

January 15, 1968
Monday – 12:30 P.M.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Chairman, Securities and Exchange Commission

The current five-year term of Manuel F. Cohen expires on June 5, 1968.

Cohen was appointed as a member of the SEC by President Kennedy on October 7, 1961 to fill the unexpired term of Edward Gadsby. He was reappointed to a full five-year term by President Kennedy on March 16, 1963. You designated him Chairman of the Commission on August 6, 1964 upon the resignation of William Cary.

The other members of the SEC are:

Hugh F. Owens, 58, Democrat of Oklahoma, whose term expires June 5, 1970

Francis M. Wheat, 46, Democrat of California, whose term expires June 5, 1971

Richard B. Smith, 39, Republican of New York, whose term expires June 5, 1972

Hamer H. Pudge, 58, Republican of Idaho, whose term expires June 5, 1969

Cohen, 54, is listed as a Democrat from Maryland. He is a career professional with long experience in the SEC. His post is a Level III, with a current salary of \$29,500.

I have informally ascertained Cohen's future interest. Some of his friends and admirers have advanced his name for the vacancy on the Court of Appeals in the District of Columbia. He would be interested in this appointment but understands that, in all probability, it has been committed to somebody else.

While being interested in a judicial appointment in the second level, Cohen continues to be strongly committed to your Administration, the SEC and its progress. He is pursuing a number of legislative and administrative reforms which he hopes to consummate during the coming year. He would happily and readily accept reappointment. He believes that, if it is your desire to do so, it would be advantageous to announce your intent at a relatively early date to strengthen his hand in promoting his program and to snuff out the inevitable rumors that accompany the impending expiration of a regulatory agency chairman's term.

Cohen is highly respected and a strongly effective member of your Administration. His record of performance has been affirmative and in line with your objectives. While pursuing a strong line on regulation, he is acknowledged to be fair and tolerant in his

relationships with the regulated industry. He has managed to make reform palatable without being oppressive. He is a consumer's man who recognizes the importance of the market place. From all I am able to gather, he has guided a controversial program for nearly four years without generating hostilities.

I recommend your consideration of his reappointment for another term and the announcement of your intention within the next 30 days to assure his maximum effectiveness in 1968.

John W. Macy, Jr.

Agree with your recommendation: _____

Hold off for a while: _____

Discuss with me: _____

cc: Mrs. Helen Hill, Mr. Falcon, Files

JWM:ap