MEMORANDUM FOR: H. R. HALDEMAN
FROM: FRED MALEK

As you requested, I have attached my preliminary comments and recommendations regarding the composition of the Cabinet in the next term.

Attachment
As you requested, this memo outlines my preliminary thoughts on the type of Cabinet the President should develop in his second term and specific recommendations on the retention or removal of present Cabinet Officers.

**CRITERIA**

In my opinion, there were several glaring weaknesses with the President's first-term Cabinet. The most serious problem was that most of the Cabinet were not capable of serving as objective and responsive members of the President's staff. Rather, they became representatives and in some cases advocates of their Departments' constituencies. Because of this, it was impossible to accept their proposals or evaluations without substantial staff review, and the Cabinet members, themselves, were not useful or reliable advisors to the President. This was further aggravated by the fact that many of the Cabinet were political figures concerned with maintaining their own power bases/constituencies, or otherwise had their own agendas. They were more concerned with their own images or political futures than in selflessly serving the President and trying to manage their Departments in the most effective manner possible. Finally, many of the Cabinet were just poor managers, and were not prepared to cope with the problems of directing huge organizations.

In his second term, the President will have a rare opportunity to further reform existing programs through legislation, to make the bureaucracy more responsive, and to generally improve the management of government. To take advantage of these opportunities, he will need a different type of Department Head. These new men must meet these criteria:

1. Their only interests must be to serve the President and to manage their Departments with maximum effectiveness. They must be able to subordinate their own ambitions to the best interests of the President.

2. They must be objective and analytical so they can really provide staff support for the President, supplying him with balanced advice and proposals that reflect a Presidential rather than parochial point of view.

3. They must be capable and effective managers with a real interest and capacity to run their Departments -- not "Mount Olympus" operators who prefer to be out front, although they
must, of course, have the capacity to act as effective spokesmen for the President's programs, both on the Hill and to their constituencies.

If the new Cabinet is to be effective and supportive, specific expertise and/or reputation must take a back seat to the more general capabilities outlined above. A Cabinet which fits these criteria would be able to assume much greater responsibility and would be able to function as a more valuable advisory and decision-making body than does the current Cabinet.

EVALUATION OF SPECIFIC CABINET MEMBERS

Based on the above criteria, I feel only Kleindienst, Butz, Richardson, and Shultz should be retained as Cabinet Officers. An outline of my reasoning follows:

Defense. Laird, of course, wants to leave, and it is probably for the best. I do not feel Rush is nearly heavy enough for the job.

HUD. Romney plans to leave, and he should. He is a zealot who has proven unable to objectively deal with problems and who places the interest of his constituents ahead of those of the President.

Transportation. Volpe is a hip-shooter and strictly a front man. In my opinion he is incapable of thorough analysis or objective decision-making. He should definitely be replaced.

State. Rogers has simply not managed or built this Department. If the President were not re-elected, no one would ever know the Nixon Administration had been there. We need someone who can build and reshape this bureaucracy.

Commerce. Peterson has been a fairly effective policy maker and spokesman. However, I question whether he is really oriented to the President and whether he will stay in the job for more than a year. Also, his performance at the White House was poor. On these bases, I would recommend replacing Peterson.

Labor. Hodgson has been fairly competent but is simply not big enough for the job. He has not achieved sufficient results or stature during his tenure and should be replaced.
Interior. Morton's performance is mixed. He is an excellent spokesman, has political savvy, and is loyal. On the other hand, I do not have confidence in his judgment, question his objectivity, and do not feel he is an effective manager. On balance, I would replace him if a suitable candidate can be located.

Justice. Kleindienst also is mixed. He is clearly not the best legal mind in the country and he is rather doctrinaire. However, he is intensely loyal, runs a tight ship, and is capable of getting things done. On balance, I would keep him unless the President would prefer Ehrlichman or MacGregor, either of whom would be an improvement.

Agriculture. Butz is a bit of a front man and has not really dug into the management of the Department. However, he has done an excellent political job for the President, and I do not feel we could do better in this difficult to fill post. If Butz stays, we would need a strong manager for the Under Secretary job.

HEW. Richardson is superb, although he is even more needed at State or Defense.

Treasury. Shultz is also superb and should be urged to stay.

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The above comments are, of course, sketchy and represent only an outline of my thinking. A more detailed analysis can be prepared if desired. These recommendations call for the replacement of seven Cabinet Officers. However, I am confident that we can locate seven outstanding, loyal, hard-charging men who can invigorate the Cabinet and turn it into a truly meaningful body. Please let me know your reactions to the above so our recruiting research can be properly oriented.