

THE WHITE HOUSE

WASHINGTON

January 23, 1969

Dear Mr. Moynihan:

In accordance with the President's request, I am enclosing those parts of the report discussed at yesterday's Cabinet meeting that are especially relevant to your Council's activities.

I will be in touch with you in a few days and try to arrange a meeting at which time we can discuss the enclosed pages. I would like to have your comments and criticisms and -- most important of all -- to learn of any additional plans or suggestions that you may wish to submit for the President's early consideration.

It is the President's wish that the enclosed material be treated, at least for the present, on a highly confidential basis.

Sincerely,



Arthur F. Burns

The Honorable Daniel P. Moynihan
Assistant to the President for
Urban Affairs
Washington, D.C.

5. Grant-in-Aid Programs

The existing categorical grant-in-aid system should be overhauled to give the states and localities more latitude in deciding on the specific uses of funds to achieve the general objectives the Federal government seeks to promote. The Task Force on Intergovernmental Fiscal Relations has made three main proposals to this end:

- (a) Congress should be requested to give the President authority to consolidate existing grant programs for related functions, subject to disapproval by either House within a limited period under the type of procedure used for reorganization proposals.
- (b) States and localities should be permitted to make single applications for joint funding of projects deriving funds from several Federal

sources.

- (c) States and localities should be authorized to transfer up to a specified proportion of funds received under one grant program to another program of the same Federal agency, provided the total amount of any Federal program does not exceed its authorized size.

You should ask the Budget Director and the Director of the Council for Urban Affairs to give you, by an early date, their reaction to these proposals.

4. Economic Development Assistance Act

011 / 36

The extension of this Act is certain to arouse considerable controversy. For some time, Republicans have been concerned about the duplication and waste that has been associated with this program.

The Economic Development Assistance Act, the

Appalachian Regional Development Act, and the Model Cities Legislation -- all deal with many of the same areas and problems. Consideration should be given to how the overlaps of existing legislation can be eliminated. The provisions with the greatest degree of confusion are those dealing with water pollution control and sewage treatment.

As soon as possible, the Secretaries of the several departments involved in this program should consult the legislative leaders to determine a course of action.

5. Appalachian Development Program

A two-year appropriation that was voted in 1967 for the Appalachian Regional Development program expires June 30, 1969. This is an important matter which will require early attention within the White House office, not only as to future funding levels but also as to whether the Appalachian program should serve as a model for other new regional undertakings.

The White House must be the focal point of decision-making on this issue because Congress appropriates money for this program directly to the President, something that is unique in Federal assistance efforts. The usual procedure involves a funneling of Federal money to states and localities through an agency or department, which

then administers its use.

According to recent reports, many Governors view the Appalachian program (initiated in 1965) as a particularly promising innovation in inter-governmental relations. They regard the Appalachian Commission as providing true Federal-State partnership, something that they do not feel is achieved when Federal aid is disbursed by departments in the form of categorical grants. The fact that the Commission can exercise broad discretion in using Federal moneys means, according to its gubernatorial supporters, that program priorities can be set in a meaningful way. The contention also is made that much greater efficiency in the use of funds can be achieved with the Appalachian technique than when attempts at solving regional problems involve different Cabinet departments whose efforts often are not properly coordinated.

One significant feature of the Appalachian program has been its attempt to treat the problems of rural areas, towns, and cities on a coordinated basis. In particular, the migration of surplus farm population toward metropolitan centers, where unskilled jobs typically have not been available in large numbers, has been discouraged. This has been done by means of an educational thrust aimed at making rural citizens aware of job opportunities in middle-sized smaller centers that traditionally were bypassed in the move from farm to city.

Given the support which the Appalachian program enjoys, it seems probable that other parts of the country will urge that they too be accorded the benefits of similar arrangements. The merit of setting up similar regional programs embracing the entire country would seem to warrant early consideration. Specific attention should be given to the possibility of using the Appalachian Commission as a model for the regional undertakings that have been created under the Economic Development Act for which the Commerce Department has administrative responsibility. These are reported to have been less successful in their operations.

The Director of the Council for Urban Affairs and the Secretary of Commerce should be involved in the discussion of these issues, and so too should Governor Scranton, who is especially enthusiastic about the Appalachian Commission.

2. Urban Schools

XI, 66

The Task Force on Education urges that "special attention" be given quickly to the serious deficiencies of education in the large cities, cogently arguing that many other major urban problems will not be solved unless urban schooling is improved. The Task Force foresees no possibility of an adequate marshalling of state and local resources to overcome deficiencies, and it believes that Federal aid to disadvantaged children under present law is not sufficiently concentrated in the cities to be of much help.

This matter deserves attention in connection with the machinery of the Elementary and Secondary Education

Act, which is scheduled to expire on June 30, 1970.

Planning for renewal must begin soon because of the complexity of this piece of legislation.

One way of strengthening Federal support for urban education would be to revise ESEA's distribution formula to provide for a greater diversion of moneys to central cities. This route is complicated, however, by a strong feeling in some Congressional circles that the present distribution is already weighted too heavily in favor of states such as New York, Illinois, and California. Congressman Ayres, for instance, feels that to be the case. The Task Force, mindful of the battle that would in all probability erupt over revision of the distribution formula, expresses a preference for entirely new legislation that would be exclusively concerned with channeling moneys to inner-city schools. However, the addition of another piece of legislation to the maze of statutes already in existence is not a very attractive prospect.

The very fact that no easy solution to the problem of urban education is in sight underscores the importance of an early review by the Secretary of HEW, in consultation with Congressional Republican leaders. You should direct that this be started promptly.

XIII - URBAN AFFAIRS

1. Council for Urban Affairs

The new Council for Urban Affairs is a highly promising instrument for making Presidential leadership more effective in improving our cities.

The Task Force on Urban Affairs expresses the hope that the Council will "subject the 400-odd existing urban programs to cold, hard scrutiny, eliminating all that can be spared and consolidating those that should be saved"; further, that the Council will "enforce a rule of restraint upon the bureaucracies whose natural tendency is to magnify their callings." An early formal communication by you to the Council along such lines may well be constructive.

The Task Force observes that the "urban problem" originated in rural areas, not in the cities. Accordingly, it recommends that the Secretary of Agriculture should have a place on the Council for Urban Affairs. This recommendation should be rejected. However, the Director of the Council should be instructed to keep in constant touch with the activities of the Department of Agriculture and, indeed, to invite the Secretary of Agriculture to join in its deliberations whenever the agenda of the Council deal, as they frequently must, with the interrelations between urban and rural life.

2. Office of Economic Opportunity

The Economic Opportunity Act, commonly known as the Poverty Program, was signed into law on August 20, 1964. The bill covered a broad range of poverty programs, including the Job Corps, Community Action Agencies, and several work and rehabilitation programs. All programs under the bill are under the supervision of the Office of Economic Opportunity.

You, and Republicans generally, have supported Head Start. Republican criticism against OEO has been directed chiefly at the high cost and lack of effectiveness of the Job Corps. Since the authority of OEO to finance its programs will expire on June 30, 1965, you and the Congress will have the opportunity to revamp OEO.

You indicated emphatically during the campaign that you planned to abolish the Job Corps. There is a strong case on grounds of economy for doing this. Moreover, the elimination of this rather unpopular program will give heart to the many citizens who still remain hopeful that the strong trend toward ever larger Federal spending can be curbed. However, when you move to abolish the Job Corps, it would be highly desirable to make clear that you have other programs that will promote the objectives sought through the Job Corps far more effectively than that program has done.

You should know that several studies of the OEO are currently under way, as follows:

- (a) The Congress has directed the General Accounting Office to investigate the effectiveness of the major programs of the OEO. The report is expected to be ready by the end of February, 1969.
- (b) The Vocational Education Amendments of 1968 authorized the Commissioner of Education to study the feasibility of transferring the Job Corps and Head Start to HEW. These reports are to be submitted to Congress by March 1, 1969.
- (c) Investigators of the House Education and Labor Committee are looking into OEO programs in 12 cities because of reports of alleged misuse of Federal funds. This investigation has been spurred by Republican members of the Committee.

In view of these several studies, a case can be made for delay in your final decision concerning the Job Corps. You should seek promptly the advice of the Secretaries of Labor and HEW on the best way of handling the Job Corps and other activities of the OEO.

3. Voluntary Programs

In the past two or three years, many businessmen have become seriously concerned about the crisis of our

cities. They are concerned as citizens. They also realize that the future of their businesses is precarious if urban decay is not stopped. Hence, a considerable number of businessmen, particularly leaders of the larger corporations, are already engaged in efforts to expand job opportunities for minority groups, to improve housing in ghetto areas, to foster black entrepreneurship, and so on.

The time is ripe for greatly increased voluntary efforts on the part of the business community. To achieve maximum effect, vigorous and sustained presidential leadership is essential.

You might begin by calling a White House Conference to which businessmen who have already achieved distinction in broad efforts at urban reconstruction would be invited. The purpose of the meeting would be, first, to recognize the achievements of the participants and to honor them; second, and more importantly, to set out goals for the future; third, to invite those present to indicate their thinking on how voluntary efforts can best be promoted; fourth, to explore ways -- for example, through local chambers of commerce -- of enlisting the efforts of small and medium-sized businesses; fifth, to announce to the assembled group, that letters have just gone out to, say, 1,000 of the top corporations, asking them to inform

you of projects in the sphere of urban improvement which they expect to be able to launch within the next six months. These "projects" need not be confined to employing people; they may relate to housing, redevelopment of the ghettos, air pollution, or to any other activity in which a particular company feels interested and qualified.

You might, moreover, use the occasion of the suggested meeting to announce the new program of the life insurance industry (which Roger Hull and Gilbert Fitzhugh will discuss with you) for extending housing loans and, in conjunction with SBA, business loans in urban poverty areas.

You may also feel ready to go further and announce at the suggested meeting the creation of a "national clearing house for information on voluntary activities -- on what has been tried, what the difficulties have been, and what the solutions are." During the campaign you indicated that this would be "one of the first tasks of the new Administration."

This clearing house should probably be established in the Commerce Department, as one unit of a new Office of Voluntary Efforts to Improve our Cities. The main function of this Office should be to stimulate the business community to greater and more useful efforts. Among other things, such an Office could plan a system of awards for excellence to business firms, presidential visits to areas

of outstanding success, and ways of enlisting the efforts of those businessmen who are presently participating in urban programs to stimulate other businessmen to do likewise in their communities.

It is recommended that you promptly seek the advice of the Secretary of Commerce on the best ways of proceeding to launch the new voluntary program, on how it might best be organized, on the role that the National Alliance of Businessmen might be expected to play, and so on. After assessing the promise of the voluntary program, organized around your vigorous leadership, the next task would be to determine how much and in what ways reliance should be placed on tax credits, government contracts, or subsidies to speed the rehabilitation of our cities. These efforts should probably be directed primarily toward the smaller businesses; it is quite doubtful if the larger corporations need that kind of stimulation.

4. Tax Incentives to Private Efforts

In harmony with your philosophy, the Task Force on Federal Tax Policy claims that tax incentives can be a powerful means for enabling private enterprise to overcome many of the problems besetting ghettos and other poverty areas in our country.

The Task Force suggests that tax incentives be

directed toward the following objectives:

- (i) To attract new businesses to poverty areas.
- (ii) To encourage the active participation of those living in poverty areas as entrepreneurs and capitalists.
- (iii) To expand employment and improve job skills.
- (iv) To improve the housing of residents of poverty areas.

The Task Force suggests the following devices for promoting the objectives mentioned:

- (a) The poverty area payroll tax credit. This would amount to, say, 10 per cent of the increase in payrolls of businesses in certified poverty areas, to the extent that these increases represent increases in employment of poverty area residents.
- (b) On-the-job training tax credit. Under this proposal an employer newly affording or expanding a program of on-the-job training or apprenticeship would be allowed a credit against income tax equal to 50 per cent on the additional amount, up to \$80 per week, paid to the additional trainees or apprentices. (The payroll tax credit would be available to employers irrespective of the location of their facilities and without regard to the place of residence of

the employee.)

- (c) Poverty area investment tax credit. Under this proposal a 50 per cent tax credit would become available to a business firm with respect to outlays for depreciable plant and equipment in amounts up to \$3,000 for each employee, residing in the poverty area, who is added in the taxable year to the payroll of the business in the poverty area.
- (d) Tax incentives for poverty area capitalism and entrepreneurship. Here the Task Force urges the exploration of the possibilities of adapting tax provisions governing cooperatives to the problem of encouraging entrepreneurial capitalism in poverty areas.
- (e) Tax incentives for improving poverty area housing. Various devices are suggested, among them a tax credit of 50 per cent of the increase in maintenance outlays in respect of residential property in certified poverty areas.

The several tax credits and other incentives suggested by the Task Force are of unequal merit. The "poverty area payroll tax credit", the "on-the-job training tax credit", and the "poverty area investment tax credit" appear to be particularly attractive supplements

to the voluntary program described earlier in this report.

You should ask the Secretary of the Treasury to undertake at once, with the aid of the Council for Urban Affairs, a thorough study of the proposals by the Task Force to improve economic and social conditions in poverty areas. It would be very helpful to have the Secretary give you by a very early date his preliminary impressions of the practicability, both financial and political, of these proposals.

5. Human Investment Act

This Act, originally introduced by Senator Prouty, has been actively promoted by prominent Republicans in the Congress. You strongly endorsed it during the campaign.

The Act is modeled on the investment tax credit. It seeks to train workers who are presently unemployed, and also to upgrade the skills of workers already on payrolls.

The main doubt raised by the Act is whether its purpose cannot be achieved at much smaller expense. Critics have rightly pointed out that, as the Act is now written, employers would receive tax benefits merely for continuing the training programs that many of them conduct anyhow in the interest of profitable management of their businesses. Critics have also raised the question whether the proposed

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tax credit would stimulate any significant amount of additional training in skills -- that is, over and above what is provided by the training programs now being conducted without special tax benefits.

These criticisms can be met through amendments of the Human Investment Act; that is, by replacing the tax credit stipulated in the Act with the "on-the-job training tax credit" and the "poverty area payroll tax", which were previously discussed in this report under the heading of Tax Incentives to Private Efforts. These tax credits would be at a higher rate. They also have the great merit of being limited to increases of the employment and training provided by employers. Hence, they could accomplish the broad purpose sought by the present version of the Human Investment Act at a smaller cost to the Treasury, and they would not be subject to criticism on the ground of being a blunt instrument that provides a windfall to business at the expense of the general taxpayer.

This proposal for amending the Human Investment Act should be discussed at an early date with the Secretary of the Treasury, Senator Prouty, and other Congressional leaders.

6. Community Self-Determination Act

A combination of tax incentives of the kind described

in the preceding item (Tax Incentives to Private Efforts) would appear to be a more constructive approach to improving poverty-area conditions than that contemplated by the Community Self-Determination Act.

The latter proposal, sponsored in 1968 by Senator Percy with the strong support of the Congress on Racial Equality, would establish an elaborate new apparatus of community development corporations and community development banks, besides making special tax incentives available to poverty-area business undertakings. The "community control" features of the proposal could very well lead to the exercise of considerable monopoly power in economic affairs by vocal and politically astute local leaders (not necessarily those with the most business acumen), and it could also lead to dubious use of financial resources.

Despite its questionable features, the measure is likely to be pressed in the 91st Congress. Thirteen Republicans joined Senator Percy in introducing the bill, and a similar legislative proposal was made by 19 Democratic Senators. It would be useful to try to steer Congressional thinking into more constructive channels.

7. Supply of Skilled Construction Workers

Progress in housing and urban development will depend on increasing the supply of skilled labor.

The Task Force on Housing and Urban Development reports as follows: "The new Administration should press forward with new programs relating to (1) ending discrimination in minority hiring, (2) job opportunities, and (3) introducing off-site fabrication in the construction field. Current restrictive practices in these areas, if permitted to continue, will prevent the nation from achieving its over-all construction goals. The construction trades unions must be made aware that they have an obligation and a role in improving and increasing the nation's housing inventory."

The Task Force on Manpower has also directed special attention to construction: "The President must set a policy calling for establishment of effective training programs for construction trades, management of housing, and related skills."

The convergence of the interest in housing and in the manpower problem of the construction industry creates an obvious field for interdepartmental cooperation. You should call this to the attention of the Secretaries of Labor and HUD.

8. Review of Davis-Bacon Act

It is widely believed that the Davis-Bacon Act has contributed materially to the sharp rise in construction costs.

It is highly important to check this belief. The Secretary of Labor should be asked to appraise experience under this legislation with a view to its possible amendment or repeal.

9. Equal Employment Opportunity Commission

The Equal Employment Opportunity Act does not grant to the Equal Employment Opportunity Commission the power to enforce its orders. In the event that investigation discloses a pattern or practice of discrimination and efforts to obtain voluntary compliance fail, the charging party must proceed on its own to obtain enforcement in a court of law.

In the 90th Congress, Charles Goodell introduced legislation that would grant to the Commission the power to seek an appropriate remedy in a court of law in the event mediation and voluntary compliance efforts failed. This is in contrast to the Johnson Administration's proposed legislation that would have granted the Commission broad NLRB enforcement powers. Under this approach, the

Commission would operate as investigator, prosecutor, judge, and jury.

It can be anticipated that legislation similar to the Johnson Administration proposal will be introduced in the 91st Congress by Democratic members. You should instruct appropriate Administration officials, including the Secretary of Labor, to consult the Republican legislative leaders with respect to this matter as soon as possible.

XV - WELFARE PROGRAMS

1. Need for Critical Review

In recent years, welfare programs have greatly proliferated and their cost is mounting dangerously despite the general advance of prosperity. As you stated in a recent address, "it is time to admit that the maze of current Federal, state, and local welfare programs has alienated the taxpayers who supported them, the social workers who administer them, and the poor who depend on them."

What is now urgently needed is a thorough reexamination of existing welfare programs and policies with a view to their simplification, to the elimination of abuses, and -- most important of all -- to the creation of opportunity and incentives for moving poor people off welfare rolls and onto private payrolls.

There can be little doubt that the great disparity in the benefits allowed by the individual states has served to augment the welfare load of the more liberal states. A common national standard would remove this difficulty, but such a standard would probably approximate the benefit levels in the most liberal state and thus run up costs inordinately. The problem can, however, be handled gradually -- that is, by moving over a term of

years to a national standard.

The Task Force on Public Welfare has basically accepted the Johnson Administration's approach to welfare problems and has recommended liberalization of various benefits under existing law. While some of its detailed recommendations deserve respect, another study -- whether by a special task force or some other way -- is urgently needed.

It is recommended that you promptly request the new Council for Urban Affairs to make the welfare maze its first order of business, that it seek to simplify and rationalize the approach to welfare, that it explore ways of reducing the number on welfare rolls, that it obtain the advice of another task force composed of informed and tough-minded citizens, and that it secure the full cooperation of the Bureau of the Budget in this urgent enterprise.

The original design has been scrapped, and Boeing will submit a complete redesign of the airframe on January 15, 1969. Under the terms of the contract, the government has up to 90 days to make a decision. There are several options open which range from determining that Boeing has defaulted on the contract to proceeding with the current program.

There are complex economic, scientific, and military questions involved in reaching a decision. For example:

- (a) Does the new design meet performance specifications?
- (b) Is the new design economically viable?
- (c) Does the SST now merit the high national priority that it had two years ago?

Because of the many serious, unresolved questions still surrounding the SST, and in view of the fact that almost half a billion has already been spent on this project, it is recommended that you immediately establish a committee to investigate the SST program and ask it to report its findings and recommendations within 60 days after the submission of the new Boeing design. The membership of the committee might include scientists, aeronautical engineers, medical men, business executives, and military men with no vested interests. Among other

things, the committee should familiarize itself with a recent study by a scientific panel established by the Secretary of the Interior.

4. Supersonic Transport (SST)

To date the Federal government has spent close to half a billion dollars on the development of the SST.

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P43

For use
of SST
Briefing Team

THE SECRETARY OF TRANSPORTATION

January 31, 1969

To: Dr. Moynihan

The attached copy is forwarded to
you as requested by Dr. Burns.

John A. Volpe

on this subject, and also your other proposals on social security (Nixon Speaks Out, pp. 174-79). The Secretary of HEW should be asked to prepare a working draft of this message.

XIII - SOCIAL SECURITY AND VETERANS PROGRAMS

XIII 1. Cost-of-Living and other Adjustments

During the campaign you proposed an automatic cost-of-living adjustment in social security benefits, so that benefits will go up automatically to the same degree as prices.

This proposal has the fine quality of justice for older people, but it may be opposed on two grounds. First, decreases in benefits would hardly be practical if and when the price level declines. Second, and much more important, automatic increases in social security benefits would tend to institutionalize inflation; that is to say, elderly people, who now offer powerful resistance to inflationary policies, would tend to lose interest in the problem of inflation once they are assured of steady real benefits.

In view of these difficulties, it would be best to propose later in the year an increase in social security benefits that would compensate the people on social security for the recent increase in prices, but which would not promise automatic increases in the future. Congressman Wilbur Mills, incidentally, favors this approach.

A special message on Social Security would probably be the best vehicle for presenting your recommendations

Tom
posted
1/26

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THE WHITE HOUSE
WASHINGTON

The enclosed, which should be treated in a confidential manner,
is excerpted from the report of the Arthur Burns group and is
pertinent to your department's interests.



Tom Cole
Office of Arthur Burns

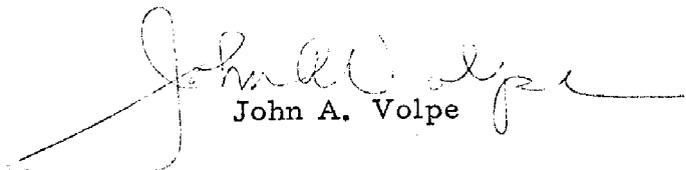


THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

February 1, 1969

MEMORANDUM TO ADDRESSEES LISTED BELOW

In accordance with a request from the White House and to expedite lateral coordination, I am sending to you a copy of Dr. Burns report IX-1, Airport Development; IX-2, Budget for Air Traffic Control; and IX-3, FAA Regulations.


John A. Volpe

Enclosures

Copy to: Secretary Kennedy
Secretary Romney
Director Mayo
Dr. McCracken
Dr. Moynihan

IX - TRANSPORTATION

1. Airport Development

In keeping with the campaign pledge you made to relieve the crisis that plagues air transportation, you should instruct the Secretary of Transportation to give very high priority to the preparation of an administration Airport Development bill.

Unavoidably, a substantial increase in Federal expenditures is going to be entailed (probably amounting to at least several hundred million dollars annually), but the budget impact can and should be completely offset by simultaneously instituting a variety of user charges. It makes sense to insist that the same pay-as-you-go principle apply here as in the case of the Interstate Highway System, and the device of earmarking user-tax collections and having them flow through an Airport Development Trust Fund should be considered.

A number of proposals for considerably expanding Federal assistance to airport development were introduced in the 90th Congress and these should be a helpful point of departure for the Secretary (especially S. 3641 approved by the Senate Commerce Committee on July 1, 1968).

2. Budget for Air Traffic Control

To dramatize further your concern with the problems

of air congestion and air safety, you should also ask the Secretary of Transportation to focus promptly on the outgoing Administration's fiscal 1969 and fiscal 1970 budgets for the air traffic control system and to advise you within 30 days whether any supplemental "emergency" funds should be sought. This, of course, would be a "stop-gap" move, pending completion of Congressional action on basic airport development legislation.

3. FAA Regulations

You should be aware that the FAA has recently promulgated regulations that will become effective next April 27, setting hourly quotas for use of the overburdened airports in New York, Washington, and Chicago. Strong opposition to these regulations can be expected from certain groups within the aviation industry, and it is not improbable that a campaign will develop to have them killed or substantially modified.

Given the acute problem of airport congestion, there is a strong presumption that the FAA regulations should stand, but you should ask the Secretary of Transportation to make an early appraisal of this matter.

August 5, 1969

MEMORANDUM FOR

DR. ARTHUR F. BURNS

I wonder if your construction group would be interested in taking up the question of the design of "mobile" homes. It seems to me two purposes might be accomplished by a federally sponsored conference. First, we might do something to improve the design. There is no need for the homes to be quite so ugly. Just now the industry is in a very competitive state. I assume that individual companies might respond to the possibility of competing through design. Secondly, I cannot imagine any better way to call to the attention of the construction industry that mobile homes really are gaining on them.

Just off the top of my head, I would suggest that the Department of Housing and Urban Development sponsor the conference, although we could put together a general undertaking.

65/
Daniel P. Moynihan

DPM/crm

P 2115

September 19, 1969

MEMORANDUM FOR

DR. ARTHUR BURNS

I do thank you for the Academy of Political Science volume, but I must add that it really is for the most part a pretty thin liberal gruel. I don't see why a decent conservative like you can't pay more attention to The Public Interest. I enclose our volume on New York City, which you will find is anything but supportive of the ideas of most of the contributors to the Academy volume.

Daniel P. Moynihan

Attachment - The Public Interest, No. 16, Summer 1969,
"Special Issue - FOCUS ON NEW YORK"

DPM/crm

October 24, 1969

TO: Dr. Burns

2/
FROM: Pat Moynihan

If you can stand more thoughts on the chief topic of the day, I enclose a short sequence of mine.

Attachment - "The American Scholar" Autumn 1969 "Politics as the Art of the Impossible" by DPM

DPM/crm

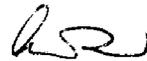
THE WHITE HOUSE
WASHINGTON

October 27, 1969

Dear Pat:

Many thanks for enriching my library once again. I certainly want to devote some time to this issue of The American Scholar.

Sincerely yours,



Arthur F. Burns
Counsellor to the President

The Honorable Daniel P. Moynihan
Assistant to the President
for Urban Affairs
The White House
Washington, D. C.

APPA
11/1/69
1/3

THE WHITE HOUSE
WASHINGTON

November 1, 1969

Dear Pat:

Many thanks for the Fall issue of The Public Interest containing your article on "Toward a National Urban Policy." It appears to be a most interesting issue, and I look forward to reading most of the articles.

Sincerely yours,



Arthur F. Burns
Counsellor to the President

The Honorable Daniel P. Moynihan
Assistant to the President
for Urban Affairs
The White House
Washington, D. C.

THE WHITE HOUSE
WASHINGTON



November 4, 1969

Dear Pat:

I rejoice in your new appointment and salute you, Mr. Counsellor. I'll still be around for several weeks, but I will not lose you when I move to Constitution Avenue.

I got a delightful note from your wife recently. When she gets to town next, do give me the opportunity -- now that I'm about to become Mr. Banker -- to take the two of you out to dinner. Helen would love it, and she joins me in warmest congratulations and good wishes to you.

Sincerely yours,

Arthur F. Burns
Counsellor to the President

The Honorable Daniel P. Moynihan
The White House
Washington, D. C.

THE WHITE HOUSE
WASHINGTON
TELEPHONE MEMORANDUM

FILE THIS
WI-11
MEMO -
BURN

January 8, 1970

TIME	NAME	ANSWER
10:30	Mr. Ulvestad (assistant to chairman Martin) says the Board is very anxious to appoint Prof. John Kain as director of Boston Federal Home Loan Bank. " He has just the technical know-how they need - but is a Democrat -- and the appointment is "receiving resistance from the White House". " Hopes you can help. Is en route out of town but will phone at 3:00 from his destination. will you talk?	<i>[Handwritten notes and initials]</i>

January 20, 1970

MEMORANDUM FOR

DR. ARTHUR F. BURNS

Last week whilst I was caught up in a frenzy of other things, Mr. Ulvestad, Assistant to Chairman Martin called to say that the Board is anxious to appoint John Kain of Harvard as Director of the Boston Federal Home Loan Bank. The message reports, "He has just the technical know-how they need -- but is a Democrat -- and the appointment is 'receiving resistance from the White House'."

This is the kind of Party issue I have to stay out of in the White House, but I thought you would want to know that there does appear to be such an issue. I'm sure Kain is well known to you. He is in any event a very close associate of John Meyer who will speak for him. He was a Fellow at the Joint Center and a close collaborator with me and others in a number of scholarly, or semi-scholarly, enterprises. I would recommend him for almost anything.

Daniel P. Moynihan

DPM/crm