

## **Exit Interview with Arnie Miller, Director of the Office of Presidential Personnel**

**Interviewer: Marie Allen**

**January 13, 1981, in the Old Executive Office Building**

**Transcriber: Winnie Hoover**

**Allen:** First, I'd like to ask you about your personal background. Where did you grow up and where did you go to school?

**Miller:** I grew up in New York City in the Bronx, moved to Long Island in my mid teens, I guess, went to Hofstra University on Long Island, then went into the army for a couple of years, served in Korea in the Sixties, came back and went to graduate school at Harvard, in Soviet studies, then afterwards worked as a management consultant at a firm in Boston for some time, then came to New York and ran a congressman's office for Allen Lowenstein, the one time he was in the Congress, then came to Washington when he was defeated, worked for the same consulting firm again. They hired me to open the Washington office.

**Allen:** Was that the Contract Research Corporation?

**Miller:** No, that was a firm called ABT Associates that a number of the people who ultimately formed Contract Research were principal people. A number of the principal people at ABT left to form Contract Research in '72.

**Allen:** That's ABT?

**Miller:** ABT, that is the name of the company. And, in '72, I took a leave from ABT to go help out in the McGovern presidential campaign and when I came back, I found out that a number of the people that I was quite close to were in a management dispute with the president of the company and so we decided to form our own firm and ultimately built it up to about 85 people.

**Allen:** Was that the Contract Research Corporation?

**Miller:** Contract Research Corporation.

**Allen:** What were you doing with the McGovern campaign? What type of association –

**Miller:** I was in Los Angeles during the primary, worked the west side of Los Angeles, Jewish community. Humphrey beat us very badly there in the primary. Then I came east and in the general election, was in Michigan as effectively the deputy director of the campaign there with Carl Wagner for the period of August through November.

**Allen:** And then you went to Contract Research Corporation—

**Miller:** And we formed the company in '73 and I stayed with that until '78 when I joined the administration. I was the vice president in charge of the Washington office, and a member of the board, and so forth..

**Allen:** What types of things were you doing, what types of consulting?

**Miller:** We did a lot of mostly government stuff. My specialization was, I guess, headhunting, recruiting and starting up of new programs and new entities. I helped to start the Legal Services Corporation. I helped to take that program out of government into a private, non-profit corporation, public - actually a public corporation, or quasi-governmental. And I was responsible for all of the staffing and the budgets and the planning and the organizational structure and the furniture and everything else that was required to put together the corporation. I worked on the transition team.

**Allen:** Were you working on the talent inventory program—

**Miller:** No, I didn't work on our transition team at all. I ran the Carter campaign in Maryland in the general election. I was not a member of the Carter Campaign—

**Allen:** In '76?

**Miller:** In '75. In '76, I was working for another candidate. In the general election, after the convention, Tim Kraft called and asked if I would come talk. He knew of my reputation as an organizer and he wanted me to go to New Jersey. I didn't want to leave my wife at the time and so I said no, I didn't want to go to New Jersey. He then asked if I would come stay in Maryland and do the campaign in Maryland and I said yes and I was the campaign manager in Maryland and then afterwards I went back to my firm from '76 through '78 when he came into his new job and he asked me to take over as - actually, I came into the White House initially as a consultant to Tim, helping him to set up his new office. It didn't work very well.

**Allen:** His new office as the Appointments Secretary?

**Miller:** No, he had moved from Appointments Secretary by then to the job of Assistant to the President for Political Affairs and Personnel. And so, I tried to help a little bit with some advice about how to organize it and then Gammill decided to leave in September, I guess, and go back to graduate school and I was asked to take over his job, and I have been there since.

**Allen:** What do you think the ...I remember when I talked to Tim Kraft, when he left working the campaign several years ago; he said that one reason why he singled you out as being a very good person for this assignment was that you had a very good organizing

ability and he thought you very effective in dealing with the people in the agencies. could you build on that a little bit more? What do you think you were particularly brought in to do with that job?

**Miller:** This office had concentrated on, under Jim Gammill, had concentrated on appointments to the regulatory boards and commissions and really done an excellent job in that regard. The quality of our appointments to the regulatory boards, I think, was excellent. We did not, his office did not, pay much attention to presidential appointments in the departments and agencies. We left that in the main to the heads of the individual agencies. And I think there was some cost associated with that. While the quality of the people who were selected was probably clearly as good under the old system whereby members of departments, cabinet heads or agency heads picked their own people, the quality was not any better as a result of our intervention. But, two things occurred, I think one is a greater sense of belonging, I guess, a greater sense of identity by people who got new jobs as well as by the agency heads, there was more of a cooperative relationship between the President's people here in the White House and the President's people out in the departments and agencies. So, I think a different spirit developed and then too I think we did a little bit more with things like affirmative action. I think we were available to push a little bit harder on behalf of the President because he is interested to see to it that women and minorities were selected for some of the positions that became vacant in the departments and agencies. And we pushed very hard for that and I think did very well in that regard.

**Allen:** Are there particular agencies that you were involved in more than others?

**Miller:** Yeah, I think we had a closer and more effective relationship with the Department of Transportation, the Department of Education, Department of Commerce after Secretary Kreps left and Phil Custer came in, HUD to some extent, Agriculture after we recommended Jim Williams, who came in early. He was one of the first recommendations I made, I guess, in '78. Places like State we only began towards the end of this term to have a more active role in the Presidential appointments and Defense never really sufficient. Well, I have a personal, cordial personal relationship with Secretary Harris. I think in the main she probably picked her own people. On the other hand, we did make a number of recommendations which she ultimately accepted.

**Allen:** Now when you began this job, most of these positions were filled so you were operating on the basis of vacancies.

**Miller:** Mostly on the basis of turnover, yeah. That wasn't very high, although several members of the Cabinet were fired or whatever in the middle of '79, something I didn't have anything to do with---the firing. There were a number of vacancies that developed at that point and so we played a major role in filling those in Transportation. We developed a very close and efficient relationship with Neil Goldschmidt and with Secretary Miller. He didn't make any replacements at Treasury but he became very, very

much a part of our operation when we recruited people from the business community. He served almost as another member of the staff, which was a wonderful addition. He was able to help us to identify talent in the business community and recruit it. He cared a lot about the kinds of people that we brought in across the administration. He was very helpful in that regard.

**Allen:** What are, - how - what are your recruitment methods?

**Miller:** Well, it depends on the kind of position. Um.

**Allen:** For instance, Transportation after the.....

**Miller:** The Secretary took the lead. We sat down with the Secretary when he first came, talked about the different vacancies that would probably develop, the deputy secretary position was vacant, the congressional job became vacant, the policy job was vacant, and talked about a range of people who had been identified by his staff and by my staff and other people who he had known and I had known and we just talked in very general terms about the kinds of people he wanted, we wanted together in different positions. He understood the importance of a mix of people, different parts of the country, different sections of the nation, and so forth and so on. And he came back in about two and a half weeks with some decisions which we then rapidly discussed, made some changes and we very quickly agreed on a group of people that he remained very, very happy with.

**Allen:** You had quite a list of names, I suppose, at that point or had he developed----?

**Miller:** No, he developed a list and actually the staffs had been working together for some time and so it wasn't an us/them situation, it was a much more collaborative—none of the hostility and antagonism of the early period developed at all, I mean that had been there at the beginning of the administration, where the White House had its list and the Department had its list. In fact, what occurred is that staff people worked together, the same thing in Education when it was established. One of the staff people here was assigned, basically, to the Secretary of [inaudible] and he and her staff worked together as one and came up with a list of people that everybody agreed on.

**Allen:** Who was that person, do you remember?

**Miller:** On my staff it was Decker Anstron.

**Allen:** What methods did you use to develop your own list? Were you operating primarily on applications received here or were you going out and seeking people?

**Miller:** No, no. We would go out and look for some of the best people in the country. We get a lot of applications obviously. We get more recommendations than we know what to do with. The members of Congress each have their own ideas about people, names of Governors, other people in the political community spend a good deal of time

and energy recommending people. Sometimes they are good, sometimes not so good and so we take those recommendations and evaluate them. In addition to that we frequently will go out and think about some of the best people in the country for a particular assignment and then try to get them. We had trouble towards the end of the term in recruiting people for the Synthetic Fields Corporation. For example, we were really reaching for some of the most prominent business executives in the country and several of them--we were close with some but I think that we--had we not been so late in the first term and had there not been so much uncertainty about reelection, I think we would have had less trouble.

**Allen:** You have been in the personnel recruitment business for a little while now. Have you developed--did you use primarily contacts that you developed in the various communities to get names or do you have a theory of coming up with the right people for the right jobs?

**Miller:** Well, the only theory I have is that I believe, I believe very much in the "old boy" network, so long as the "old boy" network doesn't just include "old boys." And that's what we try to be able to do is to reach out into other communities relying on experts in those communities to help us to find some of the best people. For example, we would use Frank Press's office, OSTP [Office of Science and Technology Policy], here to identify talent in the scientific community. We used Stu Eizenstat's shop, Domestic Policy Staff, to help us interview people for jobs on regulatory commissions or some jobs in the agencies, people with a relative policy experience. We use people in OMB similarly. That was more to help us make decisions among candidates as opposed to reaching out to find people who weren't looking for a job but who we surprised with an invitation to come to Washington and asked them to come to the White House and talk about public service.

**Allen:** I would think that you are in a marvelous position in the White House to issue those kinds of invitations. People are flattered even if they don't accept the job. There's much more of a --

**Miller:** Well, there is a lot of glamour involved in it and I think the call to public service is still -- among a large section of the population -- a very powerful call and I think that speaks good for the country. A lot of people don't want to come into government -- financial sacrifices, all sorts of other things, family, but other people really do. And people who know, in fact, what it is like in many instances and know some of the difficulties involved in public service still want to come back. Vince Barabba, the man who was the head of the Census Bureau in the last administration, the Ford Administration, at our request came back to head up the Census Bureau and conduct the census, sacrificed because of income, sacrificed because of his family who was left behind in Rochester, New York, and yet the importance of seeing the census run well was clear to him and so he made those kinds of sacrifices. People like that, I think, all over the administration -- good people.

**Allen:** Were you involved in any of the replacements in the Cabinet after the Cabinet shake-up?

**Miller:** No, I did play a role in the post shake-up decisions. I mean Shirley Hufstедler was my recommendation; Klutznick was my recommendation. [inaudible] I made those, but the decisions on Camp David, (not the Israeli-Egyptian peace accords but the “Domestic Camp David” following the Crisis of Confidence/”Malaise” Special) I was not involved in them. I called Hamilton once during that period, I remember. He was up at Camp David and said to him that I had heard a rumor about one particular person for one particular job and I thought it would be a disaster and he said “thanks”, and then the next they announced that that was the person who was it. (Allen laughs.) And so I had unfortunately no role in those decisions. I did though play a role with Secretary Landrieu, Secretary Goldschmidt—who else was new at that period? Secretary Harris over at HEW [Department of Health, Education, and Welfare], I think there were three, weren’t there?

**Allen:** Unh, huh. Miller?

**Miller:** Secretary Miller didn’t make any changes at Treasury but we talked about his decision so I did play an active role with each of those members of the cabinet in their new positions. But no, I had nothing to do with any of it.

**Allen:** You worked closely with Tim Kraft for a long time. What was Tim’s involvement at that time? Was he involved in the Cabinet shake-ups and.....?

**Miller:** I think he probably was although I don’t know. He had—I’m not sure. I think probably not. He seemed not to know much about what was going on at that point. He did play a role, there was some role, in some of the—we did more memos that went from Tim to the President about some ideas, I remember, for some of the Cabinet positions. But the President didn’t make decisions off of our list. I remember writing memos at that point to the boss about different ideas for different positions, but we weren’t in the lead. It was only under Jack that I think we really developed a much more central role in the process.

**Allen:** I’m glad you brought that up. I was going to ask you next about that change when after Tim Kraft left—

**Miller:** Tim left around the time of the shake-up, went over to the campaign and Jack--- there was some question about who I would report to. I thought it would be appropriate that I would report directly to Hamilton who was still the Chief of Staff. Hamilton didn’t want personnel reporting directly to him. He was afraid that he would get too many of the-- he wanted a buffer between himself and the personnel function. He was concerned that he would get too many of the phone calls from people about candidates for different jobs and he wanted some way to have a buffer. And so my proposal which was that I return to the status that Jim King had at the beginning of the administration as a special assistant to the President and a member of the senior staff wasn’t accepted and, in fact,

then there was a question about who I would report to. For a while Weddington wanted me to report to her and I didn't want to do that. McDonald had some proposal for a tripartite, a three person board of himself, Dick Murrow and Jack Watson, I think, that would review decisions and I didn't have much understanding of how that complicated thing would work. But I ended up reporting to Jack and that became a very, very productive relationship. I developed a great deal of respect and admiration for his talents. He is one of the most hard-working, committed people I have ever worked with in this business. He is very, very special and uniquely talented for that job.

**Allen:** It is interesting. I have heard that comment from several people. Now what is it about Jack Watson?

**Miller:** He cares about government is the first and most important thing, I think. Not everybody here cares about government. People who have a lot of time and history in the political arena are more accustomed to running campaigns than they are to running government agencies. And while I spend a lot, I have over the years, as a sort of volunteer, oh, I've been paid on occasion, but I have never made my living and don't ever want to make my living on campaigns. I have a good deal of appreciation of the fun of politics and I like to think of myself as a pretty good organizer in that regard. I am not sure that everybody in the business of politics cares that much about government. Jack does. In addition, he is a very, very hardworking guy with a very strong mind and with the confidence of the President now and the respect of most of the members of the Senior Staff and so he, with his own personal talents, filled a very needed vacuum, a very longstanding vacuum, and filled a very needed function. The combination of all of these things I think accounted for a great deal of his success.

**Allen:** What changed about the way your job was done when Jack Watson came along? Did you send—did he approve?

**Miller:** He approved most everything I'd recommend and you know we discussed stuff and so forth, but he would approve things. But we would set deadlines, dates, we would meet them, we'd have scheduled meetings. They wouldn't get changed. It was much more business-like. We would hold a 45 minute meeting and resolve most of the things we had to resolve and didn't interrupt the meeting with phone calls or anything. We just got our work done and we just developed a very deep personal affection for each other in ways that make this job with all of its pressure sometimes very much, you know, makes it much easier. We just developed a good deal of mutual, I think, affection for each other in our working relationships.

**Allen:** When you had an appointment to be filled at sub-cabinet level, after you and Jack Watson would decide on it, did it then go into the President for approval?

**Miller:** Yes, yeah. We at one point concluded, Ken and I, I think, Ken and I and Hamilton (who had been asked at Camp David). Around that time we concluded that Hamilton, and then over to Jack, could sign off on recommendations to the President on

non-senate confirmation jobs. There are a number, hundreds of Presidential appointments, that don't require the ratification of the Senate and we decided at that point to hold those recommendations from the President and then send over to the Chief of Staff, so now that's how that's done. I was frankly surprised at the degree of detail that the President I thought was unnecessarily subjected to---decisions. So, the sub-cabinet positions were sent to the President for approval. We'd give him a short description of the person, tell him who was recommending it, indicate if there were other people who were also qualified that we did not recommend, and point out any possible problems with the nomination if there were any.

**Allen:** But these did go to the President for approval if they didn't require senate confirmation hearings?

**Miller:** Yes. All sub-cabinet positions required Senate confirmation.

**Allen:** Only those would go to the President at this stage in the Camp David check-up time?

**Miller:** Well no that was just before. I think the change took place around then. It may have been before even where the Presidential appointments that did not require Senate confirmation also went before him.

**Allen:** You've said something about your interest in affirmative action. What do you think you've been able to accomplish in that area?

**Miller:** Well, the President has done a great deal. I mean, I think when we get a little distance from this administration, we will see in addition to the judges, the women, and minorities who were appointed to the court. Regulatory agencies – there had never been in the 100 year history of the ICC [Interstate Commerce Committee], a minority member - two minority members, serving now together. Securities and Exchange Commission - I think never a woman - two women serving in succession, not serving simultaneously, but two women on the SEC. On the National Science Foundation, we appointed a black man, highly respected, as the head of the National Science Foundation. Very important for a lot of reasons but one is that he does a good job as the head of the National Science Foundation. But also, young black kids growing up will begin to see role models all across the society and suddenly develop some real hope from symbols like that. Women too. And men learn. I think the generals at the Air Force probably had a good series of lessons having to report to Toni Chayes, the Undersecretary of the Air Force. Not only do women see her as a role model and a symbol and so forth, but I think men learn a good deal about their own stereotypes and similarly whites learning about minorities and so forth, and so on.

So, affirmative action, I think, is something the President's contribution to the society in that regard is going to be I think appreciated a hell of a lot more later on when we get a little distance and when it is contrasted with what it appears this administration is doing. I think tokenism is a very bad thing. I think quotas are in some ways offensive because

they deny the individual worth of people, but aggressive action to find people who are very talented and by now we have them. We put a man on the Synthetic Fuels Corporation who is the up and coming vice president at Equitable Life Insurance Company, highly respected by young black professionals across the country and known and respected by them. To put this guy on the board of the Synthetic Fuels Corporation along with John Debutts, the recently retired president of AT&T, is a signal to young blacks across the country that it works, that there is some hope. That talent is rewarded and that they've got more places to go and more things to accomplish and it doesn't – it's not a signal that says "all you gotta do is be black" because he is somebody that is clearly very special in that regard. But it is that kind of thing that I think affirmative action is all about that the country will - if it's done well - that's what affirmative action is all about. Often it is not done well and people, because of their color or sex, and without regard to their ability, are hired, promoted, or whatever, or kept on when they shouldn't be and I think that's the worst kind of racism or sexism, to accept or tolerate sort of mediocre performance from people because they happen to be women or minorities.

**Allen:** The government has very stringent ethics in government regulations now. Did you have any problems with your appointment suggestions and the various regulations and forms they had to fill out? What was the....?

**Miller:** We had some people who withdrew because of the requirements after they had agreed. One man publicly requested that his name be withdrawn from the Senate when he learned about the forms that the Senate required over and above the forms we required. It was Frank Kerry, the head of IBM, who we named to the Synthetic Fuels Corporation. In the main I think the concern over the ethics law was much greater than the reality - that the anticipation of the difficulty and the cries from people who were objecting to the President's requirements didn't come to fruition. I think we have got to be much more sensible about who we require these forms from and who we require disclosures, and so forth - divestitures from. [inaudible] When I came here I discovered that all nominations that went to the Senate, whether it was for a member of the Museum Service Board or the Secretary of Defense, required the same forms and the same degree of thoroughness of the FBI checks and I think some common sense and logic can be applied. We changed some of that, but not enough. Things have been pretty well ingrained but I think some common sense and logic should be applied to varying the degree of thoroughness of investigation and disclosure for different jobs. I would be concerned if someone who was responsible for giving out large sums of money or for procurement or whatever didn't excuse himself or herself from any connection with family or companies that they were associated with, obviously.

**Allen:** Did you ever withdraw names yourself from consideration after receiving the FBI check?

**Miller:** Oh, sure, often.

**Allen:** Often?

**Miller:** Often. Surprisingly often. Yeah, you learn a lot about people.

**Allen:** So they're not just pro forma types of investigations?

**Miller:** Yeah Yeah! FBI checks are very revealing. What we generally do to protect the people about whom we learned certain things is to allow them to withdraw their names from consideration, telling them we would do it, but giving them time to get out of it with a little dignity. In the past when I got here they used to drag it out for some reason, I don't know why, but the counsel's office and others –uh, my theory, when you learn something like this, the best thing to do is to get it over with. I don't know that we've done it in all cases, but I can remember a few instances where it was awfully painful, with senators interested and others, and so forth and I would have to go up and explain it to the senator. The contents of many FBI reports were not disclosable but I always found that speed and clarity and honesty in these instances was a hell of a lot better than trying to wish it away or make believe.

**Allen:** There were a couple of famous instances, I don't remember the names now, but were you involved with any of the district attorneys on the west coast? Wasn't there one particular...

**Miller:** Yeah, very much.

**Allen:** What was the name?

**Miller:** Herman Sillas, spelled S-E-I-O-S [sic]. Yep, now that is a very interesting question. The Herman Sillas affair is one where I think in the end we really did the right thing but the process by which we arrived at that decision was a torturous one.

**Allen:** Do you have time to discuss it?

**Miller:** Yeah, this is worth recording, I suspect. Herman Sillas was a well respected member of the Chicano community in California, had served as a, maybe a member of the legislature at one point and then ran for Secretary of State and was defeated. He was appointed by Jerry Brown as the Commissioner of Motor Vehicles. After his appointment, he was appointed by this President as the U. S. Attorney in Sacramento. We had approached him a number of times about other positions in the administration because he was a highly respected and talented Chicano and we frankly didn't have a large pool of people we were willing to choose from, so we often approached him about jobs. I asked him if he was interested in being the head of UMTA [Urban Mass Transportation Administration] at transportation, the IG [Inspector General] at transportation, the Associate Director for Management at Action, years ago at the beginning of the administration. And then the Attorney General asked him about his interest in heading up the Immigration and Naturalization Service, as well as the position I had recommended to the Attorney General be established, that of Associate Attorney General that would have live authority over the INS, the Civil Rights Division and a couple of other parts of the Justice Department, U. S. Attorneys. Sillas agreed to the INS

job, then in the course of the investigation - over the course of the development of the paperwork, allegations developed that he had received a bribe. So Herman Sillas was a ...

**Allen:** You had just been appointed – you said, accepted the offer and the paperwork...

**Miller:** Accepted the offer of the Attorney General and in the course of developing the paperwork it was discovered – there were some allegations that he had taken, allegations that were made by a convicted con man currently in prison in California that the con man had offered a bribe to Sillas while Sillas was a candidate for Secretary of State. In exchange for that money, Sillas was supposed to have agreed to restore the license of this con man to sell used cars, as I remember. Sillas claimed that these allegations were a lie, were false, that the story was so false on its face that he found it impossible for it to have made any sense. How could he have taken a bribe while a candidate nine months before he got the job, nine months before he even knew he would have the job of Commissioner of Motor Vehicles, while he was still running for office of Secretary of State without any - when no one, including the Governor, the Governor's assistant, etc., had any inkling that he would become the Commissioner of Motor Vehicles, and therefore be in a position to respond to this man's bribe. A variety of other facts were ...

**Allen:** Let me stop. (End of tape side 1)

**Miller:** A variety of other facts seem to have made the allegations untrue. The problem was that Sillas took a lie detector – the problem was that the con man in prison passed a lie detector test, Sillas failed a lie detector test when he denied that he had ever taken a bribe. He insisted that there was something wrong with the lie detector test and asked for a second one.

**Allen:** Was it an FBI test?

**Miller:** It was given by the chief polygrapher for the FBI. The polygrapher administered a second test and Sillas failed that second test. The convict *passed two* more tests, as I remember, Sillas still protesting his innocence. Sillas went to a lawyer who found him an expert polygrapher, in fact, the head of the American Polygraph Association and this man reviewed the findings of the FBI polygrapher and found the procedures to be wanting, the procedures used in administering the test and therefore the conclusions to be suspect. Sillas then took another lie detector test, administered by this man, the head of the American Polygraph Association, and passed finally. He passed the test, I don't think that the convicted con man ever failed a test, he was still passing his out in the prison out there, but he was a *con* man and so it is understandable perhaps that he knows how to lie and get away with it. And Sillas was protesting with such vehemence that I felt he was being wronged, just my gut feeling. He came to Washington and held a press conference which I felt was ill-advised the day before he thought that the decision – oh, I think there's more to the story.

A long detailed investigation had been conducted by the counsel's office here, by Lloyd Cutler reviewing the findings of the Justice Department. Justice wanted blood, they wanted him thrown out, they felt that they were convinced that he was guilty, that he was impugning the reputation of the office of U. S. Attorney, that nothing could be done up there and he had to be fired. We didn't deny that he should be fired IF in fact it was clear that he was guilty. When he passed that lie detector test, there were other things where he had been denied the right to confront his accuser, to review the material, we made those available, Lloyd did that, afforded him every opportunity to present his side of the story. Lloyd and I had agreed that our posture ought to be - we had agreed months and months before the resolution of this thing - that our posture ought to be that if in fact it was ever recommended to the President that he be fired, that no one could say that we weren't fair, that we hadn't afforded him every opportunity, that the process was fair and so we went out of our way, in a sense, to make sure that everything that was reasonable that he had requested we granted. He had a right to review the evidence, he had a right to see the findings, etc., he had a right to take the results of the polygraph exams and show them to some one else.

Cutler was offended because Sillas didn't tell him or anyone else that he took his own test. Cutler was offended because if he had failed that test, he thought Sillas would not tell anybody that he had failed the third test, that he took this test in secret. If we start out with the assumption that here was a man who was convinced of his innocence, who for some reason he didn't understand had failed two lie detector tests already, it became clear that if he wanted to take another test, that he had so little faith in the business of polygraphy, I don't blame him for doing it in secret and not telling anyone, assuming he was innocent. And so I wasn't offended. Cutler was.

**Allen:** He held the press conference.

**Miller:** Thank you. He held this press conference at which he attacked the Justice Department for railroading him out, expressed appreciation to the President, to the White House for the due process and the fairness with which this whole thing had been carried out and refused to resign. "If the President wants to fire me, he can fire me." Then he got back on a plane, didn't talk to anybody here in the White House that I know of, got back on the plane - I know he didn't talk to me or Cutler - and flew back to California. Held a press conference here in Washington, came in one night, held a press conference the next day, got back on a plane and flew back out, expecting to be fired. Cutler and I spent a lot of time agonizing over the details, the language of his report to the President. We fought over words bitterly for days on end, back and forth, and I was like a bulldog in its cup.

I felt so strongly about this. We were lucky in that Sillas was represented by a lawyer in the firm of Seth Hufstedler, Shirley Hufstedler's husband. Seth had for some time decided to stay out of the case because of the appearance of conflict because of his wife. But for some reason, Seth was in town, the other lawyer was away, and the decision was imminent and Seth agreed to come over to talk about it. Seth, too, pointed out in that session that we were in danger yet of destroying the reputation of someone whose guilt

was far from clear and whom he felt might think had been wronged. Well we ended up with a decision that I think I got what we wanted which was language which said that no proof had been established as to this guy's guilt. The Justice Department was insisting on language which said that nevertheless, because he had failed several lie detector tests, had not told anybody about the third lie detector test that he had taken, because the accuser had passed all these lie detector tests, because of this, that, and the other that he was guilty, that – no – that a cloud of suspicion survived which made it impossible for him to continue as the United States Attorney.

We agreed that he shouldn't continue as the US Attorney. Everybody, including Sillas, agreed but we felt it essential, I felt it essential and Cutler finally agreed and Jack was supporting me every inch of the way in this – every inch of the way - that the allegations were not proven, that the allegations were insufficient to prove his guilt. And so, what was a very messy situation under any circumstances resulted in at least our ability to let him leave with some shred of dignity left. That he was, that here we had reviewed the matter and had concluded that, and I think correctly concluded and everyone agreed, the resistance I think from Cutler was over the pressure from the Justice Department that was convinced, the Justice Department ... there were people there who were convinced that this man was a crook. So we ended up with a solution which gave him some little bit of dignity. He resigned. We were, of course, accused of politics. The fact that he was a leader in the Chicano community is important, was important. But I think the motivation of those of us who were involved was not only the political implications, but as importantly, I know personally, I would wake up in the middle of the night thinking about this guy's reputation being shattered and so in the end I think we did the best we could there to salvage some of that. I have never spoken to him, I never spoke to him during that, I don't even know that he knows how much I had to do with it or what, but I never spoke to his lawyers, although I didn't even tell his lawyer. It was all done just between Lloyd and I without, I didn't want to air it to outside people, because I wasn't looking for any public discussion of it. But I haven't talked to him since. I don't know what he is doing, I don't know whether, in fact, it mattered, whether he has been able to salvage his reputation, but I hope so.

**Allen:** That's a great story to get on tape.

**Miller:** Yeah, it is a nice story.

**Allen:** Is there anything else? I've come to the end of my questions. Is there anything else you'd like to add?

**Miller:** Well,

**Allen:** Some story, some personal thing that won't be in the paper records that you would just like to have on the record?

**Miller:** Well, I think, I haven't thought much about this, I think, the immediate thing, immediately I am somewhat distressed that across the government, not only in terms of

this office, but across the government that this new administration's reluctance to seek advice from any of us about what we've learned and how things can be done better, whether they take the advice or not, they ought at least to have the--I think we were probably like that at the beginning of this administration, too. Did you come with us or were you here before?

**Allen:** I was here, I've been here during Ford.

**Miller:** Were you here before '86? Will you stay through this...

**Allen:** That's uncertain.

**Miller:** I'm just surprised at the sort of lack of professionalism which some of these new people have. I think probably people like Cap Weinberger and Frank Carlucci will be better than people like Baldrige or Donovan who are new to town and new in this business, but I am disappointed at the failure of the new people to take the time to listen to the experiences of and I hope that when we come back, we, even though we may disagree with some of the people who are going to be in power, that we take the time, at least, to talk to them about what they've done and what we can learn.

**Allen:** There was an article in the paper this morning; somebody told me that Pendleton James was probably going to be named to be the Director.

**Miller:** Yeah, he will. He's been over, but not at my invitation or not even - I mean I would be happy to show him around. I met with his deputy, some other staff people came over. And he was over the other night. I hadn't left yet and he came to visit the offices, so it appears that he is going to have this job. I hope he doesn't continue to have some staff - never mind.

**Allen:** Is there any - if you had to pass on one thing you learned to someone, what would you pick?

**Miller:** *Don't succumb to pressure!* Trust your instincts. I mean the answer is not the political solution. When I can think of an appointment to a regulatory board that was very important to a particular senator and we decided against it and told the senator we had because he, the person he was recommending, just differed from us philosophically on the issues that would come before this regulatory commission. The senator didn't want to hear it, didn't care, had not asked for much, was very important to us politically, had in fact recommended someone who was a very talented bright person but who was just wrong on the issues. I said "no" and it just cost us an unbelievable amount of hell for months and I finally succumbed to the pressure of some of the Congressional Liaison people who were carrying the message from this guy. And this guy was enormously important to us on issues up before the Senate but probably would have voted the way he voted regardless and so I think the pressure, while it was intense, probably didn't have that much to do with his own behavior. On the other hand, our own, a major part of our policies with respect to a big part of the economy are in jeopardy now because of a very

delicate four-three balance on the commission that isn't predictable anymore. Obviously now the new people may want to change all that but I think that the bottom line is "don't forget that when there is a purpose to it all, that purpose ought not to be ignored or neglected when you decide and that's coming from a politician." While I am a politician and I think have a pretty good feel for what give and take is essential, the intensity of the heat ought not to be the way in which a decision is made. It's a good job, a fun job, best job I'll ever have.

**Allen:** Where are you going now?

**Miller:** I don't know. I've got to go find a job.

**Allen:** Are you going back to your...

**Miller:** No, I won't go back to my firm. I won't go back to that business, so I've got to find something. I'm looking either in New York in Wall Street or perhaps here. I want to run a company or do something in finance or

**Allen:** So you are not necessarily staying in recruitment?

**Miller:** No, I don't think I will, probably won't. I could I guess but

**Allen:** You've had an unusual situation in that you've been married to a very high level person in this administration, too: Margaret McKenna. How has that affected you or affected your job? Has it made awkward moments?

**Miller:** Yes, it has, often. Currently, she was here in the White House long before I came, was the Deputy Counsel to the President, has her own career and her own reputation and believe it or not, when we got married, she went from Margaret McKenna to Arnie Miller's wife and became for a number of people in the government and in the press, no longer a person in her own right, but the wife of the Personnel Director, so when she decided to leave the White House and go, when Lipshutz left and Cutler came in, and go out into an agency, she suddenly became the wife of the Personnel Director.

While she had been here a year and a half before me, had her own reputation, had her own relationships. When she applied or indicated an interest in a job in one agency, and had, I guess, Hamilton and Watson called over for her for that particular secretary. There was a cheap story, I remember, that an AP reporter did which talked about the wife of the Personnel Director who recommended her for a particular place ignoring her and so when she did go over to Education, not the department that was involved in this first instance, she again had to almost prove herself as a person of independence and not someone that the White House and White House personnel office said "No, she didn't." I kept out of it as scrupulously as I could and Jack represented the administration I guess in that of course but it was something I didn't talk to Hufstedler at all about. But on one occasion she started to talk to me and pointed up the stupidity of not talking about it, but I said I'd just prefer not to and she agreed.

**Allen:** It has been awkward.

**Miller:** So sometimes it is awkward. She is now interested in her own professional development and it would be very logical, the logical choice for one of the very few remaining advisory committees. I've told her I didn't think she should apply, because it would be embarrassing for me. She thinks that is unfair, because it would be embarrassing to me. Because I know that whatever the reality is, the perception is going to be that the Personnel Director gave his wife one of the last remaining appointments. So I tried to stay out of that and left that to Jack. I don't think it's possible or believable, but so on occasion, because of the nature of *my* work, not *her* work, my work as the person who ultimately makes the recommendations to the President about what to do in the change of job situation it has been difficult. But overall, I think, we may go talk about it. She has discussed the idea; thrown out, lectured about it at least as spouses would do, but we share the upbringing of our new son and have a lot of fun doing that. She takes him to work sometimes; I take him to work sometimes, that sort of thing.

**Allen:** Thank you.

**Miller:** You're welcome.

**Allen:** I appreciate your time.