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FRITZ R. KAHN

SUITE 1100  
1660 L STREET, N. W.  
WASHINGTON, D. C. 20036

CABLE ADDRESS  
VERLIP

(202) 452-7400

MICHAEL F. GOLDMAN  
STUART F. PIERSON  
JOHN A. MERRIGAN  
THOMAS E. ACEY, JR.  
JOSEPH L. MANSON, III  
THOMAS A. LARSEN  
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OF COUNSEL

November 19, 1976

MEMORANDUM

FOR: Senator Mondale  
FROM: Harry McPherson *Hm*  
RE: Personnel recommendations

You asked me for my recommendations for the Cabinet and Sub-Cabinet. I made a number of calls around the country to businessmen, academics, government officials, and lawyers whom I know and trust, asking for their suggestions. I sorted through these and weighed them with my own. In a few cases below I list people whom I do not know personally, but who come strongly recommended by several of those I called.

I. STATE

Secretary:

Cy Vance  
Ed Muskie  
Mac Mathias

I agree with Bayless Manning that the main "foreign policy" problem of the next 10 years will be reconciling executive action with congressional, i.e. public opinion. This suggests that we do not need a Secretary-negotiator or - strategist so much as we need a Secretary - explainer and - politician. Vance is well regarded in Congress; though no strategic thinker, he is an experienced, fair-minded man. I don't know whether Muskie or Mathias would take the job; I think it possible they would. Each has evident advantages and limitations.

Under Secretary for  
Economic Affairs:

Mike Blumenthal  
Richard Cooper

This will be an increasingly important job. Blumenthal is chairman of Bendix, was our ambassador to OECD, and is smart, tough, Democratic, and politically ambitious. Cooper is a brilliant academic economist who knows this field as well as anybody.

Under Secretary for  
Political Affairs:

Pete Petersen  
Bayless Manning  
Zbig Brzezinski

To do the George Ball-Eliot Richardson job of maintaining liaison with all branches of the Department, I'd try to get Petersen, who would probably take it only if he felt he would succeed to the Secretaryship. Manning is quite well connected, knowledgeable and would be content with this; Zbig might not.

Under Secretary for  
Congressional Relations:

Lee Hamilton  
Gale McGee

The job doesn't exist at this level. I would put it there for the following reasons: elevating the significance of executive-congressional relations; securing an important figure to fill it, and thereby making it slightly less necessary for the Secretary to appear before Congress; and improving the transmission of congressional views to policy-makers and action-takers. Towards the latter end I would make this man a member of the National Security Council. Lee Hamilton is trusted, has chaired a House International Relations subcommittee inquiry into Congress's appropriate role in foreign policy, and has good judgment. I am guessing about Gale and taking a flyer because I like him.

White House National  
Security Advisor:

Ben Read

This job needs skill, patience, and even-handedness. Ben Read proved that he had these qualities in abundance during seven years as Executive Secretary of the State Department. He is not charismatic. I assume Governor Carter is not looking for that quality here.

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UN Ambassador:

William Scranton  
Eliot Richardson  
Morris Abram

I'd leave Scranton where he is for a year or so. The job needs a little continuity. Richardson would do it well and besides, it's one he hasn't had! Morris would be superb, and I'd recommend him now, despite the above, if his health would take it.

CIA:

George Bush  
Tom Hughes

I think I would leave Bush there for a year, to de-politicize the job and give it continuity. Tom Hughes is highly experienced in intelligence-reading, as you know. He could succeed Bush.

President's Special Trade Representative:

Myer Rashish

Rashish was George Ball's assistant in the early sixties, helped get the 1962 Trade Act through, and has served as a consultant to Ways and Means' trade sub-committee for many years. He is an economist, and a member of the President's trade advisory council.

Assistant Secretary of State for Educational and Cultural Affairs:

Peter Krogh

Peter is dean of the Georgetown School of Foreign Service. Young, attractive, and bright, he was a White House Fellow during the Johnson Administration.

ACDA:

Jack Ruina

Ruina, a vice president of MIT and a scientist, is one of the pros in this field and strikes me as a man of good judgment.

Ambassadors:

Ben Stephansky (Mexico)  
Joe Allbritton (U.K.)

Stephansky has served very successfully in Latin America. Allbritton, the Washington Star publisher, is a banking and financial wizard, and so could represent us intelligently during the British money-crisis. He loves Britain and would probably take the job.

## II. DEFENSE

### Secretary:

Harold Brown  
William Miller

Harold Brown, president of Cal Tech, is a scientist, and former director of Defense Research and Engineering. Miller is president of Textron and a famous manager. His company's helicopter production might present conflict problems.

### Deputy Secretary:

Arthur Taylor

I do not know Taylor, but he is enthusiastically recommended by many people as a financial and managerial whiz. He has just lost a power struggle with William Paley of CBS, and has been sacked as President of the company. That, I am told, should commend him.

### General Counsel:

Matthew Nimetz  
Perry Barber

Matt Nimetz of Simpson, Thatcher and Bartlett is about the smartest lawyer I know. He clerked for Justice Harlan, and worked for Joe Califano in the White House. Perry Barber of Baker, Botts in Houston worked in the Johnson White House, and is extremely capable.

## III. TREASURY

### Secretary:

Tom Clausen  
Felix Rohatyn  
Ben Love  
Joe Allbritton

The Treasury post offers President Carter the means of reassuring the financial and business community on the fiscal soundness of his Administration, without crippling himself with an intractable ideologue. Clausen, head of the Bank of America, is the clear favorite of those I've talked to. Rohatyn is brilliant, but lacks Clausen's establishment credentials. Love is a sophisticated banker from Houston, head of the Texas Commerce Bank, a Democrat, and anti-Connally. Allbritton was a banking phenomenon in Houston and is a moderate Democrat. His relations with Ed Muskie would help on the Budget Committee front.

IV. JUSTICE

Attorney General:

Edward Bennett Williams  
Warren Christopher  
Harold Tyler  
Wade McCree

I suggest Ed Williams because he is the savviest lawyer I know, and because I believe he would make the best Attorney General in modern history. Christopher is a remarkable lawyer who has served as Deputy Attorney General. So has Tyler, a former Federal judge; he is an enlightened Republican, a fair man and an attractive one. Wade McCree is on the Seventh Circuit, and is black.

Solicitor General:

Seth Huffstedter

I do not know Huffstedter, but he is president of the California Bar and is reputed to be brilliant. His wife is a leading candidate to become the first woman U.S. Supreme Court justice, and that would of course present problems.

V. ENERGY

Administrator/Secretary:

Irving Shapiro  
Peter McCullough  
Donald Keough  
Ben Heineman

Here again, the job must be created first. We need a minister of energy who has great managerial skills, good policy judgment, and the personal "heft" to move the bureaucracy, deal with Congress, and win the support of industry. It is a Manhattan-project-sized job. It will require a very substantial figure to do it. Shapiro, head of Dupont; McCullough, head of Xerox; Keough, head of Coca Cola; and Heineman, head of Northwest Industries, are all in that league, and none comes directly from the energy industry.

Deputy Administrator:

Robert Charpie

Charpie is head of Cabot Corporation, a scientist and manager of considerable repute.

VI. HEW

Secretary:

Father Ted Hesburgh  
Henry Schact

Father Ted is a legendary figure. I think he would leave Notre Dame to do this job. Aside from his extraordinary career and the respect, indeed love, which people feel for him, his appointment would do much to overcome the Catholic problem; though the abortion question could become exacerbated, I think he would do much to de-fuse it. Schact, president of Cummins Industries, is in the J. Irwin Miller tradition of socially conscious business executives.

VII. WHITE HOUSE

OMB Director:

Victor Palmieri  
Ken Axelson

Palmieri is the tough-minded boss of the Pennsylvania Corporation. Axelson, CEO of J. C. Penney, did a remarkable job on loan to New York as budget director in the city's fiscal crisis.

Deputy Director:

Stephen Berger

Berger was executive director of the Financial Control Board of New York City. He has wide experience in the health and hospital field.

WHITE HOUSE

Advisors/Emissaries:

Orville Schell  
Herb Sturz  
Sidney Cone III  
  
Kingman Brewster  
Bayless Manning  
John Filer  
Fletcher Byrom  
Morris Abram

I suggest those in the first group as permanent party in the White House. Schell, former president of the bar of New York City, is an astute, everlastingly young, liberal man who would make a superb Presidential counselor -- a combination of Nestor and trouble-shooter. (He also made the best campaign speeches for Carter-Mondale in Wall Street). Sturz is an incredibly productive idea-man. He is head of the Vera Institute. He would think of

Advisors/Emissaries (cont.)

approaches to social problems no one else has tried. Many would work. Cone, whom I don't know, comes from the southern textile family, is a partner in Cleary Gottlieb, is experienced in international business, and is said to be smart as hell.

The second group would be called on for ad hoc duties, e.g., chairing task forces for six weeks or so in fields such as law of the sea, regulatory reform, particular energy problems, etc. Brewster and Manning are well known. Filer is the liberal head of Aetna Life Insurance, Byrom the well-regarded boss of Koppers, Inc. Morris Abram is one of the finest men around. If he is not made U.N. ambassador, he should be used in this capacity.

VIII. TRANSPORTATION

Secretary:

Brock Adams

I'm told that Brock would take the job. He knows much about it, and is obviously very able. I believe he is planning to run for the Senate when Magnuson retires.

IX. HUD

Secretary:

Vernon Jordan

Vernon knows less about housing than a Secretary of HUD should know, but he understands urban affairs, his appointment would be well received among blacks, and I believe his attractive personality would win over the housing industry in time.

Under Secretary:

John Rhineland  
Mike Curzan

Rhineland is the incumbent, and he is highly competent. Curzan, of Arnold and Porter, is knowledgeable about housing law and finance. He chaired the DNC's policy committee on the subject.

X. LABOR

Head of the Mediation  
Service:

Keith Mann

Mann is associate dean of the Stanford Law School, and is one of the best labor negotiators in the country. He would be high on John Dunlop's list.

XI. ENVIRONMENT

Director or Dep. Director  
of EPA:

Peter Berle

Berle is a young lawyer who has brought system and good judgment to the New York State environmental program.

Assistant Secretary of  
Interior, Parks and  
Wildlife:

Lee Talbot

Talbot is currently senior scientist of the Council on Environmental Quality. He is a pro in the field, and said to be good.

XII. REGULATORY AGENCIES

FTC

Richard Pallot

Pallot is a progressive businessman, president of the Royal Trust Bank of Florida. He is also chairman of the Florida Board of Business Regulation, and is highly regarded by Governor Askew, Senator Chiles and Senator Stone.

FCC

Amalya Kearse  
Jim Dyke  
Louis Martin

You know Jim Dyke's abilities. Amalya Kearse is a phenomom: a black woman partner in a Wall Street law firm (Hughes Hubbard and Reed), bridge and tennis champion, editor of the Michigan Law Review, litigator. Either she or Louis Martin -- one of the shrewdest and most delightful men on earth, editor of the Chicago Defender, former deputy chairman of the DNC -- would make a fine chairman of the agency.



REGULATORY AGENCIES (cont.)

ICC

Chairman:

Betty Jo Christian

The ICC, according to the best practitioners before it, should be reduced from 11 to no more than 5, and probably to 3 members. The money saved by eliminating 6 or 8 staffs should be put into commission personnel whose duties are to facilitate, and not to duplicate as at present, the commission's work. Betty Jo Christian is the ablest of the present Commissioners. She was No. 1 in her law school class, and is a well-connected Texas Democrat. She should chair a reduced commission.

EEOC

Chairman:

Ron Brown

Brown is now the deputy executive director of the National Urban League.

CAB

Tenney Johnson

Johnson, an incumbent and a Republican appointment, is said to be the single member of the current board who ought to be retained.

SEC

Abe Briloff

Briloff is an authority in the accounting field, a professor at Baruch College in New York.

XIII. Others Recommended without  
Specific Assignments:

John Place

Place: President of Anaconda, a respected banker with successful experience in extractive industries.

Others Recommended without  
Specific Assignments (cont.)

Edwin Firmage  
Stephen Schwebel  
Joseph Nye  
Jay C. Hurwitz  
Ted Bowen  
Al Summers  
Ira Harris  
Bob Stone  
Stephen DeBrul  
Paul Doty  
Martin Myerson  
Ed Bleier

Firmage: Worked for Humphrey; a Council on Foreign Relations fellow, now professor of international law at the University of Utah; possible Legal Advisor at State.

Schwebel: Professor at Johns Hopkins, lawyer, possible deputy legal advisor at State.

Nye: Professor of government at Harvard, said to be brilliant; possible NSC or Policy Planning Group member at State.

Hurwitz: President of Allied Westheimer of Houston (moving and crane operations), a moderate-liberal Democrat; deep personal interest in problems of the handicapped; could work in HEW or Labor, and is said to be ready to leave industry for such a job.

Bowen: President of Methodist Hospital in Houston (the DeBakey-Denton Cooley hospital), outstanding hospital administrator; possible HEW-level of NIH position. Also ready for government service.

Harris: Managing partner of the Chicago office of Salomon Brothers. A fiscal wizard. Possible assistant secretary of the Treasury. Not a Bill Simon-Salomon Brothers partner.

Stone: President of Hertz. Reputation as a great administrator.

DeBrul: A business leader recommends that DeBrul either be retained as chairman of the Ex-Im Bank, or elevated to an under secretary position at State or Treasury.

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Others Recommended without  
Specific Assignments (cont.)

Doty: A renowned public policy scientist, head of the Bio-Chemistry department at Harvard and of a center on arms control. Possible science advisor to the President.

Myerson: President of the University of Pennsylvania; a lively mind. Possible chairman of the Humanities Foundation.

Bleier: Executive vice president of Warner Brothers. Said to be imaginative, knowledgeable, and public-spirited. His experience is in communications generally.

★ |  
MEMORANDUM

TO: Hamilton Jordan  
FROM: Joe Duffey  
SUBJECT: Cabinet Selection Interviews  
DATE: November 22, 1976

These are some random thoughts about the process ahead of us. I think we will need careful and confidential discussion of the implications of choosing particular individuals at the point at which interviews are to begin and the process goes "public." Some discreet "pre-interview" interviews may be necessary in order to avoid embarrassment and to set the "ground rules." We simply need to proceed with discretion in this area.

It is also clear that in the course of the interviews President-elect Carter and Vice-President-elect Mondale will need to convey to potential appointees their expectation and understanding of the role that we will play in consultation with them in the naming of Undersecretaries, Assistant Secretaries, etc. I would assume that immediately after the appointment somebody in our operation will become a liaison with the appointee to begin extensive consultation about further appointments, legislation, etc.

JDD:jcv

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MEMORANDUM

TO: Hamilton Jordan  
FROM: Joe Duffey  
SUBJECT: Occupants of the Secretaryship at HEW and Dates of Service  
DATE: November 22, 1976

Oveta Culp Hobby	1953
Marion B. Folsom	1955
Arthur S. Flemming	1958
Abraham A. Ribicoff	1961
Anthony J. Celebrezze	1962
John W. Gardner	1965
Wilbur J. Cohen	1968
Robert H. Finch	1969
Elliot L. Richardson	1970
Casper W. Weinberger	1973
Forrest D. Mathews	1975

JDD:jcv

MEMORANDUM

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TO: Hamilton Jordan  
FROM: Joe Duffey, JD  
SUBJECT: HEW Cabinet Post  
DATE: November 22, 1976

This is a first report which summarizes my own understanding and assumptions about the naming of Secretary of HEW and suggests some of the individuals whom I now envision would be on a list of ten or twelve from which President-elect Carter and Vice-President-elect Mondale might wish to choose those they will interview or consider in the final stage of the process. The information supplied about each individual in this memo will be cryptic and brief. The next memo will provide more data, not only biographical but also significant comments from sources.

Criteria for Selection

In selecting candidates for the Number One and Number Two spots, there are, I believe, four areas of qualification to be considered. Each person will be stronger in some areas than others (or at least our ability to make a judgment about their qualifications will be better in some of these areas than in others). The four areas would be as follows:

1. Relations With the "Hill" - This must be a person with the stature and political savvy to immediately establish an effective relationship with Congress. Reorganization will be a priority in HEW, both in terms of administration, relocation or resituation for the Department of Education, and this will require good working relationships with the Hill. I think we will take a major risk if someone is named as Secretary who cannot quickly achieve rapport and standing with Members of Congress.
2. Management - The task of leadership in HEW is very much of a management/organization challenge. The agency suffers from problems of scale and loose management, some of which is attributable to problems of personnel deployment and supervision under current Civil Service procedures. Certainly within the next year, the tightening up of the administration of Medicaid, Social Security and welfare programs is essential and either the Number One or Number Two person must have experience or skills in this area. Better than 60 percent of the HEW budget and of federal domestic spending is now in the area of "mandated" programs, Social Security, etc. The administration and oversight of these programs must be strengthened through a process of consultation and cooperation with relevant Congressional committees.

3. Public Advocacy - It is important that at least one of the top two people in HEW be effective as a public advocate - someone who can interpret the programs and purposes of the Department and set forth some vision of goals for domestic policy. As the major domestic agency, plagued with a history of large scale bureaucratic ineptness, HEW must have an advocate who is capable of achieving the stature of holding his or her own in the public arena, along with spokesmen for State, Defense, etc.
4. "Relation to The President" - Though the top people in HEW should be people with "constituencies", it must be understood that they assume roles in the agency somewhat as buffers between The President and the direct constituencies of HEW and not as advocates and spokesmen for specific constituencies. The Secretary and Deputy Secretary must be, to use John Gardner's words, "the President's persons." The "chemistry", outlook and assumptions about the role of the Federal Government must be "right" between The President and his appointees, especially in this area.

I believe that among the number of top contenders for consideration should be the following (again, let me point out that a



later memo will carry more biographical detail and comment on these individuals):

Leonard Woodcock - a strong choice; good rapport with Hill, backed up by his national stature and relationship to a constituency and potential for strong advocacy/interpretive role in the public arena. Woodcock is perhaps stronger in organizational than he is in "management" skills, if I can make that distinction. I see very few negatives and many plusses. I should say that in recently consulting a representative nationwide group of neighborhood community leaders, mostly with ethnic ties, Woodcock's name was the only name mentioned for HEW, though many new and imaginative suggestions were made for other positions.

Vernon Jordan - Jordan should be given serious consideration. He has national stature, is forceful and energetic, has touch with a broad constituency. The name of Vernon Jordan was the first name on the list of recommendations for HEW submitted by the Business Roundtable. Jordan is highly regarded, experienced in administration and knowledgeable about urban issues. I suspect he would have no trouble in his relations with the Hill and would be a good choice of a relatively new face on the national scene.

NOTE

I have reason to believe that Vernon Jordan would most likely decline an appointment to a government position. His wife's serious illness and financial considerations would be the reason. It is widely known that his name is being widely mentioned for a major appointment. He should, I believe, receive a call soon with respect to his availability. I have also been told by a close friend that Franklin Thomas, whose name is being considered for several positions, may also not be available. (Vernon Jordan's home telephone is (914) 428-7649.)

Alice Rivlin would be John Gardner's first choice. She has served in HEW. She has strong skills in terms of budget management. She would need to be supplemented in terms of relationships with the Congress and public advocacy.

These three: Woodcock, Jordan and Rivlin represent three different kinds of choices.

Steven Mentor is now the Number Two man with the Cleveland Foundation, one of the major urban civic foundations in the country. He has been the Director of Welfare in Ohio and Massachusetts. He is black, just under 40; very impressive credentials. I will have more information later, but I would guess on the basis of the information I have at the moment he would be fully capable in the Number One

or Number Two roles in HEW.

Eleanor Holmes Norton - Human Rights Commissioner, New York City, since 1970; civil rights attorney; black. Very highly regarded. Strong advocate; capable of sympathetic relationship, with broad range of constituencies; late 30s; again, someone who would be worthy of consideration for top HEW post.

Mike Svirdoff of the Ford Foundation describes Eleanor Holmes Norton as "the smartest single individual on public policy and the importance of finding ways of resolving conflict in our society, in the black community today", and he adds she is also the "most underrated." She has guts and intelligence and would be an unexpected but outstanding nominee.

Let me now mention several names about whom I will provide fuller detail later, but people who seem possibilities for the list of 10 or so from which "candidates" for the post will be chosen:

David Carley - President of the University of Wisconsin Medical School. David is not a physician. He was active in politics with John and Bobby Kennedy; businessman in Wisconsin who built a major housing corporation; served as Vice President of Inland Steel; extremely able administrator; very capable of assuming top HEW post. At this stage, I am inclined to stay away from individuals who are

directly related to health or education constituencies, and to look for a generalist. But Carley's association with medical education does not pose a problem in this respect.

Mike Svirdoff - Vice President of the Ford Foundation. Mike Svirdoff started out as a machinist in Connecticut and served for a number of years as the President of the State Labor Council there. Svirdoff served as the Development Administrator for the Cities of New Haven and New York. Svirdoff has, for 10 years, administered Ford's Urban and Social Programs. He is a very able and knowledgeable administrator. He is Catholic, with broad contacts, and <sup>held in</sup> ~~holds~~ high respect in the urban ethnic communities, as well as in the civil rights area. He would be an unexpected choice, but I think widely acknowledged as an excellent one.

Dick Nathan is a person I would suggest should there be a desire to consider a Republican in this post. He has had wide experience in OMB and as a Deputy Undersecretary in HEW. He is the nation's leading authority on and proponent of "incremental reform" as the basic approach to reforming the welfare system. I think his judgments in the area are sound. He has written probably the definitive study of revenue sharing. He is a good able administrator now associated with Brookings.

Joe Califano would be a good appointment; has many qualifications for service in this area.

Juanita Kreps - Economist, Vice President of Duke University; outside director of a number of major corporations; professional field is social policy; expert in areas of economics of employment and racial and sexual discrimination. She is highly praised as an administrator. (Hamilton: You asked for a little more information about Juanita and I attach clipping; much fuller information will be provided with later memo.) Juanita Kreps was one of the people judged capable of assuming HEW Secretary by the Business Roundtable.

Other names which have been mentioned, and on whom we are trying to seek more data, and who today seem to be possible candidates:

Irving Shapiro - Chairman of the Board of duPont.

Patricia Harris - Patricia Harris' name has also been mentioned several times for this post.

I plan to provide in the next memo, in addition to more detail about these individuals, some suggestions of people from the Hill, who might also be considered for HEW.

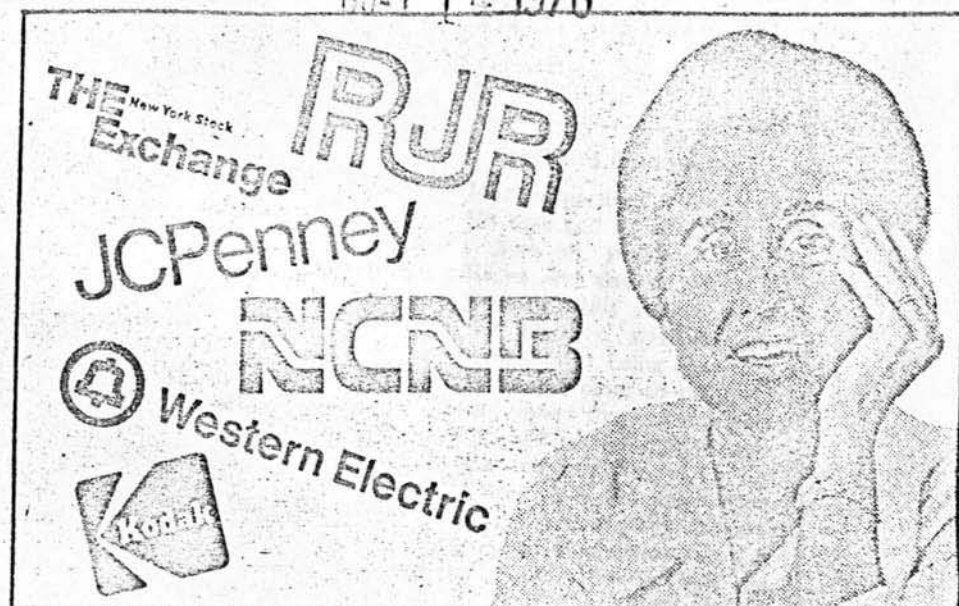
JDD:jcv

Attachment

# Management

## Scrutinizing the Corporate Boardroom

MAY 14 1976



Juanita Kreps of Duke University is an outside director on 13 boards, both corporate and nonprofit. At Eastman Kodak's recent annual meeting, a stockholder questioned how much time she could expend on each directorship.

By MARYLIN BENDER

In the world of corporate management, it's pretty easy to locate the fastest game in town. Just follow the invitations to the conferences and count the reports written on a given theme.

Right now the action seems centered in the boardroom. The mammoth bankruptcies, political payoffs and bribes of recent years—of which corporate directors were either unaware or expediently unheeding—and several court decisions holding directors liable for such lack of vigilance have made the vulnerability of boards of directors both a hot topic and a source of confusion.

The current fashion is for a university to undertake a study of the subject with a management consulting or auditing firm paying the cost. The Northwestern University Graduate School of Management and McKinsey & Company are paired in one such effort. The Touche Ross Foundation provided the money for a recent day-long conference at Carnegie-Mellon University's Graduate School of Industrial Management.

Korn/Ferry International, the executive search firm, made a grant to the University of Pennsylvania Law School for a report, recently issued, on the role and responsibility of outside directors.

America's largest corporations have been increasing both the size of their boards and the use of outsiders as directors. The composition of boards has been altered slightly, too, with the requisite female, ethnic minority representative and an academic or religious figure taking a place in the once all white male congregation.

The ideal candidate for a director's seat in recent years has been a black female,

but this year a couple of giants in heavily regulated industries let it be known they were on the lookout for a woman who just happened to be Jewish.

A survey by Korn/Ferry—apart from the University of Pennsylvania Law School report—indicates that only 4.2 percent of the 407 largest corporations use executive searchers to discover outsiders for their boards. Nearly 81 percent make their selections based on recommendations of someone known to the chairman.

That might be one explanation for the overuse of some directors. Take Juanita Kreps, an economist at Duke University who is also a vice president of the school. At the recent annual meeting of the Eastman Kodak Company, a stockholder objected to the election of Dr. Kreps to the Kodak board. Quoting a survey that outside directors spend an average of 99.6 hours a year on board meetings and homework, the stockholder pointed out that Dr. Kreps is a member of 13 boards (six corporate, the others nonprofit) and that it would not be humanly possible for her to discharge her director duties efficiently.

Dr. Kreps unintentionally corroborated the stockholder's point by failing to be present at the Kodak meeting.

At least two of Kodak's male directors were also cited in the same context. Robert S. Hatfield, chairman and chief executive officer of Continental Can, serves on five corporate boards besides his own. Donald S. Perkins, chairman and chief executive of the Jewel Companies, is a director of

Continued on Page D9



# Management

Continued from Page D 1

four corporations other than his own and its affiliates.

Both Mr. Perkins and Dr. Kroeps are also members of Kodak's audit committee of the board, a watchdog responsibility being assigned more and more to outsiders and one that presumably should further tax their energies and time.

Another board nomination likely to strengthen the impression of clubbiness at the corporate summit will be made by the General Motors Corporation at its annual meeting on May 21. G.M. is enlarging its board by one member to 24 and asking stockholders to elect John D. deButts as the new director.

Mr. deButts is chairman of American Telephone and Telegraph Company as well as a director of Citicorp, the United States Steel Corporation and the Kraftco Corporation. On the G.M. board he will meet Catherine B. Cleary, a fellow director of Kraftco and of his own A.T. & T. board. Mr. deButts will also recognize Mr. Hatfield, who he knows from the Citicorp board.

It is not only the desire to make a contribution, as the saying goes, that motivates superachievers to join boards. The pay is good and getting better.

According to the Korn/Ferry survey, the average compensation for directors last year was \$8,930. G.M. gives its outside directors a flat fee of \$10,000, with additional amounts from \$7,000 to \$15,000 for service on standing committees and an extra fee of \$250 for each board meeting attended. Texas Instruments pays as much as \$30,000 a year to some of its directors.

On the other hand, Warner Communications Inc., whose chairman, Steven J. Ross, received a \$100,000 raise in salary to \$487,320 last year, pays its directors \$8,000 each.

AGRICULTURE -

Bob Bergland

Ed Janke

John White

Neal Smith

Tom Foley

Dick Clark

James Sayre

Ed Bishop      Dean U. of Ark.

Elmer Diehl

Clifton Warton      Michigan State U. President

Ed Jones      Tennes.

Bud Williams - Comm. of Agriculture      Illinois

INTERIOR -

Cecil Andrus

Bill Guy

Mo Udall

Frank Moss

Patsy Mink

Dan Evans

Gary Hart

Guy Martin - Alaska Dept. of Natural Resources

John Sieberling

Rossell Peterson

Tom McCall

Bob Armstrong

Randolph Brommery - Black



INTERIOR (continued)

Jerry Apodaca

John Glenn

Maya Miller

Betsy Roberts

Harry Schirmer - Colorado

COMMERCE - Anne Wexler

- Criteria --
1. Management & Administrative Skills
  2. Acceptable to Business Community
  3. Social Responsibility - Reorg.
  4. Ability to work with Department and Congress

Arjay Miller

Mike Blumenthal

Henry Schacht - Cummins Eng.

Andrew Brimmer

Fletcher Byram - Pittsburgh - Copper.

G. Wm. Miller - Texas Tran.

Thorton Bradshaw - Arco

Jane Pfeiffer - UP - IBM ex.

Madelon Talley

Mary Gardner Jones - Illinois

Peter McCollough

Joan Monley - Time - Life Books

Bill Roth

Frank Thomas

Harvey Russell - Pepsi

Hobart Taylor

Sandy Trawbridge

MEMO TO: The Senator and Hamilton Jordan  
FROM: Dick Moe  
RE: Lane Kirkland's Recommendations  
DATE: November 22, 1976

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TREASURY

Mike Blumenthal  
Peter Peterson  
Robert Roosa

CEA

Ray Marshall of the University of Texas

OMB

Charlie Schultze  
Alice Rivlin

LABOR

John Dunlop

INTERIOR

Frank Moss

HUD

Richard Ravich, New York

DEFENSE

Jim Schlesinger

Some Energy Post

Bud Zumwalt

JUSTICE

Pat Harris

Ambassadress to the U.N.

Barbara Jordan

HEW

Leonard Woodcock is clearly acceptable

Other Names That He Mentioned For Consideration For Other Positions:

Gene Rostow  
David Bell of the Ford Foundation  
Harry McPherson  
John Roche  
Rita Houser  
Arthur Taylor (late of CBS)  
Paul Nitze

He clearly feels the most strongly about Dunlop, all the others pale in significance compared to him. Except, he was very, very high on Ravich for HUD. The others were simply suggestions of people that he thought should be considered.



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