

RECEIVED FEB 12 1971

~~CONFIDENTIAL~~

February 11, 1971

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

FRED MALEK

SUBJECT:

Harold Goldstein - Bureau of
Labor Statistics

Attached is the information you requested on Harold Goldstein. Essentially, Mr. Goldstein has been in his position since 1959 and is a competent civil servant. I am convinced that there were no partisan motivations in his mis-handling of the recent press briefing. However, this experience suggests that we might be better served if a Republican partisan handled these briefings in the future. I suggest you ask George Shultz to have the OMB Desk Man explore with Secretary Hodgson the possibilities of Commissioner Geoffrey Moore handling future briefings.

Attachment

bcc: Dan Kingsley ✓
Al Kaupinen ✓

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

March 10, 1971

MEMORANDUM FOR: FRED MALEK

FROM: H. R. HALDEMAN ~~AK~~

It's time we take on and completely rearrange the Bureau of Labor statistics.

Will you please work up a study of this Bureau including an analysis of key personnel and their compatibility with the Administration.

After that is done and we have had an opportunity to discuss it with George Shultz, we will proceed with a plan of action to make the necessary changes.

DIRECTOR
OFFICE OF MANAGEMENT AND BUDGET

March 11, 1971

TO CHUCK COLSON

Re Unemployment Story,
Mr. Goldstein had a
press conference, as
regularly scheduled.

ey

George P. Shultz

MEMORANDUM

Label

*FRED
more on 3/16
BLS SITUATION.*

B. KEHLI

THE WHITE HOUSE

WASHINGTON

March 12, 1971

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
E.O. 12958, Section 1.3
By *me* NARA, Date *9/25/09*

~~CONFIDENTIAL~~

MEMORANDUM FOR:

~~JOHN EHRLICHMAN~~ *FRED MALEK*

FROM:

JON M. HUNTSMAN

The March 10 News Summary stated that in its featured business article Newsweek says that the last week "the prospects for hitting \$1,065 billion seemed to recede a notch with the hollow thud of each new statistic." Hodgson's optimism on the decline in unemployment was countered by Goldstein of BLS and in other areas statistics were down to a degree that some ranking economists began scaling down their forecasts.

With regard to the underlined portion of the above statement (referring to Goldstein), the President has asked the question -- Again?

Thank you.

cc: Mr. Haldeman
Mr. Butterfield

THE WHITE HOUSE
WASHINGTON

March 12, 1971

MEMORANDUM FOR: H. R. HALDEMAN

FROM: CHARLES W. COLSON *WC*

I have received the attached note from George Shultz which clearly indicates that the BLS situation is not under control. Do you want to take this up with Shultz or do you want me to go back to Hodgson. It should be handled quickly before next month's figures come out.

Attachment

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

March 16, 1971

hsh 3/16
~~CONFIDENTIAL~~

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
E.O. 12958, Section 1.5
By *me* NARA, Date *9/25/09*

MEMORANDUM FOR: MR. MALEK
FROM: BRUCE KEHRLI *BAK*
SUBJECT: Bureau of Labor Statistics

The attached memorandum from Chuck Colson indicates that we haven't succeeded in getting someone else to do the BLS briefings.

What is your plan in this area? You might want to contact Secretary Hodgson or get together with Chuck to come up with a solution.

MAURER

MEMORANDUM

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
E.O. 12958, Section 1.3

THE WHITE HOUSE

WASHINGTON

By AM NARA, Date 9/25/09
~~CONFIDENTIAL~~

March 22, 1971

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

FRED MALEK *Fred Malek*

SUBJECT:

Bureau of Labor Statistics

The purpose of this memo is to report on my progress and plans in complying with your request of March 10th to study and make recommendations on changes in the Bureau of Labor Statistics.

I have discussed the matter with Secretary Hodgson, and we have outlined a general plan of attack. In order to determine where the real problems are, we will:

- Mount a small team of reliable people from the Office of the Secretary to thoroughly analyze the organization of the Bureau. In so doing, they will be carefully evaluating the competence and attitudes of all key people.
- Gather political background on personnel in the Bureau, attempting to identify Democrat partisans or activists. This will also be done by Secretary Hodgson's office.
- Talk to a few reliable sources in the Bureau to get their concept of the problem and their assessment of loyalties. I will personally do this as a check against team findings and as a means of gaining leads.

We plan to start this effort in early April and should have recommendations ready to review with you and George Shultz by the end of the month.

The main reason for the delay in commencing the work is that Secretary Hodgson feels strongly that we need a settling down period following the change in monthly briefings and the removal of Goldstein and his associates from these briefings. I agree that this is wise as it reduces the potential for political interference charges from the press.

I will plan to proceed on this schedule and report to you again when recommendations are finalized at the end of April.

Approved _____

Disapproved _____

See Me _____

AM

MEMORANDUM

DETERMINED TO BE
ADMINISTRATIVE RECORDING
E.O. 12958, 3-18-82

THE WHITE HOUSE

WASHINGTON

By RL NARA, Date: 9/25/09

~~CONFIDENTIAL~~

MEMORANDUM FOR:

FRED MALEK

FROM:

H. R. HALDEMAN 

SUBJECT:

Bureau of Labor Statistics

As has been mentioned to you in the past, the President is dissatisfied with the performance of the BLS and in particular with the general lack of responsiveness and insubordination demonstrated by certain top officials of the BLS. Accordingly, he would like you to develop and implement a plan for strengthening the BLS that includes an evaluation of top personnel and the replacement of those people whose performance has been poor.

It is important to move quickly and decisively on this project. Accordingly, you should have your plan ready for my review in one week. Once the plan is approved, you should be ready to implement it inside of another week. Also, please consult with George Shultz on the plan and its implementation.

cc: George Shultz

MEMORANDUM

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
E.O. 12958, Section 1.8

THE WHITE HOUSE

WASHINGTON

By *Malak* NARA Date *9/25/09*
CONFIDENTIAL

To Malak

July 14, 1971

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

FRED MALEK *Fred Malek*

SUBJECT:

Action Plan for Strengthening the
Bureau of Labor Statistics

The purpose of this memo is to seek your approval of a plan for strengthening the BLS. The three major components of the plan are replacing Geoffrey Moore as Commissioner, transferring Harold Goldstein, and conducting further research on the advisability of transferring other top BLS officials.

GEOFFREY MOORE

Moore is serving a term appointment that does not expire until 1973. However, John Dean has rendered an opinion, concurred in by Justice, that there is a solid legal basis for removing him, despite the term. Therefore, we could ask Moore to resign and back it up if he refused by firing him. Initial search efforts indicate that we could readily find a suitable replacement for Moore and be able to effect the replacement in two weeks. Our initial pass at replacement candidates is shown at Tab A.

HAROLD GOLDSTEIN

Harold Goldstein is the Assistant Commissioner for Manpower and Employment Statistics and is a career GS-16. As such, he cannot be terminated but can be transferred to another post of equivalent grade and responsibility. We could work with Bob Hampton to develop several alternatives of a non-sensitive nature. A decision could be reached here and conveyed to Goldstein inside of two weeks, with the transfer effected a week or two thereafter.

OTHER OFFICIALS

Other top officials in the BLS include the Deputy Commissioner, Ben Burdetsky, and Associate Commissioners Leon Greenberg, Peter Henle, and Donald Keach. Determining the desirability and feasibility of firing or transferring any of these men will require further research. This research would take about two weeks and would require the assistance of the Labor Department.

RECOMMENDED PLAN

Based on the above, I recommend the following action steps:

- ✓ 1. You send me right away the memo at Tab B with a copy to George Shultz.
- ✓ 2. I will direct the recruiting team to polish the list of candidates for Moore's replacement. We will interview some of these and be prepared with a final slate of candidates 10 days after receiving your go-ahead. *but ck w/ Shultz + Colson*
- ✓ 3. I will work with Hampton to determine the most appropriate positions to transfer Goldstein to. This also can be ready in 10 days.
4. I will pull the above together for your approval and then meet with Shultz and Hodgson to *+ Colson*
 - Select Commissioner candidates for Hodgson to interview and choose from.
 - Gain Hodgson's agreement to ask Moore for his resignation as soon as the replacement is selected (i. e., within a week). Hodgson would try to get Moore to resign quietly.
 - Select the best alternative post for Goldstein and gain Hodgson's agreement to transfer him after Moore's replacement is announced.
5. We will follow up with further research to determine whether other BLS officials should be removed.

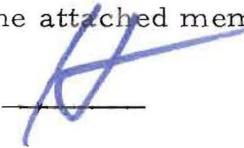
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Implementation of the plan outlined above should materially strengthen the responsiveness of the BLS. At the same time we are apt to incur bad press from the action even if the Moore and Goldstein moves can be accomplished peacefully. There is also likely to be a short-term morale problem within

BLS. My feeling, however, is that the temporary bad press and morale problem are small prices to pay for quickly transforming the BLS into a responsible and effective unit of this Administration. Accordingly, I recommend you approve this plan and sign the attached memo.

Approve  _____

Disapprove _____

See me _____

Attachments

THE WHITE HOUSE

WASHINGTON

July 22, 1971

MEMORANDUM FOR: FRED MALEK
 FROM: DAN KINGSLEY *D. Kingsley*
 SUBJECT: Harold Goldstein

Harold Goldstein is the Assistant Commissioner for Manpower and Employment Statistics, Bureau of Labor Statistics, Department of Labor, GS-16. Chairman Hampton indicates that the Secretary of Labor has the authority to transfer personnel from that Bureau to other responsibilities within the Department. Bob Hampton indicates that there would be a number of positions that would meet Goldstein's grade requirement and substantive qualifications. They are as follows:

TITLE	GRADE	SUPER- GRADE	VACANCY
Three positions now being established in the Office of Public Service Employment in the Manpower Administration		All 3 super-grade	YES
Director of the Office of Special Manpower Programs		YES	NO
Director of the Office of Planning & Evaluation in the Manpower Administration		YES	NO
Special Assistant to the Assistant Secretary for Manpower		YES	NO

Lohn
BLS

Although all the positions are filled with the exception of the first option, people can be moved in order to accommodate the removal of Goldstein. I have listed the options in the approximate order of sensitivity, although without further research it is difficult to come up with an accurate sensitivity rating.

There is another way to transfer Mr. Goldstein from his present position and that would be if DoD, a Department with manpower responsibilities, would request the Civil Service Commission to supply candidates for a particular manpower position. The Civil Service Commission could then forward Goldstein's name and DoD would pick him for the position. It would undoubtedly have to be a promotion to a 17 in order to motivate Goldstein to leave.

This alternative has definite problems in that we would have to obtain the cooperation of DoD and also get Goldstein's agreement to move.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

July 26, 1971

MEMORANDUM FOR:

FRED MALEK

FROM:

DAN KINGSLEY 

I have two pieces of information today for our meeting with Hodgson:

1. You will find attached the ages and length of service of the key Bureau of Labor Statistics employees.
2. According to Statute 29-USC-153(a) and 154(a), the NLRB is not Bi-partisan; therefore, Gerald Brown whose term expires 8/27/71, and who is a Democrat, can be replaced by a Republican. For your information I am attaching a copy of the latest print-out covering the present composition of the board.

PARTMENT OF LABOR
Bureau of Labor Statistics

<u>Name</u>	<u>Title</u>	<u>Age</u>	<u>Length of Govt. Serv.</u>
Burdetsky, Ben	Deputy Commissioner	43	16
Gavett, Thomas W.	Assistant Commissioner Wages & Industrial Rel.	39	5
Goldstein, Harold	Assistant Commissioner	57	29
Greenberg, Leon	Chief Statistician	58	25
Goldberg, Joseph	Special Assistant and Division Director	53	29
Henle, Peter	Chief Economist	52	10
Keuch, Donald J., Jr.	Dir. Administrative Management	39	16
Lowenstern, Henry	Executive Editor	46	3
Mark, Jerome A.	Assistant Commissioner Prod. Tech & Growth	47	20
Morton, Herbert C.	Director, Office of	50	3
Popkin, Joel	Chief, Price & Index Number Research Division	39	7
Shelton, William C.	Assistant Commissioner Foreign Labor & Trade	55	11
Van Auken, Kenneth	Special Assistant to the Commissioner	53	20

7/27
9:40 Am

By msc NARA, Date 9/25/04

THE WHITE HOUSE
WASHINGTON

~~ADMINISTRATIVELY
CONFIDENTIAL~~

July 26, 1971

MEMORANDUM FOR :

FRED MALEK

FROM :

H.R. HALDEMAN 

What's the status of your analysis of the BLS;
specifically of the 21 key people? What is their
demographic breakdown?

Please let me have a report by c.o.b. Tuesday,
July 27.

Due July 27.

BLS Lohm

DETERMINED TO BE AN ADMINISTRATIVE MARKING
E.O. 12958, Section 1.3

By AMC NARA, Date 9/25/69

~~CONFIDENTIAL~~

July 27, 1971

MEMORANDUM FOR:

H. R. HALDEMAN

FROM:

FRED MALEK

SUBJECT:

Bureau of Labor Statistics

This memo is in response to your request for a demographic breakdown on BLS employees. We were able to obtain political affiliation checks on 35 of the 50 names listed on their organization chart. The breakdown on these is as follows:

Republicans	1
Democrats	25
Independents or Unknown	4
Not Registered	<u>5</u>
	35

In addition, 13 out of the 35 fit the other demographic criterion that was discussed.

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

July 30, 1971

MEMORANDUM FOR: H. R. HALDEMAN

THROUGH: FRED MALEK *Fred Malek*

FROM: DAN KINGSLEY *Dan Kingsley*

SUBJECT: Department of Labor,
Bureau of Labor Statistics

In our original memorandum concerning the Bureau of Labor Statistics, we had identified political registration of 35 individuals. Of the 35 names, we believe 13 were ethnics. In our figures, we did not include the 17 other people where politics were not determined; hence, their ethnic background also was not included.

In order to answer your inquiry, we have charted below the organization levels of the Bureau of Labor Statistics with the number of positions and ethnics in each category.

<u>LEVEL</u>	<u>NUMBER OF POSITIONS</u>	<u>NUMBER OF ETHNICS</u>
Commissioner	1	0
Deputy Commissioner	1	1
Associate Commissioners	3	1
Assistant Commissioners	6	4
Office Heads	6	4
Division Heads	31	8
Special Assistants to the Commissioner	<u>4</u>	<u>1</u>
TOTALS	52	19

Attached is the organization chart for the Bureau of Labor Statistics for further reference.

Note: It is interesting that of the top 17 positions, 10 are ethnics.

FVM

cc: Fred Malek

July 30, 1971

MEMORANDUM FOR: H. R. HALDEMAN
 THROUGH: FRED MALEK
 FROM: DAN KINGSLEY
 SUBJECT: Department of Labor,
 Bureau of Labor Statistics

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Office Heads	6	4
Division Heads	31	8
Special Assistants to the Commissioner	<u>4</u>	<u>1</u>
TOTALS	52	19

Attached is the organization chart for the Bureau of Labor Statistics for further reference.

AL KAUPINEN/DAN KINGSLEY:pp/hb

7/20/71
THE WHITE HOUSE
WASHINGTON

Fred

Obviously, the interpretation
of "ethnic" should be
narrow in this case!

Da

THE WHITE HOUSE

WASHINGTON

October 14, 1971 THE PRESIDENT HAS SEEN...

MEMORANDUM FOR:

THE PRESIDENT

FROM:

CHARLES W. COLSON
FREDERIC V. MALEK

SUBJECT:

Bureau of Labor Statistics

As you know, considerable progress has been made in reforming the BLS through reorganization, transfers, and the placement of Dan Rathbun as Deputy Commissioner. To complete the task, however, it is essential that Jeff Moore be replaced by a tough, loyal, economist.

The ideal replacement for Moore is Edgar Fiedler who, at present, is Harold Passer's deputy. Fiedler is politically smart, professionally qualified, understands the problem, and wants the job. However, we discovered yesterday that John Connally wants Fiedler to be his Assistant Secretary for Economic Policy. We understand Connally's point of view completely, but the BLS job has an infinitely higher political priority. Moreover, we are not confident that a suitable alternate can be found for BLS, while there are several good men available for the Treasury spot. In fact, Treasury was almost ready to go with Bob Dederick, Senior Vice President of the Northern Trust Company.

✓ This memo is written with the thought that you might want to mention your need for Fiedler at BLS during your Friday meeting with Connally. We would be glad to provide priority assistance in locating alternatives for the Treasury spot if Connally does not want Dederick.

OR enroute to
N.C.

You should also know that Connally is fully cooperating with us to find a spot for Moore at Treasury. Understandably, Connally does not want Moore in the Assistant Secretary spot, but he is pursuing several other feasible options.

THE WHITE HOUSE
WASHINGTON

Judy,

Attached is the memo
I was searching for
earlier today. -- You
may retain in your
files or Calson's. Or
can be forwarded to
C.F. if not too
sensitive. Joyce

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN: ~~---~~

Mr. President - *

You may want to
discuss this matter with
Sec Connally enroute to
North Carolina : - *

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

BLS 11/9

eyes only

November 8, 1971

MEMORANDUM FOR: FRED MALEK
FROM: CHARLES COLSON

I think it is critically important that we move swiftly now on the replacement of Jeff Moore at BLS. If we wait much longer, we are going to get dangerously close to the election year and I am terribly concerned that the principals involved will lose their nerve.

The ideal time to insure that we have everyone's cooperation is right on the heels of last Friday's Cabinet meeting.

Incidentally, while the Cabinet meeting was going on, Jeff Moore was testifying on Capitol Hill telling Senator Proxmire that the .2% drop in unemployment was "marginally significant". Obviously others around here did not read that or the blast that would have ensued would have made Amchitka look like a firecracker.

Can you give me some certainty as to when this will be accomplished?

THE WHITE HOUSE

WASHINGTON

December 2, 1971

MEMORANDUM FOR:

THE PRESIDENT

FROM:

FREDERIC V. MALEK 

SUBJECT:

Appointment of Geoffrey Moore to
the Council of Economic Advisors

As you know, considerable progress has been made in reforming the BLS through reorganization, transfers, and the placement of Dan Rathbun as Deputy Commissioner. To complete the task, however, it is essential that Jeff Moore be replaced by a tough, loyal, economist.

Accordingly, I have been attempting to arrange a transfer for Moore to a position that could not be considered a demotion. Several alternatives were identified in the Treasury Department, but Secretary Connally was unwilling to accept Moore because of the critical nature of the positions. We have now exhausted most realistic possibilities, and you now have the choice of doing nothing, firing Moore, or appointing him to the Council of Economic Advisors.

Chuck Colson feels strongly that BLS figures continue to have a partisan flavor and it is critical to move Moore. The firing alternative does not seem desirable because it would add credence to the charge that you are politicizing BLS and make confirmation difficult for any successor you nominate. This leaves the CEA as the most desirable alternative to consider.

Moore (resume at Tab A) is a fairly well respected and distinguished economist. He has a Ph. D. from Harvard, was Vice President of Research at the National Bureau of Economic Research, and has earned the respect of many people as BLS Commissioner. Herb Stein feels Moore is qualified and would be acceptable, but Stein would prefer Ed Dennison of Brookings and several others ahead of Moore. The only major negative is that as an Arthur Burns protege, Moore will not be helpful to the CEA in standing up to the Federal Reserve Board.

I do not believe this is fatal, however, since Stein and Soloman will compensate for this. A second negative is that while George Shultz feels Moore would be marginally acceptable for the CEA, he would prefer not to move Moore because of confirmation problems he foresees on any successors. In sum, then, Moore is qualified, would be reasonably well received, and is acceptable but not preferred by Stein and Shultz.

To replace Moore at BLS, Chuck Colson and I feel that William Peterson (resume at Tab B) is the ideal candidate. He has high political sensitivity, is loyal to you, has worked for you, is an excellent economist, and would be acceptable to the Department of Labor.

If you will indicate your decisions below, I will follow up with the necessary coordination and arrangements.

- | | | |
|---------------------------------|------------|-------|
| 1. Appoint Jeff Moore to CEA | Approve | _____ |
| | Disapprove | _____ |
| 2. Appoint Bill Peterson to BLS | Approve | _____ |
| | Disapprove | _____ |

Attachments