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31	14	01/09/1969	Memo	Unknown to Agnew, George Romney, Robert Finch, and Daniel Moynihan re: attached recommendations originated by Mr. Rockefeller. 25 pgs with attachments.
31	14	N.D.	Memo	Haldeman to Kissinger re: attached memo addressed to Mr. Nixon, Subject: National Security Organization. 27 pgs with attachments.

MEMORANDUM

January 9, 1969

TO: VICE PRESIDENT-ELECT AGNEW
GEORGE ROMNEY
ROBERT FINCH
DANIEL MOYNIHAN

RE: Attached recommendations originated by Mr. Rockefeller

The President-Elect asked that the attached recommendations be forwarded to you for information.

encl

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File
Rockefeller
Recommendation
to
Send a copy to
Fischer
& Romney
Morgan

INTERGOVERNMENTAL FISCAL RELATIONS

A. Consolidation of grants-in-aid:

- Legislation to consolidate existing federal grant-in-aid programs into broad functional areas such as:

- Elementary and secondary education
- Higher Education
- Vocational Education
- Adult Education
- Libraries
- Health
- Mental Health and Retardation
- Air and Water Pollution Control
- Manpower Training
- Vocational Rehabilitation
- Public Assistance
- Housing and Urban Development
- Recreation
- Natural Resources
- Agriculture
- Business and Economic Development

- Legislation authorizing the President to submit grant consolidation plans to become effective unless rejected by either House within 90 days.

B. Special Purpose Grants-in-aid:

- Categorical grants-in-aid in specific areas of national interest where there is a need for experimentation and innovation.

C. Per Capita General Support Payments

- Direct per capita federal payments to states and cities, the amount to be based on population and tax effort. There would be no restrictions as to the functions for which the funds would be used.

- Funds would be distributed directly to cities provided that the purposes for which the funds are spent are not in conflict with any existing state comprehensive plan.
- States and cities would make public a comprehensive plan for the use of these funds and the federal government would conduct an annual audit on the extent to which the plans were being implemented.

D. Joint Funding of Federal Aid Programs

- Enact legislation authorizing states and localities to submit one comprehensive application for separate but related federal aid programs

GOVERNMENT ORGANIZATION

- A. Office of Executive Management: Establish an Office of Executive Management within the Executive Office of the President:
- to anticipate national needs on a broad front and prepare programs to deal with them
 - to play a continuing role in domestic policy planning within the White House
 - to exercise general oversight to assure the most efficient management of Federal programs
 - to focus these programs more sharply by simplifying or combining the essential, eliminating the non-essential, and
 - to help introduce into government the most qualified personnel, efficient technology, and modern techniques of management.
- B. Staff Unit for Federal-State-Local Relations: Establish a full-time professional staff unit in the Executive Office of the President to:
- provide the President with broad perspective on relations with states and localities
 - provide and maintain effective liaison between the Federal Government, States, and localities
 - serve as a single one-stop service center to provide State and local officials with comprehensive information on Federal aid programs
 - maintain close contact with the executive committees of the National Governors' Conference, the Conference of Mayors, and the National League of Cities to help the President and Congress in developing legislative policy and programs that encourage and use the Federal, State, and local levels of government in order to best serve the interests of the people
 - conduct a continuing review of proposed Federal programs to determine their effect on State and local governments
 - aid in implementing basic reforms in the Federal aid system by working with Governors and Mayors to develop formulae for per-capita grants and broad category grants to States and localities

C. Internal Relations Council: establish an Internal Relations Council, comparable in scope and power to the National Security Council, to bring coordination, emphasis and direction in dealing with the social and economic problems of this nation. The Council would be composed of top-level governmental and public leaders to help provide the President with a new mechanism to:

- develop and maintain a national long-range, coordinated interdisciplinary program to promote improved race relations and to alleviate the economic and social disparities which are divisive
- develop ways to gather information on the management of the national program. Attitude measurement, program and operations research, and progress measurement should be developed and regularly used as a basis for evaluation
- develop a system of priorities to make the best use of all available resources
- assist state and local governments in implementing effective projects and activities
- assist the private sector in coordinating its efforts to improve racial relations
- report annually on the status of programs to improve educational, physical, social and economic conditions throughout the United States
- stimulate the training of manpower and help develop a better understanding of the elements of improved race relations
- promote communications between black and white communities to stimulate the understanding of each others' problems.

CRIME AND LAW ENFORCEMENT

A. Increase effectiveness of Federal Gun Control Legislation

- establish federal minimum standards for state and local licensing of the owners of firearms and the registration of hand guns
- ban interstate shipment of firearms to states which refuse to meet federal standards
- prohibit the use of licensing and registration as a revenue measure and provide for federal assumption of the costs of the licensing and registration system.
- require minimum security measures in regard to the manufacture, storage and shipment of firearms and ammunition.

B. Provide additional Federal Support for Improving the judicial system by expanding the funds available to States and localities for such purposes under the law enforcement assistance act:

- encourage the review of the functioning of the judicial system in each state and locality so as to identify bottlenecks which may be eased by reorganization
- encourage the establishment of "intake bureaus" to relieve court congestion by disposing of minor matters prior to trial
- support the streamlining of state and local criminal codes and procedures.

- C. Establish a permanent National Council on Organized Crime composed of representatives of the Federal government or of each State to
 - coordinate the efforts of the various states and of the Federal government
 - establish intelligence files and create procedures for the exchange of information and other cooperative action
 - furnish technical assistance to localities to aid detention, apprehension and prosecution.
- D. Increase Federal efforts to reduce the traffic in narcotics and to aid in the rehabilitation of addicts.
 - increase, substantially, Federal funds available to state and local programs for the prevention, treatment research and aftercare of addicts.
 - expand the manpower assigned to the control of illicit drug traffic
 - establish and apply aid and trade sanctions against those nations which have lax policies on control of the opium trade
- E. Broaden the Omnibus Crime Control and Safe Streets Act to include the Juvenile Delinquency Prevention and Control Act and increase funding of the entire program.
 - juvenile delinquency cannot be treated separately from the overall law enforcement effort either in prevention or rehabilitation
 - make specific mention of juvenile delinquency in the opening purposes section to emphasize the importance of youth, rehabilitation, recidivism studies, to balance the present police orientation would also be valuable

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- repeal the present Juvenile Delinquency Act
- increase funding of the Safe Streets Act,
preserving and strengthening the block grant
provisions

HOUSING AND URBAN DEVELOPMENT

- A. Federal support of state urban development corporations through:
- restoration of Federal tax exemption for state urban development corporation bond issues for industrial and commercial projects.
 - Federal guaranties of bonded debt of state urban development corporations. Such a guaranty program could be financed out of premiums charged to state urban development corporations, thus entailing no tax cost. The guaranty would increase the marketability of state urban development corporation bonds, and permit state urban development corporations to finance needed projects in poverty areas which involve a higher element of risk.
- B. Expanded rent supplement program. The program now is restricted to new housing projects, the construction of which was Federally-financed or State-financed. These restrictions should be eliminated. The program should be available generally to existing or rehabilitated apartments - which often could be made available to low-income families at lower unit costs than new housing projects.
- C. Expanded program of Federal support for development of new cities and towns. The 1968 Housing Act authorized a program of Federal guaranties of long-term loans to private developers for acquisition and development of sites of new cities and towns. The following additional assistance should be provided:
- Federal planning grants to meet the costs of preparing master plans for new cities and towns.
 - Consideration should be given to a Federal "write down" of land in new cities and towns for use for low- and middle-income housing.
 - States should supplement federal program by using their power of eminent domain to provide land for new cities and towns at reasonable costs.

- D. National Housing Research Foundation. Creation of a National Housing Research Foundation to develop and test new methods and materials for constructing homes and apartments. The Foundation should be a government-sponsored corporation, and its board should include public and private members. It should be financed by contributions from the Federal government and private sources. It would have a full-time staff of engineers, scientists, architects, urban planners and other experts. It would:
- in cooperation with private industry, universities, labor unions and other groups, actually develop and test new methods and materials for housing construction and new techniques of land use.
 - test and evaluate new construction methods and materials developed by private industry.
 - help develop improved building codes which permit full use of modern building techniques.
 - help explore methods of maintaining full employment during the shift from conventional to new building techniques.
- E. Tax Incentives. Consideration should be given to an expanded program of tax credits and accelerated depreciation deductions for private sponsors of low-income housing and mixed low- and middle-income housing. This could include amendments of the tax law which would permit excess credits and deductions of a corporate sponsor to be "passed through" to its stockholders.
- F. Expansion of Interest Subsidy Program. The 1968 Housing Act created a major interest subsidy program for low- and middle-income housing. Under the program, the Federal government may make up the difference between a stated percent of a family's income (20% for homeowners and 25% for tenants) and the interest costs (in excess of 1% per annum) of the mortgage on the home or apartment. Consideration should be given to:

- expanding the program for lower income families by authorizing the Federal government to pay a portion of debt amortization, as well as interest costs.

- reducing the amounts tenants must pay under the program from 25% to 20% of their income - which would be the same as homeowners are required to pay.

URBAN-RURAL GROWTH

- A. Comprehensive Planning for Urban-Rural Growth: Develop Federal, State, and local policies and programs to assure planned, orderly, and balanced urban-rural growth through:
- review of all existing Federal, State, and local programs and projects to determine how they affect urban and rural growth patterns and, where necessary, inaugurate new programs to promote development in desired locations
 - establishing State and local immediate and long-range development goals for urban and rural areas and comprehensive plans to implement these goals
 - development of a national policy, in cooperation with State and local governments, to assure such a policy promotes balanced urban-rural growth
 - congressional action to provide within its standing committee structure a means to assure continuing systematic review and study of the progress toward a national policy.
- B. Specific Program for Rural Revitalization: Concrete action must be taken to promote economic progress and growth to the rural areas of America through:
- tax incentives, accelerated depreciation rates and guaranteed loans for industry locating in rural areas
 - expanded and improved job training and vocational education programs geared to the labor requirements of today to assure industry an adequate and trained labor supply
 - regional job placement, guidance, and information services, and
 - placement of government contracts and the location of public buildings and facilities.

PLANNING

- Encourage adoption by states of basic standards for comprehensive planning. Such standards might be developed by the Council of State Planning Agencies with federal financial support.
- Increased flexibility in federal aid programs for planning so that states can undertake innovative programs which meet their most urgent needs.
- Amend Model Cities legislation to provide meaningful role for states in development of plans for model cities areas.

JOB AND JOB TRAINING

A. Reorganize and consolidate federal manpower programs

- develop a wholly new administrative system for federal manpower programs which would permit state and local metropolitan manpower agencies to run their own programs in a single-headed, flexible manpower system geared to the conditions and needs of the local area.
- develop, with federal approval, comprehensive state and metropolitan area plans on a three-year basis to allow more meaningful planning and longer-range programs.

B. Expand Federal programs to encourage private businesses to develop additional jobs and to participate in on-the-job training programs.

- allow participating agencies to choose between direct contractual arrangements and tax incentives.
- establish new tax incentives, including depreciation allowances, with particular emphasis on locating new industries in poverty areas, rural and urban.

C. Expand the training efforts of the Defense Department to insure that all draftees and enlistees are discharged with minimum skills necessary to obtain useful work in the civilian economy.

D. Increase labor mobility through new Federal programs

- conduct a nationwide survey of current and anticipated job vacancies.
- provide federal tax credits to employees who move in order to accept a permanent position.

more

E. Initiate and expand federal, state and local activities designed to spur the development of new businesses in urban and rural poverty areas

- provide 100% federal guarantees for small business loans in urban core and rural poverty areas, the program to be similar, in general terms, to the FHA mortgage insurance program
- expand state and local technical assistance and business advisory services to be made available to the developers of new businesses
- simplify loan procedures and develop tax incentives for concerns developing loan programs or technical assistance services.

WELFARE

A. National Standards for Welfare Assistance

- federal legislation establishing national standards for eligibility and benefits for the various public assistance programs. Such standards and benefit levels would be adjusted to reflect regional variations in the cost of living.
- this might require additional Federal financial assistance to States so that they can meet the Federally-established levels.

B. Federal Assumption of Cost of Public Welfare

- federal assumption of the complete cost to the States (1967 estimate - \$2.5 billion) and localities (1967 estimate - \$900 million) of public assistance programs. In all likelihood, this would involve national standards for eligibility and benefits
- with complete Federal financing and Federal standards, there would be pressure to administer the program through Federal, rather than State-local, personnel.

C. Reforms in Present System

- provide incentives for welfare recipients to work by allowing them to retain a higher percentage of their earnings without being penalized by losing welfare benefits
- expand day care facilities for children so mothers on welfare who wish to work may do so
- transfer payments for the aged, blind, and disabled to the Social Security System where payments could be made automatically, thereby reducing the \$238 million administrative costs of these programs. Financing would be separate from the financing of the Social Security System
- simplify administrative procedures by testing the substitution of an 'affidavit' system to determine eligibility rather than require individual verification in each case
- more research and a systems analysis approach to poverty to identify welfare problems more precisely, to develop and evaluate alternative approaches, and to monitor existing programs that measure success and failure.

HEALTH AND MENTAL HEALTH

A. National Universal Health Insurance

Such a plan would be the first line of health protection. Publicly paid medicine, such as Medicaid, contains no self-restraining force to curb abuse and excessive expansion, and should be the second line of defense.

Contributory health insurance plan would:

- give beneficiaries a direct stake in the prudent management of the system.
- underscore one's sense of self-reliance, and thus enhance individual dignity.
- avoid the welfare stigma that discourages some people from using public medical programs even when they are eligible and need the care.
- enable us to build on the existing and well-developed base of our present private and non-profit health insurance companies.

B. Hospital Cost Controls

- reimbursement by state agencies and health insurers for hospital services at rates certified by the states themselves. Such rates to be tied into the economy of the overall area and to costs in comparable hospitals.
- providing built-in management incentives by providing higher reimbursement rates to hospitals pooling central services in their area. Hospitals not wishing to merge services would maintain such services at their own expense.
- including from reimbursement any services (e.g. open-heart surgery) not required by demand when these services are already adequately available.
- assuring strong, sensible hospital planning, in cooperation with the states, in order to eliminate costly duplication of expensive institutions, services and equipment.

- instituting uniform cost-accounting and cost-finding.
- developing a new financing program on the federal and state level to provide for the construction and modernization of health facilities including hospitals, nursing homes and intermediate care homes.

WATER POLLUTION

A. Contract Mechanism for Financing Sewage Treatment Construction

- legislation authorizing the federal government to enter into long-term contracts with state and local agencies for the federal share of construction costs. The federal government would over a period of years pay annually the principal and interest payments representing the federal share of the bonds sold by public agencies to finance sewage plant construction. State and local bonds would be tax exempt. This new mechanism would be in addition to the existing grant-in-aid program.
- increased authorizations so that they will be sufficient for the federal government, utilizing both the grant-in-aid and contract mechanisms, to meet its full share of the cost of construction of water treatment facilities.

B. Federal Guarantee of State and Local Bonds

- legislation providing a federal guarantee for state and local bonds issued for sewage plant construction.

C. Federal Pure Waters Authority

- Federal Pure Waters Authority authorized to help communities which are not equipped to undertake projects. The Authority would sell the bonds, and could construct and operate the project. Localities would be charged a fee. The Authority might also be authorized on a regional basis, to handle solid waste disposal.

D. Pre-financing

- Retention of pre-financing provision if annual authorization is not sufficient for federal government to meet its share of the cost.

AIR POLLUTION

- A. Multi-State Compacts: Encourage multi-state air pollution control compacts where states show intent to meet responsibilities in combating air pollution.
- allow states to establish interstate regional boundaries meaningful to the states involved rather than give H.E.W. Secretary overriding power to disregard state desires
 - make states and federal government equal partners in the interstate agreement as was done in establishing the Delaware River Basin Commission. Each state and the representative appointed by the President would have an equal voice in planning and establishing and enforcing anti-air pollution standards.
 - financing should be undertaken jointly by the states and federal government rather than have full federal funding of interstate regional agencies.
- B. Tax Incentives: Federal and state tax incentives for industries which undertake air pollution control programs.

TRANSPORTATION

A. National Transportation Policy

Of first priority -- development of a national transportation policy which would be recommended by the President and enacted into law

B. Financing Capital costs of Mass Transportation and Airport Projects

-- Substantial increase (doubling) in funds for urban mass transportation grants

-- In addition, legislation authorizing Secretary of Transportation to enter into long-term contracts with state and local agencies to pay the federal share of the capital cost of mass transportation and airport projects. State and local bonds would remain tax exempt. The contract would commit the federal government to paying over a specified number of years the debt service on its share of the capital cost of the project.

Annual contract authorization should be sufficiently large so that all projects eligible for federal aid could participate in the federal contract program.

Should contract authorization not be sufficient, authorize pre-financing for capital cost of mass transportation and airport projects

-- Remove limitations on amount of funds any one state can receive. Under present mass transportation legislation, no state can receive more than $12\frac{1}{2}$ percent.

C. Expanded Research and Development on air traffic control and mass transportation systems

D. Legislation transferring Federal Maritime Administration from Department of Commerce to Department of Transportation.

SELECTIVE SERVICE SYSTEM

A. Selective Service Law

- legislation to provide a selective service law based on a lottery system
- at age 19 every man would be given the option of a student deferment allowing him to continue his education up to and including a bachelor's degree. Upon graduation his name would be placed in a lottery pool for the period of one year and if during the one-year period his name was not selected the man would then be considered free of the draft unless national defense needs increased; or
- at age 19 a man would place his name in a lottery pool for a period of one year. If his name was not selected during the one-year period the man would then be considered free of the draft unless national defense needs increased.

B. Draft Boards

- establish national standards for the selection and appointment of local draft board members in order to assure adequate representation of all groups; and
- establish national guidelines for the application of laws, rules and policies of the selective service system.

YOUTH

A. Youth Cabinet

- establish a Youth Cabinet (between ages 21 - 35) to provide young people with an opportunity to assume a constructive role in the development and review of federal projects and policies to help assure that all programs are responsive to the needs, concerns and interests of the young
- membership of a Youth Cabinet should provide broad representation of the various ethnic and social youth in America

B. Voting Age

- propose constitutional amendment to afford every citizen eighteen years and over the right to vote at every election by the people and upon all questions submitted to the vote of the people.

Education - Establishment of Commission on Quality
and Relevance of American Education

- Commission to be of stature of Hoover Commission
- Members of Commission to include representatives of local, state and federal governments as well as representatives of education community and private citizens.
- Commission would review the impact of recent developments on education and rethink the basic questions of what education is, what it should do, and who should do it.

MEMORANDUM

TO: Dr. Kissinger

FROM: Bob Haldeman's Office

RE: Attached memo addressed to Mr. Nixon, Subj: National Security Organization

The attached memo for your action.

Please note RN's note in upper right hand corner of first page.

encl.

November 7, 1968

H. H.

MEMORANDUM FOR MR. NIXON

NATIONAL SECURITY ORGANIZATION

*① Note
RN
George
think this is
good idea - see if
good partner agree -
Also - set up
with fair
② M. should see
chain of joint chiefs
on Jan 21*

Summary

On January 20 you will take charge of the immense apparatus guarding American security. You will have to start making decisions on subjects ranging from the missile-mix for the mid-seventies to tomorrow's instructions for a tariff negotiation. This memorandum concerns ways in which you might most quickly gain control of the labyrinthine bureaucracies that handle diplomatic, intelligence, military and foreign economic affairs.

What you will want from these bureaucracies is obvious—full and timely advice on problems you must face and ought to face; recommendations reflecting your own policies and preferences and sense of priorities; and action carrying out your decisions. You cannot, however, count on the government's automatically supplying your needs. Every agency and subagency will have its own self-interested view of what is best for the nation. Each will have its own priorities, and each will differ in the degree of efficiency with which it operates. You will need arrangements for policy-making that take account of these facts.

You need not, of course, build from the ground up. There exists a valuable body of experience concerning White House policy coordination. A recently established Senior Interdepartmental Group, with its subsidiary Interdepartmental Regional Groups, (the SIG-IRG network) should be of continuing utility. The Defense Department is now so organized that it can be much more helpful to you than it was to President Eisenhower, and the intelligence community is somewhat better managed and disciplined. Facing you during the transition will be, principally, the problem of how to make the rest of the foreign affairs establishment more responsive to your needs and wishes.

After elaborating some of the points just mentioned, the body of this memorandum puts forward five broad recommendations:

(1) Strengthen the Secretary of State. We assume that you will be your own Secretary of State in the sense of retaining control over policy. We believe, however, that you will be handicapped in doing so unless you have someone at State who can mobilize and manage the diplomatic corps and related groups with effectiveness comparable to that of the Secretaries of Defense and the Treasury. To this end, we suggest specifically that you

(a) appoint a Secretary and Under Secretary who can work interchangeably;

(b) ensure that the Deputy Under Secretary for Administration and the head of the Secretariat are chosen by and work for this team;

(c) allow the Secretary and Under Secretary a large voice in choosing Assistant Secretaries and a few key ambassadors;

(d) urge the Secretary and Under Secretary to equip themselves with staff assistance comparable to that of the Secretary of Defense; and

(e) seek from the foreign affairs community alternative proposals rather than yes-or-no issues.

(2) Preserve centralized control of the military establishment but take pains to display confidence in military professionals. You will face the difficult problem of reassuring military professionals that their services and advice are valued without at the same time committing yourself to accept their policy recommendations or approve their budget proposals. We suggest that, to meet this problem, you

(a) maintain without major changes the management power of the Office of the Secretary of Defense;

(b) urge the Secretary of Defense to seek cordial relationships with the service chiefs and other military professionals;

(c) acquaint yourself with the military chiefs; and

(d) ensure that your staff has some competence in the defense policy area.

(3) Give the SIC-IRG system a trial before instituting or reinstating other formal consultative machinery.

(4) Equip your staff with better resources. Specifically, we urge that you

(a) organize your staff so that it can cope expertly with the full range of national security issues confronting you;

(b) ensure that your national security affairs staff has some sense of your domestic concerns;

✓ (c) create a small research staff in the Executive Office, working under the Cabinet Secretary, so that your staff can have access to background information and departmental staff work not currently available to the White House;

✓ (d) establish also in the Executive Office or perhaps in the Budget Bureau a program evaluation facility, so that on occasion you can cross-check agency estimates of the effectiveness of programs in their charge; and

(e) adjust the size and strength of your staff to take account of weaknesses in the departments.

(5) Take pains to give your staff and principal agency heads understanding of your wishes. Specifically, we would urge you to bear in mind the costs of always keeping as many options as possible open until the last possible moment, to hold meetings with your staff and otherwise keep them abreast of your thinking, and, within limits, to explain to agency heads your reasons for accepting or rejecting their recommendations.

NATIONAL SECURITY ORGANIZATION

1. Introduction

1. Little that is not self-evident can be said about your needs. Only four points deserve emphasis. First, you can be relatively sure of the departments' putting tomorrow's issues before you but not of their letting you know about problems that

may become critical six months or a year hence. You will need arrangements enabling both agency heads and your staff to identify issues on which you ought to be informed.

Second, you want arrangements that protect your calendar, so that the minutes of your day can go to matters really deserving presidential thought.

Third, you want further protection against having to make the same basic decisions over and over. After you have adopted a policy, you want the bureaucracy to take that policy into account when making recommendations on related matters. This point is worth mentioning only because of the frustration of your predecessors. President Eisenhower, for example, never persuaded the military to remember his concern about the domestic effects of spending. While you will not want departments full of yes-men, you will want some sensitivity to your preferences.

Fourth, you will want your decisions carried out. This obvious point, like the preceding, is worth mentioning only because so many past Presidents have discovered that their express wishes were not translated into action. President Kennedy was embarrassed during the Cuban missile crisis by the presence of American JUPITER missiles in Turkey though he had, in fact, ordered their removal some months earlier, and his order had not been executed.

2. Whatever arrangements are adopted should take account of the fact that no part of the national security apparatus—not even the White House staff or the Budget Bureau—has quite the same interests and perspectives as the President. The Department of Defense, in its nature, regards present and contingent military problems as more important than others, while the Department of State sees diplomatic problems in the same light; and units within each department differ on the kinds of problems and regions of the world that deserve most urgent attention. Recommendations from each are apt to involve its doing what it can do best. Thus, in the Laotian crisis of 1961, the Joint Chiefs advised large-scale use of U.S. ground and air power; the CIA saw a solution in largely clandestine support of one political faction; and groups in the State Department urged negotiation of one kind or another. When representatives of different agencies sit down together, they rarely trade in exchangeable currencies. In the end,

only the President can decide in an important case which military or diplomatic or economic interests outweigh others. Yet the President must expect to receive his advice from, and have his decisions executed by, men who may often believe wholeheartedly that they know better than he what the national interest really is.

The presidential role is further complicated by pressures of time. A sudden event abroad or at home will require a statement or an instruction. Sifting of facts and alternatives has to take place quickly, and some individuals and agencies will respond more efficiently than others. It is for this reason that President Johnson and his staff have come to rely more on Defense than on State for urgently needed information and recommendations.

II. The Apparatus You Will Inherit

3. At present, coordination of national security policy is centralized under a White House Special Assistant. Under President Eisenhower, General Carroll and then General Goodpaster sorted relevant cables and memoranda, selecting those the President needed to see and, to some extent, briefing him on upcoming issues. Goodpaster made arrangements for all interested parties to be represented whenever a Secretary or agency head was to present a recommendation, applying the principle, "each in the presence of all." Cutler, Anderson, and then Gordon Gray shared this work and, in addition, supervised NSC activity. The NSC then had, in addition to departmental representatives, a comparatively large staff of its own. Kennedy transferred all these functions to a Special Assistant. Bundy and then Rostow, with deputies who were practically Special Assistants in their own right (Kaysen, Komer, Bator, etc.), have handled the Goodpaster and Gray tasks and also those of the NSC Planning Board and the Operations Coordinating Board. Aided by a small staff divided among regional desks counterpart to the regional bureaus in State, they have sorted incoming information and advice, reached into departments to obtain additional information and recommendations, and kept check to ensure that real issues were not overlooked and that presidential decisions were being carried out.

4. Since 1966, White House coordination has been complemented by formal interdepartmental consultation through a Senior Interdepartmental Group (SIG) and

Interdepartmental Regional Groups (IRG). The SIG consists of the Deputy Secretary of Defense, the Chairman of the JCS, the President's Special Assistant for National Security Affairs, the heads of CIA, AID, and USIA, and, when appropriate, number-two men from other departments and the Budget Director. The Under Secretary of State is chairman, possessing "full powers of decision . . . , unless a member who does not concur requests the referral of a matter to the decision of the next higher authority." The IRG, headed by regional Assistant Secretaries of State, consist of their counterparts from Defense, the Joint Staff, CIA, AID, and the White House staff. Under them are still lower-level groups led to Country Directors from State.

During its first year or so, the SIG-IRG system seemed a total failure. Quite recently, the picture has changed. Members of a small SIG staff, recruited by Under Secretary Katzenbach, attribute this to an alteration in procedure. The SIG now asks the IRG and lesser groups to define points of disagreement rather than try to work out compromises. This speeds matters along. Not making concessions, departmental representatives below the SIG do not have to seek clearances from other units in their own agencies. Also, the SIG is presented with issues. As a result, the SIG can at least do somewhat more to make clear to the Secretaries and the President what it is that has to be decided.

5. Among executive agencies concerned with national security policy, the most powerful and most effective is the Office of the Secretary of Defense (OSD). McNamara developed to the full the potential power latent in that Office. Some of what he did undoubtedly deserves criticism. In addition to making mistakes in some decisions, he aroused in the services and in Congress hostility which proved costly not only to him but to the Presidents whom he served. Nevertheless, consciousness of faults in McNamara's performance should not blind one to his accomplishments, for a Secretary of Defense can now do what he could never do before. He can advise the President as to what the defense budget will buy and, to a large extent, ensure that the services carry out the President's wishes.

Several innovations contributed to this result. The most important was acquisition by the Secretary of some degree of budgetary control. None of McNamara's predecessors

had been able to do more than set ceilings for each service. Now, a Secretary has the wherewithal to go over service requests item by item and decide rationally which to disapprove and which to recommend to the President. Tools such as systems analysis and program budgeting have helped him to do this. They were especially useful to McNamara in his early days, before the services learned how to adapt the same tools to their own purposes. In the long run, the Secretary achieved and preserved a measure of budgetary control not by gimmickry but by matching and excelling the services in their own area of greatest strength—coordinated, detailed, and deep staff work.

The Office of the Secretary of Defense constituted in McNamara's time a management team. Every Assistant Secretary and other major non-career appointee was someone whom the Secretary trusted. By and large, none carried routine line responsibilities. Each worked directly for the Secretary, answered to him alone, and, when authorized to do so, acted for him. And each understood that his function was to enable the Secretary to understand, evaluate, and pass judgment on defense policy. Whether McNamara used his capabilities wisely or not is, of course, open to dispute. Whatever the case, teamwork, with all members of the team sharing common objectives, made him the most effective manager of bureaucracy that our government has ever seen.

The part of the team equipping the Secretary of Defense to deal with broad issues of national security policy has been the Office of International Security Affairs (ISA), under an Assistant Secretary of Defense. It makes use of relevant organizations within the services and also recruits for its own staff one hundred or so of their best and most experienced officers. In addition, it contains another one hundred or so civilians in career or appointive posts, representing regional and functional expertise easily equal to that in the upper reaches of State or CIA. When even these resources are insufficient, it calls on RAND, the Institute of Defense Analyses, and other outside bodies. The mixed military-civilian group in ISA has so far retained consistent high quality. Owing to its smallness and flexibility, internal fighting has remained minimal. Above all, it has been close enough to the Secretary so that its representatives have

characteristically spoken with more authority than their counterparts on interdepartmental committees.*

6. CIA remains comparatively efficient. Since several other groups are preparing detailed studies of its organization and operations, we note here merely that it possesses some of the ablest and most thoughtful foreign area experts within the government and that your various advisers, when preparing recommendations for you, need to be able to take into account its special operating capabilities.

7. The State Department has remained ineffectual as compared with Defense, CIA, or, in its sphere of interest, the Treasury. Dulles never tried to master the department. If Rusk has tried, his effort has failed. As a result, the weaknesses of State in both advisory and operating roles will constitute an immediate problem for your administration. Some visible weaknesses are the following:

✓ (a) The flow of written matter within the department is stupefying. Daily cable traffic alone exceeds in wordage all that carried by all newspaper wire services. Most officers stationed in the department occupy their time drafting responses to cables or reading responses drafted by others in order to make sure that outgoing communications are as nearly consistent with one another as possible. Important drafts are submitted to Assistant Secretaries. The most important drafts go then to the Secretary or one or more of his aides. The major departmental function falling to the Secretary therefore is to approve, amend, or disapprove these drafts.

*Signs have begun to appear recently of a slight decline in the power of ISA and the Office of the Secretary of Defense. Indications are that ISA representatives now do not dominate interdepartmental committees so often as in the mid-1960's. One reason undoubtedly is the hostility of the services toward the Secretary. Another is recognition in other parts of the government of the estrangement between Defense and the White House which was a factor in McNamara's departure. Probably, however, another factor is a basic change in the terms of interdepartmental trade. Concern over the danger of new Vietnams, expressed in Congress not only by "doves" but also, recently, by Russell, Symington, and Stennis, has reduced the potential political appeal of the kinds of arguments that Pentagon representatives are best equipped to advance. The relative success of the SIG-IRG system probably bears witness to this change.

(b) The volume of traffic and pressures of time are such that the top officials seldom receive explanations of the background or significance of what they are asked to endorse. They do not have leisure to make independent inquiries. Since interbureau clearance tends to produce compromises, the Secretary and his aides often will not learn of disagreements at lower levels. They act, to be sure, as final monitors, and bring to their reading of draft cables a broader view than that possessed by others, but what they can do, important though it may be, is limited.

(c) The Secretary and his aides have relatively little power of initiative. They can issue general directives—e.g., the United States should avoid the appearance of supporting Argentina's military regime against its domestic opponents. They are not equipped and could not be equipped to compose day to day instructions effectuating this purpose. They can merely try to note whether communications from and to the country team depart from this general principle. Past attempts to supply the top level of the department with resources for exercising initiative have produced little result. The Policy Planning Council and bodies such as the Deputy Under Secretary's Politico-Military Affairs staff are helpful chiefly if individuals within them share the job of scrutinizing cables.

(d) The Secretary of State has relatively little leverage within his department. Unlike the Secretary of Defense, the Secretary of State has not found a means of compelling career officials to explain and justify their recommendations. Members of his department are less concerned than the armed services with budget shares. The total budget is small. While the Secretary can increase or reduce requests presented to Congress, he has almost no power to decide that funds should go to AID or USIA instead of the diplomatic service. He has only minimal influence over matters of personal concern to members of the Foreign Service—promotions, assignments, and perquisites. Even that influence is less than it might be, because custom has given members of the House Appropriations Committee a voice in choosing the Deputy Under Secretary for Administration. Thus the presidential appointee who sits over the Director General of the Foreign Service and the Foreign Service Inspection Corps is only partially answerable to the Secretary.

To be sure, the apparent chain of command in the department runs from the Secretary through Assistant Secretaries or other Bureau chiefs. With only the rarest exceptions, however, the latter cannot function unless they identify themselves with the regional or functional units over which they preside. They make it their mission to secure the Secretary's OK on cables prepared or cleared by their subordinates. The Secretary's single powerful source of leverage remains therefore his ability to amend or disapprove cable drafts daily shovelled at him.

III. Recommendations

8. Strengthen the Secretary of State. For a President to be his own Secretary of State no longer means, as in the days of Roosevelt and Hull, that he needs a weak or submissive man heading the State Department. On the contrary, with the Pentagon, CIA, and the Treasury as strong as they now are, the President will acquire more opportunity to exercise policy choices if he has a man heading State who can take a forceful part in debate. The President can also devote more time to policy-making if sure that someone outside the White House can make the diplomatic, aid, and information bureaucracies execute presidential decisions. We believe that it will be advantageous to you to make the Secretary of State much stronger, especially as a departmental manager. Accordingly, we would urge you to take the following steps:

(a) Appoint a Secretary and Under Secretary who can work interchangeably. In State more than any other agency, the two top men must be interchangeable. Because of international conferences as well as obligations to Congress, the Secretary is often absent. It would seem imperative that the man acting for him be someone whom he is willing to trust as his alter ego. Yet, strangely, this condition has obtained only once in the past quarter century—when Marshall was Secretary and Lovett Under Secretary. No other measure will strengthen the Secretary vis-a-vis the department unless he and the Under Secretary have complete confidence in one another's judgments, possess virtually identical understanding of what the President's policies require, and, perhaps most important of all, agree as to what the Secretary's functions ought to be.

(b) Ensure that the Deputy Under Secretary for Administration and the head of the Secretariat are chosen by and work for the Secretary and Under Secretary. Even if they can work closely together, your Secretary and Under Secretary of State will need management aides. One, crucial to their control of the department, is the Deputy Under Secretary for Administration. At present, this official is in part the choice of members of the House Appropriations Committee. Foreign Service officers oppose this custom and advocate that, as was once the case, he be a career man. To us it seems of great importance that he be neither a congressional nor a Foreign Service nominee but instead that he be chosen by, and be exclusively responsible to, the Secretary and Under Secretary. One consequence, to be sure, would be increased strain on the Secretary, for he would have to spend more time on Capitol Hill, defending the department's budget. Probably, he would be unable to obtain from the House some funds for missions abroad which are now granted simply on the certification of a Deputy Under Secretary trusted by key Congressmen. But we believe that these costs would be relatively minor compared with the potential gains. The Secretary would gain much more freedom to effect organizational changes. He would also acquire greater control over assignments, promotions, perquisites, and other sources of influence over the career service.

The Secretariat, which is at present a servant of the Secretary, should remain so.

(c) Give the Secretary and Under Secretary a voice in choosing Assistant Secretaries and a few key Ambassadors. Obviously you will not want to relinquish all responsibility for choosing Assistant Secretaries and Ambassadors. On the other hand, you will not want to reproduce the situation that existed in 1961, when many holders of such posts regarded the President as their immediate supervisor.

At present, the department's roster includes a second Under Secretary, a Deputy Under Secretary for Political Affairs, and, in addition to the head of the Secretariat, thirteen other Assistant Secretaries or equivalents. Given the way the department works, the key figures are the five Assistant Secretaries in charge of regional bureaus (Europe, the Far East, the Near East and South Asia, Inter-American Affairs, and Africa—in that order), plus the head of Economic Affairs. The second Under Secretary and the Deputy Under Secretary for Political Affairs (the latter customarily a Foreign

Service officer) have not, as a rule, had clearly defined function. The remaining Assistant Secretaries or equivalents (the Counselor, the Legal Adviser, and the men heading up Congressional Relations, Intelligence and Research, Public Affairs, Scientific Affairs, Cultural Affairs, and International Organization Affairs) have usually not played key roles.

If your Secretary and Under Secretary are to gain management control of the department, they will need to have men responsible to them heading the regional bureaus and Economic Affairs. This will be particularly necessary if the SIG-IRG system is preserved. In addition, they should control the second Under Secretaryship and Deputy Under Secretaryship so that they may redefine both and use them as posts for key staff assistants. Perhaps they will also need the Legal Adviser in order to make freer use of the noncareer talent that flows from law firms into that office. The remaining Assistant Secretaries or equivalents would not need to be equally close to the Secretary and Under Secretary if the organization of the department remains unchanged. In fact, however, the other bureaus do not have to be headed by men of such high rank. The relevant legislation empowers the Secretary to "prescribe duties for the Assistant Secretaries . . . and . . . make changes and transfers . . . when, in his judgment, it becomes necessary." We would recommend that some lesser bureaus be placed at least temporarily under men below the rank of Assistant Secretary while your appointees take time to consider the organizational arrangements that will work best for them.

Proposals for the key Assistant Secretaryships could, of course, come from your staff or any other source. Ultimately, you have to make the decisions and send recommendations to Congress. We would urge, however, that the selection process not consist of nominations from the White House subject to veto by the Secretary and Under Secretary, for, whatever the actual process, those chosen should not be simply men with whom the Secretary and Under Secretary feel satisfied but men in whom they repose a high degree of confidence.

As for ambassadorships, only a few will be really important to your State Department team. We feel that you should give the Secretary and Under Secretary a large

voice in choosing those who will represent you in Moscow, Paris, Bonn, London, Tokyo, New Delhi, and Warsaw, if it continues to be the point of contact with Red China. They should also have some say with regard to the major international organization posts, the UN, NATO, and the OAS, and potential trouble points. Saigon is a clear case. Others are Seoul, Taipei, Bangkok, Karachi, Teheran, Baghdad, Tel Aviv, Cairo, Athens, Belgrade, Bucharest, Prague, Madrid, Johannesburg, Rio, and Buenos Aires. There are doubtless a few others about which your Secretary and Under Secretary ought to be consulted. Most remaining ninety-odd embassies, however, could be used by you to reward political supporters or to gratify the Foreign Service, without harm to the ability of your Secretary and Under Secretary to manage their department effectively for you.

We recognize, of course, the immediate costs to you of following our recommendation. Second-level posts in State and major embassies are among the most coveted prizes in the gift of a new President. You will disappoint some friends and supporters if you turn aside their claims in favor of appointees more agreeable to your Secretary and Under Secretary. You will give up a certain amount of your potential ability to satisfy or conciliate congressional and other blocs particularly interested in certain areas or policies. And you may well feel that, in doing so, you are ceding some of your potential leverage within the Department of State.

We would not argue that you should pay these costs were we not convinced that the benefits to you would outweigh them. We believe that you can score more net gain in public and congressional support, even in the short term, by establishing mastery over the State Department than by gratifying immediate wishes of office seekers and pressure groups. We believe equally that you can achieve such mastery only if you install a powerful managerial team in the Department. And we would add that, if past experience is a guide, you could not attain the same end by putting your own men into key posts in the department hierarchy, for, like Roosevelt and Kennedy, you would soon find most of them to be neither your agents nor the Secretary of State's but rather spokesmen for the bureaucratic interests they had taken in charge.

To offset loss of patronage at the top level, you might well make a larger number of political appointments at secondary embassies. This, too, would have its costs, for

Foreign Service morale would be hurt, and you would encounter criticism from friends of the Foreign Service, especially in the Eastern Establishment. We are persuaded, however, that Foreign Service professionals do not necessarily make the best ambassadors. There are obvious exceptions, such as Martin in Buenos Aires and Thompson in Moscow. But, since embassy staffs are dominated by Foreign Service officers, the points of view of the professionals will be influential in any case. Well-qualified non-professionals can ensure that other perspectives are represented.

(d) Urge your Secretary and Under Secretary of State to equip themselves with adequate staff. As the State Department is now organized, most second-level men are relatively independent of the Secretary. Each Assistant Secretary and Bureau Director manages a cluster of country desks. Undoubtedly, this grouping of desks is necessary. Some filter must exist between the country director or division chief and the Secretary. Undoubtedly, too, the men so placed must be politically responsible. The regional Assistant Secretary of State, it has been said, is the first man who can commit the United States. But, as line rather than staff officers, Assistant Secretaries carry to the Secretary recommendations formulated within their bureaus. They argue for adoption of these recommendations. They do not give detached advice about pros and cons. And this is likely to remain true, even if the Secretary and Under Secretary have a large hand in choosing the regional Assistant Secretaries.

The Secretary and Under Secretary must therefore acquire assistance in understanding and evaluating recommendations from the bureaus. How they should arrange for such assistance presents complex questions probably requiring some trial-and-error experimentation. By redefining the second Under Secretaryship and the Deputy Under Secretaryship for Political Affairs, they could provide themselves with two high-level aides. They could also redefine some existing Assistant Secretaryships or equivalents so that these posts did not involve heading up bureaus. Men so situated might work as high-level staff for the Secretary. Not handling any category of business as a matter of routine, they could deal with problems which the Secretary assigned them. The Office of Politico-Military Affairs, currently under the Deputy Under Secretary for Political Affairs, provides a nucleus for a staff that could serve the Secretary as ISA serves the Secretary of Defense. The Secretary and Under Secretary would

have to make a systematic effort to add to it a small number of the very best career men to be found in the bureaus and in AID, ACDA, CIA, and the military services.

9. Preserve centralized civilian control of the military establishment but take pains to display confidence in military professionals. Relations with the military establishment present delicate and difficult problems. Senior officers in all the services feel that during recent years their professional judgment has been ignored or overridden. They are resentful of the extent to which the civilian Secretary of Defense has acquired control over budgetary decisions and has become, in fact as well as by statute, the President's principal adviser on military matters. They command much sympathy in Congress and elsewhere.

As President, you will, on the one hand, want the assistance and cooperation of the professional military and the benefit of their wisdom on matters within their competence. On the other hand, you will not want to be bound by their judgment of military requirements, for you must keep spending within some bounds. Neither will you want to give the military a determining voice in policy. During the transition and afterward, you will need means of accomplishing three objectives which are hard to reconcile: to meet the legitimate desire of the military to be consulted about matters involving the national security; to maintain at the same time firm budgetary and policy control; and, insofar as possible, to prevent the military from appealing against you to their powerful friends on the Hill. As possible means of achieving these ends, we suggest the following.

(a) Maintain without major changes the management power of the Office of the Secretary of Defense. Without a Secretary of Defense possessing a full panoply of management tools, you will be unable to discover the objectives of defense expenditures and to appraise the relative merits of service proposals. You could well find yourself doing the work now done by the Defense Secretary. Like President Eisenhower, you might have to adjudicate even petty disputes among the services, ferret out their log-rolling, and stand as the principal target for public and congressional criticism of defense policy decisions. Only a Secretary of Defense equipped for intensive analysis of research, development, procurement, planning, and deployment issues will be able to identify for you the problems deserving your attention and the alternatives open to you.

We would recommend that in Defense, as in State, second-level appointments be made with a view to giving the Secretary a team he can trust. Because the travel schedule of the Secretary of Defense is less demanding, he need not have a Deputy Secretary who can act as alter ego. He does, however, need a Deputy to whom he can confidently delegate large responsibilities. He also needs men who he can regard as staff aides in at least seven of the department's nine Assistant Secretaryships or equivalents.

Though we believe that your Secretary-designate should probably reduce the relatively swollen civilian staff now attached to his Office, we would advise against arbitrary personnel ceilings. We would also advise against dismantling the two largest organizations now under the Secretary, the Defense Intelligence Agency and the Defense Supply Agency. The former is of great value in enabling the Secretary and his aides to match the services in staff work on policy issues. The latter effects savings in money.

The service Secretaries and other civilians in the service departments perform important administrative duties. Rarely, however, do they have much to do with either policy issues or budgets.

(b) Urge the Secretary of Defense to seek cordial relationships with the service chiefs and other military professionals. Some resentments among the uniformed services are simply products of tactless and insensitive behavior on the part of civilians. We believe that much ill-feeling would dissolve if your Secretary and his aides take pains simply to indicate respect for the uniformed services and the dedicated and experienced men who lead them. Among other things, they could meet more frequently, informally as well as formally, with the Joint Chiefs and senior staff officers. They could spend more time both listening to military recommendations and explaining their decisions or yours. They could avoid forcing unwanted decisions on the services when the policy or budgetary consequences are minimal (as was the case in the early McNamara effort to unify military education). Equally, they could exercise some judgment such as was not displayed in the TFX case, as to whether marginal savings are not better achieved by enlisting enthusiastic cooperation from the services than by imposing civilian judgment.

(c) Acquaint yourself with the military chiefs. It is widely believed that in recent years the chiefs of staff have been denied access to the President. The facts probably are exactly the reverse. Members of Johnson's staff tell us that the Chairman and service chiefs obtain appointments relatively easily and sometimes without the fact being known to the Secretary of Defense or even to the President's Special Assistant for National Security Affairs. It was President Eisenhower who had it made law that a civilian Secretary should be his principal military adviser and who made it a private rule not to see members of the JCS except in the presence of the Secretary and, where appropriate, all other interested parties.

We believe that President Eisenhower's practice had great merit, and would have had even more if his Defense Secretaries had been better equipped to perform the role he desired them to perform. Though you will, of course, want to give the Chairman and individual service chiefs a hearing when they request it, you will not want them to consider you a court of appeal against your Secretary of Defense. Neither will you want to give the professional military—any more than the professional foreign service—an impression that they are entitled to a voice in policy equal to that of your high-level appointees. At the same time, you will want to do something to counteract any impression that the professional military are denied adequate hearing.

Good
We would suggest the following moves. First, we would urge that you find several early occasions to see all the Joint Chiefs, in company with the Defense Secretary. Such sessions would not only demonstrate your interest in their views but would also enable you to get to know better the three chiefs (Army, Navy, and Marine Corps) whose terms run beyond the transition period. Second, you could take an active part, along with your Secretary of Defense, in considering replacements for the two members of the JCS whose terms expire during 1969, the Chairman and the Air Force Chief of Staff. Third, you could make a point of occasionally joining your Defense Secretary for a briefing given in the Pentagon by the Joint Staff. Fourth, you could indicate your own interest in and respect for the military profession by visiting the National War College and, if possible, some of the service War Colleges and academies. If appropriately handled by your press secretary, these relatively simple steps could affect not only opinion within the services but public and congressional opinion as well.

(d) Ensure that your staff has some competence in the defense policy area.

Though we recommend that you have a strong Secretary of Defense, we feel that your staff should have some ability to cross-check his recommendations, for, in seeking harmony within the Pentagon, he may well accept budgetary or other compromises which you would be reluctant to endorse. We would not urge that, for this purpose, you place a senior military man on your staff. The precedent of Maxwell Taylor suggests how difficult it may be for even a retired senior officer to see issues from the President's rather than the Pentagon's point of view. Nor would we urge that you equip yourself for elaborate staff review of defense policy. You would lose thereby many of the advantages of having a strong Secretary of Defense. But at least one man on your White House staff should know the ins and outs of the Pentagon, or at least be able to exploit defense policy expertise in the Budget Bureau, well enough to explore for you opinions within the service staffs and the Joint Staff about issues on which you must pass final judgment. One advantage to you of taking careful interest in the appointment of a new Chairman is that a good man in that post could be an excellent point of contact for your staff.

10. Give the SIG-IRG system a trial before reinstating NSC or other formal consultative machinery; rely on ad hoc groups to deal with issues not suitable for SIG-IRG processing. Aware of the Bay of Pigs and the faulty handling of Vietnam and recognizing also the weaknesses of the State Department, you may feel a strong temptation to restore the more comprehensive and seemingly more orderly NSC-Planning Board-OCB structure that Kennedy dismantled. We recommend that you not do so at least during the early months of your administration. One reason is that it would be easier for you to take such action later than to do away with a formal structure, if you set it up soon after taking office and then decided that it did not work satisfactorily. A more important reason is that we believe you will find it, in practice, more satisfactory to let the SIG-IRG network serve as your basic instrument for interdepartmental coordination.

At the country desk level, the SIG-IRG system standardizes a kind of exchange which is going to take place anyway. The Pakistan specialists, for example, in State, Defense, CIA, AID, and USIA would maintain contact in any case. More efficiently

than the NSC Planning Board, and without an extra layer of staff, the SIG-IRG format makes it difficult for any clique among specialists to disregard an important minority view. It also lays on one State Department man the responsibility for reporting differences of view to those at the next higher level. To an extent, the same is true for the IRG's and the SIG itself.

Obviously, interdepartmental consultation must occur outside this system. Some issues do not lend themselves to country-by-country or even region-by-region handling. Balance of payments is an example. Other issues may be distorted if so handled, especially if the core problem is not what to do in a given place but whether doing anything at all may lead to diversion of resources more needed elsewhere. And really hot issues will inevitably be handled by principals rather than deputies.

We believe, however, that your interests would be best served by dealing with such matters not through an additional formal apparatus but through temporary ad hoc committees. The advantages we see are the following. First, ad hoc committees will be your creations. They will exist only because you want some work done. They will not, like NSC committees of the 1950's, be making work for you. Second, they can be small, and composed only of people essential to business in hand. There need not be present, as on NSC committees, representatives with irrelevant interests to espouse. Third, they can sometimes accomplish their mission without the press getting word even of their existence. Fixed committees, on the other hand, always have reporters near at hand. Finally, they will come into being whether you authorize them or not, for in fixed committees, certain members will always caucus. You and your staff will get more feed-in and have more control over policy-making, we believe, if your primary reliance is on the SIG-IRG system and, outside it, on informal consultation and small ad hoc committees with specific mandates.

11. Equip your staff with better resources for appraising agency recommendations.

We deal with a number of related issues in a separate memorandum, "Staffing the White House." Here we wish to suggest specifically that you:

(a) Organize your staff so that it can cope expertly with the full range of national security issues confronting you. The design of your White House will depend on your

interests and work habits and individual qualities of your staffers. It is difficult therefore for us to suggest anything more than very broad guidelines.

Having already urged that you not reinstitute elaborate formal machinery, we should caution here against the other extreme—concentration of the coordinating function under a single Special Assistant. In fact, neither Bundy nor Rostow ever monopolized this function. Not only was each under some obligation to cross-check with other Special Assistants, such as Sorenson, Moyers, and Califano, but each had to delegate large responsibilities to deputies. In October, 1962, Bundy dealt with nothing except the Cuban missile crisis. All other national security business was handled directly for the President by Kaysen. Later, Bator dealt with European and international economic affairs, simply keeping Bundy and Rostow informed of what he was doing.

If you follow the Kennedy-Johnson precedent, you will have one Special Assistant as, in effect, chief of staff for national security affairs, with others holding the title of Deputy Special Assistant. This has both the advantages and the drawbacks, elaborated in our other memorandum, of any-chief-of-staff system. Alternatively, you could divide the national security portfolio among two or more Special Assistants.

In either case but especially in the latter, you should take two precautions. First, you should ensure that no Special Assistant is handling primarily the business of one department, for he could too easily turn into a departmental spokesman. Despite need for military expertise somewhere on your staff, we believe it would be a mistake to have a man dealing only with military affairs. Equally, it would be undesirable to have a man only for economic affairs. Second, you should ensure that each man's assignment is relatively well-defined. Otherwise, they could get in each other's way. Worse still, departmental officials could turn to one rather than another, depending on their judgment of which would be more helpful to them.

Within your White House national security team, however organized, certain competencies will have to be represented. Not only will someone have to know the inner workings of the military establishment; someone will also have to possess mastery of international economic issues; someone should further have intimate under-

standing of the intelligence community. Though no member of your staff needs to be a regional expert, all those dealing with national security affairs should have in their backgrounds experience or education enabling them quickly to become skeptical judges of assessments offered by diplomats and regional experts from State, CIA, and ISA.

How many specialties will have to be represented in the national security team depends on the total composition of the White House Staff. You and your Special Assistants can draw on the Council of Economic Advisers and the Science Advisory Council. You might find it advisable to appoint an intelligence aide who would not serve as a Special Assistant but who would be able to speak on the relative capabilities of elements within the intelligence community.

Your national security aides will, and must, have staff assistance of their own. A small group, consisting mostly of regional experts, now works under Rostow. We believe that your Special Assistant(s) should have a similar group, supplemented by the small research staff proposed below. The reasons are three. First, your Special Assistant(s) will need to sit astride an immense volume of cable traffic. The White House Situation Room receives information copies of all important State, Defense, and CIA communications. It is desirable that this flow continue. Otherwise, your staff might not receive advance warning of crises or complicated issues, and you would have many fewer opportunities for timely presidential intervention. But men working directly for you will not be able to sift this mass of paper. Others will have to select what they must read so that they can select what you must read. Second, your Special Assistant(s) must not have to depend on departmental representatives to explain contexts and technicalities of issues. On any important matter, they should be able to acquire almost as much knowledge as the operating specialist. Third, your Special Assistant(s) can use aides taken from the departments to inform them about internal politics within their former agencies and to provide contacts with informants at middle and lower levels of the bureaucracy.

(b) Ensure that your national security affairs staff has some sense of your domestic concerns. One weakness in the present system, as in President Eisenhower's NSC organization, is that domestic aspects of national security issues are apt to be

overlooked. The President himself has to bring them into the picture in the final stage of decision. Under pressure of time, especially if all national security agencies and the Special Assistant are in concurrence, even the President may not do so. Such was the case with President Johnson's decision to initiate bombing in North Vietnam. Almost all the civilians around him recommended the measure as a temporary expedient, the purpose being to elicit from Hanoi signals of willingness to move toward tacitly agreed mutual de-escalation. No one lingered long enough on the domestic problems that would be involved in cutting back the bombing if such signals actually came, or if they did not.

In Kennedy's time, after several early mistakes, cooperation among Bundy, Sorenson, and the Budget Bureau Director helped to bridge this gap. If you have in the White House someone who completely understands your mind and your congressional and other political concerns, you could partially protect yourself by having him keep in close touch with your national security Assistant or Assistants. There is danger, however, of his becoming a bottleneck, as Sorenson sometimes did.

(c) Establish in the executive office a small research staff. In the past, new Presidents and presidential staffs have always been at a temporary disadvantage in the national security area because of their relative lack of information as compared with departments and executive agencies. Department and agency heads inherit permanent staffs and, in most cases, well-organized files, including the results of past in-house and contract research. New men entering the White House by contrast can call at most on the few civil servants remaining with the NSC and on the few records and studies which the Budget Bureau possesses. They have, in regard to national security problems nothing comparable to the files regarding legislation preserved by the Budget Bureau's Legislative Reference Service. On many current issues, they cannot even look up back papers for most have been crated for the outgoing President's archives.

Remedying this deficiency would be sufficiently demanding to require, at least at the outset, a staff assistant not only with energy and imagination but also with understanding of your interests and needs. To provide him with requisite status, we would suggest that he have the title, Secretary to the Cabinet, and perform in addition the not very onerous duties of that post.

Though an Executive Office research staff need not itself be large or costly, it must be able to use for your purposes and those of your White House staff the vast resources of the departments. Its head should have free access to those resources. He should define what he wants to include in a central register of records and studies. He will then have to identify all subagencies that must be tapped for information. (Units within Defense, for example, make a practice of keeping from other units knowledge of staff reports or contract studies prepared for them; your research chief would therefore have to demand direct responses at least from each service chief, the Director of the Joint Staff, and the Office of the Secretary of Defense.) Third, your research chief should spot-audit reports submitted. Though costs in money and manpower to the departments would run high and the pain to departments of yielding up their secrets to a presidential representative would run even higher, the results for you should justify the expense and the ordeal. You could effect significant savings by becoming able to warn departments of overlapping or repetitive research activity. More important still, your assistants should be enabled to enter meetings with departmental spokesmen measurably better equipped to ask the right questions and to appraise the answers given.

Obviously, the time of your Special Assistants is too valuable for much of it to be spent poring over long papers or studies extracted from departments by means of a central register. Most often, quick briefings would have to suffice. Given the urgency for action usually present, these briefings would, moreover, have to be prepared on short notice. This means that an Executive Office staff would have to include men who maintained familiarity with the materials on which the briefings would be based.

✓ We suggest that the research staff be made up of twelve to fifteen permanent people and outside consultants. The total number in the national security area should be roughly equal to the staff handling current national security affairs for your Special Assistant(s) and Deputy Special Assistants. The more the two staffs are counterpart, the more efficiently the research staff could be used. Had it been in existence in the mid-1960's, for example, it could have included a Southeast Asian specialist. Whether a career man, an academic commuting on some regular basis, or a man based at RAND or some similar place, he would have been familiar with past Defense, State,

CIA, and other files and studies relating to the area. He could have worked in tandem with Michael Forrestal, Bundy's man for current Southeast Asian affairs. Neither Bundy nor the President would have suffered any loss of time, and briefings that originated with Forrestal could have taken account of at least some of the by-then-forgotten thinking which had taken place during the Truman and Eisenhower administrations.

(d) Establish in the Executive Office a program evaluation group. The basic problem is easily stated. At present, the President gets most of his information about the effectiveness of programs from the agencies carrying them out. The military provide the only appraisals of how effectively military operations have been conducted in Vietnam. To be sure, the Budget Bureau performs some evaluation. Normally, however, it is in terms of effective use of funds. You need, in addition, some group to audit for you programs in which you take special interest. Whether such a group should be part of the Budget Bureau or separate from it, you could best judge after assessing the Bureau's current capabilities and appointing a new Director. Presumably, such a group would limit its reviews to a relatively few vital programs. Its size and composition would depend on the missions you decided to assign it.

(e) Adjust the size and strength of your White House staff to take account of weaknesses in departments. The more you find it possible to reinforce the Secretary of State and preserve the power of the Secretary of Defense, the more your staff can confine itself to your business. If your Secretary of State cannot achieve effective control over his department, men working for you will have to keep a much closer eye on cable traffic. As at present, they will often have to alert the Secretary of State as well as the President to matters requiring high-level attention, and they will necessarily take a larger hand in cable-drafting. They will also have to keep closer watch over the SIG-IRG network, perhaps even posting observers at the country desk level. And they will take on more operational assignments, including some outside the country, like Bundy's in Santo Domingo or Komer's in Vietnam.

Similarly, weakness in the Defense Department would call for strength in the White House. You would need on your staff or accessible in the Executive Office specialists able to analyze in detail the long-term budgetary implications of weapons system

choices, the relative merits of competing weapons, and the adequacy of actual and planned deployments to meet foreseeable contingencies.

We do not dwell on such requirements, for it is our view that your interests would be better served by strong departments. Realizing that your judgment may run in the other direction regarding one department or another, we merely urge here that, if so, you take into account the probable need to compensate by reinforcing the White House.

12. Take pains to give your staff and principal agency heads understanding of your wishes, preferences, and inclinations. The stress in most recommendations concerning national security organization falls on means by which decision-makers can obtain information and advice. We have been equally concerned in this memorandum with the problem of how you get your government to execute the decisions you make. As we read the history of the Presidency in the last quarter-century, it contains many fewer examples of decisions unsoundly based than of decisions misinterpreted, misunderstood, or accidentally or deliberately not carried out.

The organizational arrangements recommended earlier should enable you to have diplomatic and military establishments potentially more responsive to your wishes and a staff better equipped to see that this potential is realized. No arrangements will work effectively, however, unless you see to it that they do. At the risk of seeming presumptuous, we conclude this memorandum with some suggestions as to how you may provide leadership within your administration.

First of all, we feel that you would be well advised not to adhere too closely to the often-stated rule that a President should keep as many options as possible open for as long a time as he can. Your immediate predecessors had this rule urged upon them, with the example of FDR cited in support. They applied it, we believe, to excess. By maintaining till the last moment an impression that they might choose any one of a number of courses, they encouraged the build-up of bureaucratic lobbies. Some lobbies that might have withered away, if discouraged early, acquired such strength and determination and such support in Congress and the press as to remain active despite the decisions finally made. The "bombing pause" lobby is one recent example. The lobby advocating a multilateral nuclear force is another from a slightly

earlier period. We recognize, of course, that a President will usually refrain from committing himself until he has to. All we counsel is that you bear in mind the possible costs of committing yourself too late.

As you are in process of making up your mind, you would be well advised to communicate as clearly as possible to your staff exactly what direction your thought is taking. The staff exists to help you and to represent you. If its members do not know your mind, they could easily waste time analyzing the pros and cons of a course of action which you already know you will not adopt. Equally easily, they could fail to analyse adequately courses of action toward which you were inclined, with the result possibly of failing to call to your attention unsuspected perils. And they could lose opportunities to steer the departmental bureaucracies toward recommendations in line with your fundamental purposes. We believe that you should, insofar as possible, take your staff into your confidence.

✓ Though recognizing the truth of Vice-President Dawes' observation, "The members of the Cabinet are a President's natural enemies," we also believe that you would gain by being more candid than were Kennedy and Johnson in your dealings with agency heads. Excessive reticence can weaken rather than strengthen the President's position. Some interdepartmental and intradepartmental bickering over Vietnam could have been curbed had Johnson disclosed to his Secretaries of State and Defense his own reasons for such moves as the Johns Hopkins speech, the 37-day bombing pause, the Honolulu meeting with Ky, and the partial bombing suspension of last March 31.

✓ In recommending that you be more open with your department heads, we are not urging a new departure but rather a return to past practice. The custom of a President's writing out for cabinet officers the reasons for his decisions was followed by most Presidents prior to Andrew Jackson and, more recently, by Theodore Roosevelt and Woodrow Wilson.

It would be unrealistic to urge you to imitate Theodore Roosevelt and Wilson. Your schedule will be too crowded to permit such letter-writing. Moreover, with cabinet officers' staffs as large as they are and copying machines everywhere, written communications cannot be kept secure. We do urge, however, that you try to give

your principal agency heads oral explanations of your more important decisions. You are much more likely thus to obtain their cooperation even when your decisions and the reasons for them are not to their liking. When Wilson was President and William Jennings Bryan Secretary of State, the two did not see eye to eye about issues rising out of World War I, and Wilson overruled Bryan time after time. By candidly explaining his decisions, the President succeeded in postponing Bryan's resignation until a time when it was less politically harmful. He also succeeded throughout in having the actions of the Secretary conform to his wishes.

Also, it will be useful to you to articulate some of the reasons for decisions you reach. The great statesmen of nineteenth century Europe—Metternich, Castlereagh, Palmerston, Bismarck, Salisbury—all had to write out explanations of their actions because they were responsible to monarchs. You face a similar necessity, of course, in having to respond to press conference questions and deliver messages to Congress and the public, but, in statements which all the world can hear, you can seldom be as explicit and as candid as you might be in camera. And for the next four years you have as great a stake in winning understanding among the managers of your bureaucracy as among the electorate.