

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

August 14, 1974

MEMORANDUM FOR: PHILLIP BUCHEN
ROBERT HARTMANN
JOHN O. MARSH, JR.
ROGERS C. B. MORTON
DONALD RUMSFELD
WILLIAM SCRANTON
→ CLAY T. WHITEHEAD

FROM: WARREN RUSTAND *WR*

SUBJECT: Organizational Transition

A meeting was held on Tuesday, August 13, at 2:00 p.m. in the office of General Haig for the purpose of discussing organizational transition. The following were in attendance: Dave Gergen - Milt Friedman; Bill Henkel - Robin Martin; Dave Parker - Warren Rustand; Jerry Jones, Chuck Wardell, George Joulwan and Dave Wimer.

The President, through General Haig, has asked that wherever possible the operations part of the White House staff and the Vice Presidential staff join forces to insure an orderly transition. Specifically, the discussion was directed to scheduling, advance and speech operations.

Dave Parker and I have been asked to develop and coordinate the President's schedule. To facilitate this matter, I will temporarily be located in Room 171 EOB (phone extension 6754) which has been Terry O'Donnell's office. Terry O'Donnell will be performing the aide function in the office immediately adjacent to the Oval Office.

It is my understanding that these quarters and assignments are temporary and transitional in nature and we will assist the President and all staff involved as well as we can under the circumstances.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

August 13, 1974

To Tom W.
DR.
THE ADMINISTRATOR

Dear Rog:

I have decided to set out some of my own thoughts on how to strengthen and make more effective the relationship of the President to agencies and to the Congress. I will not try to cover all aspects of the matter but simply to set out a few ideas from the perspective of my own experience over the past 25 years.

To summarize --

- (1) There should be open and direct communication on a regular basis between the President and agency heads.
- (2) There should be full, advance consultation with Congress, on as bipartisan a basis as possible, in the development of Presidential policy.
- (3) Agency heads should be given maximum freedom in decision-making consonant with overall Presidential policy. Neither OMB nor White House staff should become a barrier between the President and agency heads. In particular, OMB should avoid making policy decisions with major political implications. The key decisions must be made by the President.

These objectives cannot be assured by creating new institutions or changing old ones, although some new procedures could be helpful. Rather they must evolve as the result of the way the President in fact operates.

The need for direct communication on a reasonably regular basis between the President and agency heads is plain. It is the best and only way to assure clear policy direction from the top down within the Administration. It will help build teamwork, policy commitment at all levels, Administration credibility, and agency morale.

Discussions between the President and agency heads should have a clear policy focus. At the same time, agendas should not be too rigidly focused. The President should use his agency heads as antennae to extend his own awareness of public attitudes and issues. They should constitute an invaluable resource for him in this regard. If any do not, he should replace them.

Involving the Congress in policy development -- particularly legislative policy -- is equally important and probably more difficult. There are built-in constraints involving the separation of powers and the realities of the political system. At the same time, it is important that procedures be developed and utilized that do not constitute mere window-dressing and PR. There should be real and effective consultation prior to the formulation of an Administration position. Failure to do this has led again and again, in my own experience, to legislative ineffectualness on the part of the executive branch. For example, in the development of the water pollution legislation which ultimately became the Federal Water Pollution Control Act Amendments of 1972, the Administration's position was so narrow and rigid that it played no effective role in the legislative process, other than as sideline critic. As a result, we had no position from which to negotiate and were essentially ignored. The same situation is now developing in other areas.

I strongly recommend that the President officially and publicly direct his agency heads to meet bipartisanly with key committee leaders to get their views on key issues and to report these views back directly and personally to him. This is a process that could and should be institutionalized as a regular, on-going practice.

Major legislative and budgetary decisions should be made by the President and should, to the extent practical, involve direct communication between him and the affected agency head. I recommend that the prior practice of final appeal on budget decisions to the President by his agency heads be restored. The last such appeal process involving the President was in 1969 (to my knowledge). Recently, final appeals have not even gone to the Director of OMB but have been heard at the Deputy Director level. This practice downgrades the agency, eliminates an invaluable opportunity for the President to get a feel for the real guts of an agency's programs, and leads inevitably to the making of decisions with major political implications without the effective involvement of responsive political officials.

Obviously, while every agency head would like to elevate every decision to the President, I recognize that the President must not be overwhelmed with detail. At the same time, it is critically important that neither White House nor OMB staff become an iron barrier between the President and agency heads (or the Congress). I doubt that there is any way to guarantee this by formal procedures. The key has to be the determination and insistent effort of the President to involve himself in decision-making to the greatest extent practical. (By the way, please understand that my references to OMB are meant in the context of my own very high regard for the professionalism of OMB.)

I wish to raise one final point which inevitably has an element of self-interest. I recommend that major independent agency heads with responsibilities that cut widely across government functions attend Cabinet meetings as a matter of course. In this category, I would place EPA and FEA. In my own case, environmental concerns tend to have central relevance to energy, economic, agricultural, transportation, housing, public land, etc., issues. Yet I normally hear second or third hand of Cabinet discussion of environmental matters. By the same token, it is important that I, as head of EPA, have direct exposure to the development of economic and other policies without having to rely on the press or other indirect sources. Such a regular exposure provides an agency head with an opportunity to achieve a broader perspective in his decision-making and to strengthen his ability to articulate a well-balanced Administration position. I am confident that FEA would have a similar interest.

The above are some brief thoughts which I hope you and your associates will find helpful. In addition to the members of the President's transition committee, I am passing a copy of this letter on to Bryce Harlow and John Sawhill. If I can expand on or add to these preliminary ideas, please let me know.

Sincerely,

(sgd) Russ

Russell E. Train

Honorable Rogers C. B. Morton
Secretary of the Interior
Washington, D. C. 20240

cc: Honorable Donald Rumsfeld ✓
Honorable John O. Marsh, Jr.
Honorable William Scranton