

# **ASH COUNCIL CASE STUDY**

## **Dwight Ink**

### **SUMMARY**

On taking office, President Nixon quickly initiated a number of government management reforms. Seeking advice on how to proceed with the most difficult of these, the restructuring of government, he appointed six experienced men to the President's Council on Executive Organization, called the Ash Council. Their recommendations persuaded Nixon to submit bold proposals to Congress to restructure the Executive Office of the President and the domestic departments and agencies.

After sharp debate, Congress permitted his executive office reorganization proposals to go into effect, resulting in replacing the Bureau of the Budget with the Office of Management and Budget and the establishment of the Domestic Council. Nixon also forwarded Ash Council recommended reorganization plans that resulted in the establishment of the Environmental Protection Agency and the National Oceanic and Atmospheric Administration. Most other recommendations were acted upon within the Executive Branch.

Based upon Ash Council recommendations, Nixon also forwarded to Congress the most comprehensive structural reorganization of domestic agencies ever proposed by any president. By proposing to consolidate seven departments and several independent agencies into four departments, the president courageously challenged many of the most powerful special interest groups and congressional committees. Nevertheless, as the result of extensive work on the Hill, major portions seemed to be nearing congressional passage when the 1972 election and Watergate brought this impressive initiative to a halt.

After the 1972 election, the president and his aides, working in self-imposed isolation, attempted to circumvent Congress through presidential restructuring actions that concentrated power in the White House and reduced the role of the departments. Both this closed process and the centralized philosophy Nixon adopted in his second term were in sharp conflict with the Ash Council and OMB advice he had embraced in the first term, and this ill-advised effort failed. No restructuring concept of comparable scope has been advanced since.

Nixon's contrasting approaches to restructuring in his first and second terms demonstrated the importance of teamwork within the Executive Branch and cooperation with Congress are to the success or failure of presidential reforms.

## **SETTING**

Campaigning for office in 1968, Richard M. Nixon pledged to reform the federal government. Among other things, he promised a Commission on Government Reorganization "to set in motion a searching, fundamental reappraisal of our whole structure of government,"<sup>1</sup> Upon taking office, it quickly became apparent that this new president was very serious, and was willing to battle hard on behalf of reform, in sharp contrast to the public image left by the later Watergate disaster. He believed that the government was not only too unwieldy, but that it had grown into a costly tangle of overlapping and conflicting activities.

Through the combined efforts of Nixon's legislative office headed by Bill Timmons, and the new Office of Executive Management (OEM) headed by Dwight Ink in the Bureau of the Budget (BOB), quickly after inauguration bipartisan relations were forged with the key congressional committees concerned with government operations.<sup>2</sup> Working relationships with the public interest groups were developed simultaneously. Nixon then moved into action.

Two months after inauguration, he issued the broadest directives concerning federal field structures and coordination in U.S. history. They included the establishment of ten standard regions, and ten standard federal regions with regional headquarter cities for the many agencies in the departments and agencies administering the largest number of state and local grant programs.<sup>3</sup> Ten regional councils were established, composed of representatives from all major domestic grant-dispensing agencies. A massive streamlining effort by OEM started making drastic changes in how grants and contracts were administered throughout the domestic agencies. Government-wide decentralization

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<sup>1</sup> A CBS Radio campaign statement by Nixon on June 27, 1968.

<sup>2</sup> The OEM was established at the close of the Johnson Administration in an effort to strengthen management and program coordination within BOB. Dwight Ink was appointed Director in early 1969. It was given strong support by BOB Director, Robert Mayo and Deputy BOB Director, Phillip Hughes.

<sup>3</sup> These actions loosed an initial torrent of criticism from many senators and congressmen whose states or districts did not include the ten cities. But within months this was replaced with broad support from state and local groups who applauded the sharp reductions in red tape and the increased accountability that resulted.

of operations was launched and greater reliance on state and local governments begun, actions that elicited strong, bipartisan support from state and local governments across the nation.<sup>4</sup>

With the encouragement and close cooperation of Comptroller General Elmer Staats, a number of financial management reforms began, and a comprehensive productivity enhancement program was begun throughout government. With the support of former officials from the Johnson Administration, the troubled Post Office Department was soon to be transformed into a de-politicized Postal Service with most of the attributes of a government corporation<sup>5</sup>.

Under OEM leadership (except for the Postal Service), these actions involved new interagency machinery and were unprecedented in scope. OEM did not have the stature, however, to address an even more far-reaching issue, that of the basic organizational structure of the non-defense departments and agencies of the federal government that Nixon thought were outmoded and dominated by special interests. Therefore, on April 5, 1969, Nixon appointed an independent Advisory Council on Executive Organization, commonly referred to as the Ash Council. The work of this Council led to reaching government reform proposals, indeed the most comprehensive legislative structural proposals of any U.S. president.

### **ASH COUNCIL OPERATIONS**

Roy L. Ash, President of Litton Industries, chaired the Council and other members were Harvard business school Dean George P. Baker; former Texas Governor John B. Connally; former CEO of AT&T Frederick R. Kappel; and Richard M. Paget, president of a management consultant firm. The Council's broad mandate from Nixon was "to undertake a thorough review of the organization of the Executive Branch of Government."<sup>6</sup> More specifically, it was directed to consider:

- (1) The organization of the Executive branch as a whole in light of today's changing requirements of government;
- (2) Solutions to organizational problems which arise from among the plethora of departments, offices, agencies and other separate Executive organizational units; and

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<sup>4</sup> For a description of Nixon's early actions, see *The Nixon Presidency*, 2<sup>nd</sup> chapter, *Nixon's Version of Reinventing Government*, edited by Joan Hoff and Dwight Ink, Center for the Study of the Presidency, 1996.

<sup>5</sup> This reorganization resulted from the work of President Johnson's Commission on Postal Reorganization whose chair, Frederick R. Kappel, became a member of the Ash Council.

<sup>6</sup> White House press release, April 5, 1969.

- (3) the organizational relationships of the federal government to states and cities in carrying out the many domestic programs in which the federal government is involved.

At first, nothing happened. Ash was heavily involved with Litton's corporate problems, so on June 2, 1969 Nixon persuaded Walter N. Thayer, President of Whitney Communications Corporation, to become Special Consultant to the President (the only Council member so titled) and the sixth member of the Council. Reflecting the President's impatience, the White House stated that Thayer "will have the responsibility for securing and organizing the Council's staff and directing its activities."<sup>7</sup>

Murray Comarow, a Booz-Allen-Hamilton partner with prior government experience, was appointed Executive Director in July<sup>8</sup>, and Andrew M. Rouse, a BOB deputy assistant director became Deputy Executive Director. The Council directed the staff of 25 to prepare studies on a wide range of targeted subjects, beginning with the Executive Office of the President.<sup>9</sup>

Once organized with strong leadership at both the Council and staff levels, the Council moved rapidly. The staff analyzed every government organization study back to that chaired by Brownlow in 1937, and interviewed several hundred present and former officials, business executives, scholars, and individuals who had participated in past studies. Multiple options for every reorganization were developed, recognizing that no structural arrangement could possibly resolve all conflicts, or could be realistically regarded as a "solution" As a result, the Council concluded that:

- Departments should be organized around broad missions and should seek to integrate the professional skills and governmental functions necessary to accomplish those missions;
- The number of departments should be reduced;
- Within departments, similar or interdependent programs should be grouped together to avoid the need for excessive coordination and to permit decision-making on all issues relevant to their missions: and

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<sup>7</sup> White House press release, June 2, 1969.

<sup>8</sup> Comarow's distinguished career included service as Executive Director of President Johnson's Commission on Postal Organization (the Kappel Commission) that proposed the transformation of the Post Office Department to the Postal Service.

<sup>9</sup> Unlike most of the earlier commissions, the Bureau of the Budget staff was not drawn upon for support .

- Departments should not be perceived primarily as representing the interests of a profession or clientele group. Rather, the general public interest should be served and special interests subordinated to the broader mandate.

Thirteen memoranda, each presenting major recommendations, were sent to the President between August 20, 1969, with recommendations to reorganize the Executive Office of the President, and November 17, 1970. All but one were unanimous.<sup>10</sup>

The most ambitious recommendations led to Nixon's 1971 Cabinet reorganization plan in which he intended to restructure seven departments and four independent agencies into three departments<sup>11</sup>.

The Council warned, and President Nixon recognized, that such massive changes would be resisted and attacked by dozens, if not hundreds, of interest groups. Opposition did develop, but the largest obstacles turned out to be unrelated events both during and following the 1972 election.

## **THE FATE OF COUNCIL RECOMMENDATIONS IN THE FIRST TERM**

### **Executive Office of the President**

On August 20, 1969 the Council forwarded two major recommendations to Nixon on the Executive Office of the President, amplified in a second memorandum in October. First, was a proposal for establishing a Domestic Council chaired by the President and composed of the Vice President and secretaries of nine cabinet departments. The Council's staff was to be headed by an executive director who would also be an assistant to the President, an arrangement that later drew considerable congressional fire over the issue of congressional accessibility.

Building on President Eisenhower's reorganization recommendation before leaving office, the Council also recommended reconstituting BOB as an Office of Executive Management. Although its functions were not too different from those already in BOB, it was believed that the restructuring and renaming would help in achieving a greater emphasis on management and program

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<sup>10</sup> The President's Advisory Council on Executive Organization, *Memoranda for the President of the United States*, November 10, 1970, a compilation of the Council's memos to the President.

<sup>11</sup> Departments of Human Resources, Community Development, and Economic Affairs.

coordination.<sup>12</sup> In fact, the Council saw management, not budget, as the overarching function of its proposed new OEM.

When Nixon approved these first recommendations, no one predicted that they would precipitate an intense confrontation with the Hill. However, by the time they were both incorporated in Reorganization Plan #2 of 1970 and submitted to Congress by Nixon on March 12, extensive Hill briefings had revealed that several key congressmen had serious concerns.

Led by Chet Holifield (D-CA), the most influential member of the House Government Operations Committee that had jurisdiction over reorganization proposals, there were grumbles about why the President would send up a plan that simply changed the name of the Bureau of the Budget unless there was some hidden motive involved. More important, he and a majority of his colleagues charged that because the plan placed all the former BOB functions in the President, arguably leaving him discretion as to which he might wish to delegate to the new OMB and which he might delegate elsewhere, they believed the plan would “give the President almost unlimited power to restructure the administration of those functions at any time, delegating them where he might at that moment desire, without any action or review by Congress.”<sup>13</sup> Holifield was also convinced the plan would weaken the civil service.

Although considerable time was devoted to sharp questioning about the proposed OMB, the Committee’s greatest anger was directed at the companion portion of the reorganization plan, the proposed Domestic Council, a move they saw as weakening the department heads and providing a power base for White House staff who would not be accessible to Congress, a separation of power issue of great sensitivity. Neither Chairman Ash nor OEM Director Ink provided counter-arguments the Committee found persuasive, and on May 8 it forwarded a proposed House resolution to disapprove Reorganization Plan #2, with five of the Republicans dissenting.<sup>14</sup>

The unions opposed the Plan, GAO expressed concern, and the vote count looked very doubtful with only a few days left before action by the full House. However, BOB embarked on a major last

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<sup>12</sup> This organization would supersede the more limited existing OEM, which had by then developed considerable momentum, but had no budget or evaluation responsibilities.

<sup>13</sup> Committee on Government Operations, 91st Congress, p. 3, *Disapproving Reorganization Plan No. 2 of 1970*.

<sup>14</sup> Ink argued that congressional accessibility would be provided by the Council members, and to make the Executive Director available for hearings would give him “a much more central role than is deemed desirable” and “would detract from the influence of the Cabinet-level Council members”.

minute effort to generate support on the basis of a need for a domestic counter-weight to the foreign policy attention given the National Security Council and Kissinger. This argument proved effective with the OEM state and local networks, and was largely responsible for saving the plan.<sup>15</sup> For the only time in our history, on May 13 by a vote of 193 to 164, the House rejected a recommendation from the House Committee on Government Operations to disapprove a presidential reorganization plan, thereby permitting OMB and the Domestic Council to come into being.<sup>16</sup>

### **Environmental Protection Agency**

As the result of other Ash Council recommendations, on July 9, 1970 President Nixon sent to Congress Reorganization Plan #3 to establish the Environmental Protection Agency (EPA) and Reorganization Plan #4 to establish, within the Department of Commerce, a National Oceanic Atmospheric Administration (NOAA). EPA drew the most controversy.

Environmental responsibilities were lodged in more than a dozen Federal agencies, and there was no organizational focus for a concerted program to reverse environmental damages done over the years by pollution and neglect. Although reluctant to establish another government agency, Nixon accepted the Ash Council's view that setting and enforcing environmental standards must be performed outside the affected agencies. There was widespread surprise that he would propose an environmental agency, an example of why the most conservative elements of the Republican Party never embraced Nixon.

After OMB defined the specific components of the proposed agency, advance discussions with Congress revealed a surprising split between the two key House members, both liberal Democrats and close friends, whose support was required to offset opposition that would otherwise kill the plan. Holifield (D-CA) thought that transferring environmental protection responsibilities from existing agencies with huge programs in various fields would reduce their sense of responsibility for protecting the environment. On the other hand, John Blatnik (D-Minn) believed that only a

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<sup>15</sup> On July 13, 1970 the President received a letter of support for the reorganization and the OEM work, signed by the Council of State Governments, the National Governors Conference, the National League of Cities, the U.S. Conference of Mayors, the National Association of Counties and the International City Management Association.

<sup>16</sup> Several days before the plan was to go into effect, Haldeman and Ehrlichman summoned BOB Director Robert Mayo and Ink to inform them that the OMB would report to the President through Ehrlichman. This was contrary to the intent of the Ash Council and the commitments Ash and Ink had made to Congress. Mayo and Ink protested vigorously with the result that Mayo, with whom Nixon never felt comfortable, was fired and Ink was layered over by a political appointee in the new OMB. True to the Ash Council plan, however, all the OMB directors have reported directly to the president, as had the directors of BOB..

Department of Environment encompassing most environment related activities would possess the leverage and command enough attention to be effective. OEM finally negotiated an agreement, which Nixon forwarded in the form of a successful reorganization plan similar to the Ash Council recommendations for an agency, not a department.<sup>17</sup> Conservatives from both parties, and several committee chairmen guarding their turf, continued to be opposed, but public concern was sufficiently strong that the 60 days in which a resolution of disapproval could be filed passed without such an action, and the plan establishing the Environmental Protection Agency was permitted to go into effect.

OMB then established a task force to develop the arrangements for establishing the agency. It assisted the first agency head, William Ruckelshaus, who provided effective leadership in building the agency that was to face a myriad of controversial issues including air and water pollution, pesticides and radiation hazards.<sup>18</sup> The task was made more difficult by the lack of an “organic” act to integrate the many different functions and also the necessity of relating to dozens of Senate and House committees.<sup>19</sup> However, an organic act was thought to have had no chance of passage at that time. EPA has had its ups and downs, but its overall impact has been very substantial. In addition to EPA and NOAA, other Council recommendations were submitted, dealing with such subjects as organized crime, narcotics traffic, and drug abuse.

### **Departmental Reorganization**

Nixon approved in principle the Ash Council’s far-reaching reorganization of the domestic departments, as modified by the White House staff and OMB. The most significant change was to eliminate the new Department of Transportation and divide its functions between the proposed departments of community and economic affairs. That made the package more difficult to sell.<sup>20</sup>

Nixon believed that his reorganization objectives would fail if pursued in bits and pieces, since specific clientele and bureaucratic resistance could overpower small proposals. It was also felt that

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<sup>17</sup> Establishing a department would have required legislation, whereas an agency could be established under the Reorganization Authority which enabled a president to move ahead without legislation unless one of the two houses of Congress disapproved within 60 days, an approach more likely to succeed.

<sup>18</sup> The OMB task force was headed by a career employee, Howard Messner, who became the first EPA Assistant Administrator for Administration.

<sup>19</sup> Relying on a reorganization plan resulted in having to retain all 13 presidentially appointed positions from the constituent organizations. By contrast, NASA and FAA, organized by legislation, had only two.

<sup>20</sup> DOT was already viewed by many as a major purpose department, but local governments believed that federally assisted roads and highways needed to be more closely related to community planning, a primary reason for the change. Some believed that the White House animosity toward DOT Secretary John Volpe also played a role.

Congress and the public were entitled to see the whole picture of how the government would be changed. The best chance for action would result from a bold, comprehensive package to be sent to Congress.

Nixon turned to the new Office of Management and Budget and its Assistant Director for Executive Management, Dwight Ink, to undertake the huge task of translating the Ash Council recommendations into legislative proposals. His Deputy Assistant Director, Alan L. Dean, was designated staff coordinator of the Department Reorganization Program (PDRP)<sup>21</sup> Four interagency task forces were organized, in which the budget examiners were also heavily involved, to address each proposed department. There was also a fifth task force, chaired by Charles Bingman, director of the government organization staff who was charged with assuring that each departmental plan had an effective organization and management structure.

The new OMB political leadership of George Shultz, Caspar Weinberger and Arnold Weber, together with White House staff, assured cooperation of the disappearing departments and agencies in meeting rigorous deadlines, making it possible to submit the proposals to Congress by March, 1971. During this process several significant internal organization concepts were developed that were well received by Congress, such as the need for providing department-wide management leadership through an undersecretary for management and the popular decentralized field program delivery systems utilizing regional offices. To help Congress and the public understand how the new structure was to work better, section-by-section analyses and analytic reports were prepared explaining in detail the structure, role, and program components of each department accompanied the legislative proposals.<sup>22</sup>

Holifield, now chair of the Government Operations Committee, reacted to the PDRP with derision, and shock waves hit congressional committees concerned about losing jurisdiction after the consolidation of functions into “superdepartments” as the four proposed organizations became known. Yet after intensive discussions with OMB staff, Timmons arranged a White House meeting with Nixon at which Holifield now said that he saw some merit in the proposals. He warned the President, however, that these proposals would arouse opposition from virtually every interest

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<sup>21</sup> Mr. Dean had been the career Assistant Secretary for Administration of DOT, and had earlier worked on any reorganization proposals while in BOB. Mr. Bingman had served in NASA and AEC.

<sup>22</sup> These documents, together with the President’s message were compiled by OMB in a bound volume “*Papers Relating to the President’s Departmental Reorganization Program.*”

group in the country that sought narrowly based agencies or departments responsive to their constituencies. The political landscape would be covered in blood, he said. Nixon replied that he had enough political experience to be well aware of that, but he thought special interests had too much power. He explained that too much decision-making had gravitated to the White House, and that his reorganization would lead to many issues being settled before they reached the White House. He stressed his belief that this reorganization was the right thing to do, and he planned to do everything he could to gain congressional support.

Holifield, who had never liked Nixon was surprisingly touched by this response. He then held overview hearings on the overall PDRP, followed by hearings on the Department of Community Development (DCD) which was reported out favorably by the encouraging vote of 27 to 7. A Timmons vote count indicated a clear majority in both houses would support the DCD, and the Senate, with the strong support of Senator Henry “Scoop” Jackson (D-WA), would support the Department of Natural Resources (DNR), although the House was uncertain<sup>23</sup>. However, issues related to the 1972 presidential campaign and election prevented moving the bills to the floor of either House before Congress adjourned.<sup>24</sup>

### **The second Term Attempt to Establish a “Super Cabinet” Unilaterally**

After the election, the OMB management staff prepared to resubmit the reorganization proposals with some changes to ease passage. It was not clear whether the scars from the 1972 election could be overcome, but there was some reason for hope as Holifield said he might be receptive to the department of community development and Senator Abraham Ribicoff (D-Conn) said he was sympathetic to both the department of community development and the department of natural resources. However, it soon became clear that Nixon had become impatient with the slow and uncertain legislative approach and wanted to accomplish by presidential action much of what he had earlier hoped to gain through the legislation.

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<sup>23</sup> Timmon’s two Deputy Assistants to the President for Congressional Relations, Tom Korologos, who covered the Senate and Richard Cook who covered the House, had very accurate vote counts on which the Hill often relied.

<sup>24</sup> Another problem was the sudden White House decision to retain the Department of Agriculture, caused in large part by the difficulty in persuading Earl Butz to agree to appointment as Secretary of a disappearing Agriculture Department, thereby compromising the Ash Council concept. Learning of this unexpected change at a 7:30 a.m. White House meeting, for two hours Ink was unable to track down Holifield until after he had opened an early morning hearing in which Holifield had just expressed support for the President’s plan to eliminate the Department and the Undersecretary of Agriculture had begun to testify in support of eliminating his department. Holifield was deeply offended by this failure to consult, or even inform him, and immediately suspended hearings on PDRP.

As a result, while taking pains to avoid the use of either legislation or reorganization plans that would involve Congress, Nixon and the White House staff developed an arrangement that became known as the “supercabinet”. At the top were five Assistants to the President who were to “integrate and unify policies and operations throughout the executive branch of the Government, and to oversee all of the activities for which the President is responsible.”<sup>25</sup> Beneath them Nixon appointed three cabinet members as counselors who were to coordinate the handling of interagency issues within broad functional areas.<sup>26</sup> On the bottom rung were the other cabinet members such as the Secretary of the Interior and the Secretary of Labor. At the same time, a number of White House staff were placed in departments and agencies in an effort to make the bureaucracy more responsive to the White House, a step that began to politicize the career service.

Nixon did not reconvene the Ash Council to advise him as he developed this new White House dominated approach that violated the Council concept Nixon had earlier embraced which was to relieve the White House of the less critical decision making and rely more on department heads.<sup>27</sup> This White House layering and centralization of control was opposed by Ink who was then surreptitiously taken out of the whole process.<sup>28</sup> Nixon’s successful first term practice of careful advance consultation with Congress was abandoned. In fundamental ways, Nixon’s second term approach to restructuring was the opposite of that which he employed in his first term, in both process and content.

Although this second reorganization design did go into effect in 1973, it never worked. The top White House level of White House assistants were regarded as power hungry, and the Counselors never came close to achieving the leadership role Nixon envisioned. The arrangement was resented by both the political and career leaders in the subordinate departments and by members of Congress who regarded it as a scheme to circumvent Congress and of questionable constitutionality.

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<sup>25</sup> The five were Haldeman, administration of the White House; Ehrlichman, domestic affairs; Dr. Kissinger, foreign affairs; Shultz, economic affairs (as well as continuing as Secretary of the Treasury); and Ash, executive management (as well as Director of OMB).

<sup>26</sup> Butz, Secretary of Agriculture, became Counsellor for Natural Resources; Weinberger, Secretary-designate of HEW became Counsellor for Human Resources, and Lynn, Secretary-designate became Counsellor for Community Development.

<sup>27</sup> The Ash Council has been unfairly criticized by some who have mistakenly assumed this 2<sup>nd</sup> term ‘Supercabinet’ approach was the product of the Ash Council rather than the very different “Superdepartment” concept of the 1<sup>st</sup> term which the Council did design.

When the pressures of Watergate forced the resignation of Haldeman and Ehrlichman, the entire supercabinet arrangement collapsed immediately, ending the last Nixon effort to improve the structure of government. No restructuring of comparable scope has been proposed since. So what were the results of the Ash Council's work?

The Council developed the most far reaching, integrated effort to rationalize our domestic departments ever proposed. The BOB, later OMB, staff developed a concept for internal department organization that was well received on the Hill. Nixon's Congressional Relations staff was respected and effective. And there were early successes resulting from the Council's work, particularly establishing EPA and NOAA.

Yet few today believe that changing BOB to OMB achieved the objective of increasing the emphasis on management. Indeed, most observers, including Murray Comarow, the Council's Executive Director and the first OMB Assistant Director for Management, Dwight Ink, believe the management capacity has declined significantly during the existence of OMB. Many also believe the replacement of BOB has paved the way for too much political filtering of the independent views of the career staff on both budget and management issues that used to be available to the president.<sup>29</sup>

The Domestic Council facilitated domestic decision making at first, but as the 1972 election approached, it became more of a political instrument to reelect Nixon, including some of the unsavory activities of the Watergate period. It was later abolished, but then revived in different forms by successive administrations. Finally, the ambitious departmental reorganization proposals approved by President Nixon failed completely. Why did the excellent work of a highly regarded presidential advisory council not lead to better results?

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<sup>28</sup> Ehrlichman secretly assigned work directly to Ink's staff with instructions that the Assistant Director not be informed that such assignments had been made, an example of how the White House environment changed after the 1972 election with greater secrecy and White House staff control.

<sup>29</sup> Prior to these changes, presidents were assured of having the professional budget and management views of senior career staff to consider along with political advice in much the same way the Joint Chiefs of Staff provide independent professional advice on military issues.

## LESSONS LEARNED

- Value of Commissions. The advice the Ash Council gave Nixon was generally of very high quality and provided a needed vision and strategy for rationalizing the domestic departments<sup>30</sup>. The sweeping scope of their recommendations would not likely emerge from any internal review of organization. Hence, the Ash Council illustrates the value of convening an outside body for addressing broad issues, particularly those challenging the turf of large groups. However, many external factors are likely to determine the ultimate success or failure of such an instrument.
- Need for Fast Start. It was not until early June that the Council was in a position to move forward, a handicap that diligent work by an able staff could not overcome. The time lost by the Ash Council in getting underway did not seem to be serious at the time. However, had congressional hearings been completed two months sooner, the House and Senate would probably have passed two of the departmental consolidation proposals before getting side-tracked by 1972 election problems. A running start is an invaluable asset for an incoming president.
- Commission Staff. Once organized, the Council moved quickly on a wide variety of very challenging issues most of which carried highly charged political implications, demonstrating the value of utilizing the unusually high caliber of experienced staff that Thayer and Camarow engaged.
- Institutional Support. The critical role of OMB demonstrated the need for an institutional capacity to provide technical and substantive leadership for translating recommendations of an outside body into action. These proposals required much more than collecting good management ideas; they were fraught with serious conflicts over shifts of authority, potential losses of budget, and disruptions of existing relationships among agencies, clients, and Congress. A trusted institutional staff of this type with an ability to speak for the president is invaluable to move presidential reform forward.

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<sup>30</sup> An exception might be the proposed Department of Economic Affairs which was viewed as an indefensible “catch-all” by OMB staff.

- Value of Reorganization Plan Authority. The implementation of the Ash Council recommendations for EPA and NOAA through reorganization plan authority demonstrated the value of this as a presidential instrument for structural reform. Many believe this authority should be reactivated in some form.
- Price of Politics. The fate of the Ash Council work illustrates how easily political actions can torpedo actions designed to improve the effectiveness of government. Had the Domestic Council continued to carry out the policy role envisioned by the Ash Council, Congress would not have abolished it. Political mistakes made during and after the 1972 election lost Nixon the political capital needed for any chance to move forward with the departmental restructuring in which he had invested so much effort. The more political character of the 2<sup>nd</sup> term restructuring approach placed Nixon's reform efforts in further jeopardy.
- Need for Presidential Leadership. Without the leadership of President Nixon, and the willingness he demonstrated during his first term to stand fast against special interests arrayed against his bold restructuring proposals, there would have been no serious consideration of the legislative proposals resulting from the Council's work. When that leadership faltered as the 1972 election approached, there was no way the Council or the OMB could save the program. Sustained presidential leadership is required for major reform
- Complexity of Reform. At the beginning of the Nixon Administration, an integrated organizational infrastructure was at work in the Executive Office of the President involving the Ash Council, the White House staff, BOB/OMB, the President's Assistant for Legislative Affairs, and the President himself. It also involved careful laying of groundwork with Congress and key public interest groups. This teamwork disappeared in 1972 as Nixon and his immediate staff began to insulate themselves and ultimately ignore everyone else. The White House concentration of power after the 1972 election moved the President toward simplistic and indefensible approaches to restructuring that were doomed to failure.

True structural reform today is an extremely complex affair, which requires involvement by many stakeholders, an institutional support capacity beyond what exists today, and strong, sustained presidential leadership. It will usually involve partnership roles for the private sector and with state and local governments. Global implications may emerge. Today, there is also

much greater difficulty in engaging Congress to consider sweeping changes affecting the turf of various agencies and congressional committees. Therefore, to have any chance of success, future structural reforms of magnitude, no matter how desirable, have to be designed with extreme care and managed with great professional and political skill, a combination that rarely exists.