There were two reasons Jimmy Carter won the 1976 election as an outsider against President Ford. One was the sluggish, inflation-ridden economy. As James Baker, his campaign manager and later chief of staff to Ronald Reagan, Treasury Secretary and Secretary of State told me in an interview for my new book *President Carter: The White House Years*, you defeated us for reasons, which are usually the decisive factor in presidential elections: “The economy, the economy, and the economy”. But 1976 was different. Jimmy Carter won because of the revulsion of the Watergate scandals in all their manifestations, with the Nixon pardon by President Ford as an underlying sub-theme, by pledging “I will never lie to you” and “A government as good as are the American people.” He alone among his Washington-based Democratic party competitors understood that even Democratic voters were not looking for a burst of new social spending, a second “Great Society”, but wanted to restore honesty and integrity to the presidency and the institutions of government, while promising both “a compassionate and a competent government” that did not waste taxpayers money.

For Carter, “Watergate” was more than a break-in and cover-up. It symbolized the illegal use of the CIA for covert activities against American citizens; improper use of the IRS against political enemies; the resignation of a vice president (Agnew) and President (Nixon); Vietnam. An imperial and imperious White House staff around President Nixon, and undermining off the rule of law. As he put it, “Each of those blows shattered just a little bit more of the trust and confidence of the American people in their government and in their elected officials.”

For Jimmy Carter public trust and confidence were essential to maintain public support for positive government programs. He saw no inconsistency between efficiency and compassion, believing it was impossible to sustain public support for government programs to help the poor and disadvantaged unless the public had trust in their government’s leaders and confidence that their taxpayer dollars were being used efficiently. He articulated his governing philosophy shortly after signing the Inspector General Act of 1978, “One myth must be dispelled at the outset—the myth that the values of compassion and the values of efficiency are somehow in opposition to each other... when a program is poorly managed, when it is riddled with waste or fraud, the victims
ARE NOT ABSTRACTIONS, BUT FLESH-AND-BLOOD HUMAN BEINGS....THOSE OF US WHO BELIEVE THAT OUR SOCIETY HAS AN OBLIGATION TOWARD ITS WEAKEST MEMBERS, WE HAVE THE GREATEST STAKE IN IMPROVING THE MANAGEMENT AND EFFICIENCY OF PROGRAMS THAT ARE DESIGNED TO MEET THAT OBLIGATION.” CARTER ALSO SAID A SECOND MYTH WAS, “THAT IT IS SOMEHOW MORE COMPASSIONATE, MORE COMMITTED, TO APPROPRIATE ANOTHER BILLION DOLLARS OF THE TAXPAYERS’ MONEY THAT IT IS TO STREAMLINE EXISTING PROGRAMS SO THAT THEY DELIVER AN EXTRA BILLION DOLLARS WORTH OF SERVICE. THE LATTER IS PREFERABLE IN EVERY WAY....EFFICIENT MANAGEMENT INCREASES POLITICAL SUPPORT FOR PROGRAMS WHICH QUITE OFTEN ARE NOT POPULAR AMONG THOSE WHO PAY TAXES TO SUPPORT IT. IT GIVES THE LIE TO THOSE WHO PREFER TO BELIEVE THAT PROGRAMS THAT MEET HUMAN NEEDS CANNOT WORK.”

SO JIMMY CARTER PROPOSED A NUMBER OF POST-WATERGATE CAMPAIGN PROMISES AROUND THE THEME OF “AN OPEN AND HONEST GOVERNMENT”, TIED TO A CLOSELY RELATED COMMITMENT TO REORGANIZE AND STREAMLINE GOVERNMENT, AS HE HAD DONE AS GOVERNOR OF GEORGIA. HE CAME AT THIS AS A PRO-CONSUMER POPULIST WHO WAS IN THE WORDS OF HIS PRESS SECRETARY JODY POWELL, “TIGHT AS A TICK” ON SPENDING: REDUCING THE SIZE OF THE WHITE HOUSE STAFF; CONSOLIDATING OVERLAPPING AGENCIES AND PROGRAMS; ZERO-BASED BUDGETING TO REVIEW GOVERNMENT PROGRAMS TO DETERMINE IF THEY WERE SPENDING TAXPAYER DOLLARS EFFECTIVELY; SUNSET LAWS REQUIRING THE REVIEW OF SELF-PERPETUATING PROGRAMS; A CONSUMER PROTECTION AGENCY TO PROTECT THE INTERESTS OF THE CONSUMER; DEREGULATION OF ALL MODES OF TRANSPORTATION TO PERMIT FREE ENTRY AND PRICE COMPETITION.

HE ALSO PROPOSED A SUNSHINE LAW, TO OPEN MEETINGS OF FEDERAL BOARDS, COMMISSIONS AND REGULATORY AGENCIES; HAVING CABINET OFFICERS APPEAR FOR QUESTIONING BEFORE FULL BODIES OF CONGRESS, LIKE QUESTION PERIODS IN THE BRITISH PARLIAMENT; MINIMIZING GOVERNMENT SECRECY AND MAXIMIZING PRIVACY; REINING-IN THE CIA’S COVERT ACTIVITIES; HOLDING NEWS CONFERENCES EVERY TWO WEEKS; TOWN HALL MEETINGS WHERE CITIZENS, WITHOUT PRE-SELECTION, COULD ASK THE PRESIDENT QUESTIONS; REQUIRING QUARTERLY REPORTS OF EXPENDITURES BY LOBBYISTS; MANDATORY FINANCIAL DISCLOSURE FOR THE PRESIDENT, VICE-PRESIDENT, AND ALL THOSE APPOINTED TO MAJOR POLICY-MAKING POSITIONS IN THE ADMINISTRATION, INCLUDING FINANCIAL HOLDINGS, WHERE ASSETS ARE INVESTED, AND OTHER INTERESTS, IN ORDER TO INSURE THAT NO CONFLICT WITH THE PUBLIC INTEREST EXISTS; REPORTING MINOR PUBLIC GIFTS TO PUBLIC OFFICIALS AND PROHIBITING ALL GIFTS OF VALUE; -PUBLIC FINANCING OF CONGRESSIONAL CAMPAIGNS, (AS HE AND PRESIDENT FORD DID IN THE GENERAL ELECTION) TO REDUCE THE INFLUENCE OF WEALTHY DONORS; MERIT SELECTION OF FEDERAL JUDGES MY EXPERT, NON-POLITICAL PANELS.

MOST RELEVANT TO TODAY’S OCCASION, HE PROPOSED IMMEDIATELY REVEALING ERRORS OR MALFEASANCE IN THE CONDUCT OF GOVERNMENT, AND GIVING AN EXPLANATION TO THE PUBLIC, ALONG WITH CORRECTIVE ACTION TO PREVENT THEIR RECURRENCE.

DURING THE CAMPAIGN, JIMMY CARTER DID NOT DETAIL HOW THIS LATTER PLEDGE WOULD BE IMPLEMENTED, AND WE ASSUMED THAT EACH CABINET SECRETARY AND AGENCY HEAD WOULD BE HELD ACCOUNTABLE FOR ROOTING OUT FRAUD, WASTE AND ABUSE IN THEIR PROGRAMS, AND
PROPOSING WAYS TO MAKE THEM MORE EFFECTIVE, WITH AN ENHANCED OVERSIGHT BY THE OFFICE OF MANAGEMENT AND BUDGET (OMB). WE DID NOT ENVISION INDEPENDENT INSPECTORS GENERAL PLACED IN EACH DEPARTMENT AND AGENCY GIVEN THE LEAD AUTHORITY TO DO SO.

**BROOKS, HORTON AND FOUNTAIN AND AN UNSUNG HERO**


**REVOLUTIONARY IDEA AND EXECUTIVE BRANCH CONCERNS**

IT IS EASY TO FORGET TODAY, WHEN INSPECTORS GENERAL ARE SUCH AN ESTABLISHED PART OF OUR GOVERNMENT’S FABRIC, JUST HOW REVOLUTIONARY THE IDEA WAS AT THE TIME, AND HOW UNPOPULAR THE ORIGINAL VERSIONS OF THE BILL WERE WITHIN THE ADMINISTRATION AND THE WHITE HOUSE.

LITTLE MORE THAN A MONTH AFTER THE INAUGURATION ATTORNEY GENERAL GRIFFIN BELL ADVISED THE PRESIDENT (FEBRUARY 28, 1977), THAT THE PROVISIONS IN THE BILL REQUIRING IG’S TO REPORT DIRECTLY TO CONGRESS AND PROHIBITING THE PRESIDENT FROM REMOVING THESE OFFICERS WITHOUT NOTIFICATION OF HIS REASONS TO CONGRESS WERE UNCONSTITUTIONAL. WITH HEARINGS ABOUT TO BEGIN ON THE BROOKS-FOUNTAIN-HORTON BILL, OMB DIRECTOR BERT LANCE ON APRIL 27, 1977, INFORMED THE PRESIDENT THAT THE GENESIS OF THE BILL CAME FROM THEIR BELIEF THAT, ”AGENCIES HAD FAILED TO INVESTIGATE OR CORRECT SERIOUS INTERNAL PROGRAM ABUSES AND TO PROVIDE CONGRESS WITH ADEQUATE INFORMATION ABOUT PROGRAM DEFICIENCIES, BECAUSE THE AUDIT AND INVESTIGATION FUNCTION IS FRAGMENTED, OR LOWER ORGANIZATIONAL STATURE, AND INADEQUATELY STAFFED.” HE NOTED THE ATTORNEY GENERAL’S CONSTITUTIONAL CONCERNS, AND REPORTED THAT EIGHT OF THE AFFECTED AGENCIES ALSO HAD MANAGEMENT CONCERNS: REQUIRING DIRECT IG REPORTS TO CONGRESS WITHOUT THE AGENCY HEADS’ APPROVAL, WHICH DILUTED THEIR CONTROL OVER THEIR PROGRAMS; IT WAS INAPPROPRIATE FOR CONGRESS TO IMPOSE STATUTORY INTERNAL ORGANIZATION ARRANGEMENTS AND SPECIFY THE DUTIES AND RESPONSIBILITIES OF SUBORDINATE AGENCY OFFICERS; THE AUTHORITY OF THE IG TO REPORT DIRECTLY TO CONGRESS
COULD RESULT IN AN ADVERSARY RELATIONSHIP WITH THE AGENCY HEAD; THE CONGRESSIONAL SURVEILLANCE CONTEMPLATED COULD INVITE PREMATURE PUBLICITY AND PREEMPT REMEDIAL ADMINISTRATIVE ACTION; REQUIRING THE IG TO INFORM CONGRESS “WITHOUT DELAY” OF ANY REDUCTION IN HIS BUDGET REQUEST WOULD INVITE CONGRESSIONAL INTERVENTION IN THE DEVELOPMENTAL STAGES OF THE PRESIDENT’S BUDGET; PRESIDENTIAL APPOINTMENT OF THE IG’S WITH SENATE CONFIRMATION COULD BE VIEWED AS POLITICIZING POSITIONS TRADITIONALLY HELD BY CAREER OFFICIALS.

THE PRESIDENT AGREED TO OPPOSE THE CONSTITUTIONALLY OBJECTIONABLE PROVISIONS. HE FURTHER AGREED TO OPPOSE THE BILL EVEN IF IT WAS AMENDED TO REMOVE THE MOST OBJECTIONABLE PARTS OF THE BILL: ALLOWING CONGRESSIONAL INTERVENTION IN THE BUDGET PROCESS; HAVING CONGRESS STATUTORILY DETERMINE INTERNAL AGENCY ORGANIZATION; AND LAST THE PRESIDENT AGREED TO OPPOSE THE BILL ON THE GROUND THAT “ANY NECESSARY REORGANIZATION ACTION FOR INVESTIGATING ABUSES WITHIN AGENCIES CAN AND SHOULD BE DONE ADMINISTRATIVELY.”

AS EARLY AS APRIL 29, 1977, I SENT A NOTE TO THE PRESIDENT SUPPORTING OMB’S RECOMMENDATION THAT WE OPPOSE THE BILL, STATING “IT IS NOT WISE TO SET THE PRECEDENT OF HAVING CONGRESS STATUTORILY DETERMINE INTERNAL AGENCY ORGANIZATION.” NOTWITHSTANDING THE ADMINISTRATION’S OPPOSITION TO KEY FEATURES OF THE BILL, IN EARLY AUGUST, 1977, THE HOUSE GOVERNMENT OPERATIONS COMMITTEE UNANIMOUSLY ORDERED H.R. 8588, THE IG BILL AND REPORTED IT TO THE FLOOR FOR FINAL PASSAGE.

THE ADMINISTRATION BELIEVED THAT THE VERSION UNANIMOUSLY PASSED OUT OF THE HOUSE GOVERNMENT RELATIONS COMMITTEE APPEARED TO MAKE THE INSPECTOR GENERAL MORE RESPONSIVE TO CONGRESS THAN THE AGENCY HEAD, AND INTRUDED INTO THE PRESIDENT’S PREROGATIVES, E.G. REQUIRING THE PRESIDENT TO EXPLAIN TO CONGRESS REASONS FOR THE REMOVAL OF AN IG. THE BILL REQUIRED GAO INVESTIGATIONS OF THE PRESIDENT’S REMOVAL OF AN INSPECTOR GENERAL; INSPECTOR GENERAL REPORTS WOULD GO TO CONGRESS WITHOUT AGENCY HEAD APPROVAL; THE IG’S WOULD MAKE QUARTERLY REPORTS TO THE CONGRESS; THE IG MUST KEEP CONGRESS “CURRENTLY AND FULLY INFORMED”; THE IG’S COULD INDEPENDENTLY EMPLOY CONTRACTORS.

MOREOVER THERE WERE NATIONAL SECURITY CONCERNS ABOUT INCLUDING THE DEFENSE DEPARTMENT AS AN AGENCY REQUIRING AN IG. (AS I EXPLAINED IN A OCTOBER 9, 1978 MEMORANDUM TO THE PRESIDENT).

AT BOTTOM, THE INITIAL BILL CHALLENGED ESTABLISHED NOTIONS OF THE SEPARATION OF POWERS BETWEEN THE EXECUTIVE AND LEGISLATIVE BRANCHES. VIRTUALLY EVERY ONE OF PRESIDENT CARTER’S CABINET SECRETARIES OPPOSED IT AS AN INTRUSION IN EXECUTIVE BRANCH PREROGATIVES., ON AUGUST 2, 1977, THE JUSTICE DEPARTMENT (PAT WALD) WROTE MY STAFF (SIMON LAZARUS) OPPOSING THE BILL. OMB SAW INSPECTORS GENERAL AS A DIRECT THREAT TO THEIR ROLE IN OVERSEEING FEDERAL AGENCIES AND PROGRAMS. WHILE I RECOGNIZED THAT IT WOULD BE DIFFICULT
FOR PRESIDENT CARTER TO OPPOSE, I RUEFULLY JOKED THAT BROOKS WANTED TO PLACE “CONGRESSIONAL MOLES” INSIDE EACH EXECUTIVE BRANCH DEPARTMENT AND AGENCY, TO BE THE EYES AND EARS OF CONGRESS INTO HOW WE ADMINISTERED OUR PROGRAMS. PRESIDENT CARTER TOLD THE DEMOCRATIC LEADERSHIP IN SEPTEMBER, 1977, HE WOULD VETO THE BILL AS IT THEN STOOD (MY HANDWRITTEN NOTE ON HUBERT HARRIS MEMORANDUM TO FRANK MOORE, SEPTEMBER 9, 1977)

THERE WAS ALSO CONCERN THE PROPOSED INSPECTORS GENERAL WOULD LEAK INTERNAL EXECUTIVE BRANCH DELIBERATIONS TO CONGRESS. THERE WAS ALSO FEAR THAT INSPECTORS GENERAL WOULD PLAY, AS MINORITY STAFF COUNSEL DICK THOMPSON NOTED, “I GOTTA YOU”, SENDING REPORTS TO CONGRESS WITHOUT THE CABINET SECRETARY OR AGENCY HEAD HAVING THE OPPORTUNITY TO COMMENT ON THEIR ACCURACY AND RECTIFY ANY REAL PROBLEMS, THEREBY UPSETTING THE DELICATE CONSTITUTIONAL BETWEEN THE TWO BRANCHES.

IMPORTANTLY, IN THAT MORE INNOCENT AND MAY I SAY HEALTHY ERA, THE ISSUE WAS NOT A PARTISAN ONE BETWEEN REPUBLICANS AND DEMOCRATS BECAUSE IN CONGRESS THERE WAS A BIPARTISAN CONSENSUS OF THE NEED FOR INSPECTORS GENERAL, BUT A CLASSIC BATTLE OF THE BRANCHES.

BUT DISSENT WAS NOT LIMITED TO THE EXECUTIVE BRANCH. AS DICK THOMPSON NOTED, NO LESS A GOVERNMENT REFORM ICON THAN ELMER STAATS, THE REVERED HEAD OF THE GOVERNMENT ACCOUNTING OFFICE (NOW THE GOVERNMENT ACCOUNTABILITY OFFICE), AN INDEPENDENT ARM OF CONGRESS, WAS ALSO OPPOSED, SEEING IT AS UNNECESSARY, DUPLICATIVE OF GAO’S ROLE, AND A DIMINUTION OF THEIR AUTHORITY AND POWER.

FURTHER COMPLICATING THE PASSAGE OF INSPECTORS GENERAL LAW WAS THE BAD BLOOD, BETWEEN CHAIRMAN BROOKS AND THE CARTER WHITE HOUSE. THIS RESULTED FROM HIS OPPOSITION TO ONE OF THE PRESIDENT’S EARLY SIGNATURE INITIATIVE FOR BROAD PRESIDENTIAL REORGANIZATION AUTHORITY WITH FAST-TRACK CONGRESSIONAL APPROVAL, WHICH BROOKS SAW AS MUCH AN INTRUSION ON CONGRESSIONAL AUTHORITY, AS THE ADMINISTRATION SAW FROM THE INSPECTORS GENERAL BILL BROOKS WAS CHAMPIONING. THE ILL FEELINGS BY BROOKS ALSO RESULTED FROM A FEELING OF PERSONAL SLIGHTS. BY HIS OWN ADMISSION HUBERT (HERKY) HARRIS, A GEORGIAN BROUGHT TO WASHINGTON AS PART OF THE “GEORGIA MAFIA”, AND A KEY LINK FROM OMB ON REORGANIZATION AUTHORITY HAD ALIENATED BROOKS, AND BROOKS COULD BE UNFORGIVING. MOREOVER, AS DICK THOMPSON REMEMBERED, AT A MEETING OF THE COMMITTEE MEMBERS FROM BOTH SIDES OF THE AISLE IN THE ROOSEVELT ROOM IN THE WEST WING WITH PRESIDENT CARTER TO DISCUSS REORGANIZATION AUTHORITY, THERE WAS ONLY ONE STAFF PERSON PRESENT: DICK THOMPSON, THE REPUBLICAN STAFFER FOR CONGRESSMAN HORTON AND THE MINORITY, BUT REMARKABLY, NO ONE FROM BROOKS’ STAFF WAS INVITED. HELL HATH NO GREATER FURY THAN AN EMBARRASSED JACK BROOKS. IRONICALLY, TO SHOW THE BIPARTISAN SPIRIT ON THE COMMITTEE, BY BOTH MEMBERS AND STAFF, IT WAS CONGRESSMAN HORTON WHO TRIED TO CALM-DOWN BROOKS AND STRESS THE IMPORTANCE OF ESTABLISHING A GOOD RELATIONSHIP WITH PRESIDENT CARTER AND HIS WHITE HOUSE STAFF.
I met frequently with Chairman Brooks and with Congressman Horton. Brooks made it clear to me that while he was not directly linking the two proposals, he would support the President’s top administrative goal of reorganization authority to give the President a broad hand in restructuring the executive branch, but expected the President to support his Inspectors General bill.

**MODIFICATIONS TO DEAL WITH ADMINISTRATION OBJECTIONS**

But the President was concerned about presidential and executive branch prerogatives and the reasons for the opposition of his cabinet. In reviewing the decision memoranda going back to February and March of 1978, the degree of angst at the earlier versions of the Brooks–Horton bill cannot be overstated. Still, the President recognized that if changes could be made to the most offending provisions, he did not see how he could oppose a measure that fit so closely with his campaign commitments to a more accountable government. So he tasked us, with OMB taking the lead, to assure there was a proper balance between the executive and legislative branches in negotiating with Brooks and Horton, and in the Senate with Senator Abe Ribicoff, Chairman of the Senate Governmental Affairs Committee and Tom Eagleton and Republican Senator Chuck Percy.

In a seminal March 15, 1978 memorandum, OMB Director Jim McIntyre told the President that while Brooks agreed to meet some of the administration’s objections, major problems remained. The bill was reported out unanimously by the House Committee on Government Operations and was ready for floor action on September 27, 1977, when another speed bump was hit between the White House and Brooks. The President’s congressional liaison Frank Moore asked the Speaker to pull the bill from the calendar to give us more time to work out the objectionable features. But Frank raised the ire of Brooks still further by not informing him in advance, and because what OMB Director McIntyre called “his intense personal belief in the need for Inspectors General in key domestic departments and agencies.” Still, Brooks agreed to delete or modify a number of provisions we felt were objectionable, although others remained. McIntyre told the President flatly that if we did not support the bill with the modifications we negotiated, Brooks would go with the far more objectionable bill he got out of his committee. Moreover, McIntyre said that from soundings by Moore, the Justice Department’s Office of Legislative Affairs, and OMB’s, “no matter what we do, the bill will pass overwhelmingly in both houses.

McIntyre told the President that under the modified bill, the constitutional objections were dealt with, which were raised strongly by the Attorney General, the most serious of which was the submission of reports directly to the Congress. Now, the Inspectors General would prepare semi-annual reports for the agency head 30 days in advance of their transmission to Congress, and the agency head’s comments would be included, so the IG’s could no longer report directly to the Congress. Brooks agreed that the legislative history would reflect the administration’s view that this procedure would
NOT OVERRIDE OTHER LAWS PROHIBITING OR LIMITING DISCLOSURE, NOT WAIVE ANY OF THE PRESIDENT’S CONSTITUTION POWER, INCLUDING THE DUTY TO OVERSEE THE FLOW OF INFORMATION TO CONGRESS, AND THAT ALL LIMITS ON THE PRESIDENT’S AUTHORITY TO REMOVE AN IG WERE COMPLETELY ELIMINATED. STILL MCINTYRE TOLD THE PRESIDENT THAT WHILE ADMINISTRATIVELY AND CONSTITUTIONALLY SOUND, THE ARGUMENT MADE BY A NUMBER OF DEPARTMENTS AND AGENCIES THAT THE SECRETARY SHOULD BE SPECIFICALLY AUTHORIZED TO SCREEN THE IG’S REPORTS “WILL BE EXTREMELY DIFFICULT TO WIN.” SINCE THE IG IS REMOVABLE BY THE PRESIDENT AT ANY TIME AND FOR ANY REASON AND THE REPORTS MUST GO THROUGH THE SECRETARY, AS A PRACTICAL MATTER “CONTROL BY THE AGENCY HEADS AND THE PRESIDENT IS MAINTAINED.”

ALSO, THE BUDGET AND MANAGEMENT OBJECTIONS WERE REMOVED, SINCE THE NEW COMPROMISE VERSION NEITHER REQUIRED NOT AUTHORIZED THE IG TO REPORT REDUCTIONS IN BUDGET REQUESTS TO CONGRESS, AND THE IG WOULD NOT LONGER BE ABLE TO VETO INTERNAL REORGANIZATIONS.

BOTH OMB AND MY DOMESTIC POLICY STAFF STRONGLY OPPOSED A PROVISION EXEMPTING THE IG’S FROM CERTAIN SECTIONS OF THE PRIVACY ACT, WHICH CONDITION THE DISCLOSURE OF PERSONAL INFORMATION. NEITHER THE AGENCY HEADS TO WHOM THE IG’S REPORT, NOR THE PRESIDENT, HAS SUCH AN EXEMPTION AND THERE IS NO COMPPELLING REASON TO CREATE ONE. BROOKS AGREED THAT WE WOULD OPPOSE THIS IN THE SENATE BILL, WHERE THE STAFF AGREED WITH US, AND HE WOULD AGREE WITH US ON ITS REMOVAL IN CONFERENCE.

EVEN WITH THESE CHANGES, MCINTYRE WARNED THE PRESIDENT THAT “PROBLEMS REMAIN” AND THAT “ALL AGENCIES WOULD PREFER NO LEGISLATION AND SEVERAL HAVE ESTABLISHED IG OFFICES ADMINISTRATIVELY. BUT GIVEN THE BROAD SUPPORT IN CONGRESS, IF THE PRESIDENT DID NOT ACCEPT THE COMPROMISE, WITH SOME OBJECTIONABLE PROVISIONS, A FAR MORE OBJECTIONABLE BILL WOULD PASS AND IT WOULD BE DIFFICULT TO SUSTAIN A VETO “THAT WILL BE SOLD AS A MAJOR CONGRESSIONAL INITIATIVE TO ROOT OUT FRAUD, INEFFECTIVENESS, AND WASTE. TO WAGE SUCH A FIGHT EFFECTIVELY IN AN ELECTION YEAR WILL BE DIFFICULT IF NOT IMPOSSIBLE —AND IT MAY PROVE EMBARRASSING. FINALLY, CHAIRMAN BROOKS’ CONTINUED SUPPORT OF THE REORGANIZATION EFFORTS, INCLUDING THE CIVIL SERVICE REFORMS, IS CRITICAL.” (EMPHASIS ADDED)

THE DEFENSE DEPARTMENT WAS ALSO EXEMPTED, ALTHOUGH THE SECRETARY OF DEFENSE WAS REQUIRED TO FILE THE SAME REPORTS REQUIRED OF AN INSPECTOR GENERAL.

WITH MY CONCURRENCE, MCINTYRE RECOMMENDED, AND THE PRESIDENT AGREED THAT WE SUPPORT THE BILL UNDER TWO CONDITIONS: (1) THAT LEGISLATIVE HISTORY ACCEPTABLE TO THE JUSTICE DEPARTMENT MAKE CLEAR THAT THE IG’S REPORTING DOES NOT LIMIT OR WAIVE EXECUTIVE DUTIES UNDER THE CONSTITUTION OR OTHER LAWS; (2) THAT WE RESERVE THE RIGHT TO SEEK CHANGES IN THE SENATE ON CLARIFYING THE REPORTING SECTION, DELETION OF THE PRIVACY ACT EXEMPTION, AND ON UNNECESSARY LIMITS ON AN AGENCY HEAD’S ABILITY TO CONTROL THE BUDGET, STAFFING PATTERNS AND GENERAL ADMINISTRATION OF THE OFFICES OF THE IG.
THE RESULT WAS A BIPARTISAN COMPROMISE OF THE SORT WE ACHIEVED ON EVERYTHING FROM ENERGY AND TAX REFORM TO THE PANAMA CANAL TREATY—UNIMAGINABLE IN TODAY’S POLITICALLY POLARIZED WASHINGTON.

THE PRESIDENT WOULD NAME NOMINATE THE INSPECTORS GENERAL BASED UPON MERIT AND NOT POLITICAL LEANINGS, AND THE SENATE WOULD CONFIRM THEM, AS THEY WOULD DO FOR HIGH RANKING OFFICIALS. INSPECTOR GENERAL REPORTS WOULD GO FIRST TO THE HEAD OF DEPARTMENTS FOR THEIR REVIEW AND COMMENT BEFORE BEING SENT TO CONGRESS. WHEN THEY REPORT TO CONGRESS, THE HEAD OF THE AGENCY CANNOT MODIFY THAT REPORT IN ANY WAY, BUT CAN APPEND COMMENTS. THE IG’S WERE TO MAKE FREQUENT, PERIODIC REPORTS TO THE HEAD OF THE AGENCY AND TO CONGRESS. THEY ARE RESPONSIBLE FOR AUDITING GOVERNMENT PROGRAMS AND INVESTIGATING ANY MISMANAGEMENT OR FRAUD. IMPORTANTLY, IN ADDITION TO HAVING RESPONSIBILITY FOR EACH AGENCY’S AUDIT AND INVESTIGATIVE FUNCTIONS, THE IG’S WOULD BE GIVEN POLICY, SUPERVISORY, AND OPERATIONAL AUTHORITY FOR PROMOTING ECONOMY AND EFFICIENCY, AS WELL AS PREVENTING AND DETECTING FRAUD AND ABUSE IN THE ADMINISTRATION OF AGENCY PROGRAMS. SEMI-ANNUAL REPORTS WOULD BE SUBMITTED TO THE AGENCY HEAD 30 DAYS IN ADVANCE OF THEIR TRANSMISSION TO THE CONGRESS, WHOSE COMMENTS WOULD BE INCLUDED IN THE REPORT. WITHIN 60 DAYS AFTER TRANSMISSION TO CONGRESS THESE REPORTS WOULD BE AVAILABLE TO THE PUBLIC. BECAUSE THE LEGISLATIVE HISTORY MAKES CLEAR THIS PROCEDURE DOES NOT OVERRIDE OTHER LAWS PROHIBITING DISCLOSURE OF CERTAIN TYPES OF INFORMATION BY AGENCIES, AND DOES NOT OVERRIDE CONSTITUTIONAL PRIVILEGES OF THE PRESIDENT WITH RESPECT TO THE DISCLOSURE OF INFORMATION TO CONGRESS, OMB AND THE JUSTICE DEPARTMENT FELT THIS PROVISION WAS NOW CONSTITUTIONALLY SUFFICIENT. (OCTOBER 6, 1978 OMB ENROLLED BILL MEMO TO THE PRESIDENT).

STILL CONSTITUTIONAL AND PRACTICAL PROBLEMS EXISTED IN THE FINAL BILL, BECAUSE THE COMPTROLLER GENERAL, AN AGENT OF CONGRESS, WAS GIVEN GENERAL ADMINISTRATIVE AUTHORITY TO DIRECT THE COURSE OF EXECUTIVE ACTION IN AUDITS. SENATOR EAGLETON IN A FLOOR STATEMENT, ADDRESSED THE ADMINISTRATION’S PRACTICAL CONCERNS OVER THE EXTENSIVE AND DETAILED GAO REGULATION OF EXECUTIVE BRANCH AUDITS, ASSURING THAT THE STANDARDS WOULD BE DEVELOPED IN CLOSE COOPERATION WITH OMB AND THE AGENCIES; IG’S ARE REQUIRED TO REPORT TO THE AGENCY HEAD AN SERIOUS PROBLEMS IN THE ADMINISTRATION OF AGENCY PROGRAMS; MUST REPORT TO THE ATTORNEY GENERAL POSSIBLE CRIMINAL VIOLATIONS. THERE WERE STILL CONSTITUTIONAL CONCERNS BECAUSE THE BILL WOULD REQUIRE THE PRESIDENT UPON REMOVING AN IG FROM OFFICE, TO PROVIDE CONGRESS THE REASONS, INFRINGING ON THE PRESIDENT’S CONSTITUTIONAL AUTHORITY TO REMOVE EXECUTIVE BRANCH OFFICIALS WHO SERVE AT HIS DISCRETION. BUT OMB SUGGESTED THAT THIS PROVISION BE NARROWLY INTERPRETED SO THE PRESIDENT WOULD NOT NEED TO PROVIDE DETAILED AND PARTICULARIZED REASONS.

THEY WOULD COME UNDER THE HATCH ACT TO PREVENT ANY POLITICIZATION OF THEIR FUNCTIONS. GAO WAS PLACATED TO SOME DEGREE BY BEING TASKED WITH SETTING THE STANDARDS FOR INSPECTIONS AND AUDITING.
AN IMPORTANT PROVISION OFTEN OVERLOOKED PROTECTS WHISTLEBLOWERS WHO REPORT MISMANAGEMENT, CORRUPTION, FRAUD AND WASTE. THE IG COULD NOT DISCLOSE THEIR IDENTITY WITHOUT CONSENT, AND WOULD BE PROTECTED AGAINST REPRISAL BY THE AGENCY.


MAXIMIZING PRESIDENTIAL LEADERSHIP


HE RECOMMENDED THAT THE PRESIDENT “MAKE AN ALL OUT ATTACK ON WASTE AND FRAUD ONE OF YOUR MAJOR DOMESTIC PRIORITIES.” HE RECOMMENDED TREATING ALL OF THE GOVERNMENT REFORM INITIATIVES TOGETHER “AS A WHOLE”, INCLUDING IN EVERY MAJOR SPEECH HIS CAMPAIGN AGAINST FRAUD AND WASTE; DELIVERING A MAJOR ADDRESS TO THE SUBJECT; DESIGNATING A SPECIAL COUNSELLOR ON WASTE AND FRAUD TO COORDINATE THE VARIOUS INITIATIVES.

HE AND JIM MCINTYRE RECOMMENDED A MAJOR SPEECH ANNOUNCING THE PRESIDENT’S ATTACK ON GOVERNMENT FRAUD AND WASTE, WITH WHICH I STRONGLY AGREED. BUT RAFSHOON MADE TWO OTHER RECOMMENDATIONS I OPPOSED AND WHICH THE PRESIDENT ULTIMATELY DID NOT ACCEPT. FIRST WAS THE APPOINTMENT OF A HIGH LEVEL COUNSELLOR ON GOVERNMENT REFORM, LIKE FORMER FLORIDA GOVERNOR REUBEN ASKEW. HIS SECOND RECOMMENDATION WAS THAT THE CIVIL SERVICE REFORM BILL BE SIGNED AT THE SAME TIME AS THE IG, ETHICS AND FEDERAL CENTER BILLS, TO MAXIMIZE PUBLIC ATTENTION. I ARGUED (OCTOBER 3, 1978 MEMORANDUM TO THE PRESIDENT) THAT HAVING ANOTHER PRESIDENTIAL ADVISER WITH HIS OWN STAFF WOULD INCREASE THE COMPLEXITIES OF COORDINATION AND BUREAUCRATIC COMPETITION IN THE EXECUTIVE OFFICE OF THE PRESIDENT, ADDING TO THE TOP-HEAVY EOP STRUCTURE THE PRESIDENT HAD CONSISTENTLY OPPOSED. I ALSO ARGUED THAT THE CIVIL SERVICE REFORM ACT WAS SUCH A MAJOR VICTORY, WITH A DIFFERENT SET OF CONGRESSIONAL SUPPORTERS, THAT IT DESERVED ITS OWN SIGNING CEREMONY, AND THAT DOING A SEPARATE SIGNING CEREMONY WOULD ACTUALLY INCREASE ATTENTION TO THE PRESIDENT’S LEADERSHIP IN THE AREA OF GOVERNMENT REFORM.
AT THE BILL SIGNING CEREMONY ON OCTOBER 12, 1978 (EXACTLY 40 YEARS AGO), PRESIDENT CARTER’S REMARKS ARE REVEALING: HE JOOKED TO LAUGHTER THAT “IT HAS BEEN REMARKABLE THAT THE MEMBERS OF THE CABINET HAVE COOPERATED AS WELL AS THEY HAVE”. BUT HE WAS DEADLY SERIOUS WHEN HE SAID AT THE OUTSET: “THE AMERICAN PEOPLE ARE FED UP WITH THE TREATMENT OF AMERICAN TAX MONEY IN A WAY THAT INVOLVES FRAUD AND MISMANAGEMENT AND EMBARRASSMENT TO THE GOVERNMENT.”

PRESIDENT CARTER WAS INTENT IN MOVING WITH ALACRITY TO IMPLEMENT THE NEW IG LAW. ON NOVEMBER 8, 1978, HE SENT A MEMORANDUM TO HIS CABINET EMPHASIZING THAT IT WAS “ONE OF THE HIGHEST PRIORITIES...TO CONDUCT THE PUBLIC’S BUSINESS WITH THE UTMOST INTEGRITY”. HE ASKED EACH TO SUBMIT AT LEAST THREE CANDIDATES OF “EXCEPTIONAL INTEGRITY.” ON DECEMBER 13, 1978, HE SPOKE AT A NATIONAL CONFERENCE ON FRAUD, ABUSE AND ERROR SPONSORED BY HEW SECRETARY JOE CALIFANO, STATING THAT HIS ADMINISTRATION “HAS DECLARED WAR ON WASTE AND FRAUD IN GOVERNMENT”, AND THAT IT WAS ESSENTIAL “TO RESTORE AND REBUILD THE TRUST THAT MUST EXIST IN ANY DEMOCRACY BETWEEN A FREE PEOPLE AND THEIR GOVERNMENT.” HE MADE IT CLEAR THAT THE IG ACT WAS ALSO CRITICAL TO ASSURE AMERICANS THAT THEY NEED NOT ACCEPT A “MASSIVE BUREAUCRACY THAT IS TOO CLUMSY OR TOO POORLY MANAGED TO DO THE JOB.” HE SAID, “THE REAL DAMAGE OF FRAUD AND ABUSE CANNOT BE MEASURED JUST IN DOLLARS AND CENTS, FOR THE VALUE OF PEOPLE’S TRUST AND FAITH IN THEIR INSTITUTIONS OF SELF-GOVERNMENT ARE PRICELESS.” THAT SAME DAY, DECEMBER 13, 1978, HE TOLD EACH CABINET MEMBER AND AGENCY HEAD TO DESIGNATE A SINGLE INDIVIDUAL TO OVERSEE IMPLEMENTATION OF THE IG LAW.

CONCLUSION


INTERESTINGLY, PRES. OBAMA, ALSO CAME INTO OFFICE FACING A CRIPPLED US ECONOMY AND GLOBAL IMPACTS OF THE GREAT RECESSION, AS WELL AS A LOW LEVEL OF PUBLIC TRUST AND CONFIDENCE IN U.S. ECONOMIC AND POLITICAL INSTITUTIONS. HE ALSO CAME INTO OFFICE CONFRONTING THE GREATEST NUMBER OF IG VACANCIES OF ANY MODERN PRESIDENT, AND PROCEEDED TO HELP TO SUBSTANTIALLY STRENGTHEN THE IG’S ROLE DURING HIS TENURE, AS A WAY TO RESTORE TRUST AND CONFIDENCE.

THE INTELLIGENCE AUTHORIZATION ACT OF 2010 ESTABLISHED THE INTELLIGENCE COMMUNITY INSPECTOR GENERAL AND DESIGNATED THE FOUR DEFENSE INTELLIGENCE COMPONENTS AS FEDERAL ENTITIES UNDER THE IG ACT OF 2008. THE WHISTLEBLOWER PROTECTION AND ENHANCEMENT ACT OF 2012 REQUIRED THAT EACH PRESIDENTIALLY-APPOINTED, SENATE-CONFIRMED IG DESIGNATE A WHISTLEBLOWER PROTECTION OMBUDSMAN TO EDUCATE AGENCY EMPLOYEES ABOUT PROHIBITIONS ON RETALIATION FOR PROTECTED DISCLOSURES AND THE RIGHTS, AND ABOUT REMEDIES AGAINST SUCH RETALIATION. THE INSPECTOR GENERAL EMPOWERMENT ACT OF 2016 CONFIRMED THAT IGS ARE ENTITLED TO FULL AND PROMPT ACCESS TO AGENCY RECORDS, ELIMINATING ANY DOUBT ABOUT WHETHER AGENCIES ARE LEGALLY AUTHORIZED TO DISCLOSE POTENTIALLY SENSITIVE INFORMATION TO IGS, AND ENSURING THE IG’S ABILITY TO CONDUCT AUDITS, REVIEWS, AND INVESTIGATIONS IN AN INDEPENDENT AND EFFICIENT MANNER.

WHAT BEGAN WITH ONLY 12 IG’S IN THE 1978 LEGISLATION HAS INCREASED TO 73 TODAY. IT HAS BEEN ESTIMATED BY MICHAEL HOROWITZ, SPEAKING ON BEHALF OF THE IG’S, THAT IG’S HAVE SAVED TAXPAYERS IN FISCAL YEAR 2016 ALONE OVER $45 BILLION, HAD OVER 4800 SUCCESSFUL CRIMINAL PROSECUTIONS; OVER 1500 SUCCESSFUL CIVIL ACTIONS; MORE THAN 6400 SUSPENSIONS AND DEBARMENTS AND OVER 4300 PERSONNEL ACTIONS. THOSE SORTS OF SUCCESSES ARE IN FACT REFLECTED IN THE DATA ON IG IMPACTS IN EVERY RECENT YEAR, INCLUDING 2018.

A COUNCIL OF THE INSPECTORS GENERAL ON INTEGRITY AND EFFICIENCY (CIGIE) HAS BEEN CREATED TO HELP COORDINATE THE ACTIVITIES OF THE IG’S. THE 2016 INSPECTOR GENERAL EMPOWERMENT ACT, WHICH MADE CLEAR THAT THE IGs MUST BE GRANTED TIMELY AND COMPLETE ACCESS TO ALL AGENCY INFORMATION NECESSARY TO CONDUCT EFFECTIVE OVERSIGHT, HAS DEMONSTRATED CONTINUED BIPARTISAN SUPPORT IN CONGRESS FOR THE ROLE OF IG’S. AS MICHAEL HOROWITZ REPORTED TO CONGRESS IN HIS NOVEMBER 15, 2017 TESTIMONY TO HOUSE COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM, UNIMPEDED ACCESS TO AGENCY RECORDS IS ALSO CRITICAL TO THE IGs’ EFFORTS TO MAKE PROGRESS WITH THEIR DATA ANALYTICS PROGRAM. GAO HAS REPORTED THAT THE AMOUNT OF GOVERNMENT-WIDE IMPROPER PAYMENTS CURRENTLY EXCEEDS $100 BILLION ANNUALLY. AND AS THE DATA SHOWS, FOR EVERY DOLLAR CONGRESS INVESTS IN AGENCY INSPECTORS GENERAL, THEIR OFFICES RECOVER $17 IN COSTS SAVINGS FROM THEIR INVESTIGATIONS INTO GOVERNMENT FRAUD, WASTE AND ABUSE.

PRESIDENT TRUMP’S ADMINISTRATION, NONETHELESS, APPEARS TO VIEW THE IGS IN A SKEPTICAL LIGHT. THE ADMINISTRATION RESCINDED THE NOMINATIONS OF FOUR INSPECTORS PUT FORWARD BY BARACK OBAMA WITHOUT OFFERING REPLACEMENTS, THREATENED TO FIRE IGS ALREADY IN OFFICE, DID NOT RUSH TO FILL VACANCIES, EVEN IN KEY DEPARTMENTS SUCH AS THE CIA, THE NSA, DEFENSE, AND INTERIOR. DESPITE THE HIGH RETURN ON THE INVESTMENT OF TAXPAYER DOLLARS, THE TRUMP ADMINISTRATION SOUGHT IN ITS FY 2019 SPENDING PROPOSALS TO CUT MORE THAN $63 MILLION FROM THE IG OFFICES AT FIVE AGENCIES, AND TO FUND THE IG OFFICES AT SIX AGENCIES AT LEVELS WELL BELOW THE GROWTH IN THE AGENCIES’ OWN BUDGETS – WHICH SEVERAL SAID WOULD STARVE THEM OF CAPACITIES AND STAFF NEEDED TO DO THEIR JOBS. TODAY THE CHALLENGE IS TO GET THE
TRUMP ADMINISTRATION TO FILL A SUBSTANTIAL NUMBER OF VACANCIES FOR IG’S AND FOR THE ADMINISTRATION AND CONGRESS TO PROVIDE ADEQUATE FUNDING FOR ALL THE IG’S – WHILE PRESSING THE IGS TO BE STILL MORE EFFICIENT WHEREVER POSSIBLE -- SO THEY CAN FULFILL THE PROMISE OF THE LEGISLATION PRESIDENT CARTER SIGNED 40 YEARS AGO.

AT A TIME OF AN ETHICALLY CHALLENGED WASHINGTON IT IS IMPORTANT TO REMEMBER THAT MANY THE MAJOR ETHICS LAWS BEGAN IN THE CARTER ADMINISTRATION REMAIN IN PLACE. FOR HIM, “A GOVERNMENT AS GOOD AS ITS PEOPLE” WAS NOT JUST A SLOGAN.

IN ADDITION TO THE INSPECTORS GENERAL ACT, THE LEGACY OF ETHICS LEGISLATION IS BROAD AND IMPRESSIVE:

--THE 1978 ETHICS ACT, WHICH FOR THE FIRST TIME REQUIRED DISCLOSURE OF ASSETS AND POTENTIAL CONFLICTS OF INTEREST FOR INCOMING SENIOR OFFICIALS; GIFT LIMITS IN OFFICE; AND LOBBYING RESTRICTIONS UPON LEAVING GOVERNMENT.

--CREATION OF THE OFFICE OF INDEPENDENT COUNSEL TO INVESTIGATE WRONGDOING BY GOVERNMENT OFFICIALS, WHICH MORPHED INTO THE POSITION ROBERT MUELLER HAS TODAY.

--THE FOREIGN CORRUPT PRACTICES ACT TO BAR AMERICAN FIRMS FROM PAYING BRIBES TO FOREIGN GOVERNMENT OFFICIALS TO OBTAIN CONTRACTS;

--THE MOST SWEEPING CIVIL SERVICE REFORM SINCE THE CREATION OF THE SYSTEM UNDER PRESIDENT GROVER CLEVELAND, CREATING A SENIOR SERVICE TO REWARD HIGH ACHIEVERS, AND PROTECTS CIVIL SERVANTS FROM POLITICAL PRESSURE;

--THE FOREIGN INTELLIGENCE OVERSIGHT ACT (FISA) TO REQUIRE JUDICIAL APPROVAL OF EFFORTS TO TARGET AMERICAN CITIZENS.

IT MUST BE ADMITTED THAT THE IG ACT AND YOUR SUCCESS, TOGETHER WITH THE OTHER CARTER-ERA ETHICS LAWS, HAS NOT INCREASED PUBLIC TRUST IN GOVERNMENT. BUT THAT IS BECAUSE OF BROADER ISSUES AFFECTING THE AMERICAN PEOPLE IN A RAPIDLY CHANGING WORLD, NOT BECAUSE OF SHORTCOMINGS IN THESE ACCOMPLISHMENTS AND YOUR ACHIEVEMENTS. THE WORK EACH OF YOU DO IS TREMENDOUSLY IMPORTANT IN ASSURING THAT THE U.S. GOVERNMENT SETS A GLOBAL MODEL FOR INTEGRITY, HONESTY AND TRANSPARENCY. KEEP UP YOUR CRITICALLY IMPORTANT WORK.