

INTERVIEWEE: JOHN W. MACY JR. (Tape #4)

INTERVIEWER: DAVID MC COMB

July 21, 1969

Mc This is the fourth session with Mr. John W. Macy, Jr. I am once again in his offices in Washington, D.C. The date is July 21, 1969, and my name is David McComb.

The last time we talked a great deal about talent scouting for Lyndon Johnson and how you went about this, and the mechanics of it. You gave some specific examples of things that were done. To turn to your other work, since you were head of the Civil Service Commission, I'd like to know if there were any major changes in the operation of the commission during the Johnson years, and, if so, what they were.

M: That's a large order, but one I'm very happy to talk about because I feel that there were far-reaching and significant changes in civil service during the Johnson years. As I've indicated in some of the earlier conversation we've had, President Johnson had a high personal interest in the career service of government. He had a sense of the importance of the career service in terms of its commitment and in terms of its skills in making it possible for government programs to reach the people. He was proud of the fact that he was a career civil servant as a result of his political, congressional, and finally presidential service. I recall how again and again he would refer to the parallelism of our own careers--both of our careers--and how this qualified us to think and to act along the lines of career civil servants.

My background, as I indicated earlier, gave me a good deal of experience to draw upon in guiding the Civil Service Commission and in formulating the

policy and finding the practices for personnel administration for the two and a half to three million civil service employees. The magnitude of the task in those terms was always before me. I was conscious of the possibility that the mere size of government employment might overwhelm a concern for and an interest in individuals. Again and again I talked with the President and with others in his administration about the importance of recognizing the significance of the individual employee in a large organization. And, although we perhaps did not have as much success in assuring this recognition, I believe there was underlying consciousness on the part of all members of the administration and the supervisors generally on this particular point.

Mc How do you go about carrying that out?

M: The effort was expressed in statements of policy by the President; it was expressed in the President's willingness, in fact his keen eagerness, to recognize achievements among individual federal employees; his interest in having members of the Civil Service present at the White House to have an identity with the executive leadership. It was during his administration, for example--and it was his idea--that a number of civil servants be invited to the White House to be present when foreign dignitaries arrived on the south lawn. This had never been done before. So we set up machinery so a thousand or two thousand of them were invited on each occasion by the President.

Mc Did they appreciate this?

M: Yes, this was appreciated by those who were involved, and there was a keen anticipation that this was something that was coming along.

[interruption]

Mc Was there any great problem over wages and salaries and things of that nature?

M: Yes. Perhaps it would be well if I went through a number of the areas of reform, which it seemed to me were significant, and perhaps the head of the list is the whole matter of salaries.

The Civil Service had had a long and rather tumultuous history with respect to salary adjustments. The Congress had been very jealous and zealous in maintaining control over the rates of pay of a large portion of the federal employees. Starting in the Kennedy Administration there was an effort to achieve a higher degree of rationality in the establishment of salary scales. The Salary Reform Act of 1962 set up some criteria which were based upon the public policy, recommended by the President, that federal salaries should be comparable to the salaries being paid in the private sector for equivalent work. Under that statute machinery was set up to determine what comparability rates actually were, and during the Johnson years effort was made to put this machinery in gear to provide the necessary information and to assure that the President and his administration recommended adjustments in salary to the Congress that followed that particular pattern. The President was particularly vigorous in seeing to it that this commitment was validated by congressional action and that the executive machinery functioned properly in getting the answers.

Mc No trouble with Congress?

M: Well, yes, there was trouble with Congress because you had the political aspects of salary setting--the political aspect being primarily the tendency on the part of the Congress to increase salaries more for the employees in the lower level jobs and less in the middle and upper level jobs, with the result that there tended to be a compression in the salary scales which adversely affected the government's ability to attract and to retain able people.

The President also in his first year in office was faced with the usually sensitive political issue of raising the salaries of the top executive officers,

members of his cabinet and the top officers in the independent agencies, and the salaries of congressmen and judges. In 1964 a bill was passed which made possible improved rates for all of those officers, which in turn made it possible to adjust the salaries below those officers for the career civil service, particularly those in the upper reaches of that service.

Then in 1967 in the pay act that was passed that year, signed by the President, there was established a quadrennial commission to be designated by the President every four years which would review the salaries of members of Congress, judges, and top executive officials, so that there would be regular recommendations made to the incumbent President who in turn would make his recommendations to the Congress.

President Johnson moved in accordance with this legislation, set up a panel under the chairmanship of Frederick Kappel, former chairman of AT&T, and he appointed three other members, and three members were appointed by the speaker, the Vice President, and the Chief Justice. That group submitted to the President recommendations for new salary rates for those top posts about December 1, 1968.

President Johnson studied those recommendations. He conferred with me about them several times in person and over the phone. This was discussed with the budget director, Mr. Zwick at that particular time, and with Mr. Califano. The President made certain modifications in the rates, but interestingly enough, he retained the top rate which was a recommendation of \$60,000 for cabinet officers. He scaled down some of the lesser posts. He was very much interested in this. He discussed this with the President-elect during that period of time, and had his support.

This also led to action on the part of President Johnson to put into motion legislative steps that would increase the salary of the President from \$100,000

to \$200,000. This was President Johnson's personal idea. He made most of the arrangements. I provided much of the staff work that made this possible. You'll recall that in January, before the Inauguration, the Congress did act to increase the President's salary from \$100,000 to \$200,000.

Now the President's salary was not included in the report submitted by the Kappel Commission, but it was made necessary by the Kappel recommendations because it proposed raising the salary of the Vice President, the Speaker, the Majority and Minority Leaders, as well as raising the salaries of members of Congress and members of the Supreme Court.

Mc Did Johnson say anything to you about the salary of the President? Did he ever say anything to you about that, whether it was adequate or not?

M: He felt it was inadequate, and it had not been changed for more than twenty years. He felt that the time had come to change it and that it was important to change it when there was a change in the incumbent in the Presidency so that it wouldn't be an action that benefit somebody who was continuing in office. The timing of this legislative machinery was intentionally timing that would provide the recommendations at a time when there had been a national election and there might be a change in party, so that this would take it out of any kind of a political setting.

And as it turned out the Kappel recommendations were submitted to the Congress by President Johnson on January 15. They became effective on February 14 after the Inauguration because Congress did not take negative action on them. There was an effort to secure a negative vote at the Senate, but it was defeated. In a House a resolution rejecting the rates never passed through the Rules Committee.

We'll see in 1972 whether or not this is a lasting practice.

But I have devoted time on this because I feel that this is of signal importance in providing salary levels for the leadership positions which are more nearly comparable to leadership posts in other parts of American life. And this was a giant step forward, because for much too long it had been generally assumed that there was no reason why people working for the government shouldn't accept a substantial sacrifice in accepting these posts.

Now it was also important because it permitted a substantial improvement in the higher reaches of the Civil Service, as I indicated earlier. And the 1967 Act, which President Johnson is largely responsible for, and legislatively Congressman Morris Udall was largely responsible, that provided for a catch-up for all federal employees to comparability over a two-and-a-half year period--one increase to take place in November 1967, the second increase July 1968, a third increase July 1969--just this present month.

Mc How do you get a scale to compare to industry?

M: This is done by the Bureau of Labor Statistics in a survey of eighty metropolitan areas. It's done by comparing specific jobs in government as described with similar jobs in the private sector.

Mc What would a Cabinet Secretary compare to?

M: That's not included. We're only talking about the comparisons that are made from Grade 1 to Grade 15, so that we're talking about clerical jobs at the bottom; we're talking about administrative, legal, engineering, scientific, and like positions at varying levels of responsibility and difficulty as they're found in the private sector. Then once that data is collected it is analyzed and statistically lined up with the salary structure under the Classification Act for white collar federal employees from Grade 1 to 15.

For the so-called super grades, above 15, it was a direct statistical extrapolation without any effort to do other than extend the line. We knew

from the surveys we made of comparisons with a few private industries, even though the super grade rates had moved very rapidly, they still were behind comparable jobs. So we didn't claim that there was comparability there. We did claim that there was comparability from 1 to 15.

Now some of the present disagreement with respect to this point is motivated by lower paid employees who find that in 1969 they have very little catch-up because they received their increases in larger amounts at earlier dates, whereas there's a much larger catch-up for the people in the higher grades.

Mc Is there any kind of regional adjustment?

M: No, this is all on a national basis. This is a good point to raise because personally I feel this is not the best public policy. This is a political judgment. I think it would be very difficult to depart from it because basically the feeling has been for a good many years--over a hundred years--that the rates should be the same across the country. Now this means that in a large metropolitan area there may be somewhat higher rates for the same work, whereas in some rural communities these rates are considerably higher than those being paid on a prevailing basis.

One of our most difficult problems has been with the Postal Service. In the 1962 statute the Postal Service was linked to the Classification Act, and linked, in my judgment, very favorably for the Postal Service. But throughout the intervening seven years, there has been a constant clamor from the postal employees that this was not enough, that they should be equated at a higher level in the Classification Act. And they're organized with much more pressure and vigor than any of the other public employee groups. They're very potent politically.

Mc That brings up a point of civil service labor organization.

M: Yes. And I want to talk about that because that's another major area of interest.

Mc Go ahead.

M: But on the pay side there's another triumph which I am very proud of, even though the work has not been finally accomplished. That was the establishment of a government-wide system for determining wages of blue collar employees of the federal government. Now there are some 800,000 blue collar employees. A great bulk of them are civilians in the Defense Department at shipyards, arsenals, air bases, and the like. Through the years they have been paid on the basis of local prevailing rates for the same crafts and skills in the community where they're employed.

But each department and agency has been permitted to set up its own system. The result was that our research revealed that you could have a spread of as much as 60¢ an hour for laborers working for different agencies of the government. Now it was extremely difficult to get the agencies to agree to go into a common system, and it took much of the first six years of my time in the Commission to finally convince both agency management and union representatives that it was desirable to have a single system. We found that we could do this by executive action without legislation, that this was within the jurisdiction of the President to work out as he saw fit.

[interruption]

Mc We were talking about the blue collar wages.

M: The interest that was generated in the Defense Department was a potent force in this. In fact, this was a matter that Mr. McNamara and I discussed a number of times. He was quite distressed to find that the Army and the Air Force had one set of wage determining systems, and the Navy had another, and that they very frequently were far apart.

And also I found that there was an interest--

Mc McNamara was on your side?

M: So he was on our side, yes. But many of the people at lower levels within the Defense Department who were very comfortable with the existing system were very reluctant to see this change take place.

I also found that at the top of the labor movement that George Meany and Andy Biemiller and some of the other top people were also interested in seeing this come about. But it involved long negotiations in an effort to try to get general agreement on the part of the various parties.

Finally we did this, and it was possible for the President to announce in November 1967 that a new system would go into effect July 1, 1968. The new system has resulted in a common wage structure and a common system of rates in each of 150 different areas across the country. It meant restructuring the areas; it meant changing boundaries; it was a long and elaborate process; but my feeling is that there's greater equity in the rates that are being paid both for the employees involved and for the taxpayers--that this is a major area of reform.

Mc Was there any discrimination in wages between races?

M: No, because the job evaluation system that we were following, both for white collar and for blue collar, was based upon the content of jobs. The only place where you might have discrimination--and we did find a few cases of this type, particularly in the South and in the Navy--was that certain jobs apparently had become black jobs. And although the work was roughly the same as work performed by whites, the job title was different. There were changes in the system. In fact, as a result of the reform, we reduced the number of job titles very substantially without in any way adversely affecting the conduct of the operations.

We've had some problems on this because we did devise a system which permitted employee-union participation in the survey process. We found some private employers who were unwilling to make wage data available if they felt it was going into union hands. We've had to work out arrangements so that that objection could be overcome. We have used the BLS here, to a decided extent, where they cover particular areas that are involved.

There has been some localized union effort to have the wage system put into legislation. Hearings were held in the House on this. My own preference was for a system that was rooted in legislative policy, namely the policy on local prevailing rates, but had the flexibility of executive action. So really the system that we put into effect was a system that was proposed to the President; the President seeing the logic and equity of this asked the Civil Service Commission to make it operate.

Mc Your motivation in this wage reevaluation is what? Is it more efficiency, better efficiency, or is it equity, or what?

M: The motivation was, first of all, to eliminate the differences within the government for the same kind of work. So really this was a matter of equity. Secondly, our feeling was that there would be substantial efficiency if we didn't have so many different agencies conducting the same kinds of surveys. It was also a public relations reason because we were running into increasing complaints from private employers who had been requested to provide information concerning the rates of pay they were providing for their own employees, from several different government agencies. So there were at least those three benefits that flowed from this.

Now a second area of major reform which started, again, in the Kennedy years was the whole matter of labor relations in the federal government. I

was a member of a task force that President Kennedy set up in June of 1961 with the then-Secretary of Labor Arthur Goldberg as chairman to consider what the labor relations policies of the government should be. Up to that time there had been no expression of policy whatsoever. It had been a matter of determination by individual departments with respect to the unions with whom they dealt. Now this did not mean that there was an absence of union activity. About a third of the federal employees were members of unions.

Mc Now is this a government union or--?

M: No, this was a great variety of unions.

Mc or AF of L - CIO--

M: Some of them were affiliated with the AF of L-CIO; some were independent; some were new; some were old; some were large; some were small; some were industrial; some were craft. So there was a great variety. The greatest strength of unionism was in the Post Office Department, where roughly 90 percent of the employees belonged to one or another of 14 different unions. And that had been the case for some time. The rest of the government had been only very lightly organized, with strength in certain places, like TVA, certain parts of the Interior Department, some elements of the Veterans Administration.

With the presence of several large industrial-type unions, one of them the AFGE--the American Federation of Government Employees--probably being the strongest. That was a general government union affiliated with the AFL-CIO. Also you had strength in some of the military establishments in the traditional crafts, particularly the machinists and those in the metal trades. They had a history of working with the government. So you started off with that general base.

This task force met and concluded that there should be presidential policy on this, there should be several different levels of recognition in view of the

past history of labor relations. There was a conclusion that the basic relationship should be between the union and the employing agency; that the most important relationship was that at the local level; that there needed to be machinery that would permit the development of agreements where a union was able to gain exclusive recognition because of the membership in a particular unit.

The President on January 17, 1962, signed Executive Order 10,988 which has really been the charter for labor relations in the federal government ever since. I understand that there's a somewhat similar group now working with the Nixon Administration to revise the order. I would guess however that it won't be a substantial departure from the order that came out in 1962.

Along with this development were various legislative proposals that came before the Congress for establishing, by law, labor-management relations. These had been introduced through the years going back into the '40's but never really received much in the way of active attention by the Congress. And such is the case now. There are some unions that believe that the policies laid down in the original executive order should be encompassed in statute so that no President in an act of his own would repeal the original executive order.

Now during the Johnson years we were involved in making the executive order work. The Civil Service Commission became the executive instrument with respect to the administration of the order. The order assigned to the Commission three basic responsibilities.

One was to interpret the statute for agency management. This also meant that occasionally there were requests from unions for interpretation.

Secondly, the Commission had the responsibility of training federal officials to operate within the system. And this meant that the Commission had an active training responsibility. A number of courses were set up and pursued by the Commission and the agencies so that there would be an understanding.

And thirdly the Commission had the responsibility of reporting to the President on the manner in which the Executive Order was being administered. So each year I prepared a report to the President. Most of them were affirmative reports. They showed progress, showed that more employees were becoming members of unions. It showed that there was genuine cooperation for the most part.

And it also revealed that there were some problems that had arisen as a result of the Executive Order. We had determined in the Civil Service Commission under existing authority that where exclusive recognition was given or formal recognition was given to a union that payroll withholding could be provided for dues--in other words, the checkoff. This became a very important financial benefit to the unions and meant that a very substantial amount in money was collected through this device. This was done with the government charging the unions for the cost of providing the checkoff. This was a decision that I made on grounds that I didn't feel the government should be using the taxpayers' money to assist the union in collecting the dues. So a very small fee was charged for this particular purpose.

Problems arose in 1965 and 1966 as a result of certain impasses between unions and government agencies, particularly, again, in the Defense Department. We also had some problems with respect to the coverage of unions. I had felt very strong all along that there had to be a cutoff point at a certain level of management with respect to membership, that those in managerial positions could not be both management and labor. This produced a problem because in some of the unions actually people at fairly high levels had become active union people. This produced some problems.

We also found that there were some unions that had started out almost as company unions and were exclusive to a particular government operation.

For example, in the Internal Revenue Service there was an Internal Revenue Union. That union had included everybody up to the rather high supervisory levels, and the Treasury had to make some judgments that would produce some changes.

Mc Has the right to strike been a continuing problem?

M: In the background of all of this was the statutory prohibition on the right to strike. So we were dealing--

Mc That doesn't stop the desire to strike, though, does it?

M: No, but I don't really think there was any widespread desire for the right to strike. Now, during 1967 and 1968 some of the unions did remove from their constitutions a commitment not to strike, and there was some newspaper reporting of agitation for the right to strike. However, there has never been introduced into Congress any proposal to eliminate the prohibition, and I think the bulk of responsible union leadership--and I think most of it is responsible--has no desire to see that eliminated. So basically labor-management relations were being conducted in an environment where the strike was prohibited and where we were saying that the public interest is paramount; that the public interest had an overriding effect on any decision.

And the violation of the strike ban was strictly enforced. We had a few work stoppages; and where they occurred, the agencies moved in rapidly, conducted an investigation, and in many instances took disciplinary action against the employees. There were some instances where, in order to avoid the strike prohibition, employees had concerted sickness. But even there, where there was suspicion that this was the equivalent of a work stoppage, disciplinary action was taken by the agency.

Also, a part of the system--and this was developed and refined in the Johnson years--was a code of fair practices which was binding on both the

agencies and the unions. And in that code of fair practices was written a further elaboration on the prohibitions.

Since there was not the right to strike, and therefore the unions were deprived of their normal economic weapons, we believed that it was very important that there be a system where union grievances could be resolved, or where impasses in negotiations could be resolved. And this was there, there tended to be some irritation with the program. There was a tendency, where an impasse was reached, for the agency just to stop negotiating because they lost nothing by not negotiating.

Also, Dave, I think it's very important to recognize that unlike industrial labor-management relations the gut issues were still being resolved in Congress. As I said earlier, salaries for white collar employees were being determined by the Congress. Fringe benefits, pensions, leave plans, holidays, were all subject to the Congress.

So what we were talking about primarily were working conditions, grievances, patterns of promotion, working practices.

Mc When there was an impasse what would you do?

M: When there was an impasse, we tried to bring into the picture a fact-finder mediator. We never moved all the way to arbitration, particularly to binding arbitration.

With these problems I recommended to the President late in 1966 that I felt a reactivation of the task force would be a good idea to update the original 1962 order from President Kennedy and to devise a system for improved relationships. This was motivated by some pressure from outside from the unions, some restiveness on the part of union groups, but more out of a conviction that we'd had nearly five years of experience and that the time

had come to update the Order and incorporate changes. And I had a pretty clear idea as to what the changes ought to be.

Let me insert at this point that I was privileged throughout my eight years as chairman of the Commission to have an extremely able staff assistant in this particular area--a man named Vernon Gill, who is still with the Commission. He became an expert in this field, represented me and the Commission very skillfully, and is probably the best informed man in this field in the country. And with his assistance I drew up a recommendation to the President, pointing up the problems and making some suggestions as to how the problems might be resolved, but saying, "Rather than have these come from me, there ought to be the breadth of advice that would come from a reactivation of the task force."

The President agreed with this, and a task force was created in 1967, chaired by Secretary of Labor Wirtz. It included first Mr. McNamara, and subsequently Mr. Clifford; it included the Postmaster General, first Mr. O'Brien and later Mr. Watson; it included the Budget Director, I think there were two of those in this time also; and Mr. Califano from the White House.

We held hearings, as we had in 1961, for a week in October of 1967. We received recommendations from the unions, recommendations from the agencies, recommendations from experts in the field. We convened a panel of the best informed labor-management experts from the universities. We received advice, and we drafted a report. The report was prepared and available for the President in April 1968. The report was never officially received or acted upon.

Opposition arose to the recommendations in Defense and Post Office after we had completed the work. I think this was partially attributable to the changes of personality; I think it was partially attributable to changes in

the political situation. I had hoped right up until January 19, 1969, that an executive order would be forthcoming. But the decision was made not to do it, and the original executive order carried over. I was disappointed that this did not come to pass because I felt that this would be a logical conclusion to these years and that it would represent an effort to move ahead into a more progressive and more meaningful relationship between the government and the union.

I thought it was particularly important to do it at this time because of the growing difficulties we saw across the country in municipal public service-labor relations, particularly in New York City. And although the federal government was in no way exercising any kind of guidance or restraint on labor relations in other parts of the public sector, it was looked to as a model. In fact, I don't think there's any questions but what the 1962 Executive Order became sort of the guiding beacon for state and local government in the labor relations field. So I thought that a new step would be particularly important.

Strangely enough I never had an opportunity to discuss this with the President, so I never really knew what his view was. I don't know to this day whether this was really his view or not. I compartmentalized my discussions with him and even though I saw him frequently during this period, I never brought this up. Califano and his office were a point of contact on this. Secretary Wirtz was even more distressed than I was, and he finally, in his last days in office, released this report as unfinished business in order not to have it go into the Archives without public attention. So it is a document released.

Mr. Wirtz and I had a rather trying session with Secretary Clifford on this. It was very clear that Mr. Clifford had not had a great deal of opportunity

to deal with it, but he was definitely opposed to certain features, particularly the feature that would provide for a panel of government officials that would resolve impasses in the form of binding arbitration.

Mc Why should he object to that?

M: He felt that there might even be a constitutional problem in that this would mean that certain decisions made by the Defense Department could be overruled by other officials who did not have the ultimate responsibility. This was a valid point, but his opposition went beyond this and even raised some basic questions as to whether agreements with unions were a good idea in the Defense Department at all. Well, that issue was resolved back during World War I when Franklin Roosevelt was Assistant Secretary of the Navy, so that was really not an issue at stake.

But it was clear that he was opposed to any further changes in the plan. And, although he never said so, I had a feeling that Mr. Watson as Postmaster General was concerned about many problems that they were having with the unions, and he did not feel that it was wise for the President to come forward with a proposal that might be interpreted as further concessions to the unions.

Mc Was the President's announcement not to run again a factor?

M: I don't really think so. I think that perhaps our timing was poor on this, that we should have brought it up earlier in his administration. I think there were other political factors that were involved. There were some congressional difficulties involved. We had an understanding with the labor movement, worked out through Andy Biemiller, that they were in support of what we were proposing in the task force, just as they had been in support in 1961-1962. They preferred this to legislation, even though legislation had been introduced.

Mc Were there any major structural changes in the Civil Service during this time-- the organization?

M: Yes, I would say that this was a period of vast change in the Commission itself. In the first place, during this time we analyzed and evaluated every functional area of responsibility.

For example, this was a period of great growth in the training and continuing education field. During this time we created a Bureau of Training, the feeling being that there was need for leadership throughout the federal government in providing the kind of in-service training that was necessary in order to raise the skill level, increase the motivation of the people working for the government.

Mc Was this your idea?

M: This was my idea. The President was very supportive on this. He created a task force in 1966 of distinguished people from within government and outside who met with me. I served as chairman. A report was given to the President, a report on career advancement in the federal service which assessed the training progress to date, and proposed that there be a new executive order from the President with respect to training responsibility in every department and agency. This was issued in April 1967. It included a request to the commission to establish a training center for the top executives in the career service, which led ultimately to the formation of the Federal Executive Institute located in Charlottesville, Virginia, which opened its doors in October 1968 for a series of eight-week training sessions for people in the top three grades of the career service.

We also reviewed really the basic part of Civil Service, the examining part, and overhauled virtually all of the examinations on the grounds that

many of the measurement devices being used in tests were out of date. We engaged in extensive research to determine whether or not the tests that were being used contained any kind of cultural bias that might be restrictive. We divided up the various levels of examining in order to assure that the system was an open system so that there could be competition for entry at various levels. We did a complete study and overhaul of college recruiting, and not only recruiting but of the induction process. I was convinced that we were getting some able young people, but their early experiences in the government were not as favorable as they should be and that we were losing more than we should. And some we were not losing, but we were disaffecting. So there was need to give much more attention that had been in the past to the initial years experience of young people coming into the service, both in giving them additional counseling and providing them with assignments that would be meaningful and would give them an opportunity to use their best skills.

The Commission also took a hard look at its field organization. Early in my tenure I eliminated one of the regional offices. I would have eliminated two more except for known political difficulties. We had ten regional offices. We adopted the concept of Civil Service representatives in some fifty different locations around the country, and then we created what we call Civil Service Boards of Examiners that were operated by the Commission instead of being operated by individual agencies. These were pulled together in key locations across the country, and not only resulted in greater efficiency but we believe resulted in the attraction and expeditious examining of people in all of these locations.

So we had far-reaching changes. We altered the content of our inspection program, which was an important part of our evaluation process. We revised our

staff structure in order to give more attention to labor-management relations, as I indicated.

We created in 1967 a new bureau, which was called the Bureau of Executive Manpower. This was in response to our efforts to give greater attention to the staffing of the top level jobs in the career service. This was supported by the President in an executive order that he signed in November of 1966 to go into effect twelve months later. This created the Executive Assignments System, which was a new means of searching for, selecting, evaluating, assigning people in these top jobs. We developed as a result of this an inventory of about 26,000 people in the top levels of government who should be considered in filling jobs across the board in the government service. The hope here was that we would be able to develop a higher degree of mobility between agencies across the government. The bureau that was set up to head this also would have the means for conducting outside search for people that could not be secured within the government service with the requisite skills to do the jobs at the top level.

A part of this program, which was my idea and which I became involved in myself, was a series of meetings with heads of departments and agencies to discuss their system for identifying, selecting, and promoting people into top positions. And during the calendar year 1968 I met with twenty department and agency heads, all of the key organizations of the government, to discuss and hopefully to stimulate a better understanding and improved action by the departments in finding the best people they could to fill these key positions.

Mc You mentioned that you're working on a book.

M: Yes.

Mc What's the subject matter of this book?

M: The book will be really a series of essays on various matters relating to government employment and public service. The tentative title is "The Human

Side of Government." My publisher is Harper and Rowe. I'm working on it now and hopefully will complete it by the end of the calendar year, and it will be published in September of 1970. I will talk about some of the issues that I've touched on here--salaries, labor relations, the examining process, equal employment opportunity, employment for women, employment of the handicapped, some of the efforts that we made to advance the cause of training and the relationships that we had with colleges and universities on advanced training.

I will talk about particularly the relationship with state and local governments. One of the reforms that we sought but did not secure was the Intergovernmental Personnel Act, and the Intergovernmental Education Act, which did pass in 1968. These were companion bills that were first proposed by the President in 1966 and again in 1967, that were intended to provide federal grants in people rather than grants in funds by setting up systems for interchange of federal and state and local personnel; to provide a system of dollar assistance in the development of personnel processes, practices, and policies in the states and the cities. I'm hopeful that at some future date such a bill will be enacted. It will provide a means for the federal government, not as big brother, but as an equal partner, to the states and the cities in developing the necessary human capacity to do government's work.

So these are some of the areas that I will be developing in the book.

My feeling has been for some time that a good many of the scholars have written in this field, but no practitioner has. I feel that frequently what is taught out of the books provided by the scholars is not the real picture of what goes on in government. And I feel so strongly that the strength of government and the accomplishment of government rests so entirely in the capabilities of the men and women that work for it, that I think it's important

that there be as wide an understanding of personnel policies and problems as there can be. As I have said many times since leaving office, I feel that I left an inventory of problems that was probably larger than the one I inherited. But I feel that this is because there is a more acute awareness of the responsibilities that exist, and that there is a stronger drive to bring about a Civil Service which is responsive to the needs of government at this particular time and is not a meritorious relic of conditions as they may have prevailed in some previous time.

Mc Apparently President Johnson shared your interest in personnel and in people in being sure that the right man was in the right job. Consequently you apparently had a great deal of contact with Johnson--what? Every fourth day or every other day or so, you'd have a conference with him--is that about right?

M: Yes, I would say that rarely did more than two or three days go by without some communication with the President, frequently over the telephone; certainly a face-to-face discussion every fortnight. So I had a feeling that on most of these issues he was not only in accord with what was going forward, but that he had a heavy prod on to make sure that they were going forward.

Mc This is a loaded question I'm going to ask you. Was he the right man for the presidential job?

M: Yes, I feel he was. I feel that he came to the job with probably the best preparation of any President that I've studied. I feel that he had an infinite understanding of the substance of government down to the final nuance. It was in his system. He had a remarkable capacity for absorbing and retaining knowledge. I was again and again appalled at his ability to recapture and retrieve some relatively minor fact that was relevant to the situation that

we were discussing. So I feel that in terms of professional preparation that his was a model career leading to the presidency. He had come in as a young man, highly motivated toward public service. He came out of a family that had an interest in the issues of the region in which he lived. He was a quick study, not only of the substance of government but of the interrelationships of governmental bodies and governmental personalities. He was a very astute judge of people, and he had applied that judgment throughout his career. He had been elected to Congress in a demanding and challenging period of time. He attracted early attention. He became familiar with the presidency very shortly after his arrival because he was a protégé of President Roosevelt. He rose to leadership rapidly in the Senate. He saw the presidency as minority and then majority leader.

I was just commenting the other day that the problems of the Nixon Administration in its relationship with the Congress are in some way a favorable reflection on the capacity of Lyndon Johnson and Sam Rayburn in the Eisenhower years. So I think that even though the presidency was held by the other party, that both of them were steadfast in working with the President, understanding the relationship of the Presidency, and at the same time endeavoring to strengthen their own party.

Mc Is physical energy necessary for such a job?

M: I think it's very important.

Mc And did Lyndon Johnson have it?

M: He did indeed. He had it in amazing proportions. I found it personally a challenge to keep up with him because I had always felt that I had been endowed with extra capacities for energy, and following his pace was a good measure of how strong it really was.

No, I feel that all too frequently we overlook the importance of physical capacity, the capacity of the individual to take the burdens of office, to make judgments under fire, to understand the tyranny of time. I think all too frequently the students of the presidency fail to recognize that the President has to deal and wrestle with the factor of time. There are certain dates that are fixed in the presidential calendar, but most of the crises, most of the events, are poor respecters of the calendar. And a President has to draw on the depth of his own experience under the heavy pressure of time in order to arrive at the judgment that will guide the nation under those circumstances.

Mc Did you find him somewhat impatient at times?

M: I felt he was impatient, but I was never critical of him. I felt that he had a right to demand instant response.

Mc Did he demand that quick response from you?

M: Yes, and I felt sometimes I wasn't able to fulfill as quickly as I should. I soon learned to very quickly say if I didn't know rather than try to fill the gap in my own knowledge. I also became accustomed to his style, and I carried things around with me that I could draw upon.

Mc When you say his style, what do you mean?

M: His desire for information, the immediacy of his demands. And also his direct personal way of seeking that information in the fact that he would call virtually at any time of day or night on the telephone, asking for information.

Mc He did call you late at night?

M: Yes, he would call in the evenings. Frequently he would call from the White House at 10 or 11 o'clock after he'd finished his evening meal. Sometimes he apparently had no particular matter that he wanted to discuss, but he was

eager to try out some ideas. Or he'd have a very specific thing that he'd want to talk about. Or he had read something that either disturbed him or prompted a line of inquiry. Or he had had a call from somebody else that involved my field.

I would say, Dave, that of my contacts with him during the period from November 1964 when I took on the talent scout efforts up to his departure from office, I would say that probably four out of five of my contacts related to the talent scout activity. And more often than not, the major issues of a Civil Service nature would be issues that would be taken up in group sessions. For example, every year I would have a session in company with the Budget Director and somebody from the White House staff on the salary issues. This would be a matter that would be discussed in concert. Occasionally I would deal with him on such matters as awards, and I would come with George Ball, who was chairman of the Awards Committee. In fact, one of my very first experiences, as I believe I related earlier, was about the Presidential Medal of Freedom.

So there were a variety of circumstances, but I don't want to misrepresent, for the record, the amount of time that I had discussion with the President on matters of a Civil Service nature.

I was privileged on a number of occasions to meet with the President at the ranch. These were one-day visits. I would leave my home at 5 or 5:30 in the morning and go to Andrews Air Force Base and fly down, arrive there at 11 o'clock, and usually meet with the President fairly soon after that, and then stay and have luncheon in the family dining room.

Mc Was he more relaxed there?

M: Yes, he was more relaxed, and there were fewer interruptions. I recall, for example, one--I think the last time I was there which must have been May 31,

1968. We sat for two and a half hours and went over a long agenda that I had of actions, most of the actions relating to appointments. And I commented afterwards how satisfying it had been that he had been able to go through without any real interruption for that period of time.

Then after luncheon, he and Mrs. Johnson that day took me for an hour's drive through the ranch. It's an experience I'll always recall.

Mc What did you look at, the cattle, the deer?

M: Looked at the deer, and went and looked at the new parks on the banks of the Pedernales, inspected the construction that was going on there. We went to the birthplace.

But I must say that my most memorable experience at the birthplace was November 11, 1965, when I was there to talk about the Lyndon Johnson School of Public Affairs. This was a meeting that Mrs. Johnson had arranged. We sat all day in the birthplace and talked about our expectations for the school.

And then I guess probably the most frequent visits I had--

Mc Let me ask you something. What was your role in this? Why would he be consulting with you in that school?

M: Because of my involvement in public service as the personnel man for the government, and, secondly, because of my past association with university work. I was there, and McGeorge Bundy, and John Gardner, Walt Rostow, Clark Clifford, the President of the University, the head of the Board of Trustees.

Mc Did he express any opinion of what he hoped for a school like that?

M: He was not at that meeting. Mrs. Johnson was present. In fact he intended to remove himself from that line of discussion.

Then I visited the ranch several times late in 1964 when I first took on the talent scout job and had, I guess, three different days with him at that

time. They were all very fascinating. This was very beneficial to me because I had an opportunity to get a lot of his philosophy with respect to appointments at that particular time. And then I brought a group of appointees down to the ranch on March 20, 1965, when he had a press conference at which he announced those particular appointments.

Mc Does he seem to you to have an unusual quality of mind, not only intellect, but a capacity to think of a number of problems at the same time?

M: Yes, I often felt that he was able to think at several different levels simultaneously and that he could see better than anyone I ever knew all kinds of interrelationships that certain problems and certain issues had so that he would be able to put together a very elaborate circuitry of ideas in discussing a particular issue or a particular problem.

Mc Was he decisive?

M: He could be decisive, and he could also be decisive in that he decided that this was not the time to make a decision.

Mc Were you ever frustrated by that?

M: Oh yes. But I always felt that his sense of timing, even though he might not explain it to me, was so much better than mine that there was really no reason for my frustration. Now I would frequently call something to his attention that he had deferred when I thought there had been a change in the circumstances which would warrant his reopening it. And sometimes he agreed; sometimes he didn't agree.

No, I felt that he was frequently seeing additional facets of a particular problem or a particular issue that were not clear to me, and therefore he had decided that he wanted to defer. It might have been that a particular appointment would be more beneficial if deferred until he could consult with some other

people, or it might have been that there were certain issues involved in which that appointment would be helpful currency. These were factors that sometimes he discussed, but more often he did not, and we moved on to other issues.

Mc I've heard that he had a rather rich sense of humor, and also that he was rather earthy in his language at times. Is this true?

M: Yes, he was. I would say that he used this on occasion to put across a point very graphically. He was a master of the "excessive" phrase. Somebody once told me that you're never as good or as bad as Lyndon Johnson says you are; that he's inclined to be effusive, or he's inclined to be abusive. I never found him abusive. I was always sympathetic, as I said, to evidence of impatience. I felt that at times those of us who were serving him were really not serving him as rapidly and completely as would have been desired. I didn't feel that his demands were unfair or excessive. I felt that he was always courteous to me, that he set a high standard, and it was a great sense of satisfaction to me to feel that I could approach that standard.

Mc Was there ever any doubt in your mind that he was the President?

M: Never.

Mc I mean, he wielded his power?

M: Yes. But I would say that I never felt when I was dealing with him, particularly when it was a face-to-face proposition, I never felt I was dealing with a man who had placed himself above others. I felt that he was very human, very sympathetic, that he understood his responsibilities, that he recognized the burdens that he carried.

I never sensed any arrogance. I feel that he has been much maligned by the sloganeers who have talked about the arrogance of power, because I didn't see it. I felt there was a humility there that was always evident, and a high

respect for the office that he held, and a high respect for all the men who had held the office. On several occasions I was present when he talked to General Eisenhower, and it was very clear that there was a mutual respect, although a basic disagreement on certain issues.

And I felt that he had a great respect for President Kennedy. I never saw in my time with him any evidence of this widely reported hostility between the Johnsons and the Kennedys. My feeling always was that this was largely the product of people at lower levels than the two Presidents. I felt that Lyndon Johnson did everything he could possibly have done to spare the feelings of the members of the Kennedy family and the Kennedy staff. I feel that he was a member of the Kennedy Administration, that if he had disagreements with President Kennedy they were never evident to me. And I don't recall any time when he made any kind of statement that would have appeared to have been a departure from President Kennedy's position.

Mc Now you had some contact with Mrs. Johnson. Do you have any impression of about how she played the role of First Lady?

M: Yes, I do. I was privileged to have a number of direct conversations with her, particularly with respect to the appointments in areas where she had high personal interest. This meant the Fine Arts Commission; this meant the National Endowment for the Humanities; this meant a number of other groups of that kind. I found her very thoughtful, very penetrating in her questions, very committed to her husband and his leadership. I felt in every sense she was endeavoring to complement his efforts as President, that she saw the First Ladyship as not a role in which she played some kind of separate and distinct part but rather where she was in a position to strengthen his leadership by pursuing areas of public policy where she had some skill and ability.

I was always struck by the intuitive way in which she went right to the political nub of an issue. I was always struck by her modesty, by her own humility toward the accomplishments that she had made. And yet she was a realist. When she felt something had been successful in which she was involved, she in no way stimulated compliments but was frank to admit success.

I talked with her some on two or three occasions about her daughters. She was obviously very much involved in their lives. She was very straightforward about the problems that were involved in raising two daughters in the White House at their particular age.

Mc What are such problems? Dating and things like that?

M: Well, the high public exposure, the ever presence of the Secret Service, the question as to the true motives of certain young men that might present themselves.

Both Mrs. Johnson and the President were overjoyed by the selection the girls made in their mates. I recall talking with Mrs. Johnson late in the Administration, after the years of bitterness. She was saying how, with all of the difficulties that the President had faced, that the past year had been the happiest one for them as a family. And this was the year that had encompassed the two weddings and the arrival of the first grandchild.

So I felt that she was a very constructive force in the partnership. I always enjoyed talking with her at the ranch about the work that she did there. I think she was a remarkable human being. I can't believe that there was ever a First Lady who did more. And, as I told you earlier, I had an opportunity to talk a little bit with Mrs. Roosevelt in her final days. I felt that Mrs. Johnson's part in all of this was entirely appropriate. I felt that she was available to the President whenever he needed her counsel, and I felt he used her counsel significantly. So I felt they made a great and effective team.

Mc Let me ask this. When it came to transfer of power from Johnson to Nixon, what did you do?

M: Well, frankly, I was disappointed. I was prepared to do more than I was asked to do. I was directly involved in making the arrangements so that the new administration would be able to acquire as quickly as possible information about the positions that were to be filled. On the broader scale, I had geared up the Civil Service Commission to exercise leadership on the career personnel front. I found that my meetings with representatives of the Nixon Administration were congenial enough, but I felt they weren't really very substantive and that they had a desire of doing things differently.

Mc Did they want to tap your talent pool?

M: They wanted the information, but they were sure that they had information that was more suitable to them--which is understandable. I have no contrary feeling. If the positions had been reversed, I'm sure I would have felt the same way. This is always the problem that is involved in a transition. I think it went remarkably well in general terms and certainly was the smoothest of any that I have seen.

My only criticism would have been that I think the outgoing administration could have been even more helpful if the appropriate requests had been made. We were very fortunate to have Charles Murphy in the White House at that time. He was familiar with the two previous transitions from points of high vantage, and I enjoyed working with him. I think we were well prepared for the transition. I think that we were able to turn the house over to them in pretty good shape.

As far as the Civil Service Commission is concerned, that was particularly easy because when I resigned, or indicated I intended to resign, the President-elect named Robert Hampton as the new chairman, and Hampton had served for

eight years with me on the Commission and was familiar with most of the policy positions that had been taken. And if he had disagreement with any of the positions, he had never indicated that he had had. So presumably he was very much in accord with the situation as he found it. So this was facilitated.

Also, I think he was helpful to the new administration as someone who was a career man in personnel management, that they could call upon and have confidence in right from the beginning. So I feel that the transition was successful.

I was pleased to see the first use of the Transition Act that was passed in 1964, which had been the product of a number of us after the transition in 1960-61 when many of the difficulties had shown up. The Act provided some funds that had not been otherwise available, which eased the financial burden of both the incoming and the outgoing administrations. So I would pronounce the transition successful, and I think that for the most part the Nixon people do.

I had a conference the other day with Peter Flanagan who, I guess, is as close to occupying the talent scout slot that I had as anybody over there, and he surprised me by saying how indebted the Nixon Administration felt to me for the assistance that I had rendered. So since he didn't have to say that, I'm assuming that, although perhaps I didn't feel I had been able to do very much, it was a substantial amount from their point of view.

Mc I'm ready to bring the interview to an end, but I want to leave you with an open-ended question to be sure everything is covered. You've talked about five hours on tape now. Is there anything that comes to mind that you want to bring up or any other comments that you wish to make?

M: I'm sure there are a number of other things that I would like to include in the record, but I think that what I have said adequately hits the high spots. Perhaps at some later time some recollection will burn its way into my retrieval

system and I will want to express myself. I assume I can communicate with you or one of your colleagues about that.

Mc Sure.

M: I feel that five hours is probably an adequate amount of record from me. I feel that the Johnson years were highly significant years that the assessment of what was achieved during that time will come later. But I'm convinced that that assessment will be favorable, and that it will be particularly favorable in the areas we've discussed.

Mc Fine. Thank you very much.

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By John W. Macy

to the

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