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## HEARING

BEFORE THE

## COMMITTEE ON

## INTERIOR AND INSULAR AFFAIRS

## UNITED STATES SENATE

NINETY-THIRD CONGRESS

FIRST SESSION

ON

THE NOMINATION OF JAMES T. CLARKE, TO BE ASSISTANT  
SECRETARY OF THE INTERIOR FOR MANAGEMENT

MAY 16, 1973



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HEARING

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(II)

## NOMINATION OF JAMES T. CLARKE TO BE ASSISTANT SECRETARY OF THE INTERIOR FOR MANAGEMENT

WEDNESDAY, MAY 16, 1973

U.S. SENATE,  
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,  
*Washington, D.C.*

The committee met at 2 p.m., in room 3110, Dirksen Senate Office Building, Hon. Lee Metcalf presiding.

Present: Senators Metcalf [presiding], Fannin, Hansen, McClure, and Hatfield.

Also present: Jerry T. Verkler, staff director; Bill Van Ness, chief counsel; Harrison Loesch, minority counsel.

Senator METCALF. The committee will be in order.

This is a hearing to consider the nomination of Mr. James T. Clarke as Assistant Secretary for Management of the Department of Interior by the President. His biography will be incorporated into the record at this point.

[The biographical sketch of James T. Clarke follows:]

### BIOGRAPHY OF JAMES T. CLARKE

James T. Clarke, 35, of Detroit, has been nominated by the President for the position of Assistant Secretary of Interior for Management. His duties will include the management and administrative activities of the Department.

Mr. Clarke is currently a partner in Coopers & Lybrand (formerly Lybrand, Ross Bros. & Montgomery), one of the largest international accounting and consulting firms. A certified public accountant, he is in charge of the firm's consulting practice in Detroit and coordinates its consultant services to government throughout the Midwest. He joined the firm in 1961 and now specializes in assignments concerning financial analysis, organizational planning and budgeting, accounting and EPD systems.

He was born in Petoskey, Michigan, and received a B.A. degree with honors in economics from the College of Wooster, in Ohio, and a M.B.A. degree in finance from the University of Michigan. From 1962 to 1965 he was a supply officer in the Navy; he was honorably discharged as a lieutenant.

Mr. Clarke is a member of the American Institute of CPA's and the Michigan Association of CPA's, for which he is Chairman of the Management Advisory Services Committee. He is also a member of the Federal Government Accountants Association and has held a number of positions in the Junior Chamber of Commerce.

He is married to the former Patricia Kemp of Detroit. They have a son, Timothy, 2.

Senator METCALF. It is a privilege and an honor to have with us Senator Griffin. Senator Griffin, we are delighted to have you here.

### STATEMENT OF HON. ROBERT P. GRIFFIN, A U.S. SENATOR FROM THE STATE OF MICHIGAN

Senator GRIFFIN. Thank you very much, Mr. Chairman, and I am delighted to be here and introduce to the committee a constituent of

mine, James Clarke, of Detroit, who has been nominated by the President for the position of Assistant Secretary of the Interior for Management.

I have known Jim Clarke for a number of years now. He is very well-known, an active, young professional businessman in the city of Detroit, who has done a great deal of public affairs and has earned an outstanding reputation in his profession.

He is a certified public accountant. He is in charge of the firm's consulting practice in Detroit and coordinates its consulting services to government throughout the Midwest. He is a native of Petoskey, Mich. He received his bachelor of arts degree with honors from the College of Wooster in Ohio, and a master of business administration degree in finance from the University of Michigan. He has served in the Navy, and was honorably discharged as a lieutenant.

He is a member of the American Institute of CPA's and the Michigan Association of CPA's, and he served as chairman of the management advisory services committee of that organization. He is also a member of the Federal Government Accountants Association. And I know personally of his activity and leadership in the junior chamber of commerce in our city of Detroit and the State of Michigan.

So it is with a great deal of pleasure that I present him to this committee and commend him for confirmation.

Senator METCALF. Senator, he certainly comes with a good deal of prestige to have a very distinguished colleague of ours introduce him here this afternoon. We are pleased to have him here. I know that he has some duties on the floor.

You may be excused at this time, if you wish.

Senator GRIFFIN. Thank you, Mr. Chairman.

Senator METCALF. Now, Secretary Kyl, do you wish to be recognized.

Mr. KYL. Yes, Mr. Chairman.

#### STATEMENT OF JOHN H. KYL, ASSISTANT SECRETARY OF THE INTERIOR

Mr. KYL. Because these words are spoken in behalf of Secretary Morton, I would like to read the brief statement.

If the Secretary were here he would say that he is pleased to introduce Mr. James Clarke, who has been nominated by President Nixon to serve as Assistant Secretary of the Interior for Management.

Mr. Clarke is a native of Petoskey, Mich., who graduated from the College of Wooster in Ohio in 1959, and received an MBA degree in finance from the University of Michigan in 1961.

Upon confirmation by the Senate, Mr. Clarke will head the Department of the Interior's management and administrative activities. The position he will hold includes responsibilities for management consulting, information systems and data processing, personnel, manpower and youth programs, library services, financial audit, manpower planning and program review.

The Secretary believes Mr. Clarke is well qualified to handle the management duties of the Department of the Interior—and I hasten to add that I agree with that assessment, Mr. Chairman. A new outlook and fresh leadership are essential under recent changes made in policies and operations of the Department.

Mr. Clarke is a certified public accountant and since 1961 has been associated with the firm of Coopers & Lybrand—formerly known as Lybrand, Ross Brothers & Montgomery. He was in charge of the firm's management consulting services division in Detroit.

In that capacity, he was responsible for coordinating the company's services to government at the Federal, State, and local levels in the Midwest. During the past 12 years, he specialized in numerous assignments involving financial analyses, organizational planning and budgeting, accounting, and EDP systems.

Mr. Chairman, the Secretary is happy to endorse the nomination of Mr. James T. Clarke of Grosse Pointe Farms, Mich., to be Assistant Secretary of the Interior for Management.

I am sure he will be delighted to respond to any questions you may have concerning his background and experience, and we thank you, sir, for this opportunity.

Senator METCALF. Mr. Assistant Secretary, as I said to Senator Griffin, he comes well recommended from both you and the Secretary—for whom this committee has the highest regard, and would be privileged to work with him, as the committee has to with the assistant secretaries of the Interior.

So, we are pleased to have this recommendation.

Now, Mr. Clarke, I understand that you do have a statement.

Mr. CLARKE. I do.

Senator METCALF. Go right ahead, sir.

#### STATEMENT OF JAMES T. CLARKE, NOMINEE TO BE ASSISTANT SECRETARY OF THE INTERIOR FOR MANAGEMENT

Mr. CLARKE. Thank you, sir. Mr. Chairman and esteemed members of the committee, it is indeed a privilege and an honor for me to appear before you today concerning my nomination by the President as Assistant Secretary for Management of the Department of the Interior. It is my hope that this will mark the beginning of a productive and effective working relationship.

The responsibilities of the Assistant Secretary for Management include, with one notable exception, the duties of the predecessor office, the Assistant Secretary for Management and Budget. As you know, budgetary matters are now coordinated by the Assistant Secretary for Program Development and Budget, Dr. Larry Lynn. The effect of this change is to bring together program planning and budget development—essentially the resource allocation responsibilities of the Department—under a single staff office.

The Assistant Secretary for Management, on the other hand, is primarily responsible for helping improve the management processes and practices of the Department. These duties include organizational, staffing, program monitoring and evaluation considerations.

In carrying out these responsibilities, I would be specifically concerned with: Reviewing assignments of responsibility and delegations of authority throughout the Department; identifying opportunities for improving the quality of management performance and the effectiveness of operations; assisting in the selection and placement of competent management personnel; and, improving the capability of the Department to monitor progress toward the achievement of its goals and objectives.

To date, my exposure to these responsibilities has been limited. I have been impressed, however, by the dimensions of the tasks which lie ahead and humbled by the awareness that the road will not always be easy.

The biographical material which I have previously submitted attempts to outline the nature of my experience to date. What it does not say is why I view this opportunity with such enthusiasm.

First, I have been particularly impressed with the positive and aggressive management climate in Interior under the dynamic leadership of Secretary Rogers Morton. The management team which he has assembled speaks well, I believe, for the future of the Department.

In addition, the depth of personal commitment of departmental employees is a pleasure to observe. Those with whom I have come in contact really care about Interior. Their dedication, concern and commitment are rare commodities today and I am honored to be considered for a role in the Department.

I appreciate the opportunity to appear before you today to submit this statement and I stand ready to answer any questions you may have regarding my qualifications and fitness for this position.

Thank you, Mr. Chairman.

Senator METCALF. Thank you very much, Mr. Clarke, for your forthright statement. It is an honor, and it is a privilege to be Assistant Secretary of the Interior. We are custodians of the land and resources of the whole people of the United States.

It is a privilege to have you appear before us here in a manner in which you are to be confirmed without very much trouble or very many dissidents. I want you to know that your confirmation hearing today is going to be a precedent for the ease in which you will appear before the committee in future appearances.

But we are delighted to have you here. I certainly know that you have an awareness of the great responsibility that you have. Now, Senator Fannin.

Senator FANNIN. Thank you, Mr. Chairman. I apologize for being late in arriving. I did not happen to be here at the start of your remarks.

I had the pleasure of discussing with Mr. Clarke the work that he will be doing, and also his background and experience. I am very pleased to see that they match quite well. With the duties that you will be assuming, Mr. Clarke, we know that you will come with the sincerity and dedication that is illustrative of what you have previously been doing in your activities.

All I can say is that we welcome you and wish you the very best.

Mr. CLARKE. Thank you very much, Senator Fannin.

Senator METCALF. Senator Hatfield.

Senator HATFIELD. Mr. Clarke, I do not want you to assume that because I have questions here that I am any less enthusiastic about your appointment.

In the consulting firm you are listed as a partner, I believe.

Mr. CLARKE. That is correct.

Senator HATFIELD. Have you done any consulting projects for the Federal Government?

Mr. CLARKE. Yes, I have.

Senator HATFIELD. For which—

Mr. CLARKE. For the Department of Housing and Urban Development. I am presently completing an assignment involving the evaluation of some of the current HUD housing programs.

Senator HATFIELD. Do you have any contracts which would be on-going?

Mr. CLARKE. I am in the process of wrapping one up for the State of Missouri—the Missouri Housing Development Commission—

Senator HATFIELD. No; I mean the Federal Government.

Mr. CLARKE. None for the Federal Government.

Senator HATFIELD. Will you continue in your role as a partner in the firm?

Mr. CLARKE. I will not. My withdrawal from the partnership is complete and would be effective upon confirmation.

Senator HATFIELD. You will have no ongoing financial interests in the company?

Mr. CLARKE. I will not.

Senator HATFIELD. You will derive no financial benefits from the company?

Mr. CLARKE. That is correct.

Senator HATFIELD. Mr. Clarke, have you ever been involved or active in political campaigns or party activity? Do you have any background in politics?

Mr. CLARKE. A limited amount, Senator.

I have been treasurer of several campaign committees. I was the treasurer, for example, for two of Senator Griffin's campaign committees. I have never been a candidate—

Senator HATFIELD. The campaign just completed last year?

Mr. CLARKE. That is correct.

Senator HATFIELD. And those reports on the campaign expenditures have all been made?

Mr. CLARKE. They have.

Senator HATFIELD. And therefore you have no continuing responsibility to Senator Griffin's campaign organization.

Mr. CLARKE. That is correct. I have resigned from all duties.

Senator HATFIELD. Mr. Clarke, how large a firm is Coopers & Lybrand?

Mr. CLARKE. About 5,000 domestic employees—worldwide about 10,000. There are roughly 350 partners in the United States.

Senator HATFIELD. So you have been involved with administration and personal relationships with people of great numbers in State structures and State organizations?

Mr. CLARKE. That is correct, Senator.

Senator HATFIELD. You have an excellent background. For such a young man I couldn't believe you were Mr. Clarke when you walked in. I am not only impressed by your credentials but the fact that you have had some political involvement, and therefore perhaps had political dimension and political sensitivity to lead to your understanding of this job, because it does deal with these areas, as you well know.

Mr. CLARKE. I believe I have that sensitivity.

Senator HATFIELD. I am very happy to greet you and to assure you my full support.

Mr. CLARKE. Thank you, sir.

Senator METCALF. I am very pleased Senator Hatfield has brought up your political involvement. Certainly this position requires political awareness. It is important that you have this political awareness.

Now, Senator Hansen.

Senator HANSEN. Thank you, Mr. Chairman. I had the pleasure earlier this week—or last week—in meeting with Mr. Clarke. I don't think I have any questions. He has been nominated by the President to become Assistant Secretary of the Interior for Management.

I agree with Senator Hatfield that the disciplines which your academic career reflects certainly ought to lend themselves well to the sort of ability that I think is required in this very important job.

We are conscious more than ever that despite the fact, some of our worldwide activities are being scaled down; there never comes a time when priorities are not important and economy in government is not important.

So, I will say that it will be my pleasure to vote for you, and I think that the President made a very good choice.

Mr. CLARKE. Thank you, Senator.

Senator METCALF. Thank you very much, Senator.

And now the Senator from Idaho.

Senator McCLURE. Thank you very much, Mr. Chairman.

I appreciate the opportunity to express my congratulations upon your nomination and I pledge my support of your confirmation.

I did have the opportunity to go over some of the problems regarding the Department of the Interior with Mr. Clarke, and to review my concern that management decisions sometimes also affect resource policy decisions. I was satisfied with your attitude with respect to it, and I will mention it here for the record today that you are aware of those problems.

I understand that you do not intend to get involved in resource policy decisions except as they are reflected in a management capacity.

Mr. CLARKE. That is correct.

Senator McCLURE. I think that is a distinction which needs to be kept in mind. I think you are aware of that.

Mr. CLARKE. I believe I am, sir.

Senator HATFIELD. Mr. Chairman, may I have another question?

Senator METCALF. Of course.

Senator HATFIELD. Mr. Clarke, I just want to add one word of counsel, and that is that any question that comes up, stick with John Kyl's decisions.

Mr. CLARKE. I have already learned that. I will take your advice. Thank you, sir.

Senator METCALF. Let me admonish you again that future appearances before this committee will not be as easy as this one. We certainly respect your background and your ability—as has been demonstrated by the people who have introduced you. And I am sure that you can perform the work.

We have a vote coming up. I doubt if we can get a quorum today. I examined your financial statement, Mr. Clarke and I am satisfied there won't be any problem on that. So, I hope that we can bring this up when we get a quorum tomorrow.

So, unless there is an objection, I will adjourn the hearing at this time. Any additional material that anyone wants to insert for the record may be incorporated in for floor action.

We will take this matter up tomorrow, hopefully, when we have a quorum.

This hearing stands adjourned. Thank you very much.

[Whereupon, at 2.22 p.m., the hearing was adjourned.]

## EXECUTIVE SESSION

THURSDAY, MAY 17, 1973

The chairman called the meeting to order and stated that the committee would consider the nomination of James T. Clarke of Michigan to be an Assistant Secretary of the Interior for Management. The chairman asked Senator Metcalf to comment on the matter since he had chaired the open hearings the day before [May 16].

Senator Metcalf stated that the nominee had a fine background and that he had examined his financial record and he had no questions to raise in connection with it. He said, however, that he had neglected to ask the nominee the question relating to commitment to appear and testify before any duly constituted committee of the Senate. Otherwise, Senator Metcalf said he would move to report the nomination favorably to the Senate.

The chairman stated that he had asked Mr. Clarke to write a letter to the committee containing this commitment which would be made a part of the record, but that he thought the committee should proceed to report the nomination subject to the receipt of this letter.

Senator McClure seconded the motion made by Senator Metcalf, and there being no objection, the nomination of James T. Clarke was unanimously ordered reported favorably to the Senate.

[The letter submitted by Mr. Clarke referred to by Senator Metcalf, follows:]

MAY 17, 1973.

CHAIRMAN,  
*Committee on Interior and Insular Affairs, U.S. Senate, New Senate Office Building, Washington, D.C.*

(Attention: Mr. Jerry T. Verkler).

DEAR MR. CHAIRMAN: In addition to the statements I made yesterday before the Committee, I wish to assure the Committee that if I am confirmed for the position of Assistant Secretary of Interior for Management, it is my every intention to maintain open, free and responsive communication with the Committee. I will make every effort to testify whenever I am asked to do so before this Committee of Congress.

Very truly yours,

JAMES T. CLARKE.

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