

ADMINISTRATION IN THE FEDERAL GOVERNMENT

27 August 1953

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INDUSTRIAL COLLEGE OF THE ARMED FORCES

Washington, D. C.

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COLONEL BARTLETT: General Hague, General Greeley, gentlemen: In our two previous lectures we have had what you might call the theoretical and the practical viewpoint of economic mobilization as the broad picture.

We are going to turn to a more specific field today, public administration; the scope of which is very, very large. The lecture will cover our traditionally tripartite form of government, the tremendous expansion of the Federal Government in recent years as responsibilities increased, the problems, the adjustment to meet these problems and the effectiveness of this judgment, current trends in public administration, and a look at the future.

That is quite an order for a speaker. Speaking of public administrators, there is a little story about a doctor, an engineer, and a public administrator, who were having lunch together. A question arose as to which was the first profession. The doctor said, "The Bible is the authority that the Lord extracted a rib from Adam and created Eve, and there was surgery right at the start of the world." The engineer said, "Don't forget that the Bible said that before that the Lord created the world out of chaos." That took precedence as an engineering feat. The public administrator said, "Who created the chaos?"

Now, the biography of our speaker has been furnished to you, and among his many services to the Government I will mention only that he has been a senior research assistant in Personnel Administration with the U. S. Civil Service Commission; he has been a consultant on public administration for Office for Emergency Management; Executive Secretary for War Production Board; director of organization and personnel in the Atomic Energy Commission; and secretary of National Security Resources Board. Right now he is a Consultant to the Public Administration Clearing House. This is an organization which was set up to exchange information on technique and to clarify questions for the purpose of improving administrative technique and to clarify questions for the purpose of improving administrative technique in all forms of public administration, municipal, State, and Federal.

Dr. Belsley it is a pleasure to introduce you to the students of the Industrial College of the Armed Forces.

DR. BELSLEY: Admiral Hague, General Greeley, and students: It is a pleasure to be here with you. When I heard the description of what I was going to talk about, I quickly decided I was going to have to do some readjustment. I will do a little bit of it as I go along, to fit the description Colonel Bartlett so very aptly gave.

I am, however, interested primarily in speaking to you about the problems faced by the President in managing a huge enterprise such as the Federal Government. I would also like to give a little more specific attention to some of the organization and management problems involved in industrial and economic mobilization matters.

Different definitions for "management" have been given by different people. I don't like to get lost in definitions. I don't intend to do so. Nevertheless, for the purpose of the discussion this morning, it seems to me that what I have in mind as "management" is the use of personnel, organization, and other resources in such a way as to get the greatest possible degree of unity in the direction and operation of an enterprise in order to accomplish certain purposes. The important word is unity. It can be appraised by the extent to which different parts of the organization are coordinated in moving together in the same direction toward a common (even though broad) goal.

I think it is especially important to look at organization and management problems from the viewpoint of the President, because he is in the key spot. He is the one on whom all pressures from all sides converge. He is the one who sees problems with a perspective that few others ever have, and few even understand.

The President plays several different roles. He is the leader of a political party. That is his political role, which is his by virtue of having been nominated by his party and elected. He is the constitutional and ceremonial head of state. He is responsible for conducting foreign affairs. He is Commander in Chief of the armed forces. And he is Chief Executive of the Federal Government.

It is to this latter role, namely, that of the Chief Executive, and the problems arising from it, that I would like to give some attention this morning. Naturally, this role is related to his other roles, particularly those of Commander in Chief and Conductor of Foreign Relations.

During recent years the Federal Government has expanded with relative rapidity, and certainly it has expanded in size beyond anything anybody could have conceived just 20 years ago. It has grown until it now has almost 2.5 million civilian employees working in every State in the Union, in our territories and possessions, and in foreign countries throughout the world. In that figure I have not included the uniformed military personnel, which also has grown and spread throughout the world.

This is a sizable and farflung establishment. As it has grown, it has performed expanded and new functions that 20 years ago most people did not think the Federal Government would ever perform. The numerous new activities that have been undertaken by Uncle Sam within the past 20 years are tremendous. Many old activities have grown as new ones have been established.

It is the President who is responsible for the management of this vast enterprise. To a greater extent than any other person or force, he is the unifier of the executive branch. He is the major unifier in terms of policy and program development. He is the unifier in terms of the execution of policies and programs, and in reporting on the activities of the executive branch to the Congress and to the country. He is in the unique position of being the only Federal official, along with the Vice President, who is selected by the whole American people; who is responsible to the country at large; who represents the national interest, rather than a special one; and who can be called to account by the whole electorate, rather than by a geographic area of the country or by a special trade, professional, or other organized group.

But the President has a lot of difficulties in his job as manager of the executive branch of the Federal Government. There are many crosscurrents and centrifugal forces at work that make it difficult for him to carry on his job as President and to get some degree of unity into the activities of the Federal Government.

The reasons for this are not too easy to explain, because some of them are rather subtle. They involve his relationships with the Congress, with the members of his own Cabinet, with his bureau heads, and with outside civic and special groups.

But let us begin first with the Congress. Every student of government knows that the Congress and the President are engaged in a never-ending tug of war. The status of that tug of war at any particular time depends upon such factors as the issues of the day (both domestic and foreign), who is in the Congress, and the personal qualities and characteristics of the President.

In our governmental system however the Congress controls the organization, structure, and functions of specific units in the executive branch to any degree it wishes; and in the past, it has often wished to exercise detailed control. This is in great contrast to the parliamentary systems, particularly in the English-speaking countries, where the House of Commons or the Parliament as a whole does not, in fact, control the organizational structure with which the executives are dealing and through which they must manage Government activities. But in our system, the Congress loves to set up bureaus, or even divisions within bureaus, and to be specific about what they shall do. In some instances, the Congress is specific about what the relations of these units shall be to each other and even to their superiors. This results in many management difficulties that are peculiar to our system of government.

In addition, both our Senate and our House of Representatives have a number of standing committees, each greatly interested in the subject matter with which it deals. Each committee seems to manifest a proprietary concern for the agency or agencies engaged in activities in which

it has special interest. Executives in the executive branch are inclined more and more to look over their shoulders before making a move in order to get a favorable nod from the appropriate committee, or even the chairman of the committee, or even the ranking member of the minority side of the committee! This is a centrifugal force that often tends to make the executive branch fall apart. It leads to a type of "congressional government" that makes it difficult for the President, no matter who he is, to do his management job.

In addition, within recent years, something new has been added to these standing committees, namely, committee staffs. They are a new group of bureaucrats--I use that word in a good sense--bureaucrats working for the members of the committees, but often dealing with personnel in the executive branch; coming between the bureau chiefs and their subordinate officials on the one hand and the Members of Congress on the other; in many respects cutting the Members of Congress off from the direct access they once had with the members of the executive branch. This is a further divisive influence, from the standpoint of getting unity of action in the executive branch and developing effective executive-legislative relations in our Government.

The President must also deal with his department and agency heads. One of my friends has pointed out that the Federal Government seems to be made up of a number of virtually independent kingdoms, several semi-autonomous grand duchies, and not a few rock-ribbed little principalities. Members of a President's Cabinet have their own ambitions and would sometimes like to be presidents themselves. They often have political support and sometimes its source is that faction of the party that is opposed to the President. I want to interject here that I most certainly am not talking about the present Administration which has been in office only seven months. I am talking about an historical fact. To the extent that this situation has existed in the past, it has made it difficult for Presidents to get unity of action in the management of the executive branch.

But of equal, if not greater, importance has been the independent role frequently played by chiefs of bureaus. Many of these bureaus have been established by law that vests specific power and authority in the bureau heads--power that is apart from that enjoyed by the department head in whose establishment the bureau resides. In many instances their heads must be appointed by and with the advice and consent of the Senate. Bureau personnel often work closely with congressional committees or individual Congressmen or with outside private groups whose interests are not in accord with the President's program. Furthermore, appropriations are often made directly to the bureaus and for specific projects to be carried out by them. The tendency is for the bureau heads to act on their own; to get their own support in the Congress and elsewhere, sometimes at the expense of their department heads, and even of the President himself. They sometimes seek support of outside organized

groups to carry through policies with which the Administration may be in disagreement, and even to undo policies that have already been ostensibly decided for them. This is a process that goes on in regular course. It is not a matter of Republicans versus Democrats, or vice versa. It is not partisan in that sense. It is merely a matter of the bureau head versus his department head or the President, and often with the help of a congressional committee or its chairman and an outside private organization.

Another aspect of the centrifugal force affecting Federal management, is that most civilian activities are carried on in a goldfish bowl. Even the preliminary or exploratory policy discussions are conducted in this environment. Just the other day the "Wall Street Journal" printed the complete text of a proposed message by the President to the Congress on amendments to the Taft-Hartley Act. This had obviously "leaked." A few days later, the newspapers carried the story that the Administration was doing all it could to find out where that leak had occurred. It may find out, or it may not. It is even possible that someone "engineered" the leak. Administration by deliberate leak to the newspapers is another aspect of the game, as it is played in Washington, which tends to undo the unity of action that one might normally expect in the executive branch.

Uncle Sam's civilian personnel system contributes very little to overcoming some of the management difficulties facing the Chief Executive and his key administrators. It was not designed to aid unity of management of an enterprise. Such advantages of that sort as are gotten from the system are largely coincidental. Let me tell you what I mean.

First, our civilian personnel system almost ignores the planned development of career executives. After a person once enters the Federal service on the civilian side, he is on his own. To be sure, he has a hunting license for other jobs, but there is nothing planned or systematic about what happens to him. For example, there are no planned or systematic arrangements for varied work assignments. Personnel who attain the higher posts have frequently spent most of their working life in a single department or even a single bureau. They have seldom moved from agency to agency as a part of their work experience and personal development. The system makes them feel that their loyalty and allegiance goes directly to the particular bureau or division in which they may have spent the greater part of their lives. There is not enough in the personnel system to give them a sense of responsibility to the executive branch as a whole. Therein lies one of our great difficulties in trying to get a degree of unity of management and policy in the civilian side of the executive branch.

The position-classification system is another point that is illustrative, because on the civilian side "rank" inheres in the position, and a person is paid (for the time being) on the basis of the position he is holding, with all of the insecurities and uncertainties resulting from this practice. This discourages planned transfers, particularly in the higher grades.

In addition, there is a marked lack of formal personnel training. Congress is very parsimonious in making available funds for the development and training of persons on the civilian side of the Government. There is no general career service in the sense that one exists in the military.

While I suppose many of you may feel that there is not an adequate personnel system in the military either, I think you will find there is much more than on the civilian side, particularly in terms of the planned development of individuals, of varied work assignments, of formal training, and of opportunities for development by attending some of the many different service schools.

Congress has not been niggardly in appropriating funds for training on the military side, and that's good. But your civilian counterparts don't have that same advantage. In addition, on the military side, "rank" inheres in the individual and moves with him from place to place, with the exception of certain spot assignments. The military career officer can feel a sense of security in his career, even as he moves from assignment to assignment, that his civilian counterpart doesn't experience.

The President has available to him a number of devices for trying to get some degree of coordination and unity in the executive branch, despite all these divisive or separatist forces we have been reviewing. First, he can use interdepartmental committees to get some degree of unity. Many such committees have been established, a few of them in close association with the President or the Executive Office of the President, but most of them in association with or tied to particular agencies or departments of the Federal Government. As a matter of fact, so many interdepartmental committees exist that, if anyone made a census of them, he would really wind up with quite a thick volume.

So many of these committees have existed that the Hoover Commission, not long ago, recommended that there be established in the White House staff a staff secretary who would have a number of functions, which would include keeping tab of interdepartmental committees, inventorying them as the basis for determining whether any had ceased to serve the purpose for which they were established and should be abolished. This has not yet been done.

There are three interdepartmental committees that deserve special attention here today. The first is the Cabinet. After all, it is an interdepartmental committee presided over by the President. The Cabinet has, however, not been a corporate body in the sense that the British Cabinet is. Furthermore, Presidents have in the past found that the Cabinet cannot always be relied upon to give the President the best possible advice, because each member around the table is particularly interested in his own department, and is often not adequately concerned

with the general interest from the standpoint of the President. In many ways, each member is an operating vice president in charge of a "line" activity.

But the second kind of interdepartmental committee that has existed in recent years is the National Security Council. I think Dr. Somers mentioned that to you yesterday and I will not go into it at all. Efforts are being made to strengthen it, modify it, and make it an even more useful tool for the President than it has been in the past.

The third one existed in the past but no longer exists. It was the National Security Resources Board (NSRB). I think Dr. Somers also mentioned that to you; however, that Board was abolished. Its functions were transferred to the Office of Defense Mobilization (ODM).

Another way in which the President tries to get some degree of unity in his operations is through the use of regular agencies of the Government (the regular departments) to coordinate certain aspects of his total program. There are arguments pro and con on this. Some have felt that we needed something other than the State Department, as an example, in order to coordinate our foreign affairs and activities. They argued that problems of our foreign relations so pervaded the Federal Government that some coordinating device should be established at the Presidential level. Others have felt that the State Department itself should be the coordinating body. Obviously, at the present time the decision has been made in favor of the State Department. It seems to me to be a very logical and practical decision, because, to do otherwise and set up in the Executive Office of the President adequate coordinating machinery on foreign affairs would almost certainly mean a duplication of the State Department at the Presidential level.

It was significant during World War II, and again during the Korean episode, that problems related to the use of regular agencies of Government as coordinating devices came to the fore. Different devices were adopted to meet different situations. The Office of Production Management, the War Production Board, the Office of Price Administration, the War Manpower Commission, and others were set up as independent agencies outside the regular departments. The Petroleum Administration for War, although closely allied with the Department of the Interior, was established as a separate agency. The Solid Fuels Administration for War similarly was established. The War Food Administration was set up separate from the Department of Agriculture, although closely allied with it.

Even in a less-than-all-out effort such as we have had during the past three years, the National Production Authority was set up "in but not of" the Department of Commerce. For a considerable period, it was virtually semiautonomous, although technically within the Department of Commerce. Similarly, the Petroleum Administration for Defense was

set up "in but not of" the Interior Department. The Defense Production Administration however was established as a separate organization outside any department.

So the record of using regular agencies of Government as coordinating devices for emergency periods is spotty.

I want to come to what I consider to be one of the most important devices the President has for coordinating the executive branch. This is his own staff in the White House and in the Executive Office of the President. Many people assume, as they look at the Executive Office of the President, that it has always been there, that it has always existed; yet it is a relatively new device that was created out of necessity to meet the needs of a rapidly and greatly expanding Federal Government. A little history may help to understand what has happened.

In 1921 the Bureau of the Budget was established. It was set up in the Treasury Department, but was intended to serve the President. Prior to that time, the President had a handful of skilled help around him such as his secretaries: one for legislative liaison, one for appointments, and one for personal aid. He relied heavily for his clerical and supporting staff upon persons who were on assignments (or detailed) from other agencies of the Government; he borrowed them from the Treasury, from the Interior, from the War Department, or from wherever he could get help. The establishment of the Bureau of the Budget was an important but partial corrective. There were times when some of the other agencies of the Government wondered whether the Bureau of the Budget was acting on behalf of the President or on behalf of the Treasury Department.

It was not until later that further needed steps were taken. These resulted from the work of the President's Committee on Administrative Management which (under the chairmanship of Mr. Louis Brownlow) in 1936-1937 took a long, deep, look at administrative management in the Federal Government. It was particularly concerned with the major management problems of the President. Many of its recommendations were designed to strengthen the staff of the presidency, to strengthen the President vis-a-vis his department heads, and to improve the positions of the latter with respect to their bureau chiefs.

One of the most significant results of the recommendations of the Brownlow Committee was the establishment (by a Reorganization Plan in 1939 and by subsequent executive and administrative orders) of the Executive Office of the President, to which the Bureau of the Budget was transferred. At about that same time, you may recall that provisions were also made in law for the "anonymous six," those six administrative assistants to the President who were to have "a passion for anonymity" and were to assist the President in his many responsibilities.

The Budget Bureau was the nucleus of the new Executive Office. The National Resources Planning Board was also set up within the Office to give attention to our national resources. Later, the Office for Emergency Management was also created and was used as the tent under which were established many of the World War II emergency agencies. Still later, the Council of Economic Advisers was established by law and located in the Executive Office of the President. Although they were originally established in 1947 without mention of the Executive Office of the President, the National Security Council (NSC) and the NSRB were subsequently transferred to that office so there could be no question about their status and functions. The Office of Defense Mobilization has also been established in the Executive Office.

With the establishment of the Executive Office of the President, the President began to acquire machinery for coordinating the executive branch of the Federal Government.

Congress has shown a tendency to intervene and to make it difficult for the President even to use his own staff. For instance, by not appropriating funds, the Congress abolished the National Resources Planning Board very early in the game. It even vested some functions directly in the National Security Council even though it was not intended to be an operating agency making decisions on its own.

These are problems that the President must face directly with the Congress. They involve intrusions which the Congress makes upon the presidency itself, perhaps through sheer lack of knowledge of what is being done, or lack of understanding of it. Perhaps this is a part of the tug of war between the President and the Congress.

What are the functions of these staff agencies? Primarily planning, analyzing, advising, and reporting. Very seldom are they in a command position. The Bureau of the Budget is primarily a planning, analyzing, advising, and information collecting agency, although an extremely influential one. The ODM (originally established on a temporary basis during the Korean War and now on a permanent basis) is in a different position. It has planning and advisory functions, but it also has certain command functions.

This problem of staff function may be of especial interest to you, because I am sure that it is always faced by the military establishments in connection with the General Staff, the Chiefs of Staff of the three services, perhaps even the Joint Chiefs. It is a subject, however, that I do not feel adequately qualified to discuss from the military viewpoint, so I am going to skip right over it and let you people struggle with it on some other occasion.

It is important that the President have flexibility in the organization and use of his staff. Even though Congress may from time to time

make some intrusion in the Executive Office of the President, it is important that the President be able to modify the organization of the Office; to appoint his own people without the advice and consent of the Senate, so that they are completely responsible to him, and look to him as their sole source of strength and influence in the Federal picture. The Hoover Commission made very strong and very positive recommendations of this character.

How does a president coordinate his own staff? This raises the question of whether he has, or should he have, a chief of staff. I think historically you will find that chief executives in civil government, Federal, State, or local, have always hesitated to have a chief of staff; in fact, have generally rejected even the notion of a chief of staff. One of the major reasons seems to be that, at least in civil government, a chief of staff sooner or later seems to come to be the second in command; almost an heir apparent, if not a challenger of the chief executive himself. No civil chief executive, who is a political executive, can condone a person in this doubtful relationship.

There are other reasons why the Chief of Staff concept generally has been rejected in civil life. Most chief executives like to make many decisions themselves, because their decisions involve high political and high policy matters which they feel only they should make. They want these decisions to be raised at their level where they can decide them rather than to have them decided at a lower level. One way of assuring this is to have issues and suggestions come from many different sources, even within their own staff, rather than through a single channel. They are not inclined to want their advice coming to them through a single channel, but through many channels. In fact, on numerous occasions, they go completely outside the regular structure of Government to get advice. Furthermore, they are often inclined to want to consider alternative courses of action in making their decisions, and they feel that these alternatives can be more adequately explored and understood by them if they get suggestions from several sources rather than through a single "chosen instrument."

What does this all mean with respect to industrial mobilization? I am not going into the fact that there were Industrial Mobilization Plans in 1931, 1933, 1936, and 1939. That will be covered in other sessions. I think it is important, however, to point out that the Industrial Mobilization Plan of 1939 was not followed as prepared; that it was not accepted on any "push-button basis" by the President. Different reasons have been given for this.

Certainly one reason undoubtedly was that the plan had been prepared by the military, and there is always a tendency, in getting into anything that is so intimately associated with the Nation's industrial and civil life, not to accept uncritically lock, stock, and barrel a plan that has been developed under military auspices. But I think even more important

was the fact that the plan was based on the assumption that on one day we would be at peace and on the next day we would be at war. Actually we backed into World War II and we backed into World War I. I am not sure what we are backing into today, but we certainly have had more time than anybody thought would be available to prepare for a possible all-out effort. In addition, there are political implications in any major decision respecting mobilization, and the President, more than anybody else, has to be attuned to them and must consider them in reaching his decisions. He must measure carefully what the country will understand and accept. Furthermore, he must know what our present or potential allies will or won't take. He must consider many domestic and foreign matters, including the status of his legislative program and the policies that are favored on the Hill.

Then too, most of the plans contemplated the appointment of one man to coordinate things for the President. No President likes to abdicate as Chief Executive, or as Commander in Chief. Therefore, every President is hesitant, particularly at the beginning of an uncertain emergency, when it cannot be foreseen how developments will unfold, to make a sweeping delegation of power to one who, despite disclaimers, will eventually become known as the Assistant President.

The President will approach this problem cautiously. As pressures mount, he may make a slow retreat. Only as a last resort, when his problems become so overwhelming that he can no longer carry them adequately, he may make a great delegation of authority to a single individual. This will be done in the hope that things will soon be over and that the adverse effects he believes will arise from having a second in command will not become too serious before the emergency will have abated.

Following World War II the move for unification of the military agencies grew. Out of it came some things which have resulted in strengthening the Executive Office of the President. I refer, of course, to the establishment (in the National Security Act of 1947) of the NSC and the NSRB although they were not at first put in the Executive Office of the President.

Dr. Somers pointed out to you yesterday why, in his opinion, the National Security Resources Board didn't function as successfully as had been contemplated by Secretary Forrestal, Mr. Eberstadt, and others who had proposed and supported it. I would like to mention a couple of reasons, even though they may be a repetition of part of what he has already said.

First, the Board was made up of members of the President's Cabinet. Its meetings were presided over by the Chairman of the Board who was not a member of the Cabinet. The group, then, had the potentialities of being a kind of caucus of the Cabinet. But no President of the United States can afford to have his Cabinet meet in caucus before it meets with him. That was a matter that no Chief Executive could possibly overlook.

Next, the NSRB wanted to be the nucleus of a number of war agencies; it wanted to spawn the future war agencies. In taking this position, it seemed to be reaching for a special status. The Chief Executive did not want it to have such a position. Furthermore, he did not want it to be in a position where it could, because of any plan that had been developed and accepted, make him feel he was in any way bound to follow a predetermined course of action. He wanted to follow the course of action that seemed to him to be logical, reasonable, and practicable in the light of conditions at the time he was faced with problems and decisions.

Furthermore, the Board, to a certain extent, planned for all-out war. To that extent it hadn't planned for this rather peculiar period we are in right now with respect to Korea, where we are not involved in all-out war, but where we certainly are not enjoying all-out peace. The present situation was not contemplated. This is a further demonstration of the limitations of planning in this area.

That raises the question about the kind of mobilization plans that should be developed. Should they be blueprints, or should they take some other form? It seems to me we have now learned enough not to look with too much favor upon planning for economic and industrial mobilization in terms of detailed blueprints, particularly organization and staffing blueprints.

What seems to be needed by the planning group (such as that in ODM at the moment) is the development of methods and techniques of accomplishing certain things; the use of staff personnel with skills to contemplate alternatives and to meet problems as they arise and in the light of conditions at the time. History seems to have demonstrated that Presidents don't and won't use blueprints. Much of our blueprinting for industrial and economic mobilization has therefore gone for naught.

Thank you very much.

COLONEL BARNES: Dr. Belsley is ready for questions, gentlemen.

QUESTION: Dr. Belsley, there is an apparent trend in the new Administration, due to a statement which I believe President Eisenhower has made to his Chairman of the Joint Chiefs of Staff--that he would like to have a unanimous decision, and only a unanimous decision, passed to him.

ADMIRAL HAGUE: Dr. Belsley, may I answer that. I would like to tell the student body and anybody here that I was at Quantico. I am not at liberty to state specifically what the President said, but the things that have come out of Quantico in the newspapers and written by columnists are every bit as accurate, gentlemen, as they usually are. Until you see that in writing I say it is not true. Does that answer your question, Colonel?

STUDENT: Yes, sir.

ADMIRAL HAGUE: I thought I was the best authority here on that.

DR. BELSLEY: There seems to be some dispute about what the President did or did not say. It seems to me that has now been answered authoritatively. I am willing, however, to discuss the matter theoretically. I think it would have been an undesirable approach. I think the President needs alternatives--any President does.

I have known several Directors of the Bureau of the Budget who have perhaps been as close to the President as any officials have been, and in at least two instances--and I suspect a third--they have never presented the President with a single course of action. In many cases there have been alternatives without recommendation. This is hard to believe, isn't it? But it is true. Recommendations in these cases were usually given only with reluctance, after being pushed for them by the President.

Many decisions must be made by the President. They can't be made anywhere else and they should not be made anywhere else.

But on this question I must and do accept Admiral Hague's statement. The President apparently did not say it.

QUESTION: I am also a member of one of the so-called bureaus that have been charged with being extremely a rebel on certain things about the President. My question is primarily to make sure on which side you stand, sir. I assume from your talk that you consider that Congress is the policymaking body for the United States. Is that correct, that it makes the policy?

DR. BELSLEY: Congress adopts laws that incorporate policy. There are however many policies that are made within the executive branch and within the framework of law. Furthermore it is a function of the President, as the Chief Executive, to formulate and recommend policy to the Congress. In addition, it is his function, as Chief Executive, to develop his budget which is submitted to the Congress as his program.

STUDENT: But simply as recommended policy.

DR. BELSLEY: All right.

STUDENT: A budget is nothing but policy in dollar form.

DR. BELSLEY: Now I want the question.

STUDENT: Do I understand, then, from you, that you would vote for Congress's issuing its instructions to no one except the President?

DR. BELSLEY: I don't know what you mean by "instructions." But it seems to me that when Congress adopts a law that is its direction. I do not agree with the theory that congressional committees should deal directly with the Bureau of Reclamation, for example, to the exclusion of the Secretary of the Interior or the President.

STUDENT: Then I assume you are on the President's side in this tug of war.

DR. BELSLEY: I don't think you have to say that you are on one side or the other in the tug of war. But with respect to getting a degree of unity in connection with seeing that the laws are faithfully executed, I am on the President's side. I think that is a constitutional mandate that must be recognized.

COLONEL BARNES: Let me carry his question on, of course, but to more general purposes.

What I want to say is, do you feel that the course you have described that Congress has taken lately in the larger responsibilities that the Executive has, that an increased control by Congress written into the statute is more than what you might call a proportional carrying out of the original checks and balances theory that was written into the Constitution by the Founding Fathers?

DR. BELSLEY: I find it hard to discuss it solely in terms of the checks and balances of the Constitution. It seems to me you must also consider it in terms of the problem of managing an enterprise such as the Federal Government which, because of its size, scope, and variety, is the hardest enterprise in the world to manage under the most favorable conditions without these other divisive and separatist forces.

I know that every group feels strongly about its program, and properly so. That is the spirit that you want people to have in carrying out their programs. But they are inclined to use every means at hand to break through, under, or over the firm decision that has been made by their responsible superiors and which stands in their way. I merely believe that the responsibility of an official in the executive branch should be to his superior.

There are, I know, different loyalties such as professional loyalties and group loyalties. Sometimes they operate for the "good of the order." Very often they don't operate in this way, although the person who takes a particular course of action may be convinced that they do.

I think people must be held responsible and accountable for what they do, and it seems to me that in the executive branch the channel of accountability goes up the line. When a congressional committee disagrees, or even its chairman disagrees, with a particular policy that

has been proposed by or set by the President within the framework of law, there is a tendency to avoid attacking the President, because he is seldom a good target for direct attack. But, to attack the men around the President or to ask them and other subordinate officials and employees to the Hill where they are often encouraged to testify in opposition to the President's program is the use of the subordinate to undo the superior. It is rather hard to take, even for a President.

QUESTION: You bring up the question that in the Foreign Service of our State Department, or in the State Department as a whole, the civilian employees have a continuity of employment and yet that does not apply to other sections of employment in the Government within the civil-service sphere. Why is that? Is the Foreign Service separately set up?

DR. BELSLEY: The Foreign Service is separately established by a separate law and it is a separate corps with devices and techniques that apply to it and it alone.

QUESTION: Have any steps been taken to correct that in the other agencies to make a career function of it?

DR. BELSLEY: That has been discussed, but needed steps have not been taken. There are a lot of disadvantages to it, as well as advantages. One of the disadvantages, and it seems to me a major disadvantage, is that civilians hesitate to accept (in the corps idea) the involuntary assignments from post to post, position to position, billet to billet. Many civilians, either white collar or blue collar, just don't like that. This is a system, however, which the military personnel accept and live with; so do the Foreign Service personnel. That seems to me the major disadvantage of it.

We could spend a long time, and I would enjoy it, discussing the advantages of it. But to answer your question, very little has been done in this direction in the other civil branches.

QUESTION: Several recommendations of the Hoover Report on reorganization have been accepted by the President. Has there been any trend of significance to you?

DR. BELSLEY: Yes, it seems to me one of the things the Hoover Commission did was to issue a series of reports. Have you read them?

COLONEL BARNES: We read the concluding report.

DR. BELSLEY: There are 20 or so pamphlet reports, plus another 20 task-force reports that correspond generally to the final Commission reports on each subject. One of the best reports the Commission submitted was that dealing with general management in the Federal Government.

The Commission accepted the concept of the Executive Office of the President and the need for adequate Presidential staff. It proposed further strengthening of the Executive Office of the President and recommended that the President be given greater freedom than he now enjoys in setting up and modifying staff units he may need from time to time and in selecting his key advisers and aides in the Executive Office without the advice and consent of the Senate. It seems to me that these were among the most valuable of the many suggestions made by the Commission.

On the personnel front, the Hoover Commission made proposals that it seems to me were very useful, some of which have been followed.

Generally this whole subject of management (the leadership of the President, the staffing of the Presidency, and the strengthening of department heads vis-a-vis their bureaus) was also made another salient feature of the Hoover Commission's recommendations. Some of the proposals in these areas have been carried out through reorganization plans.

STUDENT: I don't know whether you intentionally avoided my question.

DR. BELSLEY: Maybe I didn't understand it.

QUESTION: Does the trend toward reorganization have any significance? Do you think there is any possibility that the report in its entirety will ever be adopted? Do you think Congress would accept any of its suggestions on modifying legislation which could simplify it?

DR. BELSLEY: I misunderstood your point. Congress has adopted many of the recommendations. Others have been carried out by reorganization plans developed by the President, submitted to the Congress, not vetoed by the Congress, and therefore effective 60 days after their submission. Just this year, President Eisenhower submitted 10 Reorganization Plans.

Will Congress adopt all of the Hoover Commission's recommendations? I don't think so. Should Congress adopt them all? I don't think so. This is only my personal one man's opinion. Some of them deal with very important public policy issues that can be settled only in the realm of highest policy where there is room for wide differences of opinion.

You will always be faced with the problem of whether the Forest Service and the National Park Service should be consolidated and, if so, whether the consolidated unit should be in Interior or Agriculture. I don't know how that is going to be resolved over the years. That has been a moot point for a long time. Should the Bureau of Reclamation be transferred to the Corps of Engineers, or vice versa? This, too, is a moot question that has been talked about for years. I worked on the reorganization plan for President Hoover in 1932 when some of these problems were raised. No lasting solution was reached at that time.

COLONEL BARNES: We might settle that question right here by giving all the representatives from the Corps of Engineers and all those from the Reclamation Bureau a chance to debate.

QUESTION: Dr. Belsley, could you comment on the implications of the President's proposal to remove many key positions from civil service?

DR. BELSLEY: Yes, I am willing to comment on that. Let me limit the problem by saying that I think you are referring primarily to the so-called schedule C positions. It seems to me some top positions might properly be put in schedule C. But do all of them that have been put there belong there? In my judgment, the answer is "no." I think too many positions that don't properly belong there have been put in schedule C. If the trend continues, it can only hurt the civilian career service. People will feel they can no longer attain positions with some prestige, eminence, and challenge. Eventually the kind of people we need will no longer be attracted to the service. Others will leave.

I don't know whether I have evaded or tried to answer that one.

QUESTION: Do you believe, after your experience with War Production Board (WPB) and National Production Authority (NPA), that existing Government departments should be utilized in industrial mobilization during times of real war and in times of trouble like we are going through now?

DR. BELSLEY: This breaks down into two parts. You didn't mention planning. You confine this, I think, to operations.

STUDENT: Right.

DR. BELSLEY: In an all-out emergency period where you are deeply involved in a war and your whole economy (your whole Nation) must be mobilized as speedily and completely as possible, and where you have to make the most of what you have, I believe that, for the most part, you cannot use the regular agencies of Government. I think special agencies will eventually have to be set up, although this may not be necessary at the very beginning.

The problem of mobilization planning is somewhat different, particularly where (over a long period of time) we have a sizable military establishment with considerable money spent on procurement and for other defense-related purposes, and where the economy has to be geared, in a nonwar situation, to a greater extent than it ever has heretofore to supplying the military its materiel, manpower, and other resources. Under such conditions you must organize your planning front for the long pull. Where you are confronted with such a long pull it seems to me you do use regular agencies of Government.

However, when it comes time to operate and the question arises whether you should have a separate WPB or whether its functions should be put in a regular agency, it seems to me the answer must be in favor of the separate WPB. As you recall, when NPA was established one of the big questions was whether it should remain in the Department of Commerce or whether it should be removed from that Department and be made a separate agency. While it was set up within the Department's family, there are many who believe that it would have been removed if the military and economic situations had gotten worse.

As it was, part of it was moved, in the form of the Defense Production Administration.

COLONEL BARNES: Our allotted time is up, so we will have to stop the questions at this point. Dr. Belsley, we knew from your reputation that you would give us an enlightening and frank discussion on this subject, but we didn't realize how interestingly you could present a dry subject. On behalf of all of us, I thank you and welcome you to our regular table of speakers.

DR. BELSLEY: Thank you. It has been very pleasant for me.

(20 Jan 1954--250)S/ijk