

JACK BLACKBURN: A REMINISCENCE

In 1970, Jack (John O.) Blackburn recruited me to Duke. I met him in a hotel room in New York at the American Economic Association meetings and, quietly, he sold me on the possibilities associated with my coming to a good though undistinguished private Southern university. In due course I flew to Durham and spent a bit more time with him. The calmness is what I most remember, the calmness and the sense of seriousness, and what I perceived at the time to be gentleness and interest in others. He seemed to me to be an ideal department chair, especially as I was trying to leave a department with a chair who had physically laid hands on people who disagreed with him. My other offers, at two schools then far better than Duke, were eventually laid aside as I realized I preferred to come to a place which really seemed to want me to play a role in its development.

But by the time I arrived at Duke, Blackburn was no longer department chair. During the time of troubles in Spring 1969 when President Knight had suffered a breakdown, and was unable to deal with the crises set in motion by the student protests, Blackburn had been one of the group of “wise elders” (a group which included Craufurd Goodwin) who had run the university. And when Terry Sanford became President, he appointed Kenneth Pye from the Law School as Chancellor, and Blackburn as Provost. This then was the “administrative lineup” that I found on my arrival at Duke in August 1970.

My connection with Jack over the next several years was not then through the Department of Economics primarily, but through another quite unusual channel. For some reason or other I, who generally ate breakfast in the Great Hall around 8:00AM, was included in “the breakfast bunch,” a group which included Pye, Blackburn, Harold Lewis, Fred George, Martin Black, Tom Keller, and other senior statesmen of Duke University, all of whom had emerged from the troubles of the late 1960s as the leaders of the university in the new period. Why a newly hired assistant professor should have been included in such a group was a mystery, but included I was and it was there that I began to see, through watching Blackburn, listening to him talk and watching him gather information, how Duke University really operated. It was during that time that I came to understand that this quiet man with both a CPA and a Ph.D., partial to bowties, with thick glasses and steady demeanor, was really smart as hell. And not just smart in I.Q. points, but institutionally intelligent in seeing how serious issues could be framed usefully, and solutions developed out of the many different interests in play. His manner was not authoritarian, but perhaps because of connections to his many colleagues in the religious Society of Friends, he was a consensus builder. He let others take credit for his good ideas, by leading them to those good ideas by his gently probing questions and raised eyebrows. By watching him I learned that leadership and vision in a university administrator was not so much “follow me” but “what can I do to help you?”, for those who sought his help had interests that could be allied with what he considered to be the best interest of the institution. It was a serious education for me and my breakfasts were teachable moments.

He was only Provost for a year, because Ken Pye resigned after a short period with some health problems (fortunately soon to disappear), and Blackburn was named Chancellor. Thus it was Blackburn’s chancellorship that defined the first part of Terry Sanford’s presidency.

Sanford was Mr. Outside and Blackburn was Mr. Inside. It was Blackburn who negotiated the “firewall” financial arrangement insulating Duke University from Duke University Medical Center, thus insuring that resources in the university would not be compromised by fluctuations in hospital revenues. It was Blackburn who conceived and created “Central Campus”. It was Blackburn who began restructuring the financial arrangements for undergraduate tuition and fees, in the manner of a serious long-range marketing plan, initially differentiating Duke from its then competitors of Emory, Vanderbilt, Tulane, and the University of Virginia. Blackburn kept tuition and fees below those institutions for a period, so that at such later time we were positioned to make major faculty recruitments, we would then have financial flexibility to do it, while in the meantime our lower tuition meant that our applicant pool was getting larger and larger and larger. This, coupled with Sanford’s engagement with journalists around the country and his courting of “eastern establishment opinion makers,” meant that Duke was poised to become what it eventually did, a “hot” school.

Of course Blackburn the administrator had to take a great deal of heat. Terry Sanford, master politician that he was, was always seen to be on the side of good, which left his chancellor to do the dirty work. When Sanford signed on for example to eliminate the then School of Forestry (forerunner of the Nicolas School of the Environment) Blackburn was sent out to hold the press conference announcing its termination. The firestorm caused by Terry’s decision did not come back and hit Terry. It was Blackburn who had to witness Sanford’s news conference the next day in which the President took credit for listening to good advice and saving the School of Forestry. Life at the top sometimes is very, very grim.

After Blackburn stepped down as Chancellor in 1976, he returned to the Department of Economics. After a leave of absence, he set up an office across the hall from me, and began thinking about economics, and teaching and writing, again. It was, of course, the period of the energy crisis, and Blackburn decided that this set of issues would engage his attention as an economist and as a concerned citizen. Over the next year or so, I realized that he was making connections to various organizations concerned with alternative and renewable energy sources, and through his connection with organizations like North Carolina PIRG he was beginning to be interested particularly in the alternative to nuclear power generation in North Carolina. It was the time in which CP&L’s Sharon Harris plant was on the drawing boards and Blackburn became involved in the controversy over its size.

Out of our friendship, he began engaging me in discussions about alternative energy, and suggested I think about offering a course in the economics of energy. He and I began reading things together, and in a short period of time he made contact with Wells Eddleman at the Kudzu Alliance and NC PIRG about the various public hearings that were to take place concerning the expansion of nuclear generating facilities through North Carolina. We began meeting with lawyers and lobbyists for various environmental groups like the Sierra Club, and determined that the best path to engagement would be through testifying as expert witnesses in the load forecast hearings before the North Carolina Public Utilities Commission. Those hearings would concern the forecasts of electricity demand prepared by Duke Power, Virginia Electric Power, and CP&L, and the demand forecasts necessarily would shape the long-term plan by which generating capacity would be added to the existing system in order to meet the anticipated loads over the next 20 years. He and I immersed ourselves in the methodologies and modeling

strategies for constructing demand forecasts for electricity, and within three months we were sufficiently on speed to have developed a set of position papers as critiques of the particular forecasts being developed and presented by the economic staff of the power companies, and the public staff of the North Carolina Utilities Commission. In due course, prepped by our attorney representing a number of the environmental groups, we presented our critique and were handled in cross-examination in front of the Commission. We cannot say that it was our testimony that reduced the number of reactors at Sharon Harris from the proposed four down to three down to two and then down to one—after all, it was the period of time in which power companies were finding out that nuclear had very big costs that they had not anticipated—but our involvement as part of the larger effort was as professional economists attempting to reconstruct how environmentalists could use economic analysis advantageously. Certainly Blackburn forced attention to the fact that higher prices could indeed reduce usage (the elasticity of demand was not in fact perfectly inelastic!) and consequently there were other tools to managing demand growth than simply building more nuclear plants. We testified together on such matters on several occasions between 1979 and 1981.

Shortly after that time, Blackburn decided that his personal energies were sufficiently engaged by this activity, and sufficiently unengaged by teaching elementary economics, that he took early retirement, moved to Florida, and there began a second career (or third or fourth career?) involved with NGOs in the environmental field, specializing in activities of renewable energy sources. His 1987 book, The Renewable Energy Alternative: How the United States and the World Can Prosper Without Nuclear Energy or Coal, published by Duke University Press, set out his ideas.

Blackburn was the department chair who recruited the (then) young turks – Graham, Salkin, Black, Havrilesky, McElroy, Weintraub – who with their “young” elders Yohe, Treml, Davies, Kreps, Goodwin, Naylor, and Vernon reconstructed Duke Economics in the post segregation period. And it was Blackburn who saw the department, and then the university, through its demographic transition, and put it on track for “excellence”. It was quite an accomplishment, really.

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