

**PRESIDENTS, RESPONSIVENESS, AND COMPETENCE:
REVISITING THE “GOLDEN AGE” AT THE BUREAU OF THE BUDGET**

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ABSTRACT

Political scientists are engaged in spirited debate regarding the relative merits of neutral versus responsive competence as prerequisites for institutional effectiveness. Much of that debate centers on the effectiveness of the “politicized” Office of Management and Budget (OMB) after its reorganization in 1970. However, both sides also point to the Bureau of the Budget (BoB) under President Truman to bolster their arguments. For advocates of neutral competence, this was the BoB’s “golden age,” when its staffers provided the president with apolitical, technically expert program analysis. For adherents to responsive competence, BoB effectiveness during this period was compromised precisely because it emphasized substantive analysis at the expense of political responsiveness. For the most part, however, these claims are not well documented. Accordingly, to fill the empirical gap and push the theoretical argument forward, we examine the archival and historical record of the Truman-era BoB. We find that, in accord with the logic of responsive competence, the BoB was quite sensitive to Truman’s political interests. However, those interests were best addressed by a BoB that was comparatively less politicized and more neutrally competent than the OMB three decades later.

I. Presidents, Responsiveness, and Competence

Scholars generally agree that since at least the 1970 reorganization of the Bureau of the Budget (BoB) into the Office of Management and Budget (OMB), that agency has been significantly “politicized.” During the ensuing three decades the number and influence of the presidents’ appointees at the OMB’s upper levels increased, and the agency has generally been viewed as more responsive to individual president’s political interests.¹ There is much less consensus, however, regarding the merits of this development. Critics argue that politicization has forced the OMB to abandon its longstanding commitment to an ethos of “neutral competence” dating back to its “golden age” under Presidents Roosevelt and especially Harry Truman, and continuing to some degree at least through the Johnson presidency. In its pre-OMB period, the career-dominated BoB provided presidents with continuity, institutional memory, and policy expertise free from the taint of political bias. Since 1970, however, these important qualities have been largely lost. As one scholar put it “...its leadership became inept and partisan, thus compromising the agency’s claim to neutral competence.... Having exchanged neutrality for presidential partisanship, OMB lost legitimacy with other political institutions...”²

Defenders of this more politicized OMB, however, argue that the luster of any pre-1970 “golden age” is tarnished precisely because of the BoB’s non-political orientation. They believe that the agency’s organizational routines were geared to the needs of the permanent bureaucracy, not the president, and that the agency was never as useful to presidents as it might have been during this period. Indeed, the post-1970 transformation signified a long-desired and entirely rational shift in OMB orientation toward an ethos of “responsive competence” more congruent with a president’s

administrative needs.³ Seen through the responsive competence lens, the years at mid-century are not colored golden, but rose.

For the most part, efforts to assess the competing arguments have largely focused on the post-1970 era. Scholars have paid particular attention to the OMB under President Ronald Reagan, when it is generally agreed that politicization reached its high-water mark; numerous studies document OMB's more partisan budgeting, legislative and regulatory roles during the 1980s.⁴ Conversely, although scholars agree that the BoB's commitment to neutral competence peaked under Truman in the period 1945-1953, there is much less evidence documenting what this meant in practice.⁵

To redress this empirical imbalance, and to push the theoretical debate further, this article examines the role and responsiveness of the Truman-era BoB. Utilizing historical documents at the Truman Library and the National Archives, as well as memoirs and secondary literature, we demonstrate that the BoB was no less responsive to Truman's political interests than was the OMB to the post-LBJ presidents. That is, the BoB exhibited "responsive competence" long before political scientists coined the term. At the same time, however, its responsiveness embodied many of the virtues extolled by advocates of neutral competence: continuity, input from career employees, and a desire to protect the presidency as an institution. Extrapolating from the Truman BoB, we argue that what has likely changed in the intervening years is not the logic governing BoB/OMB operations, but the interests of presidents themselves. Simply put, in the era of divided government, burgeoning budget deficits, growing regulatory complexity and declining trust in governmental solutions to public problems, presidents see virtues in an OMB organized to facilitate "top-down" control over policymaking and implementation. Truman, by contrast, was better served politically by a BoB designed to

facilitate effective governance by meshing its organizational routines with those of the permanent government. All presidents seek responsiveness, then, but it manifests itself in dramatically different ways depending on the president's political interests.

Our findings have several broader implications. First, the flaw in many responsive competence arguments is their attempt to define all presidents' administrative needs in terms of those that drove primarily Republican presidents to politicize the OMB after 1970. Conversely, those who wax nostalgic for a bygone era of neutral competence tend to underestimate how politically responsive the BoB was under Truman – and how presidents' managerial demands have changed in the intervening years. More generally, the question raised by the extant literature -- should presidents seek political responsiveness, or technical but politically neutral competence? – too often treats the two perspectives as mutually contradictory.⁶ We argue here that they are better understood as different manifestations of a single, fundamental administrative logic embraced by all modern presidents: the need to devise the managerial tools most effective for influencing governmental outcomes.

In the remainder of the essay we expand upon these points. In the next section, we highlight the salient features of the neutral-responsive competence debate, drawing heavily on two highly influential and frequently cited articles by Hugh Hecl and Terry Moe that encapsulate the opposing arguments. Sections III and IV utilize BoB archives, oral histories, and secondary sources to document the evolution of the Bureau during the crucial postwar years. While these sections draw out the politically responsive nature of the Truman BoB, they also describe how the nature of that responsiveness differed from the contemporary view. We conclude by proposing a more discriminating logic for studying presidential politicization and institutional development.

II. Neutral and Responsive Competence: The Debate

Academic arguments about the distinct nature of politics and administration date back at least to Woodrow Wilson's "Study of Administration" in 1887. But the central tenets of the neutral-responsive competence debate that emerged in the aftermath of the BoB's reorganization in 1970 were most clearly foreshadowed by Herbert Kaufman in the mid-1950s. Kaufman argued that, beginning in the late 19th century, American administrative institutions were typically organized to achieve two overarching values: neutral competence and executive leadership. Neutral competence -- primarily the development of a merit-based, professionally trained civil service -- became the dominant administrative goal at the turn of the century, in reaction to the excesses of the spoils system and as a quest for "good government" more generally. However, the early 20th century saw the beginning of efforts to augment executive influence through the development of executive budgets, enhanced reorganization authority and other administrative innovations. By strengthening executives' management capacity reformers hoped to counter the centrifugal forces that fragmented the American political system into competing loci of power. Although these were not initially viewed as mutually exclusive strategies, Kaufman argues that scholars over time became increasingly divided between those who embraced neutral competence and those supporting reforms designed to enhance executive leadership.⁷

Richard Nixon's 1970 reorganization of the Bureau of the Budget into the Office of Management and Budget provided plenty of empirical grist for the two camps' conceptual mills. The stress on management in the new title highlighted Nixon's desire to extend his administrative control over the wider executive branch. Rather than rely

on the OMB's cadre of career civil servants for support, Nixon sought to make the OMB more responsive to his political interests. He did so in part by moving the OMB director's office into the West Wing of the White House, and by adding a layer of politically-appointed Program Associate Directors (PADs) to head the OMB's examining divisions responsible for putting together the executive budget.⁸

A series of scholarly studies produced in the aftermath of the reorganization compared the new OMB unfavorably to a neutrally competent BoB of "golden age" lore.⁹ In the aftermath of the 1970 reorganization, the OMB had become increasingly identified with Nixon's political agenda – for example, by impounding funds appropriated by Congress for programs Nixon opposed. Congress reacted in 1974 by requiring that the OMB director be subject to Senate confirmation, evidence it now viewed the agency as a political arm of the president. It also passed legislation curbing presidential impoundments and creating the Congressional Budget Office to give Congress its own source of budget analysis and advice.

To Hugh Heclo, whose insightful "OMB and the Presidency" typifies this literature, this chain of events demonstrated that OMB's closer identification with Presidents Nixon and then Ford undermined its traditional role as a repository of neutral competence, at time when presidents' need for those skills were increasing. Heclo argued that agencies embodying neutral competence are valuable to presidents in a number of ways. First, they provide independent analysis and are better able to extract information and support from the permanent bureaucracy, using their knowledge of governmental folkways to smooth communication and diminish confrontation. Second, their "vested interest in continuity," grounded in career-based employees, adds institutional memory and focuses on the long-term impact of

presidential decisions – concerns often ignored by elected officials and staffs focused on the immediate outcome of a decision. Third, neutrally-competent agencies provide a means of coordinating the executive branch to address growing expectations of government performance. Ultimately, Hecló argues, what presidents really need is not a politicized OMB. Instead, they require “a place with a fine disregard for the political bearing of who believes what at a given time,” able to give its “best independent judgment of the issues” to whomever is president. That does not make such an agency politically tone deaf, but rather provides “partisanship that shifts with the changing partisans.”¹⁰

In this view, these benefits were lost as OMB became increasingly concerned with the interests of specific presidents. Indeed, the more responsive the OMB was to individual presidents, the less able it was to safeguard the office of the presidency.¹¹ Politicization blurred the line between the OMB’s governmental authority as an institution of the Presidency and its political power as an extension of the President’s personal staff. Other actors, viewing the OMB as a tool of the president, were less willing to communicate with the agency or allow it to broker disputes.

While Hecló and other researchers in this vein acknowledge the forces that impelled Nixon to reorganize the BoB, they nonetheless view its repercussions as largely negative. Despite scholarly misgivings, however, Nixon’s presidential successors did nothing to reverse their predecessor’s actions. Indeed, under Presidents Carter and Reagan the OMB gained still more political appointees, acquired more responsibilities in regulatory analysis and budget review, and generally grew even more politically influential and responsive to the president.¹²

Moreover, a counterargument quickly arose defending the OMB's more politicized status. Terry Moe's powerful 1985 essay "The Politicized Presidency," is perhaps most noteworthy in this regard. Using as his primary example Ronald Reagan (who utilized the OMB in much the same way that Nixon did, but with greater success), Moe critiqued "neutral competence" as a normative ideal that ignored the day-to-day realities presidents confront. When expectations for presidential performance outstrip the institutional capacities of the presidency, he argues, presidents have no choice but to respond by politicizing the presidency. Since presidents' reach is institutionally (and Constitutionally) limited, they act to build and shape what is within their grasp. "By appointing individuals on the basis of loyalty, ideology, or programmatic support, he can take direct action to enhance responsiveness throughout the administration, from presidential agencies like the OMB to the most remote independent boards and commissions," Moe notes. Thus the post-LBJ presidents' decisions to politicize the OMB are a perfectly rational response to growing demands for leadership against a backdrop of limited administrative options.¹³

In contrast to Hecl, then, Moe believes that presidents need *responsive* competence – and responsiveness more than competence generally. Indeed, Moe argues that the BoB was less useful to Presidents Roosevelt and Truman than it might otherwise have been precisely because its devotion to neutral competence made it unable to provide these presidents with politically-oriented advice and services. Assessing the newly-established Executive Office of the President, including its centerpiece the vastly expanded BoB, in the post-1939 era, Moe writes, "In both design and capacity... the new institutional system was inadequate to presidential needs from the start." The problem, he argues, is that the BoB's legislative clearance and budgeting routines developed in

ways that were oriented more to the needs of the permanent government, interest groups, and Congress, than to those of the president. For Truman and his successors, then, “the structural outlines of the institutional presidency were set by the Brownlow reforms...and they had no practical choice but to work within the confines of the framework they inherited.” It was not until Nixon that the disjunction between the BoB’s organizational routines and the president’s political needs finally began to be bridged.¹⁴

Moe’s otherwise cogent defense of a politicized presidency contains a puzzle, however. If, as he indicates, the administrative logic driving presidents’ institutional choices did not vary over this time period, why did it take a quarter-century to replace the neutrally competent BoB with the more politically responsive OMB? Why didn’t presidents before Nixon actively seek to politicize an unresponsive BoB?

Although neither Moe’s nor Hecló’s essay is meant to be a historical study, each cites the Truman-era BoB in defense of their perspectives. As we shall see, however, each side tends to mischaracterize the agency’s role in this period. In the next two sections, we utilize archives, memoirs and the secondary literature to reexamine the puzzle noted above. We find that Truman did not politicize the BoB during the period 1945-52 because there was no need to do so: the BoB was no less responsive to his political interests (or those of his successors, for the most part) than was the OMB to the post-Johnson presidents. Over time, however, how presidents define responsiveness has evolved and so too have their expectations of their staff agencies.

III. Golden Age, or Fool's Gold? The Truman BoB Revisited

A. The Legislative Program

The BoB's expanding role in identifying and formulating a legislative program is probably the most significant institutional development under Truman, and it has received extensive scholarly documentation.¹⁵ Legislative clearance thus provides a useful vantage for assessing BoB performance: did it carry out this function in a manner more consistent with the tenets of neutral competence, or political responsiveness?

The BoB's involvement in legislative clearance dates to shortly after its creation through the 1921 Budget and Accounting Act.¹⁶ Originally this meant it had the power to approve agency testimony and legislation on fiscal matters; in the 1920s, this was utilized mainly to limit expenditures. Franklin Roosevelt expanded the process to include analysis of both the cost and substance of all legislation, first through the mechanism of the interdepartmental National Emergency Council and then, after 1937, through the BoB. The BoB's Division of Coordination -- renamed the Legislative Reference Division (LRD) in 1945 -- was put in charge of clearing administration-proposed legislation and departmental testimony to determine whether it was "in accord" with the president's agenda, and recommending presidential action on enrolled bills (i.e., those approved by Congress and awaiting presidential signature) after soliciting commentary from the relevant agencies. During World War II this system was understaffed and reactive, heavily dependent on agency cooperation. But when the war ended, several converging developments brought legislative clearance to the fore.

The first was the Employment Act of 1946, demanding governmental action across the breadth of the economy, and requiring the president to prepare an Economic Report each year presenting recommendations for that action. This report, in turn, had

to be harmonized with the president's annual State of the Union and Budget messages. As the 1948 presidential election approached, Truman's political interests inexorably colored how the BoB performed these tasks. To make the 80th Congress's "do nothing" legislative record an issue in the coming campaign, the administration needed to develop an affirmative and comprehensive alternative agenda. That is, it needed a *presidential* program, as opposed to using central clearance simply to aggregate departmental requests. The goal in 1948, as White House Counsel Charles Murphy later noted, was "to have a special message ready to go to Congress every Monday morning."¹⁷

The BoB was well positioned to take on this task. But it faced potential institutional rivals. Under the Employment Act, the newly-established Council of Economic Advisers (CEA) was responsible for producing the Economic Report. The Office of War Mobilization and Reconversion (OWMR), created to wind down the war-time agencies, had developed its own extensive staff; there was talk that it might evolve into a domestic policy agency.¹⁸ To head this off, BoB director James E. Webb sought to take charge of the process of developing the president's program. The BoB moved first to provide the staff necessary to coordinate the three annual messages, undercutting the OWMR's and CEA's need to develop countervailing capacity. By the summer of 1948, the BoB was already planning for the 1949 program. A November 1948 memo from assistant director Elmer Staats to Webb presumed that the White House will "take the lead" on determining legislative strategy with the BoB as the crucial link between agency proposals and White House desires. In a parallel memo, Richard Neustadt (then a BoB staffer in the LRD) noted that the Bureau shouldn't bother asking the agencies for actual language for the president's messages, since "most of the material last year was of

little use in writing.” The BoB and the White House would take care of that themselves.¹⁹

The BoB careerists were acutely aware that when identifying items as part of the president’s legislative program, they had to be sensitive to Truman’s political interests. In an internal memo, Staats told BoB division chiefs that the Bureau would have to come up with information beyond the technical details of legislation for the president’s decision. This included answering “questions of scope and relative emphasis in the messages on program, timing of introduction, relative administration priority, form of and responsibility for Congressional presentation, and possible upward or downward effects on budget allowances.” In short, objective, substantive analysis had to be accompanied by political intelligence and information. Legislative Reference strove to fit its advice into that frame of reference. Since the small LRD relied heavily on the BoB’s other divisions, especially the Estimates Division, for assistance, this meant that the subject-matter budget examiners needed to do the same.²⁰

In the fall of 1949, for example, the LRD assembled a large briefing book for the White House, noting the present status of the legislative proposals made by each department or agency, along with the examiner’s recommendation for 1950. This recommendation was often both substantive and political, in the sense that it urged a particular set of priorities and/or assessed a measure’s chance of passage. For example, the Labor and Welfare branch of BoB urged that revisions to the federal unemployment program be “vigorously proposed in appropriate message as high priority item.” On the other hand, it assessed the Labor Department’s efforts to re-work the Taft-Hartley law as a politically unacceptable “former status quo with small concessions” and noted that work was needed to unite organized labor behind other potential proposals. A similar

compilation in 1950 complains that a children's health measure is "a bad bill and should be omitted from the President's program," while for the St. Lawrence seaway project the recommendation was "Rush -- get anything we can. Accept power [generation] now, if necessary, and get seaway later."²¹

It is likewise little remembered that BoB had field offices – in Chicago, Dallas, Denver, and San Francisco. These served as information depots, gathering political intelligence on public opinion, interest groups, and local policy impacts -- even tracking press coverage of campaign issues and events.²² A 1950 meeting of the BoB's division chiefs urged this be done better: "While certain Field Service offices have done excellent jobs in transmitting the attitudes of pressure groups, in reporting on [Marshall Plan] effects on small business, and so on, the newspaper clipping kind of approach has probably proved less valuable, possibly dangerous inasmuch as the clippings come from the same particular sources and as a result fail to reflect general attitudes in a community."²³ Needed instead were political data of use in developing program items, such as those underlying a field memo reviewing the 1949 program; this, for instance, noted "our distinct impression that reciprocal trade agreements enjoy popular support and are desired by the people of the Middle West."²⁴

Over time the Bureau tweaked the legislative reference process in ways that expanded its utility to the president. Two memos from Neustadt to LRD head Roger Jones are instructive. In the fall of 1949, Neustadt recommended that Legislative Reference take on an enhanced role in evaluating for the White House the various agency proposals, as "the only way to do a good job on this thing and keep our own hand in properly..." Like any good bureaucratic in-fighter, Neustadt urged that BoB

control the paper flow: "That latter applies particularly to the idea that we will prepare the highlight supplement on legislation for the President's highlight memorandum."²⁵

In May 1950, Neustadt suggested that LRD expand another function, that of legislative monitoring. The LRD was already responsible for maintaining checklists for distribution to Budget and White House staff regarding presidential program items and their status in Congress.²⁶ Gathering this information allowed LRD to serve as a conduit of political intelligence to the White House and the rest of the BoB; at a January 1950 staff meeting, for example, the Division reported that the "legislative outlook generally is confused, uneasy, uncertain....Few rallying points of Administration forces yet identified." It went on to present a lengthy summary of current House and Senate flashpoints. However, advance assessment -- systematically learning Congressional plans for action -- was a "particularly big hole" and one Neustadt thought BoB could fill immediately. Once that was done, Neustadt continued, it was his hope to track areas where presidential items were running into trouble, and "having identified the problems, inventory possibilities for repairs and mobilize spot salvage operations."²⁷

The BoB's role in putting together a presidential program forced it to work very closely with Truman's White House staff. Staats recalled, "Given the close adjunct relationship...with the special counsel's office, [Clark] Clifford then [Charles] Murphy, we were never quite sure who we were working for, the budget director or the counsel. But that didn't really make too much difference."²⁸ By 1950, White House counsel Murphy could write to House Majority Leader John McCormack that "So far as we are concerned, the [LRD] provides our chief resource for information and staff work on Executive Branch views concerning the general run of legislation."²⁹ As a 1954 study of the Executive Office of the President concluded, "the fluidity of operations between the

White House and the Office of Legislative Reference is such that it is sometimes difficult to tell where the work of one begins and that of the other ends. Frequently, the office does jobs which one might think belonged most logically with the White House staff and vice versa.”³⁰

This permeability was especially useful to the president in the legislative arena, given the crucial dual role of legislative messages in deciding both what policy was to be, and in presenting it. As Neustadt has noted, prior to the revamped LRD function, the White House had no way to control systematically what was being designated “in accord” with the President’s program; this had been left up to the BoB examiners. Legislative Reference added a layer of responsiveness and White House control, a structural underlay linking budgetary, legislative and political advice.³¹

B. Formulating and Selling Policy

As this account suggests, BoB personnel did more than identify the president’s legislative priorities: they were actively involved in shaping those priorities into legislation, and tracking that legislation as it worked its way through Congress. For example, budget careerists like David Bell, Harold Enarson, Ross Shearer, and David Stowe worked on the labor-management legislation contained in Truman’s 1947 State of the Union message. When Congress began debating the controversial Taft-Hartley bill, Bell recalled that

Clifford used us as his personal staff to keep track of the progress of the legislation, and to analyze the various provisions that were under consideration.... [T]hen we assisted him in drafting the Taft-Hartley veto message after the bill was enacted. All this, incidentally, was and is not extraordinary but a frequent type of service that Budget Bureau staff members become involved in, because the Budget Bureau is part of the Executive Office of the President and serves as an augmentation staff for the White House.³²

Harold Seidman, then a budget examiner, played a similarly holistic role for a bill reorganizing the governance of the Panama Canal Zone in 1950. Seidman recalled that some of his decisions on the bill creating a Panama Canal Corporation displeased Canal Zone Governor Francis Newcomer, but that the Governor “did not really understand how the Truman White House operated.” Seidman went on:

He thought... ‘all I have to do is to get the Secretary of the Army to oppose something and that will be the end of it, so I’ll just wait until it gets to the White House.’ Well, of course they didn’t know the system. When it got to the White House, I was doing the staff work... I was also writing the replies that were coming from the White House on this. I was not only serving in the capacity of working for the Budget Bureau, but I was also assisting the staff of the White House, and Governor Newcomer was quite chagrined....

[T]he message, of course, that Mr. Truman sent, I did draft in the Budget Bureau.... I got the maritime groups and the railroads both to support [the bill]. I was up there writing amendments and testifying in executive session of the Committee....The job of marshaling support, talking to the committee members, of reconciling the differences between the interest groups in the community, was my job....There wasn’t a legislative liaison staff.³³

Seidman, then, researched the bill, wrote it, defended it against agency meddling, wrote the president’s letter presenting it to Congress, convinced legislators of its merits, and persuaded the major interest groups to sign on. To be sure, this was a relatively minor piece of legislation, but it illustrates the close involvement of the BoB in every step of the legislative process.

Even though the Bureau did not generally see its role as lobbying for the President’s program in Congress, the line between providing substantive advice and “carry[ing] the program on the Hill” was “awfully fine,” as Elmer Staats recognized in a 1948 BoB senior staff meeting. Because presidents had not yet established a White House congressional liaison staff, the BoB took on some of these functions. As Staats

noted, “The fact that we have not had in the past years a member of the White House staff concerned with substantive issues in dealing with chairmen and congressional leadership is an important deficiency and colors the role we play in some of these substantive issues.”³⁴ This was exacerbated by the fact that, as Neustadt’s suggestions above make clear, legislative intelligence was crucial to White House decision making. For its part, Congress clearly recognized that the BoB was a presidential agency. Fred Lawton, later Truman’s third Budget Director, told other staffers that a Representative had observed, “‘You are the President’s man. We cannot consider your judgment wholly objective. It is a reflection of presidential policy....We are willing to take facts, but when it comes to the interpretation of the facts, areas of judgment, we get a little suspicious, because you do represent the President.’”³⁵

As the Taft-Hartley and Panama Canal examples make clear, the Bureau staff was also involved in selling the president’s policy to the public, through their involvement in writing speeches and messages for the White House. James Sundquist, who joined the BoB under Harold Smith, also worked on a large number of presidential speeches. He helped write the 1945 message urging consolidation of the War and Navy departments and the 1947 State of the Union address. In 1950, Sundquist was asked by the White House to write speeches -- even on foreign policy -- for Truman’s trip through the western states.³⁶

C. Political Advice

The BoB, then, was clearly expected to respond to the president’s political needs. Like his predecessor Harold Smith, James Webb served as conduit and conductor of policy and political intelligence to and from the president and his political aides. For

example, soon after the 1946 Republican takeover of Congress, Webb met privately with Chief Justice Fred Vinson and former South Carolina Governor Max Gardner to discuss the newly dismal political scene, optimal presentation of the new budget, and what organizational changes might be politically desirable. Webb also turned for advice to Roosevelt patronage czar Jim Rowe, who served as a consultant to the BoB and provided a stream of advice transmitted by Webb to the White House staff or the President. In a joint oral history, Neustadt – who served as Webb’s immediate assistant before shifting to the LRD -- commented: “I think Jim felt he was as much a Presidential person as Charlie [Murphy] was.” Webb replied: “That’s right. I was talking to political people every day. Senators would call me up. I wouldn’t let [Neustadt] listen in on the conversation but he could hear my end....So he got information that he could pass on to the Bureau [about] some of the political problems and pressures that come from the U.S. Senate.”³⁷

In general, the political and electoral ramifications of fiscal decisions -- from public works projects to overall spending caps -- are a constant theme of the Truman directors’ papers. For example, in September 1946, White House aide Raymond Zimmerman urged Webb to ride herd on “department and agency people in reducing costs and meeting personnel ceilings,” and fast: “to get results which are needed by November we must get team-play results all the way up and down the line.”³⁸ Likewise, many at BoB liked the idea of pushing a balanced budget ahead of the election, but not just for fiscal reasons. As assistant director Lawton (a civil servant) wrote, “merely to reduce expenditures and reduce a deficit would not be enough to capture public imagination and acclaim.”³⁹

Nor were Budget directors shy about contributing their own political advice. Webb wrote to Clifford in late 1946 suggesting a strategy Truman might use to promote his foreign policy in ways that “would have a powerful appeal for large groups of individual voters who will become more important as the months go by.”⁴⁰ Frank Pace (who had been working as an advisor to the Secretary of the Post Office Department before succeeding Webb) was no less concerned for Truman’s political needs. In an April 1949 staff meeting Pace stressed “that he wants the Bureau not only to continue to assist the President in solving problems, but also to provide some directional force for the President’s program. He also urged continuing thought on matters concerning which the President might wish to consult with the ‘Big Four’ [the Congressional leadership]; and stated his continuing interest in reporting to the President with emphasis on indicating particular uses the President can make of such reports.” This call was repeated two weeks later.⁴¹

As a result of this sort of directive, political advice trickled up as much as it was handed down. For example, a 1947 memo urged that “[t]he Administration should resume its offensive on the housing front. The public should feel that the Administration is constantly concerned and making an effort. The President at the earliest opportunity should take the initiative and restate his position....” A follow-up attached “the kind of statement I had in mind,” urging that it be fully explored “as to its political effect [and] workability.”⁴² In mid-1948, similarly, the head of the BoB’s Fiscal Division presented his ideas on how to publicize changes from the original budget, and who was responsible for them.⁴³

D. Summary

In assessing the BoB director's relationship to the president, Jim Webb put it this way: "I don't think you can separate the director of the Budget from the flavor of the President's needs in all areas including political needs."⁴⁴ Following the director's lead, it is clear that in the process of producing, refining, and promoting a presidential legislative program, and in providing advice to the president, the BoB was acutely sensitive to Truman's political interests. In this sense, the Bureau of the "golden age," especially in its legislative clearance process, was decidedly not "neutral," if that term is taken to mean "purely technical" or focused on policy issues without regard for Truman's political standing. Politicization in this sense did not wait for the Nixon presidency. The BoB's archival records are replete with evidence that Truman-era Budget personnel were intricately involved in all manner of political decisions, often working hand-in-glove with the White House staff.

Indeed, by the middle of Truman's tenure, that connection was a structural one. When hired in 1948 as a Legislative Analyst in the BoB, for example, Neustadt's job description – as a civil service hire -- specified among his duties that he would have "primary responsibility for assisting...in developing the President's general legislative program" and "serv[e] as a general contact and coordinating point between the Bureau and White House staff on the review of legislative proposals..."⁴⁵

As this suggests, Webb consciously sought to use BoB personnel to backstop the White House staff. Charles Murphy recalled that Webb "co-opted" him into taking on BoB personnel as staff assistants:

Jim then started, I think, figuring that...he might get things done better in the White House if he could sort of guide them. It wasn't long before I was getting pretty busy, and he offered – said I should have an assistant. And I said, 'I don't

need an assistant.’ Well he insisted that I needed an assistant and finally he said, ‘I’ll give you anyone in the BoB that you want.’

Murphy chose David Bell (who later served as Budget Director for President Kennedy). Budget staffers David Stowe and Russ Andrews went to work for presidential assistant John Steelman, the other power center in the Truman White House. And over time, a large number of career Bureau staff, from Legislative Reference and elsewhere, came to work at the White House proper.⁴⁶ The institutional and the personal staffs, it seemed, had become one.

IV. The Personal and the Institutional Presidency

But had they? While it is tempting to see the Truman BoB as simply another arm of the president’s personal staff, the roles of the BoB and the White House staff were crucially if sometimes subtly different. The Truman archives reveal that BoB personnel made a clear distinction between the partisan interests of a Democratic president and the institutional interests of the presidency. Protecting the latter was their primary focus. Thus, when Truman became president in 1945, Harold Smith had been budget director for six years and “some of President Truman’s own immediate advisers...felt that Smith had been so close to Roosevelt that he couldn’t serve equally well for Mr. Truman,” as Legislative Reference stalwart Roger Jones recalled. However,

What they failed to understand was the Bureau’s already highly and keenly developed sense of institutional responsibility to the Presidency, first to the office, and secondly but equally to the man who happened to be occupying the Presidency.⁴⁷

Smith dealt with Roosevelt (and Truman) alone. Webb, by contrast, brought BoB career staffers to see the president, the better to ensure that the

agency was clear on the president's substantive goals. At the same time, however, Webb maintained Smith's notion of dual responsibility by meeting with the president alone on political issues. That way, Webb noted, Truman "could tell me of a political problem he had without having to express it in front of these non-political staff people. Now, I was not going to get into the political business, but I needed to know his problems politically."⁴⁸ Neustadt's job description captures this distinction; among the qualifications listed for his position is "an ability to distinguish those issues for which the Budget Bureau or some other agency of government has the institutional or statutory responsibility for decision or recommendation, from those which require policy determination or resolution in political terms at the Presidential Level... ."⁴⁹

The practical distinction between "not getting into the political business" while needing to know Truman's political concerns was, of course, a very fine one. The balance sometimes swayed; Roger Jones, for example, was "never...sure that Frank [Pace] really, well, appreciated the presidential-institutional relationship."⁵⁰ Nonetheless, it was a dividing line that most BoB and White House employees recognized, and it started with the President. Truman did not allow his White House staff to testify before Congress. "He simply said, 'The White House staff are mine. They are an extension of the Presidency, they are not available for testimony any more than the President of the United States.'" BoB personnel, on the other hand, were expected to testify on behalf of the President, because they were not viewed as his personal staff – they worked for the presidency as an institution. "Mr. Truman," Jones noted, "wanted this place to be institutional, and we were."⁵¹

Again, this does not mean BoB directors and personnel were non-political, and certainly not that they were non-responsive to Truman's interests as president. But they viewed those interests from a perspective divergent from the president's political advisers. That meant, for example, analyzing legislation in terms of its likely impact on the presidency. Thus Smith advised Truman not to accept proposed legislation to unify the armed forces as drafted because of its likely impact on future occupants of the Oval Office. The bill "is presented as a means of relieving the President of work," Smith noted. "This it does – but by divesting the President of authority and responsibility which he cannot lose and still be president under our form of government."⁵² Sometimes it meant keeping both president and presidency in mind: as Webb wrote Clifford on the same topic several years later, "I have been doing a little thinking about the issues in the present 'unification' bill and how they can be best resolved in the interest of maintaining the Constitutional and political position of the President..."⁵³

Similarly, BoB personnel sought to help the president interact with executive branch agencies and departments more effectively. Shortly after Truman took office, the Bureau grew concerned that departments were taking advantage of his newness to the job – FDR had done little to prepare him -- and sought to rein in "uncorrelated action" and bureaucratic freelancing.⁵⁴ At the same time BoB staffers were sensitive to the need not to appear overtly biased toward a particular policy outcome when mediating bureaucratic disputes. Roger Jones noted in 1950 that he feared "the consequences if the word gets around that the Budget is a stopping point on the lobby trail."⁵⁵ A similar sentiment underlay a warning by Neustadt to Staats during an administration debate over two conflicting declarations by Truman regarding the size of the fiscal 1949 budget request. Neustadt feared that the BoB was dangerously close to losing its reputation for

impartiality. “Between these two statements of the President...is a great conceptual gap,”

he wrote:

As a result it is entirely possible that the decisions made on the 1950 budget will not be acceptable to the agencies... The Bureau will then be identified...as a leading participant on one side of a policy dispute which runs to the basic issues in a struggle for the ‘soul’ of the Administration. If this eventuates, the Bureau as such will be hard put to play the role of a neutral Presidential staff concerned with presenting all aspects of the problem so that the President can make a sound and informed decision. Yet that is precisely the role which the Legislative Reference Division must play in exercising our coordination and clearance functions...⁵⁶

V. Summing Up: Moving Past Either/Or

The “golden age” BoB clearly was responsive to Truman’s political interests. As Heclo points out, since the agency (whether BoB or OMB) has no outside client, “its choice is to be of use to the President of the day or to atrophy.”⁵⁷ Under Truman, the BoB opted to be of use on his terms. Truman would have it no other way. As he warned Webb at their first private meeting, “Don’t try to do my thinking for me. If I have the facts, I will make the decisions.” Decisions were the very essence of Truman’s conception of the presidency, and it is small wonder that he shaped his staff support to provide the advice he needed to make those decisions.⁵⁸

At the same time successive BoB directors, faced with potential competition from other staff agencies, worked diligently to make the BoB indispensable to the president’s job. This meant forging a close working relationship with Truman’s White House staff. And as such it made what by any standard were “political” calculations. The BoB provided estimates of the salability – to Congress, to lobbies and to the public – of various policy initiatives; it provided information and drafting assistance aimed at promoting the presidential position against hostile commentary or political opponents;

it provided intelligence on the legislative process and worked to pass the president's program through Congress. As Eisenhower BoB official Robert Merriam observed in 1956, "the technical recommendations of the Budget Bureau are intended to stand on their objective merit. But that is not enough. For they will not amount to much if they are not carefully fitted into the basic political frame of reference in which the Presidency operates."⁵⁹ The Truman BoB passed this test.

At the same time, however, the Bureau did not serve as a political secretariat in the same way the White House staff did. Its personnel were partisans not for a political party but for the president as that incumbent strove to maintain power in a separated system. The BoB was not responsible for making political decisions, even as it clarified the political stakes for Truman's own choices. As Neustadt noted in an internal memo,

The Budget director and his immediate aides have consistently undertaken to identify these issues [political and power implications] in the course of the clearance operation, in order to clarify the scope of White House interest and the need for White House action. In addition, the Budget director as the President's agent has frequently been the channel whereby political and technical evaluations are brought together. But Budget Bureau action has rarely gone beyond this point.⁶⁰

Similarly, in a lengthy memorandum to the BoB Director, Staats cautioned that "As an institutionalized part of the Executive Office and with continuing responsibilities, the Bureau should avoid 'front line' political contacts except where we can effectively do so for the President on matters directly flowing from the budget."⁶¹

The "except" matters – but the fine line of the "front line" is important, and successive BoB directors and personnel were quite aware of it. Although the line was sometimes crossed, it stood nonetheless as an important constraint on BoB operations during this period. The Truman BoB was a presidential agency but, as in Hecló's

description, it embodied partisanship that was able to shift with changing partisans. It is not surprising, then, that Truman's BoB staffers became Eisenhower staffers without any real difficulty, pushing the new president's concerns with as much fidelity as before.

Broader Implications

Our findings have important implications for the more recent debate between responsive and neutral competence advocates. The general thrust of the responsive competence argument is, in our view, correct: presidential institutions tend to conform to presidential needs. A close look at the empirical record shows that Truman sought – and received – wide-ranging responsiveness from the BoB. However, those who argue that Truman's BoB embodied the virtues of neutral competence do not completely miss the mark. Presidential staff cannot be apolitical and remain competent; but they can render political advice without becoming political advocates. Neutral does not mean neutered.

During the BoB's "golden age," the agency did distinguish between the personal partisan needs of Truman and the interests of the presidency. At the same time, it recognized that frequently these needs overlapped.⁶² In short, consistent with Moe's logic -- if not his recounting of history -- it was responsive to Truman's political interests as he defined them in the period 1945-53. Here, at least, Nixon's not the one.

In that case, though, why did Nixon and his successors feel compelled to "politicize" the BoB? A complete answer would require another extended historical case study, but Truman's experiences combined with the literature on the 1970 reorganization and subsequent use of the OMB suggests a potential answer. Simply put, Truman believed that government could help solve public problems, while Nixon and

his Republican successors more often viewed government programs as a source of these problems.⁶³ The contrasting outlooks, we argue, go beyond philosophical differences. They are deeply rooted in the clashing strategic realities both presidents faced. First, except for 1947-48, Truman's Democratic party held a majority in Congress, and thus the legislative process was a more palatable option for making public policy. Further, the permanent government was predominantly staffed with New Deal careerists who shared a Democratic outlook. Hence the BoB, under Truman's prodding, developed a legislative clearance process that worked closely with departments and agencies. Nixon's Republicans, by contrast, never controlled the House or the Senate, and he believed – not entirely without reason – that the permanent bureaucracy did not share his political goals.⁶⁴ Nixon's experiences would not be unique; some form of “divided government” characterized presidential-congressional relations for 22 of the 28 years following Nixon's 1974 resignation. And his Republican successors shared Nixon's suspicion of the permanent government, at least to a degree.

Moreover, the change to a political agenda dominated by budget deficits, deregulation and government retrenchment beginning in the early 1970s altered presidents' administrative needs in ways that made the traditional qualities of neutral competence – continuity, professionalism, and the substantive analysis of policy -- less important to presidents than the ability to exercise “top down” budgeting and regulatory control. Whereas Truman sought to empower executive branch departments and agencies, the post-LBJ presidents wanted to control them. In short, the administrative interests of a Democratic president who sought legislative solutions to problems in housing, health insurance, agriculture, foreign aid and other areas, differ significantly from those of predominantly Republican presidents intent on pursuing

regulatory reform, covert foreign policies, and de-funding social programs. Within each time period, then, the BoB/OMB proved responsive to the president's needs -- but the nature of those needs differed dramatically.

More generally, then, our findings are consistent with recent arguments that presidential staff requirements are contingent, shifting with political circumstances and informational dynamics.⁶⁵ Indeed, whether one touts responsive or neutral competence may depend on one's historical vantage: where one stands depends upon *when* one sits. By systematically exploring the *types* of staff responsiveness presidents have found useful over time, scholars can move beyond the "responsive" - "neutral" dichotomy to provide more useful advice tailored to a president's particular administrative needs.

NOTES

¹ For succinct overviews see James P. Pfiffner, “OMB: Professionalization, Politicization, and the Presidency,” in Colin Campbell and Margaret Jane Wyszomirski, eds., *Executive Leadership in Anglo-American Systems* (Pittsburgh, PA: University of Pittsburgh Press, 1991), 195-218, and Judith E. Michaels *The President’s Call (Executive Leadership from FDR to George Bush)* (Pittsburgh, PA: University of Pittsburgh Press, 1997), 70-77.

² Margaret Jane Wyszomirski “The De-Institutionalization of Presidential Staff Agencies” *Public Administration Review* (September/October 1982), 455. See also the testimony of former OMB official Dwight Ink, “Is the OMB Fulfilling its Mission?” House Committee on Government Reform, Subcommittee on Government Management, Information, and Technology, April 7, 2000.

³ Terry M. Moe, “The Politicized Presidency,” in John Chubb and Paul E. Peterson, eds., *New Directions in American Politics* (Washington, DC: Brookings Institution, 1985); Michael Sanera, “Implementing the Agenda,” in Stuart M. Butler, Michael Sanera, and W. Bruce Weinrod, eds., *Mandate for Leadership II* (Washington, DC: The Heritage Foundation, 1984); David A. Stockman, *The Triumph of Politics* (New York: Harper and Row, 1986).

⁴ See, inter alia, Moe “The Politicized Presidency”; Stockman, *The Triumph of Politics*; David Mathiasen, “The Evolution of the Office of Management and Budget under President Reagan,” *Public Budgeting and Finance* 8 (Autumn 1988): 3-14; Peter M. Benda and Charles H. Levine, “Reagan and the Bureaucracy: The Bequest, the Promise and the Legacy,” in Charles O. Jones, *The Reagan Legacy: Promises and Performance* (Chatham, NJ: Chatham House, 1988); Bruce E. Johnson, “From Analyst to Negotiator: The OMB’s New

Role,” *Journal of Policy Analysis and Management* 3 (Summer 1984): 501-15; Chester A. Newland, “Executive Office Policy Apparatus: Enforcing the Reagan Agenda,” in Lester M. Salamon and Michael S. Lund, eds., *The Reagan Presidency and the Governing of America* (Washington, DC: Urban Institute, 1985); and Francis E. Rourke, “Executive Responsiveness to Presidential Policies: The Reagan Presidency,” *Congress and the Presidency* 17 (Spring 1990): 1-11.

⁵ For an exception, see Patrick J. Wolf, “Neutral and Responsive Competence: The Bureau of the Budget, 1939-48, Revisited,” *Administration and Society* 31 (March 1999): 142-67.

⁶ See, e.g., Francis Rourke, “Responsiveness and Neutral Competence in American Bureaucracy,” *Public Administration Review* 52 (November/December 1992): 539-46; John P. Burke, *The Institutional Presidency* (Baltimore: Johns Hopkins University Press, 1992), 181-88; Walter Williams, *Mismanaging America: The Rise of the Anti-Analytic Presidency* (Lawrence: University Press of Kansas, 1990), 89-100.

⁷ Woodrow Wilson, “The Study of Administration,” *Political Science Quarterly* 2 (June 1887): 197-222; Herbert Kaufman, “Emerging Conflicts in the Doctrines of Public Administration,” *American Political Science Review* 50 (December 1956): 1057-73.

⁸ See Pfiffner, “OMB: Professionalism, Politicization, and the Presidency,” 208; Shelley Lynne Tomkin, *Inside OMB* (Armonk, NY: M.E. Sharpe, 1998), 54.

⁹ See Larry Berman, *The Office of Management and Budget and the Presidency, 1921-1979* (Princeton: Princeton University Press, 1979); William Carey, “Reorganization Plan No. 2,” *Public Administration Review* 30 (November/December 1970): 631-34; Robert S. Gilmour, “Central Legislative Clearance: A Revised Perspective,” *Public Administration*

Review 31 (March/April 1971): 150-58; Hugh Hecló, "The Office of Management and Budget and the Presidency: The Problem of Neutral Competence," *The Public Interest* 38 (Winter 1975): 80-98; Allen Schick, "The Budget Bureau That Was: Thoughts on the Rise, Decline, and Future of a Presidential Agency," *Law and Contemporary Problems* 35 (Summer 1970): 519-39.

¹⁰ Hecló, "The OMB and the Presidency," 82, 97, 81, 82.

¹¹ On this point see also Harold Seidman and Robert Gilmour, *Politics, Position, and Power*, 4th ed. (New York: Oxford University Press, 1986), 74-5.

¹² Pfiffner, "OMB: Professionalization, Politicization, and the Presidency"; Williams, *Mismanaging America*; Tomkin, *Inside OMB*; John Hart, *The Presidential Branch*, 2nd ed. (Chatham, NJ: Chatham House, 1995), 80-86.

¹³ Moe, "Politicized Presidency," 245. As John Hart summarizes: "[the] politicization of the institutional presidency... runs counter to so many of the class textbook virtues of neutral competence. To a succession of presidents, however, these virtues are found only in textbooks." Hart, *The Presidential Branch*, 216. See also Terry Eastland, *Energy in the Executive* (New York: Free Press, 1992); Richard Nathan, *The Plot that Failed* (New York: Wiley, 1975); Nathan, *The Administrative Presidency* (New York: Wiley, 1983).

¹⁴ Moe, "Politicized Presidency," 249 and 246-9 generally.

¹⁵ Berman, *OMB and the Presidency*; Richard E. Neustadt, "Presidency and Legislation: The Growth of Central Clearance," *American Political Science Review* 48 (September 1954): 641-71; Richard E. Neustadt, "Presidency and Legislation: Planning the President's Program," *American Political Science Review* 49 (December 1955): 980-1021; Andrew Rudalevige, *Managing the President's Program: Presidential Leadership and Legislative Policy*

Formulation (Princeton: Princeton University Press, 2002); Stephen J. Wayne, *The Legislative Presidency* (New York: Harper and Row, 1978).

¹⁶ This section draws heavily from Neustadt, "Planning the President's Program," especially 996-1013.

¹⁷ Quoted in Francis H. Heller, ed., *The Truman White House: The Administration of the Presidency, 1945-1953* (Lawrence: Regents Press of Kansas, 1980), 90.

¹⁸ See the oral history of BoB staffer Roger Jones, Harry S. Truman Library [hereafter HSTL], 89-90, as well as the BoB "Staff Memorandum: Executive Branch Teamwork in the Critical Days Ahead" of 4/7/48 which tries to spell out a division of labor among the BoB, CEA, National Securities Resource Board and the National Security Council. Papers of James E. Webb, Box 5, folder entitled [BoB: Organization of the Executive Branch of the Gov't, Commission on], HSTL.

¹⁹ See Neustadt, "Planning the President's Program," 1008, for a detailed chronology; Staats to Director, 11/12/48, "Some Immediate Issues in Relation to the President's Legislative Program for the Forthcoming Session," 4, in the Neustadt papers, Box 10, [Addendum: Budget Policy and Legislative Program, 1948-49], HSTL; Neustadt to Charles Stauffacher, D. Bell, and J. Weldon Jones, "Departmental Reports to the President re State of the Union Message, Economic Report, and Legislative Program," 11/4/48, in Neustadt papers, Box 1, [Chron. Files, May-December 1948], HSTL.

²⁰ Staats to Stauffacher, Martin, and J.W. Jones, "Review of Legislative Proposals prior to Convening of 81st Congress," 12/6/48, in Neustadt papers, Box 11, [Addendum: Budget Policy and Legislative Program, 1948-49], HSTL. On LRD, see, e.g., MacPhail and Neustadt to Roger W. Jones, "Bureau Procedure for Utilizing Agency Legislative

Programs Submitted under Sec. 86, 'Call for Estimates,'” 9/6/49, in Record Group [RG] 51, Legislative Reference Division Subject Files, 1939-70 (series 39.39), Box 4, [Legislative Program -- 81st Congress, 2nd session], National Archives II [NA-II], College Park, Maryland; R. W. Jones to Messrs. J.W. Jones, McCandless, Rice and Stauffacher, “Special Assignments for Review and Development of Legislative Proposals,” 11/29/49, in Papers of George Elsey, Box 80, [Legislation - 81st Cong - 2nd session - general information, folder 2], HSTL.

²¹ In 1949 the examiners noted: “Recommend White House inform Secretary of Labor that labor extension was omitted from Administration program pending development of an acceptable bill – fiscally and administratively sound and on which AFL and CIO can give united support.” In “Evaluation of Legislative Proposals,” RG 51, Legislative Reference Division Subject Files, Box 4, [Evaluation of Legislative Program and Highlight Memos - 81st Congress, 2nd session], NA-II. For 1950 see “Reaction of Estimates Branches to Items of Unenacted Legislation,” 10/23/50, RG 51, Legislative Reference Division Subject Files, Box 4, [Legislative Program - 82nd Congress, 1st session], NA-II.

²² See the memos on the 1952 campaign in the folder entitled [Legislative Program -- 83rd Congress, 1st Session [General]], Legislative Reference Division Subject Files 1939-70, Box 5, NA-II, for example that from L.C. Gibson to Wm H. Snyder entitled “Analysis of Presidential Campaign - Chicago area,” 9/25/52. In San Francisco the field office actually tried to measure the crowds for rival Eisenhower and Stevenson rallies.

²³ “6/5/50 notes on division chiefs meeting,” Lawton papers, Box 3, [BoB - Staff Meetings], HSTL, 1-2.

²⁴ L.C. Gibson to Mr. Garber, "Comments on Tentative List of Legislative items for 81st Congress," 9/16/48, in RG 51, Legislative Reference Division Subject Files, 1939-70 (series 39.39), Box 3, [Legislative Program-81st Cong, 1st Session], NA-II.

²⁵ Neustadt to Jones, "Bureau Procedure For Utilizing Agency Legislative Programs Submitted Under Sec. 86, 'Call for Estimates,'" 9/6/49, in RG 51, Legislative Reference Division Subject Files, 1939-70, Box 4, [Legislative Program -- 81st Congress, 2nd session], NA-II.

²⁶ See, e.g., Neustadt to Staats, memo of 2/2/0/48, "Special Report on Status of Selected Items in the President's Legislative Program," Webb papers, Box 18, [BoB: Leg. Status Reports, 80th Congress 2nd session (folder 1)], HSTL, and also Neustadt to Staats, memo of 11/23/48, "Legislative Progress Reporting for the President," Neustadt papers, Box 1, [Chron. Files, May-Dec. 1948], HSTL.

²⁷ "1/27/50 staff meeting items check list," Lawton papers, Box 3, [BoB - Staff Meetings], HSTL; Neustadt to Jones, "Weekly Reports on Anticipated Congressional Schedules," 5/15/50, in RG 51, Legislative Reference Division Subject Files, 1939-70, Box 4, [Legislative Program -- 82nd Congress, 1st session], NA-II.

²⁸ Heller, *Truman White House*, 227.

²⁹ Murphy to Rep. John McCormack, 1/9/50, Neustadt papers, Box 1, [Chron. Files, Oct. 1949 - May 1950], HSTL.

³⁰ The Legislative Reference Division became the Office of Legislative Reference in 1952, then became a Division again in a later reorganization. Edward H. Hobbs, *Behind the President: A Study of Executive Office Agencies* (Washington, DC: Public Affairs Press,

1954), 59; see also Edward S. Flash, Jr., *Economic Advice and Presidential Leadership* (New York: Columbia University Press, 1965).

³¹ Neustadt interview, April 10, 2000; see also Neustadt to Staats, "The Workload of the Director and Acting Assistant Director," no date (likely 1947), in RG 51, Entry 9B, Records Related to the Administrative Management of the Bureau of the Budget, 1939-52, Box 4, [B2-5 Office of the Director], NA-II. In 1948 Neustadt called his move from the Director's Office at BoB to the LRD "part of a relatively planned program for expanding the operation, particularly in its White House and agency relationships." Neustadt to Payson Wild, 5/5/48, Neustadt Papers, Box 1, [Chron. Files: May-Dec. 1948], HSTL.

³² David Bell oral history, HSTL, pp. 3-4. See also Clark Clifford's warm letters of 1/8/47 to "My dear Jim" Webb thanking him for the use of Budget staffers. Webb papers, Box 8, [BoB: Clark Clifford], HSTL.

³³ Harold Seidman, oral history 62, HSTL, 10-11, 47-48, 58, and 56-63 in general.

³⁴ Staats comments in "Excerpts from Staff Meeting Minutes: Bureau's Relationship with Congress," 9/29/48 and 10/7/48, Lawton papers, Box 3, [BoB - Staff Meetings], HSTL. On liaison, see Charles E. Walcott and Karen M. Hult, *Governing the White House: From Hoover through LBJ* (Lawrence: University Press of Kansas, 1995), Ch. 2. Privately Staats went so far as to suggest the Bureau work to place candidates on Congressional committee staffs, though he cautioned that "the initiative will have to, at least, have the appearance of coming from Congress." Staats to Director, "Some Immediate Issues in Relation to the President's Legislative Program for the Forthcoming Session," 11/12/48, Neustadt papers, Box 10, [Addendum: Budget Policy and Legislative Program, 1948-49], HSTL.

³⁵ Lawton comments in “Excerpts from Staff Meeting Minutes: Bureau’s Relationship with Congress,” 9/29/48 and 10/7/48, Lawton papers, Box 3, [BoB - Staff Meetings], HSTL.

³⁶ James Sundquist oral history, HSTL, 9-14.

³⁷ See Webb’s notes from 11/7/46, Webb papers, Box 3, [BoB: Conference Notes (private)], HSTL. Vinson had been the Treasury Secretary, and Gardner the Undersecretary, when Webb worked in the Treasury Department prior to his appointment at BoB. For Rowe, see Rowe to Budget Director, “Testimony on ‘Unification,’ undated. Webb files, Box 7, [BoB: Consultant James H. Rowe, Jan 1947-Aug 1948], HSTL. Webb claimed too that the famous strategy memo regarding the 1948 election – see David McCullough, *Truman* (New York: Simon & Schuster, 1992), 590-2 -- originated from Rowe at Webb’s instigation (Truman White House oral history, HSTL, 57f). Commentary from other people without access to Truman but whose political advice Webb respected -- from Vannevar Bush to Louis Brownlow, who provided a series of 1948 memos regarding the timing of the special “Turnip Day” session and legislative strategy -- also went through Webb to Clifford or other White House aides. Neustadt/Webb exchange in Truman White House oral history, HSTL, 51.

³⁸ R. R. Zimmerman to Webb, no title, 9/12/46. Webb papers, Box 15, [BoB: Federal Budget 1948 (Folder 2 of 2)], HSTL.

³⁹ F.J. Lawton to Director, “Meeting of the President with Agency Heads,” memo of 9/17/46. Webb papers, Box 15, [BoB: Federal Budget 1948 (Folder 2 of 2)], HSTL.

⁴⁰ Webb to Clifford, memo of 12/24/46, no title, Clifford files, Box 2, [Budget, Bureau of the], HSTL.

⁴¹ See “4/7/49 Staff Meeting Items Check List” and “4/19/49 Staff Meeting Items Check List,” both in the Lawton papers, Box 3, [BoB – Staff Meetings], HSTL. By January 1950, Pace reported that “President greatly pleased....President's reliance on the Bureau constantly increasing.”

⁴² John B. Blandford, Jr, to Director, memo of 9/22/47, “Preliminary Suggestions on Housing”; Blandford to Director, memo of 9/25/47, “Housing.” Both in Webb papers, Box 17, [BoB: Housing], HSTL.

⁴³ J. Weldon Jones to Director, memo of 6/28/48, “Outline for the Review of the 1949 Budget,” Webb papers, Box 16, [BoB: Federal Budget - 1949 (folder 2 of 2)], HSTL. Jones hoped to blame Congress for budget overruns but, alas, “I have the impression it will not tell so dramatic a story as did last year's.”

⁴⁴ Truman White House oral history, HSTL, 56, 59.

⁴⁵ United States Civil Service Commission Position Description, 11/29/48, provided by Richard Neustadt from his personal papers.

⁴⁶ Truman White House oral history, HSTL, 23-5. See also Murphy's further comments on p. 27 and his later oral history dated 6/3/63 at the HSTL. The list includes at least Andrews, Bell, Harold Enarson, Ken Hechler, Milton Kayle, Neustadt, Stowe, and Sundquist. Hechler notes in his memoirs that Webb “appreciated that one of the best ways to gain support was to furnish able assistance” and “offer[ed] to detach any of his staff to help the White House whenever needed.” See *Working with Truman* (Columbia: University of Missouri Press, 1996), 160.

⁴⁷ Roger Jones oral history, HSTL, 17.

⁴⁸ Truman White House oral history, HSTL, 3.

⁴⁹ U.S. Civil Service, Position Description, 4.

⁵⁰ Roger Jones oral history, HSTL, 87.

⁵¹ Roger Jones oral history, HSTL, 72, 67; see also Seidman oral history, HSTL, 30, 39-40.

As noted, Budget staffers were sometimes detailed to the White House for campaign speechwriting. Yet the formal act of detailing underscores the distinction between the staffs, at least in the minds of those involved.

⁵² Smith to Truman, "Organization of a Department of Common Defense," memo of 5/24/45. President's Secretary's Files, Box 150, [Bureau of the Budget - Military 1945-53], HSTL.

⁵³ Webb to Clifford, no title, Webb papers, Box 8, [BoB: Clark Clifford], HSTL.

⁵⁴ See, e.g., L.C. Martin to Director, "Budget Bureau Services to the President," 7/31/45, RG 51, Entry 9B, Records Related to the Administrative Management of the BoB, 1939-52, Box 2, [B1-9 Relations with Other units of the EOP], NA-II.

⁵⁵ Reported in Neustadt to Spingarn, "Miscellany on Executive Office Relationships," memo of 6/12/50. Neustadt papers, Box 1, [Chron. File, June 1950], HSTL.

⁵⁶ Neustadt to Staats, "The Administration Legislative Program and the Budget," memo of 11/22/48. Neustadt Papers, Box 1, [Chronological Files, May-Dec. 1948], HSTL.

⁵⁷ Hecla, "OMB and the Presidency," 88.

⁵⁸ Webb, "Notes to file," 8/15/46, in Webb papers, Box 3, [BoB: Conference Notes (personal), October 1946-January 1948], HSTL. On Truman's emphasis on decisions, see Alonzo L. Hamby, *Man of the People* (New York: Oxford University Press, 1995), 313; Richard E. Neustadt, *Presidential Power and the Modern Presidents* (New York: Free Press, 1990), 144ff.

⁵⁹ Robert E. Merriam, "The Bureau of the Budget As Part of the President's Staff," *Annals of the American Academy of Political and Social Science* 307 (1956), 22. In *Inside OMB*,

Shelley Lynne Tomkin relays remarkably similar functions for career personnel in the 1970s: "[OMB] analysis was described as projecting the potential effect of congressional and interest group reaction, the electoral reactions of key congressional members' constituencies, and the character of particular agency-congressional relationships on a proposal's chance for legislative enactment," including congressional head-counts (65).

⁶⁰ Neustadt, "Proposed Memorandum on the Legislative Clearance Functions of the Bureau of the Budget," draft report of 7/7/48, 5b-6b. Neustadt papers, Box 10, [Subject Files, Addendum: Budget Policy and Legislative Program, 1948-49], HSTL.

⁶¹ Staats to Director, "Organization and Management of the Bureau of the Budget," memo of 9/25/47, 5-6. Lawton papers, Box 3, [BoB: Organization, etc.], HSTL.

⁶² This provides a good example of what Graham Wilson calls a "higher form" of "policy competence," linking substantive information on policy options to the likely outcome of each option and its prospective appeal to various relevant actors. See the discussion in Daniel E. Ponder, *Good Advice: Information and Policy Making in the White House* (College Station: Texas A&M Press, 2000), 23-5.

⁶³ For similar arguments, see Rourke, "Responsiveness and Neutral Competence in American Bureaucracy" and Wyszomirski, "The De-institutionalization of Presidential Staff Agencies."

⁶⁴ Joel Aberbach and Bert A. Rockman, *In the Web of Politics: Three Decades of the Federal Executive* (Washington, DC: Brookings Institution, 2000); Nathan, *The Plot that Failed*.

⁶⁵ Matthew J. Dickinson, *Bitter Harvest: FDR, Presidential Power, and the Growth of the Presidential Branch* (New York: Cambridge University Press, 1997); Ponder, *Good Advice*; Rudalevige, *Managing the President's Program*.