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President Fleming, . . . , ladies and gentlemen, first let me convey -- to the extent that spoken words can do so -- my sense of gratitude for this act of recognition. I am deeply touched. In one of his cheekier moments, H. L. Mencken wrote that honorary degrees were appropriate tokens for bankers, company directors, college professors, Presidents of the United States and "other such riffraff." Thank you for including me among the riffraff!

- I -

The other day, I asked a thoughtful graduate student what I could usefully say to an audience of his peers. He replied: "Offer them jobs."

That's fair enough. At this stage in your lives, after years of rigorous preparation, you are entitled to have jobs on your minds. Yet it was just a few years ago that college graduates were marching to the tune of an entirely different drummer, one beckoning them to drop out and tune in to some cosmic rather than worldly order.

It is, I understand, no longer in fashion to use pharmaceutical wonders for creating private experience and avoiding the challenge of public experience. I regard that as good news. Good news for me, for it provides me less opportunity to feel old fashioned. But also good news for the country, because your generation has the pragmatic determination that the times so obviously require. The United States faces down-to-earth problems of enormous complexity. It is now your turn to help solve them.



- II -

The effects on this nation of slowing economic growth and, more recently, of unprecedented inflation, have created wholly new patterns of inefficiency and discrimination. There has rarely been a time when the art of governance was more demanding. And equally certain, there has never been a time when those that govern have found it so hard to deliver . . .

Our national security is being threatened by gluttonous energy consumption and an excessive dependence on imported oil. Yet we creep at a snail's pace toward a national energy program.

Our welfare system is wasteful and inefficient. Yet we are unable to enact a program of reform.

Our economy is stifled by government interference, putting in question our ability to compete in international markets. Yet we find it nearly impossible to provide urgently needed relief.

Government bureaucrats enjoy a system of job security that would turn even the most fervent defender of academic tenure pale with envy. Yet it is like moving mountains to enact civil service reform.

We seem wedded to a haphazard system of social services. A welfare widow with children must check with 11 different Federal agencies to obtain help. Yet even to mention improving the efficiency of these systems raises an ideological furor. For some, efficiency is seen as an assault on free enterprise; for others, an assault on the New Deal. The result is stalemate -- which is a continuing assault on common sense.

A final example: We labor under a patchwork of government regulations that too often impose excessive costs, stifle competition, or simply drive us to distraction with their irrelevance. Estimates of the cost to our economy of Federal regulations range from \$60 billion a year to well over \$100 billion. Just filling out Federal reports costs businesses \$25 to \$32 billion a year. Yet we do very little to budget these enormous costs or to measure them against the benefits they yield.

Small wonder that some are fast losing faith in our economy and that many are uncertain about the future and about our ability to cope.

What has gone wrong? Why can't we make simple, logical and basic reforms whose necessity is obvious to any well-informed person?



The problem is not with our aspirations and intentions. But it is simply not enough that our intentions are good. In fact, American government today suffers from a surfeit of good intentions -- a great confusion of benevolent impulses, all running up against each other.

What is missing, in practically every area of policy, is the institutional discipline to sort out the conflicts and move in a single direction.

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This is in part because government is too big. But only in part. The matter is more complex and dynamic. Government is not only enlarging itself but growing ever more skillful at tying itself in knots.

In a perceptive lecture entitled "An Imperial Presidency leads to An Imperial Congress leads to An Imperial Judiciary," Senator Moynihan sets out what he terms "The Iron Law of Emulation:"

When any branch of government acquires a new technique which enhances its power in relation to other branches, that technique will soon be adopted by those other branches as well.

The Executive Branch was the original sinner here. The new alphabet agencies of the 20th Century learned how to promulgate laws and try cases through the regulatory process, becoming three branches in one.

But the imperial impulse has now spread to the other branches. The managerial role of the Congress in almost all aspects of policy making (and unmaking) has become more nearly equal to that of the Executive.

The Congress, for example, creates a Congressional Budget Office to rival the Executive's OMB.

The Congress acquires an Office of Technology Assessment to parallel the President's Office of Science and Technology Policy.

In the office of every Congressional member and committee, there has been an explosion of advisors and experts, to match the specialists in every Executive agency.

The list of analogous functions is very long.

The result is Congressional bureaucracy, which our forefathers would have thought a contradiction in terms. A recent report stated that The Senate budget for FY 1978 will be greater than the budgets of 74 countries. As for the House, \$282



million will be spent this year merely to manage the affairs of its 435 members: about \$650 thousand per member. In the Senate alone, the number of committees and subcommittees has increased by 50 percent in the last 15 years.

All this added help has failed to make life easier for the Congress. Quite the reverse. In the first session of the 85th Congress -- 20 years ago -- there were 107 votes in the Senate and 100 in the House. In the first session of the current 95th Congress there were 636 in the Senate and 706 in the House. A Congressional study committee in 1977 found that for one-third of their day, Members of the House were supposed to be in at least two places at the same time. This is a good way to keep one's waistline down, but it is otherwise an exhausting regime and hardly a good way to ensure sound decisions.

Government by frenzy is not a problem for Congress alone. It is now expected that a Cabinet member be equally ubiquitous. In the 20 months that I have been Secretary of the Treasury, I have made 56 formal appearances before Congressional committees. Earlier this year, I was scheduled to testify eight times in eight consecutive working days, sometimes before more than one committee on the same day. In addition, my staff spends much of its time preparing for Congressional testimony by top Treasury officials.

The impulse to grow and aggrandize has also been noted in the judiciary. This is largely alien ground for me. So I leave you with just one small poem crafted by my friend George Ball. This might best be entitled "Lament for the Tennessee Valley Authority" or "Ode to the Snail Darter":

Wee, cowering snail darter  
You need not be martyr  
To the woes of Jimmy Carter  
For the Court with all its power  
Will protect each fish and flower  
From the Ultimate damnation  
Caused by power dam escalation  
As our shrinking oil ration.  
Terrifies the whole darn nation!

Within the Executive Branch itself, every interest group and idea has acquired its own department, agency, or office. As a result, no single official can do anything, even the smallest thing, without an exhaustive round of consultations and inter-agency meetings. In this regard, the Executive has evolved into a mini-legislature. Decisions are of necessity made -- or not made -- through a process of endless talk and compromise and consensus.

A system of checks and balances? Yes. But the kind of check that comes to mind is that used in ice hockey. With elaborate, conflicting bureaucracies in place and growing in each



branch of government, the result is often an abrupt cutting off of forward progress. A systemic stalemate is imposed on government policy making.

On top of this, the very notion of governmental authority has been eroded: Vietnam and Watergate, Elizabeth Ray and Fanny Foxxe, Koreagate and Tongsun Park. We in Washington are hamstrung by institutionalized skepticism -- some of it good, some overdone. And the loss of confidence is measurable. The idea of government is doing badly in the polls.

- At the end of the 1950's three quarters of the American people thought that their government was "run primarily for the benefit of all the people." By 1976, only 24 percent thought so.
- According to the Lou Harris Poll, the proportion of the population having a "great deal of confidence" in the leaders of major governmental institutions was cut in half between 1966 and 1977.
- A separate Lou Harris survey reveals that, in 1966, 37 percent of the people believed that what they thought "doesn't count much anymore." By 1977 the figure had grown to 61 percent.

Our view of politics has taken on a cynical edge. A New York Times reporter recently asked a Texas farmer if it didn't bother him that his state legislature met for only 140 days every 2 years. The farmer replied: "Shoot, I wish it 'war 2 days every 140 years."

- IV -

I am trying to make two points:

The first point is, I suppose, a defensive one. The Carter Administration is being blamed for a Washington malaise that is largely institutional and goes well beyond the personalities and power of a single Administration.

The Administration is on the cutting edge of a new system of checks and balances with the other branches of government.

The President has been fighting for programs that, in my judgment, make obvious sense: cutting our dependence on imported energy, rationalization of the civil service, tax reform, welfare reform, containment of hospital costs, deregulation of airline fares, wage and price moderation, fiscal restraint and a balanced budget. We have of course made our share of mistakes. But these initiatives have faced heavy weather not because they are flawed,



but because each of them challenges the status quo, runs against the grain of entrenched interests, and requires the system to take decisive action. Over the past decade, we have allowed the system to complicate itself to such an extent that decisive action, of any kind, is nearly impossible in the absence of a dire emergency.

The governing principle today is inertia, and no leader will fare easily who violates that principle.

My second point is observational. "Progress," observed C. K. Chesterton, "is the maker of problems." Our government -- your government -- has sought over time to improve the quality of life for all Americans, to eliminate discrimination and assure that everyone has a chance to develop his or her talent to its full potential. We have made great progress towards these fundamental goals. But a severe problem of management has accumulated in the process. During the forty years since Franklin Roosevelt gave tangible meaning to the Federal government's responsibility for the general welfare, Presidents and Congresses have evolved program upon program to address one aspect after another of the complex problems of poverty and discrimination. Yet, because of the circuitous and controversy-laden way these programs have evolved, many are overlapping, contradictory and self-defeating. Some favor only narrow groups, which now have the political muscle to deny resources to others who need them equally as much or more. Many of these programs need drastic revision. Some must be reshaped to meet radically changed conditions. Others are ripe to be abandoned.

In short, the United States Government is in clear need of consolidation and rationalization. The Carter Administration knows it and is striving to get it done. The American people not only know it, but have begun demanding it. And, our foreign allies are watching us with interest -- and with a high degree of anxiety.

I want to emphasize that putting our house in order, regaining our traditional efficiency, is a responsibility we owe to others, as well as to ourselves. The political destinies of the Western nations are inextricably linked. So, too, are our economic destinies. The role of the United States is unique and unprecedented. We are the defenders of the free world. We are its largest economy and provider of money. We are still its standard of democracy. To the extent we falter, we cripple the hopes of millions beyond our shores.

We would do well to remember that last line of Shakespeare's 94th Sonnet: "Lilies that fester smell worse than weeds." Precisely because of its enormous success in the past, America's responsibility to the future is awesome. We cannot afford to fail. The world cannot afford a paralysis of the American political process.



My young graduate student friend asked me to offer you jobs. You have a job: to make this country work better.

Jack Kennedy, at a similar occasion at Vanderbilt University, said: "the educated citizen has an obligation to serve the public" and "be a participant not a spectator."

The counsel offered by Pericles is even more pointed: "he who holds himself aloof from public life is not quiet, but useless."

The opportunities for useful involvement in government are great. We need bright, energetic policy makers to make the consolidation and rationalization process work, people who are not bogged down by the intellectual baggage of the New Deal, of Keynesianism or Monetarism, of the Vietnam War, of Watergate.

We need political scientists to study bureaucracy and teach us how to make it work.

We need scientists and business men and women to help us discover new sources of economic growth.

We need economists and mathematicians to help us encourage that growth and channel it to productive uses.

We need social workers eager to lift the weak, the poor, and the old beyond welfare to greater self-sufficiency.

Each and everyone of you will have an opportunity to serve in government at some time in your career -- be it in the Executive, the Legislative or the Judiciary. Do it. Don't succumb to the temptation to let others do it for you. Don't succumb to the temptation to run away, to say "to hell with it, a plague on your houses."

America has always been a "can-do" nation. You are the trustees of America's future. The burden is on you to make our government and our nation work.

So much for the good advice of a man deeply touched by the honor you have bestowed upon him. I understand now why the commencement speakers who spoke at me never seemed to quite overcome the temptation to speak forever. But I shall heed the advice given me by my staff as I left Washington to come here. They handed me a note which read as follows: "Socrates was a very wise man. He went around giving people good advice. They poisoned him." End of speech.