



OFFICE OF
THE CHAIRMAN

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON 25, D. C.

August 12, 1953

TO DIVISION HEADS AND REGIONAL ADMINISTRATORS:

There is attached for your information a copy of a letter dated August 6, 1953 from the President to the Postmaster General. Edward T. Tait, Director of the Division of Administrative Management, James J. Riordon, Budget and Fiscal Officer, and the undersigned were given a copy of this letter today at a conference at the Bureau of the Budget to which we were summoned. Your attention is particularly directed to the last two paragraphs of the letter which should be considered as in the highest degree mandatory.

I have received from the Division Heads and Regional Administrators, in response to my memorandum of July 14, 1953, helpful comments on our budgetary situation. Generally speaking, however, the response was to the effect that the patient's diet had already been cut to the minimum caloric content necessary to survival. In the face of the stern directive from the Administration, however, I feel it incumbent upon me to urge upon you a critical review of the functions which your own particular office is performing. In other words, if you are unable to do your present job on less money, will you please examine the components of the job to determine:

- (a) What, if any, non-essential, non-statutory or purely discretionary functions you are performing;
- (b) What non-essential paper work can be eliminated;
- (c) What simplification can be made in unnecessarily cumbersome methods of procedure.

I realize that the foregoing is a very general type of direction, but I'm sure you will understand it.

We already have under active discussion with the Division Heads in the Washington office the subject matter of the last paragraph. I would appreciate, however, receiving from the Regional Administrators such concrete suggestions as they might have on the subject which had not already been covered in the letters in response to the July 14 memorandum referred to above.

Ralph H. Demmler
Chairman

THE WHITE HOUSE

Washington

August 6, 1953

Dear Mr. Postmaster General:

Ever since the date of Inauguration, every member of this Administration has been dedicated to the purposes of efficiency and economy in government. Now that Congress is adjourned, it is time to attack the problem with renewed vigor. It is absolutely essential that you begin immediately to take every possible step progressively to reduce the expenditures of your Department during the fiscal year 1953.

In addition to this action, you will be expected to make substantial reductions in your requests for new appropriations and in the level of your expenditures for the fiscal year 1955, beyond those already indicated for the fiscal year 1954.

It is imperative that you emphasize a critical review and maximum feasible reductions of expenditures in areas which have attracted the attention and concern of the Congress and of the public as possible sources of waste, inefficiency, duplication, and excessive or non-essential costs.

Every level of the staff of your Department should be made aware of the necessity for doing this and of the importance of their cooperation as a vital part of its accomplishment.

Sincerely,

Dwight D. Eisenhower

The Honorable Arthur E. Summerfield
Postmaster General
Washington, D. C.

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