MEMORANDUM

DETERMINED TO BE AN ADMINISTRATIVE MARKING E.O. 12065, Section 6-102

THE WHITE HOUSE

WASHINGTON

September 8, 1971

MEMORANDUM FOR:

H. R. HALDEMAN

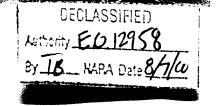
FROM:

SUBJECT:

Bureau of Labor Statistics

The purpose of this memo is to update you on the progress in strengthening the BLS. After gaining agreement from Shultz and Colson on a general approach, I had several meetings with Secretary Hodgson to convince him of the need for fairly drastic moves. This was followed up by action sessions with Under Secretary Silberman and Assistant Secretary Zarb. The following actions have been agreed to and are now being implemented:

- -- The BLS will be organized with 6 out of 9 existing offices being combined into a newly created Office of Data Analysis headed by a second Deputy Commissioner. This new office contains all the sensitive analytical and interpretive responsibilities of the Bureau. Before and after charts are shown at Tab A. The new organization will take effect as soon as the new Deputy Commissioner is selected.
- -- A politically sensitive, loyal Republican economist will be selected for the new Deputy post. John Clarke of my staff is now identifying possible candidates. This should be finalized by the end of the month.
- -- Harold Goldstein will be moved to a routine, non-sensitive post in another part of BLS. He has been told of this and will move quietly when the reorganization is announced.
- -- A sensitive and loyal Republican is also being recruited for the employment analysis function being vacated by Goldstein.
- -- Peter Henle, Associate Commissioner for Economic and Social Research, and Leon Greenberg, Associate Commissioner for Statistical Standards and Operations, will be transferred when the reorganization is announced.



- 2 -

We have decided not to replace Moore as Commissioner because of his technical competence, apparent willingness to cooperate, and strong ties to Arthur Burns. This decision is based on the combined recommendations of Shultz, Hodgson, and Colson. Also, you will note that instead of replacing Burdetsky as Deputy Commissioner, the plan creates a second Deputy over the most critical areas. This is a compromise, but I believe it is a workable solution.

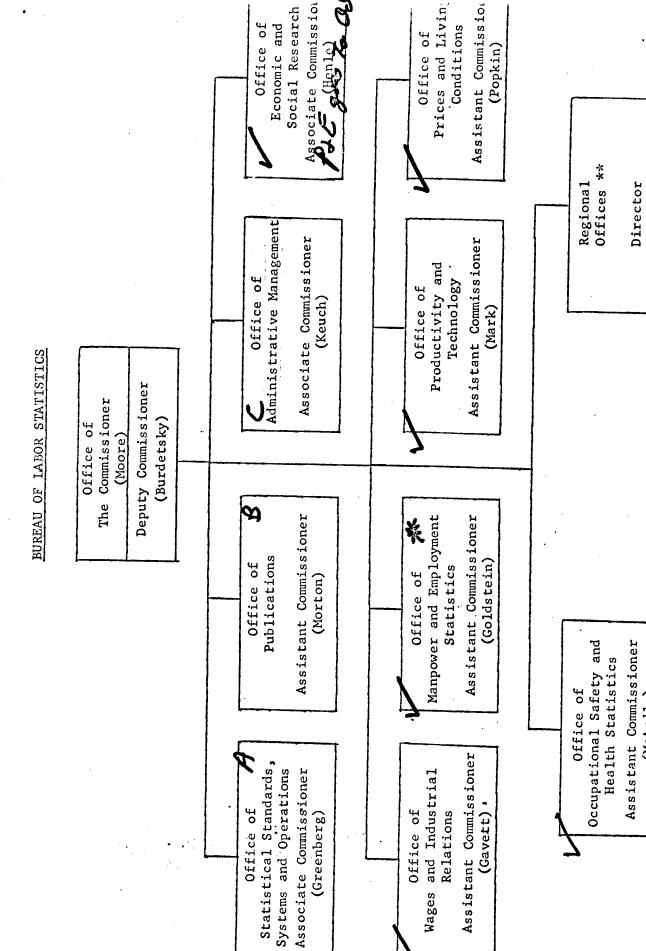
The search for the new Deputy has the highest priority, and I am aiming for a selection in 3 weeks. Thus, by the end of the month Secretary Hodgson should be announcing the reorganization, announcing the new Deputy appointment, and effecting the transfers of Goldstein, Henle, and Greenberg. These moves do not go as far as I would have preferred but represent a reasonable compromise that I feel will make the BLS a more responsive and effective unit.

Attachment

cc: Chuck Colson

. . .

DECLASSIFIED Authority E.b. 1295



*Note: The four offices in this tier have Bureau-wide responsibility and authority in their respective areas.

(McArdle)

**Located in: Boston, New York, Philade!

Atlanta, Chicago, Dallas, Kansas City, San Francisco

DECLASSIFIED
Authority EO 12958
By IB_ NAPA Data 8/1/4

HOMINISTRATIVE MANASCINENT ASSOC. CONM. D (KEUCH) IREAU OF LABOR STATIST PROCESSING A ASSIDE, COMM. I STATISTICAL (GAVETT) COMPLESSION ER DEPUTY COMMID (BURITISKY) DEPTY. COMM. R (TO BE FILLED) ASSOC. COMM. D Publicarions (MORRION)

WEW ORGANIZATION

REGIONNOL OFFICES (8)

DECLASSIFIED Authority E.O. 12958

METHODS ALD STAWOARDS STATISTICE (KAITZ) DWALYSIS -(TO BE FILLED) EMPLOYMENT CURRENT Economic TREILE (ALTERIAM) (+ 14 GO, 12 STRUCTURES MANDOWER GOLDS7EIN Bro TRENDS (037713) DEPTY COUNT AND acup ATIONAL BNALYSIS (HICHKOTE) SUFETY HEDLYN (TO BE FILLED) (INDUSTRIBL WAGES AND RELATIONS PRODUCTIVITY (TECHNOLOGY (MARK) PICES AND 2NottiaNo POPKIN) ;IVING

NEW ORGANIZATION

PEDU OF LIBOR ST