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**Paul A. Volcker Announces Formation of a Nonpartisan Initiative to Address Eroding Public Trust in Democratic Governments**

*Former White House Management & Budget Official Dr. Shelley Metzenbaum Appointed Alliance President*

May 29, 2013, New York, NY -- **Paul A. Volcker**, former Chairman of the Federal Reserve, announced today the formation of a nonpartisan initiative to address the challenge of effective execution of public policies and to rebuild public trust in government. The Volcker Alliance (or “Alliance”) aims to catalyze new thinking and action with respect to federal, state, and local government in the U.S. and abroad.

“Trust in American government has been declining for decades,” said Mr. Volcker, the founder and Chairman of The Volcker Alliance, “and similar attitudes are evident in other democracies. “Trust rests on confidence, and too often government, at all levels, in the eyes of its citizens, has been unable to respond effectively to the challenges of the day.” When asked whether this announcement was inspired by recent stories about government performance under the Obama administration, Volcker replied, “Certainly not. I’ve been thinking about the need for such an institute for years. I will say, however, that the challenges the administration has faced recently at the Internal Revenue Service and the Justice Department – like so many other challenges faced by prior administrations during my lifetime – underscore the relevance that government’s execution of its policies has on the lives of its citizens. It’s that relevance that has inspired me to form the Alliance.”

Working in partnership with leading thinkers in higher education, government, business, and the public interest community, the Volcker Alliance will sponsor research on government performance, make actionable recommendations for policy development and implementation, and provide a forum for discussion of new ideas and tools to strengthen policy execution at all levels of government. Beyond that, the Alliance is committed to taking actions that contribute to a high degree of confidence in both the decision-making processes of government and in its administrative management. “While academics and governments alike concentrate on issues of ‘high policy,’ we will endeavor to rekindle intellectual, practical, and academic interest in the implementation of policy – the ‘nuts and bolts’ of governance,” added Mr. Volcker.

The Alliance has brought together a distinguished Board consisting of former public servants from both Republican and Democratic administrations, as well former members of Congress and state and local government. “We all share Chairman Volcker’s concern over the poor state of public trust in government, which is a reflection, in part, of woefully inadequate attention to

government's capacity to execute effectively on its day-to-day responsibilities," said **Bill Donaldson**, the former Chairman of the United States Securities and Exchange Commission and Alliance Board member. "Too often our elected leaders neglect the importance of properly organizing, staffing, training and implementing policy," added **Alice Rivlin**, founding Director of the Congressional Budget Office, former Director of the White House Office of Management and Budget, former Vice Chairman of the Federal Reserve, and Alliance Board member.

The Volcker Alliance is the culmination of Chairman Volcker's personal, lifelong dedication to improving government. Over the course of his career, Mr. Volcker worked in the United States Federal Government for almost 30 years, culminating in two terms as Chairman of the Board of Governors of the Federal Reserve System from 1979-1987, a critical period in bringing a high level of inflation to an end. In earlier stages of his career, Mr. Volcker served as Undersecretary of the Treasury for Monetary Affairs during the early 1970's, a period of historic change in international monetary arrangements. He has also served as President of the Federal Reserve Bank of New York, as Chairman of the investment banking firm, Wolfensohn & Company, and as an official of The Chase Manhattan Bank.

Among other positions related to his continuing interest in public policy and public sector performance, Mr. Volcker returned to his alma mater, Princeton University, to teach at its Woodrow Wilson School for Public and International Affairs, and remains Professor Emeritus at the School. In 1989 and again in 2003, he chaired private non-partisan Commissions on the public service, each recommending a sweeping overhaul of the organization and personnel practices of the United States Government. Mr. Volcker agreed to lead an investigation and reconciliation of claims by holocaust victims on Swiss banks in the 1990s. At the request of United Nations Secretary General Kofi Annan in 2004, he chaired a major investigation of corruption and malfeasance in the UN's Oil-for-Food Program, and several years later led a panel reviewing the anti-corruption programs of the World Bank. In November 2008, President Elect Barack Obama chose Mr. Volcker to head the two-year Economic Recovery Advisory Board. He has also been Chairman of the Trilateral Commission and Chairman of the Group of 30.

The Volcker Alliance also announced today the appointment of **Dr. Shelley Metzenbaum** as its founding President.

"We could not be more pleased and excited to have Shelley join us and lead our effort to improve public management," said Mr. Volcker. "She brings a unique set of qualifications and experiences to this large and important task. Rebuilding public trust in our state, local, and federal institutions begins with improving the administration of our policies. Shelley, working with our distinguished Board, will lead the institute to bring together our best schools of public service and other interested institutions to help solve the issues that impede policy execution."

Shelley H. Metzenbaum has held several senior positions in federal and state government. Between 2009 and 2013, she served as Associate Director for Performance and Personnel Management at the White House Office of Management and Budget, where she was responsible for setting and implementing the Administration's approach to improving federal government program performance. She previously served as Associate Administrator for Regional

Operations and State/Local Relations at the U.S. Environmental Protection Agency, and Undersecretary of Environmental Affairs and Director of Capital Budgeting for the Commonwealth of Massachusetts. Dr. Metzenbaum has also held notable posts in academia, most recently serving as founding director of the Collins Center for Public Management at the University of Massachusetts Boston's McCormack School, and prior to that, as director of the Harvard Kennedy School's Executive Session on Public Sector Performance Management and visiting professor at the University of Maryland's School of Public Policy.

Dr. Metzenbaum is recognized as an international expert in the field of public sector performance management and measurement, and has authored numerous publications, articles, and case studies on performance management, leadership, and accountability. She is a fellow of the National Academy of Public Administration and holds a Ph.D. in public policy from Harvard's Kennedy School of Government.

For more information, including a full list of the Board of Directors, visit [www.volckeralliance.org](http://www.volckeralliance.org).

*The Volcker Alliance is a 501(c)3 organization.*