

THE WHITE HOUSE

WASHINGTON

April 3, 1973

MEMORANDUM FOR:

FROM:

SUBJECT:

H.R. HALDEMAN

Commissioner, Bureau of Labor Statistics, Department of Labor

The purpose of this memorandum is to bring to your attention the recommendation of Secretaries Shultz and Brennan of an individual to fill the position of Commissioner, Bureau of Labor Statistics, Department of Labor. Secretaries Shultz and Brennan's candidate follows:

Julius Shiskin is 60 years of age, B.S. and M.S. Rutgers University and has since 1969 been the Assistant Director for Statistical Policy, OMB. Prior, from 1945 to 1969 he was with the Census Bureau. He is a competent statistician and demographer with an in-depth knowledge of government. He receives high points from superiors for his professionalism and thoroughness, and he is well respected for his work in the field of statistics and economics. He is also a life-time career bureaucrat whom James Schlesinger knew when he was with OMB and says has "zero political sensitivity." Chuck Colson says they couldn't have found a "more wrong guy" if they tried. He bases this feeling in part on the meetings he had with Shiskin and Shultz after the 1970 election to study the problems caused by the total lack of responsiveness by the Bureau of Labor Statistics. Shiskin's view then was that there was nothing wrong with the Bureau's figures. Shultz himself agrees that Shiskin is not politically sensitive.

As a result, though we have no reason to believe Shiskin would be disloyal to the President, we also have no reason to believe he would be willing to take on the Bureau of Labor Statistics' bureaucracy. Shultz indicates we could not count on him to purge the place but that he would work with us. Shultz further makes the case that the intention to merge the Bureau of Labor Statistics with the Economic Affairs office at Commerce would allow us to appoint a caretaker rather than a reformer. On the other side, there is considerable reason to believe he lacks completely the timing and political sensitivity that the position requires, and which has been lacking in the past. We concur with Colson and feel Shiskin should not be appointed as Commissioner. Secretary Shultz has informed us, however, that he and Secretary Brennan have decided that Julius Shiskin will be the new Commissioner, Bureau of Labor Statistics. In fact, Secretary Brennan has met with Shiskin, has offered him the job, Shiskin has accepted, and has indicated his acceptance to us. Shiskin has also asked why we are interviewing ethnics and others for this job when he has already accepted it. We knew they were considering him, but were not aware that an offer had been made until Secretary Shultz called earlier this week and informed us that Shiskin was to be the Commissioner.

The Shiskin situation is more complicated than usual, but indicative of Secretary Shultz and Secretary Brennan's attitude towards the White House. When we raised a question concerning Shiskin and the selection process, Secretary Shultz indicated that the President had told him that whatever he and Brennan decided with regard to Labor was okay. If this is in fact the case, it would be helpful for me to know. At this point in time Secretary Brennan refuses to work with this office in the selection of the three remaining Department of Labor PAS's (Assistant Secretary, Policy and Evaluation; Commissioner, Bureau of Labor Statistics; and Director, Women's Bureau). In seeking to work with the Secretary of Labor on his selections now and in the past, my office has requested an appointment for me to see him five times -without any response. If there is to be no liaison between Secretary Brennan and the White House Personnel Operation, it will be virtually impossible to ensure any ethnic placements there (the Department of Labor has none now), or to ensure the political sensitivity and loyalty of the various appointments the President and the Secretary are making.

In sum, I seek your guidance as to whether the President has indicated in fact that whatever Shultz and Brennan decide is acceptable to him. If so, should we be less aggressive in recruitment and candidate analysis in the interest of good relations with Brennan and Shultz? With regard to Julius Shiskin for the position of Commissioner, Bureau of Labor Statistics, though he does possess the requisite substantive skills and experience for the position, he lacks the proven political loyalty and sensitivity required. I recommend he not be appointed.

Lovered upphone by phone **Appoint Shiskin** Disagree Agree Lay off Labor and let Shultz and Brennan handle it Disagree Agree