

TRANSITION TEAM DISCUSSION
with the President
Oval Office

August 15, 1974

5:00 p. m.

The Transition Team is working on five principal subjects which we plan to present to the President next Tuesday or Wednesday. The purpose of this meeting is to review the approach we are taking to make sure it is what will be most useful to the President.

- I. White House and Executive Office Organization
 - A. Principals
 - B. Discussion of economic policy organization
- II. Specific Opportunitites as you move forward the Ford Presidency over the next few months
 - A. Specific new ideas
 - B. Review of Nixon Administration's policy proposals in process
- III. Meetings with Key Individuals
- IV. Implementation
- V. Transition Team Directions

TRANSITION TEAM DISCUSSION
FOR MEETING WITH THE PRESIDENT
5:00 P.M. -- August 15, 1974

We are working on five principal areas which we will present to you in our final report on Tuesday or Wednesday, depending on your schedule. 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

Considerations

Organizational considerations with respect to the White House staff and the Executive Office of the President, which could contribute to the establishment of a successful Ford Presidency:

- A. First, the needs of the President must be met. The Executive Office of the President must provide assistance on legal matters, personnel, press, Congressional relations, schedule services, speeches and public liaison. The President also will require coordination for National Security policy, domestic policy, economic policy and budget. The President must find arrangements for dealing with these areas of responsibility that suit his needs, his working preferences and the circumstances of the country.
- B. Second, the arrangements should be such to avoid isolation of the President by providing a flow of information, access to the President, a span of control that can be handled while still allowing time for reflection, and an orderly but inclusive decision-making process.
- C. Third, the arrangements should help to set a tone that truly reflects the man and the times and turn the White House from a besieged bastion into the residence and offices of the people's President. Examples include steps such as reducing the size of the White House staff by belt tightening as well as having more functions performed in the Departments, reducing the number of prerequisites and trappings of power to minimize the danger of a self-contained White House. For example, it might be healthy if more members of the White House staff ate lunch, and had their hair cut outside the complex and if fewer used government vehicles.

D. Fourth, a strengthened Cabinet department system would suggest greater access for Cabinet officers, improved policy guidance to Cabinet departments; less White House and OMB involvement at the present levels of specificity.

E. Fifth, while change is in order in terms of relationships with the press, Congress, and Cabinet departments, the country cannot be run like the United Nations and the President is not a Secretary General. There is but one President and, while full communication during the decision-making process is needed, it must end in a decision, and this requires an orderly process with someone responsible for seeing that it works.

F. Sixth, any arrangement decided upon will inevitably change and be adjusted during the term of office, as the President changes and the times change. And that is good. The danger is not change, it is that resistance to change which is a fact of life in such an organization might inhibit those changes as they are needed.

Our suggestions, therefore, are simply suggestions as a way to begin or, in some instances, a direction to point.

Example: Economic Policy Organization

You specified five areas of organization you particularly wanted us to consider: economic, press and public affairs, domestic policy, personnel, and legal. As an example of the approach we expect to give you next week, here is a preliminary report on economic structure:

Present Economic Arrangements:

The Rush Office seems to have been 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.

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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 will want to personally deal with economic policy. To do so, he will need strong and not fragmented staff support.

Major options include:

A. The Rush Office

1. Eliminate
2. Status quo
3. Strengthen and make this person your spokesman on economic policy

B. Council of Economic Advisers

1. Make Chairman your spokesman and chief economic coordinator
2. Use Chairman as your "consultant" while you are chief spokesman
3. Focus CEA on domestic economic policy

C. Council on Economic Policy

1. Eliminate
2. Focus on domestic economic policy under chairmanship of the Secretary of the Treasury
3. You chair CEP, use it for all economic policy, and establish separate subcommittees for domestic and international matters

D. Council on International Economic Policy

1. Eliminate by legislation
2. Change chairmanship from the President to the Secretary of State and use to coordinate all international economic policy
3. Merge with Office of the Special Trade Representative

E. Special Trade Representative

1. Status quo
2. Merge with CIEP
3. Merge into Department of State
4. Merge into Department of Commerce

Our recommendation on this complex issue would take the form of one option from each category. For example,

A-1		A-1
B-2		B-2
C-2	or	C-3
D-2		D-2
E-3		E-3

II. Thoughts on establishing the Ford Presidency over the next few months

A. Specific New Ideas

To start establishing a Ford Presidency, there are some 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 consideration early next week. 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. Very likely it could best be done soon if you are interested.

3. Former Presidents have established the pattern of having the Hill come to them. You could 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 Arend Lubbers.

B. Review of policy proposals now in process

The OMB and Domestic Council are preparing a number of memoranda for your review on the policy proposals and pending legislation "in the pipeline." You will receive information and options on these items from them. We are reviewing these items and will call some to your attention before we disband the Transition Team 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 staffs.

III. 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 continue many of the same policies, 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 consideration in the normal scheduling process, except perhaps for one or two key groups that we think you should meet with in the next few weeks.

4. Implementation

The recommendation in our final report will be designed to be carried out through the White House structure. Other items, such as organization and key personnel changes, may best be handled through some special procedures. We will make recommendations as to how you might wish to proceed after we have submitted our report.

V. Transition Team

We suggest a meeting be scheduled Tuesday or Wednesday of next week to discuss with you our final report. At that time, we recommend that this phase of the transition be considered completed and the Transition Team disbanded.

- Action:
- (1) Date for next and final meeting of Transition Team
 - (2) Approval of our recommended approach
 - (3) Press guidance
 - (4) Privacy of our report

Transition Team Discussion Points
for Meeting with the President
5:00 P.M. -- August 15, 1974

We are working on five principal areas which we will present to you in our final report on Tuesday or Wednesday, depending on your schedule. 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

Considerations

Organizational considerations with respect to the White House staff and the Executive Office of the President, which could contribute to the establishment of a successful Ford Presidency:

A. First, the needs of the President must be met. The White House staff must provide assistance on legal matters, personnel, press, Congressional relations, schedule and services. The Executive Office of the President should provide coordination for foreign policy, domestic policy, economic policy and budget. The President must find arrangements for dealing with these areas of responsibility that suits his needs, his working preferences and the circumstances of the country.

B. Second, the arrangements should be such to avoid isolation of the President by providing a flow of information and access to the President, a span of control that can be handled while still allowing time for reflection, and an orderly but incisive discriminating process.

C. Third, the arrangements should help to set a tone that truly reflects the man and the times and turn the White House from a besieged bastion into the residence and offices of the people's President in a responsible Republic. Examples include steps such as reducing the size of the staff by belt tightening as well as having more functions performed in the Departments, reducing the number of prerequisites and trappings of power to minimize the danger of a self-contained White House. For example, it might be healthy if more members of the White House staff ate lunch, and had their hair cut outside the complex and if more used public transportation.

D. Fourth, a strengthened Cabinet department system, would include greater access for Cabinet officers, improved policy guidance to them; less White House and OMB interference at the lower levels of specificity.

E. Fifth, that while some change is in order, in terms of relationships with the press, Congress, and Cabinet departments, the Nation can't be run like the United Nations and the President is not a Secretary General. There is only one President and the assumption, while requiring full communication during the decontrolling process must end in a design and this requires an orderly flow to the President.

F. Sixth, any arrangement decided upon will inevitably change and be adjusted during the term of office as the President is changed and the times change, and that is good. The danger is not change, it is that the resistance to change in such an organization might inhibit those changes that are needed.

Thus, our suggestions are admittedly modest in that they are only suggestions as a way to begin or, in some instances, a direction to point.

I. B. Example: Economic Policy Organization

You specified five areas of organization you particularly wanted us 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 next week, here's a preliminary and summary report on economic structure:

Recent Economic Arrangements:

They are complicated and top-heavy. The Rush Office 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 and we believe 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: (1) Elimination of the Rush Office; (2) Eliminate a shift in focus of the Council on Economic Policy towards domestic economic policy issues, perhaps chaired by the Secretary of the Treasury (3) 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 include (a) status quo, (2) merging international and domestic economic policy under one "czar" such as the Secretary of the Treasury or Secretary of Commerce.

III. Thoughts on establishing the Ford Presidency over the next few months

A. Specific new ideas

To start establishing a Ford presidency by actions as well as by words, there are some 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. 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 probably could best be done soon if you are interested.
3. Former presidents have established the pattern of having the Hill come to them. You could 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 Arend Lubbers.

B. Review of policy proposals now 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." You will receive information and options on these

items for your staff. Hence, we are reviewing these items and may call some of them to your attention before we disband the Transition Team 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 continue many of the same policies, 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

The recommendations of our final report will be designed to be carried out through the 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.

However, we will recommend one or two temporary arrangements where necessary to assist you in successfully completing your transition.

VI. Transition Team

We would like to set a meeting for Tuesday or Wednesday of next week to discuss with you our final report. At that time, we recommend that this phase of the transition be considered completed and the Transition Team disbanded.