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THE PRESIDENT'S COMMITTEE ON
GOVERNMENT CONTRACTS
Washington 25, D. C.

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October 5, 1953

The Honorable
Allen W. Dulles
Director
Central Intelligence Agency
2430 E Street, N. W.
Washington, D. C.

Dear Mr. Dulles:

As you may know, I am currently serving as Chairman of the Government Contract Committee established by the President under the provisions of Executive Order 10479. A copy of this Executive Order and a copy of a letter which I recently received from the President are enclosed.

I am certain that you must share my desire to cooperate to the maximum extent in implementing the President's non-discrimination policy. You will note that in Section 2 of the aforementioned Executive Order, the head of each contracting agency is directed to take appropriate measures, including but not limited to the establishment of compliance procedures, in carrying out his responsibility for obtaining compliance with the non-discrimination provisions of contracts executed by his agency.

In order that the work of the Committee may be most effectively advanced, I would appreciate your advising me at your earliest convenience, the measures contemplated by you to comply with the Government's non-discrimination policy. We are particularly interested in being informed of compliance machinery currently in effect or being instituted to enforce the non-discrimination clause in your contracts.

If you should desire to confer on this matter with the Committee staff, Mr. Jacob Seidenberg, Executive Director, is available. Mr. Seidenberg may be reached at Executive 3-2420, extension 1570.

We look forward to hearing from you.

Sincerely yours,

/s/ Richard Nixon

Richard M. Nixon
Chairman

Enclosures 2

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The Vice President today read the following letter from the President of the United States at the first meeting of the President's Committee on Government Contracts:

"Dear Dick:

I am delighted that you will be able to serve as Chairman of the President's Committee on Government Contracts. Your talents, experience and dedication and those of your new colleagues, will assure the success of this important project.

You know the purpose of the Committee: the Executive Order which I have issued fully describes its official assignment. To that Order, however, I should like to add two observations:

First: I want to emphasize the broad significance of your Committee's activities. We as a nation proudly profess our determination to support everywhere the values of democracy and to combat courageously all threats to them. We know, however, that there are those in the world who doubt our fidelity to the ideal of human brotherhood. Both as answer to that doubt and proof of our own faith, we are called to practice the principles of equality that we preach.

Second: I want to reiterate that the establishment of this Committee does not relieve the operating officials of the Executive Branch of the Government of their own very solemn responsibilities in this field. I have asked the members of the Cabinet and the heads of the independent agencies to send to all officials with procurement responsibilities a copy of our new Executive Order and to explain that they will be expected to take the initiative in giving daily meaning to the Government's non-discrimination policy.

On no level of our national existence can inequality be justified. Within the Federal Government itself, however, tolerance of inequality would be odious. What we cherish as an ideal for our nation as a whole must today be honestly exemplified by the Federal establishment.

I know that you and your Committee share this resolute purpose. I know that you will succeed in achieving it.

Sincerely,

(Sgd) DWIGHT D. EISENHOWER"

EXECUTIVE ORDER

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ESTABLISHING THE GOVERNMENT
CONTRACT COMMITTEE

#10479

WHEREAS it is in the interest of the Nation's economy and security to promote the fullest utilization of all available manpower; and

WHEREAS it is the policy of the United States Government to promote equal employment opportunity for all qualified persons employed or seeking employment on government contracts because such persons are entitled to fair and equitable treatment in all aspects of employment on work paid for from public funds; and

WHEREAS it is the obligation of the contracting agencies of the United States Government and government contractors to insure compliance with, and successful execution of, the equal employment opportunity program of the United States Government; and

WHEREAS existing Executive orders require the government contracting agencies to include in their contracts a provision obligating the government contractor not to discriminate against any employee or applicant for employment because of race, creed, color, or national origin and obligating the government contract to include a similar provision in all subcontracts; and

WHEREAS a review and analysis of existing practices and procedures of Government contracting agencies show that the practices and procedures relating to compliance with the nondiscrimination provisions must be revised and strengthened to eliminate discrimination in all aspects of employment:

NOW, THEREFORE, by virtue of the authority vested in me by the Constitution and statutes, and as President of the United States, and pursuant to the authority conferred by and subject to the provisions of section 214 of the act of May 3, 1945, 59 Stat. 134, (31 U.S.C. 691), it is ordered as follows:

Section 1. The head of each contracting agency of the Government of the United States shall be primarily responsible for obtaining compliance by any contractor or subcontractor with the said nondiscrimination provisions of any contract entered into, amended, or modified by his agency and of any subcontract thereunder, and shall take appropriate measures to bring about the said compliance.

Section 2. The head of each contracting agency shall take appropriate measures, including but not limited to the establishment of compliance procedures, to carry out the responsibility set forth in section 1 hereof.

Section 3. There is hereby established the Government Contract Committee, hereinafter referred to as the Committee. The Committee shall be composed of fourteen members as follows:

(a) One representative of the following-named agencies to be designated by the respective heads of such agencies: the Atomic Energy Commission, the Department of Commerce, the Department of Defense, the Department of Justice, the Department of Labor, and the General Services Administration.

(b) Eight other members to be appointed by the President, The Chairman and Vice Chairman shall be designated by the President.

Section 4. The Committee shall make recommendations to the contracting agencies for improving and making more effective the nondiscrimination provisions of government contracts. All contracting agencies of the Government are directed and authorized to cooperate with the Committee and, to the extent permitted by law, to furnish the Committee such information and assistance as it may require in the performance of its functions under this order. The Committee shall establish such rules as may be necessary for the performance of its functions under this order, and shall make annual or semiannual reports on its progress to the President.

Section 5. The Committee may receive complaints of alleged violations of the nondiscrimination provisions of government contracts. Complaints received shall be transmitted by the Committee to the appropriate contracting agencies to be processed in accordance with the agencies' procedure for handling such complaints. Each contracting agency shall report to the Committee the action taken with respect to all complaints received by the agency, including those transmitted by the Committee. The Committee shall review and analyze the reports submitted to it by the contracting agencies.

Section 6. The Committee shall encourage the furtherance of an educational program by employer, labor, civic, educational, religious, and other voluntary non-governmental groups in order to eliminate or reduce the basic causes and costs of discrimination in employment.

Section 7. The Committee is authorized to establish and maintain cooperative relationships with agencies of state and local governments, as well as with non-governmental bodies, to assist in achieving the purposes of this order.

Section 8. The government agencies (except the Department of Justice) designated in section 3 (a) of this order shall defray such necessary expenses of the Committee as may be authorized by law, including section 214 of the act of May 3, 1945, 59 Stat. 134 (31 U.S.C. 691); provided that no agency shall

supply more than 50% of the funds necessary to carry out the purposes of this order. The Department of Labor shall provide necessary space and facilities for the Committee. In the case of the Department of Justice the contribution shall be limited to the rendering of legal services.

Section 9. Executive Order No. 10308 of December 5, 1951 (16 F.R. 12303) is hereby revoked and the Committee on Government Contract Compliance established thereby is abolished. All records and property of the said Committee are transferred to the Government Contract Committee. The latter Committee shall wind up any outstanding affairs of the abolished Committee.

THE WHITE HOUSE

August 13, 1953.

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23 October 1953

MEMORANDUM FOR THE RECORD

SUBJECT: Conference with Executive Director of President's Committee on Government Contracts

1. A meeting was held at the Department of Labor on 22 October 1953 between Mr. Jacob Seidenberg, Executive Director of the President's Committee on Government Contracts, and Mr. Rucker, Deputy Executive Director, and the undersigned.

2. We opened the meeting by saying that we had been asked to confer with Mr. Seidenberg following the suggestion made in the Vice President's letter of October 5, 1953, and that we were anxious to get the benefit of the Committee's views in preparing Agency procedures to comply with the Executive Order.

3. Seidenberg stated very forcefully that the full weight of the Administration was behind the non-discrimination policy and the work of the Committee, and that there was no "window dressing" involved. He said the Committee's work stemmed from the work of the previous committee to some extent; however, the previous committee had accomplished little because it failed to insist that each agency establish enforcement machinery of its own. The present Committee, on the other hand, he said, would require each agency to have enforcement procedures and the Committee would review these procedures.

4. Seidenberg said that the Committee had no direct enforcement authority of its own, but that its functions were to make certain that each agency establishes enforcement machinery, to review this machinery, and to advise on carrying out the non-discrimination policy.

5. Throughout the discussion both Seidenberg and Rucker emphasized that the Administration policy was to put pressure on each agency to devise compliance machinery, but not to coerce the contractors. Enforcement as far as the contractors are concerned is to be by persuasion, or the veiled threat of withholding future business, rather than by more drastic means which might involve a court test of the constitutionality of the non-discrimination clause. Specifically, Seidenberg said that he did not recommend termination of an existing contract on the grounds of breach of the non-discrimination clause, or even the requiring of a certificate of compliance at the termination of the contract. Such a certificate, he said, would be too strong a measure in view of the penalties for making a false certificate to a Government official.

6. We then outlined briefly our procurement activity. We said that approximately 50 per cent of the Agency's purchases, in dollar value, were made through other agencies of the Government; also, that in numerous instances contractors with the Agency have contracts of much greater size with other

Government agencies. We also said that, as we had informed the predecessor committee, we did not believe that the size of the procurement program of the Agency justified an inspection and policing staff devoted exclusively to enforcing non-discrimination clauses. Seidenberg, after emphasizing that he did not want to commit himself or the Committee, indicated that he would not expect us to have such an inspection and policing staff. He then outlined the following steps which he thought might constitute compliance with the Presidential Order (again he emphasized that these were merely suggestions, and that it was up to each agency to develop its own enforcement machinery):

a. A high official of the Agency be made responsible for all matters of compliance with non-discrimination clauses, to whom all complaints would be immediately routed.

b. Instructions be issued that all contract negotiators emphasize the importance of the non-discrimination clause at pre-contract discussions with the contractor.

c. A letter, signed by a higher official than the contracting officer, be addressed to the president or other responsible officer of each contractor, emphasizing the importance of compliance with the policy.

7. We suggested that if we received any complaints, our first action would be to notify the Committee and ask them for their advice. Seidenberg agreed with that, but again emphasized that the Committee would give advice only.

8. Seidenberg said that there were many state and municipal committees on non-discrimination, some of which were good and some bad, and that the good local committees would be extremely helpful in informing an agency whether or not a given contractor was, in fact, discriminating. He said his Committee could give us advice on which committees were reliable.

9. Seidenberg suggested that we should confer with the Atomic Energy Commission and General Services Administration, as they had had a wide experience in this field. He also said that the Atomic Energy Commission had employed a consultant, Joseph Loman, Professor of Sociology at Chicago, when they were setting up their compliance procedures and regulations.

10. Seidenberg suggested that we should answer the Vice President's letter by an interim reply, and that the Committee did not expect our Agency to have a fully worked out set of regulations and procedures on non-discrimination at this time. He further said that he would be pleased to go over a draft of our regulations and procedures before they were finally adopted and give us any recommendations which he might have on them.

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Logistics Office

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CENTRAL INTELLIGENCE AGENCY

WASHINGTON 25, D. C.

OFFICE OF THE DIRECTOR

The Honorable Richard M. Nixon
Vice President of the United States
Washington, D. C.

Dear Mr. Vice President:

This will acknowledge receipt of your letter of October 5, 1953, concerning the President's Executive Order 10479 which sets forth the Government's non-discrimination employment policy and the responsibilities of each agency in carrying out this policy.

As suggested in your letter, two members of my staff recently discussed the whole question at length with Mr. Seidenberg and Mr. Rucker who made many helpful suggestions. Regulations and procedures are being prepared along the lines discussed.

Of course, all contracts entered into by this Agency contain the standard government non-discriminatory clause except in instances which make its use inadvisable for security considerations.

As soon as I have reviewed my staff's final recommendations developed as a result of the above-cited conference, I shall advise you of the measures we propose to take in order to carry out this Agency's responsibilities under the President's Executive Order.

Sincerely yours,

ALLEN W. DULLES