

# SOCIAL ADVISERS, SOCIAL ACCOUNTING, AND THE PRESIDENCY

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On September 10, 1970, the United States Senate passed S. 5, the Full Opportunity and National Goals and Priorities Act. Among other things, the bill would have established a Council of Social Advisers in the Executive Office of the President.<sup>1</sup>

The bill was not acted on by the House. However, Senate passage represents significant progress for this measure, which did not even emerge from committee when it was first proposed in 1967 as S. 843.<sup>2</sup> I have re-introduced the bill in the Ninety-second Congress, again as S. 5.

## I

### THE EXECUTIVE OFFICE OF THE PRESIDENT

One might wonder why a United States Senator is so concerned about a structural innovation in the President's office, but I believe that a review of the case for such a Council and of the precedents regarding Executive Office structure will show that Congressional impetus for this is both well-founded and appropriate.

In the twenty-five years since the end of World War II, the Executive Office of the President has undergone radical structural change. This is not readily recognized, perhaps because of the staying power of the two best-known, general-purpose staff units, namely the White House Office and the Bureau of the Budget (now the Office of Management and Budget). Yet these are the only two present units which were in the Executive Office in 1945.

It is also little realized that today's Executive Office contains sixteen separate units, in contrast with four at the end of 1945, and that eleven of the present constituent units have been established or significantly altered in the past ten years.<sup>3</sup> So the

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<sup>1</sup> S. 5, 91st Cong., 2d Sess. § 103 (1970). As originally introduced, the bill would also have established a Congressional Joint Committee on the Social Report, but this provision was deleted. *See* 116 CONG. REC. S15,163 (daily ed. Sept. 10, 1970). Provision for a Congressional Office of Goals and Priorities Analysis was added in Committee. S. 5, § 202. These latter provisions are not discussed in this article, which is intended to focus on the more directly presidential issues.

<sup>2</sup> S. 843, 90th Cong., 1st Sess. (1967). The hearings on this bill were published in three parts in 1968. *See Hearings on S. 843 Before the Subcomm. on Government Research of the Senate Comm. on Government Operations*, 90th Cong., 1st Sess. (1968). Among those participating in these hearings were Dr. Bertram M. Gross, a Political Science Professor, and Joseph Kraft, a journalist, who were early advocates of a Council of Social Advisers.

<sup>3</sup> The White House Office and the Office of Management and Budget, as Executive office units, date back to 1939. Since then the following additions have been made: Council of Economic Advisers (1946); National Security Council (1949); National Aeronautics and Space Council (1961); Office of Emergency Preparedness (1961); Office of Science and Technology (1962); Office of Special Representative for Trade Negotiations (1963); Office of Consumer Affairs (1964); Office of Economic Opportunity (1964); National Council on Marine Resources and Engineering Development (1966); Office of the Vice Pres-

structure of the Office is quite fluid and, increasingly, specialized. It is against this background that the proposal to establish yet another unit—a Council of Social Advisers—must be evaluated.

## II

### WHAT A COUNCIL OF SOCIAL ADVISERS WOULD DO

With the steady evolution of the Executive Office's composition, it seems clear that the question is not *whether* we should consider establishing new units in the Executive Office but rather, which ones, and when. Under my proposal, the Council of Social Advisers (CSA) would be composed of three of the nation's most gifted and respected social analysts (appointed by the President and confirmed by the Senate) and staffed by a number of America's brightest young social scientists. The CSA would be responsible for monitoring, on an on-going basis, specific and actual conditions in the country which affect the "social opportunity" of our people. Developing a system of "social indicators" would be a principal task of the Council.<sup>4</sup>

A chief objective of such an agency would be to enlarge the chances each of our citizens has to develop his potential to the fullest. That is why I have called the proposal the "Full Opportunity Act." Indeed, the bill stipulates, really for the first time in our history, "the opportunity to live in decency and dignity"<sup>5</sup> as a national goal for all of our citizens.

The bill also provides for an annual report of the President on the nation's social status. Requiring the President to report annually on such areas as education, health, housing, alienation, political participation, personal security, and social mobility would do far more than assure the publication of CSA findings and recommendations: It would guarantee such societal knowledge visibility of the sort that only presidential involvement can generate.

It has been asked whether the state of the art in social accounting and the state of the art in the social sciences warrant the formalization in statute of social accounting and reporting requirements. Much of America's turmoil in the 1960's grew out of massive frustration at continuing social unfulfillment. That frustration mysteriously eluded the attention of decisionmakers, in both the public and private sectors, until the time for defusing the bomb had all but slipped away. Tragically, that should never have been the case. For in truth, the real conditions of explosive neighborhoods in Watts, Detroit, Newark, and elsewhere were known—and their implications understood—by a variety of social scientists who not only possessed such publicly-useful knowledge but published it as well.

ident (1969); Office of Intergovernmental Relations (1969); Council on Environmental Quality (1970); Office of Telecommunications Policy (1970); and Domestic Council (1970).

<sup>4</sup> See especially SOCIAL INDICATORS (R. Bauer ed. 1966) for a comprehensive review of the concept of social indicators and social accounting.

<sup>5</sup> S. 5, 91st Cong., 2d Sess. § 101 (1970).

To our collective sorrow, most of those studies remained buried in the forbidding pages of the scholarly journals of a dozen or more academic disciplines, ranging from anthropology to political science. One can only imagine how different the tumultuous decade just ended might have been had there existed then the sort of mechanism for monitoring and reporting social conditions I am proposing.

Thus it becomes clear that the social sciences do have something to contribute to the process of rationalizing public policymaking. The social sciences have demonstrated in recent years both a rediscovered interest in social problem-solving and a dedication to the development of research tools which serve this end.

During the three years that my proposal has been before the Congress, the objective of social reporting has been widely accepted. Both the Johnson and Nixon Administrations have based their opposition on the structural changes proposed by the bill, but they have pledged themselves to further the development of social accounting. In fact, the Department of Health, Education, and Welfare produced in January 1969 a document entitled *Toward a Social Report*.<sup>6</sup> As rudimentary as this pilot effort was, it illustrates that we can begin whenever we are ready.<sup>7</sup>

In the four years since I first introduced the "Full Opportunity Act," a number of individuals and study groups have determined that it is time to establish a Council of Social Advisers and to provide for an annual Social Report. For example, in October 1969 the Behavioral and Social Sciences Survey Committee of the National Academy of Sciences—Social Science Research Council recommended the preparation of an annual social report, initially outside of the government but with the aid of federal funds.<sup>8</sup> The Committee also recommended the subsequent establishment of a Council of Social Advisers. In December 1969, the National Commission on the Causes and Prevention of Violence also recommended that consideration be given to the establishment of such a council and to the preparation of a social report.<sup>9</sup>

### III

#### NEED FOR A SOCIAL ACCOUNTING SYSTEM

A second point which must be made was strongly underscored by the hearings held on the CSA proposal in both the Ninetieth and Ninety-first Congresses. Put succinctly, hunch, intuition, and good intentions have been the heavy artillery of

<sup>6</sup> U.S. DEP'T OF HEALTH, EDUCATION, AND WELFARE, *TOWARD A SOCIAL REPORT* (1969).

<sup>7</sup> The hearings on S. 5 contain testimony and an extensive bibliographic section documenting more fully the state of the art in social accounting. See *Hearings on S. 5 Before the Special Subcomm. on Evaluation of Social Programs of the Senate Comm. on Labor and Public Welfare*, 91st Cong., 1st & 2d Sess. (1970).

<sup>8</sup> NATIONAL ACADEMY OF SCIENCES AND SOCIAL SCIENCE RESEARCH COUNCIL, *THE BEHAVIORAL AND SOCIAL SCIENCES: OUTLOOK AND NEEDS* (1970).

<sup>9</sup> *To Establish Justice, To Insure Domestic Tranquility*, FINAL REPORT OF THE NATIONAL COMMISSION ON THE CAUSES AND PREVENTION OF VIOLENCE 272 (1969).

social problem-solvers, to a far greater extent than anyone has recognized. This point was made most forcefully in the testimony of Mr. Joseph A. Califano, Jr., principal domestic policy assistant in the Johnson White House (and now a supporter of S. 5) who observed, at a December 1969 hearing:

The disturbing truth is that the basis of recommendations by an American Cabinet officer on whether to begin, eliminate or expand vast social programs more nearly resembles the intuitive judgment of a benevolent tribal chief in remote Africa than the elaborate sophisticated data with which the Secretary of Defense supports a major new weapons system.<sup>10</sup>

He also related the experience he had when, in 1965, the Department of Health, Education, and Welfare did not even know the composition of welfare rolls. There was—and still is—the myth that there are vast numbers of able-bodied men receiving welfare.

When the welfare data were finally obtained, almost *two years* later, we learned that of the 7.3 million then on welfare:

- 3.5 million were children
- 2.1 million were women over 65
- 700,000 were handicapped or blind
- 900,000 were mothers of the children
- 100,000 were males who were incapacitated beyond any ability to work or be trained
- and 50,000, less than one-tenth of one per cent, were males who could possibly be called “able-bodied.”<sup>11</sup>

Despite such experiences, the Johnson Administration believed that sufficient progress in social accounting could be made through the existing executive structures. It pointed particularly to the Bureau of the Budget, the Council of Economic Advisers, and the Department of Health, Education, and Welfare. It also thought the Program Planning and Budgeting System, which it had initiated in 1965, would greatly improve analysis of social programs by the operating agencies and the presidential staff.

It is true that efforts to predict and evaluate the effects of social programs have expanded greatly. But we are already suffering from the fact that such efforts are scattered and unconnected.

When the Nixon Administration first assumed office in 1969, it found an elaborate review of the cost-effectiveness of various Economic Opportunity Act programs, which the General Accounting Office had prepared on order of the Congress. Somewhere in the midst of the study were data which ultimately proved disastrous to the Job Corps. The GAO figures showed that the annual cost for

<sup>10</sup> Statement of Joseph A. Califano, Jr., in *Hearings on S. 5, supra* note 7, at 204.

<sup>11</sup> *Id.* at 209-10.

training a Job Corps enrollee ranged between \$6000 and \$8000. They also showed that only sixty-five per cent of participants could be classed as successful.

The central difficulty, from a policy point of view, was one which unfortunately occupied little if any of the time or attention of those who ultimately decided the fate of the Job Corps. Questions there were that deserved to be asked and answered:

Is it really such an outrage to spend \$3000 to \$4000 for six months' training of an urban youngster with a wretchedly deprived background and no future but one most likely to be devoted to crime or waste?

What would it cost society to keep such a person in prison or on welfare?

Given the difficulty of the problem, is a sixty-five per cent success rate really poor, or is it possibly a great achievement?

Most importantly, what other programs were there to use which would offer a higher success rate, a lower cost, or both?

What future might have awaited the Job Corps had questions such as these been asked and answered can only be left to conjecture. For in due course some 17,000 youngsters who had found new hope in the Job Corps fell under the axe of an unusually cruel system of social accounting. Indeed, several months later, the Administration was unable even to locate almost one-half of these young people, though it had promised to transfer them all to other manpower programs.

The danger of piecemeal social accounting was underscored when a number of us in Congress asked for data which would permit a comparative analysis of the Job Corps with a variety of other manpower programs favored by the Administration. Several weeks later the GAO, following repeated congressional inquiries, produced a table which featured the number "2." This was a footnote which said that the data were "not available."

Subsequent experience with alternative manpower programs suggests that the Job Corps was, and is, relatively effective after all. For example, it turned out that there were *no* placement data on the JOBS program, which was initially favored by the Administration. Later, we learned that this was one of the poorest manpower programs, with a success rate of only thirty to fifty per cent. So it would seem that a partial system of social accounting permits, or perhaps encourages, unwise decisions. Now that we have gone so far in measurement and evaluation, I think we dare not stop.

#### IV

##### NEED FOR STRUCTURAL CHANGE

Surely it was at least in partial recognition of this decision-making deficiency in the American political system that, less than six months after having assumed office, President Nixon created a National Goals Research Staff (NGRS) on July 12, 1969.<sup>12</sup> Physically and organizationally located within the White House

<sup>12</sup> Only three days earlier, the Bureau of the Budget had opposed S. 5 on behalf of the Administra-

itself, the NGRS was from the outset over-shadowed by the larger political imperatives which confronted the Administration. Overseeing the work of the NGRS was but one of several responsibilities of a member of the White House staff, Mr. Leonard Garment.

The NGRS was commissioned originally to undertake a comprehensive review of the nation's objectives in the years immediately ahead and to prepare a report each year on the Fourth of July. Ultimately it produced a first, and final, compilation of potential problems which could come to plague the American people.<sup>13</sup> So disturbingly wanting was the report that the *New York Times* observed editorially that it represented a "disappointing evasion of responsibility."<sup>14</sup> Moreover, the *Times* editorial continued,

The 169-page report, plus appendices, which was a year in the making, sets forth neither goals nor priorities. "The Staff did not have a goal-setting function," the report contends. If not, this White House task force was either misnamed or misdirected, or both.<sup>15</sup>

As is so frequently the case with organizational changes not based on statute, the NGRS effort aborted at some critical juncture. Those not privy to the pressures which played upon that small group may never know with certainty either the reason for the project's demise or the point at which it came. Still the experience of the NGRS may be instructive.

The point to be made is simply that the Nixon Administration's early efforts to achieve improved social policymaking have not succeeded. In disbanding the NGRS, the White House announced that its work would be carried on by the new Domestic Council. Thus we have seen two administrations rely, at one time or another, on the Budget Bureau, the Council of Economic Advisers, the Department of Health, Education, and Welfare, a new National Goals Research Staff, and a new Domestic Council to do a job which both agreed needs doing. So the relevant question is, when will such disparate and disconnected impulses be gotten together into some sort of comprehensive, systematic enterprise which has a decent chance for perseverance and productivity?

I am convinced that the day will not dawn when such irrational policy judgments as that involved in the Job Corps illustration are no longer made until America is provided with a new statutorily-mandated governmental structure. This structure must be capable of synthesizing our knowledge in the social area and proceeding directly to obliterate current gaps in that knowledge. Surely the unhappy experience of the NGRS underscores the need for a status which assures

tion, principally on the grounds that a new structure was not needed and would only be duplicative. See Statement of Maurice Mann, Assistant Director, Bureau of the Budget, in *id.* at 144-45.

<sup>13</sup> TOWARD BALANCED GROWTH: QUANTITY WITH QUALITY, REPORT OF THE NATIONAL GOALS RESEARCH STAFF (1970).

<sup>14</sup> *What Goals?*, N.Y. Times, July 21, 1970, at 34, col. 1.

<sup>15</sup> *Id.*

continuity. And no good can come from continuing to make decisions based on the chance availability of unconnected social measurements and evaluations.

So critical is the range of social problems confronting our country today that we can no longer afford the idle luxury of what John Gardner has so eloquently and tellingly termed "stumbling into the future." With a gunstock full of notches commemorating such disastrous undertakings as that of the NGRS, now is the time to target our hopes for improved social policymaking in one direction and one direction only. I believe that the creation of some sort of mechanism capable of comprehensively analyzing social conditions in this country, and reporting factually on those conditions to the President, the Congress, and the country, is the direction in which we now must move. We have already invested tremendous amounts of energy, talent, and money in cost-benefit analysis, experimentation with planning-programming-budgeting systems, and a wide variety of program evaluation techniques. Is it not now appropriate to move unhesitatingly toward a more sophisticated level of institutionalized structures competent to the task and responsible for performing it?

## V

### THE COUNCIL, THE CONGRESS, AND THE PRESIDENT

Some observers, who agree that we need a system of social accounting and that a new statutory structure is the only way to bring it about, nevertheless harbor one further concern. What chance, they ask, is there that even a council created by statute could effectively do all of these things which need doing so urgently if it is unwanted by the President?

Surely no one would suggest that the conclusions and recommendations in the annual social report prepared by a Council of Social Advisers for the President and the Congress would run counter to the thinking of the President or his Administration. Yet, such a report would necessarily contain data and analysis which might lead other commentators to different conclusions.

Mr. Charles Schultze, former Director of the Bureau of the Budget has said:

The United States budget is not the document of an executive whose decisions are law, nor of a prime minister whose party must support him or bring down the government. It is, rather, a set of proposals to the Congress for action on appropriations and tax measures. Precisely because it must advocate the course recommended by the President, the budget cannot emphasize the difficulty of the choices made. It records the President's decisions, but it does not identify the close ones. Alternatives that were serious contenders for adoption but were finally rejected are seldom if ever mentioned. In some cases, programs generally recognized as ineffective or of low priority are debated but finally left unchanged because all participants in the debate realize how few are the lances a President can afford to break against politically impregnable targets. Thus, the

budget is a document designed to persuade an independent Congress rather than to analyze policy alternatives.<sup>16</sup>

Even if we had reason to believe that a comprehensive system of social accounting would be promptly initiated by the executive branch, without a statutory requirement, there would be a sound basis for legislation. The Congress also must have access to such information. Prestigious members of a statutory council, subject to Senate confirmation and available to testify before congressional committees on their findings, would assure the Congress and the public of the required quality and visibility of their work. Further, the tension between the council members and the Congress should elevate the level of analysis in the same way that our understanding of economics has been enhanced through the hearings on the *Economic Report*.

There is ample precedent, since the Second World War, for the establishment of specialized councils which (a) were essentially foisted on given administrations and (b) have proved to be meritorious additions to the federal government's structure, notwithstanding initial executive opposition.

Certainly the Council of Economic Advisers, created by the Employment Act of 1946,<sup>17</sup> supports this thesis. Similarly, the National Security Council, established in 1947,<sup>18</sup> and the Council on Environmental Quality,<sup>19</sup> set up only a year ago, came to occupy respected positions even within administrations which initially opposed them. The Nixon Administration, for example, opposed incipient congressional efforts to highlight the ecological crisis by a statutory prescription for top-level presidential and congressional advice. Yet when signing into law the measure creating the new Council, the President heralded the action as one opening a new decade of the environment, and he has used it widely and effectively since then.

History compels the conclusion that Presidents use, in varying degree, all of the statutorily-created structures in the executive branch. Moreover, they tend to use most vigorously and trustingly those bodies which draw esteem and respect both to themselves and their President. Thus it may safely be concluded that a Council of Social Advisers which performed satisfactorily its mission of measuring and monitoring and reporting on social conditions in America would, far from meeting perpetual presidential resistance and rancor, come in time to enjoy a position of trust and respect. From such a position it could reasonably be anticipated that the Council could begin to elevate social policymaking in America to new levels of sophistication.

#### CONCLUSION

The principal concern of this essay has been the interrelationship between a

<sup>16</sup> C. SCHULTZE ET AL., *SETTING NATIONAL PRIORITIES* 4 (1970).

<sup>17</sup> Ch. 33, 60 Stat. 23.

<sup>18</sup> National Security Act of 1947, ch. 343, 61 Stat. 495.

<sup>19</sup> National Environmental Policy Act of 1969, 83 Stat. 852.

proposed federal mechanism for improving social policymaking and the office of President of the United States. Is there some possibility that even a valuable new council would contribute to overburdening him with specialized advisory units?

I believe a Council of Social Advisers, charged with the responsibility for advancing and asserting existing knowledge of real social facts about this society, should serve to integrate, coordinate, and systematize the now dissident and discordant efforts of social planners and evaluators wherever they may be located within the federal government.

Moreover, the CSA should, in operation, synthesize advisory inputs which now compete for individual, isolated attention, thus reducing the cumulative advice-receiving burden of the President. Additionally, in synthesizing available information, the CSA would be speaking to the President—and to the Congress and the country—in a voice which, while a blend of many voices, would still be coherent.

Finally, I believe that we shall never begin to end our hopeless method of making social policy decisions of the most sensitive sort on the basis of hunch, intuition, and good intentions until we move in the direction pointed to by this legislative proposal. The enactment of legislation creating a comprehensive advisory role in the social policy area will, I believe, radically alter not only the process by which decisionmakers choose, but ultimately the choices which are made.

When President Nixon established the National Goals Research Staff in July 1969, he stated that the report to be prepared by the unit should “serve as a focus for the kind of lively widespread public discussion that deserves to go into decisions affecting our common future.”<sup>20</sup> The document which ultimately emanated from the NGRS could not begin to serve the critical focusing function the President had envisioned for it. After a round of newspaper comments, it disappeared from view. No congressional committee held hearings on it. A Council of Social Advisers, speaking social facts to the American people in a clear and coherent voice, could provide the kind of focus the President asked for.

When, finally, such a Council is created—as I think is very likely—it will be a most fitting recognition of the firm resolve of our people to govern themselves rightly and intelligently and of the efforts of many, along the way, to make a start toward the objective so well stated by Abraham Lincoln: “If we could first know where we are, and whither we are tending, we could better judge what to do, and how to do it.”<sup>21</sup>

<sup>20</sup> 5 WEEKLY COMP. PRES. DOC. 982, 984 (1969).

<sup>21</sup> Address delivered by Abraham Lincoln Before the Republican State Convention, Springfield, Ill., June 16, 1858, in 3 COMPLETE WORKS OF ABRAHAM LINCOLN I (J. Nicolay & J. Hay eds. 1905).