

Timothy Naftali

Hi, I'm Timothy Naftali. I'm Director of the Richard Nixon Presidential Library Museum. It's September 17, 2007. We're in Washington, D.C., and I have the honor to interview Fred Malek for the Richard Nixon Presidential Oral History Program. Mr. Malek, thank you for doing this. We appreciate it.

Fred Malek

My pleasure.

Timothy Naftali

How was it that Bob Finch recruited you for HEW? How did that happen?

Fred Malek

It was kind of a luck of the draw. I'd been a consultant with McKinsey and Company in Los Angeles, and one of my principal clients, was the chairman of a very large insurance company named Asa Call. He happened to be an advisor to both Ronald Reagan who was governor and Bob Finch who was lieutenant governor. And when Bob Finch went to Washington to run HEW under Richard Nixon, Call told him he needed some managers. And Bob Finch said, "Gee, I don't, I don't know any managers. I'm just a lawyer, and so here's a guy you ought to talk to." By this time I was in South Carolina running a hand tool company that I had helped to buy and I got a call out of the blue from the secretary of HEW asking me to come and talk to him about a job in Washington.

Timothy Naftali

Tell us a little bit about Bob Finch.

Fred Malek

Bob Finch was a very thoughtful decision maker, very cerebral guy who had just, I think, a lot of vision, a lot of political skills, but he wasn't a manager, and it was a good thing I was there and other people like me because we really did help him run what was fundamentally an unmanageable bureaucracy.

Timothy Naftali

Tell us a little bit about HEW in 1969.

Fred Malek

Well, HEW is no more. It is now the Health and Human Services Department and the Education Department. At that point it was all one. It includes the Social Security

Administration and it includes all the welfare programs of government, the National Institutes of Health, the Department of Education, just a morass of Medicare, Medicaid, morass of big programs. And you know hundreds of thousands of people and several hundred billion dollars of budget and it was a very difficult thing to bring together under control of one Secretary or one President. My job was to help do that.

Timothy Naftali

I know it's been almost 40 years, but can you recall some of the challenges that you faced in that year that you spent there.

Fred Malek

Well, one of the big challenges was how do you get people to adopt to the policies and the direction of a new administration. How do you know if they're accomplishing what they're supposed to be accomplishing. How do you get feed back on that? How do you hold people accountable for results? Those were the kind of things that I was responsible for getting at, not for making the policy but ensuring we had a thoughtful method of following up to ensure that policy was being carried out and people were held accountable for the results that were being achieved.

Timothy Naftali

This was a difficult period for Mr. Finch. Apparently this was -- his tenure there was not easy, and he would leave, actually he would go to the White House. Tell us a little bit about what, what particular challenges he faced.

Fred Malek

Well, I think he did a very good job, but he got caught up in some of the protests over Vietnam. They had a big series of protests at Kent State University, and there were other protests going on, and it came under his province to deal with some of that and it was a very difficult thing to do and I think in the judgment of some, they needed a calmer influence, a steadier hand at the till, and they thought it would be a good idea to change and for him to go to the White House.

Timothy Naftali

Did he have children of draft age or is that?

Fred Malek

I don't think he did. I don't think he did at that point. I'm not sure, though.

Timothy Naftali

But the war, so the war sort of played a --

Fred Malek

I think the war played a big role in it, yeah.

Timothy Naftali

Actually what was it like to be in Washington in 1969 and '70?

Fred Malek

Well, let me tell you something. It was the highlight of my career. Here I am, 32 years old, my dad drove a beer truck in Chicago, Illinois, delivering beer to taverns, and here I am at age 32, deputy undersecretary of health, education and welfare. It doesn't get any better than that. You know you're really full of challenge and full of wonder and discovery and of what the Federal Government is all about. I had the ability, the latitude, to bring on board a lot of good people to work with me and the challenge of managing that bureaucracy, and it was just terrific.

Timothy Naftali

How do you end up in the White House?

Fred Malek

Finch was always a big admirer of me and vice versa. One day in the spring of 1970, they wanted to have presentations on what was being done to manage the government better, to manage the Federal bureaucracy more effectively. And the Bureau of the Budget was overseeing this process, and they thought we were doing an exemplary job and asked if we would make a presentation to the Cabinet. So here I am at now all the way up to 33, trotting over to the White House with these charts to a Cabinet meeting, never having met the President or the Vice President or most of the Cabinet members before, giving a presentation in the Cabinet Room. We were scheduled for 15 minutes. They kept asking questions and kept us there for 45. It was really, it was really a great experience and no thanks to me but thanks to the two people I brought over there, it was colorful and engaging and interesting and a lot of questions came up. And I think that's when I first came to the notice of the people in, top people in the White House, including the President.

Timothy Naftali

And you then followed Finch into the...?

Fred Malek

Not really, the judgment was made later in 1970 that the White House personnel operation which recruits and puts people into positions in the Federal Government, appointed positions, to both full time positions and boards and commissions. They felt that was probably not being managed as effectively as they would like it to be, and they were searching for somebody to replace him. And since I was known as a manager they thought I

would be a good choice. So I was asked to come over to replace the then head of White House personnel and assistant to the President, managing government-wide personnel.

Timothy Naftali

So what was it like to run a head hunting operation for the White House?

Fred Malek

Well, it was a challenge. But what, the way I wanted to approach it was to, yes, look at the political considerations and ensure that whoever you were going to appoint or the President was going to appoint, had views that were compatible with his, but at the same time expand our reach and take on a more professional executive search capacity to be able to go out and find the best people in the country, not just the people we happen to know. And so I brought in some executive search people with the President's and Bob Haldeman's approval, and we began the process of searching out and finding the best people around the country who could serve in this government.

Timothy Naftali

How did you -- what targets did you set? I mean, I think you, were you not responsible for setting the target for the number of women that should be hired by the Federal Government or in the super grade levels?

Fred Malek

That came, that came just a little bit into my tenure there. President Nixon decided that we needed to do more to bring women into high levels of government, and don't forget now, we're in 1970, 1971 maybe by now. There were not very many women that had ever served at high levels in the Federal Government. And women were really not serving in high levels in business or law or any place else either at that point. There were just a few of them. But he felt that we needed to do a great deal more to bring women into the forefront here and that we were neglecting a huge talent pool. So he asked me to mount an effort to do that.

Timothy Naftali

But then you really, you pushed hard.

Fred Malek

Oh, absolutely, absolutely.

Timothy Naftali

And did you, you must have encountered some opposition.

Fred Malek

Not really.

Timothy Naftali

No, not.

Fred Malek

We, you know the President wanted to do it and who could say, "No, it's a bad thing." Who was going to say, "The President is wrong and it's a bad thing." I mean it was obviously the right thing to do. We obviously had an enormous talent pool out there that had been neglected. Plus the President, the President gave me the authority to do it.

Timothy Naftali

Tell us about how you recruited Barbara Hackman Franklin.

Fred Malek

Well, Barbara Hackman as she was known then -- I did a search around the world to find the most qualified person. It only took me about 15 minutes because Barbara was my classmate at Harvard Business School. Frankly, she was the only high level woman I really knew who had the professional capacity and the energy and I thought the ability to do something like this, and I knew her. I had known her from Harvard Business School, and I'd always been impressed with her, and I think it's the only call I made. I called Barbara and said -- she was at Citigroup then -- I said "Barbara, I've got something I'd like to talk to you about, I'd like you to come in and talk to me about working with us in the White House." And she came in and it was a very quick decision to bring her on board.

Timothy Naftali

How close did the country come to having a female, woman Supreme Court Justice in 1971?

Fred Malek

I don't think we came very close to my knowledge, but I don't know if there were some female justices considered for that. I don't recall any --

Timothy Naftali

Did the name Mildred Lillie?

Fred Malek

Yes, but I don't really remember whether she was, how serious that consideration was. I just

can't tell you that.

Timothy Naftali

So do you recall any of the discussion about perhaps having a woman on the Supreme Court?

Fred Malek

Sure we had some discussion but there was a dearth of talent that had, had the, enough experience at that point. Don't forget women, it was very infrequent that women would be partners in law firms or had risen up the judicial system. So you didn't have very many appellate court judges or even district court judges who were women and didn't have many law firm partners. So you had a very small pool to draw from, and yes, we would have liked to have found a woman who was qualified, but the President's primary qualification was somebody who was superbly qualified for the job.

Timothy Naftali

How did you go about recruiting minorities?

Fred Malek

Well again, we brought in, we brought in people with a focus on that and went about, we had an assistant to the President named Bob Brown who assisted us in reaching out to the black community. My assistant, a fellow named Bill Muramoto, who was Japanese but had very good ties to the Hispanic community, reached out and developed, helped me develop a network there. We recruited a lot at both; Ramona Banuelos became the treasurer, the United States Treasurer. I cannot remember the name, a really good man who became head of the Small Business Administration. We did an awful lot of recruiting in those, in those minority communities.

Timothy Naftali

How much interaction did you have with the President in this period?

Fred Malek

Well, it grew over time. I would probably see him once a week and get direction from him and report to him on how we were doing on various areas of our recruiting and get his input on things.

Timothy Naftali

And you reported directly or through Haldeman?

Fred Malek

Oh both, theoretically directly more through Haldeman. Bob Haldeman ran a pretty strong system of -- as chief of staff and most of us did most of the reporting through him.

Timothy Naftali

As a student of management yourself, describe Haldeman as a manager, please.

Fred Malek

Haldeman was a terrific manager. He was one of the most demanding, toughest people I ever worked for, but he is very fair. You could not get away with a bad performance, and he expected the best. He got the best out of you, and when you got praised from Bob Haldeman you really felt real good, very exacting, very exacting taskmaster.

Timothy Naftali

Was the environment a little tense?

Fred Malek

I wouldn't call it tense, but here's another thing I'd say about him. He had no self-interest; his only interest was in serving the President. He was a selfless chief of staff, kind of in the mold of -- today you have Josh Bolten under President George W. Bush, kind of in that mold, somebody you don't hear a lot about, you don't see a lot of but is in there to make that White House run effectively and serve the President.

Timothy Naftali

Tell me about, tell me about December 1970. You are asked to fire Wally Hickel's team. How did that happen?

Fred Malek

I think it was actually November.

Timothy Naftali

November, sorry.

Fred Malek

I think it was the Friday after Thanksgiving. And I was unfortunate enough to be in my office.

Timothy Naftali

But you had just started hadn't you?

Fred Malek

I just started. I just started about a month ago. And Wally Hickel had been dismissed as interior secretary the day before Thanksgiving and on that Friday the President decided that, well if Hickel's going, we're going to be undermined by Hickel loyalists so he brought in those who were still in the department, that they had to go too. So I was called by the President and then by Haldeman and told that we had to seek the resignation of the folks who were the closest to Hickel. So I located a fellow named Fred Russell who was undersecretary of interior and more of a Nixon loyalist -- he was on, I got him off a golf course -- and asked him to help identify who were those people that Wally Hickel had personally hired who probably shouldn't stay. And then it was my sad lot to go over to the department and talk to each of those folks. I think there were five of them. I tried to do it in a way that, so they understood that this wasn't a, something that was being undertaken with any kind of personal view, but it was just making room for the new secretary to pick his or her own staff, well it was his own staff. And in fact I offered to let them stay on as long as they needed and offered to help them reposition in the government if that's what they wanted to do. But it kind of came out in the press as a pretty brutal act, I'm afraid.

Timothy Naftali

Well I read somewhere that you, that you were upset at how Ziegler handled it, Ron Ziegler.

Fred Malek

I don't recall being upset about that, but I think the directive was that they really, if they're going to leave they've got to leave pretty quickly. So it wasn't, it wasn't go off the payroll immediately, but it was be out of your office today and I think Ziegler played that up somewhat, and the bad news after that is I was always known as the hatchet man, I thought unfairly. The good news is my phone calls always got returned.

Timothy Naftali

Now how does your job evolve, because it does, it's not the same. In '71, '72 it begins to evolve; you see the President more.

Fred Malek

I see the President more. I think he gained more confidence in me. We were doing a lot more in the area of recruiting, bringing in some good people. I think that was recognized. Since I was known, rightfully or wrongfully, as a manager, occasional special projects were thrown our way that we undertook. And generally, generally evolved into, you know, a more general assistant than just personnel.

Timothy Naftali

What were some of then sort of special projects that came your way?

Fred Malek

There were small projects that kind of developed management and follow up on various and sundry kind of things that were going on. A lot of it involved special projects, you know, minorities and women in government and that kind of stuff. Another project, was developing a system for ensuring that we had a way to measure people results and how would you know -- excuse me -- after the election who should stay and who should go. How do we look at, how do we evaluate people? Are we holding everybody to the highest standards?

Timothy Naftali

Do you recall recruiting Ramona Banuelos?

Fred Malek

Yes.

Timothy Naftali

Can you tell us that story?

Fred Malek

It's a pretty funny story in a way. We were -- the President said, "We have an opening that's for the Treasurer of the United States. We need to reach out to the Hispanic community. I want to have a Hispanic. I prefer a woman, and I prefer that if she's going to be a Spanish woman she ought to be Catholic." So where are you going to find you know somebody like that who's actually qualified to do the job? So we went out and looked for that person, and we came up with Ramona Banuelos. She was approved. I was on my way driving across country to my brother's wedding in Illinois. And shortly after she was announced, police in three states were looking for me at the direction of the White House to find out what is going on here. Her business in Los Angeles had just been raided for illegals. And this is like, like a day after she was announced. And the question was, "What have you done to us?" And the answer was, "Well, we didn't know about that, and I'm sure that there are a lot of illegals in Los Angeles, and let's just get over it, and we did and she became treasurer and was a good treasurer.

Timothy Naftali

Oh, my goodness, so that was a good thing that that didn't happen your first day on the job. In 1972 -- let's talk a little bit about 1972. Peter Flanigan gets a new job. How does it affect, when Peter Flanigan takes the international economic portfolio, how does that affect your job? Because he's also a headhunter, or at least was for a bit.

Fred Malek

Really wasn't doing too much headhunting. Really didn't affect it that much.

Timothy Naftali

At what point did he stop? Certainly in the transition he was a major headhunter.

Fred Malek

He was. I think I just never really had that much interaction with him on headhunting when I actually went into the position.

Timothy Naftali

Does -- in the early part of '72, does your position grow? I mean, do you...

Fred Malek

Not too much. What happened is, is I was reassigned to go over, after Watergate happened, I was reassigned to go over as deputy campaign director under Clark MacGregor.

Timothy Naftali

Before we get to that assignment, in early '72 you are part of a discussion about how to tie the White House closely to the re-election campaign. And in your case there are some memos, some which your staff writes, some of which you write about how to make, how to make the Federal bureaucracy more responsive.

Fred Malek

Oh yes, oh yes, yes. That project was designed to ensure that what we were doing in government was translated into the best political benefit. For example, if we're going to announce a grant of some sort in let's say, Missouri, which has always been a key battleground state for the Presidency, why not have the assistant secretary go out there, have a press conference, announce the grant in person, in front of the press, give the President credit, go out and do a series of media interviews while he was there talking about what he's doing, talking about this particular grant and get the benefit of that kind of carryover? It was designed to get, kind of get the most out of what we were doing in the government and to ensure that the President was getting appropriate political credits for it.

Timothy Naftali

There was some concern I know at some point that some of -- that is actually affected the decisions in order that the, in order to get certain political gains, grants might be given, targeted so that it would help a certain group that you wanted to recruit into the coalition.

Fred Malek

That was suggested after the fact that that might have been, but it wasn't. You couldn't affect the grant process in that way. I mean the grant process is orchestrated from a variety of levels, usually beginning with career employees who review the various grants and opine on which should be given and which should not be given and make the decisions, not the decisions but the recommendation to come on up. You couldn't take something like that and twist it out of kilter and just orient it for your political friends and away from people who aren't on your political side.

Timothy Naftali

And the same for regulations? Because again in the memos that I've read there was some talk about the interpretation of regulations would be affected by political considerations.

Fred Malek

I don't think we did. I mean, if you could give me a specific, I might, it might trigger something but how many years are we talking about? Thirty-five years later there's nothing that comes to mind like that.

Timothy Naftali

Well I think there was some, some issue of public broadcasting and shaping it's because there was a feeling that the Corporation for Public Broadcasting was not, was anti-Nixon. But that might be one example.

Fred Malek

Well, I think the answer there would be to appoint people to the board as public broadcasting which we had -- the President had authority to do, that shared his convictions and shared his philosophies, but I don't think we could shift regulations or control what they were going to say other than that.

Timothy Naftali

In early 1972, was there a concern that the President would not be re-elected?

Fred Malek

Sure, sure, there's always doubt; there's always concern. You just never know where things are going to go. We thought we were, you know everything was going in the right direction. I'll never forget when he came back from China, what an event that was. I think that was in the spring of '72.

Timothy Naftali

That's right.

Fred Malek

I'll never forget, I was in the Cabinet Room when he came back. I didn't sit at the Cabinet table because I wasn't in the Cabinet, but I would be in the senior staff sitting around it. And he came back and gave that report on his trip to China. It was breathtaking to hear it and be a part of that, witness that in history.

Timothy Naftali

I'm sure, and it would have been a surprise to you when he announced that he was going to go to China the year before.

Fred Malek

Yeah, but nevertheless, the country was in, you know, kind of an uncertain mood. It was impossible to tell whether we would cruise through re-election or not be re-elected. Of course we always thought we should be and would be but not with great conviction. There was always concern.

Timothy Naftali

Well, I've wondered whether, some have wondered whether some of the measures that the campaign took and the White House sponsored were a product of anxiety and fear about the President's re-election.

Fred Malek

You know, I don't think so. I think they were the product of a group of overachievers trying to please or do what they think would please the powers that be. I think you had some reasonably insecure people in some of those positions and you had some pressure from people like Chuck Colson to be tough and get more information and do whatever you can. Nobody ever said, break in the Watergate, nobody ever said, break the law, but there was an awful lot of pressure to perform and to get intelligence on what the other side was doing. It was commonplace on both sides, the Democrats and Republicans, to have plants at various press conferences. You didn't have the kind of instantaneous communication as you do today and you didn't have you know cell phones with cameras and things like that. So you'd always have these people out there feeding back intelligence. And some of the people who were under pressure to perform just kind of took this to an extreme, as was my view of what took place. I don't think there was ever anybody that directed them to do what they did. And I don't think the President ever knew that they were going to do what, I don't think he would have sanctioned that because he was not that insecure; they were insecure.

Timothy Naftali

Well, isn't there some kind of, what about the model of Haldeman as a good manager? How could he have let this happen?

Fred Malek

Well, you got a vast government and a vast political system. The campaign is not part of the White House. Yes, it is a liaison, but they're not going to tell the White House everything that they do. And it's not possible for the White House to know everything that they're going to do. And if you have some people in the campaign who are somewhat renegade and are going to go off and do what they think is in the best interest, I'm sure they had good intention, they weren't trying to be evil, but in the process, break the law without your knowing about it, that's something you really can't control.

Timothy Naftali

When you went over to the campaign, was Haldeman still approving the budget?

Fred Malek

Yes.

Timothy Naftali

So he's still approving the budget for Committee to Re-elect.

Fred Malek

Absolutely.

Timothy Naftali

I mean to what extent was the White House controlling the committee?

Fred Malek

They controlled it to appointment of people and to approval of the budget through generally where the President would go, where he would appear, what his policies would be, what he would say. But the actual internal operations of the campaign, they did not control.

Timothy Naftali

When you went over, you replaced Jeb Magruder.

Fred Malek

Yes.

Timothy Naftali

Tell us about Jeb Magruder.

Fred Malek

Well, I liked Jeb; I liked Jeb in those days. He was a gregarious, intelligent guy, but he was also somewhat insecure. And he was always kind of looking around him and thinking about what his next step would be after, if we won re-election, and I think that kind of colored his performance and his thinking. I believe that if we had a stronger person in that job, there never would have been a Watergate break-in.

Timothy Naftali

-- more of a paper system?

Fred Malek

I thought it was more of a paper exercise. The effort was made to get the word out to the departments to ensure that they would take maximum advantage of the incumbency in order to get the word out about what we were doing in government to help the people and get the President the proper political credit for that. So we would, say for example as I said earlier, go out and make the grant announcement in person. Hold a press conference, do TV interviews, do a lot of media work when you're out there, ensure that the people in that state or in that locality know that this is your Federal Government, that this is Richard Nixon, that this is your President who's there helping you. And then we'd get reports back on all of this stuff, and we'd feed it back in to give assurance that we were doing it. But it wasn't a directive program. We didn't have the capacity to look into these programs and say do this or do that. We never gave direction.

Timothy Naftali

Where does this program, where did this idea come from?

Fred Malek

I think it might have been a Chuck Colson idea, and I was given the job of kind of executing the system of follow up and reporting on it.

Timothy Naftali

Was there also a program of some people who just had to be placed and had to get jobs or had to get appointments?

Fred Malek

Oh sure, that was always the case. From the time there was Presidential personnel but they were in the minority. You would have senators or governors or other people of political influence saying, "Look I really want you to put somebody in the job." Ordinarily it would be treated as a "Well, we'll see what we can do," and you'd compare them against everybody else, and if they were as qualified or better you'd put them in the job and if not you wouldn't and you'd explain why. Occasionally there would be somebody that would come up with --

and this would be all appointed positions, not in civil servant positions. Occasionally you'd have a vote that you needed. You'd have some other issues that you needed a political figure's help on, and the word would come down that this person has to be placed, normally not in a particular job, but in a job.

Timothy Naftali

In a job.

Fred Malek

And then you'd work to find the right place for them. That happened a lot.

Timothy Naftali

I want to ask you about one more difficult issue. When, the opposite, when you had to get rid of somebody, tell us please, because you once said, you once actually testified to this and I think spoke to then Senator Danforth about it. What is the story about the Bureau of Labor Statistics? Chuck Colson told me that the President called him up one night and said, "Fire everybody in that bureau," and he didn't. He said, "There were some times that I didn't do what the President asked me to do, sometimes," he said, "I wish it was more but." But what is the story about -- why were you asked to enumerate the Jews in the bureau?

Fred Malek

It was a weird request but the President became convinced that there was a small group of Jewish Democrats in the Bureau of Labor Statistics who were cooking the books to make the labor statistics look bad so it would hurt him politically. I don't know anybody else that believed that was so, but he believed it was so. So he asked me to, as head of personnel, to find out how many of those people were Democrats and how many were Jewish. Well, I didn't know how to find that out. I knew how to find out how many were Democrats because they -- you register by party in most places so the Republican National Committee gave us, I don't even remember how many, maybe 20 people and we reported back that a dozen or whatever it was were Democrats, and he kept asking about well how many of them were Jewish, and we didn't know how to respond. And plus I felt it was a little strange. Finally the fifth request came down and Haldeman said, "Look, just do something, just give them something so we can check this off and move on." So I asked some guy on my staff, I said, "Look, why don't you just look at the names and make an assessment of how many look like they're Jewish and how many don't." So I sent him a one-liner back saying of the top however many people, so many appear to be Jewish and that was it, except that I was talking to, in conversations with the undersecretary of Labor, just to determine if there really was a problem there. The undersecretary is Laurence Silberman who, by the way, happened to be Jewish. So Larry and I were talking about it, and Larry said "Look" he said, "your problem is we got a weak commissioner, and we really should do something about that, and if you get the right commissioner in place we can have a better run agency. The President's right in one respect, they're not running the thing right, these numbers all over the place, it's not being controlled, let's get a better commissioner." So we fired the commissioner. His name was Jeffrey Moore . He happened to be a WASP, and we went out and recruited a

replacement. The replacement was named Julius Shishkin. He happened to be Jewish. So the end result of this whole Presidential directive to find out how many of which, which haunts everybody to this day by the way, the whole result was to replace Jeffrey Moore with the very talented commissioner named Julius Shishkin, who brought the bureau under control and did a good job.

Timothy Naftali

What did Silberman say to you when you told him about what the President had asked you five times to figure out?

Fred Malek

I don't think I ever told him that.

Timothy Naftali

The President asked you this in the Oval Office? I mean he would call you in and say, "Have you done this?" or would he call you up, or how did he do it?

Fred Malek

Oh, he would mention this in the side in some other conversation or would come over Haldeman would relay it.

Timothy Naftali

How did it make you feel?

Fred Malek

Well, frankly, it wasn't unusual for him to rant about something and then kind of let it go. You kind of got used to that. I mean that was his style. He'd get very worked up about something -- I can remember one time he was pounding on the desk and said, "We have too many Ivy Leaguers, no more Ivy Leaguers" bang, bang, bang. Well, okay, a week later you come up, you come up with a list of candidates for position and you're going to give him three of them and the one you're going to recommend is an ivy leaguer, he'd approve it. So it was just the way it was.

Timothy Naftali

That's a good segue to this issue. In 1972 before you joined the Committee to Re-elect, you know that there's going to be a shuffle. If the President's re-elected he's going to be looking for new people, right?

Fred Malek

Yes.

Timothy Naftali

What are the guidelines -- you know where I'm going with this -- what are the guidelines did you get for these people that are going to come in, the new blood, if there's a second administration?

Fred Malek

A new majority administration was what he was looking for and that's what he focused on after he was re-elected. The new majority would have included more ethnics, more Catholics, more blue collar, more people representative of the country and the electoral block that had elected him.

Timothy Naftali

Well, wait, I've read an interview with you where you said that was a surprise to you, because your plans for recruitment in the new term was not that.

Fred Malek

Oh, you're asking about in the spring beforehand.

Timothy Naftali

Yes.

Fred Malek

Well, I don't know that we had any directives then except find the best people.

Timothy Naftali

But after he decides to fire --

Fred Malek

You're right, it was after, it was after the election that he came down with this new majority idea.

Timothy Naftali

Which was a surprise to you.

Fred Malek

Yeah, because our, the candidates we had sort of been looking at and had in the wings, not ready to go but kind of in our own files, did not necessarily fit that profile.

Timothy Naftali

So how did you deal with it

[inaudible]

?

[break in audio]

Tell us when we have speak.

[Male Speaker]

-- we are rolling. So that's, to get back to the -- so your recruitment guidelines changed.

Fred Malek

They did, they did.

Timothy Naftali

Before we get to the election, tell us about Clark MacGregor. What was he like?

Fred Malek

Well, Clark was a terrific man. He was the head of White House, oops --

[Male Speaker]

Oops, that's all right if you want to just leave it there, sir, that's fine.

Fred Malek

He was the head of White House Congressional Relations. Before that he had been a successful Minnesota Congressman who, at the President's urging had taken on Hubert Humphrey in the Senate race in Minnesota and lost. So he came in with running Congressional Relations. He was a man of great judgment, great character. I didn't know him that well until we were assigned to work together, I as principal deputy, and it was really a great marriage. I enjoyed it.

Timothy Naftali

What was the mood like in the Committee to Re-elect? You come over there in August, September?

Fred Malek

July 1st.

Timothy Naftali

July 1st, July 1st. What was the mood?

Fred Malek

Well, there was a little bit of a pallor over the committee at that point because of the Watergate break-in and the discovery of that, and nobody knew what had really taken place or who had authorized or sanctioned it or knew about it. Nobody knew. But what we did know was that there was some kind of weird stuff going on over there. At the same time they had, they had a certain level of competence as well. So our mood was we had to go in and straighten it out. We had to root out any of the problems. We had to root out anybody who was taking actions that were contrary to the laws of the nation or the common sense ethics that we wanted to operate by. And at the same time we had to ensure that we built a first rate field organization, particularly in the key states, that would give us a great ground game to go with the political game.

Timothy Naftali

Did you have any doubt that you would be, at that point, that the President would be re-elected?

Fred Malek

Of course, you never go into these thinking that it's going to be a slam dunk. You always think it's going to be hard, and you don't really know. The polls are jumping around on you. The President -- I don't recall where we were at that point, we were probably a little bit ahead but McGovern was coming on strong, a darling of the left emerges as a likely nominee to the Democratic Party. A lot of the country admired him. He had a nice new clean-cut Dakota kind of image to him, and you know he could have been a very strong candidate. We didn't know.

Timothy Naftali

And then you, but then you watched the Democratic Convention. That must have given you some more, some confidence.

Fred Malek

Not really, I mean, you know, you don't get confident in this game. If you do you're going to lose. You've got to keep running hard the whole time. You can't take anything for granted. Anybody can make a mistake at any point in time that will trip up an election. You've got to be consistent, you've got to stay on message and you've got to ensure that you've got an organization to back up your message.

Timothy Naftali

How was the organization?

Fred Malek

We had the best organization I think in political history. Of course we had a lot of money to spend on it. We had unlimited, no campaign finance laws at that point. We could raise whatever we wanted to raise, and we were raising huge amounts so we could fund a tremendously effective ground game in the key states. We identified 10 key battleground states. We heavily staffed them with telephone banks and get out the mail programs. We had hundreds of what we call "store front operations" which would organize people to go out and knock on doors and identify your voters, give out materials, ensure that your people were registered and get them to the polls on Election Day. We had a terrific ground game and then we had a method, a war room, where we'd actually follow up on all the store fronts and everything that they were doing, the calls they made, the people they were registering, and we would regularly follow up with them and send out accolades and warnings if they weren't, you know, performing up to standard. It was a great operation.

Timothy Naftali

Who managed the war room?

Fred Malek

Oh, I don't remember. It was under me, but I don't remember actually who did. Teddy White had a great chapter on that whole thing in his "Making of the Presidency, 1972" book.

Timothy Naftali

So, and pretty accurate?

Fred Malek

Yeah, I personally took him around the war room, and he was impressed with it.

Timothy Naftali

Oh, because you really focused on the field operation.

Fred Malek

I did, I did.

Timothy Naftali

You pushed that more than the phone banks.

Fred Malek

Well, the phone banks were part of the field operation. They were important, too. They fed into what you were doing in the field.

Timothy Naftali

What would you say as a political veteran, what were the innovations of '72? What did you guys do for the first time?

Fred Malek

I think it was the first time anybody had organized a field operation like this with the kind of follow up that we had gotten. I don't think anybody had systematized and developed a voter identification and voter registration, get out the vote program with as much systematic follow up as we had, and it really worked. Now as it turns out, with the landslide victory, it wouldn't have mattered if we hadn't done it, but it probably gives you, you know, in that instance it was so thorough, it gave us probably three or four points in the election and certainly gave us more than that in the 10 key states that were the battleground states.

Timothy Naftali

Why didn't the President have longer coat tails, or any coat tails really, what happened there?

Fred Malek

I don't think he really focused on having longer coat tails. I don't think he really went too far out of his way until he was pretty sure of himself, and that wasn't until well into October to help other candidates.

Timothy Naftali

Because on the night of the election, there's a little bit of disappointment. You can hear disappointment in his voice in the tapes because he you know, Congress is not going to be a Republican majority Congress but it's still a deeply, deeply Democratic majority.

Fred Malek

Yeah, yeah, now we probably could have and should have done more. We had so many resources, we had such a good organization, we probably could have done more to help the other candidate but that wasn't what we were directed to do.

Timothy Naftali

I know that when George H. W. Bush takes over the RNC, there is a little bit of tension between the White House and the RNC on this question because the White House is

focusing on creating almost a new party, a conservative party, and the RNC obviously wants to be helping Republicans. Do you remember some of that, some of that tension from that period?

Fred Malek

Yes, the view -- look, when you have a sitting President, the national committee is not nearly as strong as the national committee would be if you don't have a sitting President. Right now for example, with a sitting President, the Republican National Committee doesn't have as much power, strength or voice as the Democratic National Committee, which doesn't have a standard bearer. And after eight years of this, the President and the senior people around him did not view the Republican National Committee as a very helpful, powerful vehicle for winning elections.

Timothy Naftali

So that would be frustrating then for somebody like George H. W. Bush.

Fred Malek

Yes, yes.

Timothy Naftali

To lead, because I've seen a memo where you are laying out some suggestions for restructuring the RNC to make it a little bit more efficient. This is when the White House is moving Dole out of the position.

Fred Malek

You know, I don't remember that memo, but since I wrote memos on just about everything else I probably did.

Timothy Naftali

No, no, that's okay. That's not fair for you; it's a long, it's been a long time. Campaign's over, you won, big victory. What's next? What do you think is next for you? Are you going to go back into business? Are you thinking about going back into business?

Fred Malek

Yeah, I was going to leave. I was going to come back and help them get staffed up in the second administration and then leave. I felt that after three and a half years in government it was time, and I was going to leave, but I felt first I needed to go back, and I really wanted to help get the new administration staffed. That was an exciting and interesting time. As we went through that, I was -- talked to me about becoming secretary of transportation, talked to me about a number of other things. Haldeman had told me that he wanted me to stay in government very much and the President wanted me to stay, and one thing led to another. I

met Roy Ash who was then the designated director of the Office of Management and Budget, and he and I together would make probably twice a week trips, very exciting, get in a helicopter and go up to Camp David and meet with the President and talk about personnel, talk about management of government and I kind of, I kind of got really into it at that point and I began to like Roy Ash a lot and I was offered, and asked to stay on as deputy director of OMB so that's what I did.

Timothy Naftali

Did you have any interaction with the Ash Commission?

Fred Malek

No.

Timothy Naftali

Which was before?

Fred Malek

It was before.

Timothy Naftali

And but you read the reports no doubt.

Fred Malek

Yes, yes.

Timothy Naftali

And tell us about those. I mean what did you think of the suggestions?

Fred Malek

Well, I thought the Ash Commission did a brilliant job, which led to the transformation of the Bureau of the Budget to the Office of Management and Budget. It put management in the government in an important way which is always, was my forte so naturally I liked it a lot. And that's one of the real things that attracted me to stay in government is Roy Ash, as the Deputy Director of OMB.

Timothy Naftali

Let me ask you to give some of the people who are listening to this, will listen to it, won't really know what that means, put management in the Bureau of the Budget.

Fred Malek

Yes.

Timothy Naftali

Give us some concrete examples. What does that mean? What does it mean, what would this group do that it didn't do as the Bureau of the Budget.

Fred Malek

Well managing any large organization entails more than just controlling the numbers. The Bureau of the Budget in the old days and in current days, too, the OMB, the B part of the OMB, does oversee and approve the numbers that are submitted to the Congress for budgets of all the departments. However, that doesn't make any difference in terms of the effectiveness with which government is run and the priorities that they pursue unless you have an M, a management component. So our job as managers primarily and simply defined, was to ensure that everybody understand what the priorities of the President are. Everybody has a set of sub- objectives to reinforce his. If we have a road map and we say we're going to drive from Washington to Los Angeles and we just leave it at that, people could go in any direction they wanted to, but if we require them to set milestones and to say where are they going to go and how long it's going to take them to get to various places, then you've got more of a plan for how you're getting there. And then if you follow up to ensure that people are staying on that plan, you've got a better chance of getting to Los Angeles than if you just kind of let them screw around the country.

Timothy Naftali

But if you could --

Fred Malek

That's the kind of thing we were trying to do, is set objectives, have everybody aligned with those objectives, have the objectives of various departments coming together in a way that we're synergistic and built on the President's priorities and then follow up to ensure that they were being achieved, that some way of reporting and auditing to ensure that these actions were being taken in an effective way. That's what we were doing in management.

Timothy Naftali

If you were going to produce a trip tic for someone, though, you had to know the roads, so it meant that this group had to know government very well, didn't it?

[Fred Malek]

We had to know government but we really didn't have to tell them what the roads were to take. They would tell us and we would look at that and we would view it and ensure that it was consistent with what our idea of, and the President's idea of where we should be going

was.

Timothy Naftali

What, it was a long time ago, but what can you recall of what the President was telling you and Mr. Ash about where he wanted to take the administration in the second term.

Fred Malek

Well, he certainly wanted to take it -- philosophically and policy-wise, it's kind of difficult to generalize. He had a set of policies; he wanted to run a conservative, a conservative administration. He wanted to continue with the reforms he had started in the first term. And he wanted to ensure that we had a better handle on what the department's were doing. He felt that during the first term and throughout much of history that the Federal Government was basically ungovernable, unmanageable. And he wanted to ensure that we had some way that we were actually running it, with the -- not with the pure efficiency of a corporation but with something that approached that, bringing in modern management techniques in order to better run a smooth functioning system, that again would bring in varying elements in a synergistic way to lead to the achievement of the whole.

Timothy Naftali

What could Mr. Ash contribute to this?

Fred Malek

Well, Roy Ash was more interested in the policy, and he was brilliant, absolutely brilliant and a great manager, but he was a great manager who had evolved into a very visionary thinker and spent most of his time on policy and left the management to me.

Timothy Naftali

So how did you come to decide for example to bring all of the elements of the government working on the drug problem into one place?

Fred Malek

Well, when you look at something that complex and when you look at the difficulty of the assignment and you look at the failures of the past and the difficulty of the tasks that lie ahead, it seemed to me and to my team that bringing them together in a coordinated way would give you a better chance at success.

Timothy Naftali

How were you able to figure -- you ultimately negotiated an agreement that, was it, it was in the customs department.

Fred Malek

Oh my gosh, that's right, yeah.

Timothy Naftali

Well, tell -- it's an interesting little study in government because you had to actually negotiate with the labor unions.

Fred Malek

Yeah.

Timothy Naftali

Do you remember this?

Fred Malek

Yeah I do, I do. I don't remember the details, but don't forget I was very experienced at this point. I was 36 years old.

Timothy Naftali

Right.

Fred Malek

I'd been around three years, or four years. I do remember negotiating with the labor union customs to get some relieving of some of their ties so that we could do what we wanted to do. I don't remember exactly.

Timothy Naftali

But it reminded me, reading about this reminded me of some of the negotiations surrounding the creation of the Department of Homeland Security and so, because when you recombine government agencies you run into union issues.

Fred Malek

Yes, yes. These were simple compared to what they, based on Homeland Security.

Timothy Naftali

Yes, but tell me about, tell me about the energy crisis because you had to manage, how well did the Nixon administration manage the energy crisis?

Fred Malek

I think we did pretty well. I had a really -- two of my recruits actually ended up being the energy czars successfully, Frank Zarb and John Sawhill, or maybe it was Sawhill and Zarb, I'm not sure what the sequence was, but I had brought both of them into government, and both of them were associate directors of OMB at one point over the energy area. And I think the creation of an energy czar and later an energy departments were direct out growths of that.

Timothy Naftali

When I talked to Mr. Ash he was, he told me about some clashes he had with William Simon.

Fred Malek

Oh, he had a lot of clashes with Simon, yeah.

Timothy Naftali

What were, what was their difference of opinion?

Fred Malek

I think they had some personality differences. Bill Simon was a, I think, he was one of our recruits when I was in the White House. I thought pretty highly of him obviously when he was deputy secretary. But Bill was a kind of a quick draw artist, I mean He was an action guy. Something would need to be done and he'd decide, let's do it, and he jump in and do it. Roy was a little more of a cerebral, let's think about it, let's make sure that we're doing the right thing, a little more thoughtful about things, and he would take a much more intellectual approach where Simon was much more action oriented. I think that that's where the clash emanated.

Timothy Naftali

Do you think, there has been some debate of whether there really was as much of an energy shortage in the country as some of the refiners made it out. Do you have any recollection of, you know, was it really as bad as it seemed or?

Fred Malek

Well, it's kind of hard in retrospect to say it wasn't. I mean we reached a certain conclusion and after a while when you reach a conclusion as a body like that it becomes so whether it was or it wasn't.

Timothy Naftali

What was it like to oversee the budget process at a time of price controls, wages -- how did

that complicate everything?

Fred Malek

Well, it complicated it to some degree, but you still had to have your basic spending under control and ensure that you didn't run big deficits that would only make it more difficult to control inflation.

Timothy Naftali

Again, people listening will know about recent tax debates, might, let's say. Certainly if they pay taxes they would know something. What was the tax debate in that period? You told me you just mentioned deficit.

Fred Malek

Oh gosh, you know, I wasn't intricately involved with the tax debate at that point so since I wasn't intricately involved then, it's kind of hard 35 years later to tell you what it was.

Timothy Naftali

What I meant by that is you're certainly involved whether we have a deficit or not.

Fred Malek

Absolutely.

Timothy Naftali

And this was -- you were a balanced budget. Weren't you trying to be a balanced budget in the administration?

Fred Malek

Trying to get close to it, but we didn't quite get there.

Timothy Naftali

What happened?

Fred Malek

Oh we just -- you have the uncontrollable, 75 percent of the government are items that you cannot control in your annual budget. You can't control what you pay out in Social Security or Medicare or Medicaid or some of the other programs because they're mandated by the legislation. And it is dependent upon how many people are qualified at certain ages or how many people get sick and things of that sort which you just can't control. You just have to pay as it happens, and a good 75 percent or more of the Federal budget are in those so-

called uncontrollables, and that makes it very, very difficult then with the rest of the budget to bring it into balance.

Timothy Naftali

Tell me a little bit of what you remember about impoundment, the issue of impoundment, which I think was on the table when you and Mr. Ash went to OMB.

Fred Malek

Well, it was a very, obviously bitterly fought between the Congress and the White House and the powers of impoundment, but the President wanted -- it would give the President a lot more direct control over things, as would the line-item veto.

Timothy Naftali

Which didn't go, which was discussed at that point.

Fred Malek

Right.

Timothy Naftali

Were people talking about the line-item veto?

Fred Malek

Oh, absolutely, absolutely.

Timothy Naftali

How easy was the transition for you from Casper Weinberger? I mean he left to go to HEW. It was actually quite amusing; he went to where you started.

Fred Malek

Yes.

Timothy Naftali

Did a lot of his staff stay on, I mean to work with?

Fred Malek

No, we recruited a new team. We had perhaps the best team that's ever been recruited in the Federal Government if I might say so myself.

Timothy Naftali

Go ahead, brag.

Fred Malek

I think it was a terrific team. Tell you what the team was: I had four associate directors, all of whom I selected. I had Paul O'Neill who was the, became of course, succeeded me when I left and was treasury secretary later. I had Frank Zarb who had a brilliant career in the securities industry and was energy czar. I had John Sawhill who also became an energy czar and went on to be President of NYU and was head of the Nature Conservancy before he passed away. And I had a fellow named Dolph Bridgewater who went on to become chairman/CEO of the Brown Group sometime after he left me. My executive assistant was perhaps the superstar of them all. It was Colin Powell. So we had a pretty powerful team of people at the top of the OMB trying to engineer the changes and the controls and the management that we wanted to put into government. And it would have been, it would have been one of the, I think, just a great success but of course we had an interruption about a year into it.

Timothy Naftali

Let's change the tape, and we'll just have one more --

Timothy Naftali

-- Powell come to OMB?

Fred Malek

Well, Colin Powell was a White House fellow. He was in the Army. He was a major; I think he was promoted to lieutenant colonel during that time. And as a White House fellow you are assigned to a top-level Federal department for a period of a year. A few months into his assignment, I came into OMB. I learned about his presence, and I met him and asked him to be my executive assistant, so he got to follow everything that went on throughout the Federal Government through his perch with me at OMB.

Timothy Naftali

Wow. And then he was there for a very dramatic time wasn't he?

Fred Malek

He was. I could never, I'll never forget, he left before I did. His White House fellowship was over and I was kind of leaning at him to extend and I said, "You know, you could get them to extend or, I really want you to stay with us here, we've got a great team," and he was going to be reassigned to be a battalion commander in Korea. And this was deep into Watergate, I'll never forget, he said, "Fred you don't understand, nobody's going to be here a year from now. You don't understand." And I didn't of course; I was a loyalist to the end

and in denial to the end. I didn't understand the, you know, what was taking place or how far it was going to go, but he did. But he would have left anyhow; it was in his interest as a military career officer to take his next assignment.

Timothy Naftali

Wow, he had good foresight.

Fred Malek

Yes, yes.

Timothy Naftali

And a good political sense, I guess.

Fred Malek

Well, a lot of people thought that by the way.

Timothy Naftali

Well how did, but you had seen the President rant so you knew...

Fred Malek

You know, I believed him. I believed in the President. I just believed to the end that he was going to get through this, and I did not believe he was complicit in Watergate.

Timothy Naftali

And then you heard the tapes.

Fred Malek

Yes.

Timothy Naftali

And at -- well, you wouldn't have known. You must have been surprised that you had been taped.

Fred Malek

Yes, yes, very surprised.

Timothy Naftali

Let me ask you about, before we get to that. Big reorganization plans; its not just OMB, it's the super Cabinet.

Fred Malek

Yes.

Timothy Naftali

Tell us a little bit about the super Cabinet idea. Where did it come from and what happened to the idea?

Fred Malek

Oh, I think it was something that Ash conceived and I was complicit in, and it was not a good idea. The idea was that how can you run a government when you have, you know, 20 different agency heads and department heads reporting to you; it's basically unmanageable. Why don't we take like agencies with similar missions and group them under a super Cabinet person, kind of like you get a group vice president in a corporate setting. And we'd have four of these super Cabinet people who would have an added responsibility of running their department but also coordinating policy for the agencies that had like-minded missions. And they would not only have offices in the departments, they would have an office over at OMB with us. Well, it really didn't work that well I didn't think. It was just too much of a job, it was too much to expect that person to do. They couldn't do it effectively, and there was resistance from the departments. They didn't want to be managed by some super Cabinet person. They felt they were super Cabinets, too, and it just was something that met with resistance and was very difficult to execute, and it kind of collapsed of its own way over a shorter period of time.

Timothy Naftali

How did the President -- how did President Nixon view the Cabinet?

Fred Malek

Important, important for execution, but subject to his call on policy. I think he, to his credit, had recruited very strong, independent-minded Cabinet members. He had former competitors, he had rivals, he had people who were governors, George Romney, the governor of Michigan who wanted to run for President; John Volpe, the governor of Massachusetts; Wally Hickel, who he later fired, of course. He had been governor of Alaska. He had some very senior political people who he knew were going to be independent in many of these jobs. And, he worked effectively with them.

Timothy Naftali

At what point did you find the President's interest in budgeting start to wane? Did you lose

his attention at a certain point?

Fred Malek

Well, look. We entered a period where there was an all-consuming issue, and that was survival. And of course, he lost interest in a lot of the things we were doing. That would be natural.

Timothy Naftali

What were some of the initiatives that just died on the vine because --

Fred Malek

Well, we had this great program, which we called Management By Objectives, which we executed throughout the government, which is similar to what or an execution of what I talked about before. Each department would set objectives and you'd have a system of following up to it, measure the progress on those, and we'd go out to the departments and have reports on them, occasionally have reports to the President. It was the first ever attempt, I think, and had a good shot at really making the government a manageable whole. That kind of withered a bit, although it's still present in some departments. That's the kind of thing that we really weren't able to pursue as vigorously as we would have.

Timothy Naftali

How was your relationship with Congress? I mean, OMB's?

Fred Malek

I think it was pretty good. There's always tension because they always want more than you can give them and they always have their pet projects, which you don't want to fund. But I think it was pretty good.

Timothy Naftali

And what instructions did the President give you regarding OEO, the Office of Economic -
- is it --

Fred Malek

Well, OEO was kind of before I was at OMB, it became a candidate for winding down. That's why Rumsfeld was moved over to the White House and Howard Phillips was put in to kind of wind down the OEO, so we didn't have too much of an issue other than we weren't going to put a lot into it.

Timothy Naftali

Did you sense that the President wanted to move funding away from some of these Great

Society programs?

Fred Malek

Yes.

Timothy Naftali

Was he quite explicit about it?

Fred Malek

Oh, yes, they weren't -- he didn't think they were working and many of them weren't. He felt that the money could be redeployed elsewhere. I mean, he was very generous in some ways, like early childhood development. Head Start was an area that he believed should be funded, but legal services, for example, was one that he did not think highly of.

Timothy Naftali

What about the space program?

Fred Malek

He was supportive. He felt it was important.

Timothy Naftali

Although we don't have any more -- there was a decision not to have any more moon landings, though.

Fred Malek

I don't recall.

Timothy Naftali

Well, you were there.

Fred Malek

We had one in '72. Did we not?

Timothy Naftali

It would have been the last, last one. But there was a question of how many more and most of that was done under Weinberger, but I didn't know if there were any debates over the space program or --

Fred Malek

I don't recall any real debates then on the space program.

Timothy Naftali

Were there any debates about the cost of the environmental program?

Fred Malek

Well, Richard Nixon's the one who established the Environmental Protection Agency and there was always a tension between the environmentalists, who would want to go to one extreme and the business people who would prefer to keep it at another extreme and one of the jobs as the President, one of our jobs, was to try to find a way to achieve most of the environmental objectives without crippling business. So there was always a tension on that.

Timothy Naftali

Do you remember any debates about welfare reform by the time you get to OMB?

Fred Malek

I don't remember the debates but I remember them earlier on. The President was very committed to welfare reform.

Timothy Naftali

The family assistance plan, for example, early on. Tell me where were you when the President resigned? Do you remember the day he resigned?

Fred Malek

Yes.

Timothy Naftali

Tell us what you remember.

Fred Malek

I was in my office. We were notified that day, and it was not too long after that that I was on the White House lawn when he left, waving goodbye.

Timothy Naftali

You had -- by that point, when did you begin to expect this would happen?

Fred Malek

I don't recall the exact time. You're talking about a matter of days or weeks here, not longer than that.

Timothy Naftali

No, not longer than that?

Fred Malek

No.

Timothy Naftali

How was the transition?

Fred Malek

Pretty smooth, pretty smooth. Jerry Ford had been Vice President and he had, you know, Haig stayed on with him as chief of staff and we all -- most of stayed in place. I had already announced my intent to resign before the President left. I'd already accepted a position on the outside, and once this happened -- no, I hadn't announced I'd accepted but it hadn't been announced. I don't think, or had I announced it? I don't recall. But I was expecting to leave anyhow and looking forward to it. Most of the people were staying in place, and it was -- I was there for about three or four months afterwards, and it was smooth.

Timothy Naftali

Your management, as you said, a student of management, how could the President have managed the Watergate issue better?

Fred Malek

Telling the truth right from the start would have been a good place to be. Just kind of mea culpa: we did it, it was terrible, sorry we did it. Throw yourself on the mercy of the American people. We've made a huge mistake. He could have done that, or he could have burned the tapes.

[laughter]

Here's the problem. Richard Nixon did not know that they were going to do this. Once it -- this is my view. Nobody knows for sure. Once it happened, suddenly his top people then began to learn about it, and they began to be complicit in covering it up. By the time it comes to him, it would have involved the betrayal of an awful lot of people for him not to be a party to it. At some point, somebody should have pulled the plug. Of course, it never should have been done, but...

Timothy Naftali

You worked closely, that I know of, with two Presidents. How long did you -- you didn't stay very long with the Ford administration?

Fred Malek

No, I enjoyed Ford very well, very well.

Timothy Naftali

I've done this with others, who served a certain number of Presidents. Compare and contrast, if you would, Nixon, Gerry Ford and the first President Bush.

Fred Malek

And the second President Bush, too, because I was his -- partner of his baseball team for nine years.

Timothy Naftali

Oh, with you, okay. As Presidents, how would you...

Fred Malek

Richard Nixon, of all the Presidents, and I served Ronald Reagan as a member of four advisory commissions -- of all the Presidents I have seen, had the clearest vision for America's place in the world, had the highest powered intellect, particularly as it came to foreign policy and national security, which were his keen and primary interests. Had a clearer philosophy of how he wanted the domestic government run, which included putting more powers in the hands of states and localities, streamlining the grants and aids programs, streamlining and improving welfare. He had some very clear vision as to what he wanted, perhaps the most intelligent, most prepared person we've ever had in the job. He is the one who drove our entry to China. It wasn't Henry Kissinger. You sometimes read that Henry Kissinger kind of brought him, and it wasn't. It was him who directed Henry Kissinger, and that's very clear. Everybody's going to tell you that. So I think he would have been, had it not been for Watergate, and some of the paranoia, he would have been one of the great Presidents of all time. And it's tragic that he fell into this, and that that will mar his reputation, I think perhaps forever.

Timothy Naftali

Would you say these other White Houses were less tense, less -- I mean how would you compare and contrast --

Fred Malek

Good question. This was a tense White House. This was a very tightly run ship. The George

W. Bush White House, I think, particularly in the first term, was a tightly run ship. It had very few leaks out of there. Nobody talked to the press. They ran it very well. I think the Reagan White and the Bush '41 White House were a little bit looser but effective in their own ways. I thought Bush '41 on the other hand was one of the most gracious people the world has ever known and certainly his son, George W., seems to be one of the most determined.

Timothy Naftali

Are there any anecdotes that you'd like to put on the record that you'd like to save for the library, from your period in the Nixon...

Fred Malek

Well -- -- there were some very, very thrilling, thrilling episodes in my young life. I'd mentioned earlier when we'd gone over and made this presentation to the Cabinet -- I'll never forget being in there. I was wound up tighter than a drum. This is my big shot. I'm 33 years old and I'm presenting to the President and the Cabinet? I had with me a career employee named Jim Shanks, and I was going to do part of the presentation, Ron Brand was going to do part and Jim Shanks, who was a GS-15, not particularly high up in the Federal hierarchy, was going to do the rest. So I did my part, Ron did his and then Jim gets up, and he's illustrating this

[unintelligible]

grant and aid program and he had the Cabinet in the aisles. He'd go through these charts, and he just took them to the most colorful level. I can't use some of the language, but he'd take you through these charts and he'd say "Mr. President, you can't believe this crap, what they're doing here!" Bing, bing, bing! And here's what we did, put up the next chart, shows all that stuff going on. But he did it in such a colorful way and I think that's why we went from 15 minutes to 45 minutes and I think that's why they liked me and brought me over to the White House.

Timothy Naftali

Because the guy you brought with you was colorful.

Fred Malek

Yes. He just did a great job.

Timothy Naftali

Two more, one, so you -- the President, because there's a debate about President Nixon's interest in domestic policy. You saw examples of him being interested in --

Fred Malek

Oh, absolutely, absolutely. He had a very -- and welfare reform seemed

[unintelligible]

with him. He had put Pat Moynihan there doing a lot of the work on coming up with a theory and getting concepts of welfare reform, but he was very serious about executing that.

Timothy Naftali

You recall meetings --

Fred Malek

He set up the National Cancer Institute, not the National Cancer -- yeah, yeah, he declared the war on cancer. I mean, that's a big step for our country.

Timothy Naftali

One small issue that I forgot to ask you about. Were you the one that -- were you the one who was recruiting Daniel Schorr for -- what was the story?

Fred Malek

Well, we never recruited Daniel Schorr for -- that was a singular cover up. Daniel Schorr, for one reason or another, somebody had the FBI go in and start checking his background. I don't know why. I don't know what Dan Schorr did that made that, to make them do that, but that's what they did. The FBI was checking him out because maybe they thought he was subversive, or I don't know what they thought, but they just were doing that. So one day I get a call from Ron Ziegler and he said, "Look, Fred. This has happened, the press is starting to dig around in it. It's been discovered. If it's asked, I'm just going to say that we were considering him for a position of some sort. I'd like you to back me up." I said, "Is this what the President wants?" He said, "Yes, it is." I said, "Fine." So, the press did call up and say, oh yeah, we were considering Mr. Schorr for a position.

Timothy Naftali

You said that with a straight face?

Fred Malek

Yeah, but there's one fly in the ointment. About two weeks before this comes out, I'm at a very small dinner party in McLean at a neighbor's house, maybe about 10 people, and amongst the guests are Dan Schorr and his wife. So Dan Schorr asked me at the dinner party, "Am I being considered for anything in the government?" This is before I knew what was going on. I said, "No, not to my knowledge."

Timothy Naftali

Oh, the cover up ended?

[laughs]

One last question: Was it in the Nixon White House that you met Bush '41? Is that how you met?

Fred Malek

Yes, yes. You know, when you think about it, all the leading figures of today are creatures of Richard Nixon. If it hadn't been for Richard Nixon, Bush '41 would not have been RNC chairman or ambassador to China or ever would have been in a position to run for President. If he hadn't, his son, George W., unlikely would have become governor of Texas or President of the United States. The people around George Bush: Dick Cheney was an assistant to Don Rumsfeld. Don Rumsfeld, of course, was a counselor to the President. Colin Powell, as I mentioned earlier, had worked for me. Many, many -- Paul O'Neill had worked in OMB with me. So many of the leading figures of today are a product of Richard Nixon.

Timothy Naftali

How would you compare the two administrations?

Fred Malek

I think the Nixon administration had more talent than any administration I've seen in history.

Timothy Naftali

Well, with that, thank you very much, Mr. Malek.

Fred Malek

Thank you.

Timothy Naftali

Thank you for your time.

Fred Malek

Enjoyed it.

Timothy Naftali

Thanks, great.