



of the spooks knowing me? Unlikely. The probability is that because of the nature of his Berlin assignment, the Nazi-minded spooks probably considered the work itself subversive and any who'd make a recommendation, naturally, a congenital bearded bamb-thrower.

The same curse of having a motnher who was my father's sister plagued his brother Joe, still does on every new security check. Unlike Sam, Joe had a radical college career. He Gor Religion. The last time I saw other politically conscious relatives was at the Bas Mitzvah (confirmation) party Joe threw at the synagogue for his daughter, about 7-8 years ago. Joe is a "macher" in the "schule", teacher Sunday School, etc., as I suppose many former radicals of that era do. I guess Joe had this plague inflicted on him because his brother's security file was checked.

Because of this, over the years we have felt it better in Sam's interest (he has two kids to send to college beginning this year) to see him infrequently. It has been possible for him to reture for some time. He is the top civil servant in the government, in rating (and honors). He is general at the arm of the director when he testifies. Had been for years. We seen him most on TV. I take it this story means he has found a congenial and worhtwhile job or just has a distended gut. Maybe we'll know in a week.

We've both been circumspect, never discussing his work. Guess we'll be able to see them more now.

Such is life in the freest country in the world.

**'Presidential Priority' Goals Set**

# OMB Reorganized by Ash

4/26/73

By David S. Broder

Washington Post Staff Writer

The Nixon administration has completed a major reorganization of the Office of Management and Budget, aimed at focusing both federal dollars and the bureaucracy's managerial skills on "presidential priority" goals for the next four years.

Mr. Nixon, in a letter to department and agency heads signaling the start of the new drive for what he called a "sharper focus on results" of federal programs, directed each unit to give "particular attention to objectives which you consider to be of presidential-level importance."

The President, in his April 18 letter, ordered each agency to prepare within the next month a work plan specifying its "major goals and objectives for the coming year."

The reorganized OMB — with major new jobs filled by management experts from private business, and teams of trouble-shooters ready to move into any lagging agency to cut bureaucratic red tape will be responsible for seeing that Mr. Nixon's objectives are met.

OMB Director Roy L. Ash said in an interview that the reshuffling of his office and the President's letter to the

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# OMB Is Reorganized by Ash

## BUDGET, From A1

agency heads reflected the conviction that "we have to get out of this business of saying, 'Let's all work hard and see what happens.'"

"We have to set specific targets," Ash said. "Every agency has hundreds of goals and objectives. Some of them are of importance to the President; most are not. The President may have 100 things he wants to accomplish in the year. We're going to help the President do it, by focusing the agency's attention on his priority goals."

Ash, the former Litton Industries head who became budget director in January, said he had tested the theory by setting an April 15 deadline

for reorganizing OMB. "The President cleared it on April 16," he said.

The basic change is to recast OMB from a two-sided structure, with most of its manpower directed to budget review and the rest working on program management, into a single line of authority which Ash said would "make management improvement an integral part of the budget process."

Instead of splitting the two functions between a deputy director and an associate director, Ash's deputy, Frederic V. Malek, will coordinate both budgetary and management responsibilities of the agency.

Key jobs under Malek are four program area associate directors and two new assist-

ant directors for management, organization and operation. Only one of the six jobs will be filled by a career government employee.

The career man is 37-year-old Paul H. O'Neill, an 11-year veteran of the Veterans Administration and OMB, who has been named associate director for human and community affairs.

The other three associate directors, all newcomers to government, are described as "\$100,000-a-year class" men in the civilian economy. Their new posts pay \$38,000 a year. They are:

- National security and international affairs — B. A. (Dolph) Bridgewater Jr., 38, of Chicago, a lawyer, a graduate of the Harvard graduate school of business administration and, most recently, senior partner of the management consulting firm of McKinsey and Company, Inc.

- Economics and government—Walter D. Scott, 41, of Chicago, a graduate of the Columbia University graduate school of business and senior managing director of the investment banking firm of Lehman Brothers.

- Natural resources, energy and science—John C. Sawhill, 36, of Baltimore, a Ph.D. from the New York University school of business and senior vice president of the Commercial Credit Corp.

Ash and Malek reached into the departments for the two new assistant directors who will coordinate government-wide management activities. Both were with private management firms before entering the government in 1971.

Dudley C. Mecum, II, 38, who has been assistant secretary of the Army, has begun work as head of the management and organization branch, and Frank C. Zarb, 37, will move over from his present job as assistant secretary of labor to become assistant director for operations as soon as a replacement has been found.

While the new men are coming aboard, OMB sources also disclosed the pending shift of two of the office's best-known and most highly respected career officials.

Samuel M. Cohn, a 26-year veteran of the bureau and for the last seven years assistant director for budget review, is retiring from the government.

Cohn, nicknamed "Mr. Budget," has headed the corps of career budget examiners which has been the backbone of the agency, and his expertise on federal spending plans

has won him wide respect at both ends of Pennsylvania Avenue.

Other notable departure is that of assistant director Dwight A. Ink, who has headed the OMB's work in program decentralization and simplification and government reorganization. Ink is taking another government assignment outside OMB.

Ash said the major purpose of the reorganization of OMB is to "broaden our definition of priorities in managing the government."

"In the past," he said, "setting priorities has meant deciding where we spend our money. Now, we're saying that setting priorities also means deciding where to spend our management resources, for those, too, are in limited supply."

Ash said the President's directive to the departments and agencies to put on paper their objectives for the year would "initiate a continuing review" by OMB of the performance of those departments.

To give OMB the managerial muscle for its new role, Ash and Malek are putting together five teams of "management associates," each composed of ten people, who will work under Mecum, Bridgewater, O'Neill, Scott and Sawhill.

Units of varying size from these teams—made up of both career officials and outside management specialists—will be available to take on what one OMB official called "special projects of high significance, where there are breakthrough opportunities for management."

The President told the department heads in his letter that "I am confident that this conscious emphasis on setting goals and then achieving results will substantially enhance federal program performance . . . (and) help us give Americans the kind of results, reliability and responsiveness that they deserve from their government."

X There is now no doubt that  
Howard is ending me what WG he  
sees in NYTimes. Today's take  
thru 4/30. Anything in Sun.'s  
that will interest you I'll  
forward. I may be getting into  
another time bind and with a w  
week away it may be worse...  
Last night I think GL's kite  
flew to Berchtesgaden im CatOc  
tins about 8:30, with the  
jockey so rattled his landing  
light was on this far away.  
The same kind went back about  
2:30 p.m.... This time he is  
rattled, scared and I think  
showing it. <sup>H</sup>ex ain't <sup>D</sup>ruce  
and this is Seven. Best,

HW 5/2/73

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