

Commencement Address
(As prepared)

Georgetown University McCourt School of Public Policy

May 15, 2014

The Honorable Jacob J. Lew

President DeGioia, Dean Montgomery, Faculty, Trustees, friends, family, and above all else -- the first graduating class of the McCourt School of Public Policy -- the class of 2014. Congratulations.

Thank you for inviting me to celebrate with you today and thank you for this honorary degree. To the parents, relatives, and families who have endured much during this journey, you are owed a debt of thanks -- for your support, understanding, and patience.

To the graduates, I commend you for your accomplishments. You finished all the papers, you passed all your exams -- and together, you survived Professor Schone's problem sets. Yes, you have worked hard. And from what I have heard, you have also spent your share of time at the Tombs.

I know the paths that brought you here have not always been easy. Some of your classmates have worked full-time while carrying a full course load; others had to live apart from loved ones on the other side of the globe. Many of you are already veterans or now serve in our military -- thank you for your service.

By working hard, keeping at it, and sweating the details, you have shown you have what it takes to succeed. I congratulate each of you on this tremendous achievement. Whatever path you follow as you go forward, you will always be reminded of how valuable this investment is. I am a Georgetown graduate myself -- Law School, 1983. And even though I have only spent five of the last 30 years practicing law, that training has been a valuable foundation throughout my professional life.

My career -- largely devoted to government service and public policy -- has put me in places and situations that, as a child, going to public school in Queens, New York, I could never have dreamed of: negotiating across the table from Senators, sitting beside and advising Presidents confronting enormously consequential challenges, and traveling the globe meeting with world leaders on behalf of the United States.

My entire career has been animated by an education that unlocked not just a world of knowledge, but more importantly, an ability to keep learning that will always stay with me. And so will your studies here propel you forward for the rest of your life, and in the pursuit of public service or whatever path you follow, give you the chance to make our world a better place. President Teddy Roosevelt once observed that life's greatest gift is the opportunity to work hard at work worth doing. You are fortunate now to have such an opportunity.

Preparing for this commencement, I considered delivering remarks on economic growth, or laying out a framework for increased global economic stability. But this special moment is a rare chance to say something a little more personal. So rather than detailing a policy prescription, I would like to reflect on the importance of public service and the special opportunity to pursue a path that has been so defining in my own life.

In the 1980s, years I spent rushing from the halls of the Capitol to the halls of Georgetown for class, we thought we were living in the most partisan era ever. As it is human nature to look back on the past a bit nostalgically, today those years are remembered as a halcyon period of bipartisan cooperation. The truth is, back then, despite sharp differences, and bruising politics, policymakers were determined to get things done. Compromise was valued. Facts were important. And personal relationships were seen as critical.

While attending school at night, I worked by day for Speaker of the House, Thomas P. O'Neill, Jr. - a big bear of a man known for his shock of white hair, fondness for cigars, and endless pride in his Irish heritage. He was an old-style politician who was profoundly passionate about the working class, the sick, and the poor. "No way are we ever going to let them down," he would say.

Mr. O'Neill had deeply held beliefs about policy, but also believed that in our democracy it was important for a majority in Congress to work its will. There were a number of times when his own Democrats were not so sure the Speaker should let the House vote on key elements in President Reagan's conservative economic program, fearing they might pass. But he believed the one thing the American people would not tolerate was obstruction. And sometimes, after a hard fight, legislation he opposed made it through, when Democratic members bucked the leadership and voted with the other side.

At those moments, it felt as if the Speaker had lost control of the House. But Mr. O'Neill remained steadfast. He believed strongly that the worst thing you could do was throw sand in the gears of the system and cause the whole enterprise of government to break.

After a rocky start, with painful losses – things changed. Mid-term elections preserved a divided government, but shifted just enough seats so the only way to get things done was to work together.

In the years that followed, I had the privilege as a young staffer, while still at law school, to work on a series of historic bipartisan efforts -- from Social Security and tax reform to immigration reform. Reagan and O'Neill, a conservative Republican President and a New Deal Democrat, were able to find a path to move the country forward -- together.

The thing about President Reagan and Speaker O'Neill was that they could get along with each other despite vastly different economic philosophies and world views. Both believed deeply in our country and democracy. They also forged a friendship that enabled them to leave behind a historic legacy.

I know that many of you look forward to careers in public policy, but I imagine some of you are not so sure about government service. One need only turn on the television to see shows like *Veep*, *Scandal*, and *House of Cards*, where depictions of Washington focus on this city's darker side. Unfortunately, this is not just a phenomenon in popular culture. While these popular shows present a picture of ruthless and sometimes corrupt ambition, far worse than the reality, at the same

time, they also show leaders, who, often through outrageous means, do manage to get things done – something that real occupants of these offices have found more challenging in recent years. In real life, gridlock and partisan fights, more than personal scandal, have contributed to a loss of faith and a rise in distrust.

Now, some may say that bipartisanship is the currency of a bygone era. That we cannot come together to take on the broad, deep-rooted problems we face today. But I disagree. I have watched men and women of conviction reach across the aisle to secure honorable compromises my entire career. I have been a part of almost every major bipartisan budget agreement over the last 30 years. And I am optimistic that the things that divide us are not as intractable as they look.

Consider the last six months -- a two year budget deal, agreement to avoid a crisis over the debt limit and a farm bill all suggest that the pendulum is swinging back to getting things done in a bipartisan way. And I believe that on issues like education, infrastructure and immigration reform -- the same will be true.

If we need evidence that our country can still accomplish big things -- one need only consider health care reform. It took nearly a century for Congress and the President to come together to pass legislation that would expand coverage and change the system. But despite the odds, the Affordable Care Act became the law of the land, and now millions of Americans who were once denied coverage—including students and new graduates—have health insurance and can get the vital medical care they deserve. In fact, because of this law, students here at Georgetown and across the country can get health insurance after they graduate either by staying on a parent's plan or through the law's marketplaces – and each of you should make sure you are covered!

The lesson that I learned decades ago from Speaker O'Neill is still true today. The American people with all their different views expect and deserve a government that can do better. They expect those of us who are honored to serve to get past partisanship to solve problems. And when the American people choose a divided government, they expect us to work out our differences.

And that is where you come in.

President George H.W. Bush put it this way: “There is nothing more fulfilling than to serve your country and your fellow citizens and to do it well. And that is what our system of self-government depends on.”

This is not a simple task. You will have to figure out a way to avoid the well-designed traps of cynicism and doubt. We live in a polarized time, where people who think differently often do not come into contact with each other. This is not just about the media -- where the rough texture of nuance is smoothed away while ideologically-driven web sites, cable TV, and bloggers cater to narrow audiences in closed echo chambers. We are also at a point where even neighborhoods are partisan bubbles. It is actually unusual these days for a Democrat to live next door to a Republican.

But if any generation can break down those walls, it is yours. Your generation is redefining how America views itself and the world. And that is why I am excited for you and all that you will accomplish. This generation may have been molded by some of America's darkest events -- September 11th, Hurricane Katrina, and the financial crisis -- but you have a rare sense of

confidence and resilience. According to the Pew Research Center, you are more optimistic about the future than your parents were when they were your age.

The students at the McCourt School of Public Policy embody those virtues. Your classmate, Colin Huerter, has teamed up with researchers to combat an insect that plagues coffee bean farmers in Rwanda. Kristina Rosinsky has been taking classes in the evening while advocating for kids in the juvenile justice system during the day. With McCourt Policy in Practice, students are improving the lives of migrant workers in a shantytown community in Honduras and traveled there recently to tackle the community's trash problem. And throughout the past year, McCourt students could be found all over the city of Washington mentoring underprivileged students and helping feed and clothe homeless families.

I know public service is in your DNA. People with your training, your values, and your talents do not fall into line. They chart their own course. They take the unbeaten path. They follow their inner compass. I know this will be true for you.

The truth is, as fragile and fractured as political discourse sometimes seems, we are bound together by the same enduring beliefs.

We believe our economy should reward success. We believe our private sector should give an entrepreneur a shot at starting the next ground-breaking business. We believe our job market should give a laid-off worker another chance to get hired and put food on the table. We believe our housing sector should give families the opportunity to get a mortgage and stay in their homes. We believe our research institutions should get the support they need so a scientist can find the cure to cancer. We believe our education system should place the most talented teachers in the classroom and make it possible for all students to reach their full potential. We believe our world should be safe from a warming climate, and the global community should put a stop to atrocities, brutality, and dire poverty. And we believe our government should be a practical one that does good things, defends those unable to defend themselves, and protects our nation that we hold dear.

You leave Georgetown at a moment when our country faces a number of important public policy challenges. How do we provide an ongoing safety net for the poorest and elderly? How do we design our economic policy in a way that promotes growth and shared prosperity? How can we move forward, in spite of our differences, and in favor of our shared principles as Americans?

You will be called on to help answer these and many other questions. I hope you not only bring the analytical skills you developed in your studies, but also the ability to work with those who hold different views to fashion honorable compromises that will move our country forward.

Before I close, let me say how grateful I am to be here to celebrate with the first class to commence forward as graduates of the McCourt School of Public Policy. And that being first -- having the courage to stand out and do something that has never been done before -- is part of leadership, too.

Thank you -- and congratulations.

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AU Commencement Address 2014

Thank you, President Kerwin, for that introduction. I thank you and Dean Starr for the incredible honor of making me an Eagle, and for allowing me to share in this great day. Class of 2014—congratulations—you made it! Parents and families of the Class of 2014 – congratulations to you too – and to the moms, Happy Mothers’ Day!

If you haven’t already, take a deep breath, relax, enjoy this moment.

And now, if you still have any Eagle Bucks – you need to get rid of them because they are useless in the real world.

But seriously,

I’m so honored to be with you on this special day in this special place. This University has such a distinguished history.

In 1902, Theodore Roosevelt helped lay the cornerstone of the McKinley building.

And in 1914, President Wilson spoke at the opening of this fine institution, where he said:

“So we are here setting up on this hill as upon a high pedestal once more the compass of human life with its great needle pointing at the lodestar of the human spirit. Let men who wish to know come and look upon this compass and thereafter determine the way they will go!”

Now far be it from me to edit President Wilson, but let me read that last line again...

Let men AND WOMEN, who wish to know come and look upon this compass and thereafter determine the way they will go!

There, that’s better.

...what I’m really trying to say is that this is an extremely historic university in a very historic city – maybe that’s what led so many of you to come to AU.

To serve...

To learn...

And to participate in everything this town has to offer.

It is particularly special to me to be here with you at the College of Arts and Sciences.

I may work in the field of public policy, but I'm a liberal arts person – you're looking at a proud English major – the black sheep in a family full of engineers. I have one daughter graduating with a degree in theater and women's studies, and another currently studying ancient history.

I am a firm believer in the power of a liberal arts education. You were smart to invest in that for yourselves.

That kind of training from a fine university with a great reputation is an incredible asset.

In your time here, you have learned:

How to think.

How to write.

How to make an argument and support it with facts.

How to engage people from a wide variety of backgrounds.

How to respect others' ideas, and how to challenge those ideas respectfully.

But this is your graduation, so you knew that already. I'm supposed to be imparting new knowledge and wisdom, and telling you what the real world is like.

So, I thought about what I have learned from my years in DC and at the White House, and I thought about what I know as a mom. So here goes: some graduation day advice:

First, never stop the quest for learning which brought you to American University.

You learned a lot, but you don't know everything yet. And sometimes knowing what you don't know is a very powerful thing.

For example, when you're in the Oval Office briefing the President and he asks you a big question, and you don't know the answer--at that very moment you have a couple of choices.

You can:

- 1.) Make up an answer and hope that it doesn't cause an international incident or economic collapse. or
- 2.) Tell the President you don't have an answer for him, but you'll get one right away.

I choose number 2.

And as you start your professional life, I encourage you to do the same. Knowing what you don't know, and filling those gaps by asking questions will get you a lot farther than faking it.

My second piece of advice: Build on the spirit of service that you built here.

Now this should also come with a word of caution – that spirit of service may become your life's work, and it can take you in unexpected directions.

When I got to college, I volunteered with organizations that worked with immigrants – it was a natural fit, as I come from an immigrant family.

That work ultimately took me to Washington, to 20 years at an advocacy organization that works to make the country better by focusing on Hispanic Americans like me.

And while working on a major immigration bill – the same immigration reform we are still trying to pass, by the way – I met a new Senator from Illinois named Barack Obama.

He was the kind of Senator who called you in for briefings, asked tough questions, and called you on your cell phone if he had more questions. This may surprise many of you, but that's unusual behavior for a Senator.

When he was elected President and asked me to serve, I hesitated. Actually, to be very honest, I said no.

I had teenagers at home and was worried about being a good mom.... But you know how the story ends – he persuaded me to say yes. And while doing this job asks a lot of my family, I think even my daughters would say that they're glad that I said yes to the chance to serve my country.

And I should throw in here, that if your own spirit of service interests you in a job in government – President Obama is very, very serious about recruiting the best and the brightest young people to serve in his administration.

But that starts with people like you showing interest. And the first step to that is visiting apply.whitehouse.gov and telling us all about yourself.

Are you writing this down?

Apply.whitehouse.gov.

And while I am giving practical advice – here's another piece: make sure you have health insurance! If you're under 26 and your parents have coverage, you can now stay on your parents' plan. And regardless of your age, if you are losing your student health insurance, you

can go to Healthcare.gov any time of the year and check out your options. **This will make your Mom happy.**

This is how the real work in Washington gets done, from the podium at commencement.

Ok, enough public service announcements - back to giving advice:

#3: Continue to engage with the people around you, including and especially those who are different from you.

Now if your college experience was anything like mine, American may have been your first experience with people that were very different from you.

I can remember in college, explaining the ñ in my name, and meeting people from rural communities and big cities – people whose experience was very different from mine.

I soon discovered, I learned just as much from my peers as I did from attending class.

And you know what, engaging those around you becomes no less important in your professional life.

My colleagues come from a wide variety of backgrounds, as CEOs, doctors and elected officials, and we all have to learn to understand each other and to row in the same direction.

Piece of advice #4: Learn to discern sense from all of the noise, and even indulge in a little peace and quiet every now and then.

Now this may seem impossible and I can relate to that feeling.

At the moment, I have two different cells phones on me, I have a home phone number, a work phone number, and two cell phone numbers. I have a work email address, and a personal email address, and naturally I'm also on Twitter – you can follow me at Cecilia44 – this cracks up my children.

In a world in which every utterance of government officials is scrutinized for salaciousness or scandal, it can be a dangerous thing, being able to communicate with thousands of people on the fly.

It's amazing that they let me have a Twitter account.

But I'm not here to advocate for a fear of technology –And I'm not advocating for a return to the typewriter.

Technology has given us the ability to keep in touch with old friends, to help our organizations make split-second decisions, to start a social movement from our phones.

One of the reasons I'm allowed to actually leave the office is because I have my work blackberry strapped to me at all times, which allows me to basically do my job from anywhere.

But – if we’re not careful – this nonstop flow of information will take away something very precious: the time to think. We run the risk of developing incredible knowledge, and no understanding whatsoever. If you can’t evaluate, and judge, and decompress, it’s impossible to make good decisions.

I say this from experience. My job is a high velocity job. Issues come at you quickly – sometimes you have to make split-second decisions on issues that affect millions of lives.

And as the President likes to say, the easy decisions don’t make their way to his desk – the ones that get to him are the hard ones – challenges that don’t have great answers, that require taking risks.

And sometimes he will say, I’m going to take some time to reflect on this. He knows that sometimes you need some silence and some space to make sure you have considered all of the angles. A crisis may look different with a little bit of distance. That’s wisdom. So shut out the noise sometimes. Give yourself some space to think.

Ok, final piece of advice: Always be grateful to the people who got you here, and pay it forward by helping others achieve their dreams.

I come into my office in the West Wing every day remembering that the American dream was real for my immigrant parents – that’s how I can be standing here today with the profound honor that you’ve asked me to share this special day with you.

I am aware every day that my job is to make sure those doors of opportunity that were open for my parents and for me are open for every American. It’s a solemn obligation - it feels sacred to me. And I hope you find ways to pay it forward yourselves, because this country needs your hearts, your hands, and your good ideas.

So let me close by emphasizing that last point. Your future success – your children’s ability to participate in a country that continues to grow, that makes the American Dream possible for everybody, hinges on the decisions policymakers are making now.

We are engaged in debates that will affect your lives directly. On things like making college affordable and managing student debt, ensuring that women receive equal pay for equal work.

Fixing our broken immigration system, tackling climate change, ensuring everybody has access to affordable health care, creating good jobs that pay a decent living in all regions of the country – making sure we build ladders of opportunity for those still struggling to reach the middle class – these are the challenges we will face together. This is the work my generation will hand off to yours.

Our success hinges on your generation’s ability to engage and make an argument.

It hinges on your generation’s creativity, drive, and desire to make this country and this world a better place for everyone.

AS PREPARED FOR DELIVERY

It's a darned good thing you have such a good education. You have a lot on your shoulders.

Thank you so much for letting me be a part of your special day – good luck. And from one liberal arts major to another—I can't wait to see what you'll do.

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Commencement Address
(As prepared)

University of Michigan Ford School of Public Policy

May 3, 2014

Senator Carl Levin

Dean Collins, thank you for your introduction, your invitation to join you today, and thank you most importantly for the great leadership that you've shown in this school. I am honored to be here with you and the graduates, their families and friends, and the faculty and staff of a school that has for a century now worked to improve the lives of our people through education and through the study of public policy.

It's also great to be here with my wife, Barbara, a true blue Wolverine from the class of ... no, I better not go there.

Many factors brought you graduates to this moment. First among them is your hard work. I know you will not forget the people who helped you achieve this moment. And for those families who have helped finance your education, they and the graduates who leave here carrying the burden of student loans will have learned the hard way what adds a special twist to the term higher education - the higher cost of education. For your sakes and for the future well-being of our nation, I'm hopeful that yet this year the United States Senate will adopt a bill to make college and university more affordable and to reduce the interest rate on existing loans. That's something we're trying to do.

You are not just graduates of a great university. You are graduates of a school of public policy, which implies that you -your ideas and passions, your hard work and drive and grit -can help shape the policies that government adopts. Whether in elected office or other forms of government service, at a nonprofit or in the private sector, seeking to influence public policy is an awesome responsibility. It is not easy work, because of the diversity of our great democracy. But if you put in that time and effort, the rewards are great. Outside of being a husband, and father and grandfather, nothing has brought me greater satisfaction than the chance to contribute to solving the challenges that our nation faces.

As you grapple with policy issues, I hope you will keep in your minds, and in your hearts, the spirit of the man whose name graces this school. Gerald Ford was admirable for many reasons, but perhaps none is more important than the difficult step he took in pardoning President Nixon. In doing so, he gave us one of history's most poignant examples of a politician doing what he felt was right in the face of public opposition. Pardoning Nixon may very well have cost Gerald Ford his office. But it was an essential step in healing the wounds of Watergate. History proved Jerry Ford correct, and this nation will always be in his debt for that decision.

I speak today as a policy-maker nearing the end of his career. Many of you will soon begin public policy careers of your own. And just as much has changed over my career, so you will see many changes during yours. But if issues change, principles do not. There are ways of examining issues that apply regardless of the specific challenges we face. And so, I want to share with you an approach that I believe has served me well.

A little more than a week ago, I was in Kabul, Afghanistan. I have been to Afghanistan a dozen times since our military involvement began there in 2001. My first trip was with Republican Senator John Warner of Virginia, one of my best friends in the Senate. It was in the fall of 2001, not long after our troops entered Afghanistan. John Warner is a tall, silver-haired, impeccably tailored, man. We're sort of an odd couple, actually, since I've been accurately described as plump, balding and rumpless.

Anyway, the Afghan society that Sen. Warner and I glimpsed through very heavy security has been transformed in the last dozen years. In 2001, roughly 1 million Afghan children were in schools. Now, there are more than 8 million. Before we and our allies came, the Taliban allowed essentially no Afghan girls to attend school; now, there are 2.6 million girls in classrooms. In 2001, average life expectancy in Afghanistan was 45 years. Now it's 62 years. Under the Taliban, 18 percent of rural Afghans had access to clean drinking water. By 2012 that had risen to 56 percent, and rising. Gross domestic product has risen nearly tenfold since 2001.

The first time I flew over Kabul at night, it reminded me of those nighttime photos you see of the Korean Peninsula, with the north totally dark, and the south ablaze with light. In 2001, Kabul was like North Korea. It was dark. Today, Kabul is dark no longer. Once-deserted streets are now bustling, and shuttered storefronts are now open.

None of this has been cheap or easy. But the Afghan people, with our assistance, have made significant progress. Tough challenges lie ahead. Government corruption is still prevalent, and security, though much improved, remains a major issue, particularly in certain rural areas. But our efforts have made a difference, for our nation's security and for Afghanistan.

Now, maybe you listened to this litany of progress and thought, "Wait a minute, I thought Afghanistan was a failure?" These days, if Americans think of Afghanistan at all, it is with a shudder. In a poll last December, two-thirds of Americans said our involvement in Afghanistan wasn't worth the effort. In February, the Gallup Poll found that for the first time a plurality of the American people believe we made a mistake sending out troops there to root out the terrorists who attacked us in 2001. But while polls show that most Americans want to end our involvement in Afghanistan, most Afghans - and every candidate for the Afghan presidency - want us to stay and to continue to help.

Now why this disconnect? Few Americans have had the opportunity to visit Afghanistan or to study its change. Most only read a few snippets or view brief reports on television. And those reports are almost unrelentingly negative. Head to the New York Times website, and you'll find a recent story on the "grim trend" of attacks on American civilians - a trend that consisted of one actual attack.

I believe that the stream of negative coverage has combined with Americans' understandable war weariness to shift public opinion decisively against our involvement in Afghanistan. The result is that the American people, and the men and women who have served our nation in Afghanistan and their families, have been robbed of the sense of accomplishment that they have earned through great sacrifice.

Now it's not my goal to convince you that I'm right about Afghanistan - though if I do, I'll take it. But the Afghan question illuminates some questions about the role of those involved in public policy, and how to weigh issues and evidence, and about how we elected officials balance our roles as representatives of our constituents with the duty to exercise our own judgment.

My opinions on Afghanistan have been formed in large part by the fact that I've been there. And ground truth matters. Our former secretary of defense, Bob Gates, said something memorable about Afghanistan a couple years ago: "The closer you get to this fight," he said, "the better it looks." He added that that is not usually the case in war; usually, it's much easier to convince yourself that a conflict is going well if you don't have to see the ugliness of war up close.

From that first visit onward, I've learned things visiting and studying about Afghanistan that have led me to a different conclusion from that reached by most of my constituents. The details matter. When someone tells you you're getting too far into the weeds, that's often a sign to go even deeper - to get down to deeper, to get down to the roots. Information is a shield against one's own biases and the biases of those around you.

If you're in elected office, the pursuit of the details may lead you to an uncomfortable place: a position at odds with public opinion. But you must be prepared to follow the evidence and your conscience where they lead - even if, and perhaps especially if, they lead somewhere politically uncomfortable. If you are in government service, you will come under great pressure to do what is popular - and democratic governance ultimately does need majority support. But our system also requires independent judgment. Public opinion is not fixed, and the policy maker who surrenders his or her judgment to the polls will have a lot of flip-flopping to explain. To accept the responsibility of influencing public policy is to accept the responsibility to advocate for what may be unpopular at the moment. England's philosopher-politician Edmund Burke once told his constituents, "Your representative owes you, not his industry only, but his judgment; and he betrays, instead of serving you, if he sacrifices [that judgment] to your opinion."

Burke is rightly celebrated for that statement. What is less often mentioned is that he lost the next election. That is a price policy makers must be willing to pay. It's the price Henry Bellmon paid. Bellmon was a Republican senator who cast a crucial vote in 1978 for President Carter's plan to return control of the Panama Canal to Panama. This was enormously unpopular in his state at the time, and Bellmon, under great pressure for his vote, decided not even to seek re-election. But Bellmon was convinced it was the right thing to do. He feared that our keeping the Panama Canal would create such resentment in Central America that it might spark violence that could embroil American troops, and as a World War II veteran, he knew the price of war. Bellmon knew he might pay a heavy price for his vote, but he told an interviewer that after he had weighed the facts, casting his vote "really wasn't a hard decision." Six years later, by the way, Oklahoma voters rewarded his integrity when they elected him governor.

Democratic Congresswoman Marjorie Margolies paid the price in 1994, after she cast the key vote for President Clinton's deficit reduction plan. She knew, she knew at the time, that it was a vote that could cost her re-election. And just in case she was unaware, Republicans on the House floor as she was voting jeered "Bye bye, Marjorie." Her vote gave that bill the majority it needed for passage. Sure enough, she lost the next election. But years later, when fellow Democrats faced similar pressures to vote against health care reform in 2009, here's what she wrote to those wavering Democrats: "I voted my conscience, and it cost me. ... I am your worst-case scenario. And I'd do it all again." She landed on her feet by the way - she's currently campaigning to return to Congress has a good chance to do so, and to show you how history plays strange tricks, her son much later married Bill and Hillary Clinton's daughter, Chelsea.

Advocating for an unpopular position means acknowledging the real challenges we face. Whether it's Afghanistan or health care reform or the budget, anything worth doing risks the possibility of failure, and the near-certainty that progress will be slow and incomplete. But as you weigh your approach to issues, do remember something President Ford said: "Some tend to feel that if we do not succeed in everything everywhere, then we have succeeded in nothing anywhere." He added: "I reject categorically such polarized thinking."

That's wise advice, whether you're in elected office or in a corporate office, in government service or working for a nonprofit. There is too much at stake for us to surrender to superficial media narratives or volatile opinion polls. To do so in Afghanistan would be to leave millions of Afghan girls without an education or hope for the future. Surrendering to the media frenzy of the moment would have led us to repeal newly won health insurance coverage for more than 8 million Americans. The fact that the war in Afghanistan or the fight for universal health care have not always gone as we had hope is no reason to abandon those important causes.

And the same goes for the causes for which you will fight in the years ahead. These are immensely important challenges, whether it's combating climate change; preserving privacy and cyber security in the Internet age; whether it's closing the wide and growing income gap that threatens the link between hard work and prosperity that is so fundamental to our national identity. To meet those challenges and others, your generation of policy makers will need to marshal the facts, to bring to bear your great education, your good judgment and your conscience, and to persevere in the face of criticism and doubt.

I wish this graduating class nothing but success. I congratulate you on the achievement you celebrate today - and on the greater achievements that lie ahead.

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For release on delivery
2:00 p.m. EDT
June 2, 2013

The Ten Suggestions

Remarks by

Ben S. Bernanke

Chairman

Board of Governors of the Federal Reserve System

at

Baccalaureate Ceremony, Princeton University

Princeton, New Jersey

June 2, 2013

It's nice to be back at Princeton. I find it difficult to believe that it's been almost 11 years since I departed these halls for Washington. I wrote recently to inquire about the status of my leave from the university, and the letter I got back began, "Regrettably, Princeton receives many more qualified applicants for faculty positions than we can accommodate."¹

I'll extend my best wishes to the seniors later, but first I want to congratulate the parents and families here. As a parent myself, I know that putting your kid through college these days is no walk in the park. Some years ago I had a colleague who sent three kids through Princeton even though neither he nor his wife attended this university. He and his spouse were very proud of that accomplishment, as they should have been. But my colleague also used to say that, from a financial perspective, the experience was like buying a new Cadillac every year and then driving it off a cliff. I should say that he always added that he would do it all over again in a minute. So, well done, moms, dads, and families.

This is indeed an impressive and appropriate setting for a commencement. I am sure that, from this lectern, any number of distinguished spiritual leaders have ruminated on the lessons of the Ten Commandments. I don't have that kind of confidence, and, anyway, coveting your neighbor's ox or donkey is not the problem it used to be, so I thought I would use my few minutes today to make Ten Suggestions, or maybe just Ten Observations, about the world and your lives after Princeton. Please note, these points have nothing whatsoever to do with interest rates. My qualification for making such suggestions, or observations, besides having kindly been invited to speak today by President Tilghman, is the same as the reason that your obnoxious brother or sister got to

¹ Note to journalists: This is a joke. My leave from Princeton expired in 2005.

go to bed later--I am older than you. All of what follows has been road-tested in real-life situations, but past performance is no guarantee of future results.

1. The poet Robert Burns once said something about the best-laid plans of mice and men ganging aft agley, whatever “agley” means. A more contemporary philosopher, Forrest Gump, said something similar about life and boxes of chocolates and not knowing what you are going to get. They were both right. Life is amazingly unpredictable; any 22-year-old who thinks he or she knows where they will be in 10 years, much less in 30, is simply lacking imagination. Look what happened to me: A dozen years ago I was minding my own business teaching Economics 101 in Alexander Hall and trying to think of good excuses for avoiding faculty meetings. Then I got a phone call . . . In case you are skeptical of Forrest Gump’s insight, here’s a concrete suggestion for each of the graduating seniors. Take a few minutes the first chance you get and talk to an alum participating in his or her 25th, or 30th, or 40th reunion--you know, somebody who was near the front of the P-rade. Ask them, back when they were graduating 25, 30, or 40 years ago, where they expected to be today. If you can get them to open up, they will tell you that today they are happy and satisfied in various measures, or not, and their personal stories will be filled with highs and lows and in-betweens. But, I am willing to bet, those life stories will in almost all cases be quite different, in large and small ways, from what they expected when they started out. This is

a good thing, not a bad thing; who wants to know the end of a story that's only in its early chapters? Don't be afraid to let the drama play out.

2. Does the fact that our lives are so influenced by chance and seemingly small decisions and actions mean that there is no point to planning, to striving? Not at all. Whatever life may have in store for you, each of you has a grand, lifelong project, and that is the development of yourself as a human being. Your family and friends and your time at Princeton have given you a good start. What will you do with it? Will you keep learning and thinking hard and critically about the most important questions? Will you become an emotionally stronger person, more generous, more loving, more ethical? Will you involve yourself actively and constructively in the world? Many things will happen in your lives, pleasant and not so pleasant, but, paraphrasing a Woodrow Wilson School adage from the time I was here, "Wherever you go, there you are." If you are not happy with yourself, even the loftiest achievements won't bring you much satisfaction.

3. The concept of success leads me to consider so-called meritocracies and their implications. We have been taught that meritocratic institutions and societies are fair. Putting aside the reality that no system, including our own, is really entirely meritocratic, meritocracies may be fairer and more efficient than some alternatives. But fair in an absolute sense? Think about it. A meritocracy is a system in which the people who are the luckiest in their

health and genetic endowment; luckiest in terms of family support, encouragement, and, probably, income; luckiest in their educational and career opportunities; and luckiest in so many other ways difficult to enumerate--these are the folks who reap the largest rewards. The only way for even a putative meritocracy to hope to pass ethical muster, to be considered fair, is if those who are the luckiest in all of those respects also have the greatest responsibility to work hard, to contribute to the betterment of the world, and to share their luck with others. As the Gospel of Luke says (and I am sure my rabbi will forgive me for quoting the New Testament in a good cause): "From everyone to whom much has been given, much will be required; and from the one to whom much has been entrusted, even more will be demanded" (Luke 12:48, New Revised Standard Version Bible). Kind of grading on the curve, you might say.

4. Who is worthy of admiration? Luke's admonition--which is shared by most ethical and philosophical traditions, by the way--helps with this question as well. Those most worthy of admiration are those who have made the best use of their advantages or, alternatively, coped most courageously with their adversities. I think most of us would agree that people who have, say, little formal schooling but labor honestly and diligently to help feed, clothe, and educate their families are deserving of greater respect--and help, if necessary--than many people who are superficially more successful. They're more fun to have a beer with, too. That is all you need to know about sociology.

5. Since I have covered sociology, I might as well cover political science as well.

In regard to politics, I have always liked Lily Tomlin's line, in paraphrase: "I try to be cynical, but I just can't keep up." We all feel that way some time.

Actually, having been in Washington now for almost 11 years, as I mentioned, I feel that way quite a bit. Ultimately, though, cynicism is a poor substitute for critical thought and constructive action. Sure, interests and money and ideology all matter, as you learned in political science. But my experience is that most of our politicians and policymakers are trying to do the right thing, according to their own consciences, most of the time. If you think that the bad or indifferent results that too often come out of Washington are due to base motives and bad intentions, you are giving politicians and policymakers way too much credit for being effective. Honest error in the face of complex and possibly intractable problems is a far more important source of bad results than are bad motives. For these reasons, the greatest forces in Washington are ideas, and people prepared to act on those ideas. Public service isn't easy. But, in the end, if you are inclined in that direction, it is a worthy and challenging pursuit.

6. Having given you the essence of sociology and political science, let me wrap up economics while I'm at it. Economics is a highly sophisticated field of thought that is superb at explaining to policymakers precisely why the choices they made in the past were wrong. About the future, not so much. However,

careful economic analysis does have one important benefit, which is that it can help kill ideas that are completely logically inconsistent or wildly at variance with the data. This insight covers at least 90 percent of proposed economic policies.

7. I'm not going to tell you that money doesn't matter, because you wouldn't believe me anyway. In fact, for too many people around the world, money is literally a life-or-death proposition. But if you are part of the lucky minority with the ability to choose, remember that money is a means, not an end. A career decision based only on money and not on love of the work or a desire to make a difference is a recipe for unhappiness.
8. Nobody likes to fail but failure is an essential part of life and of learning. If your uniform isn't dirty, you haven't been in the game.
9. I spoke earlier about definitions of personal success in an unpredictable world. I hope that as you develop your own definition of success, you will be able to do so, if you wish, with a close companion on your journey. In making that choice, remember that physical beauty is evolution's way of assuring us that the other person doesn't have too many intestinal parasites. Don't get me wrong, I am all for beauty, romance, and sexual attraction--where would Hollywood and Madison Avenue be without them? But while important, those are not the only things to look for in a partner. The two of you will have a long trip together, I hope, and you will need each other's support and

sympathy more times than you can count. Speaking as somebody who has been happily married for 35 years, I can't imagine any choice more consequential for a lifelong journey than the choice of a traveling companion.

10. Call your mom and dad once in a while. A time will come when you will want your own grown-up, busy, hyper-successful children to call you. Also, remember who paid your tuition to Princeton.

Those are my suggestions. They're probably worth exactly what you paid for them. But they come from someone who shares your affection for this great institution and who wishes you the best for the future.

Congratulations, graduates. Give 'em hell.

Commencement Address
(As prepared)

Johns Hopkins University Paul H. Nitze School of Advanced International Studies

May 24, 2012

The Honorable Timothy Geithner

Provost Minor, Dean Einhorn, members of the faculty, family and friends, graduates of the class of 2012: congratulations to all of you.

It is an honor to stand here 27 years after receiving my degree from SAIS. I had great professors. I learned a lot. I miss the pool table.

I want to offer my compliments to Dean Einhorn for all that she has done for SAIS, for leaving a strong institution to her capable successor, Vali Nasr.

This is a remarkably diverse class. You come from 39 different countries. You have worked for governments, nonprofits, and some of the world's leading private companies.

Many of you have spent your time at SAIS overseas, whether in Nanjing, China, learning Chinese and studying hard, or in Bologna, Italy, studying...not so much.

You graduate from this institution with the world still recovering from the worst financial crisis since the Great Depression and into a very tough job market.

And you chose to get a degree in "advanced international studies".

And your parents and friends are here, saying, "What were you thinking?!"

I know this is hard to explain.

Your peers chose a credential, one that friends and relatives can wrap their heads around, that would allow them to practice law, or medicine, or engineering or finance.

You chose a different, more intrepid path. You chose to study foreign policy and economics.

You didn't choose to narrow your world. You chose to make it bigger.

You are neither fish nor fowl. Neither lawyer nor banker.

Post-partisan. The heirs to Paul Nitze and George Kennan.

You take yourselves seriously, but not too seriously. The SAIS ethic is driven, but with a quiet and calm intensity.

You care more about what you do than what you earn.

In a world full of people with more conviction than knowledge, you invested in learning the shades of gray in life, understanding what we do not know, and how to navigate in an uncertain world.

And while it may not feel this way, this is your moment.

I came to SAIS in September 1983, right out of college. I was eager, impatient to learn the craft of governing, and there was, and there is still, no better place to do that.

I loved my work and managed to graduate...but without a job, and with student loans to repay. I was about to get married. I felt a certain sense of responsibility to earn a living, after being supported through graduate school by the amazing woman who became my wife, Carole Geithner.

This all made me somewhat uneasy. I know many of you are in a similar place.

A couple of months after graduating, I got a job working for Henry Kissinger's firm, and then in the summer of 1988, I joined the civil service at the Treasury Department, the place of Hamilton and Morgenthau.

And there at Treasury, I had the valuable experience—though I did not know how valuable then—of working through a diverse mix of the financial crises of other nations— Mexico, then Asia, and then Latin America again.

I returned to Treasury in 2009 at a particularly dark moment in American history. The economy was still caught in the most dangerous phase of the financial crisis, and I was very worried about how we were going to get out of it.

At my first meeting in the Oval Office after I was sworn in, I walked President Obama and Vice President Biden through the remaining large, complicated, and very dangerous financial bombs we still had to defuse. I explained what I thought it would take to defuse them, and how damaging those steps would be politically.

The weight of that conversation was enough to cause many leaders to shrink from action. But that's not what this President did.

President Obama did not play politics with the crisis. He did not commission a series of academic studies. He did not sit there paralyzed by the terrible perils of the choices we faced. He did not wait to act in the hope the crisis would burn itself out.

He decided to act and to do the hard, tough things early.

It was a tough few months at the beginning. I remember in those early weeks receiving from a friend a copy of the Teddy Roosevelt quote about "the man in the arena." You may know the quote. It starts like this. "It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by sweat and blood..."

I thought that was a thoughtful gesture from this friend, and then, well, about 10 more people sent me the same quote, and I thought, well...this can't be good—they must really be worried about me.

I was not overly concerned by the loud chorus of critics. I didn't have the luxury of time to think about them. And I had an advantage they did not have. I knew then that we had a good plan for fighting the financial crisis.

There are many people who understand that now, but there were not many who believed it at the time.

There's a scene in the movie "The Hurt Locker" by Kathryn Bigelow that I think is a powerful metaphor for the choices you face in public life.

I tell this story not in any way to equate the battles we wage in economic policy with what our soldiers and their families face in war, but to convey a lesson about life.

For those of you who haven't seen the movie, it's about a bomb disposal squad in Iraq and the team leader, Sergeant James. In one scene, the team gets called in to defuse a suspected bomb. They evacuate a huge perimeter around a car, sagging under the weight of the explosive within.

Sergeant James puts on this formidable protective gear. Huge gloves, helmet, full body armor. It is very hot. He opens the trunk, and even he is shocked at the destructive power of the explosives there.

Looking at the size of the bomb, he decides to take off all the protective gear—and to expose himself—so he can defuse it more easily.

The other soldiers, dispersed at some distance behind protective barriers, are dumbfounded, asking, "What are you doing?"

But he says, in so many words, if I don't succeed, it's going to blow me up anyway.

You will find lots of people in public life who worry more about how they appear than what they accomplish, who fear the risk in any action, who let preoccupation with perception and politics get in the way of doing the right thing.

What you should take from this story is that if you are going to make a difference, especially in public life, you need to be willing to get close to the flame. You need to be willing to take risk and feel the heat. You have to keep your focus on the cause you are called to serve and the craft of doing the job well.

That's what the President did when the fires of our financial crisis were burning. There was no precedent and no playbook available to any of us, other than the graveyard of mistakes from other crises. But we knew we had to act.

We put together a creative plan, building on the brave work of Secretary Paulson and Chairman Bernanke, and the President guided a remarkably effective financial rescue, by any historical comparison, because he was willing to weather the political costs of the best economic strategy.

What we experienced in 2008 and 2009 was a terrible crisis, caused by a shock larger than what caused the Great Depression. Today, the country is still living through the aftershocks, and we will be for some time.

The damage from the financial crisis was greater because it hit an economy that had already been suffering from a slow-burning mix of other challenges. The erosion in the quality of public education, the decline in public infrastructure, an alarming rise in poverty, a long period of stagnation in living standards for the median worker, the rise in public debt.

And these challenges are all magnified today by the paralysis in our political system—a paralysis that reflects and amplifies the deep divisions across the country about the role of government.

Our economic challenges are tough, but the critical test we face is a political challenge: how to recapture what was for most of our history our defining strength: a political system that was able to marshal the wisdom to do wise and hard things, with a long-term view of what determines national economic strength.

What has been exceptional about America is that even in a country founded on individual freedom and so skeptical about government, Americans were ambitious and smart in creating public goods like universal public education; in building not just a world class army, but a world class public infrastructure; in designing not just a system for protecting the intellectual property of private innovators, but also for pioneering public investments in scientific discovery; in creating not just a system that offered very high financial rewards for entrepreneurs, but also a safety net for retirees and for the poor.

In today's political climate, it can seem sometimes that we have forgotten this wisdom.

But even with all these challenges, don't be too dark about America.

We have successfully navigated the most dangerous phase of the American financial crisis. We are still a dynamic and resilient nation, stronger in economic terms than any of the other major economies. Our challenges are more manageable. And we are in a much stronger position today to deal with them effectively.

We just need to rediscover the political ability to solve the big problems still ahead of us.

I hope each of you will have the chance to spend some time working for your country, as a soldier, as an elected official, as a civil servant. We need more talented people to spend time in public service to help rebuild the confidence of Americans in their government.

Many of you will work outside government, but trying to shape what governments do.

And many of you will choose to work in the private sector. There too, you will have a chance to contribute to better public policy outcomes—to bring back the tradition of the “statesman CEO.” You will have the chance to help get businesses to focus not just on how to reduce their effective tax rate or to soften some regulation, but also on how to improve education, or to increase government investment in scientific research or public infrastructure—things all businesses need.

If you choose to work in public service, and if you have the chance to work on the great economic challenges ahead, then you will learn, as I have, a few of the things that matter most in government.

Don't put politics ahead of economics. Polls may tell you what seems popular. They can show you the political obstacles to reform. But they cannot tell you what is the right thing to do. They are not

a reliable guide to good economic policy, particularly in a crisis, when all the options seem terrible to any sensible person.

Retain a healthy skepticism about the world, and a lot of humility. You should be profoundly skeptical about the easy policy option. Be skeptical of those offering excessive conviction on any issue. Don't expect people to behave rationally.

Know that you will often have to act in areas where the fog of uncertainty is thick and heavy. This should humble you, but you can't let it paralyze you.

In government, you need to have a view, and to know what you are for, not just what you are against. It is not enough to be able to explain the risks in any option. You have to be able to decide and to choose. Plan beats no plan.

In economic policy, your job is to try to relax the political constraints on policy, not simply to resign yourself to live within them. But still, you have to govern with knowledge of the possible, and to be able to choose among the feasible alternatives, not be caught too long in the search of the theoretical ideal.

In confronting the financial crisis, we were fighting two battles—one to save the economy from collapse, and one to convince the American people that we were doing the right thing, the fair and the just thing. We won the first of these battles, and we are still fighting the second.

At the height of the crisis, President Obama made a difficult and courageous choice. He decided not to alter economic strategy to fit the demands for a more simple and compelling popular narrative—that we nationalize the banks, for example, or let them all burn.

He did not let politics get in the way of doing the right thing, and that made all the difference.

So, graduates of the class of 2012—you already know you have to be prepared to take the risk and heat.

You chose the harder path in graduate school. You chose to learn about power and conflict among nations; about incentives and human behavior; about why nations fail and prosper; about hubris and achievement. This is the study of how to think and how to choose and how to lead.

You chose a place where you could learn the craft of how to advance a cause, a cause larger than yourself.

You chose SAIS because you understand, to complete Teddy Roosevelt's words, that "the credit belongs to the man in the arena...who strives valiantly; who errs, who comes short again and again, because there is no effort without error and shortcoming; but who does actually strive to do the deeds; who knows great enthusiasms, the great devotions; who spends himself in a worthy cause."

I look forward to seeing you in the arena, and I wish you the very best.

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Commencement Address
(As prepared)

American University Kogod School of Business

May 8, 2011

The Honorable Gene Sperling

I first want to say that I view the opportunity to be your commencement speaker with significant humility. I am more than aware of the vulnerability of the audience in this situation. For most of you, this is a family event where – as long as the Commencement speaker is talking – you are a very captive audience. At worst, a commencement address can be the graduation equivalent of a squirm-worthy best man's toast – one where the speaker chooses to provide endless embarrassing accounts of the groom's past girlfriends. In both cases, family and friends have few options for exit, protest or using giant hooks to keep the speaker from tarnishing a very special day.

In that light, I don't want anyone here to fear today that I will decide to use this occasion to deliver a blistering speech about my views on the virtues of the President's economic agenda or the problems with those who oppose us – forcing half the audience to have to sit still and listen to political views they might not agree with, when they came instead to applaud and honor someone they love.

So, while I will promise you little at the outset of this speech, I will commit to three things: no partisan politics, no Sperling economic prescriptions, and definitely nothing about your past or present girlfriends or boyfriends.

What I will try to do is simply offer you four observations that I have found meaningful in my life about how to prepare for the increasing responsibility and harder decisions that each of you will face as your career progresses.

Observation number one: You must engage in the preparation that provides the confidence to make the tough and lonely call.

When you are early in your career and observing the mistakes made by those above you, it seems pretty easy to have strong opinions. Yet, as you suddenly find yourself for the first time in the position to make a consequential call amidst considerable uncertainty, things feel a little different. When, rather than critique mistakes of others with the certainty of a Monday morning quarterback, you are asked, amidst uncertainty, to make the call: go or no go, launch or don't launch, fight or retreat, keep going or cut your losses – then you will feel the exposure of knowing that you have put it on the line, and time will prove you right or wrong, genius or fool, and you will have nowhere to hide. And, what may be most terrifying is not when your call is rejected amidst differing views, but when it is accepted: when your company, your government, your boss is deciding to make a risky

and tough move based on your recommendation.

Many people in life will go to great length to avoid making the call. For many, the exposure to the risk of clear and accountable failure is too much to bear.

Yet if you aspire to positions of responsibility, you need not only the guts to make the call; you need the commitment to rigorous and analytical excellence to make the wise call. You need to know that when the time comes to make the hard decision, you have done everything in your power to check every angle, challenge every assumption, learn from every precious mistake, analyze every contingency, plan for everything that can go wrong, understand what is likely to occur five steps down the road or and how your decision could lead to unanticipated consequences.

The world will of course reward you with applause, promotions, money and even fame when your call turns out to be the right one. But as Kipling wrote, in reality triumph and disaster can both be impostors. It is a mistake for any of us to judge our decisions, and certainly our lives, solely on how fate or matters beyond our control smile upon our choices. At a professional and, most importantly, at a personal level, each of us must draw our inner satisfaction from the degree to which we went the extra mile to ensure we did everything humanly possible to make the right call, ex ante, that would maximize success.

In his excellent biography of John Adams, David McCullough identified the degree that our founders understood and internalized this basic truth as they faced in 1776 the enormous anxiety and uncertainty over the life-and-death, against-all-odds decision to take on the greatest military power of all time in a war of independence. McCullough reports that as John Adams wrote to his wife Abigail, “he stressed that the events of war were always uncertain. Then, paraphrasing a favorite line from the popular play Cato by Joseph Addison – a line George Washington, too, often called upon – Adams told her, ‘We cannot insure success, but we can deserve it.’”

I thought about this a week ago today when we all learned about the dramatic and heroic killing of Osama Bin Laden. I saw the enormous admiration among the military, intelligence and national security teams for the fact that the President made the tough call when his advisors were far from unanimous and the evidence, however strong, was purely circumstantial. It was the ultimate hard and lonely call that ended with the ultimate good result.

Yet I could not help but think of how different the public and political reaction would have been had it turned out that, even for fluky reasons, Bin Laden had not been there that day or unforeseeable elements had turned against them. Would it then have been the wrong decision? I don’t think so. When one looks at the immense intelligence effort, the rigorous contingency planning, the five meetings the President himself ran over the last several weeks, the drills and practice sessions of our amazing Navy SEALs, it is clear to me that, regardless of the outcome, all those involved had “deserved success” – and thus deserved our admiration regardless of the outcome.

Few of us will make decisions as dramatic as launching a raid to capture the world's number one terrorist. But, most of us will at some point be asked to make a call – whether to start-up a new business, launch a new product, or implement a controversial policy that will have serious consequences to our fellow workers, the institutions we work for and, no doubt, our reputations and success. And, whether you are a President, a sports coach, a business executive, a military leader, or an economic advisor, I believe each of us has to draw our personal sense of satisfaction and professionalism not from, *ex post*, whether the field goal hit the uprights and bounce in or out, but from whether we did everything in our power to prepare for success, to make the best possible call, to deserve success.

Observation number two: Have the courage of your common sense.

Now at first blush, telling someone to have the courage to stand up for their common sense seems like it falls in the category of “don’t curse out your grandmother.” Rather obvious. In the movies, we often see the outspoken protagonist take on his boss – who often turns out to be his future father-in-law – and find ultimate success, offering the lesson that the courage to dissent is ultimately rewarded with a promotion and grudging admiration.

But the real world is not so simple. Take our recent financial crisis. This crisis no doubt had many causes – inadequate financial regulations that overlooked systemic risks and the growth of the non-bank sector, weak lending standards, a lack of sound gatekeepers, together with individuals who took on debt they did not understand or could not afford. But there were also thousands of people – good and often accomplished professionals at all levels – who somehow put common sense to the side in the face of an overwhelming herd mentality.

While I am not here to debate how predictable it was that widespread financial practices in the mortgage sector would lead to such a historic and almost unprecedented Great Recession, the signs that something was seriously adrift were not particularly hard to see. The National Association of Realtors was finding nearly half of first-time homebuyers in 2005 and 2006 were putting no money down on their homes. Credit Suisse was reporting that prime ARMs originated in 2005 were three times as likely to be delinquent after just one year compared with similar loans made in 2003 or 2004. Eighty percent of Alt-A loans and almost 40 percent of subprime loans had virtually no documentation. You would think it would have occurred to more people in the financial sector – beyond those interesting cases in Michael Lewis’s excellent book *The Big Short* – that something might have been wrong. So why didn’t more of those specializing in housing finance speak up?

The truth is that standing up for the courage of your common sense – especially early in your career – against group think, or a system-wide herd mentality of those deemed older and wiser is not easy. Imagine someone in a major financial institution in 2004 making the case against continuing to originate and package subprime mortgages into real or synthetic CDOs. One year later, their courageous advice would have been proven brutally wrong, as firms specializing in these financial instruments continued to find success. Had they still stuck to their guns, they would have not only been proven wrong a second-year in a row, but those they were competing with inside their firms,

who espoused the most reckless stance, would have been promoted and financially rewarded.

Rather than the triumph you see in the movies, our hero practicing the courage of his common sense might have had a spouse asking why he had lost his job and cost his family greater financial security. There is a reason in Hans Christian Anderson's *The Emperor Has No Clothes* that it was a little child – not an adult – who noted that “[the King] hasn’t got anything on.” As Anderson writes about the adults in the crowd, “Nobody would confess that he couldn’t see anything, for that would prove him either unfit for his position or a fool.”

And yet while all of us must feel the personal accountability to do and say what we believe, the overwhelming power of the herd is one reason it is incumbent upon our policymakers and business leaders to create the incentives and environments that encourage people to dissent, to have the courage of their common sense, and to feel less inhibited from shouting out that the Emperor has no clothes.

It is why policymakers and business leaders should encourage and insist on compensation packages that incentivize employees to consider long-term risks; it is why companies have to reward their risk managers based on their analysis and not on short-term market movements. It means encouraging young employees, as McKinsey does, to feel an “obligation to dissent” and providing them the message they are not doing their job any time they stay silent when they disagree, regardless of how many senior executives are in the room. It means standing by employees willing to shout the emperor has no clothes, as the editor of Fortune did when its young reporter, Bethany McClean, reviewed the books of Enron and – unlike so much of Wall Street – was not afraid to admit that she did not see how their business model made sense or their numbers added up.

Yet, while we must ask our policy and business leaders to put in place safeguards and wise incentives, nothing absolves us of the personal decision each of us will have to make as to when, how and whether we risk being the lone wolf at the table. Make no mistake: practicing the art of dissent without preparation is no wiser than making a tough call without intense preparation. And I am not encouraging anyone here to emulate Tom Cruise’s character in *Jerry Maguire*, who decides in the middle of the night to send a twenty-page harsh critique of his company’s business model without the benefit of sleep or showing it to another person to review or comment.

But when you are prepared and in true dissent, you have to ask yourself this: are you willing to speak your mind knowing that you will have to withstand the sharp edges of suppressed smiles and the piercing darts of mocking glances from your peers as you go against the perceived wisdom? Do you have the stomach to leave the table with the sinking suspicion that when those in the room gather in hallway conversation in your absence, you will be the subject of condescension? And are you willing to do so, with the understanding that the movie ending – with everyone coming to acknowledge your forthrightness – is usually just in the movies?

That is a choice all of us have to make throughout our careers. But as you fear that your dissent will prove you “unfit for your position,” remember how you would feel explaining to your parents or the

children you will want to set an example for why you sat by and said nothing when your intellect and conscience told you otherwise.

Observation number three: See the people behind your decisions.

At one level, this might seem trite or even wrong. Trite because every tough decision hurts some people and helps others. Wrong, some might say, because any person responsible for consequential decisions must make choices that could negatively impact hundreds, thousands – and even millions – and forcing yourself to image the pain of each person could lead to paralyzing indecision.

There is truth to all of these concerns. But when I tell you to see the people behind your decisions, I am not suggesting that you avoid hard choices. It is never that simple. Military officers often risk lives in the interest of saving others; executives at times make painful choices to layoff 10% of their workforce in the interest of cost-cutting that could save the jobs of the other 90%. Seeing the people behind even your toughest decisions is not a recipe for paralysis; it is a means for making hard decisions in a way that is both wiser and more compassionate.

In his book on Eisenhower, author Stephen Ambrose noted that one of the reasons General Eisenhower became so loved was that despite the large and unavoidable loss of life that came under his watch he had “such a keen sense of family, of the way in which each casualty meant a grieving family back home.” Indeed, Eisenhower once wrote, “a man must develop a veneer of callousness that lets him consider such things dispassionately, but he can never escape a recognition of the fact that back home the news brings anguish and suffering...” And while I know that for President Obama and Secretary Gates, the writing of letters home to the families of fallen warriors is one of the hardest parts of their jobs, this practice ensures our leaders do see the families behind their decisions helps while giving the American people greater assurance that the decision to put our young people in harm’s way is done with the utmost seriousness and sense of gravity.

In my work, we often gather around tables and are forced – in the interest of taming our large deficits – to decide that we must go without important increases in vital services and, more and more, even make actual cuts and reductions. It is unavoidable at times. And it may be easier emotionally for some if they treat it simply as a cold budget exercise. Yet, I think all of us have an obligation to see the families and children behind each and every decision, whether we are military leaders, business leaders or policymakers.

When someone tries to brush off as inconsequential a cut that might deny 4,500 children the ability to be on Head Start, I try to visualize a place like Bender Arena and imagine it filled with poor children whose ability to enter kindergarten ready to learn rests on how well we fight on their behalf. An executive who sees his workers not as numbers, but neighbors who have to tell their children they have lost their job, may not be able to avoid all such decisions, but he or she is more likely to make layoffs a last resort, not a first one, and to ask what shared sacrifice he or she can deploy to prevent as many lost jobs as possible. Seeing the people behind your decisions may not allow you to avoid painful decisions, but it makes you think twice, try harder, ask yourself whether

there is another or better way. I think all of us, in whatever position we have, should have that obligation.

Observation number 4, my final charge to you: Do not forget the values you admire most in the people who have helped you along the way.

If we had to do a poll here on the 10 most successful people in the world, many of us would name many of the same people. But if I asked each of you who in your life had demonstrated values and attributes that most impacted who you are, you would be less likely to name a rock star or a billionaire and much more likely to note the dedication of teacher or coach who had touched your life, the steadfast support of a close friend in your darkest hour, the fundamental decency of a parent or sibling.

That is what shapes you. That is what has shaped me. For all the amazing heroes I have met and had a chance to work with and for in my life, my ultimate heroes are still my Mom and Dad. Not because everything about them is perfect, but because they helped me see, by their examples, the behavior that inspires and defines me.

My father is a great lawyer, but it is his core sense of justice and right and wrong that I have never stopped admiring. When he graduated from Michigan Law School in the early 1950s, he asked his close friend – an African-American named Roger Wilkins – to go into practice with him, even though it was virtually unheard of for there to be an integrated law firm at that time. They ended up taking different paths, but it demonstrates how his core sense of right and wrong and justice was not contingent on the fashions of the time or which way the wind was blowing.

I watched how my mother, as an educational reformer, never left a child behind; how she was willing to push in-class assessment and individualized education long before it was fashionable, and to fight for change when she was just as likely to be seen as a troublemaker as she was to be seen as a visionary. These examples shape who I am, who my brothers and sister are, and the values we pass on to our children. This is a legacy you leave to your children and grandchildren that is as rich as any wealth you can accumulate.

As with me, for many of you, somewhere in this audience or somewhere outside it there is a brother, a sister, a teacher, a friend, a father whose values and example are the rock and foundation you will look to guide you as you go forward in your careers and as you raise your families. And for so many of us, it is as much as anyone else in our lives, our mom. Which is certainly the most appropriate thought to leave you with as you celebrate your graduation and Mothers Day. Congratulations, Class of 2011.

Transcription of the 2005 Kenyon Commencement Address - May 21, 2005

Written and Delivered by David Foster Wallace

(If anybody feels like perspiring [cough], I'd advise you to go ahead, because I'm sure going to. In fact I'm gonna [mumbles while pulling up his gown and taking out a handkerchief from his pocket].) Greetings ["parents"?] and congratulations to Kenyon's graduating class of 2005. There are these two young fish swimming along and they happen to meet an older fish swimming the other way, who nods at them and says "Morning, boys. How's the water?" And the two young fish swim on for a bit, and then eventually one of them looks over at the other and goes "What the hell is water?"

This is a standard requirement of US commencement speeches, the deployment of didactic little parable-ish stories. The story ["thing"] turns out to be one of the better, less bullshit conventions of the genre, but if you're worried that I plan to present myself here as the wise, older fish explaining what water is to you younger fish, please don't be. I am not the wise old fish. The point of the fish story is merely that the most obvious, important realities are often the ones that are hardest to see and talk about. Stated as an English sentence, of course, this is just a banal platitude, but the fact is that in the day to day trenches of adult existence, banal platitudes can have a life or death importance, or so I wish to suggest to you on this dry and lovely morning.

Of course the main requirement of speeches like this is that I'm supposed to talk about your liberal arts education's meaning, to try to explain why the degree you are about to receive has actual human value instead of just a material payoff. So let's talk about the single most pervasive cliché in the commencement speech genre, which is that a liberal arts education is not so much about filling you up with knowledge as it is about quote teaching you how to think. If you're like me as a student, you've never liked hearing this, and you tend to feel a bit insulted by the claim that you needed anybody to teach you how to think, since the fact that you even got admitted to a college this good seems like proof that you already know how to think. But I'm going to posit to you that the liberal arts cliché

turns out not to be insulting at all, because the really significant education in thinking that we're supposed to get in a place like this isn't really about the capacity to think, but rather about the choice of what to think about. If your total freedom of choice regarding what to think about seems too obvious to waste time discussing, I'd ask you to think about fish and water, and to bracket for just a few minutes your skepticism about the value of the totally obvious.

Here's another didactic little story. There are these two guys sitting together in a bar in the remote Alaskan wilderness. One of the guys is religious, the other is an atheist, and the two are arguing about the existence of God with that special intensity that comes after about the fourth beer. And the atheist says: "Look, it's not like I don't have actual reasons for not believing in God. It's not like I haven't ever experimented with the whole God and prayer thing. Just last month I got caught away from the camp in that terrible blizzard, and I was totally lost and I couldn't see a thing, and it was fifty below, and so I tried it: I fell to my knees in the snow and cried out 'Oh, God, if there is a God, I'm lost in this blizzard, and I'm gonna die if you don't help me.'" And now, in the bar, the religious guy looks at the atheist all puzzled. "Well then you must believe now," he says, "After all, here you are, alive." The atheist just rolls his eyes. "No, man, all that was was a couple Eskimos happened to come wandering by and showed me the way back to camp."

It's easy to run this story through kind of a standard liberal arts analysis: the exact same experience can mean two totally different things to two different people, given those people's two different belief templates and two different ways of constructing meaning from experience. Because we prize tolerance and diversity of belief, nowhere in our liberal arts analysis do we want to claim that one guy's interpretation is true and the other guy's is false or bad. Which is fine, except we also never end up talking about just where these individual templates and beliefs come from. Meaning, where they come from INSIDE the two guys. As if a person's most basic orientation toward the world, and the meaning of his experience were somehow just hard-wired, like height or shoe-size; or automatically absorbed from the culture, like language. As if how we construct meaning were not actually a matter of personal, intentional choice. Plus, there's the whole matter of arrogance. The nonreligious guy

is so totally certain in his dismissal of the possibility that the passing Eskimos had anything to do with his prayer for help. True, there are plenty of religious people who seem arrogant and certain of their own interpretations, too. They're probably even more repulsive than atheists, at least to most of us. But religious dogmatists' problem is exactly the same as the story's unbeliever: blind certainty, a close-mindedness that amounts to an imprisonment so total that the prisoner doesn't even know he's locked up.

The point here is that I think this is one part of what teaching me how to think is really supposed to mean. To be just a little less arrogant. To have just a little critical awareness about myself and my certainties. Because a huge percentage of the stuff that I tend to be automatically certain of is, it turns out, totally wrong and deluded. I have learned this the hard way, as I predict you graduates will, too.

Here is just one example of the total wrongness of something I tend to be automatically sure of: everything in my own immediate experience supports my deep belief that I am the absolute center of the universe; the realist, most vivid and important person in existence. We rarely think about this sort of natural, basic self-centeredness because it's so socially repulsive. But it's pretty much the same for all of us. It is our default setting, hard-wired into our boards at birth. Think about it: there is no experience you have had that you are not the absolute center of. The world as you experience it is there in front of YOU or behind YOU, to the left or right of YOU, on YOUR TV or YOUR monitor. And so on. Other people's thoughts and feelings have to be communicated to you somehow, but your own are so immediate, urgent, real.

Please don't worry that I'm getting ready to lecture you about compassion or other-directedness or all the so-called virtues. This is not a matter of virtue. It's a matter of my choosing to do the work of somehow altering or getting free of my natural, hard-wired default setting which is to be deeply and literally self-centered and to see and interpret everything through this lens of self. People who can adjust their natural default setting this way are often described as being "well-adjusted", which I suggest to you is not an accidental term.

Given the triumphant academic setting here, an obvious question is how much of this work of adjusting our default setting involves actual knowledge or intellect. This question gets very tricky. Probably the most dangerous thing about an academic education -- least in my own case -- is that it enables my tendency to over-intellectualize stuff, to get lost in abstract argument inside my head, instead of simply paying attention to what is going on right in front of me, paying attention to what is going on inside me.

As I'm sure you guys know by now, it is extremely difficult to stay alert and attentive, instead of getting hypnotized by the constant monologue inside your own head (may be happening right now). Twenty years after my own graduation, I have come gradually to understand that the liberal arts cliché about teaching you how to think is actually shorthand for a much deeper, more serious idea: learning how to think really means learning how to exercise some control over how and what you think. It means being conscious and aware enough to choose what you pay attention to and to choose how you construct meaning from experience. Because if you cannot exercise this kind of choice in adult life, you will be totally hosed. Think of the old cliché about quote the mind being an excellent servant but a terrible master.

This, like many clichés, so lame and unexciting on the surface, actually expresses a great and terrible truth. It is not the least bit coincidental that adults who commit suicide with firearms almost always shoot themselves in: the head. They shoot the terrible master. And the truth is that most of these suicides are actually dead long before they pull the trigger.

And I submit that this is what the real, no bullshit value of your liberal arts education is supposed to be about: how to keep from going through your comfortable, prosperous, respectable adult life dead, unconscious, a slave to your head and to your natural default setting of being uniquely, completely, imperially alone day in and day out. That may sound like hyperbole, or abstract nonsense. Let's get concrete. The plain fact is that you graduating seniors do not yet have any clue what "day in day out" really means. There happen to be whole, large parts of adult American life that nobody talks about in commencement speeches. One such part involves boredom, routine, and petty frustration. The parents and older

folks here will know all too well what I'm talking about.

By way of example, let's say it's an average adult day, and you get up in the morning, go to your challenging, white-collar, college-graduate job, and you work hard for eight or ten hours, and at the end of the day you're tired and somewhat stressed and all you want is to go home and have a good supper and maybe unwind for an hour, and then hit the sack early because, of course, you have to get up the next day and do it all again. But then you remember there's no food at home. You haven't had time to shop this week because of your challenging job, and so now after work you have to get in your car and drive to the supermarket. It's the end of the work day and the traffic is apt to be: very bad. So getting to the store takes way longer than it should, and when you finally get there, the supermarket is very crowded, because of course it's the time of day when all the other people with jobs also try to squeeze in some grocery shopping. And the store is hideously lit and infused with soul-killing muzak or corporate pop and it's pretty much the last place you want to be but you can't just get in and quickly out; you have to wander all over the huge, over-lit store's confusing aisles to find the stuff you want and you have to maneuver your junky cart through all these other tired, hurried people with carts (et cetera, et cetera, cutting stuff out because this is a long ceremony) and eventually you get all your supper supplies, except now it turns out there aren't enough check-out lanes open even though it's the end-of-the-day rush. So the checkout line is incredibly long, which is stupid and infuriating. But you can't take your frustration out on the frantic lady working the register, who is overworked at a job whose daily tedium and meaninglessness surpasses the imagination of any of us here at a prestigious college.

But anyway, you finally get to the checkout line's front, and you pay for your food, and you get told to "Have a nice day" in a voice that is the absolute voice of death. Then you have to take your creepy, flimsy, plastic bags of groceries in your cart with the one crazy wheel that pulls maddeningly to the left, all the way out through the crowded, bumpy, littery parking lot, and then you have to drive all the way home through slow, heavy, SUV-intensive, rush-hour traffic, et cetera et cetera.

Everyone here has done this, of course. But it hasn't yet been part of you

graduates' actual life routine, day after week after month after year.

But it will be. And many more dreary, annoying, seemingly meaningless routines besides. But that is not the point. The point is that petty, frustrating crap like this is exactly where the work of choosing is gonna come in. Because the traffic jams and crowded aisles and long checkout lines give me time to think, and if I don't make a conscious decision about how to think and what to pay attention to, I'm gonna be pissed and miserable every time I have to shop. Because my natural default setting is the certainty that situations like this are really all about me. About MY hungriness and MY fatigue and MY desire to just get home, and it's going to seem for all the world like everybody else is just in my way. And who are all these people in my way? And look at how repulsive most of them are, and how stupid and cow-like and dead-eyed and nonhuman they seem in the checkout line, or at how annoying and rude it is that people are talking loudly on cell phones in the middle of the line. And look at how deeply and personally unfair this is.

Or, of course, if I'm in a more socially conscious liberal arts form of my default setting, I can spend time in the end-of-the-day traffic being disgusted about all the huge, stupid, lane-blocking SUV's and Hummers and V-12 pickup trucks, burning their wasteful, selfish, forty-gallon tanks of gas, and I can dwell on the fact that the patriotic or religious bumperstickers always seem to be on the biggest, most disgustingly selfish vehicles, driven by the ugliest [responding here to loud applause] (this is an example of how NOT to think, though) most disgustingly selfish vehicles, driven by the ugliest, most inconsiderate and aggressive drivers. And I can think about how our children's children will despise us for wasting all the future's fuel, and probably screwing up the climate, and how spoiled and stupid and selfish and disgusting we all are, and how modern consumer society just sucks, and so forth and so on.

You get the idea.

If I choose to think this way in a store and on the freeway, fine. Lots of us do. Except thinking this way tends to be so easy and automatic that it doesn't have to be a choice. It is my natural default setting. It's the automatic way that I experience the boring, frustrating, crowded parts of

adult life when I'm operating on the automatic, unconscious belief that I am the center of the world, and that my immediate needs and feelings are what should determine the world's priorities.

The thing is that, of course, there are totally different ways to think about these kinds of situations. In this traffic, all these vehicles stopped and idling in my way, it's not impossible that some of these people in SUV's have been in horrible auto accidents in the past, and now find driving so terrifying that their therapist has all but ordered them to get a huge, heavy SUV so they can feel safe enough to drive. Or that the Hummer that just cut me off is maybe being driven by a father whose little child is hurt or sick in the seat next to him, and he's trying to get this kid to the hospital, and he's in a bigger, more legitimate hurry than I am: it is actually I who am in HIS way.

Or I can choose to force myself to consider the likelihood that everyone else in the supermarket's checkout line is just as bored and frustrated as I am, and that some of these people probably have harder, more tedious and painful lives than I do.

Again, please don't think that I'm giving you moral advice, or that I'm saying you are supposed to think this way, or that anyone expects you to just automatically do it. Because it's hard. It takes will and effort, and if you are like me, some days you won't be able to do it, or you just flat out won't want to.

But most days, if you're aware enough to give yourself a choice, you can choose to look differently at this fat, dead-eyed, over-made-up lady who just screamed at her kid in the checkout line. Maybe she's not usually like this. Maybe she's been up three straight nights holding the hand of a husband who is dying of bone cancer. Or maybe this very lady is the low-wage clerk at the motor vehicle department, who just yesterday helped your spouse resolve a horrific, infuriating, red-tape problem through some small act of bureaucratic kindness. Of course, none of this is likely, but it's also not impossible. It just depends what you what to consider. If you're automatically sure that you know what reality is, and you are operating on your default setting, then you, like me, probably won't consider possibilities that aren't annoying and miserable. But if you really learn how

to pay attention, then you will know there are other options. It will actually be within your power to experience a crowded, hot, slow, consumer-hell type situation as not only meaningful, but sacred, on fire with the same force that made the stars: love, fellowship, the mystical oneness of all things deep down.

Not that that mystical stuff is necessarily true. The only thing that's capital-T True is that you get to decide how you're gonna try to see it. This, I submit, is the freedom of a real education, of learning how to be well-adjusted. You get to consciously decide what has meaning and what doesn't. You get to decide what to worship.

Because here's something else that's weird but true: in the day-to day trenches of adult life, there is actually no such thing as atheism. There is no such thing as not worshipping. Everybody worships. The only choice we get is what to worship. And the compelling reason for maybe choosing some sort of god or spiritual-type thing to worship -- be it JC or Allah, be it YHWH or the Wiccan Mother Goddess, or the Four Noble Truths, or some inviolable set of ethical principles -- is that pretty much anything else you worship will eat you alive. If you worship money and things, if they are where you tap real meaning in life, then you will never have enough, never feel you have enough. It's the truth. Worship your body and beauty and sexual allure and you will always feel ugly. And when time and age start showing, you will die a million deaths before they finally grieve you. On one level, we all know this stuff already. It's been codified as myths, proverbs, clichés, epigrams, parables; the skeleton of every great story. The whole trick is keeping the truth up front in daily consciousness.

Worship power, you will end up feeling weak and afraid, and you will need ever more power over others to numb you to your own fear. Worship your intellect, being seen as smart, you will end up feeling stupid, a fraud, always on the verge of being found out. But the insidious thing about these forms of worship is not that they're evil or sinful, it's that they're unconscious. They are default settings.

They're the kind of worship you just gradually slip into, day after day, getting more and more selective about what you see and how you measure value without ever being fully aware that that's what you're doing.

And the so-called real world will not discourage you from operating on your default settings, because the so-called real world of men and money and power hums merrily along in a pool of fear and anger and frustration and craving and worship of self. Our own present culture has harnessed these forces in ways that have yielded extraordinary wealth and comfort and personal freedom. The freedom all to be lords of our tiny skull-sized kingdoms, alone at the center of all creation. This kind of freedom has much to recommend it. But of course there are all different kinds of freedom, and the kind that is most precious you will not hear much talk about much in the great outside world of wanting and achieving and [unintelligible -- sounds like "displayal"]. The really important kind of freedom involves attention and awareness and discipline, and being able truly to care about other people and to sacrifice for them over and over in myriad petty, unsexy ways every day.

That is real freedom. That is being educated, and understanding how to think. The alternative is unconsciousness, the default setting, the rat race, the constant gnawing sense of having had, and lost, some infinite thing.

I know that this stuff probably doesn't sound fun and breezy or grandly inspirational the way a commencement speech is supposed to sound. What it is, as far as I can see, is the capital-T Truth, with a whole lot of rhetorical niceties stripped away. You are, of course, free to think of it whatever you wish. But please don't just dismiss it as just some finger-wagging Dr. Laura sermon. None of this stuff is really about morality or religion or dogma or big fancy questions of life after death.

The capital-T Truth is about life BEFORE death.

It is about the real value of a real education, which has almost nothing to do with knowledge, and everything to do with simple awareness; awareness of what is so real and essential, so hidden in plain sight all around us, all the time, that we have to keep reminding ourselves over and over:

"This is water."

"This is water."

It is unimaginably hard to do this, to stay conscious and alive in the adult world day in and day out. Which means yet another grand cliché turns out to be true: your education really IS the job of a lifetime. And it commences: now.

I wish you way more than luck.