~~Confidential~~

December 1, 1971

File with other item(s) re Dwight Chapin

MEMORANDUM FOR: Dwight Chapin

FROM: General Hughes

SUBJECT: San Clemente Telephone Operation

Ordinarily, I would not respond to a memorandum of this nature from you. However, since you raised the question involving the integrity of military personnel under my command, I feel that I cannot let your erroneous inference go unchallenged, particularly since it involves our service to the President.

In the last paragraph of your memorandum, you take issue with the fact that the WHCA operator continued to stay on the line while Steve Bull was in conversation with the Administrative switchboard operator. This is perfectly correct. The WHCA operators do not drop off the line until the calling party is connected to the called party, i.e., "Mr. Bull called and requested to speak to Mr. Higby." Steve did not ask to speak with the Administrative switchboard. Consequently, the WHCA operator had an obligation to insure that the call was completed as requested. This is true of both switchboards. The operator will stay on the line until the call is completed, as requested, and then drop off.

The subject of WHCA operators listening to conversations is a sensitive issue and one to which Bob Haldeman and I directed our attention at the beginning of this Administration. I do not choose to go into the details with you but merely to say that at that time, I assumed full responsibility, to Bob Haldeman, for assuring that this violation of communications ethics would not be tolerated by me. This has been the WHCA policy from that date.

By virtue of the fact that you chose to raise this question without proper grounds, and to disseminate it to other staff members, I feel compelled to inform you personally and officially of my deep resentment, and to tell you that I expect you to exercise more prudence before questioning the honesty and integrity of my personnel.

cc: Mr. Haldeman
Mr. Butterfield
Mr. Bull
Mr. Higby
Miss Cole

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

December 8, 1971

MEMORANDUM FOR: THE PRESIDENT

FROM: RAY PRICE

SUBJECT: Thimmesch Questions

Attached are the 10 questions Nick Thimmesch submitted for his McCall's piece, with my draft reply following each. I've tried to make the replies conversational in tone, and therefore somewhat discursive -- like something you might have dictated and had transcribed.

Ray

Attachment

NICK THIMMESCH QUESTIONS

Question 1: Many Americans, young and old, in the "leadership class," seem to have adopted a new set of values in recent years, much different from what we know as traditional values. Is this a permanent shift, or will there be a swing back by these people?

Answer: It's certainly true that a lot of what we think of as the "traditional values" have had pretty heavy going in recent years, and that a lot of those in what is sometimes called the "leadership class" seem to show little respect for them. Of course, I don't think you can generalize too much. I know a lot of people who are leaders in the clergy, in the academic community, in civic affairs, in business, and in other walks of life who still believe very strongly and very deeply in things like hard work and patriotism and self-reliance, and in the old doctrine that everybody deserves full and equal opportunity but also has a responsibility toward himself and his community.

Where some of today's leaders have gone astray, I think, is in not recognizing that the truest idealist is the realist. You can talk all you want about concern for the sick, for example, but it doesn't get any hospitals built or any doctors trained; you can carry on with great passion about the need for cleaning up our rivers -- and they need to be cleaned up -- but that doesn't build any sewage treatment plants. For that, you need trained engineers and you need people who will mix the concrete and make the steel and watch the gauges. And you need someone to pay the bill.

This is something of a roundabout way of saying that a lot of those in leadership positions tend to romanticize things too much -- and in their romanticizing, to lose track of how things happen in the real world. The basic difference is not one of who is more idealistic, or even so much one of which values are important -- but of how we can best serve those values. For example, we all want peace -- the question is how we get it and how we keep it. We all want prosperity -- the question is how to achieve it. We all want to help those in need -- but the question is how to do it in a way that genuinely serves their needs and at the same time preserves the basic incentives that make our country go.

* * *

Question 2: Has the older generation failed to instill traditional values in the young? How?

Answer: I think it's unquestionably true that some members of the older generation have failed to instill traditional values in some members of the younger generation. But again, we should be cautious about over-generalizing. We should also remember that any generation goes through a period of searching, of experimenting, of trying to find its own way. Particularly among those in college, who to a considerable extent are insulated from the day-to-day necessities of making a living and raising a family and providing for their own and their children's future, it becomes very easy to look at everything in terms of moral absolutes. It's also easy to forget how important the role of ordinary day-to-day work is -- the work done by those who man our factories and raise our families and tend our stores, and who keep the lights burning and telephones working.

One of the most disturbing things about the campus turmoil that we had a few years ago was the loss of civility -- we had people shouting at one another instead of talking with one another, presenting demands instead of engaging in discussion, and denouncing everyone who disagreed with them as evil or corrupt. But things are much better now. We still hear a lot of revolutionary slogans, but we don't have the burning and the rioting. Also, it seems to me that young people today are doing a lot more serious questioning. They are a lot less certain that they have all the answers. They are learning that the way to wisdom is through uncertainty. I think there's a lot of basic moral strength there -- and that we're going to see a substantial resurgence of such values as civility and a decent concern for the rights and the feelings of others, as well as a renewed recognition that only by work and self discipline is anything worth while ever really achieved. So I think we've been through some difficult years, and that we all have learned from them, and that the outlook for today's young people is good.

* * *

Question 3: Have you noticed any change in values in your own daughters Julie and Tricia?

Answer: No more than what any intelligent, questioning, sensitive young person goes through in growing up. We made a point of never telling them what to believe, though at the same time we made clear to them what we believed, and why. While they were growing up, we of course held them to certain standards of conduct, but at the same time we encouraged them to think things out for themselves and to arrive at their own sense of right and wrong and their own sets of values. Of course, they've always been very much interested in the world around them -- and I suppose the fact that I was in public life, dealing with public issues, had something to do with their own keen interest in what affected other people. Certainly one of the greatest satisfactions that Mrs. Nixon and I have had in our own lives has been that of seeing them freely choose the kind of standards that we ourselves had chosen, and that we tried to live by in our household. I suppose that's one of the greatest satisfactions any parent can have.

* * *

Question 4: How can parents teach children self-discipline, ethics and the value of hard work, when these qualities are sorely tested today?

Answer: A lot of parents are doing pretty well at it. I recognize that in many respects it's more difficult today. Young people have a lot of social pressures on them to follow what in effect is a "cop-out" route -- to turn to the world of drugs instead of the world of reality, to "drop out" of life instead of trying to live it to the fullest -- and there's also the subtler pressure exercised by what often seems to be a spreading sense that the easy way is the normal way. Life never has been easy, it's not easy today, and it's not going to be easy tomorrow. I don't think it would be very satisfying or even very much fun if it were. Everybody needs a challenge. We never really know what we can do until we test ourselves, and the only way really to test ourselves is to test ourselves against a challenge.

Among a lot of people today, there's a feeling that the world is getting terribly impersonal. It's important to help young people realize that in general the world can be just about as personal as each one of us makes it. It's only in giving of ourselves that we really discover the world around us. If people get the idea planted in their heads that the world owes them an easy living, and that if they don't have it it's the world's fault, not their own, then those people have been cheated of one of the most precious things that any individual can have. They will never really have a sense of their own value.

In terms of how parents can teach their children these values, it has to start with their own example -- and this includes not being apologetic about what their own generation has accomplished. You know, we hear some pretty awful things said about what a mess the older generation is supposed to have made of things -- but if you look at the record, in terms of preserving freedom, reducing poverty, improving medical care, expanding education, raising the standard of living here and helping raise it all around the globe, and achieving and sharing scientific and technological miracles that would have staggered the imagination a generation or two ago, I think we have a record to be proud of. We ought to communicate that pride to our children -- and at the same time help them understand that none of these things, and none of the new advances that they want to achieve, would be possible without such values as self-discipline and hard work and the basic ethical standards that are the cement of a free society.

* * *

Question 5: Do you mind being called a "square?" How large is the "square" constituency in our country?

Answer: Well, I think the square is a pretty solid shape -- and that most people are considered square at some point in their lives. Also, at some point in their lives, most people look on others as square. If by square you mean not being concerned with keeping up with the latest fads or fashions in thought, or in dress, or in behavior, then I really couldn't care less. If you mean sticking closely by certain values that I believe in -- which today are sometimes called "old fashioned virtues" -- then I consider it a compliment. Each person has to be true to his own beliefs.

As for how much of our population is "square" -- well, I guess that is in the eye of the beholder, just as the definition of the term is in the eye of the beholder. I expect that about 98 percent of the American people are square in the eyes of some.

* * *

Question 6: Do you believe football's lessons have larger meaning in life to young people today, as they did a generation ago?

Answer: Absolutely. Team play, competition, putting out that 110 percent effort, disciplined action, dedication, courage, quick thinking -- these are taught to today's young by football as effectively as they were to my generation. I've seen some of the criticisms about football and sports in general lately, and they may have some points to make, but they're out of all proportion. For example, the charge that things like brutality and hatred and bloodlust are instilled by football simply miss the mark. Sometimes you see them, in football as anywhere else -- but they're rooted in the character of the person who displays them, not in the game, and they're not even nourished by it any more than they are by any other intense, competitive experience. I've seen the recent psychological study to the effect that sports don't really build character -- but I've seen too much first-hand evidence to the contrary to believe that. I don't know whether it's true that the Battle of Waterloo was won on the playing fields of Eton -- but I do believe that the strength and spirit developed on America's fields of competitive sport had a lot to do with enabling us to defend freedom in the past generation, and will have a lot to do with enabling us to maintain the peace in the next generation.

* * *

Question 7: Does patriotism change form, have different meanings for each successive generation?

Answer: I don't think patriotism itself necessarily changes form, but the things that evoke it and the means of expressing it sometimes do. Patriotism is not something that a person is taught. It's a very personal reaction, an emotional sort of response that he has to the country, to the community, to the people around him. It's a natural feeling -- in one form or another, people have had it through all the ages.

You sometimes hear the phrase, "Fourth of July oratory," used in a derisive way. It's true that the kind of patriotic appeal that was popular half a century ago wouldn't be very popular today. But this doesn't mean people are less patriotic. They tend on the whole to be quieter about it, less demonstrative, but often, I think, even more deeply concerned with the meaning of the American experience and the American role.

Patriotism has been especially strong in America, in part because of this country's tradition as a place where people came because they wanted to be here. Those who came as immigrants passed on to their children their own love for the country they had chosen. Also, there was a great common feeling of sharing together in the building of a new country -- of one which represented a bold new experiment in the world and stood as a beacon of hope for others.

It's become fashionable in some quarters today to rationalize defiance of the law as a form of patriotism -- for people to say, in effect, that there is a conflict between the Nation's ideals and its actions, and that by breaking its laws they are upholding its ideals. I don't buy this. I'm not saying these people are necessarily unpatriotic; what I am saying is that I don't accept their definition of patriotism. And it's a definition I don't think will remain in fashion very long.

Certainly there is a great deal in America that needs to be changed, or improved, but one of the great strengths of our system is that it does provide the means for peaceful change, for learning from experience and applying that experience in making this a better Nation. Most people recognize this -- and they recognize, too, that in the long run the willingness of a free people to live together by a basic set of agreed-on rules is the only alternative to either barbarism or tyranny.

To get back more directly to your basic question, though, each generation is going to see the world somewhat differently, because the world itself is constantly changing. America keeps changing. But I think patriotism retains its essential meaning from one generation to the next, and from what I've seen I'd say that today's younger generation is just as strong in its basic love of country as any that has gone before.

* * *

Question 8: What do you say about day-care and other government programs for families which critics claim will diminish the family role and strengthen the State role in developing children?

Answer: In the first place, we have to recognize that for a lot of mothers and a lot of children adequate day care facilities are absolutely essential. If the mother needs to work, and is to be able to work, then she has to have a place where she can leave her small children with the assurance that they will get the care and attention they need. This, of course, is something quite different from the notion held by some that the Government should in effect take over the raising of the child. This I cannot accept. The home and family are still the basic institutions on which a free society rests. Our program should be aimed at strengthening the home and family, and helping them to do a better job where necessary. There is a great deal, incidentally, that we still have not learned about what works and what doesn't in what kinds of situations when it comes to helping young children get a better start in life. One of my early commitments as President was to the development of programs that would help the child in the critical "first five years of life" -- but the home and family remain the most important things to the child in those years.

* * *

Question 9: What should be the role of censorship of creative activity -- films, plays, books, etc. -- in our society?

Answer: Where we simply are talking about ideas, I don't believe in censorship. But where this question most often arises today, of course, is in connection with pornography and other salacious material, material which many people find deeply and personally offensive and which I consider offensive to public decency. Even in this area the Constitution places severe limits on what can be done to restrict it, but I certainly believe there is an appropriate role for Government in helping people to maintain the privacy of their own homes -- in helping them maintain barriers against unwanted salacious advertising, for example, and particularly against such material directed toward minors. Very early in my Administration I proposed a set of tough new laws to do that. I don't regard this as "censorship," but rather a protecting the citizen's right to be let alone.

In a larger sense, what I would like to see would be a society in which the people's own sense of what was uplifting and what was sordid would be strongly enough developed to make these matters self-policing. When it comes to personal moral standards, what the Nation really lives by are those that people set for themselves. This is an area in which each citizen, and especially each parent, has a leadership role to play.

* * *

Question 10: Is American society in any danger of becoming decadent and therefore in major decline?

Answer: I don't believe any society is ever out of such danger. This is an especially critical time for the United States, because we're having to adjust to a new role in the world, to a new kind of competition, and at the same time come to grips with a lot of very difficult problems at home. It would be easy to become self-indulgent -- to drop out of the competitive race abroad, to abandon our responsibilities, to turn inward, and try to live behind a wall we might imagine we could build around ourselves. That would be the road to decadence and decline. But we're not going to take it.

The real measure of a nation is not its Gross National Product, but its spirit. As we look back through history, we see how other great civilizations rose, and then fell -- and they fell when they no longer had the will and the determination and the self-discipline to maintain their greatness. I don't think America has reached that turning-point. Certainly, as I look around us, at the country, at the world, I see so much to be done, and such exciting possibilities if it is done -- and it makes me think that those who are young in America today are the luckiest people who ever lived, because of what can be accomplished in their lifetimes. Not as in the old days, when nations thought of greatness in terms of building empires, but rather in terms of building a peace that can last, and doing more to enrich the lives of people at home and abroad than has ever been possible in the whole history of the world.

But the point is that this cannot be done simply by wishing for it; nothing worthwhile is ever achieved by good intentions alone. The possibilities ahead pose a set of challenges worthy of every effort that each of us can make, and of every bit of strength in the American spirit. It's in making that effort and meeting those challenges that we're going to maintain our spirit.

###

THE WHITE HOUSE

WASHINGTON

I. RNC Budget

2 cats — unaudited
no budget entity or rule

① Subsidiary Acc't (wf)
(Acc't zero)

we put separate items in
there — WH pers being reimbursed
by RNC

Dole speech in GA.
Klein speech to GOP people
in Ill.

we get ✓ from RNC of 5000.00 or
so every 3-4 wks. Wilbur
tells us when he's running low
& we tell RNC to give us more.

② Audited Acct (5) 570,000
total this yr.

Approx 100,000 to
150,000

Acct I - involve all expenses
related to P that we don't
want to ... there (a

THE WHITE HOUSE

WASHINGTON

have pd by WH funds. Ex. when P going to address fund raising dinner in N.Y. (political things being done by P or dirtly in name of P. of a signif nature) ~~[illegible]~~ or "Presidential advance"

(50,000)
Acct 2 - Smallest of the 5 accts

when staff people do political things which give publicity. Similar to Acct 1, but pertains to staff people not P. Ex. Advance men for any event other than strictly Presidential (i.e non-Presidential advance)

250-300,000 Acct 3 Largest chunk. Publicity & public relations - Ex. all printing of campaign literature, etc). Many

THE WHITE HOUSE

WASHINGTON

people who worked for Cits Comte before they got their sep budget. Some people on Klein's staff have been full time on this acct 3 pay roll. all politically oriented.

Acct 4 . VP acct.

(50-75,000)

any thing dealing w/VP – all his political activities. Not too big a chunk.

Acct 5 Temp acct we set this up summer '71. Locals threatening to sue for expenses they met & we are refusing to reimburse. we pd off all debts – [illegible] about $20,000

THE WHITE HOUSE

WASHINGTON

J Hunter sent query re RNC + Cit Comtee's roles. Who does what. ~~This~~ The ans tells affects us. Decision = Cits Comte will furnish the budget that RNC has in the past - i.e. 500,000. RNC will continue to help us with subsidiary acc't (~~[illegible]~~ unaudited).

[RNC has reg money coming in - coming in regularly - & they pick up all non Presid campaign contrib + all Party contrib while Cits Comte picks up all strictly Presid campaign contributions]

THE WHITE HOUSE

WASHINGTON

This new deal ($ for Cits Comte) starts Jan 1. Meanwhile we've been taking ~~out~~ more & more out of unaudited acct. (i.e. subsidy).

We've been taking gift expenses out of audited acct 2.

<u>II</u> WH ACCTS

9,767 A. S&E

1,500 B. Special Projects

585 C. Statutory Position (14 slots)

75 D. Pres'l travel

11,937,000

THE WHITE HOUSE

WASHINGTON

A. S&E – ~~about 80% of total~~

~~WH budget~~ (~~i.e.~~ S= 8,049,000 out of

9,767,000) – 80% Salaries & other

compensations + about 20% to Expenses

Salaries for all 540 before
510 now.

20%
Exp= travel -- ea office gets so much

Trans

Printing & reproduction

Supplies & Materials

Equip (adding machines)

R&R (party entertainment)

We can shift all things around in S&E. It's the total budget we get approved.

We've asked H to approve

this 9,767,000 for S&E

THE WHITE HOUSE

WASHINGTON

B. Special Proj 1,500,000 –

can be used for wide variety of areas – such as institution by Exec order or proclamation for Drug Council etc. If we run out of S&E $ or very low in S&E, we can allocate 20% of Special Projects $ already expended to supplant S&E – which ~~can~~ comes out of remaining Special Projects $. Of course we can always put in for supplemental appropriation to S&E – usually done for salary increases not anticipated. H plans to do this in 72 (FY73) – after Elections.

THE WHITE HOUSE

WASHINGTON

C. Statutory. Max = 14 x 42,500

14
170000
42500
595,000

D. Presid Travel 75,000/yr

An only unaudited acct in Govt. P could spend this on PN for example. Not a carryover acct & not reimbursable. We don't want a surplus for at end of FY we've lost all not spent. We're in good shape now. We use 1/12 of total per month as guide.

SK. Usually Hotel rooms for Sr staff, [illegible] himself.

THE WHITE HOUSE

WASHINGTON

It runs about 6000/mo.

We've used it for many things —
expensive gifts Mrs Nixon has
bought — moving van Shumway
& Mark Goode for W Coast, etc

<u>Residence Acct</u>. Handled by
Parks Div of Int Dept. ~~They~~ This
a <u>Cost of living</u> acct for whatever
it takes to run Res — About 2/3
is payroll personnel & 1/3 expense
for cars, supplies, rents, upkeep —
laundry, cleaning.

FY 73 request
by Int will be for
1,39[illegible],000 — up

THE WHITE HOUSE

WASHINGTON

146.000 from projected FY 72

expenditure of 1,245,000

146

391

THE WHITE HOUSE

WASHINGTON

WH Budget FY'73

Salaries + Exp Acc't

incr of 425,000 to $9,343,000

allocated by the Cong for FY 72

Special Projects Acct

remains the same $1,500,000

incr of 425,000 in S+E Acc't

based

Mr. Butterfield

THE WHITE HOUSE

WASHINGTON

December 16, 1971

MEMORANDUM FOR: H. R. HALDEMAN

FROM: BRUCE KEHRLI BAK

SUBJECT: White House Budget

Attached is a revised draft of the White House budget for fiscal year 1973.

It calls for an increase in the total Salaries and Expense Account of $425,000 from the $9,343,000 allocated by the Congress for FY72. The proposed Special Projects Account would remain at this year's figure of $1,500,000.

The FY73 estimates of personnel compensation are based on 510 employees, an increase of 5.5% in salaries, plus an additional step increase for everyone except the 14 statutory positions and the unclassifieds. This accounts for the increase in personal compensation of 4.45%. While the actual salary increases 5.5% and there is an additional step increase included for some employees, there is also a reduction of 5.5% in the number of employees -- thus the increase of only 4.45% over last year's dollar figure.

You also questioned the allocation of executive level positions -- this has been changed to reflect the actual status at the present time. For your information, the name of each of the people filling these positions is included.

With your approval this budget will be returned to OMB in final, typed form.

APPROVE __________ DISAPPROVE __________

OTHER ____

STANDARD FORM 300
July 19??, Bureau of the Budget
Circular No. A-11, Revised.
300-101

THE WHITE HOUSE OFFICE

( ) = % Increase

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code 03-10-0110-0-1-903	1971 actual	1972 estimate	1973 estimate
Program by activities:			
10 Administration (Cost-obligations)	8,298	9,342	9,767 (4.55)
Financing			
25 Unobligated balance lapsing	61	-	-
Budget authority	8,359	9,342	9,767
Budget Authority:			
40 Appropriation	8,550	9,342	9,767
41 Transferred to Domestic Council	540	-	-
43 Appropriation (adjusted)	8,010	-	-
44.20 Proposed supplemental for Civilian pay act increase	349	-	-

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

FINANCING AND OUTLAYS (in thousands of dollars)

Identification code -0-1-903	1971 actual	1972 estimate	1973 estimate
10 Total obligations (from program schedule)			
Financing:			
Receipts and reimbursements from:			
11 Federal funds (−)			
13 Trust funds (−)			
14 Non-Federal sources (−)			
17 Recovery of prior year obligations (−)			
21 Unobligated balance available, start of year (−)			
24 Unobligated balance available, end of year			
25 Unobligated balance lapsing			
Unobligated balance rescinded ( )			
Budget authority			
Relation of obligations to outlays:			
Obligations incurred, net	8,298	9,342	[illegible]
Obligated balance, start of year	256	1,031	[illegible]
Obligated balance, end of year (−)	-1,031	-280	[illegible]
Adjustments in expired accounts			
Outlays, excluding pay increase supplemental	7,180	10,079	[illegible]
Outlays from civilian pay act supplemental	335	14	

(Mono cast: 20.11) (Mono cast: 5.9) (Mono cast: 5.9) (Mono cast: 5.9)

☆ U.S. GOVERNMENT PRINTING OFFICE

Type size:
8 point 22 picas
Case 180.
1 underscore
Case 210

STANDARD FORM 304
July 1964, Bureau of the Budget
Circular No. A-11, Revised.
304-101

( ) = % increase

OBJECT CLASSIFICATION (in thousands of dollars)

Identification code 03-10-0110-0-1-903	1971 actual	1972 estimate	1973 estimate
Personnel compensation:			
11.1 Permanent positions	6,388	7,093	7,408 (4.44)
11.3 Positions other than permanent	57	100	100 (ϕ)
11.5 Other personnel compensation	423	513	541 (5.5)
Total personnel compensation	6,868	7,706	8,049 (4.45)
12.0 Personnel benefits	488	570	600 (5.26)
13.0 ~~Benefits for former personnel~~ Presidents Travel	75	75	75 (ϕ)
21.0 Travel and transportation of persons	108	130	138 (6.15)
22.0 Transportation of things	1	1	1 (ϕ)
23.0 Rent, communications, and utilities	244	280	294 (5.00)
24.0 Printing and reproduction	313	305	320 (4.91)
25.1 Other services	7	15	16 (6.66)
25.2 Services of other agencies	-	-	-
26.0 Supplies and materials	137	170	179 (5.29)
31.0 Equipment	57	90	95 (5.55)
32.0 Lands and structures			
33.0 Investments and loans			
41.0 Grants, subsidies, and contributions			
42.0 Insurance claims and indemnities			
43.0 Interest and dividends			
44.0 Refunds			
99.0 Total obligations	8,298	9,342	9,767 (4.55)

GPO: 1964—O-732-459

STANDARD FORM 300
July 1964, Bureau of the Budget
Circular No. A-11, Revised.
300-101

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

PERSONNEL SUMMARY

Identification code 03-10-0110-0-1-903	1971 actual	1972 estimate	1973 estimate
Total number of permanent positions	533	540	~~513~~ 510
Full-time equivalent or other positions	5	5	5
Average number of all positions	530	540	~~513~~ 510
Average GS grade	7.5528	7.5247	~~7.5665~~ 7.5659
Average GS salary	9,568	9,882	~~10,115~~ 10,825

CONSOLIDATED [illegible] PAID
FROM FU[illegible] HOUSE OFFICE

DETAIL OF PERMANENT POSITIONS

	19 71 actual	19 72 estimate	19 73 estimate
Grades and Ranges Executive Level II $42,500	14	14	14
Ungraded	67	76	79
GS 17 $30,714 - $34,810	1	-	-
GS 16 $26,547 - $33,627	5	2	2
GS 15 $22,885 - $29,752	6	4	2
GS 14 $19,643 - $25,538	6	5	7
GS 13 $16,760 - $21,791	8	6	7
GS 12 $14,192 - $18,449	20	17	25
GS 11 $11905 - $15,473	32	32	22
GS 10 $10,[illegible] - $14,197	30	27	29
GS 9 $[illegible] - $[illegible]	53	[illegible]	39
GS 8 $[illegible] - $11,[illegible]	34	[illegible]	44
GS 7 $[illegible] - $10,[illegible]	70	55	64
GS 6 $7,[illegible] - $[illegible]	50	54	71
GS 5 $[illegible] - $[illegible]	70	77	47
GS 4 $5,[illegible] - $7,[illegible]	30	23	26
GS 3 $5,212 - $6,773	10	22	12
GS 2 $[illegible] - $[illegible]	5	6	-
GS 1 $4,125 - $5,[illegible]	4	2	-
Total Permanent Positions	523	540	510
Unfilled positions, June 30	-	-	-
Total permanent employment at end of year	533	540	510

(Memo cost: [illegible]) (Memo cost: [illegible]) (Memo cost: [illegible]) (Memo cost: [illegible])

Type size:
6 point
14½ picas
Fol. lit. solid

STANDARD FORM 300
July 1968, Bureau of the Budget
Circular No. A-11, Revised.
306-103

THE WHITE HOUSE OFFICE
SALARIES AND EXPENSES
CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID
FROM FUNDS AVAILABLE TO THE WHITE HOUSE OFFICE

DETAIL OF PERMANENT POSITIONS

	1971 actual	1972 estimate	1973 estimate
HIGHER LEVEL POSITIONS			
Executive level II $42,500			
Counsellor to the President FINCH	3	3	1
Assistant to the President H, FLANIGAN	3	3	2
Assistant to the President for National Security Affairs HAK	1	1	1
Assistant to the President for Domestic Affairs E	1	1	1
Deputy Assistant to the President for Domestic Affairs WHITAKER	1	1	1
Counsel to the President for Congressional Relations MACGREGOR	-	-	1
Director of Communications for the Executive Branch KLEIN	1	1	1
Special Consultant to the President GARMENT SCALI	1	1	~~1~~ 2
Special Assistant to the President PRICE	1	1	1
Assistant to the Presisent for Congressional Relations TIMMONS	-	-	1
Special Counsel to the President Colson	1	1	1
Press Secretary to the President ZIEGLER	-	-	1
GS-17 $30,715 to $34,810			
Special Assistant to the President	1	-	-
GS-16 $26,547 to $33,627			
Executive Clerk	1	1	1
Administrative Officer (Chief Usher)	1	1	1
Deputy Assistant to the President	1	-	-
Assistant to the Director of Communications for the Executive Branch	2	-	-
(Mono cast: 16.3)	(Mono cast: 4.9)	(Mono cast: 4.9)	(Mono cast: 4)

GPO: 1969 O - 353-453

THE WHITE HOUSE

WASHINGTON

September 14, 1971

MEMORANDUM FOR: H. R. HALDEMAN

THROUGH: ALEXANDER P. BUTTERFIELD

FROM: JON M. HUNTSMAN

SUBJECT: White House Office Budget for Fiscal Year 1973

The attached draft budget for the White House Office for fiscal year 1973 is submitted for your approval. It has been prepared in response to OMB's annual Budget call.

This plan would increase the total Salaries and Expenses account by $713,000 from the $9,342,000 allocated by the Congress for FY-1972 to $10,055,000 for the year beginning next July 1. The proposed Special Projects account would remain at this year's figure of $1,500,000. + 7½%

why not go for actual 5.5 whatever it is.

The increases proposed in the Salaries and Expenses account would reflect an anticipated 6% increase in the salary and personnel compensation areas, and a 5% increase ~~in the~~ rent, reproduction, OK supply and miscellaneous service totals. These increases are the minimum we think are essential, for the following reasons:

1. Although the President has taken steps to defer any employee pay raises until after July 1, 1972, at that time some sort of increase will almost certainly come into effect. While we cannot anticipate just what it will be, the 6% figure would seem to be the lowest reasonable estimate to plan for.

2. In the past we have not increased the rents, communications and other supply areas of the budget. Consequently, each passing year tends to leave us farther in the red in these areas and must be compensated for through a supplemental appropriation. This practice, though well recognized, is potentially embarassing.

I recommend that you agree to leave the requested maximum personnel complement set for 540 as far as the budget is concerned. This would have no effect on the current reduction of personnel to 513 (the 5% cut), but the need for freedom of action in future years make it important that the President's office not be locked into a lower figure than 540 indefinitely.

I disagree. Shld go to 510 & show more than a 5% cut.

APPROVE ____________ DISAPPROVE ____________

Increase in personnel compensation due to pay increase.

STANDARD FORM 300
Bureau of the Budget
Circular No. A-11, Revised
300-101

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

Program and Financing (in thousands of dollars)

Identification code 03-10-0110-0-1-903	1971 actual	1972 estimate	1973 estimate
Program by activities:			
10 Administration (cost-obligations)	8,298	9,342	10,055
Financing:			
25 Unobligated balance lapsing	61	-	-
Budget authority	8,359	9,342	10,055
Budget Authority:			
40 Appropriation	8,550	9,342	10,055
41 Transferred to Domestic Council	540	-	-
43 Appropriation (adjusted)	8,010	-	-
44.20 Proposed supplemental for civilian pay act increase	349	-	-

(Mono cast: 2.5) (Mono cast: 5) (Mono cast: 5) (Mono cast: 4)

STANDARD FORM 301
June 1969, Bureau of the Budget
Circular No. A-11, Revised.
301-103

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

FINANCING AND OUTLAYS (in thousands of dollars)

Identification code 03-10-0110-0-1-903	19 71 actual	19 72 estimate	19 73 estimate
10 Total obligations (from program schedule)			
Financing:			
Receipts and reimbursements from:			
11 Federal funds (–)			
13 Trust funds (–)			
14 Non-Federal sources (–)			
17 Recovery of prior year obligations (–)			
21 Unobligated balance available, start of year (–)			
24 Unobligated balance available, end of year			
25 Unobligated balance lapsing			
26 Unobligated balance rescinded ( )			
--- Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net	8,298	9,342	10,055 9410
72 Obligated balance, start of year	256	1,031	280
74 Obligated balance, end of year (–)	-1,031	- 280	- 280
77 Adjustments in expired accounts			
90 Outlays, excluding pay increase supplemental	7,188	10,079	10,055
91.20 Outlays from civilian pay act supplemental	335	14	

* U.S. GOVERNMENT PRINTING OFFICE 1969 O—357-499

STANDARD FORM 304
May 1969, Bureau of the Budget
Circular No. A-11, Revised.
304-103

OBJECT CLASSIFICATION (in thousands of dollars)

Identification code 03-10-0110-0-1-903	19 71 actual	1972 estimate	19 73 estimate
Personnel compensation:			
11.1 Permanent positions	6,388	7,093	7,590
11.3 Positions other than permanent	57	100	100
11.5 Other personnel compensation	423	513	~~614~~ 614
11.8 Special personal services payments			
Total personnel compensation	6,868	7,706	8,331
Personnel benefits:			
12.1 Civilian	488	570	607
13.0 Benefits for former personnel	75	75	75
21.0 Presidents Travel Travel and transportation of persons	108	130	140 + 10
22.0 Transportation of things	1	1	1
23.0 Rent, communications, and utilities	244	280	295
24.0 Printing and reproduction	313	305	320
25.0 Other services	7	15	11 - 6
26.0 Supplies and materials	137	170	180
31.0 Equipment	57	90	95
32.0 Lands and structures			
33.0 Investments and loans			
41.0 Grants, subsidies, and contributions			
42.0 Insurance claims and indemnities			
43.0 Interest and dividends			
44.0 Refunds			
99.0 Total obligations	8,293	9,342	10,035

* U.S. GOVERNMENT PRINTING OFFICE : 1969 O—358-892

Type size: 8 point, 21 picas, 180; Rule underscore; Case 210

STANDARD FORM 300
July 19?, Bureau of the Budget
Circular No. A-11, Revised.
300-101

THE WHITE HOUSE OFFICE

SALARIES AND EXPENSES

PERSONNEL SUMMARY

Identification code 03-10-0110-0-1-903	1971 actual	1972 estimate	1973 estimate
Total number of permanent positions	533	540	540
Full-time equivalent or other positions	5	5	5
Average number of all positions	530	540	540
Average GS grade	7.5528	7.5247	7.5665
Average GS salary	9,568	9,882	10,148
(Mono cast: 21.5)	(Mono cast: 5)	(Mono cast: 5)	(Mono cast: 4.5)

Type size:
8 point
14½ picas
Fol. lit. solid

STANDARD FORM 300
July 1968, Bureau of the Budget
Circular No. A-11, Revised.
306-103

THE WHITE HOUSE OFFICE
SALARIES AND EXPENSES
CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID
FROM FUNDS AVAILABLE TO THE WHITE HOUSE OFFICE

DETAIL OF PERMANENT POSITIONS

	1971 actual	1972 estimate	1973 estimate
HIGHER LEVEL POSITIONS			
Executive level II $42,500			
Counsellor to the President	3	3	2 -1
Assistant to the President	3	3	4 Why
Assistant to the President for National Security Affairs	1	1	1
Assistant to the President for Domestic Affairs	1	1	1
Deputy Assistant to the President for Domestic Affairs	1	1	1
Director of Communications for the Executive Branch	1	1	1
Special Consultant to the President	1	1	1
Special Assistant to the President	1	1	1
Special Counsel to the President	1	1	1
Assistant to the President for International Economic Affairs	-	-	1
GS-17 $30,714 to $34,810 Special Assistant to the President	1	-	-
GS-16 $26,547 to $33,627 Executive Clerk	1	1	1
Administrative Officer (Chief Usher)	1	1	1
Deputy Assistant to the President	1	-	-
Assistant to the Director of Communications for the Executive Branch	2	-	-

GPO : 1969 O - 353-453

(Mono cast: 16.3) (Mono cast: 4.9) (Mono cast: 4.9) (Mono cast: 4

THE WHITE HOUSE OFFICE
SALARIES AND EXPENSES
CONSOLIDATED SCHEDULE OF PERMANENT POSITIONS PAID FROM FUNDS AVAILABLE TO THE WHITE HOUSE OFFICE
DETAIL OF PERMANENT POSITIONS

	1971 actual	1972 estimate	1973 estimate
Grades and Ranges Executive Level II $42,500	14	14	14
Ungraded	67	76	82
GS 17 $30,714 - $34,810	1	-	-
GS 16 $26,547 - $33,627	5	2	2
GS 15 $22,885 - $29,752	6	4	7
GS 14 $19,643 - $25,538	6	5	13
GS 13 $16,760 - $21,791	8	6	10
GS 12 $14,192 - $18,449	20	17	25
GS 11 $11905 - $15,478	32	32	21
GS 10 $10,869 - $14,127	30	27	28
GS 9 $9,881 - $12,842	53	86	40
GS 8 $8,956 - $11,647	34	32	40
GS 7 $8,098 - $10,528	70	55	62
GS 6 $7,294 - $9,481	59	54	89
GS 5 $6,548 - $8,510	79	77	59
GS 4 $5,853 - $7,608	30	23	31
GS 3 $5,212 - $6,778	10	22	20
GS 2 $4,621 - $6,007	5	6	5
GS 1 $4,125 - $5,358	4	2	-
Total Permanent Positions	533	540	539
Unfilled positions, June 30	-	-	1
Total permanent employment at end of year	533	540	540
(Mono cast: 16.3)	(Mono cast: 4.9)	(Mono cast: 4.9)	(Mono cast: 4)

GPO: 1969 O - 353-453

STANDARD FORM 300
July 1964, Bureau of the Budget
Circular No. A-11, Revised.
300-101

THE WHITE HOUSE OFFICE

SPECIAL PROJECTS

Program and financing (in thousands of dollars)

Identification code 03-15-0114-0-1-903	1971 actual	1972 estimate	1973 estimate
Program by activities:			
10 Administration (cost obligations)	579	1,500	1,500
Financing:			
25 Unobligated balance lapsing	485		
40 Budget authority (appropriation)	1,064	1,500	1,500
Budget authority:			
40 Appropriation	1,064	1,500	1,500

(Mono cast: 21.5) (Mono cast: 5) (Mono cast: 5) (Mono cast: 4)

STANDARD FORM 301
June 1969, Bureau of the Budget
Circular No. A-11, Revised.
301-103

THE WHITE HOUSE OFFICE

SPECIAL PROJECTS

FINANCING AND OUTLAYS (in thousands of dollars)

Identification code 03-15-0114-0-1-903	1971 actual	1972 estimate	1973 estimate
10 Total obligations (from program schedule)			
Financing:			
Receipts and reimbursements from:			
11 Federal funds (–)			
13 Trust funds (–)			
14 Non-Federal sources (–)			
17 Recovery of prior year obligations (–)			
21 Unobligated balance available, start of year (–)			
24 Unobligated balance available, end of year			
25 Unobligated balance lapsing			
26 Unobligated balance rescinded ( )			
--- Budget authority			
Relation of obligations to outlays:			
71 Obligations incurred, net	579	1,500	1,500
72 Obligated balance, start of year	128	57	57
74 Obligated balance, end of year (–)	-57	-57	-57
77 Adjustments in expired accounts	--	--	--
90 Outlays	650	1,500	1,500

★ U.S. GOVERNMENT PRINTING OFFICE : 1969 O—357-699

THE WHITE HOUSE

WASHINGTON

December 16, 1971

Dear Nobel:

If necessary, Item 5 could be handled as a supplemental after election.

R

Rex Scouten

Residence Budget

EXECUTIVE RESIDENCE

Proposed Budget for Fiscal Year 1973

		FY 1972	FY 1973
11	Permanent Positions	660,000	694,800
	Other than permanent	70,000	70,000
	Other personal services	93,400	96,400
		823,400	861,200
12	Personnel benefits	51,700	54,400
23	Rent, Communications & Utility services	63,500	66,200
25	Other services	63,600	131,400
26	Supplies & Materials	207,700	242,700
31	Equipment	35,100	35,100
	Total	1,245,000	1,391,000

Explanation of Increases

1.	Within-grade increases occurring during the past fiscal year (Compensation 19,000, benefits 1,500)	$20,500
2.	Wage rate increases of employees paid at hourly rate, estimated to become effective during FY 1972 (PS 18,800, PB 1,200)	20,000
3.	Increased cost of all other objects based on the increase in the consumer price index from August 1970 to July 1971 of (From 116.9 to 121.8 new base)	15,500
4.	Repainting of the Residence including wings and guard booths	40,000
5.	Redecorating the First Family living quarters in the event there is a change of Administration	50,000
	Total	146,000

Recommended: Floyd P. Haugh
Chief, Division of Programming & Budget, National Capital Parks

Concurred:

EXECUTIVE RESIDENCE

Net Costs

Personal Services	FY 1969 Actual	FY 1970 Actual	FY 1971 Actual	FY 1972 Est.	FY 1973 Est.
Regular	486,026	587,320	642,448	660,000	694,800
Official Functions	70,903	78,286	80,787	70,000	70,000
OT, HP, & ND	94,822	111,968	110,883	93,400	96,400
Total	651,751	777,574	834,118	823,400	861,200
Personnel Benefits	37,564	47,023	56,870	51,700	54,400
Electricity	36,774	39,928	54,329	53,300	56,000
Gas	251	378	177	400	400
Telephone	8,197	8,595	8,050	9,800	9,800
Elevator Maintenance	-	2,096	5,765	10,800	10,800
Laundry & Dry Cleaning	7,992	12,367	13,295	15,000	16,000
Trash Collections	1,960	1,950	1,463	2,100	2,200
Flowers	17,000	23,644	34,695	25,800	28,000
Household Operations	50,193	62,443	39,746	58,600	62,000
Building Maintenance	27,713	48,423	34,720	54,000	74,100
Other Maintenance (Painting)	27,472	-	-	-	40,000
Furnishings Maint. & Repl.	31,436	23,247	18,641	26,600	58,000
Food - Staff	13,293	14,325	15,159	16,200	17,000
Official Functions	49,404	55,837	35,696	62,200	66,000
Equipment	-	-	621	35,100	35,100
Total	961,000	1,117,830	1,153,345	1,245,000	1,391,000
Funding - Direct Approp.	823,000	918,000	1,154,000	1,218,000 1,245,000	1,391,000
Suppl. Approp.	-	60,500	-	-	-
NPS Support	140,000	139,331	-	-	-
Total	963,000	1,117,831	1,154,000	1,245,000	1,391,000

FY 72
68 unit to 95,000 sal
50,000 eq't
145,000
1,100,000
1,245,000

1,100,000 · FY 71 Approp - before revision
118,000 · FY 72 approp before revision
1,218,000 FY 72 approp - before revision

COUNCIL OF ECONOMIC ADVISERS
WASHINGTON

THE PRESIDENT HAS SEEN...

December 29, 1971

H - see that
Schultz -
E -
Rumsfeld
Peterson
& Connally get copies

from R.N. Tell Stein to send one to Burns

PAUL W. McCRACKEN, CHAIRMAN
EZRA SOLOMON
HERBERT STEIN

MEMORANDUM FOR THE PRESIDENT

Subject: The Economy in 1972

At this traditional time for looking ahead, I would like to summarize my view of the economic prospects and problems for 1972.

1. My great concern is that the economy is not going to rise fast enough in 1972 to cut the rate of unemployment very much. We, and others, keep saying that 1972 will be a good year. In many respects, and by many standards, it will be. But hardly any of the optimistic forecasts see unemployment getting down below 5% next year, and a very common forecast, which I share, is that the unemployment rate in the third quarter, will be in the 5.2-5.4 percent range.

There are the usual uncertainties. The unemployment rate typically declines faster than this once the economy takes off in recovery; the trouble is that we have been waiting in vain for this take-off for almost a year. On the other hand, combinations of labor force and productivity increases are easily conceivable that would keep the unemployment rate close to 6% throughout the year.

2. If this prospect is considered unsatisfactory -- and it seems risky to me -- we should be looking for ways to pump up the economy more rapidly. This has its risks also, but they are relatively small, given the course of the economy that is otherwise probable, the existence of price-wage controls, and the inconvertible status of the dollar. We have more defense against inflation and against foreign demands than we had before August 15. Moreover, we have much more defense against political attack on the score of inflation, since the Freeze and Phase II put you in the position of the Nation's leading inflation fighter.

We are all aware that price-wage controls can be a dangerous temptation to an excessive pumping-up of demand. But still the controls, and the closing of the gold window, do make some room for expansive policy that would not otherwise be there.

Vital

3. It would be desirable to get the needed additional stimulus from monetary policy. The conventional forecasts of $100 billion GNP increase from 1971 to 1972 already assume something like 6% rate of increase of the money stock. So when we talk about getting assistance from monetary policy for a more rapid rise of the economy we are talking about getting more than 6% monetary expansion. We should try to do that. Certainly we have created the conditions in which a Central Bank should feel safe with monetary expansion. But to count on monetary policy to push expansion beyond the forecast is to rely on three unreliable links:-

a) The Administration's influence on the Fed's policy;

b) The influence of Fed policy on the money supply; and

c) The time and size of the influence of the money supply on the economy

4. I don't think we should put all our eggs in the Federal Reserve basket. Therefore, I think we should try to get more Federal spending in the remainder of FY 1972 -- more than is included in the $230 billion FY 1972 spending total which underlies our present economic forecasts. I understand it to be our policy to push as much spending as possible into the first half of CY 1972. That is proper and it should be done with vigor.

5. The effort to increase spending in the early part of CY 1972 may be inhibited by the fear that the result will also be an increase in expenditures in FY 1973 and inability to balance the full-employment budget in that year. I understand the desire, for cosmetic reasons, to balance some budget. However, I believe that the number of people who care much about budget-balancing is small, and few of them would be consoled by a balance in the full-employment budget while the "real" budget was more than $20 billion in deficit. We have been guilty of

Correct

hyperbole in talking about the principle of full-employment balance, describing it as a "self-fulfilling prophecy," and later identifying a full-employment deficit with inflation. The principle has genuine merit, but it was not handed down by Moses and may have to be subordinated to more pressing goals.

6. At best there is probably little we can do to speed up the pace of expansion in the next three quarters. We should avoid making promises that will turn into hurdles we have difficulty jumping. We intend in the January Economic Report to be modest in our goals and predictions. I think that would be good strategy for the Administration.

right.

7. Phase II is going to make a positive contribution in 1972, both economically and politically, but it will require constant attention. One of our early concerns, before the plan was announced, was that the independent boards, particularly the Pay Board, would be too generous, confronting the Administration with the need to step in to tighten up. That seems less probable now, thanks to a good selection of public members for the Pay Board. Another continuing danger is that the labor members will walk out, even though we have been extremely careful not to give them an excuse that would attract popular sympathy. If they do go, we should be prepared to keep the program alive, with the public members serving the function of the Pay Board.

There is a serious possibility that the present system, with its comprehensive coverage, may turn out to be beyond the capacity of the administrative machinery we have set up. If that is the case, decisions will be delayed, inquiries will go unanswered, complaints will not get investigated, and people will get the idea that the whole thing is a sham. Whether this happens or not will depend on how effectively the Board and the Commission can devise short-cut rules and procedures. We should be prepared for the possibility that in the Spring, if the rate of inflation subsides from the expected post-freeze bubble, we will want to decontrol a large number of small businesses and rental units in order to reduce the administrative burden. Decontrol will not be popular, but it may be better to get it out of the way in the Spring than to face the choice in the Fall. Rumsfeld - I agree

8. International economic matters appear to be in good shape. The economy should be responding favorably during 1972 to the currency realignments. Negotiations will be underway on trade policy and on the

international monetary system. However, their main significance will come after 1972, unless there is a dramatic blow-up.

9. In short, 1972 should be a year we can live with, if our own claims do not erect standards we are unlikely to meet. Employment will be up and unemployment down. Profits will be up, and probably the stock market also. After an awkward bulge in the December, January and February statistics, the inflation ~~rate~~ should moderate again. Anyway, no one has a more powerful anti-inflation program to propose than you have put in place. Phase II will need nursing, but it should survive in some form for which the Administration can take credit. A more rapid expansion than is now in sight would be desirable and we should devote our efforts to achieving it. Beyond that, the uncertainties in the situation call for alertness and flexibility, not expecting to launch another New Economic Policy but being prepared to modulate both action and talk within the present broad framework.

Excellent advice -

Herbert Stein

Herbert Stein