FOR COUNCIL USE ONLY THE WHITE HOUSE

WASHINGTON

July 19, 1969

MEMORANDUM FOR

THE PRESIDENT

It is our judgment that the two focal points of overriding impact for this Council are the structure of the Executive Office of the President and the availability of qualified executives to manage the Federal establishment.

These conclusions were reached today at the end of a three-day Council session in which all members participated. Accordingly, we plan to make our first recommendations to you with regard to the Executive Office of the President at our meeting with you in California in late August, for which we hope you can allow us a full day. We will be prepared to discuss executive personnel at a meeting thereafter.

Our agenda and attention during this three-day meeting were devoted to four priority areas: the two mentioned above, plus Social Programs, and Law Enforcement as it relates to Organized Crime. Personal discussions with Messrs. Mitchell, Finch, Romney, Ehrlichman, Rumsfeld, Moynihan, Mayo, and their associates on all four priority areas enabled us to examine, in some detail, problems with many of those most directly concerned with the various programs. We concluded these meetings with the conviction that the abovementioned four areas clearly demand the Council's first attention; the regulatory agencies, natural resources (including environmental quality), and consumer affairs will be addressed as the Council's next order of business.

Our thinking takes into account these considerations:

(1) The concept and structure of the top policy— and decision—making activity of any organization needs to be clearly established before the operating parts can be effective. It is a question of putting the horse before the cart. The organization of the Executive Office is crucial to the effectiveness of the other changes we will propose.

- (2) John Ehrlichman has discussed frankly with us the changes now in process in the Executive Office of the President; these are being encompassed in our thinking. It is clear to us that further substantial improvements can and must be made in the Executive Office organization.
- (3) In addition, there must be improvement in the recruitment and retention of particularly capable executives throughout the Executive Branch. Without this, organizational changes, regardless of their merit or logic, will be ineffective.

Roy L. Ash

Chairman

President's Advisory Council on Executive Organization