structure of the departments.

2. The reasons are not valid.

True -- the President cannot continually mediate between policy and budget, but without a strong policy advocate the mediation will then be required between OMB and the Cabinet and Agencies. This will take more time and will be more disorderly.

The answer is of course in the quality and nature of the two principle persons involved. It will be easier in judgment to fill both slots than to combine them into one personality. Also on major options the President can be sure they have been challenged.

## TAB II - A:

1. Agree strongly
2. Agree
3. Would seek middle ground (present policy vs. suggestion)
4. Agree
5. Agree strongly
6. Agree
7. Agree
8. Agree
9. Agree

Add: Have White House staff people eat in cafeterias in nearby Interior, GSA, Civil Service Commission, etc., to rub elbows with career government people.

## TAB II - C:

1. Project Independence and ERDA

The FEA and ERDA concepts are a real step in the wrong direction. The goals to make energy more visible in the scheme of things are obvious but fragmentary and eroding the major resource department, DOI, as a means of achieving a strong management system of natural resources is going in the wrong direction. We should go for a DENR and the intermediate steps should be:

- a. Hold up ERDA bill
- b. Put FEA into Interior
- c. Add NOAH -- then later add non-regulatory functions of AEC and others

DENR cannot be put together any quicker than the jurisdictional problems in the Congress can be resolved. This will require step by step working with the Congress. With the long-term energy problems ahead of us and a short term crisis behind us the time is now ripe to move on a DENR.

2. Agree
3. Agree
4. Agree
5. Some older departments are at a grade level disadvantage vs. the new departments and agencies. Would advise no unilateral action with Defense unless other department needs were fully assessed.

## TAB I - D:

Don't like the idea of recommending an option variation.

Clarify the option so that the variation does not have to become a mental exercise.

This area (economic) must be the number 1 focus for the President during the next 6-10 months. Timing and tempo of statements and actions become very critical. The options are too loose.

Confidence in the CEA is based on its complete objectivity and absence of political response. International input should be equally analytical and cold hearted. The President must establish an accountability for economic policy utterances and it should be vested in the Secretary of Treasury except when he chooses to speak himself. If this accountability is established and clear cut, big name advisers can advise and not become czars. The Treasury with its Deputy Secretary is organized so that the Secretary of the Treasury can chair the Quadriad without limiting the operations of the Department.

TAB I - E: Personnel

Additional Comment:

Establish a speeded up system of hiring once the clearances have been completed. It now takes about 6-8 weeks for the sign-off system to run its course. This means that from time of contact and preliminary job offer about  $2\frac{1}{2}$  months are eaten up. We cannot afford this if Ford men are going to have an impact on the Administration.

## TAB I - F: Agree

## MEMORANDUM

To do  
8/14

THE WHITE HOUSE  
WASHINGTON

1. Comments on orgn for WS
2. Ford imprint package
3. E memo on status of TT work.

who does what  $\left\{ \begin{array}{l} \text{to Thom on 4+March+th+CTW+PB} \\ \text{to Tues 4+CTW+PB} \end{array} \right.$

CTW econ organization

CTW 3 sub items neg

CTW 4 " " +

CTW 5 key

#6  $\swarrow$  leading in: dig of Ford TT  
eg. meet one/mo. w/ outside advisers  
Horton or March as contd w/  $\uparrow$

344

162 (?)

#5 done & will give to King.

CTW — reg mtg Tues or Wed (3)  
inform Thom mtg att 4 — Morton  
+t

Meet 9:00 for econ & ~~pers~~ <sup>orgn obj.</sup>

OFFICE OF TELECOMMUNICATIONS POLICY  
WASHINGTON

Byrnes

1. Info desk
2. Polit dep for Pers man.
3. WH staff cut — (CTW wider)

Pat Buchanan  
sabotage; re read E & N article  
inf sec'ys in PB office — check w/ Dick NE & B.L.

Legal

VP & Gen Counsel, Ford Motor  
resigned 6/1/74.  
recruit, org, proceed.

## MEMORANDUM

DR comments.

THE WHITE HOUSE

WASHINGTON

1. No m<sup>c</sup>Cabe type stuff in body  
 Appendix of news  
 m<sup>c</sup>Cabe  
 Cab news  
 etc.
2. Decide when brief Harg
3. " " give back TT
4. List of charts  
 WH office space WW/EW(?)  
 org charts  
 org WH
5. Option to change name DC, (or do away (?))
- ✓ 6. Guinness girls pins filigree  
 men cuff links (white background)
7. Redraft
8. DR See list of indiv < Baroody list  
 Om list
9. Consider  $\Sigma$  section in front { action rec.  
~~app/diagram~~  
 option chosen
10. Review DR draft w/ Hartman March Sabin Morton  
 Mon AM & integrate all comments into  
 DR draft; prepare DR pers copy  
 w/ notes on who agree & disagree.

*Draft*

## TRANSITION TEAM REPORT

### I. White House and Executive Office Organization

- A. Principles
- B. General Organization
- C. Domestic Policy Organization
- D. Economic Policy Organization
- E. Personnel Organization
- F. Counsel to the President
- G. Press and Public Information

### II. Ford Presidency

- A. Specific Ideas
- B. Review of Policy Proposals in Process

### III. Meeting with Key Individuals

### IV. Interim Measures

### V. Organizational Charts

### VI. Action

*end of each section*

*Numbering & format for typesetting*  
*Cover page*

I-A



I. A. White House and Executive Office Organization

Following are the organizational arrangements we have identified for your consideration to help in administering your activities and through which you plan and coordinate the programs of the Executive Branch. The most significant principles to be taken into account are:

- For effective control, you should not have so many people reporting regularly to you that your span of control is exceeded. Nor should there be so few that power is <sup>overly</sup> concentrated in a few White House Staff members.
- The organization must conform to your personal working methods.
- There must be someone in charge of administration, but there need not be a ~~chief of staff for control of~~ information, advice, access, or policy direction. *single control point for*
- ~~The Presidency should be decentralized~~ *Some* <sup>is desirable.</sup> Some White House Staff functions might be moved to Executive Office agencies, and some Executive Office functions might be moved back to the departments and agencies.
- White House Staff traditionally do not testify before Congressional committees; Executive Office officials must be confirmed by the Senate and do testify regularly. ~~This means that your principal spokesmen to the public and to Congress will be heads of Executive Office Agencies, the Cabinet, and heads of non-Cabinet agencies.~~ *stet*

I-B



insert I B

- Your Counsellors should have specific operational overview responsibilities. ~~This seems to be developing.~~

~~At this point,~~ speeches and major messages have logically become the functional area of one Counsellor.

- Congressional liaison and public liaison <sup>logically could</sup> ~~logically should~~ be the functional responsibility of one Counsellor.

Personnel selection and recruiting could well be the responsibility of an additional Counsellor or one of the existing Counsellors.

Note: <sup>2</sup> ~~The public liaison function~~ dealing with nongovernmental organizations ~~on an institutionalized basis in a systematic way~~ has an innovative potential which fits your open-door policy.

I. B. General Organization

- White House Staff: There is considerable agreement that in the White House you should have at least the following six separate and distinct people, each having direct access to you:

1. White House administration (paper flow, offices, cars, correspondence, etc.) *scheduling*
2. Press and public information
3. Speeches and major messages
4. Congressional liaison ~~and political advice~~
5. Legal
6. Personnel

• The Executive Office of the President: These agencies should be used, in conjunction with the ~~heads of Departments and Agencies,~~ *Cabinet & agency heads* to develop policy options for your consideration and to monitor the progress and effectiveness of governmental programs. The major components of the Executive Office for this purpose are:

1. Economic Policy
  2. Domestic Policy
  3. National Security Policy
  4. Budget
- want on*

Handwritten notes, possibly a list or index, with some numbers and names. The text is very faint and mostly illegible.

Handwritten notes, possibly a list or index, with some numbers and names. The text is very faint and mostly illegible.

Morton  
ED, DC need 3 days (good WH broken)

EPA etc  
HEW etc

issues  
+ constitutional problems.

LWS: back-up paper  
how our rec operates  
OMB, CEA  
(cf. Bruneau notes)

Morton:

agency lead  
ED, DC  
OMB  
(LEAD)

review before go to TT

option 1 as variant of EQ

" 2 : move on how it works

~~Supplement on how option 2 and work.~~

→ Rename DC - Sec'y Cab. (?) (for down policy?)

Size : 10-15 prof

→ Same pers as OMB

## I. C. Domestic Policy Organization

- ~~The~~ <sup>A One</sup> major problem is overlapping and competition between OMB and the Domestic Council staff.
- A second problem is that both OMB and the Domestic Council staffs have become involved in too much detail on departmental programs and have ~~interjected themselves~~ <sup>come</sup> between the department heads and the President on policy formulation.
- ~~The following options assume the Director of OMB will not have Cabinet rank~~
- Option 1 (simplification of current arrangements):
  - Change the membership of the Domestic Council to include the heads of all departments and agencies not principally international.
  - Name the Director of OMB as Executive Director of the Domestic Council, with ~~a new~~ <sup>an</sup> Associate Director of OMB to work with department heads to provide ~~options~~ <sup>options</sup> and recommendations for your domestic policy and budget decisions.
  - The Associate Director of OMB for Management would continue to coordinate the execution and evaluation of departmental programs.
- Option 2:
  - Change the Domestic Council as in Option 1.
  - Name a ~~Counsellor to the President~~ <sup>who also will</sup> who would serve as Cabinet Secretary and Executive Director of the Domestic Council. He would work with the ~~department heads (both in and outside the Cabinet)~~ <sup>Cabinet & agency</sup> to provide the program ideas, policy options, and recommendations you need for decisions on major domestic policy issues.
  - The OMB would be reduced in size and scope to provide budgetary control, routine clearance of testimony legislation, and after-the-fact evaluation of the effectiveness of departmental operations, much like the office of comptroller in a department or corporation.

- Domestic policy issues for your decision would be discussed by the Cabinet Secretary (who is also Executive Director of the Domestic Council), the Director of OMB, and the concerned agency heads before going to you for decisions.
- The Cabinet and other agency heads would be the principal spokesmen of the Administration on policy issues, rather than OMB or White House Staff.
- Comment: Almost everyone we have talked to agrees that you need to eliminate the overlap of functions between OMB and the Domestic Council staff. The natural separation is between (1) budgetary control and program evaluation and (2) development of policy options and staffing of recommendations for your decision. There is considerable feeling that the President and the appropriate department heads should be the spokesmen for Administration policy and that each department head should be allowed more flexibility than at present in implementing your policy decisions. There is considerable feeling in the departments and on the Hill that OMB has become too powerful on policy matters and that the Domestic Council staff is not of sufficiently high quality.
- Recommendation: Option 2.
- Reasons: Option 1 reduces the confusion about the roles of OMB and the Domestic Council, but at the expense of concentrating too much power in OMB. Option 2 requires you to make some hard decisions where the Cabinet Secretary, Director of OMB, and the Cabinet officers disagree, but it assures that you have all the information, and options. The Cabinet Secretary would not testify, leaving the Director of OMB to speak on budget and ~~agency~~ <sup>agency heads</sup> as spokesman for Administration positions. This arrangement also prevents either OMB or Domestic Council staff from interjecting themselves between you and the Cabinet ~~of agency heads~~.

*debate  
before you  
decide*

*[Faint, illegible handwritten text, possibly bleed-through from the reverse side of the page.]*



I-D

Morton 2

1 spokesman for econ policy unless TT briefly.

→ Sec Treas

LWS — ED, DC fits somewhere  
— get right people together

Quad  
+ ED, DC  
+ NSC rep.

review before  
go TT.

observer.

## I. D. Economic Policy Organization

- The major problem here is the competing and overlapping organizations created during the last few years.

- Option 1

- ~~Eliminate~~ <sup>Discontinue</sup> office of Counsellor for Economic Affairs
- Council on Economic Policy (CEP) would focus on domestic economic issues, chaired by the Secretary of the Treasury.
- Council on International Economic Policy (CIEP) would focus on international economic issues regularly chaired by the Secretary of State on behalf of the President.
- The Chairman of the Council of Economic Advisers (CEA) would monitor the overall economic situation and act as your "consultant" to make sure you have all the information and recommendations you need for overall economic policy decisions.
- The Troika (Secretary of the Treasury, Director of OMB, and Chairman of CEA) and the Quadriad (Troika plus Chairman of the Federal Reserve) would continue to meet, as in the past, with the Cabinet Secretary and an NSC representative as observers.
- <sup>Spokesmen:</sup> You, the Secretary of the Treasury, and the Secretary of State would be the Administration's principal spokesmen on economic policy.
- Major decisions on economic policy would be discussed and reviewed by the Quadriad, the Cabinet Secretary, and the NSC representative before going to you for decision.

• Option 2:

-- Same as Option 1, with the following exception:

-- The Secretary of the Treasury would ~~chair both~~ CEP and CIEP and would be the principal spokesman on economic policy except for those major issues you address.

*coordinate the activities of*

*discontinued.*

- Comment: Almost everyone we have talked to agrees that the Office of Counsellor for Economic Affairs in the White House should be ~~eliminated~~. There is considerable feeling that you should personally direct and pronounce economic policy. There is broad agreement that domestic and international economic problems have become highly interconnected.

• Recommendation: Option 2.

Reasons: You can decide overall policy direction with the staff assistance of the Chairman of the CEA and the views of the other agency heads involved, and mediate Cabinet disputes. You will be overall spokesman for Administration economic policy, but ~~not the sole spokesman~~. The role of the Cabinet will be more visible and more of the less important decisions can be delegated outside the White House and Executive Office. Depending on your decisions about Cabinet and other personnel changes, you may prefer Option 1 as more suitable to the personalities involved.

~~• Further recommendation: That you~~

- consider appointing one person to fill the three posts closely related posts of Under Secretary of State for Economic Affairs, Special Trade Representative, & Executive Director of CIEP.

*should be designated*

*minimized*

*The Sec. Treas. will be the principal spokesman on economic policy, except for those issues you wish to address yourself.*

I-E

no samples



I-F

Legal counsel

∴ Morton : not using A/6  
top WH personnel. ethics etc.  
counsel for TI re EB.

I. E. Personnel

- The major concern here, at least for the first five months of your Administration, is to have personnel problems handled on the highest-caliber level possible and to provide for your direct review and decision on the most important appointments, especially in the White House and the Cabinet.

- Option 1:

At the present time the Personnel Office in the White House handles ~~political "patronage," recruiting, White House approvals (sign-offs), and White House liaison with CSC.~~ But it does not participate except mechanically in the selection of top personnel. *e*

Option 1, therefore, is to continue the present operation.

- Option 2:

Put a man of national stature in charge of Personnel immediately as your personal representative, if only for a five-month period, to (1) initiate top recruiting and (2) to organize the office and its personnel in your image.

~~There also should be a deputy if the top man does not have close Hill connections.~~ *at*

- Recommendation: Option 2.

- Reason: In our opinion, it is of paramount importance for the Ford Presidency that your personal representative, a man of high caliber, be placed in this position immediately and that he have direct access to you as needed.

## I. F. Legal Organization

*of assumed many of the functions normally performed by the Justice Department.*

- The major problem here is that, in the wake of Watergate, the White House Counsel's office ~~has~~ become very large ~~and the Justice Department has become significantly independent of the President.~~
- Option 1:
  - Accept the temporary "independence" of the Justice Department.
  - Establish the Office of Counsel to the President as the President's principal legal adviser, including advice on legislation, suits against the government, and authorities of the executive branch.
- Option 2:
  - Resist the concept of a Justice Department independent of the President (but not too provocatively).
  - Keep the Special Prosecutor independent of the President and the Attorney General.
  - Keep the Office of Counsel to the President relatively small, but upgrade it significantly in the White House structure.
  - The Counsel to the President would focus primarily on *special* ~~of concern to the Presidency.~~ *legal* matters ~~personal to the President and of concern within the Executive Office in support of direct Presidential responsibilities.~~
- Comment: It would be basically wrong to lend support to the notion of a Justice Department independent of the Presidential authority over the Executive Branch. However, there is considerable sensitivity on this subject and overt action to re-establish old arrangements may be counterproductive.

- Recommendation: Option 2

- Reasons: This will give you a strong personal legal arm and allow upgrading of White House and Executive Office legal talent to serve while Justice is slowly brought back into the fold. The Special Prosecutor arrangements should be left undisturbed until the need for the office wanes, or the Congress might move to establish a more permanent institution.

I-G

I. G. Press and Public Information

We agree with the organizational changes you have worked out for the Press Office and with the elimination of the old Office of Communications as a separate entity.

II-A

## II. Ford Presidency

The style, power, and the institution of the Presidency have been inflated greatly since 1960. It should be put back into perspective. The Ford Presidency should become a part of the American scene, as well as the focal point for planning the country's future. To that end, we suggest the following:

- II. 1. Specific Ideas <sup>Officers</sup> <sup>staff positions</sup> ~~for the Ford Presidency~~**
1. <sup>Reduce</sup> ~~Cut~~ the size of the White House Staff and of OMB substantially.
  2. <sup>Reduce</sup> ~~Cut~~ the number of military assigned to White House ~~posts~~ and <sup>require</sup> ~~and~~ <sup>that</sup> ~~on civilian attire except for formal occasions~~ <sup>uniform</sup> ~~he~~ <sup>women</sup>.
  3. <sup>Reduce</sup> ~~Cut~~ the trappings of the Presidency. All staff not of Cabinet rank should be given parking places instead of routine portal-to-portal service. The black limousines should be used only for distinguished guests, White House Mess privileges should be reassigned to include only top White House Staff, Cabinet, and top agency heads.
  4. You should consider stopping the practice of having the Chairman of the Republican National Committee's routinely attending Cabinet meetings.
  5. Regional visits. There will be pressure on you to help Republicans campaign this fall, conflicting with the need to avoid partisanship in pulling the country together. The people need to get to know you, and you need to listen to non-Washington voices.  
  
Consider regional visits to several cities (not necessarily the largest) representative of each region of the country. In one or two days, you could schedule a few speeches, meetings with elected officials, business, community and labor leaders, give telephone interviews for use on broadcast stations in the region, and take side trips to suburbs and smaller towns.
  6. Visit with top career Civil Servants. The career Civil Service ~~was consistently treated by the former Administration with~~ suspicion and hostility. They are concerned about their role in government, about the pay compression in the top grades, and

*should  
not  
be treated with*

about orderly career development. Consider meeting soon with 15 or 20 top civil service servants in the Cabinet Room for about an hour. You also might consider calling for a modest Congressional pay increase after the elections to alleviate the pay compression problem.

7. "Straight talk"  
Sharing your education. The people need to remain confident of your grasp of the country's problems. You might convey this effectively and also raise public understanding on inflation, energy, and a few other key problems by "a little straight talk among friends" sharing your knowledge on these matters with the American people.

8. Parks and Historical Preservation. America is recognized around the world as a leader in preserving the beauty of its land through national parks and wilderness areas, and the town park is a prominent feature in American Life. We have not done so well in historical preservation. You might consider making the beauty of America, expansion of parks for the people, and historical preservation one of the themes of your Administration, in part to counterbalance the themes of energy and economic development which are viewed by many as destructive of our environment and our heritage.

9. Pension Reform. This bill could be signed on Labor Day, with a strong statement about how sound pension rights are essential for a mobile work force, as well as for the economic freedom of the individual in our corporate economy. You could call this Act a solid beginning for the truly comprehensive and far-reaching pension reform that must be our goal for the future.

10. Automobile Safety Legislation. This bill, cutting back on the over-zealous regulations of the Department of Transportation, points up the hazards of government over-protecting the public from themselves. You could use the signing of this bill as an occasion to make a key point of the "new conservatism" -- that excessive government regulation of our lives and our commerce, even in a good cause, can be carried too far and threaten the individual freedom that is essential to the concept of "We the people. . ."

11. Cuba. You might review the desirability of reopening relations with Cuba.

II-B

mayor of city cannot  
civil clubs combined.  
1 speech.

If we can do this w/ the Egyptians,  
we can do w/ Arabs.

< compare w/ experience  
of what he did in Chicago on air >

Visiting foreigners  
out into country  
sm town as host.

## II. Ford Presidency

### III. B. Review of Policy Proposals in Process.

You may wish to handle the following items already "in the pipeline" in a way different from the current thinking of OMB and the Domestic Council staff:

1. Reassessment of Project Independence and ERDA. FEA is to submit a blueprint for Project Independence by November 1. The quality of planning, however, has been marred by inter-agency squabbles. Likewise, the legislation establishing ERDA has become a Christmas Tree bill. The ideas behind Project Independence and ERDA are good, but you might wish to ~~get~~ <sup>find</sup> a good person in charge ~~and have~~ a careful reassessment of the proposals before you get committed to either. You might also wish to let the ERDA bill die in conference and start over next year.
2. Javits' Public Employment Proposal. The Javits public service employment bill is opposed by Alan Greenspan and others as unworkable. However, rather than veto the bill, it would be useful to have Greenspan work with Javits to get a more practical plan to achieve the shared objective.
3. Shift of OEO Community Action Programs to HEW. Rather than ~~continue the hard-line Administration opposition to retaining the Community Action Programs in any form~~, you should consider immediate support of a compromise to transfer Community Action Programs to HEW and termination of OEO. Once at HEW, the appropriations for these programs can be decided as part of the overall HEW appropriations.
4. FY 1976 Budget Projections. OMB has established a tentative total of \$330 billion for fiscal 1976 budget, and sent guidance letters to the departments based on that figure. It is important that such projections not become firm until after the Economic Summit Conference.
5. Establishment of an Under Secretary of Defense. The Department of Defense has requested authority to establish an Under Secretary of Defense in lieu of a second Deputy Secretary of Defense, but State, OMB, and NSC staffs are likely to oppose. The new "age of negotiations" and the need for maximum military strength without large defense budgets require DOD to have top-quality leadership. Treasury has a Deputy and two Under Secretaries and the State Department has a Deputy and three Under Secretaries.

check  
Seishun  
↓

1974

~~IV~~  
~~III.~~

Meeting with Key Individuals

- While carrying forward many of the policies of the past Administration, you will want to end the accumulated hostilities.
- The pattern of groups and individuals you meet with will influence the character of your Presidency.

We have given Al Haig a list of individuals and groups we think you should consider meeting over the next few months. This list includes many distinguished leaders in their fields and has been compiled for the above purposes rather than taken only from White House files, also small businessmen, farmers, and small town law enforcement officers not normally found on such lists.

The categories recommended include business, labor, arts, religion, science, education, health care, youth, civil rights, and agriculture. We recommend no meetings with minority groups as such, but rather careful inclusion of blacks, women, and ethnics as part of one or several other categories.



IV.  
IV.

#### Interim Measures

This report completes the effort you asked us to undertake. However, it does not complete the transition to a Ford Presidency.

*You will need*  
~~You must consider~~ interim measures to help you move steadily toward those organizational and personnel changes that will enable you to fulfill your objectives for your Presidency. The following suggestions may be of some help in deciding on those measures:

1. ~~You should~~ bring in <sup>the</sup> person of stature for recruiting high-level personnel ~~as soon as possible~~ *by September 1 at the latest.*

2. ~~You should~~ discuss organizational matters with your closest advisers both in and out of government and reach some decisions on White House and Executive Office organization soon. ~~Select a single person to~~  
~~You should consider asking Al Haig to~~ oversee the implementation of all or part of the reorganization.

3. ~~You should~~ think backwards from where you want to be next February, after the State of the Union, Economic, and Budget messages to identify an orderly sequence of events between now and then. This ~~should~~ *will* include economic and domestic policy, budget, and international affairs. ~~We believe this~~ *major* policy decisions by you in early November; development of options in October; and review and analysis in September. This also suggests that you should consider the most key personnel decisions (OMB, Domestic Council/Cabinet Secretary, and Treasury) as soon as possible.

*Consider*  
4. ~~There is merit in~~ announcing some new personnel in conjunction with or shortly after you announce any organizational changes.

5. ~~You should~~ review policy areas to identify what messages to Congress will be needed or desired before next year, and take care that the Administration is not preempted by the Congressional committees on legislative programs.

6. ~~You should~~ consider weekly meetings with a small group of White House Staff ~~(Hartmann, Marsh, Buchen, terHorst, Haig)~~ *until the end of the year* to review general progress and strategy until your permanent organizational and personnel decisions are implemented.

*[Signature]*

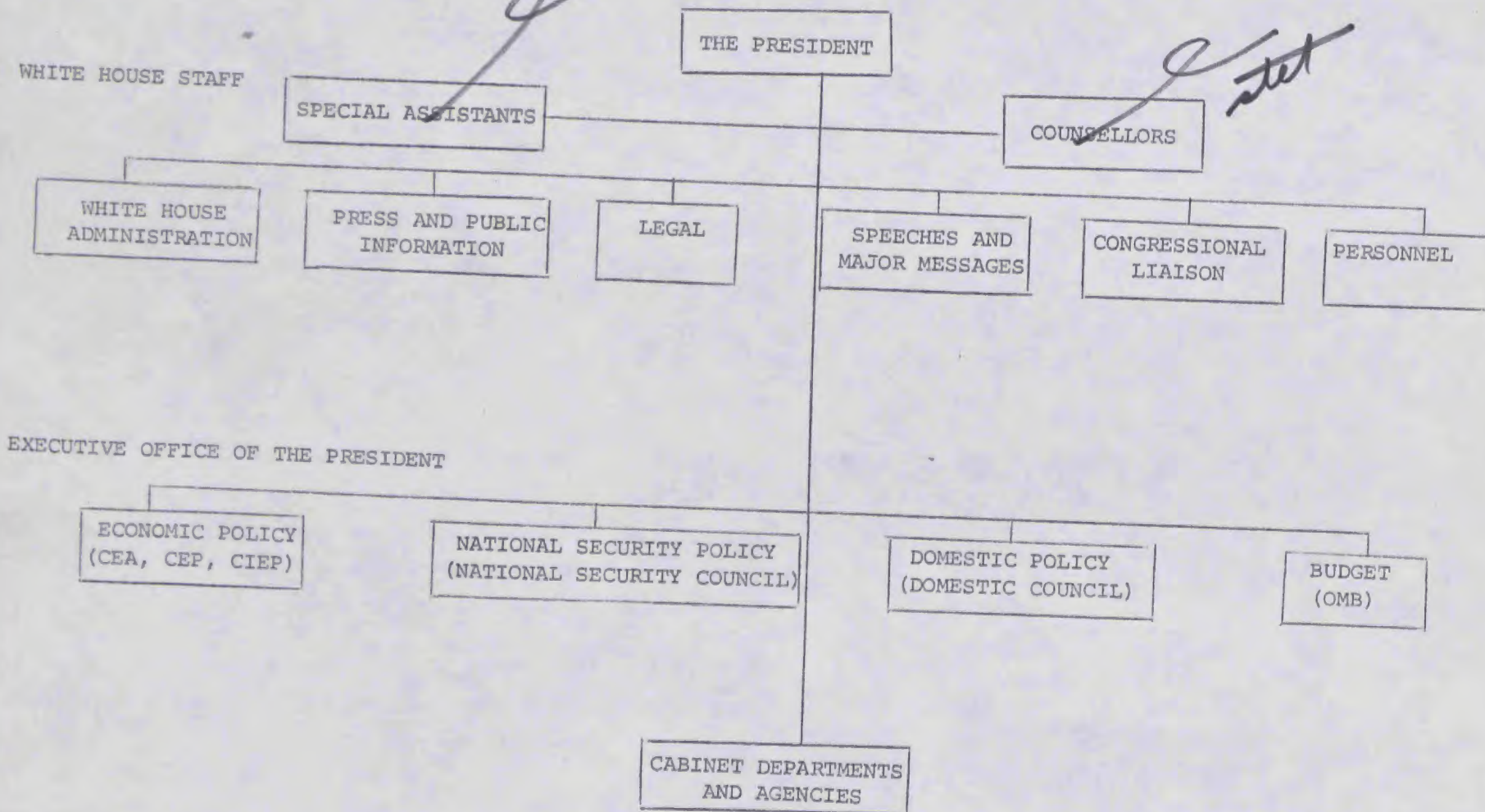
*until the end of the year*

*two months*

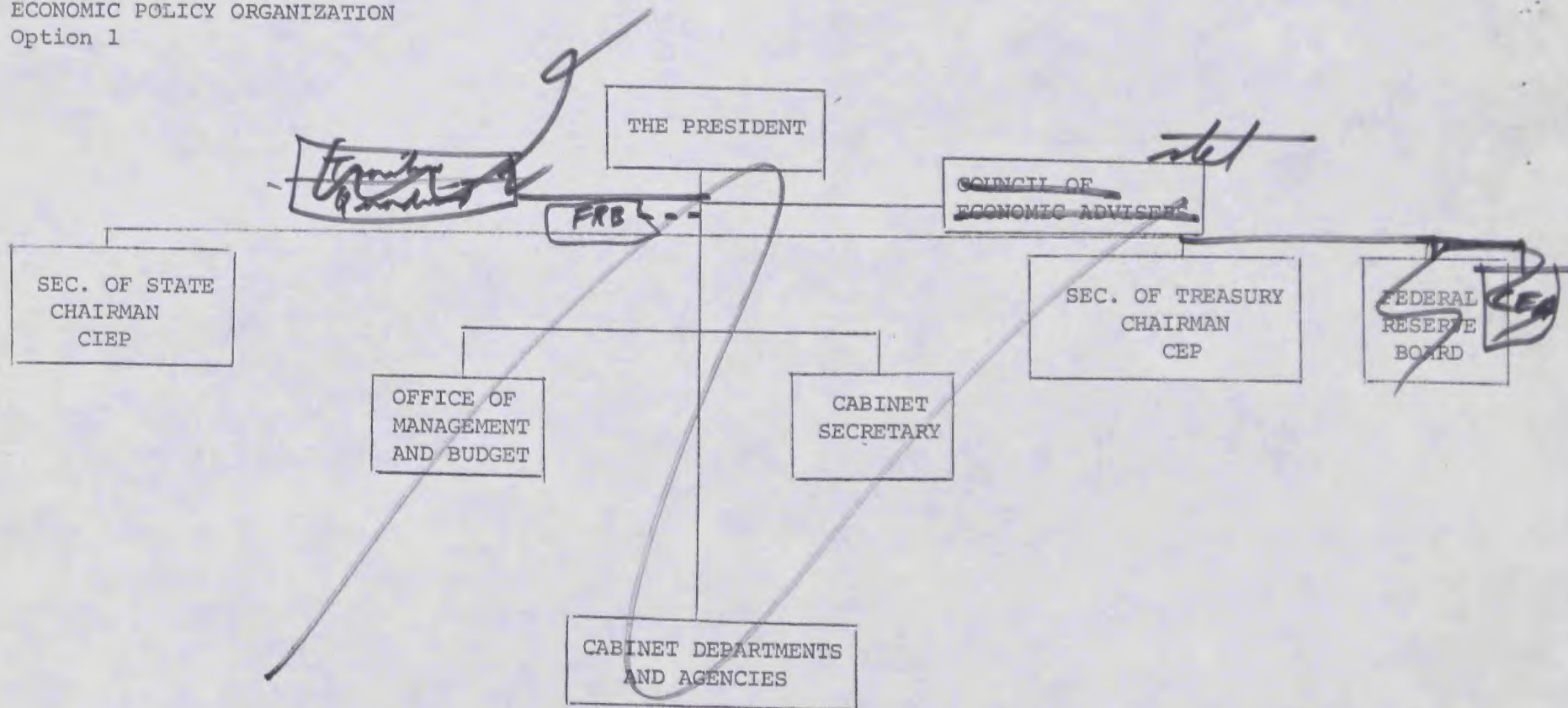
7. You should meet every ~~few weeks~~ ~~individually~~ or in small groups ~~with some~~ of your close friends and outside advisers. These should be people who know you well enough that they can speak their mind directly, disagree with you if need be, and give you the perspective from outside the White House.



4251  
1974

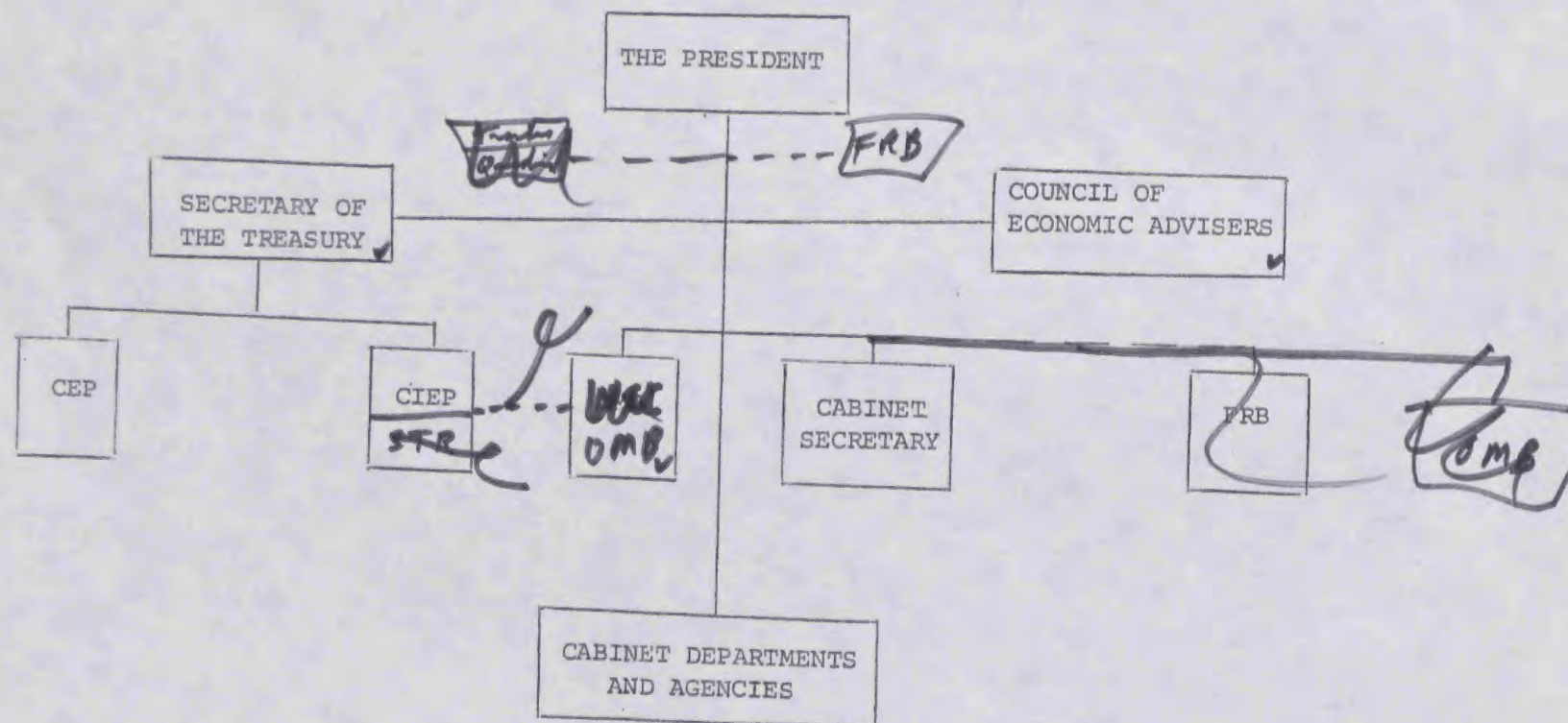


ECONOMIC POLICY ORGANIZATION  
Option 1



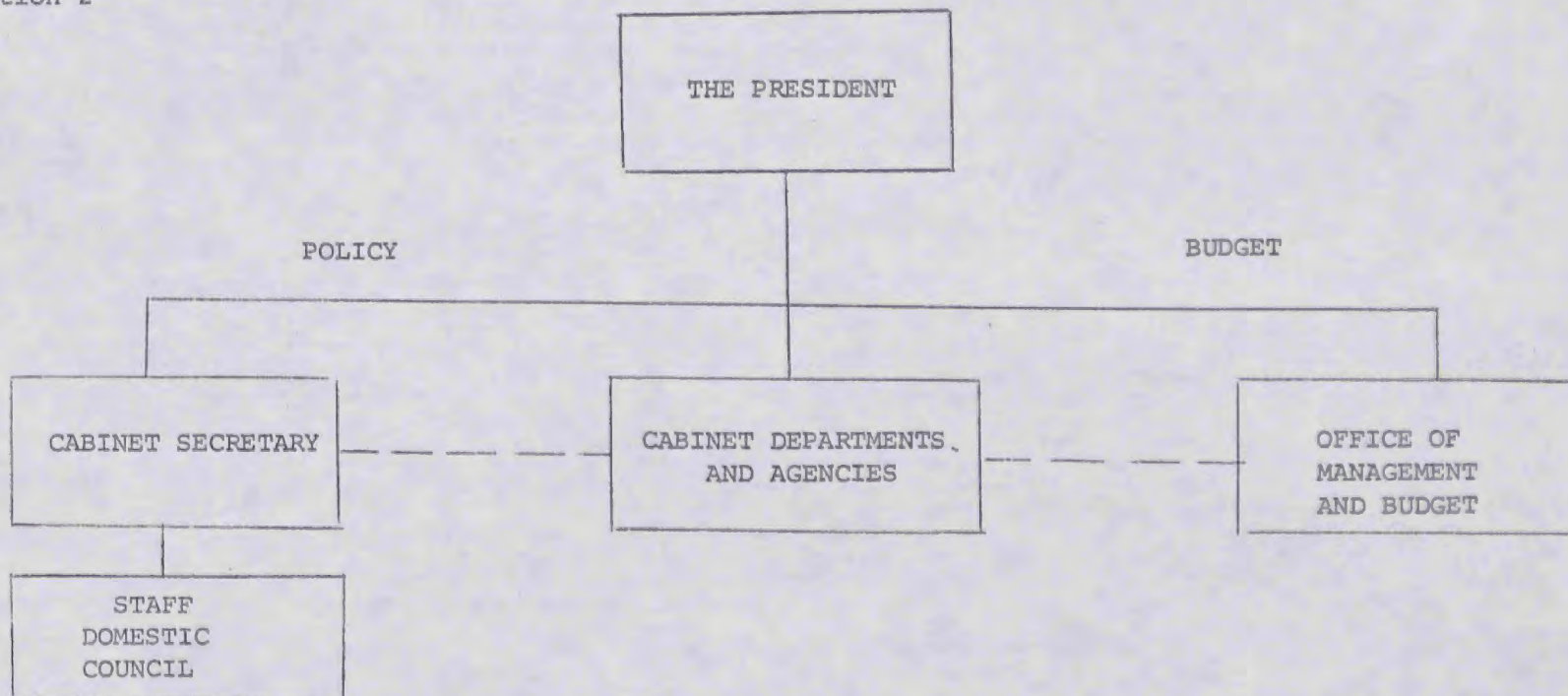
*Troika:*  
*Quadrines:*

ECONOMIC POLICY ORGANIZATION  
Option 2

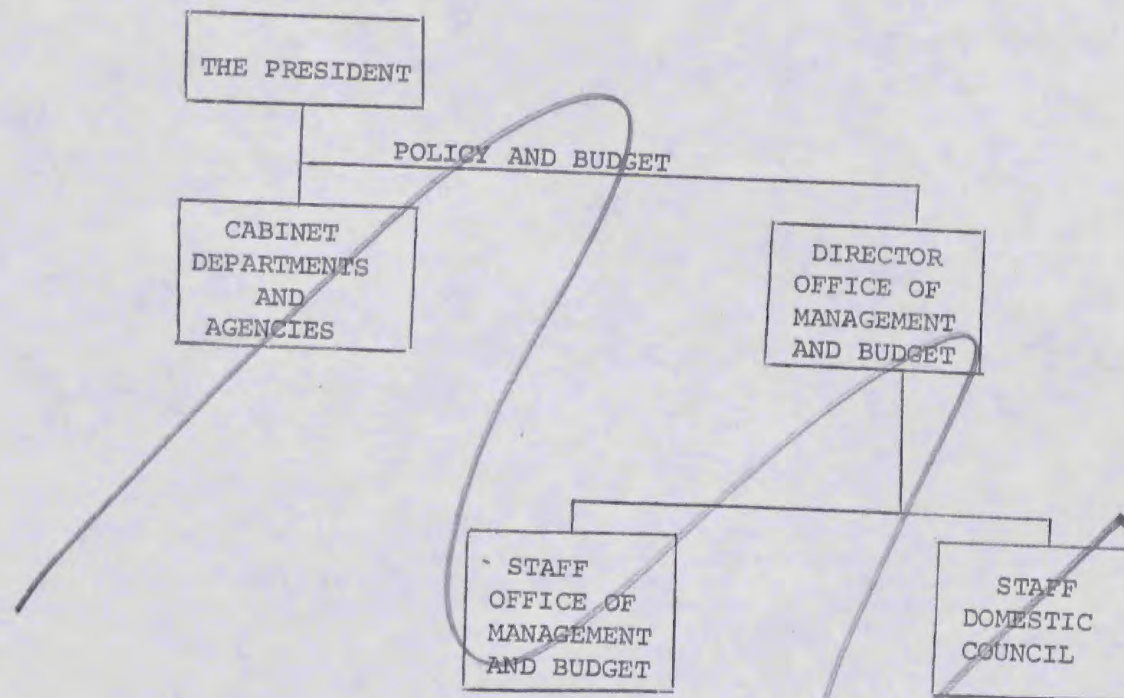


Trisha  
Graham

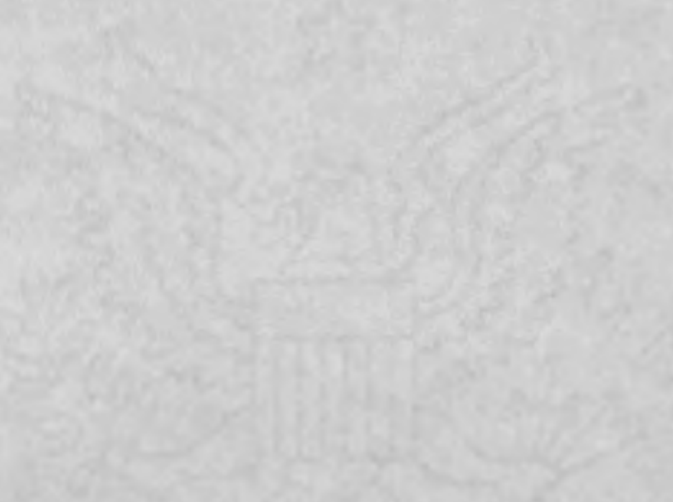
DOMESTIC POLICY ORGANIZATION  
Option 2

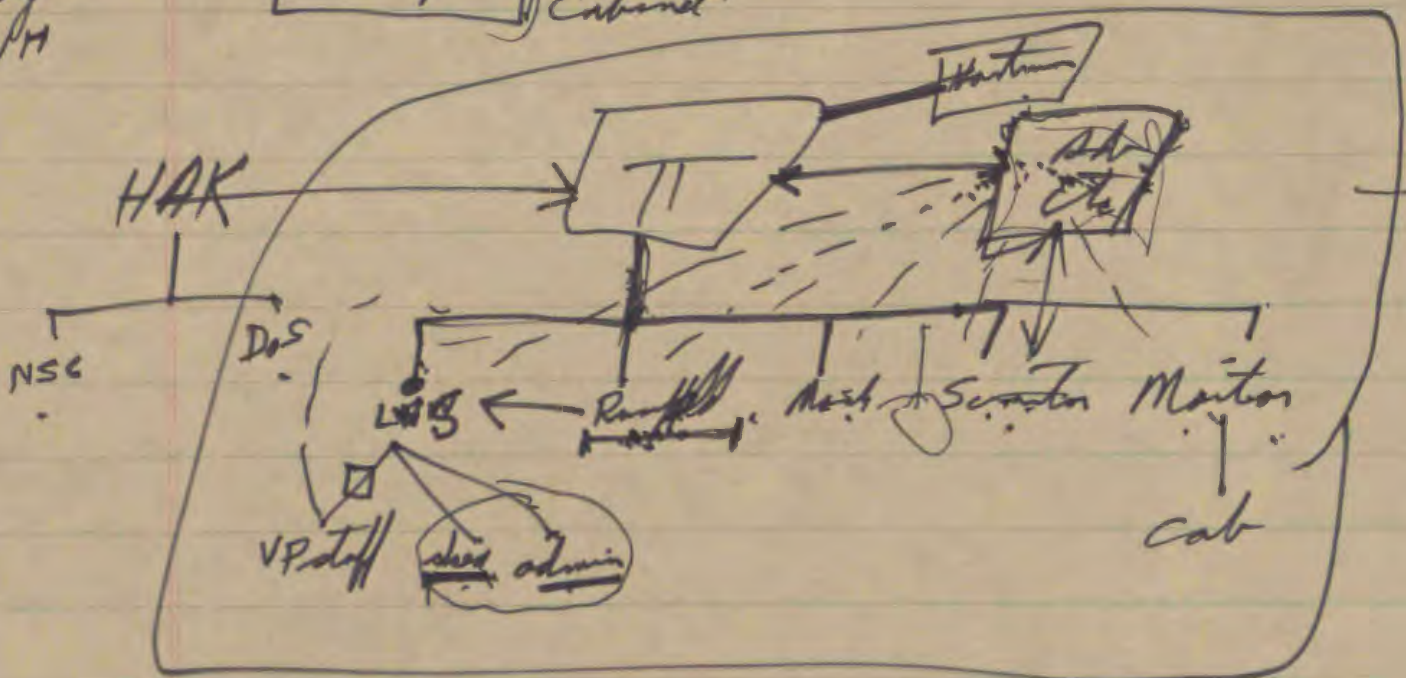
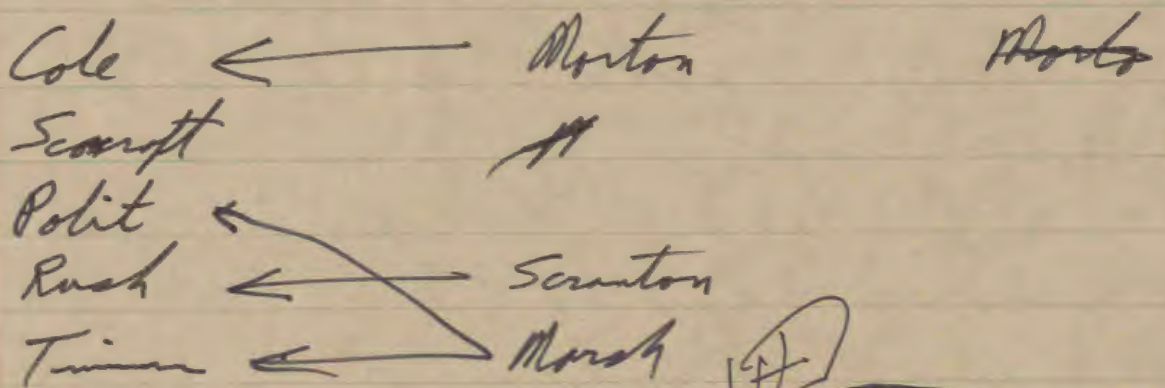


DOMESTIC POLICY ORGANIZATION  
Option 1



stel





AUGUST 1974  
Revised 7.24.74

OFFICE OF THE VICE PRESIDENT  
WASHINGTON

ADMINISTRATIVELY RESTRICTED  
DO NOT DUPLICATE

AUGUST

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
				1 D C 7:30 Dinner with Grabers <i>Buty Beal</i> Mrs. Ford	2 D C 8:00 Private dinner Mrs. Ford	3 ←---Louisiana--- Lott; Cochran; Hilburn (Miss.) 6:00 Treen Fundraiser New Orleans
4	5 9 am Disabled Am Vets <i>Self-Turn.</i> New Orleans	6 D C <i>11 a. quiet in field</i>	7 D C	8 9:30 Medal of Honor, DC Depart for Calif. <del>Eve - Hold - LA</del> <i>TV - Funck - LA.</i>	9 ←---California--- 10 am Watts tour, LA Mr. Washington 6 pm Clawson Fundraiser LA	10 <del>Monday</del> 5:30 Gubser Fundraiser Palo Alto 6:00 Dinner 8:00 Hoover Inst/ Reception Palo Alto
11	12 <del>3:30 LA Times Ed</del> 6:00 Moorhead Fundraiser 8:00 LA C of C (Goldwater) All in LA	13 Mrs. Ford joins VP <del>Sarkis</del> 6:00 Ketchum Fundraiser Bakersfield	14 <i>data falls</i> Mathias Fundraiser Fresno	15 ←---Washington--- 10:30 EXPO '74 Spokane 6:00 Ore. State Fundraiser Portland	16 ←---Hawaii--- 3:00 American Bar Assn.	17
18 ←---Hawaii--- 300 ↓	19 ←---Illinois--- 11:00 VFW, Chicago 5:00 O'Brien Fundraiser Joliet 8:30 Hyde Fund-raiser, Chgo	20 700 Jewish War Vets <del>Philadelphia</del> <i>DC</i>	21 7:00 R.I. GOP Newport	22 Energy trip (oil shale) <del>Eve - Colorado</del> <del>Fundraiser</del> <del>Danish</del>	23 ←---Colorado--- 9:00 Vail Symposium Vail Eve - Casper, Wyo. Fundraiser	24 D C
25 D C Father-Son Tournament Burning Tree	26 9 am Am. Hardware Assn., NYC	27 10-12 Golf w/Arch Moore (T) Eve - Laurita Fundraiser Wheeling. W.Va.	28 D C <i>Foreign affairs</i>	29 D C	30 9 am Ohio State Commencement	31 3:00 Maine GOP Rally Portland

SEPTEMBER 1974

Revised 7.24.74

SEPT

OFFICE OF THE VICE PRESIDENT

WASHINGTON

ADMINISTRATIVELY RESTRICTED  
DO NOT DUPLICATE

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
		<i>Hand.</i>			10 <sup>00</sup> DC <i>Evans - Nevada</i> noon Fed. Bar Assn.	DC Fall-Member-Member Tournament Burning Tree  Mrs. Ford "Woman of Year" Birmingham, Ala.
8	9	10	11	12	13	14
<i>Partial DC</i> Fall-Member-Member Tournament Burning Tree	NOON Urban Transportation Pittsburgh(T)  8 pm Natl Assn of Life Underwriters DC	DC Comm on Choices  6 pm Mrs. Ford Portrait unveiling - Natl Gallery	Golf Hall of Fame Pinehurst, NC	12 <sup>00</sup> <i>Dinner + (T)</i> <i>Widley</i> <i>long school.</i> 7 pm Religious Zionists New York City	Cong. Mizell, Ruth Broyhill Winston Salem, NC <i>Salesburg.</i>	DC
15	16	17	18	19	20	21
-----Ohio----- 1-4 pm Dam Dedication, Springfield Eve - Guyer Recep Findlay	noon Detroit Econ. Club, Detroit 6:30 Texas GOP Recep-Houston 7:30 Dinner	Nat'l Football Golf Benefit Gaithersburg, MD  <i>air force DC</i>	7 <sup>00</sup> PM Conference Board NYC 12 <sup>00</sup> <del>PM</del> Hastings (F) Fundraiser NY	Parris-Broyhill 5 <sup>30</sup> Reception 8:00 Rally <i>intro</i> 10:00 VIP Recep <i>Wendy Va.</i>	<del>Purdue Credit</del> <del>Research Center</del> <del>Lafayette, Ind.</del> <i>7:00 M. S. (T)</i> S-Dak. Fundraiser	<i>Alaska</i> Fundraiser  <i>anchorage</i>
22	23	24	25	26	27	28
6 <sup>00</sup> <del>State</del> Iowa Fundraiser Des Moines.	am Thone Fundraiser Neb. 12 <sup>00</sup> <del>PM</del> Taylor/Curtis Fundrsr - Mo. <i>PM</i> <del>Trachsel</del> Wis. Eve - Mrs. Ford GOP Women Candidates - Chicago		<i>Hand for</i> <i>C. in Maine</i>		am Thomson Fundrsr Wis. <i>Dresden</i> 4-5 World Energy Conf. - Detroit Eve Sam Young Fundraiser Chicago	Illinois Fundraiser
DC	29	30				
	Eve-Mutual Ins. Co of America Dallas					

OCT

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1 11am Nat'l Asc Retail Druggist Las Vegas 3pm BYU Provo, Utah 6pm Garn dinner Salt Lake City	2 -Humboldt County breakfast, Calif. Olson. (T) 12 <sup>00</sup> UPI - National M. W yott - (cong) (T)	3 pm Conti fund-(T) raiser - Mass. 6pm Mass. St. GOP fundraiser	4 [-----NY-----] -Payroll Savings Bond Dr. Inchn Inst. of Deaf, Rochester, NY -Conable, Horton appearance	5 [-----NC-----] 10 <sup>00</sup> 230 Kings Mtn. -N.C. Stevens; Ritchie fundraiser -NC Petersburg, VA
6 arr Commonwealth Union, Mich	7 -N.J. St. GOP fund- raiser -Vermont GOP fund- raiser	8 -Statesmen & Medicine Awards	9 -Pa St. GOP fund- raiser	10 <del>Westmoreland</del> fundraiser fundraiser - Parke S.C. (T) -fundraiser for Rep. Len Phillips S. Car.	11 -United Rep. Fund- raiser of Ill, Chi	12 12 Tenn (T) -fundraiser for Sen. Cook Louisville, KY. (F)
13 Honey	14 -terHorst Newspapers DC -Conn. St. GOP fund- raiser	15 Wedding Anniversary 1st annual trip party (T)	16 -Future Farmers of Amer. Conv., Kansas City, Mo. archie College (T) -fundraiser for Rep. Hudnut, Ind.	17 over Ohio State Comm	18 Held D.C.	19 Kew -Robinson appear- ance, Winchester, Va. 6pm UN of USA Kennedy Center
20 [-----MICHIGAN-----]	21 3rd + 5 <sup>th</sup> Candidate "Swing" Belding Urban	22 6 <sup>th</sup> + 8 <sup>th</sup> 6 <sup>00</sup> Chandler Lensing (T)	23 Lowe (T) mayne -Hebrew Theological Chicago, Ill. Salsie	24	25	26 -Nat'l Peanut Festival, Ala. Boltzham.
27	28	29	30	31		

THE WHITE HOUSE

WASHINGTON

76 budget

ask KC for guidance the  
~~then major disputes~~  
~~prelim~~ ask one

guidance the  
prelim marks

copy for  $\pi$  to ask Deh for budget  
info options

Guffe -  
Gerstenberg -  $\pi$

~~7.9%~~  
7.9% unempl.

0 MB

estimates due out soon.  
effect of Dept prog on econ.

Jack Carlson

Will Kneegen: breeder. (Erda?)

8/13

## MEMORANDUM

8/13

THE WHITE HOUSE

WASHINGTON

To do

1. Call Dave Parker
  - All speeches cancelled (TT coordinated, DR?)
  - PB asked by TT to set up mtg business & labor leaders
  - all coord CTW for TT
- ✓ 2. Call Ken Cole
  - major summary stuff via CTW-KC
  - TT not interfering w/OMB
- ✓ 3. Call Sid Jones -6490
  - Seidman coord econ summit w/ TT, WH
  - " <sup>plug-in</sup> ~~Seidman~~; prob consent if all Rush mtg.
4. Daily read file for TT from TT
5. Bryce re RN liaison
6. West Wing floor plan.

Laird feels Packard should be in shortly.  
 Fitzgibbon <sup>must</sup> Th Fri Sat  
 Paul Hall  
 C. Woodward } next wk.

TT: put mtg on capital expansion: (pwr)

PB: 5-day shut down by miners. (TT wants to meet head of union dependency)

III. Specific Opportunities for the Ford Imprint over the next few months

A. Specific new ideas

There are a number of specific actions you might take, <sup>both in approach and</sup> ~~either in style or in dealing with~~ substantive areas over the next two or three months while you are ~~reorganizing the Presidency~~ to establish a Ford Imprint by actions as well as ~~by words~~. We ~~expect to~~ have a number of such items for your consideration early next week, but here are some examples:

1. There has been much positive comment about your commuting from your Alexandria home. Although this cannot continue, <sup>you might consider</sup> a nice personal touch for your reception of King Hussein would be to extend a personal invitation to him for cocktails at your home Friday evening and then drive with him to the State Dinner at the White House.

2. There is <sup>some</sup> considerable feeling that you could unite most of the country around an appropriate proposal of earned immunity (as opposed to amnesty) for the Vietnam war, draft evaders, and deserters. This would have to be checked carefully on the Hill (which we have done to a limited extent with Senator Griffin, Senator Taft, and Congressman Howard Robison) ~~and would have to be carefully drawn~~. But your address to the VFW in Chicago on Monday could be the ideal time, since you will have to move soon if at all.

3. <sup>have established pattern of having</sup> The former President ~~overdid the policy of forcing the~~ Hill to come to him. You should consider going through with the invitation you accepted earlier for luncheon with Mike Mansfield and the Murphy Commission on Organization of Foreign Policy, hosted by your friend Arend Lubbers.

We, of course, are developing a number of such ideas for your consideration, and we will present them to you with our final report.

B. Review of Nixon Administration's policy proposals  
in process

The OMB and Domestic Council staffing system is preparing a ~~large~~ number of action and information memoranda for your review on the whole range of policy proposals and pending legislation "in the pipeline" of the ~~Nixon Administration~~. We expect that most of these will present no unique problems, and that the existing staffing system will provide you with adequate information and recommendations. We are reviewing these items, however, and may call some of them to your attention before we disband with suggestions on how you might wish to handle some of these matters in a way significantly different from the current thinking of the OMB and Domestic Council staffs.

*for example*

items for you to make the needed decisions. We are reviewing these items and may call some of them to your attention before we disband with suggestions on how you might wish to handle them in a way significantly different from the current thinking of the OMB and Domestic Council.

#### IV. Meeting with Key Individuals

One legacy you face is the accumulated hostilities with a number of segments of our society. While it is assumed that your Administration will carry over many of the same policies as the Nixon Administration, it is important to avoid carrying over the hostilities. We are preparing a list of individuals from business, the arts, religious, academic, and other interest groups to meet with you. This group will contain a number of distinguished leaders in their fields, and also some small businessmen, small town law enforcement officials, etc., who are not normally found on such a list.

When these lists are completed, we will pass them on to Al Haig for the normal scheduling process, except perhaps for one or two key groups that we think you should meet with in the next few weeks.

#### V. Implementation

Some of the items we will recommend in our final report can be carried out through the present White House Staff structure. Other items, such as organization and key personnel changes, may best be handled through some special procedures to assure that you have adequate flexibility and advice you need to make your own decisions. We will make a few general recommendations about how you might wish to proceed after we have submitted our report.

Talking Paper for Transition Team Discussion  
with the President

Oval Office

5:00 p.m.

August 15, 1974

The Team is working on five principal areas which we plan to present to you early next week in our final report. The purpose of this meeting is to review the approach we are taking and to make sure it is what will be most useful to you.

I. White House and Executive Office Organization

A. Principles

In organizing and structuring the White House and Executive Office of the President, there are at least three specific objectives involved.

First, the needs of the President must be met. The White House staff must provide assistance on legal matters, personnel, press and public relations, Congressional relations, schedule and services. The Executive Office of the President should provide coordination for foreign policy, economic policy, domestic policy, and budget. The President himself must have direct control of all these entities. There should be separate and distinct people for each function, each with regular personal access to the President.

Second, the number of people on the White House Staff and in the Executive Office agencies is too large for a Ford presidency. It should be cut appreciably. This is possible in several areas, notably OMB, the Rush office, and the Communications office. Further cuts may be possible by turning over some of the work from the White House Staff to the Executive Office of the President to the Departments.

With the Departments' taking more of the work from the Executive Office of the President, the members of the Cabinet (Department heads) should have access to the President when they need it.

Third, the organization of the White House and Executive Office of the President should be suitable to President Ford's style. This is an open President, a non-isolated one. Over the past two years, the White House and Executive Office of the President acted more as a besieged bastion or prison compound than as the residence and offices of the people's president in a republic. A smaller staff with fewer trappings of power, greater entree to the President, and more emphasis on the Cabinet and the relationships with the Congress will help greatly in this regard.

I. B. Example: Economic Policy Organization

You gave us five areas of organization to consider: economic, press and public affairs, domestic policy and administration, personnel, and legal. As an example of the kind of recommendation we expect to give you, here's a preliminary and summary report on economic structure:

Nixon Structure:

A complicated and top-heavy hodgepodge organization. The Rush Office obviously was established to ameliorate a Simon-Ash conflict. The Council on International Economic Policy was established to reduce conflicts among State, Treasury and the Special Trade Representative. And the CEP was designed for George Shultz' special role as Assistant to the President for Economic Policy.

Most everyone we have talked to favor elimination of the Rush Office. Greenspan believes the Council of Economic Advisers should be "a consulting operation for one client, not 'the' spokesman for economic policy." There is considerable feeling that the President personally deal with economic policy, but to do so, he will need strong and not fragmented staff support.

Accordingly, we are likely to recommend: Elimination of the Rush Office; A shift in focus of the Council on Economic Policy towards domestic economic policy issues, perhaps chaired by the Secretary of the Treasury; Rearrangement of the Council on International Economic Policy, probably chaired by the Secretary of State; both CEP and CIEP report to you with your staff assistance provided by the Chairman of the CEA. You, the Secretary of Treasury, and the Secretary of State would be the Administration spokesmen on economic matters.

Other options would include status quo, or merging international and domestic economic policy under one "czar" such as the Secretary of the Treasury or the Council of Economic Advisers.

III. Specific Opportunities for the Ford Imprint over the next few months

A. Specific new ideas

To start establishing a Ford presidency by actions as well as by words, there are a number of specific actions you might take, both in approach and in substantive areas, over the next two or three months. We expect to have a number of such items for your consideration early next week, but here are some examples:

1. There has been much positive comment about your commuting from your Alexandria home. Although this cannot continue, you might consider extending a personal invitation to King Hussein for cocktails at your home Friday evening, and then drive with him to the State Dinner at the White House.

2. There is some feeling that you could unite most of the country around an appropriate proposal of earned immunity (as opposed to amnesty) for the Vietnam war draft evaders and deserters. This would have to be checked carefully on the Hill beforehand, and must be done soon if you are interested.

3. Former presidents have established the pattern of having the Hill come to them. You should consider going through with the invitation you accepted earlier for luncheon with Mike Mansfield and the Murphy Commission on Organization of Foreign Policy, hosted by your friend Arend Lubbers.

B. Review of Nixon Administration's policy proposals in process

The OMB and Domestic Council staffing system is preparing a number of memoranda for your review on the policy proposals and pending legislation "in the pipeline." We expect that you will receive adequate information and options on most of these

items for you to make the needed decisions. We are reviewing these items and may call some of them to your attention before we disband with suggestions on how you might wish to handle them in a way significantly different from the current thinking of the OMB and Domestic Council.

#### IV. Meeting with Key Individuals

One legacy you face is the accumulated hostilities with a number of segments of our society. While it is assumed that your Administration will carry over many of the same policies as the Nixon Administration, it is important to avoid carrying over the hostilities. We are preparing a list of individuals from business, the arts, religious, academic, and other interest groups to meet with you. This group will contain a number of distinguished leaders in their fields, and also some small businessmen, small town law enforcement officials, etc., who are not normally found on such a list.

When these lists are completed, we will pass them on to Al Haig for the normal scheduling process, except perhaps for one or two key groups that we think you should meet with in the next few weeks.

#### IV. Meetings with Key Individuals

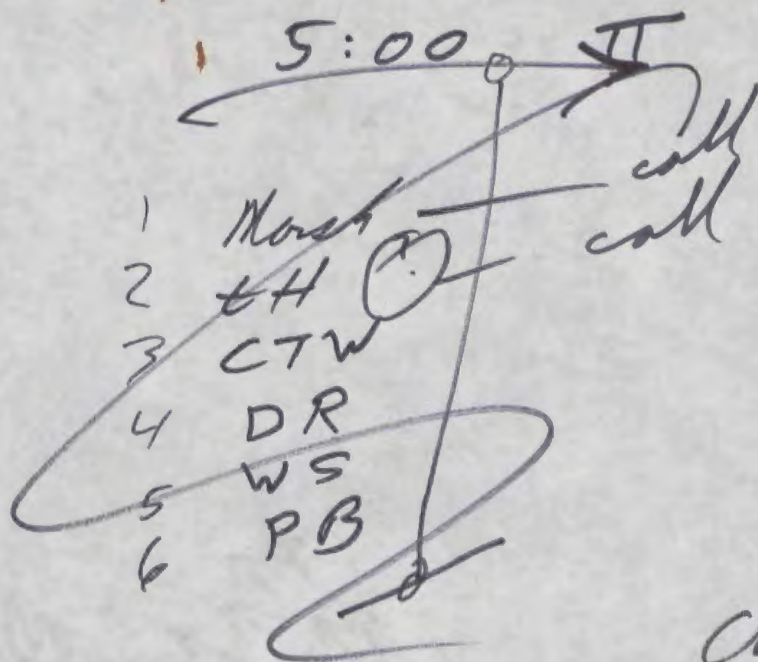
*One legacy you face today*  
*if accumulated*  
*it is already there*  
*we will take*  
The former administration developed hostilities with a number of segments of our society. While your Administration will carry over many of the same policies as the Nixon Administration, there is ~~no~~ *no* need to carry on the hostilities. Therefore, we are preparing a list of individuals from business, the arts, religious, academic, and other interest groups to meet with you. This group will contain a number of distinguished leaders in their fields but will also include a few "little people," such as small businessmen, small town law enforcement officials, etc. *etc who are not normally found on such lists*

When these lists are completed, we will pass them on to Al Haig for scheduling through the normal staffing process, except perhaps for one or two key groups that we think you should meet with in the next few weeks which we will tell you about at the time that we pass the list on to Al Haig.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON



Chifton Daniel  
Sejourn Topping

Bill Whyte  
~~Bryce~~

8/15

Specific work products for TT{ 2 pages principle  
found out of the paper  
1 at a time in some  
detail.

WS

✓ 1. Organizational recommendations

lot of comment  
we will have something for you.  
what would be most useful.

WS/CTW

✓ 2. Personnel changes

CTW

✓ 3. Problems contrary to Ford Imprint 2 sent

CTW/BA

✓ 4. Opportunities for Ford Imprint from  
"do this"

PS/BC

✓ 5. Meetings with key individuals

CTW

6. Rec for remainders of transition for implementation

6. Start of philosophy: Ford Imprint.7. RN liaison  
You implement  
someone to do this & 4. } for item 6.Dictate statusfor TT

1. Prelim discussion
2. Task/Mod written report for discussion
3. Options, ask a director, rec from various sources incl. us.
4. "Snapshot": discussion is important
5. No NSC.

CTW out on run of staff

Pers: What would you like that would help you.  
very built down to good people.  
good people as being  
humanity but not  
do you want someone to ask who's leaving?

dictate &  
get to DR.

THE WHITE HOUSE

WASHINGTON

CTW Action response  
(substance)

- Early Options for Ford Impound
  - TT involvement in politics.
  - Talking pts & shed
  - Tim O'neal
  - Announcements
  - ~~Substance~~
- incl TV exposure.

(coord specific work products)

Final report

11

—

8/15

THE WHITE HOUSE

WASHINGTON

Kilham

2 poor lawsuits loose

→ Irving Kristol

"not unhappy" being left off

Varnes: Lts to TT withdrawing  
↑ select own board.

Millet?

B Benjamin?

CPB \$ bill out of Commerce.

Lts on names

\* Harold Brown - every effort  
to be useful.

ESTABLISHMENT

THE WHITE HOUSE  
WASHINGTON

Tom W-

August 15, 1974

MEMORANDUM FOR: THE PRESIDENT  
FROM: ANNE ARMSTRONG  
SUBJECT: Funding of Federal Property Council

Executive Order 11724 of June 25, 1973 (attached) established the Federal Property Council in the Executive Office of the President, replacing the old Property Review Board. The FPC, of which I am Chairman, was established to develop and review Federal real property policies to ensure their consistency with the overall objectives of the Government. It also administers the Legacy of Parks program, which makes surplus Federal properties available for park and recreational use.

Legacy of Parks has been a tremendously successful program and has reflected great credit upon the President and the Administration. Many Senators, Congressmen and State officials have commented favorably on the Legacy of Parks program and have participated in conveyance ceremonies. Since its beginning in 1971, nearly 500 parcels of surplus land have been made available to state and local governments at no cost. Of these properties, 70 percent are in or near metropolitan areas. Current annual visits approximate 9 million and are expected eventually to reach 58 million.

The FPC has always had difficulty obtaining the necessary funding. During FY 73, its operations were funded by the Cost of Living Council. In FY 74, funding of \$65,000 came from the President's Emergency Fund, with staff personnel detailed from other Departments and Agencies.

Earlier this year, General Haig determined that FPC funds for FY 75 should come from the Domestic Council budget. The funding level was set at approximately \$85,000 (budget attached), including a \$20,000 item for rent. (The current expense for rent in the Winder Building is only \$6,000, although restoration of the building may force the staff into other offices, which would undoubtedly be more expensive.)

It now appears that the Domestic Council's appropriation will be cut by approximately \$80,000, and I am advised by Ken Cole that the cut precludes Domestic Council's funding of FPC.

Our problem is complicated by the likelihood of Congressional action requiring the White House to reimburse all agencies for the cost of detailing employees. OMB advises that this provision will be written into the White House authorization for FY 75, and that we must figure personnel costs in our budget. The FPC currently operates with a ten-person staff. While we are authorized a total of twelve, we can operate with less personnel. However, personnel costs will approximate \$200,000 during the fiscal year, bringing the total budget requirement to approximately \$270,000.

We cannot fund this program from a line agency. Our only option at this point is to obtain necessary funds from the White House appropriation.

I realize that this is an extraordinary request at this late date. However, if we cannot obtain the necessary funding from the White House, our only other options are to close FPC entirely or merge it into a line agency. In view of the tremendous success of the Legacy of Parks program as part of the Executive Office of the President, I believe it is well worth maintaining.

cc: General Alexander M. Haig, Jr.  
Honorable Donald Rumsfeld

JUNE 25, 1973

## Office of the White House Press Secretary

THE WHITE HOUSEEXECUTIVE ORDER11724

## FEDERAL PROPERTY COUNCIL

By virtue of the authority vested in me by section 205(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486(a)), and as President of the United States of America, it is hereby ordered as follows:

Section 1. There is hereby established in the Executive Office of the President a Federal Property Council (hereinafter referred to as the Council). The Council shall be composed of the Director of the Office of Management and Budget, the Chairman of the Council of Economic Advisers, the Chairman of the Council on Environmental Quality, and such other members from the Executive Office of the President as the President may, from time to time, specify. The President shall designate one of the members to be Chairman of the Council, and shall designate its Executive Secretary.

Sec. 2. The Council shall:

- (1) develop and review Federal real property policies with respect to their relationship to other policies and to the objectives of the executive branch of the Government and recommend to the President such Federal real property policies or reforms of policies as it deems necessary; and
- (2) receive the reports made by the Administrator of General Services pursuant to section 3 of this order, as well as other reports relating to Federal real property requested by the Chairman, with particular attention to resolving conflicting claims on, and alternate uses for, any property described in those reports, and it shall make such reports and submit such recommendations to the President as may be appropriate.

Sec. 3(a) The Administrator of General Services shall:

- (1) conduct surveys of real property holdings of executive agencies on a continuing basis and in a manner consistent with the needs of the Council, to identify properties which are not utilized, are underutilized, or are not being put to their optimum use; and
- (2) make reports to the President, through the Council, describing any property or portion thereof which has not been reported excess to the requirements of the holding agency and which, in the judgment of the Administrator is either not utilized, is underutilized, or is

not being put to the optimum use, and which he recommends should be reported as excess property.

(b) The Administrator of General Services shall participate in the deliberations of the Council, where appropriate.

Sec. 4. As used in this order:

(1) the term "executive agency" means "executive agency" as defined in section 3(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 472(a));

(2) the term "property", however modified, means real property or an interest therein, which is covered by the definition of "property" set forth in section 3(d) of the act (40 U.S.C. 472(d)), and also lands withdrawn or reserved from the public domain which are utilized by executive agencies for purposes other than national forests, national parks, or wildlife reserves; and

(3) the term "excess property" means "excess property" as defined in section 3(e) of the act (40 U.S.C. 472(e)).

Sec. 5. Executive agencies shall cooperate with the Council in the performance of its functions, and shall, to the extent permitted by law, provide it with such information, assistance, and staff support as may be needed to carry out those functions.

Sec. 6. Executive Order No. 11508 of February 10, 1970, and Executive Order No. 11560 of September 23, 1970, are hereby superseded, and the Property Review Board is hereby abolished.

Sec. 7. This order shall be effective as of July 1, 1973.

RICHARD NIXON

THE WHITE HOUSE,

June 25, 1973

# # # #

# FEDERAL PROPERTY COUNCIL

## PROPOSED FY-75 BUDGET

### I. FIXED COSTS

A. Telephone Service	\$ 4,900
B. Equipment Rental	11,300
C. Printing and Stationery	2,200
D. Postage	5,000
E. Office Supplies	3,600
F. Subscriptions, News Clippings	700
G. Special Mailing Services, etc.	<u>900</u>
Sub-Total:	\$ 28,600

### II. VARIABLE COSTS

A. Travel	\$ 16,200
B. Graphics	11,500
C. Consultants	<u>3,600</u>
Sub-Total: ( )	\$ 31,300

### III. CONTINGENCIES

A. Office Rental	\$ 20,000
B. Final Report of Federal Property Council	<u>4,100</u>
Sub-Total:	\$ 24,100
GRAND TOTAL:	<u>\$ 84,000</u>

Date: December 3, 1973

~~As stated~~  
~~with the~~

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

7:50  
8/13

Real transition

lts anth  
Inv Milt Friedman to sit in Wristy section  
concep ← <sup>TP</sup>  
BF

~~sign wheels (antopen) X more Hartman or Seidman~~  
and

~~Hartman wants not cancel campaign grounds~~  
anth to

Marsh will handle

mtg Seidman w/ Haig ✓

Wriston Sec Treas  
Coord of Summit.

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

8/13 4:45

Griffin

Jewish: Max Fisher — somewhat touchy  
no one d. relig. lch 3 groups.  
Fisher could suggest

~~Det. F. G. [unclear]~~

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

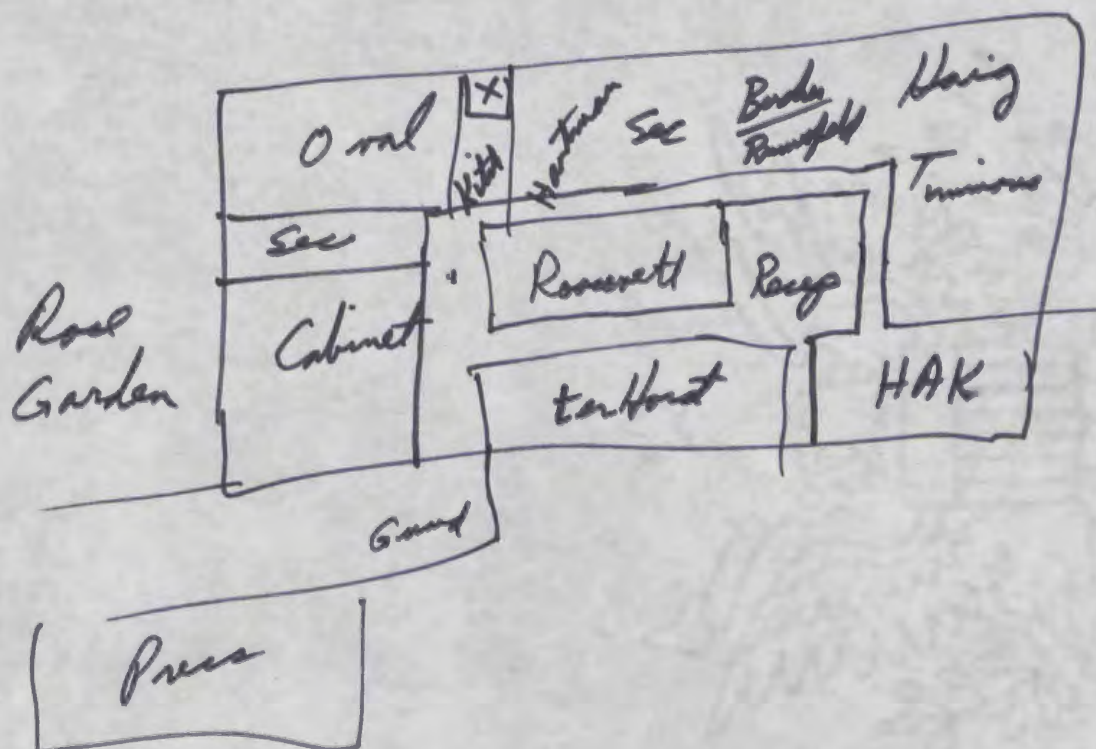
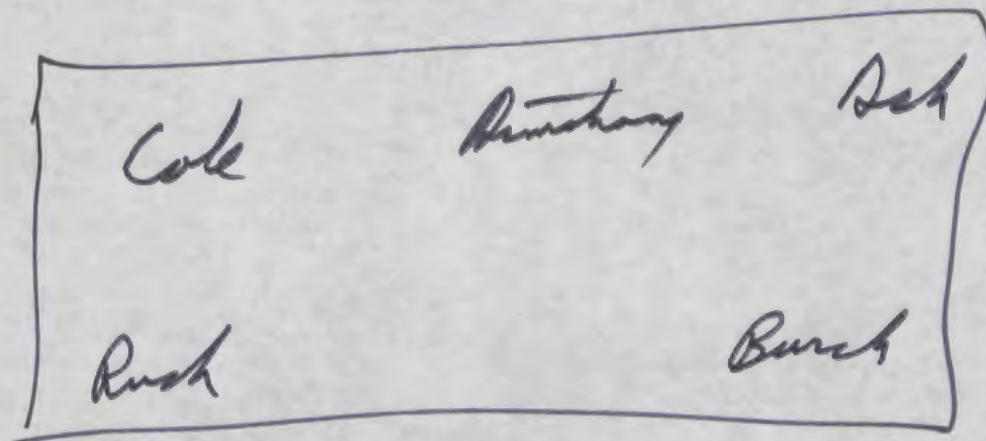
8/12

1. Budget as bottom-up or top down view
2. OMB { delete Myth by Obj  
reduce "m" to legal line  
Exec orders  
Form etc.
- 3.

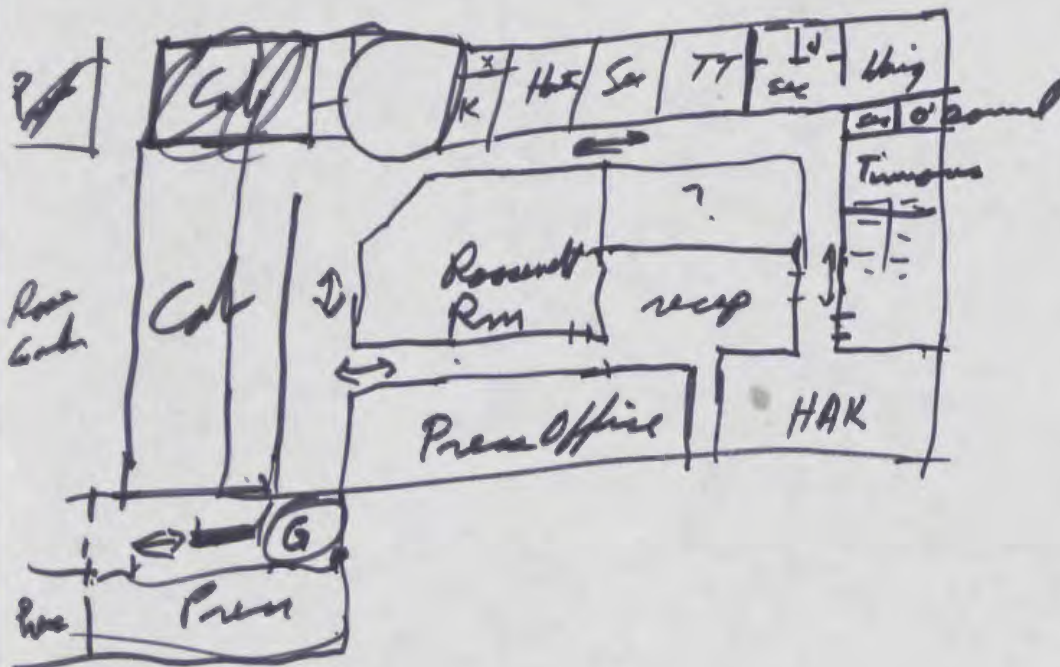
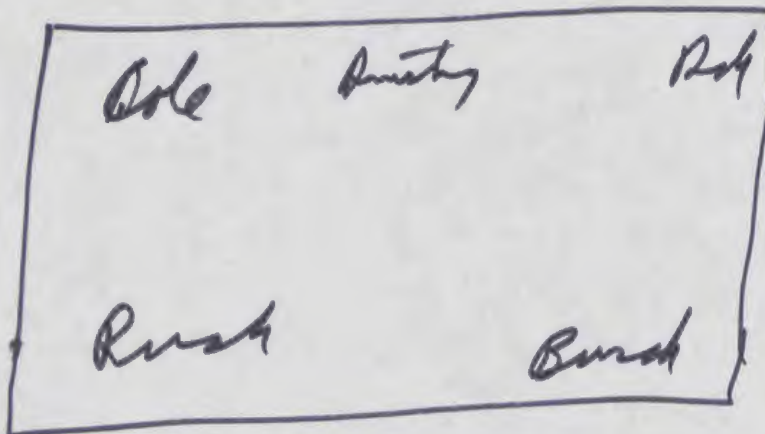
MEMORANDUM

THE WHITE HOUSE

WASHINGTON



OFFICE OF TELECOMMUNICATIONS POLICY  
WASHINGTON



8/12

~~Sub~~

OFFICE OF TELECOMMUNICATIONS POLICY  
WASHINGTON

To do

~~1. All TT: get agenda items, Judy~~

~~2. Read WS paper on soon~~

3. Organ paper on budget

~~4. Ebers re transition papers~~

5. Double check holdon CTW reing.

~~6. Personnel mtg WS/PB/CTW~~

2:30

✓ 7. RN liaison } note DR → TT  
8. Albert liaison }

~~9. PB/CG~~

→ 9. Call Dave Parker re shed

10. Daily read file for TT from TT

11. Check PB re bus tender/labor tender

TT asked for to be set up.

12. PB/CG: TT will see Sam Long re finances  
@ Cong. Relationship (by joint) say  
Black Congress

~~13. T~~

13. Interim handling econ matters in Rusk/Kole/~~Long~~?  
who?

Jones

THE WHITE HOUSE  
WASHINGTON

6/14

5 areas

1. Push open  
It thinks not right  
incorrectly structured  
Treas, CEA etc
2. Present sub off.
3. OMB  
political types  
fight. DC / OMB fight
4. Personnel  
Wimer  
WH
5. Legal

budget / pay  
revenue  
legal.

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

August 13, 1974

MEMORANDUM TO: Clay Whitehead  
Don Rumsfeld

FROM: W. W. Scranton

My flight for Scranton leaves at 2:45 this afternoon (Tuesday). I shall be back in this office at 5:00 p.m. on Wednesday. On Friday morning, I must go to the U. S. Railway Association meeting here in Washington at 8:30 and will be there all morning.

Otherwise I am at your service at all times.

Wed AM ScW  
or Thurs AM       

~~ScW~~  
~~ScW~~

DR/AH/TT mtg 8/13

THE WHITE HOUSE

WASHINGTON

- ① Legisl on bill, paper for TT
- ② <sup>TT</sup> ~~Summit carefully prepared~~  
~~CTW → Cole~~ ~~Sid Donner~~  
~~Secretary as contact~~
- ③ Check Parker (all speeches  
✓ cancelled)  
(TT thinks)
- ④ <sup>✓</sup> Cole - major summary  
memo to TT on legis, policy, etc  
Reh, Timon, Cole, Hunt  
to DR.
- ⑤ WS - Bill Doyshin (Hm, J)  
White House Ex Doc to TT  
Ex Clark  
knows where everything is

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

0. Kennings

1. "Advocates"

2.  $\pi$  protest

(juddering)  
lowest man

Summit

$\pi$  protest

$\pi$ -Comp SALT-type agreement

10:00  
8/13

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

11:30  
9/3

1. CTW → tH { *econ summit*  
*pub, he etc.*
2. Call Ron Greenman.