

Hazel Henderson

Should business tackle society's problems?

Private enterprise's response to huge burdens abdicated by the public sector raises an issue that the voters must soon decide

Foreword

One of the most pressing, but narrowly understood, issues of the day is the pronounced trend of government at all levels, along with citizens from all walks of life, to turn more and more to the private sector in seeking workable solutions to our staggering public problems. Moreover, as it moves to accept many of these challenges, business is engaging in a strange sort of "mating dance" with government—one without the fundamental steps of a coherent national policy, helpful theory, or specific ground rules to govern immediate reactions and long-term consequences. In calling for as broad a discussion of this issue as pos-

sible, the author examines the basic change taking place in our society, points out its potential dangers, and suggests what we as citizens might do about these public problems which are eventually decided, however indirectly, at the ballot box.

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In the past year or so, U.S. business leaders have been asked earnestly, and sometimes urgently, to take on all kinds of bewildering new burdens which have previously been thought of as the responsibility of government. Companies from AT&T to Xerox have been urged—and in many cases have willingly accepted—the challenges to educate our children, police our streets, clean up our polluted air and water, teach our disadvantaged citizens how to earn a living, rebuild our slums, and even tell us how to run our cities more efficiently.

If this trend continues, how will private enterprise itself change? What kind of changes will this trend bring about in our ways of doing things in society as a whole? Will government

get smaller as it unloads burdens it has been unable to cope with onto industry? Will corporations grow still bigger and become more like charitable foundations?

Let us examine this fundamental change that is quietly taking place in our society, in order to see how it might affect us as businessmen, voters, consumers, stockholders, and employees, as well as what might be its probable effects on the lives of our children.

Government abdication

This present-day besieging of large corporations to help solve central problems which have long

been considered the private preserve of government is hardly surprising considering the power and resources they command. The 50 largest U.S. corporations own over half of all manufacturing assets, and the 500 largest own over two thirds.¹ General Motors, the world's largest corporation, took in revenues in 1966 that exceeded the annual gross national product of all but 13 of the free-world nations.²

Public awareness

What is more, we have all become aware of the dazzling capability of U.S. industry to produce a galaxy of goods and services ranging from convenience foods to spacecraft for putting a man on the moon. Business has made us more aware of these capabilities through advertising and public relations efforts in television, radio, and the press—efforts representing an investment of billions upon billions of dollars each year. And these shape and influence not only our physical environment but even our habits and mental attitudes.

In fact, Carl Kaysen, head of the Institute for Advanced Study in Princeton, calls our largely commercially controlled mass media "the great teachers of our society, . . . far more pervasive in their reach and far more persistent in their influence than school or church."³

While corporations are growing more powerful and efficient, government seems to be growing fatter and flabbier. Government at all levels is becoming swamped with problems brought about by a growing population and the rapid formation of huge urban areas, which, although they account for only about 2% of our land space, already contain as much as 70% of our people.

No fewer than 1,060 different and often competing local government units overlap each other in the greater Chicago metropolitan area.⁴ This adds to the confusion and inaction—the same kind of unrealistic potpourri that plagues our nation's other urban areas. The result is a seemingly unending series of crises that range from uncollected garbage and unsafe streets to ineffective public schools and poisoned air.

1. U.S. Senate Resolution 262, Part I, *Economic Concentration, Overall & Conglomerate Aspects* (1964), p. 113.

2. *Business International*, November 17, 1967, p. 24.

3. "The Business Corporation as a Creator of Values," in *Human Values and Economic Policy*, edited by Sidney Hook (New York, New York University Press, 1967), p. 213.

4. *Modernizing Local Government* (New York, Committee for Economic Development, July 1966), p. 21.

It is no wonder that, in the face of these staggering problems, local government is breaking down under the burden, and more and more citizens are beginning to turn to business in the realization that it has the power—and apparently the know-how—to solve the nation's pressing problems. In fact, many people have begun to see that it is often easier and more fruitful to bring about change by pressuring business leaders than by the more traditional method of pressuring lawmakers.

Moreover, the federal government itself has come around to a similar viewpoint. For example, in February 1968 President Johnson announced a plan that would place in the hands of private industry the responsibility for hiring and training into productive employees the bulk of the nation's ghetto, hard-core unemployed; private industry, in turn, would receive a measure of government subsidy.

The reaction of numerous corporate executives to this new plea was reflected by one manager who said, "The government's scared. Up to this point, it hasn't been able to cope with this problem. So what do you do with a problem which you can't cope with? You immediately say it's someone else's responsibility."

He, along with many of his colleagues, doubts that business leaders will become deeply involved in providing jobs for the hard-core unemployed unless they are guaranteed a profit as is done with defense contracts. Although the Administration has hinted that it will be liberal, so far no profit guarantee has been provided.

Business response

In spite of this professed doubt, the fact remains that corporations are responding to these new challenges. Consider:

□ In the wake of the 1967 summer riots in Detroit, the Michigan Bell Telephone Company announced that it would "adopt" the city's Northern High School, and place its own instructors and equipment in the school to supplement and, in the company's words, to "enrich" the regular teaching program. Soon after, Chrysler Corporation announced that it would also adopt a Detroit public school.

□ Governor Claude Kirk, Jr. of Florida has subcontracted some of the state's regular police work to a private company which already does similar work for the federal government.

□ The City of New York's Mayor John Lindsay called in McKinsey & Company to analyze

his administration's air pollution problems, and the Traffic Commission invited Sperry Rand, and later IBM, to help solve the city's growing traffic headache.

□ In California, Governor Ronald Reagan has borrowed business executives, whose salaries continue to be paid by their respective companies, as consultants in seeking ways to trim the costs of state government.

Hidden costs

The public tasks that companies are taking on have long been considered to be strictly the responsibility of the government. How will this shift affect our future society, and why have our local, state, and federal governments decided to abdicate responsibility in so many areas?

I believe that both the politicians and we the voters think that we can get these essential public services at bargain rates if we turn them over to private enterprise. However, we might just find in the future, as we have in the past, that there will sometimes be hidden costs which only become visible later.

For instance, the original decision to let private industry have the exclusive right to develop television was hailed with enthusiasm because we thought it would be "free" to the viewer. Later we realized that if advertisers were to pay the cost of putting on television programs, we would have to pay the "price" of seeing only those programs they felt would sell their products. Instead of the feared government censorship, we ended up with censorship by sponsors. Not until 1968, with the passage of the Public Television Act, did we decide that providing for some public television without commercial sponsorship is worth the price of our tax dollars.

In the same way, many a community has tried to lighten its local tax burden by inviting an industrial company in—only to find that it may cost even more to clean up the water supply after the factory has used it, and that property values have depreciated because pollution and ugliness have made the town a less desirable residential area.

Along similar lines, consider the statement of William M. Day, the president of Michigan Bell Telephone, when asked why his company wanted to adopt Detroit's Northern High School, the purpose, he said, is to provide aids designed "to

help prepare the students for the business world. We think we can make a real difference in pupil attitudes."⁵

The issue raised by his statement is whether this is the basic purpose of public school education. If corporations took over more of the task of educating our children, might they not pay more attention to this sort of education than to teaching art appreciation, poetry, literature, and music?

We, as individuals, are finding that we have to be concerned with these matters because they are directly affecting our lives and the surroundings we live in. All this is not to say that in some areas private enterprise could not and would not do a better job at a cheaper price than a government agency. Maybe, for instance, it would actually be better to let an autonomous, government-owned but privately operated corporation deliver the mail. While this would certainly be a huge responsibility, it need not involve the corporation's managers in making social or moral decisions for which they may be ill equipped.

The safest way to turn any public problem over to private industry is to (a) let out a government contract, with all the specifications carefully set down in writing, and (b) pay a fair price, as in the case of space and military programs. This may cost a little more, but it would be worth it in the long run.

Guidelines needed

So far, the only people who have sounded the alarm are the economists and students of our enterprise system. They have noticed the situation that we have drifted into, and they realize that if we, as citizens, remain unconcerned about the new directions corporations are taking, we will then have made a decision by default. For if we do not take an active role in determining what kind of involvement private companies will have in needed programs, they will be forced by growing public pressure into doing what they in good faith think is right and proper—whether we agree or not.

Today's business leaders are on the horns of a dilemma. When they try to "do good in the community"—say, by hiring dropouts or donating money to all kinds of charities—their stockholders (of which there are now an estimated 24 million,⁶ and many of whom press for their own interests) get very angry. Militant stock-

5. *Business Week*, February 3, 1968, p. 121.

6. Press release of the New York Stock Exchange, 1968.

holders argue that companies have no right to retain earnings to use in this way, but that they should allow the stockholders, who are the rightful owners, to decide for themselves how the money will be spent. On the other hand, when the top managers try to maximize the profits for their stockholders, they bring down on their own heads the wrath of citizens, civic leaders, and politicians with accusations that they are being heartless and money-grubbing, and have no respect for the needs of the people.

Warning voices

Let us hear the views of two well-known economists on this long-standing argument. John Kenneth Galbraith has said that the "cacophony of voices proclaiming the purposes of the corporation" range from "the suggestion that the primary goal is the just distribution of income . . . to pronouncements of a primary concern for improving higher education, increasing economic literacy, resisting subversion, supporting American foreign policy, upbuilding the community, strengthening the two-party system, upholding the Constitution, amending the Constitution to preserve its original intent, and defending freedom and free enterprise."⁷ All of this, according to Galbraith, reflects the "underlying reality which is that the modern corporation has power to shape society."⁸

Andrew Hacker of Cornell University, in his article, "Do Corporations Have a Social Duty?" has said, "If corporations ought to be doing things they are not now doing . . . such as hiring Negroes on an equal basis with whites . . . then it's up to government to tell them to do so. The only responsibility of corporations is to make profits, thus contributing to a prosperous economic system. Certainly the political rights of Americans ought not to depend on the occasional helping hand of our corporations."⁹

What these economists are seriously questioning, of course, is whether it is proper to shift weighty public problems onto the shoulders of corporate executives—men who are highly skilled in business matters, but not necessarily in political and governmental affairs or in the social sciences and humanities, and who are in no way accountable to the voters for their decisions. Might not some well-meaning corporate

chiefs, in deciding what is good for our society, turn into benevolent, paternalistic rulers?

Forms of pressure

What, then, is a corporation management to do? Well, at least the debate has begun. But until we decide on a coherent national policy, the current process of public pressure and corporate response will continue, and companies will have to deal with it as best they can—without any helpful underlying theory or guidelines. Let us examine some of the forms of public pressure now being exerted on companies and what may have brought them about, and then take a look at how some firms are trying to deal with it.

Public pressure seems to be taking two main forms. On the one hand, there is *social* pressure, which in essence demands that the corporation have a conscience; on the other hand, there is *economic* pressure, which through the consumer indicates what goods to produce by rewarding the companies with profits for the desired goods, and punishing them with losses for the undesired ones.

Social demands

There is a growing public awareness that business has created many of the central problems through its application of technology and its other private decision making. These problems are becoming all too visible in such forms as environmental pollution and the endless march of the automobile swallowing up millions of acres of public land for highways and exploding cities into hundreds of straggling suburbs.

Other problems created by business policies are less obvious, but can nevertheless be seen in the cities and poverty-stricken rural areas where decisions to move plants and hiring and promotion practices have hit the undereducated and untrained, as well as the racial minorities. At the same time, people are realizing that for some problems, such as cleaning up pollution and providing jobs, business holds solutions in its own hands. Add to this the unanticipated role of television in amplifying this awareness, like an instant muckraker, by flashing from coast to coast scenes of belching chimneys, strip-miners despoiling the countryside, black people picketing manufacturers for jobs, and ladies parading in front of supermarkets protesting high prices—and people are goaded into action.

7. *The New Industrial State* (Boston, Houghton Mifflin Company, 1967), p. 126.

8. *Ibid.*

9. *The New York Times Magazine*, November 17, 1963, p. 21.

To make matters worse, corporate advertising itself tends to frustrate and embitter millions of disadvantaged Americans who are tempted every day by all kinds of goodies that are beyond their economic grasp. The looting that accompanies so many of the civil disorders is undoubtedly a symptom of that effect.

Economic forces

The second form of pressure stems from the needs of a more complex society. Many of the goods we need today are public or community goods, such as clean air and water, and more playgrounds and recreation facilities for our growing population. These must be purchased collectively, with the government acting as our agent. But the corporation has not yet learned how to cope with this new form of group consumer demand, and so the market system which works so well in the case of individual demand breaks down and is blocked.

The only channel still open to the consumers for expressing their demands is the political system, which is almost short-circuited as the demand for public goods and services intensifies. Meanwhile private enterprise looks almost helplessly on, largely immobilized until the demands are turned into the language it understands—the profit incentive. Clamoring citizens have little understanding of or sympathy for the corporation's dilemma and the very real limitations on its ability to take on what have always been considered to be government endeavors.

If we all understood the basic ground rules of private enterprise a little better, we would realize that the large corporation is not a rain god, and that no amount of prayer or incantation will unleash its power. The spectacle of otherwise sophisticated people going on bended knee to companies and pleading with them to have the kind of conscience and moral sensibilities only rarely found in individuals is nothing less than laughable.

Language of money

Fundamentally, a corporation is like a computer in that it is programmed in the language of dollars and cents. Once we understand this, we are then in a position, if we decide that we do want

the corporation to participate in solving public problems, to establish ground rules to permit it to do so by changing the laws that govern its behavior. Critic Ralph Nader takes this view of our present immobility in the face of staggering problems. He feels that passing laws specifically mandating corporate involvement in these areas, with due accountability to the public, is the most pressing item on our society's agenda.

Profitable undertakings

Luckily, not all our central problems have to be handled at a loss; in fact, we have even found one or two that are beginning to produce a profit. (Others can also be tackled as soon as corporations recognize them and see the potential profits in solving them; for this is the way private enterprise performs at its best, in its traditional role.) Consider air pollution and the need to purify this most basic resource, which has led to the birth of an enormous, growing industry (worth at least \$3 billion a year)—manufacturing the hardware to control pollution.¹⁰

In this case consumer demand was expressed in a roundabout way: first, the public exerted pressure on legislators, and then the mass media supported the cause. The private enterprise response came from the host of new companies which saw the profit potential of the antipollution equipment market. They began to develop and aggressively sell the new equipment by mass advertising both in general circulation magazines (to announce to the public that the problem was solvable) and in business publications (to attract the offending companies that needed to buy it). The happy result of all this sales promotion frenzy is not only that practically everybody now knows the pollution problem can be solved, but that investment capital is pouring into the companies which can do the job.

The same story is emerging in the solving of America's waste-disposal problem, which is growing as we use ever more no-return bottles, throwaway cans, and paper dresses. Companies such as Westinghouse Electric, United Compost Services, and International Disposal Corporation are all hoping to cash in on the waste-disposal market either by taking garbage and trash and turning it into salable products such as fertilizer, or by burning it to produce commercial electric power and steam.

Other cases of the profit motive at work solving society's problems can be seen in the mass-transit market. Companies such as United Air-

10. See James J. Hanks and Harold D. Kube, "Industry Action to Combat Pollution," *HBR* September-October 1966, p. 49.

craft, Westinghouse, and Budd have seen the writing on the wall regarding our increasing urban congestion, and they are turning to the business of moving people rather than automobiles. Here the potential customers are the local governments, which have access to federal grants. However, private enterprise has already demonstrated deep enough interest to risk its own capital on solving the mass-transit problem (e.g., the development of experimental high-speed trains that will eventually be sold to the railroad industry).

Subsidy incentives

Now we are coming to the gray areas where companies cannot make a profit in solving public ills without some type of government incentive. Often this takes the form of a federal demonstration grant, such as is available in the mass-transit field, to assist a private company in developing the necessary public product or system. At other times, partial government subsidies are available in such forms as (a) tax write-downs for projects such as urban renewal and for the purchase of pollution-control equipment, and (b) matching federal funds for local governments to purchase traffic-monitoring systems or large-scale incinerators for handling solid wastes.

These government incentives are the most direct method of stimulating private business to perform public chores, and of course this has been accepted practice for years—as, for example, in purchasing complicated military and space hardware. This surefire method, in which the federal government acts as our collective purchasing agent—or, to put it another way, as a huge buying cooperative—is a straightforward contract with private industry to provide the goods at an agreed-on price that includes a reasonable profit.

With some companies, such as those which get the bulk of their business from the federal government, their sales effort need not even be directed at the individual consumer; instead of salesmen, they have lobbyists in Washington, who try to pin down contracts that are out for bids. In such cases the companies almost become government satellites, wheeling and dealing behind the scenes. This situation was described by former President Dwight D. Eisenhower with some alarm when he warned of a “growing military-industrial complex.”¹¹

As we have seen, this trend toward more government-industry cooperation is rapidly ex-

panding into a host of other areas, such as housing, and especially education and training of dropouts from our public school systems. This need not necessarily be a bad thing. On the contrary, it is probably the most satisfactory way to handle our central needs so long as a duly elected government body, at whatever level, or some accountable public agency writes the contract, sets the performance standards and general specifications, and pays the bill at the agreed-on price.

In fact, more and more future buying will probably be done in this way. One has only to think of all the other things we need besides clean air and water and recreation space which we cannot buy individually even though many of us would be willing to pay for them. These include better public police protection; uncluttered streets and highways; efficient, fast rail and bus services; better and safer airports; public sewage lines to replace private septic tanks; better garbage and trash removal; more open areas in our built-up urban centers; and so on—the list is endless.

The corporate bind

Increasingly, private enterprise is finding itself caught in a bind because society, which laid down the traditional ground rules for private enterprise, has now decided to change them in midstream. No wonder, then, that business leaders are left with a philosophy gap. They find themselves in a morass of fuzzy moral questions more befitting academicians than men of trade and commerce. They are suddenly expected to be masters of all the subtleties of the behavioral sciences, anthropology, and social psychology. No wonder, too, that they are confused, frustrated, and largely immobilized.

Neurotic behavior

In fact, Warren G. Bennis of Massachusetts Institute of Technology actually believes that a significant number of U.S. corporations are becoming neurotic!¹² This sort of “neurotic” behavior includes too much authoritarianism (the problem of one iron-willed man at the top), which can hamper the upward and downward

11. In his farewell speech to the nation, “Liberty Is At Stake,” January 17, 1961, reprinted in *Vital Speeches of the Day*, February 1, 1961, p. 228.

12. *Changing Organizations* (New York, McGraw-Hill Book Company, Inc., 1966).

communication so vital to the health of a company; coercion of employees rather than cooperative participation with them; too much bureaucracy; too little understanding on the part of all employees of the identity and goals of the corporation; and, what can often be the most serious problem—one growing out of all the others—an inability both to accept the realities of the changing technological and social environment and to adapt to their new conditions.

Dozens of examples of this sort of corporate behavior are documented in a fascinating book by Richard Austin Smith, wherein he comments on the perils of change: "Unhappily, corporate difficulties are more often the result of inaction in the face of a dangerous change than of being a hapless victim of circumstances."¹³ He cites the failure of General Dynamics to face some embarrassing facts that led to a product loss of \$425 million; the touching faith that Baldwin-Lima-Hamilton showed in the Iron Horse in the face of competition from the diesel locomotive; the blind belief of United Fruit that the banana would never be edged off the table by frozen fruit juices; and the creeping paralysis that overtook Curtiss-Wright and caused the company to miss out on investing in the growing aerospace industry. In many cases in the past, responding to change was often a matter of adjusting to new, but still simple, markets.

Now the pressure for change produces more and more complex and sophisticated responses—all of which require some knowledge of the social sciences. Corporations have never before needed to invest their resources to investigate these disciplines, and they are caught so much off base that a whole new breed of specialists—the urbanologists and the experts on politics and on community and race relations—has moved in to minister to their needs. But few of these men talk the businessman's language; indeed, they may regard him as a philistine. The executive, on the other hand, is likely to come out with the cliché that "these eggheads have never met a payroll." Thus the dialogue is difficult and tedious for both parties.

External feedback

However unpleasant it might seem to the company management at the time, citizens often unwittingly perform a valuable service by providing feedback to corporations. Just as politi-

cians use overt public pressure from their constituents to convince opposing interests of the merit of their legislative proposals, so the quasi-public corporate manager of today may actually find it helpful to confront his own board or executive committee with tangible manifestations of public pressure. It is often just what the doctor ordered to justify his actions to irate stockholders, who might otherwise accuse him of giving away the company's assets. The inescapable fact is becoming clear—large corporations are emerging as political institutions in their own right, and their managers are finding, to their dismay, that they have become quasi-political figures.

Sometimes, too, citizen pressure can force a company to change an inefficient operation into a more streamlined one, and thereby increase its profits. In 1946 and 1947, for example, public pressure forced the Pennsylvania Railroad to begin replacing its smoky, coal-burning locomotives as part of the drive to clean up Pittsburgh's air. The Pennsy fought a rear-guard action to block a comprehensive smoke-control bill from becoming state law. Finally, some of Pittsburgh's most prominent business leaders threatened to take their freight-haulage business elsewhere if the railroad did not desist. The Pennsy gave up and began purchasing a spanking new fleet of diesel locomotives—an innovation that put the railroad several years ahead of its competition.

All of these kinds of pressures exerted on corporations can be handled through their normal profit-and-loss mechanisms, for in these areas the lines between the public and private sector are not too muddled. Private industry will attack society's problems if (1) there is a profit in doing so, (2) government awards a fair contract, (3) a partial government subsidy reduces the risk, and (4) actual losses through inaction, as in the case of boycotts and demonstrations, are sustained. It is when we get into the dangerously fuzzy area of begging and pleading with companies to act that trouble can arise. For if we, through our government, abdicate areas of public concern, then we abdicate all rights to criticize performance, and we may find it increasingly difficult to regain control of the situation. If companies, in reacting to all this entreating, really begin to tool up their productive capacity to handle central problems, and start pouring investment capital into setting up "operating divisions," we may find it very hard to stop such a juggernaut.

13. *Corporations in Crisis* (Garden City, New York, Doubleday & Company, Inc., 1964), p. 19.

In fact, many companies are already moving in this direction. Some of them are following the lead of Federated Department Stores in appointing vice presidents of urban affairs, or the pattern of AT&T, which, along with many of its affiliate companies within the Bell System, has set up an entire urban affairs division, complete with a staff of social scientists and researchers.

Future direction

Some people think it is entirely possible that the corporate technological revolution of our society, which has been taking place since the turn of the century, will be joined by a corporate sociological revolution in the next half-century. Ben S. Gilmer, the president of AT&T, has said:

"There are those in our business who see the need for nothing less than carefully organized, definitely expert, social research that will keep us fit to anticipate, or at the very least keep up with, rapid changes in the environment that could otherwise leave a business wondering what in the world hit it. Fifty or more years ago industry started moving in a substantial way toward research in the natural sciences. Out of this move, and the union of science and technology, came the advances that have produced both the benefits and also some of the problems we have today. Today, half a century later, the time may well be at hand when a business that hopes to survive and prosper will have no less a need for social and environmental research and planning than it has in the past for technical insights and expanding technical proficiency."¹⁴

Will our future corporations take this new direction, and do we want them to? Will they grow bigger and more benevolent, providing womb-to-tomb care not only for their employees, as so many of them do now, but for all of us? As their production lines become more and more automated, will they worry less about producing profits and become like Denmark's famed Carlsberg Breweries, which gives all its profits to charity?

Already many large U.S. companies are moving in this direction, with their own foundations giving away \$750 million each year. But who should decide who gets the money? The business leaders, who presently make these judg-

ments? The stockholders? The employees? Or we, the consumers and voters? Or will we see the growth of more quasi-public corporations such as Comsat, where representatives of the general public must comprise a percentage of the board of directors? Or will private companies remain essentially the way they are, and merely be awarded contracts to do public jobs?

Variations of all these themes have been suggested by Daniel Bell, of Columbia University, and others. For example, Bell proposes a new form of what he calls "total social accounting,"¹⁵ under which we would tot up the cost of a problem such as pollution, and charge each company for its share of causing it, almost like a sewer tax. This is presently done in West Germany, where companies are charged a fee for each ton of waste material they dump in the river Rhine.

This is just a glimpse of the possible future for our great private enterprises that are so much a force in American life. Will we all sit back and let events take their course, guided only by that "higher authority" so revered by so many—"the invisible hand"? Or is there still time to shed the light of what reason we possess on these pressing problems?

Action alternatives

I believe that we can begin to close the "philosophy gap" and to develop the full range of alternatives for action by initiating as broad a discussion of this issue as possible. We can begin immediately by getting the issue on the agenda of our existing business organizations—the Business Advisory Council, the National Industrial Conference Board, the Committee for Economic Development, and the American Management Association; trade associations such as the National Association of Manufacturers and U.S. Chamber of Commerce; and other state and local business groups. Economists and social scientists, as well as management consulting firms and business schools, could help provide theoretical insights and suggest organizational changes or new models. The greatest cross-pollination between these groups would yield the widest range of options.

'Task force' approach

Concurrently with this broad effort, attention could be focused at the national level by the ap-

14. "A Time for Action," address before the National Conference of Christians and Jews, December 1967, Denver, Colorado.

15. "Notes on the Post-Industrial Society," *The Public Interest*, Spring 1967, p. 114.

pointment of a "Presidential Commission on Public and Private Enterprise," which could be composed of equal numbers of our most innovative socioeconomists and business leaders, with minority representation from government, labor, religious, and civic bodies. With such a task-force approach, there would be time to illuminate our future course in this vital area which must concern every segment of our society.

We can no longer afford the "luxury" of antagonism and lack of communication between the public and private sectors of the economy, because still other unforeseen public problems of great magnitude bid fair to outpace our current ability to anticipate and cope with them. The most terrifying thought is the very real possibility that our technology is already slipping out of our control and may end up not only dominating and dehumanizing man, but also wreaking irreversible damage to his frail little spaceship, planet Earth.

There are some hopeful signs of a dawning recognition on the part of businessmen, politicians, religious and union leaders, as well as of physical and social scientists, that they can no longer go their separate ways but must learn to talk to each other in a common language. There is also hope in that our passion for quantification of sterile data and our hypnotic interest in technology do seem to be giving way to a new search for human values. To harness these new drives, which could be so valuable in giving us lead time to cope with emerging problems, we should institutionalize them at the highest national policy-making level. Already a proposal embodying this idea has been introduced into Congress by Senator Gaylord Nelson of Wisconsin, who wants to set up a National Council of Environmental Advisers with the same degree of authority we now accord to the Council of Economic Advisers.

National council

Similarly, growing out of a Presidential Commission on Public and Private Enterprise might come a permanent body—a National Council of Advisers on Social Innovation and Change. Its mandate would be to explore and define social, political, economic, technological, and scientific trends in order to evaluate their impact on man and society as a whole. The council would also assess and act as a clearinghouse for the many innovative proposals which flow continually

from all areas of our society. It would then be able to present to policy makers and the electorate, on a formal basis, (a) its recommendations on a broad spectrum of options to cope with change, (b) its suggestions on creative forms of human organization, or (c) its ideas on combinations of both that can be used to implement new policies.

If, for instance, there had been such an advisory council, even ten years ago, it might have projected with sufficient credibility the amazing rise in air travel, which would have given us more lead time in coping with today's crisis deficiencies in airport and ground-support facilities. In this case we are seeing the typical results of fragmentation and lack of communication between the public and private sectors. The development of airplane technology and the business of carrying passengers are in the hands of private corporations, but the equally vital ground operations are handled by a brace of uncoordinated and undercapitalized state, local, and federal bodies. The upshot is that government and industry alike now estimate that an investment of \$6 billion will be needed by 1975 just to prevent further chaos and erosion of safety margins.

Such a national council might be chaired by a man like former Secretary of Health, Education & Welfare John W. Gardner, who is not only a great humanitarian but also an authority on how to make all forms of human organization more creative, adaptive, and functional in channeling the talents and freeing the latent capacities of their participants. This kind of group, together with a National Council of Environmental Advisers, could provide the much-needed balance and perspective in determining our national priorities and allocation of resources, as well as in helping us to decide what types of existing or new organizations can best implement these various goals.

There is, lastly, reason to hope that our cumbersome but majestic democracy can adapt to the cataclysmic changes now taking place if we can in some way learn to consider more carefully our immediate actions and to take a much longer and broader view of their consequences by developing "public thermostats" or national feedback mechanisms to detect and correct potential trouble spots. In the final analysis, it is the feedback mechanisms stemming from the interactions of citizens in all walks of life which provide the information input that enables a free society to adapt and survive.