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DRAFT

Chapter III

OUR UNSOLVED PROBLEMS AT HOME

While the United States faces formidable challenges in the world at large, it ~~and dangers from abroad~~, we also face major challenges ~~and dangers~~ at home. Yet, as the cliché has it, each challenge is an opportunity. In spite of more than four years of uninterrupted economic expansion, Unemployment Persists unemployment remains intolerably high and persistent. (— one of our basic unsolved problems) The slowly declining unemployment rate is a hopeful sign ~~And while it has shown some improvement --~~ though not nearly enough, but the improvement is) ~~— in the past year or so,~~ a vastly increased number of young people entering the labor force are beginning to flood into the labor market as the ~~large number of~~ babies born shortly after World War II reach working age.

In addition, the accelerating pace of automation and other forms of technological advance threatens to displace increasing numbers of workers from the jobs they now hold. In the face of these conditions, our economy will have to achieve an ever-increasing rate of growth merely to keep unemployment from rising again; even more strenuous efforts will be necessary to reduce it from its present ~~intolerable~~ unhappy level.

(A)

(A)

In 1961, when the unemployment level was at an alarming ——% of the work force, the administration committed itself to reducing the figure to 4% by the year—— as an interim level, from which, through further intensive effort, the drive for full employment and full production could be mounted. It is important to understand that the 4% figure was to be no more than a "weigh station" along the road to a full employment economy. As the economy expanded in the ensuing years and the unemployment rate declined toward the interim goal of 4%, increasingly this "interim" goal became fixed as the "ultimate" goal. Spokesmen within the Council of Economic Advisers voiced concern, not so much for the still unemployed, the needy, the continuing lack of jobs for millions able and willing to work, but for the short supply of manpower in certain skills, for the need to deemphasize the job opportunity creating aspects of early retirement. The partially successful

Business Week in November, 1965, when the Department of Labor announced a 4.8% unemployment level, applied

(over)

reduction in the unemployment rate is diverting attention away from the ultimate goal of eliminating unemployment. A nation with our resources and our unmet needs cannot rest happy while _____ of its breadwinners are idle. No other industrialised nation is willing to accept 4% unemployment as "normal". In fact in other countries of the West, such a level of unemployment would threaten the political stability of government and compel immediate remedial action. In _____ (date), when the unemployment rate reached 2.5% in England, a crisis resulted and, under a Conservative government, measures were introduced promptly to meet the problem. In modern industrialised nations, the average rate of unemployment for the past _____ years has been far below that of the United States, a constant reminder of what is economically possible and a desireable achievement for the United States to emulate.

The latest available figures indicate that the rate of unemployment in the United States remains far above the

unemployment rate in six other major industrial countries. In 19__, for instance, unemployment in France was at a rate of __%, in Germany __%, in Great Britain __%, in Japan __% and in Sweden __%. These rates of unemployment reflect an adjustment in definitions to compare with the American definition of unemployment. Only in a war time economy has the United States approached this full employment level.

A closer analysis of the unemployment problem in the United States however provides a truer reflection of the situation. To speak of an overall average rate of unemployment is to hide the dangerous undercurrents which lie beneath the surface. People still drown in brooks whose average depth is three feet; they happen to slip where the water is over their head. A breakdown of our unemployment figures discloses the real dangers in the cold statistical figures. For while the average rate is __%, the rate for negroes is almost double, __%. And the rate for our young people, stepping into a difficult world they did not help to make, is __%.

The _____ able and willing breadwinners (would-be) who still seek a job are not just figures in a Department of Labor statistic. They are people, many with families to support, who yearn for a better life. They want to see shoes on their children as they

trudge to school; they want, in the words of Phil Murray, "a rug on the floor, pictures on the walls and music in the home". The shame of America is that they are still denied the opportunity to fulfill their dreams and their aspirations because we have failed to give them the chance to work.

The official figures on unemployment tell only part of the story, however. They fail to take into account the vast numbers who are partially employed and those who, disillusioned and dejected, have surrendered the hope of ever finding a job. The Department of Labor asserts that when these millions who are able and anxious to work are added to the official unemployment figure, the rate of unemployment is closer to —%. If a figure of —% is dangerously high, a figure of —% is intolerable — especially in a society that has learned to create abundance and boasts of its affluence.

Statistics show that the little nation of Kuwait has the highest per capita income in the world. Its wealth is shared so unevenly by its people however that a mere handful live in splendor while the vast majority live in unimaginable squalor. Affluence in the United States has passed by many millions of its citizens; it remains tarnished by its unwillingness to share its abundance more equitably among its people.

The Danger of Inequitable Distribution of Wealth

Describe how the inequitable distribution of income creates a hazard for the economy and relate it to the causes of the recession of the 30's.

Currently 5% of the top income families receive 20% of the national income

and

20% of the bottom income families receive less than 5% of the national income

From the second quarter of 1960 to the second quarter of 1965 wage & salaries rose by 32% while profits rose by 62%

and must do to help cure it is a major theme of this book. But outside of North America and Western Europe, most of the world's poverty is a direct result of people's inability to produce all they need.

But we in America permit poverty to exist in the midst of abundance. This is a greater moral sin in terms of our values than the existence of poverty anywhere else in the world.

To bring all of the 50 million Americans who live on less than 30 cents a meal up to that meager level would require an addition of $20 billion a year to their incomes. This represents only 3 percent of the total value of a year's production in our economy. It is less than half the amount we spend each year on alcohol, tobacco and recreation.

But private poverty is only one aspect of the needs we have failed to meet. There is a widespread public poverty which diminishes the quality of life for all of us. The New York Times on May 23, 1965,

(B)

There is deep poverty in the world. It is visible in its ugly nakedness in Asia, Africa, Latin America — in sections all over the globe; but in most areas poverty exists because there is too little. In the United States, however, poverty exists in the midst of abundance and for that reason poverty in the United States is sinful and immoral, particularly in the face of the values we cherish.

In 1963 I visited Kenya as a special ambassador appointed by President Kennedy to represent him at the Independence Celebration commemorating ~~the~~ establishment of that nation as an independent state. During my visit I had the opportunity to visit many sections of Kenya, Uganda and Tanganyika, traveling to the villages ~~and~~ and to their little family farms. The average income of a family in Tanganyika at that time was $55 a year. Poverty here is stark and uncompromising. Yet the poverty in America's slums and among the deprived

(over)

farm workers is much more tragic than is the poverty in Tanganyika. For poverty in the United States is not only economic poverty; it is poverty of the spirit.

In Tanganyika a family earning $55 a year had a sense of belonging, a sense of human worth and value. They were poor economically but they were not poor spiritually. In the United States the poor are not only robbed economically; they are shut out of society, forgotten people, denied a sense of belonging, a sense of participation. America's poverty is therefore more destructive of human values than is poverty anywhere else in the world.

During the whole decade of the 1950's, the size of the work force in the age group 14 to 24 increased by only 400,000. In the decade of the 1960's, they are expected to increase by 6 million -- 15 times as fast. We will have to create new jobs faster, simply because there will be so many more young people seeking their first job.

The second factor which requires us to create new jobs at an ever faster pace is the spread of automation and other forms of technological progress. If 50 men today can produce what required 100 men's work a few years ago -- and they can - then 50 additional jobs have to be created to maintain the same level of employment. And our problem is not just that technology continues to advance, but that with time it tends to advance at an accelerating pace. The fact ~~of this~~ acceleration is amply supported by studies made both by the Bureau of Labor Statistics in the U.S. Department of Labor and by private economists.

And there is every reason why this should be so. New technologies are

(B)

Currently our fastest computers perform at an impulse cycle of three tenths of a millionth of a second. That means that each three tenths of a millionth of a second, a computer will make a calculation exactly as it is instructed to do with the information fed into it. We are told however that a more sophisticated computer is being perfected which will operate a thousandfold faster. It will perform at an impulse cycle of three tenths of a billionth of a second. It is not possible really (for the mind) to comprehend the incredible speed of this kind of performance or even the accelerated pace of technological development that a thousandfold improvement in one jump represents. ~~By way of hypothetical thought~~ Perhaps, however, ~~how, perhaps~~ we could understand better the magnitude

(over)

of this technology by describing a hypothetical example of speed.

Let us assume that we could build a ribbon of road from the earth to the moon. Assume further that we would walk along this road, taking one average step each time the computer recorded an impulse. The distance each way is 240,000 miles, yet we could walk to the moon and be back home again — a distance of [illegible] miles — in less than 1/3 almost half a million miles of a second!

TRANSMITTAL SLIP

8-16-67

TO: Walter

FROM: Irv

.....**For your information**

.....**Note and return to me**

.....**Per your request**

.....**For your action**

Comments: Attached is Chapter 4 from Guy Nunn.

opeiu42aflcio

Chapter Four

OUR UNSOLVED PROBLEMS AT HOME

Formidable though the challenges and dangers are which face us from abroad, they have counterparts of equal menace here at home. It is a thesis of the proposal advanced by this book that in mounting a resolute attack upon the former we can simultaneously reduce the latter. And through no feat of necromancy. This chapter will develop the reasoning upon which such an assertion is based.

By now every thoughtful American should have some grasp of our still-to-be-attended inventory of domestic ills. The arson-hot summer of 1967 violently illuminated the breadth and depth of the wounds of decases of neglect. That the destructive and self-destructive force which erupted through the slums of half the major cities of the nation was largely unorganized and undirected makes it an even more ominous portent of the degree to which poverty can alienate.

For some six years, now, despite more or less uninterrupted expansion in the Gross National Product achieved, our economy has failed to absorb an intolerably high and persistent unemployment. I have already touched upon the fact that a rising GNP may easily conceal deepening trouble. That is clearly the American case at this moment in history. There are serious symptoms of erosion beneath the glossy surface of GNP. One index to impending trouble is in the fact that a vastly increased number of young people are beginning to flood into the labor market. They are the harvest of the "baby boom" of the

post World War II period, now at working age. This sharp rise in demand for employment is accompanied by the threatened displacement of serious numbers of workers by automation and related forms of technological improvement. These two factors alone dictate an accelerated rate of economic growth if unemployment is merely to be kept from rising, let alone reduced from its current intolerable level. Their relevance will be discussed in greater detail later in this chapter.

Meanwhile, a huge backlog of unmet national needs swells. The first and most important of these is the basic need of millions of American families and single individuals for enough income simply to provide an acceptable minimum of food, clothing and shelter. Studies by the Social Security Administration show that, despite our chrome-plated GNP, there are still 50 million Americans who "live within the bleak circle of poverty or at least hover around its edge," people whose standard of living provides less than 30 cents per meal per person and correspondingly scrabbly amounts for other brute necessities than food.

The persistence of wretchedness so extensive, touching one American in four, is a deeper tragedy and a more astounding paradox for its being so unnecessary. In Asia, Africa and Latin America far greater depths of poverty are, in an historical sense, "excusable." Poverty, there, has been all but synonymous with man's fate. It exists simply because there has been too little wealth to go around, and too few means available to produce more. All of which is not to say that it is incurable. What we can and must do to cure it is the central theme of this book. But traditional poverty -- classical

poverty, if you will -- has nothing in common with poverty in the United States as to cause.

We in America have permitted a vast weedbed of poverty to flourish in the midst and shadow of an awesome abundance. To have done so in negligence, given our addiction to that aspect of the Protestant Ethic which insists that the individual, and he alone, is responsible for his private destiny, may be charitably explained as over-commitment to a theory which, whatever its chilly incompatibility with human instinct, is simply unworkable in an intensely interdependent urban culture. But to continue to do so, now that the cost of its elimination is manifestly less than the cost of its preservation, must be put down as a sin against both common sense and common morality. To let whe weedbed flourish is to invite the eventual infestation of the whole of the national life. Something of its price has been written, now, in flame and smoke, against the night sky of nearly every industrial center. If our consciences cannot goad us to the task, our pocketbooks must.

To the inevitable "But can we afford it?", the answer is already etched in blood, pain and ashes: we can't afford not to. The magnitude of the cost is impressive only until set against the certain price of keeping our hands in our pockets. To bring all of the 50 million Americans who today live on less than 30 cents a meal up to a standard of living represented by that figure would require the addition of about $20 billion a year to their incomes. This represents barely three percent of the total value of a year's production in our economy. We spend double the amount each year on alcohol, tobacco and recreation.

comparison of the social impact of poverty in U.S. as compared with Africa

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But a persisting, encysted and extensive private poverty is not the full measure of our neglect. There is a widespread public poverty which demeans the quality of life for all of us. Its evidences were summarized editorially by the New York Times on May 23, 1965, in this language:

> "The United States, in the ordering of its domestic affairs, continues to offer to the world the curious spectacle of private affluence in the midst of public poverty. The economy is booming, profits and wages are rising, and the stock market makes new highs; but public services are starved for funds.
>
> "The nation's schools, hospitals, libraries, museums, parks and charitable agencies are short of fully trained professional employes. Buildings are overcrowded and salaries are low. In New York City, the problem of staffing schools in Harlem and other slum areas is critical. In Oklahoma, teachers are contemplating what would be, in effect, a statewide boycott because of chronically low salaries.
>
> "Many small towns across the nation are desperate to recruit doctors who will serve as general practitioners, and the doctor shortage is worsening. Yet all the while the sales of air-conditioned luxury automobiles, of mink coats, of gourmet foods and imported vintage wines steadily rise."
>
> . . . . . .
>
> "The moral of these prosperous years is plain: prosperity is not enough. Private spending and private initiative cannot clear the smoggy air, clean the polluted rivers or abolish the hideous slums. More money in private pockets cannot teach a child, police a dark street or enable an overworked doctor to be two places at once. If the national purpose of a just, compassionate and truly free society is to be achieved, the President, the Congress and an informed electorate must see to it that the public needs of the national community are fully met. They are not being met now. The nation's priorities are still out of order."

They are indeed, and putting these priorities into sensible order will require an immense public effort. But a vigorous federal executive and legislature must shape and launch it, for in size,

complexity and cost it is beyond the capacities of even the most concerned state or local governments. We need a fundamentally altered pattern of the values and urgencies from which federal investment must flow, frankly recognizing that we are now a nation-family -- one which has, unhappily, left one of its members in four in economic and psychological orphanage.

I, for one, am confident that a Federal congress with the boldness and vision to accept the programs envisioned in this book would attract little but praise and gratitude even from those sectors of the business community which ritualistically protest all increases in federal expenditures save those for military purpose. It has come to progressively wider acknowledgement amongst students of the American corporation that, despite the persistence of occasional liturgical vestiges of complaint against government investment, corporate directors today for the most part not only recognize the importance of such intervention but would, indeed, be among those most deeply disturbed by its discontinuance, since the system of which they are a part is a major beneficiary, both primary and secondary, of such investment. The central interest of intelligent corporate management is market stability and growth. It is evident almost to the point of economic banality that the liquidation of domestic poverty offers both the most immediate and the most certain prospect of enlarging the market of American producers.

Admittedly, the "technostructure" of the U. S. (to borrow a space-saving term now popularized by John Kenneth Galbraith) has

accepted an expanding investment role by the Federal government in obvious self-interest. And the process of conversion from the once-prevailing hostility to such a role has occurred during a period of rising Federal prodigality in defense and space expenditures, which appear to be born with a natural immunity to cost-conscious criticism of any kind. But neither of these facts alters the likelihood that the predominant corporate authority of this country would welcome, rather than oppose, a magnitude of Federal investment in the public sector adequate to bring fifty million Americans into a consumer status of reasonable comfort and dignity. Until this other America is brought into such status, its market potential, whether for dentrifices or diesel engines, will remain conspicuously feeble.

All that it is meant to stress here, in any case, is that the traditional sources of conservative opinion formation, in economic matters, have been greatly transformed in just one generation. Business is not merely adjusted to, but in considerable measure dependent on, a large and sustained flow of federal investment. Large budgetary magnitudes no longer inspire large polemical bloodlettings. Ownership is increasingly sophisticated, being increasingly under the direction of the technologically competent, and far more disposed than a generation ago to take the long view. The Congress, in consequence, runs a much reduced risk of political reprisal should it meet its manifest responsibility with the boldness which the reduction of domestic poverty requires of it.

Federal expenditures on research

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The greater the measure in which enlistment in the offensive against domestic poverty can be drawn from those sectors of American technology now devoted to armaments production, of course, the richer the return will be on the investment involved, whether the return be measured economically or morally. In the past, some have defended high levels of investment in military equipment on the grounds that while the product itself may be essentially useless, in absence of war, there is valuable "fall out" from the research and development involved in the creation of new weapons which fertilizes civilian areas of production. This has not, in fact, proven to be the case. Luther Hodges, as Secretary of Commerce, was frank to admit, in 1965, what scientists and engineers had been surmising for some years previously:

> "Of the total /outlay in research and development/, overwhelmingly oriented to defense, relatively little is directed toward the creation of new consumer products, or to improve machines to make the products, or to improve processes to make the machines."

There is little or no evidence to suggest that the most efficient and advanced elements of American technology, now intimately identified with weapons competition, have chosen such a pastime out of preference or from an inherent bloodthirstiness. It is, rather, as John Kenneth Galbraith has recently pointed out, that

> " ... this has been the area where the largest amount of money to support planning was available with the fewest questions asked. And since armies and cannon have always been in the public sector, government underwriting in this area had the fewest overtones of socialism. But the space race shows that underwriting outside the area of weaponry is equally acceptable."

I submit that it is not only acceptable, but a national imperative.

There is some evidence that the relatively limited "seeding" or fall-out effect on conventional industrial processes coming from weapons-related research and development is due to domination of the Research and Development field by a few major corporations, inclined to smother even their own innovations out of fear of too rapid obsolescence of large investment in capital equipment. Another theory, also with considerable evidence to support it, argues simply that Research and Development is such a restricted business that innovation is tightly isolated, has no "flow" and is, to boot, highly duplicative, with two or more defense or space agencies often sponsoring R & D projects identical in purpose and with each agency ignorant of the other's interest and accomplishments.

But whatever the weight of either of these theories -- or of any other -- concerning the limited degree of technological fallout from military to conventional industry, it would appear certain that the spillover effect of government investment in anti-poverty weapons would be much greater than has been the case with military investments. Not the least of the reasons for this assumption is that the campaign against poverty would provide a stable but constantly expanding market, which is the soil in which technological innovation best thrives.

The conclusion drawn from his analysis by Mr. Galbraith is as sound as the analysis itself. Referring to the Soviet Union and the United States, he writes:

> "The path to salvation for the two great industrial systems is now clear. Whether it will be followed is less certain. There must be agreement on arresting and eliminating the

competition in lethal technology. On this, survival of both the industrial and the nonindustrial populations of the world plausibly depends. It is or prime importance to this effort that it be realized how much of past action has been based not on reality but on imagery and the sources of the latter. Nor may it be supposed that this imagery has been confined to one side. Discussion of disarmament must now result in action. It can no longer serve, as now, as the surrogate for action.

"But agreement will be much less painful if competition continues and is encouraged and widened in nonlethal spheres. This competition is not a luxury; it serves an organic need of the industrial system as now constituted. And it does not culminate in explosions of immeasurable effect."

Every social system is, inescapably, in some form of psychological competition with every other as societies seek solutions to problems. The great attractiveness of the United States, even before the Cold War drew us self-consciously into this competition with the Soviet system, was that the American model appeared to offer, simultaneously, the maximum of personal freedom and the world's highest standard of physical well-being. Whatever of this happy coincidence analysts may once have been inclined to lay to accident -- and whatever to the "system" -- is now acutely irrelevant. It is no longer self-evident that we are peerless in the perfection of either the good life, economically, or the free life, spiritually.

As to physical standards of living, we are not only challenged, but surpassed, by several of the smaller democratic nations when indices other than sheer per capita income are applied. Infant mortality, for example, is regarded by many as a far more suggestive index to national well-being than money income. At least ten nations, not all of them at full economic maturity, show lower infant mortality rates than our own during the past several years. Life expectancy,

while statistically less "fair" as an index, likewise shows us losing a once-marked paramountcy.

That other nations, less bountifully endowed, have overtaken us in these (among other) aspects of living standards is due to and is symbolic of a persisting failure on our part to harness national potential to professed national goals. The most manifest, most damaging, and most dangerous product of our almost systematic willingness to serve even conspicuous public needs labially and military ends lavishly is that we have permitted two nations to develop under a unitary ideological umbrella, one rising daily in affluence and privilege, the other condemned to a brutish isolation, exclusion and misery. Until the two nations of contemporary America are made one in economic fact as well as in political protestation we will have domestic peace neither in the streets nor in the consciences of men. And the voice which says, to others, "our way, not theirs," will ring hollow with a hypocrisy which the most gifted Communist propagandist could not embellish.

If there is a special gall which should embitter our decades-deep failure to make equity the hallmark of the American system, it is that the gulf between our two interior nations has been widening concurrently with our attainment of almost explosive rates of progress in the physical sciences and in the technology of production and distribution. One way of expressing what we have been doing is to say that we have largely made unskilled human labor economically obsolescent while failing to note, along the way, that human beings don't disappear conveniently just because they are forced out of the

job market. The job market is perhaps the only major American market not subjected by our industrial system to the most extensive manipulation and exquisitely detailed planning, although it is obviously our only market crucial to the purposes of a free and democratic community.

One of several self-deceptive reasons for a general lack of acute concern over the persistence of high rates of joblessness through our recent history has been the disposition, even of liberal federal administrations, to compare all subsequent employment periods with the massive unemployment of the thirties, and to conclude that the problem is essentially being liquidated if there is a sustained period during which the rate remains below five percent. Until very recently even the best of our national thinking on the problem has seemed to assume that unemployment and underemployment were relatively harmless to the nation if held to something like a 4% rate and a serious disconvenience only to those immediately affected.

Official expressions of unemployment rates are in fact only the exposed tip of an iceberg. If one includes in the actual unemployment rate at any given time all of those employed only part time, those who in Appalachia and elsewhere have dropped out of the official count because they have surrendered all hope of finding a job and have ceased to look the official rate would be driven up to close to 7%. That rate, in turn, would be even higher if there existed a device for measuring <u>under</u>-employment. It has for years been well and widely established that unemployment amongst

Negroes is typically double the rate amongst whites, but an equally shocking commentary on the continuing depth of employment discrimination is that the average young Negro high school graduate has to accept a job paying less than is earned by the average employed white dropout.

But the ethnic dimension of unemployment, charged though it is with sociological dynamite, is not its largest statistically. It is simply one aspect, although doubtless the gravest, of even more extensive waste. There are millions of workers in this country, white and colored, who need education or training in order to make full use of their natural capacities. There are millions of workers in this country, white and colored, who need education or training in order to make full use of their natural capacities. There are millions of older people, displaced from their regular jobs, who are forced to accept work inferior to their capabilities because of prejudice based on age. There are the men and women scratching out livings on hundreds of thousands of marginal farms, fully "employed" in the sense that they work harder than most of us, but under-employed in the sense that they are producing far less than would result from the same amount of effort in a more productive occupation.

The accelerating obsolescence of the worker without education has produced a predictable rigidity in the make-up of unemployment, large pockets of unemployability which are now two generations deep. The cultural consequences of sustained endemic poverty surrounded by affluence are not a theme of this book, but they are part of the menacing body of the iceberg whose protruding tip is described in official unemployment statistics. If one thing is more obvious than another, it is

young people
young non-whites

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that the price of a pound of cure is going to rise with every day that we withhold an ounce of prevention. Poverty breeds in more ways than genetically. It sickens the matrix surrounding it even as it poisonously perpetuates itself. Its extirpation, whatever its price, is the cheapest emergency surgery we can perform on the American social body.

It is more than worth the embarrassment it causes to pause here to consider that virtually every industrialized economy in the world, whether with sophisticated labor market controls or without, has come through the last twenty years with unemployment rates which halve our domestic average, ranging, indeed, down to heavy "minus" unemployment figures in some cases -- and that even in the worst beset of the semi-industrialized nations, whose prospects have seemed to outsiders to be so maddeningly hopeless as to make autogenous revolution inevitable, there has been nothing comparable to the aimless and alienated rebellion of our slums. I suggest such a pause not in any belief that a feeling of shame hastens reform, but simply to indicate that high unemployment is not a necessary concomitant of a free market (let alone a valuable one, as an occasional troglodyte theorist will still argue), and that affluence unshared may have a lower ignition point than poverty shared.

Traditionally (and the adverb is used advisedly; we do, lamentably, have a lengthening "tradition" of high unemployment),

the major professed objection to adoption of those measures which would reduce joblessness to tolerable levels and attack its pocketed entrenchments at radical depth, has been a claim of prohibitive cost. Liberal national administrations and conservative alike have for two decades been, in the public sector, unable to distinguish cost from either insurance or investment. Our congresses, even more deeply addicted to the conventional unwisdom in social expenditure, have been especially myopic in this regard. The 90th Congress, by no means the least liberal in our recent history and perhaps the best-educated, all but threw a firebrand into the tinder box in July of 1967 when it derisively hooted down a proposed slum rat control bill in the teeth of warnings throughout urban America that ghetto violence was at the explosion point. While the rejection may have been in no sense causative, it was nevertheless a shocking display of almost contemptuous indifference to the lot of slum dwellers. In tone and timing, it all but spit in the faces of the poor.

Possibly a suggestion of the magnitude of the waste involved in our past neglect of domestic poverty will startle some of us into use of a more realistic social bookkeeping system in the future. It is a near-truism to say that our failure to make full use of our human resources for the past generation and more has cost us dearly. The cost in wasted, unfulfilled and frustrated lives is beyond machine computation. But the economic cost can at least be suggested. Using only the short official yardstick as measurement, it can be estimated that unemployment in the past 12 years has cost us over 40 million <u>man-years</u> of productive work. The italics are intended to make clear that it is

not man hours, but man-years of potential production that we simply threw away. And threw away permanently. It can never be recovered, for human labor is the most perishable of the economic values. A ton of steel made in 1968 and surplus to demand can be warehoused and put to use in 1969 or 1970. So, too, with a bushel of corn, a car, candy and cottonseed oil. But you can't warehouse human labor. If you don't use it when it's available, you never get a second chance. It represents total and irretrievable economic loss. And our negligence has sluiced 40 million man years of labor forever down the economic drain.

But that is far from the full measure of our loss. Operation of the national economy at well below full capacity has held back the productivity of those who have been employed. Not only have we made less efficient use of workers; retarded growth has meant less investment in the new plants and equipment which would have increased the average level of efficiency.

To express the size of our unnecessary loss less abstractly: if we had had full employment, with the higher rates of economic growth and productivity made possible by full employment and full production, the economy could have turned out no less than $1000 billion dollars more in total goods and services over the past 12 years than it actually achieved.

The mind boggles, understandably, if it seeks to visualize a sum on the order of a thousand billion dollars. Putting it in household terms, if this maount were distributed equally among all of the American people, it would have meant $21,000 in additional

income for every family of four, whether its members were ankle deep in carpeting in a Park Avenue Penthouse or ankle deep in mud on a sharecropper's patch in the Mississippi delta.

In actuality, of course, such an increment in the national wealth would have gone only partially into increased personal incomes. Some would have gone into the construction of new plants required by full production, for example. And some, one must earnestly hope, would have been used to liquidate a few of the gaping deficits in the public sector of our national life. With it, we could have doubled the meager Social Security benefits now paid our retired citizens. With it, we could have built enough homes in decent neighborhoods to have replaced our festering slums, constructed enough hospitals to overcome our current deficit of over a million hospital beds, doubled the amount now being spent on highway construction and carried through the long-promised and long-neglected frontal attack on highway congestion. We could have built the 800,000 new school classrooms we need, raised the salary of every teacher by $1500 a year, and created three million scholarships, averaging $2000 per year, as a step toward creating genuine equality of educational opportunity. Or we could have tripled the volume of our foreign aid over the entire period.

The past conditional is, of course, the dreariest of tenses. It has been used here simply to give recognizable features to the quantity and quality of the loss we suffer in permitting so much of our human and material resources to remain idle.

Reefs Ahead

Numerous internal forces in the American economy portend an early need greatly to accelerate the growth rates which have characterized the past several decades. Of these forces, employment needs are the most formidable. We must create new jobs faster than ever before in peacetime merely to prevent unemployment from rising to crisis levels, let alone to reach a condition of full employment. I have, earlier, touched on two factors which will for the next several years intensify the employment problem. One is the maturing of the biological bumper crop which featured the late forties. The young today make up a substantially larger proportion of the unemployed total than ever in the past. During the whole of the decade of the 1950's, the size of the national work force in the age group 14 to 24 increased by only 400,000. During the decade of the 1960's, this group will have increased by approximately six million -- fifteen times as fast as in the forties.

The second force which will compel us to create new jobs at an ever faster pace is the spread of automation and subordinate forms of improving technology. If fifty men can, today, produce what required the work of a hundred a few years ago -- and they can -- then fifty additional jobs have to be created to maintain the same level of employment. Such a formulation over-simplifies what actually has been happening conceals the fact that the substitution of technology for labor advances, as it spreads, at an accelerating pace.

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The operation of this accelerative principle has already been amply substantiated in studies both by the Bureau of Labor Statistics in the U. S. Department of Labor and by private economic researchers. It would be surprising, indeed, if this were not the case. New technologies are built upon the foundations of knowledge already tested and functioning -- and every year the understructure of such knowledge is being vastly enlarged. Whatever is "natural" or inevitable about the process has, moreover, been given additional impetus in our generation by the unprecedented efforts being put forth in industrialized nations in the fields of scientific research and engineering development. Never in the history of mankind has so much money, exertion and scientific imagination been devoted to the deliberate planning of technological breakthroughs. It has been estimated that of all the scientists who have been born since recorded time began 90 percent are alive and at work today. And no small proportion of them are engaged in producing and enlarging tomorrow's quota of revolutionary advance in technology.

The nearly exquisite planning which increasingly characterizes the American technostructure, however, is in no manner matched by the social, educational, transportation, employment, and other adjustments imposed on the culture by innovation in the techniques of production. In many industries the past decade has seen production soaring to record heights, year after year, while employment has increased only minimally or declined outright. In manufacturing as a whole, the employment of production workers is today only fractionally higher than it was thirty years ago, while the

index of manufacturing production shows an increase of more than 125 percent. In agriculture, over the same period, productivity per manhour catapulted fabulously, by more than 180%, but farm employment, including self-employment, declined by over 40 percent.

Continuation of this trend appears highly probable in close to half of the 39 industrial groupings into which the Bureau of Labor Statistics divided virtually the whole of American industry in conducting its 1964 study of prospective technological developments and their probable employment impact by 1970. In only 14 of the 39 groupings was there any clear prospect of expanding employment, and even in several of these the projection was for decelerating rates of job increase. The future, typically, was one of fair production weather and human storm: "Output is expected to increase but more efficient processes may slow employment growth." The study's projections, incidentally, have been borne out with considerable precision by the past three years.

There have, it is true, been compensating expansions in employment -- largely in the service industries -- which have thus far offset the ravages of automation on manufacturing employment, but it could be catastrophically unwise to conclude from this that automation, by some still-to-be-understood but none the less demonstrable beneficence, creates new jobs at the same rate at which it destroys old ones. That presumption, which has now and again been urged by those who regard it as mortally sinful to look both ways before entering economic intersections, overlooks the fact that we have yet to receive the full disemploying

impact of accelerating technology. The retarded national growth rate of the later fifties involved a pronounced drag on the rate of investment in technological advance. With a considerable percentage of pre-existing productive capacity idle, there was reduced incentive to invest in new plant and equipment. Consequently, even though a rising proportion of the investment which did take place was for purposes of modernization as opposed to expansion of capacity, the overall effect was to brake the thrust of automation against jobs. The corollary to this, of course, is that as we achieve faster growth in the economy an acceleration of investment in automated equipment is to be expected, so that the rate of increase in employment will be slower than the rate of economic growth. This may sound like a conundrum conceived by the devil, as indeed it may be, but sound counsel urges its solution, not its mere contemplation.

There is no solution, surely, in the gallic gambit, understandable though the desire among the disemployed might be to throw wooden shoes into the machinery which elbows them into the industrial junkyard. Automation is not only here to stay. It is the central impulse of mass production industry. The de-manualization, if not the de-humanization, of production will continue at an irresistibly rising pace. Automation is the creature of our culture. If we permit it to run amok, the responsibility is ours, not the creature's.

Nor is there enduring justification, among those as yet unaffected by automation, for even the ignoble unconcern which

may arise from contemplation of the fact that its job hovoc has thus far been mainly wreaked in the manufacturing sector of the economy. It is entirely within the bounds of possibility that within the next few years the displacement effect of automation on white collar jobs will be even more severe than on blue collar workers. There are signs, at nearly every level of white collar employment, that computerization is being postponed as much from compassion as by cost considerations. Its increasing versatility and declining cost, however, are not long-term allies of compassion. That instinct, in the best of corporate circumstances, has a shallow bottom. Being personal, rather than organizational, it is obsolescent in the group-run technostructure.

It is precisely <u>in</u> the white-collar area of employer costs that the computer would seem to offer the most enticing prospects of improved efficiency. The major function of the computer, after all, is the collectinn, organization and application of information -- tasks at which millions of office workers are employed today. Computers, indeed, are already in widespread use in the automatic maintenance and manipulation of payrolls, mailing lists, credit accounts, files and data collections of every description. They are doing the most intricate bookkeeping chores. They regulate the flow of, and report on, warehouse inventories. They will shortly be capable of transforming dictation straightway into print. To cap matters, computers evidence the most intense probability of sharply declining costs, accompanied by the prospect of rapidly widening applicability. These are qualities

hardly t o be matched by even the most docile bank tellers or employer-oriented clerks. The latter, even if as de-personalized as C. Wright Mills professed to perceive them, are human, face rising costs of living, fall ill on occasion, create and react to tensions, make errors, take coffee breaks, expect vacations and exhibit a wide spectrum of frailties which represent, to employers, the probability of rising cost. At some point in time, and quite possibly before the 1970's are out of knee-pants, the descending cost curve of the machine will massively intersect the ascending cost curve of the clerk-typist-stenographer and the name of Kitty Foyle will be legion on the computerized rolls of unemployment compensation offices and employment services.

Needed -- 90,000 Jobs a Week

Let me now attempt to summarize what the two factors of population growth and an accelerating rate of productivity advance add up to. They mean, first, that over the next ten years we are going to need vastly more jobs than ever before. Between 1965 and 1975, it is estimated, the labor force will grow by some 16 million workers. During that same period, assuming full exploitation of the economy's potential for productivity improvements, we may expect new technologies to wipe out some 31 million existing jobs. Altogether, then, we will have to create some 47 million new jobs over the next ten years. That is an average of 90,000 new jobs every week.

The immensity of this task will perhaps be made easier to

grasp by a concrete illustration: General Motors Corporation, the largest manufacturing enterprise in the world, presently employs something over 350,000 hourly rated workers in its U. S. plants. The corporation has neglected or declined to publish the number of its office workers, but they may not unreasonably be estimated at about 100,000. Thus GM's total U. S. employment is on the order of 450,000. Every five weeks, then, for the next years, the American economy is going to have to create the employment equivalent of a new General Motors Corporation -- 450,000 additional jobs -- merely to maintain in employment that percentage of the work force which is employed today.

We have, then, in our country a vast congeries of still unsatisfied public needs -- the need of the poor for an adequate standard of living, of the entire country for more schools, hospitals, housing, and the need for purer air, cleaner water and the complex of other amenities which govern the quality of life for all of us. Against this, we show a continuing high and corrosive level of unemployment, with a built-in factor in the economy (automation) of undetermined but obviously powerful job-destructive impact. Huge unmet needs and huge unused capacity to satisfy them exist side by side, both swelling constantly in size, separated as though by an invisible wall. It is obvious, to the naive and the economically sophisticated alike, that we are going to have to put the latter to the service of the former, but there remains the technical question: how? How <u>can</u> we gear our vast potential for production and the muscular surge of our improving technology to the task of placating public needs which,

if unattended, can permanently blight the American future?

I submit that, as a first step, we must sweep aside some old and cobwebbed economic assumptions, which have been less a guide to action than a sedative, and begin to think and to practice the economics of abundance. Virtually all past economic theory, whether classical, revisionist or downright radical, has been essentially an economics of scarcity. This is true even of Marxism, which -- whatever the emotional satisfactions from its pursuit -- is now historically obsolete. Rhetorical vehemence cannot patch the leaks in Marx's conclusion that the market is limited, and that a class struggle to the death is the inevitable and only resolution of competition for the market's finite yield. The economies of the Western world offer fresh proof almost daily that the management of aggregate demand (as John Maynard Keynes perceived and as Marx did not) is perfectly possible through various techniques of public spending. Equally leaky is the Marxian postulate that war or colonial conquest are the only formulae by which a capitalist economy can temporarily break out of the iron straitjacket of the limited market. (There is nothing in the slightest magic or unique in demand-creation, incidentally, in outlays for armaments as compared to public outlays for any other purpose of equal technological impact.)

Through most of human history there has been, to be sure, a surface validity to the concept that scarcity could only be equitably divided through struggle. Until the Industrial Revolution

it had been the recurrent fate of all societies that empty bellies exceeded the capacity to raise food or that naked backs outweighed the national capacity to produce clothing. But the challenge to our society is no longer how to divide scarcity. The challenge which faces us today is that of finding, in freedom, the new economic and social mechanisms, the new forms of social organization and deliberate goal pursuit which will permit harnessing a superabundant productive capacity to the service of grievously unmet public needs.

Adjusting to the new economics of abundance is going to require further modifications in our concept of the role of demand in the market. In the economics of scarcity, there is constant concern lest demand outrun the capacity to meet it. (By demand, I mean here what the economists call "effective demand" -- people with needs to be met and the money in their pockets to pay for their satisfaction. There have always, of course, been people with needs and no money. It was convenient to the economics of scarcity to pretend they didn't exist.)

In the economics of abundance, concern over possibly excessive demand is a fretful and fruitless waste of energy. In the U. S. economy, to say nothing of a dozen others, such a contingency is already an antique menace. Our present and persisting danger is, rather, that effective demand will prove too meager to permit us to reach or to maintain full production. In a market economy such as our own, nothing is produced normally (an

occasional Edsel to the contrary) unless there is demand for it -- or at least until the producer anticipates that there will be demand for it. Thus, demand is the cogwheel that enables us to gear productive capacity to expressed or anticipated private and public needs. And our cogwheel is manifestly too small, and it has some vital teeth missing. Not the lea st consequence s of this is that our economy advances too sluggishly to maintain full production and full employment.

This is anything but a private insight. The inadequacy of effective demand has been manifest for several years consecutively. It has been a constant preoccupation of the President's Council of Economic Advisers. Back in 1963 the Council's Annual Report was saying:

> "The slowdown of 1962 was rooted in the prolonged sag of demand below capacity that has continued since 1957. The forces that have kept us below bull employment in the past several years persist. Our challenge now is to overcome them."
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The danger was still clear and present the following year, when the Council's 1964 Report said:

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1946 Full Employment Act quote

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> "During periods of prosperity, a larger part of the nation's output is used to increase productive capacity through investment in plant, equipment and business inventories. If overall demand rises rapidly enough

> to justify the added capacity, incentives for further growth of capital are maintained, and the expansion of economic activity continues. But when the growth of demand does not keep pace, business firms curtail further additions to capacity by trimming their investment outlays. The reduction in investment, in turn, reduces employment and income, thus converting the initial slowdown in the growth of demand into an actual decline in general economic activity -- a recession.
>
> "While individual recessions have their own features and their own proximate causes, reversals from expansion can typically be traced to a failure of demand to keep pace with the expansion of capital facilities." (emphasis added)

In its 1965 Report the Council again declared:

> "Whether our rapidly growing potential GNP will be fully realized as actual GNP during the remainder of this decade will depend upon the strength of aggregate demand." (emphasis added)

That the quality of demand may be no less important than its quantity is beginning to receive belated recognition, although less so by the Congress than among non-legislators. The statistician interested only in the measurement of total demand may see no difference between $100 spent in a night club and the same amount spent to buy books for a school library or to train a slum-born youth for a job, but in terms of the future quality of American life there is all the difference in the world. If we are to make the most of our resources toward the fullest enrichment of life in America, it is crucial not only that government pursue social investment policies which will sustain aggregate demand at the level required for full utilization of our productive capacity, but that such investment proceed from the studied arrival at a consensus on priorities which will direct increases in the national wealth into channels where public needs will best be served. I have already indicated what I believe some of the most pressing priorities

to be.

If the preceding has the sound of a circumlocutory advocacy of greatly expanded "planned" public intervention in the market, so be it. If it is self-evident that effective riot control requires planning (to say nothing of investment), it should be equally so with the prevention of eruptive social discontent and the eradication of poverty. It is long past time that we frankly recognized that it is only the "public" aspect of the American market system which is not governed by the most diligent and regulatory planning. In that aspect of the market alone does our system fail to pursue carefully predetermined results. Federal investment in the economy has been limited largely to the financing of emergency-ward services, usually too little and too late, to the casualties of the private market. That market, meanwhile, is evolving rapidly, in its major aspects, into a status of almost total regulation.

The mature corporation of today, prototypical of all American industry, is able to control its own prices, manipulate consumer responses in many basic respects, free itself of stockholder control, and in general turn the assumptions of classical market economics inside out. Its hallmark is planning, the reduction of incertitudes. It is markedly non-ideological. Its goals, while not infrequently at odds with the non-market (and thus infrequently inarticulated) goals of the larger society, are generally pursued with all of the planful foresight, the marshalling of technical expertise, and efforts at environmental control which the even technocrats of three decades ago could scarcely have dreamed realizable.

The technostructure is, who can doubt it?, largely soul-less, for it is essentially a process whose central purpose is the stabilization and maximization of profits, but the alacrity and efficiency with which the American technostructure has been enlisted in the pursuit of such non-market goals as war and the conquest of space make it clear that no less is possible in the more vital campaign to eliminate poverty. Cost-plus is hardly a spirited rallying cry, but it has been more than sufficient incentive to bring the best brains, talents and organizational know-how of the nation into cooperative effort in support of common national purpose. In neither our public investments in defense nor in space have we quibbled at length over cost. We take both to be, in some way, self-justifying. It is only when public investment in the satisfaction of pressing domestic human wants is proposed that we put on the book-keeper's bi-focals and ask that each outlay overwhelm us with its merits. We lust lavishly for the moon and haggle like fishwives in the marketplace over the price of making the earth habitable.

Meanwhile, there is within our immediate reach an almost stupefying abundance if we can bring ourselves to the decision to use planned public investment on a scale sufficient to assure full production. If one assumes, over the coming twenty years, continuation of the same average rate of economic growth (a little under $2\frac{1}{2}$ percent a year) which characterized the period 1953 to

1960, at the end the total value of a year's production would increase from about $780 billion, in 1967, to something like $1,280 billion in 1987. If one assumes a growth rate of 4% per year over the next twenty years, we would be producing about $1,711 billion worth of product annually by 1987. But, were the economy to reach and maintain a growth rate of 6% per year -- which full production would easily permit, the value of a year's production by 1987 would be approximately $2,505 billion, or over three times as much as we are producing today. Even allowing for population growth, our standard would be more than twice as high as it is today.

If figures so gargantuan seem juiceless and empty of meaning, we can consider the consequences of sustained full production in less abstract fashion. In twenty years, the tax base for federal, state and local revenues would be more than tripled in size. This would mean that all levels of government would double their spending in order to accommodate public needs and still cut tax rates by more than one-third. Full employment, and the swelling government revenues brought by it, would permit us quickly to eliminate poverty in its income aspects, wipe out the slums, and set about healing the cultural wounds inflicted by generations of neglect and exclusion. That process, incidentally, would more than "pay" for itself, for its accomplishment would enormously reduce the amounts of public funds presently required for police forces, courts, prisons, and custodial services which our society has had to develop to protect itself from the symptoms of its own sickness.

For business, full production would mean higher profits, not only through increased volume of sales, but because production at capacity is far more efficient and therefore more profitable than at part-capacity. Buoyant profits and reduced taxes would, in turn, provide both the means and the incentive for higher levels of investment and accelerated growth.

For all of us, sustained full production would make possible solutions to many of the problems which have bedevilled every generation of mankind. Its special meaning for our generation is that it would provide the material means to remove the more serious obstacles in the way of achieving a truly equitable society in the matter of ethnic rights and opportunity. There is grave reason for doubting whether, in the absence of full employment, the battle for equal opportunity will ever be won. As long as men have to compete for the right to earn a living because there aren't enough jobs to go around, prejudice will find its subtle ways to impose itself and to maintain old employment patterns with their poisonous consequences in all reaches of ethnic existence. The persistence of unemployment enables the bigots and fanatics of all races to turn men against one another. The seeds of prejudice and hatred will find far fewer places to root when we have created, as we can, a full employment economy in which the labor of every person is needed and valued and in which every individual is given the opportunity to extend himself to the limits of his capacities.

There are those, I realize, who will dissent from the proposition that we can restore full employment simply by gearing out productive capacity to the social needs which so manifestly must be met. They will argue that too many workers are virtually unemployable, that whether through age, a lack of the requisite education or skill, unwillingness to move where the jobs are, or for some other reason, a heavy percentage of the currently unemployed will remain so no matter what the number of jobs available.

Such an argument may soothe a few uneasy consciences. It is more comfortable, for some, to convince oneself that unemployment is primarily a function of the deficiencies of the unemployed than it is to recognize unemployment as a defect in the structure of the society as a whole. But the argument failes to survive close examination.

It is true that unemployment is highest among young workers, unskilled workers and workers of limited education. It is also true that a substantial fraction of the unemployed live in chronically depressed areas from which they are slow to move. But the concentration of unemployment among such disadvantaged groups no more means that they are unemployable than the shamefully high rate of Negro unemployment (more than double the rate amongst whites) means that color has any bearing on a man's ability to do a job. Whenever insufficient demand restricts the total supply of jobs available, the impact is greatest upon those with least to offer in the way of skill, education or experience and upon areas which show concentrations of these disadvantages. So much is obvious. But most of the apparent obstacles to full employment

will melt away like hoar-frost in the morning sun at the point where full employment policies increase the demand for workers.

This is the clear lesson of the few emergency periods in our recent history when the demands of war forced us into full use of our industrial capacity. Experience has shown that workers are, in fact, highly mobile in response to job opportunities and that employers adjust quickly to changing conditions in the labor market. When work is plentiful, when there is real hope that training or education can lead to a job, adult workers are far readier to undertake voluntary training and potential drop-outs far readier to continue their schooling. Under such circumstances employers, in turn, are obliged to abandon such unreasonable standards (luxuries of labor surplus) as requiring, for example, a high school diploma for admission to unskilled or semi-skilled work. Employers can be infinitely skillful in adapting jobs to the qualifications of the workers available. In the few instances in our history when actual labor shortages impended, employers have been prepared, in fact, to dispatch recruiting agents into areas of surplus labor and even to finance the relocation of the recruits. In such situations, employers quickly submerge such prejudices as they may have had in employment and upgrading. Their investment patterns change, too, with areas of relative labor surplus showing a fresh attractiveness.

All of this was drmatically proved both in World War II and again, for a short time, during the fighting in Korea. It is

being proved in Western Europe as well, where full employment is the prevailing situation and every worker precious. In Germany, where the demand for workers has long since outrun the domestic supply, over a million workers have been brought in, mainly from Southern Italy, Greece, Turkey and Spain. It is a fair presumption that the great majority of these workers were initially lacking in factory skills and that their level of literacy was probably inferior to that of most unemployed Americans. Yet they have been trained for the jobs than needed to be done, and are to be found in large numbers today throughout Germany's most technologically advanced industries.

What can be accomplished in a society geared to the concept of full production and full employment is quietly but persuasively illustrated by Sweden. There, with an unemployment rate of less than two percent, and in a society which believes deeply in the dignity of work and the worth of the individual, the prevention of joblessness is a continuing responsibility of government, industry and labor. Employers are expected to notify local labor boards six months or more in advance of contemplated lay-offs, so that advance plans may be made to provide compensating job openings. Financial assistance is extended, as a matter of course, to workers and their families during relocation periods. Retraining is widely available -- not only to the unemployed but to employed workers wishing to upgrade their skills. Special efforts, including the provision of retraining or refresher courses when necessary, are made to enable women to enter or to return to the labor force when their families are grown up. The physically

or mentally handicapped are provided with jobs suitable to their limitations, permitting them to make their best contribution to the nation's needs and to acquire, at the same time, a sense of their own worth, of being wanted and valued.

It is largely because Sweden has given this kind of life and meaning to the concept of full employment that this country, small though it is and with limited natural resources, has achieved a level of production, in goods and services, which enables it to enjoy a standard of living which is superior, by all indices save purely monetary income, to our own.

To recapitulate, then, we embody a bizarre paradox: we suffer great and growing unmet national needs, both public and private, while there lies within our easy reach the potential for incredible abundance. We know, too, that this potential will, over the immediate future, be vastly increased by impending technological progress. Yet we shuffle fearfully at the edge of decision: do we use the new tools of automation, the talents and proven capabilities of the emerging technostructure, to meet these needs -- or do we stand idly by while unemployment rises to new and disastrous heights and the chasm between the two Americas widens unbridgeably? It is a hope of this book that it will help in terminating the shuffling, for this nation can only live with the first alternative.

Determined adoption of the economics of abundance, conscious planned exploitation of our production potential, will permit us, simultaneously, to cut the roots of poverty within our own society and to give real leverage to the underdeveloped

world as it struggles to lift itself above the grasp of famine. That decision is not, let me add, one which will have to be imposed on the American people. It is one, rather, which will be more and more sharply demanded by them. More than ever in our history, our people are calling for some sense of committed national and private purpose going beyond the mere mechanical increase in affluence. It is difficult to define this in non-pietistical terms, but no sensitive reader who has travelled extensively in this country over the past few years can fail to have noted a many-faceted transformation in American opinion and aspiration. Perhaps it is because we have lived for twenty years on the atomic precipice, or perhaps because we have begun to see the abysmal futility of a nuclear race in which the starter's gun will be the last sound heard on earth. More and more Americans, in any event, are looking for something beyond themselves and something greater than themselves as a life preoccupation -- some human and humane thing in which to believe, for which to work. There is, visibly, a new sense arising in this country of our responsibility, as a nation and as individuals, to those of the human family still denied those elementary components of civilized existence which most of us may take for granted from the instant of birth forward.

This transformation, still in search of clear form and expression, can be seen in the responses -- especially by the young, but by no means exclusively there -- to the civil rights movement, the timy anti-poverty programs yet dared by the government, the Peace Corps, and in the heated and often penetrating

questioning of foreign policy which took place in the teach-ins. I believe that the kind of program urged here -- of utilizing our potentialities for abundance as weapons for peace and progress throughout the world -- will give this yearning for goals consonant with the spirit in which this nation was founded a long-denied outlet.