

The Economics of Goodness

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President Worthen, distinguished guests, faculty, graduates, ladies, and gentlemen, I acknowledge with gratitude the privilege of receiving an honorary degree from this great university and, likewise, the opportunity of briefly addressing you today.

My congratulations to the graduates. I am especially pleased to see parents here.

Some years ago, one of our children was graduating with a bachelor's degree. He said, "They want \$69 for the cap and gown. I am not going to walk."

I said, "What? You need to go to the ceremony! It is a rite of passage. You will value your graduation picture of you striding across the stage with your diploma in hand for the rest of your life. Look, I will pay the \$69."

Sometime later I was standing on the curb at the Los Angeles International Airport, and I received a call from my son. The conversation went something like this:

Me: "Hi, what's up?"

My son: "Well, I did it!"

Me: "Did what?"

My son: "I walked. You know, graduation. Cap and gown, got the picture, just like you said."

Me: "Wait! What? Today? What about us? We wanted to be there!"

My son: "Really? I didn't think it was that big of a deal to you."

So I would like to begin today by simply saying to all of you: This is a very big deal! And may I say thank you for including your parents. Gratefully, we witnessed commencement at his graduate school, and he now knows it is a big deal.

Today I want to share with you three brief stories. Each one illustrates a simple lesson that I have observed but not yet perfected.

Michael O. Leavitt, three-time elected governor of Utah, former cabinet member under President George W. Bush, and founder of Leavitt Partners, delivered this commencement address on April 26, 2018.

Story One: Humor and Humility

While I was governor of Utah, I attended a dinner at a mountain resort. The host asked each of the guests to introduce themselves but then added, “As you do, please tell us an important lesson that you learned during the last year.”

One at a time, each person spoke. Now this was a very impressive group of people that included university presidents, prominent business leaders, and political figures. It seemed that each participant felt a need to outdo the last in eloquence and in gravitas.

Shane, one of my protective service officers who traveled with me, attended the dinner. I could sense his increasing discomfort as the task crept closer and closer to him. Finally, all of the eyes in the room were focused on Shane.

He stood and sort of nervously introduced himself. “As for the important lesson this year,” he said, “I protect dignitaries for a living. I completed a class on advancing events. We learned that it is critical to always plan an escape route.”

He paused, put his hand on the side door that he sat next to, and said, “And I’m using mine right now!” And he disappeared into the night.

It was a brilliant moment. There was a pause among this elite group, and then they erupted in laughter.

The next year I attended the same meeting. Everyone remembered Shane’s illustrated story about escape routes.

Lesson one: Humor and humility are more endearing than hubris.

Story Two: Doing the Right Thing

I was reminded again of that meeting in which I had the experience with Shane when I was invited by a global corporation to participate in a daylong meeting. The subject was about that matter on which all of you are thinking right now: the future.

The meeting was attended by economists, futurists, and a handful of corporate leaders. I felt a little awkward even being there.

It was the summer of 1999, and the meeting was held on the 107th floor of the World Trade Center. Huge windows revealed the New York harbor. The Statue of Liberty could be seen in the distance. It was an inspiring place in which to think about the future.

The moderator started the meeting by describing a hypothetical scenario. “Pretend the year is 2015,” he said. “Looking back over the last fifteen years, what was the most surprising thing that happened?”

It is now to me a great irony that we were in the World Trade Center talking about the future. None of us could have known that on 9/11—just two years later—that very room in which we sat would be part of a historical event that could never have been contemplated.

One by one the participants at the meeting began to respond with smart thoughts about the future:

A banker spoke of a paperless currency system.

An oil executive forecast tensions in the Middle East.

A technologist talked about the far reaches of digitization.

A bit like Shane, I was feeling a growing anxiety and pressure as my turn crept closer and closer. But there was no side door available. Only diversion would do. I said:

“Since we are reflecting on the future, I am going to tell you who won the 2015 Nobel Prize in Economics. (All of the economists in the room perked up.) However, the big surprise isn’t who won. The big surprise is that the Nobel Prize in Economics was not won by an economist. It was won by a sociologist who advanced a new economic theory called the economics of goodness.

“It is a simple but powerful idea. Every nation or state has economic assets that produce wealth. It may be minerals, a seaport, or a favorable climate. But there is a universal asset of immense value inherent in any community that will use it.

“That power is simply the inclination of its citizens to do the right thing, voluntarily.

“Let me illustrate.

“Imagine the economic heft of a nation, a state, or a community free of drug and alcohol abuse. Health care costs would plummet. Worker productivity would skyrocket. Families torn apart by the abuse and financial hardship wrought by substance addiction would remain together. Welfare rolls would be reduced. There would be fewer children needing foster care. There would be less violence, and society would build and maintain fewer prisons.

“Imagine the economic power of a nation able to invest trillions of dollars over time into education, investment, or research because of their deployment of this great power. Such a place would prosper.”

For a moment there was silence in that room. Then, a surprise.

One of the participants—I will call him Professor Cynical—practically shouted at me: “What do you mean by goodness? You are trying to turn this into some kind of a religious discussion.”

Before I could respond, a well-known economist beat me to it. He said:

“Not true. I am an atheist, and this is not about religion. It is about human behavior and the predictability of consequences.

“People who work hard do better than slackers.

“Those who are honest get in less trouble than those who cheat.

“People who are kind have more friends than those who are cruel.

“Communities in which people serve and care for each other are safer than those where that is not true.”

Listening to him acquit that case, I thought to myself, “This may be the only time I have ever said amen to an atheist.”

Lesson two: The economics of goodness apply to individuals as well as to nations. People who work hard and those who are honest and reliable

have a better chance to succeed than those who don't.

There is a postscript to this story. In 2015 I got thinking about this experience and wondered, “Who did win the Nobel Prize in 2015?”

Well, it wasn't a sociologist. I was wrong about that. Nor was the award given for the economics of goodness. The prize was awarded to the esteemed Princeton economist Angus Deaton.

His contribution, however, was very much in the neighborhood of the economics of goodness. Dr. Deaton was recognized with the Nobel Prize “for his analysis of consumption, poverty, and welfare”—in essence, the economics of human well-being.

The economics of goodness is not a new idea, and it is not simply about money either. It is a fundamental truth—an eternal law—demonstrated in civilization after civilization and in individual life after individual life.

Prophets simply and repeatedly have declared, “If you keep the commandments, you will prosper in the land.”

Story Three: Service

When I was a fourteen-year-old boy, my local stake had a farm on which we raised corn that would be provided to families in need. We were expected to work on the farm as service. At the end of the summer, it was time to harvest the corn.

I grudgingly attended at the urging of a leader who reminded me that I had made a commitment. But I neglected to tell my mother where I was going.

Once there, I was surrounded by other volunteers who, like me, were cutting, cooking, and canning corn. Eight hours just flew by. By the time I got home, I found that my mother had been frantically trying to find me.

I explained where I had been, and her irritation cooled. And then she asked me, “How did you feel about the experience? How did you feel while you were serving?”

My response to her was that actually, much to my surprise, I had enjoyed it. I was proud of the cans of corn we had left stacked in the warehouse and of how they were going to be used.

Then, with a single sentence, my mother taught me a sermon that I have never forgotten. "Mike," she said, "we get our self-esteem from those we serve."

I have found that to be true. It is as my mother suggested: Service is the source of our self-esteem. It is also the source of satisfaction and a source of healing.

Lesson three: We get our self-esteem from those we serve.

When this *big deal* is over, you will leave the campus of Brigham Young University, and

you will find your way into a world that badly needs your light. May you remember:

Lesson one: Humor and humility are more endearing than hubris.

Lesson two: The economics of goodness apply to individuals as well as to nations. Hard work, honesty, and personal discipline make a difference in your capacity to succeed.

Lesson three: We get our self-esteem from those we serve.

Therefore, go; go humbly to serve. Work hard, be honest, and be reliable. I testify to you that you will be blessed and success will be yours. And I say that in the name of Jesus Christ, amen.