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FRANKLIN A. LINDSAY, PRESIDENT

20th December, 1968

The Honorable Richard M. Nixon  
Office of the President-Elect  
450 Park Avenue  
New York, New York 10022

Dear Mr. President-Elect:

Dr. Arthur Burns has asked for further clarification of our Task Force recommendation that you should seek specific reorganization powers in respect to the Executive Office of the President, as well as recommendations for ways in which the proposal can be submitted to the Congress. Our response follows.

The power of the President to manage the federal government, and his ability to provide for long run planning and operational coordination are severely restricted by his current lack of authority to readjust internal organization within the Executive Office. Various units within the Executive Office of the President now have assigned to them, by statute, certain specific authorities to deal with the planning and coordination of government-wide activities. It is precisely this area of management which is the primary concern of the President himself-- i.e., fitting the long range plans and current activities of individual agencies into a consistent overall program. For example, should he wish to combine some or all of the government-wide coordinating functions now vested in the Budget Bureau, the Office of Science and Technology, and the Office of Economic Opportunity into a single Office of Executive Management, either within the Budget Bureau or as a separate entity, he could not do so. Should he wish to create a new long range domestic policy planning Office he could not do so. It is indeed paradoxical that the President of the United States does not possess formal

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reorganization powers for his own Executive Office which are comparable to those of Cabinet officers in their separate departments.

The President can now make organizational changes only with respect to those functions which are, by statute, directly vested in him--as opposed to being vested in agency heads. The Telecommunications functions now assigned to the Office of Emergency Planning are, for example, directly vested in the President, and he can shift the location of that function as he sees fit. In any specific case, therefore, what the President can do with respect to a particular function depends on how the statutes which deal with those functions are written--namely, who is given statutory authority. Should the President wish to hire a special advisor on long run domestic policy planning and put him in the Executive Office, rather than the White House, he could probably do so. But should he wish to create new offices, such as we have recommended in our report, with staffs sufficient to undertake useful staff studies, it is doubtful that his own statutory authority would be sufficient. Should he, nevertheless establish such an office, the appropriation for that office might be subject to a "point of order" in the House of Representatives, i.e. as constituting statutory legislation (setting up a new agency) in an appropriations act.

There are three routes which can be followed. If you believe that authority for reorganization of the Executive Office can be promptly obtained from Congress without significant danger of weakening amendments, either of the first two courses would be preferable. On the other hand, if you consider that there is significant danger of such amendments, we would recommend the third course. The routes, themselves, are:

- a. Incorporate such legislation as part of the extension of the Reorganization Act authority which we have recommended be submitted immediately to the Congress. This course has the disadvantage that it complicates the relatively noncontroversial reorganization extension legislation, and may threaten its speedy passage. Moreover, it is subject to amendment, and might emerge in emasculated condition.

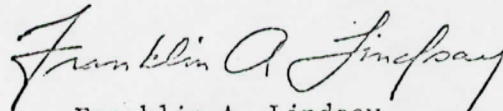
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- b. Submit separate legislation, simultaneous with the submission of the Reorganization Act extension. Again, the separate legislation would be subject to amendment.
- c. Once the general reorganization authority is extended by Congress, a specific reorganization plan can be immediately submitted, transferring to the President all the powers and duties now vested by statute in various units of the Executive Office of the President. In effect this will give the President the same powers to reorganize his own Executive Office that most Cabinet secretaries have in their own departments. Under this technique the legislation cannot be amended and must be acted on within sixty days. This approach has the disadvantage that it cannot be used until after the passage of the Reorganization Act extension. But it has the advantage that the powers, if granted, cannot be watered down by amendments.

Mr. Charles Schultze, a member of the Task Force and former Director of the Budget Bureau has taken the lead in developing this recommendation, and in preparing the response to Dr. Burns' question. We hope this further clarifies our proposals.

Sincerely,



Franklin A. Lindsay  
Chairman  
Task Force on Organization  
of The Executive Branch