

## NATIONAL ASSOCIATION OF BUDGET OFFICERS

Lexington / August 6, 1964

WE are honored to have you here in Kentucky for this budget institute. I know you have reaped great benefit from these sessions. And I hope that, in addition to the professional exchanges, the occasion will prove to have been a memorable Kentucky visit for you. We are proud that we could join your national association in sponsoring this week-long activity. We are glad we could share with you our facilities and such public resources as Jim Martin, not, incidentally, a Kentuckian by birth, but significantly, we think, a Kentuckian by choice.<sup>1</sup> We are very proud of him and greatly indebted to his singular record of service to the Commonwealth. Although Kentucky takes a very possessive attitude in regard to him and his talents, we are disposed to sharing him with other states for special events such as this.

It would have been revealing, I'm sure, if I could have slipped in and listened to your sessions this week. Probably any governor would have found them quite revealing. Perhaps we could have learned some of the tricks of budgeting from you. I am sure that professional self-examination of the principles and methods of budgeting must be a stimulating endeavor. Looking at yourselves as budget analysts and budget officers and sharing your work experiences and notions should be of meaningful value to you and your state budget offices in coming months.

Since the week has involved the budget analyst himself looking at the budget analyst and at budgeting, suppose we take a few minutes to let a governor look at the budget analyst and budgeting. After all, governors are interested in budgets, and maybe impressions from my side won't be inappropriate for a budget seminar.

As a rule, I find you budget people to be a rather resourceful lot. You seem versatile enough and adaptable to most all situations. You are responsive and even ingenious. You seem to be familiar with all that's going on in the state government and I'm sure we couldn't for long keep the government together without you. Budget offices seem to be much like governors' offices: they come into contact with every area and activity of the state government. There is obvious affinity between the two. They have the same interests and deal with the same specifics and keep the same long hours; but they do not, and should not, duplicate one another.



Budget people like you are professionals, dedicated to ideals of professional and continuous operation of the government. We governors are the politicians. We do not always see everything the same way you do. Sometimes we don't even go the route you recommend. The policy finally chosen is not always the one you would prefer. When this happens, you are sometimes disappointed and may even sense frustration with a particular policy direction. There are good reasons from our viewpoint when we have to go counter to the budget recommendation. There is the difference that you are the professionals, we are the politicians. Perhaps there is even some comfort in an old administrative proverb that if two people agree all the time, on everything, then one of them is unnecessary.

Now, I know of no state which elects its budget director. Neither do I know of any state which appoints its governor. These two very different sources of authority impose very different types of responsibility and different styles of operation. This system imposes different points of reference and different methods of accountability. It is these differences, I submit, that explain the different ways in which we all view the same subject matter. And these differences of authority, style, and accountability need acknowledgement by both of us. Failure on the part of either to accept as legitimate these very factors which make us different only leads to the frustration of administrative and policy machinery in our governments.

Policy making is not all technical. It is instead, and certainly ought to be, as much political as technical. This is not to say that policy should occur in a technical or factual vacuum, but it does say that political or public policy is inherently a political task. It might be better policy if purely technical, but if good policy need be less democratic than bad policy, which it doesn't, still might it not be incumbent upon us to go with the more democratic policy? I am not suggesting that the technical and political division of the policy function are necessarily exclusive of one another. They are not and neither can function best without the other. Continued and respected divisions within the policy function have advantages for both of us. After all, we have to get elected without you. You could run the government without us. We couldn't run the governments without you, but you couldn't get yourselves appointed without someone getting elected. And so, neither of us could do for very long without the other.

We, of necessity, must finally make the policy decision as we, of necessity, must then live with that decision. If compromises or alternatives are possible, they should be left to the politician. Premature compromises, made in anticipation of expected executive action or preferences, do not gain your chief executive any advantage in difficult situations. Just as the chief executive should not attempt to make his decision prior to the staff work and without the full facts, you should not attempt to anticipate or restrict his field of decision. The minute either of us assumes prerogatives

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We governors are tempted on occasion to make the policy decision before all the facts get to us, just as I'm sure you are, on occasion, tempted to go ahead and make the policy without waiting for your governor. Either course represents a fundamental violation of the unwritten system, and denies the constituency the best results of the best, collective effort. The specialization within the policy function imposes upon the budget office its staff relationship to the governor, and the staff relationship itself requires the "passion for anonymity" to which your profession adheres.

The authority to analyze the facts, to review and recommend, remains an identifying characteristic of a favored spot within the administrative structure. The proper exercise of this assignment assumes the factor of anonymity, which becomes in fact your finest piece of armor, protecting both you and your chief executive. The single most valuable attribute of budget offices, aside from their technical capacity, has been their institutional ability to move almost unnoticed within the framework of their government in the service of the chief executive. Your relative anonymity gives you a strength which public recognition would dissipate. We governors need this strength of yours because we must exercise our authority in public, and the public exercise of authority can attract pressures and forces which temper and restrain that authority itself.

And so, as you return to your state budget offices, I would admonish you to observe closely your staff relationship to your chief executive, and to guard jealously your passion and habit for anonymity. If you permit either to become endangered, you will jeopardize your value to your governor, as indeed you will weaken his dependence upon your institution. Although the staff relationship and the anonymity have long since become traditional within your profession, I caution you never to let these two fundamental and preeminent principles fall from fashion within your profession.

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1. The reference is to Dr. James W. Martin. For information on Dr. Martin see page 21.

