COMMENTARY

Future shock, tensions predicted for America

Elias "Buck" Buchwald, president of Burson-Marsteller, New York, one of the largest public relations firms in the world, senses the present era of change in U.S. social, business and governmental climate, and insists still more change will have to come about as the United States assumes the role of a "have not" nation from its traditional "have" status. He addressed himself to some of those changes at a Feb. 10 meeting of the Houston chapter of the Public Relations Society of America. The following are excerpts from Buchwald's speech:

... In the recent past, three or four years ago, or even still today, we've been concerned with the ecological environment, air, water, solid waste, land use, the general aesthetics of life in terms of goods and services - urban environment, housing, population dispersion, transportation, education, health, law and order. And minorities — color, sex, ethnics. And not only a question of legal rights, but also identity. We see the American Indian suddenly decide that, by God, he wants his heritage. And we see second- or thirdgeneration Americans turning back to their forebears' cultural heritage in terms of dress and food and dance and style.

And we've seen the concern with consumerism that's hit your industry, as every other industry, in terms of performance of products and services; the degree of after-the-sale service, the responsiveness that an institution has to a consumer complaint or need or desire. And in general, the degree of disclosure of a completeness of a service, or the depth of a service, or the life of a product.

Time Compressed

Now, an interesting thing has occurred — the time-frame compression. The first criminal fraud statute was passed in 1872, and you know how long ago the regulatory bodies were established that impinge your industry and other industries — the ICC in 1887, the FDA in 1906, the FTC in 1915 and the SEC in 1933.

The consumer bill of rights, however, was passed in 1962, and was very quickly followed by the buyers bill of rights in '69 and '71. Yes, there has been more legislation and regulation, more impact from the consumerism movement in the past two or three years than in the past 110 years — a steeply rising curve of concern

The continuum was always there. But it's been a dynamic one and it's changed.

Look at civil rights. The Emancipation Proclamation in 1860. The Warren decision in '54. Yet blacks and other minorities have made more progress in terms of rights and jobs and acceptance and integration, and so forth, in the past four years, than in the past 100 years.

And even more dramatic is the women's movement. The bloomer girls were around in 1865, The 19th Amendment was passed in 1920. The National Organization for Women was formed in '67, Again, women have made more progress in terms of job position or responsibility in the past two or three years than they have in the past 100 years. When AT&T and others are hit with multimillion dollar penalties for not providing a career path, then we know it's arrived.

And the same thing is true in the environment. The River and Harbors Act of 1899, EPA in 1970. And there's been

more legislation and regulation in the past three or four years in terms of environmental control than there have been in over 70 or 80 years....

Mass Media

In the social matrix, the prime factor in this accelerated change in all these major areas is the mass media.

Now at one point in our history, 20-30 years ago, ideas could have aged like wine, an idea arose in one part of the country and it was discussed, and it appeared in print, and the falacies and weaknesses could be distilled out of it, and finally there was a sort of consensus.

But today, with the electronic broadcast media, and the mass circulation

publications, some idiot on the West Coast will come up with an idea, and before you know it it will be on every front page of every magazine and newspaper across the country. It will be on the news on TV that night. It's entertainment, it's interesting, it's exciting. And, don't forget, one element of the mass media is that they purvey entertainment. Television, even though it's the major source of news in the country, is essentially an entertainment medium.

The mass media suddenly opened up a tremendous opportunity for exposing more kinds of ideas, good, bad and indifferent, wild, revolutionary, sound, whatever.

It's good and it's bad. It's good, I

think, because the fact that ideas and the idea of change can be disseminated so well, has made our society far more flexible and responsive to the changes in the world as a whole, and in our country. People tend to be more ready to accept difference, idea change. The bad part of it is, it has no filtering. I mean, anything is talked about in all seriousness. Who knows what crazy bill will be proposed by somebody, somewhere? Any everybody will be talking about it as though it's something serious.

The other thing that mass media does is give individuals tremendous power for change. Because individuals make news, your critics can get on television by doing anything, sensible or not, challenging, destructive, noise making, whatever.

So, in a way, the mass media has made us, if you will, an even more democratic society, because it has enabled individuals to have the leverage to affect the thinking and the actions of people at the state and federal legislative and regulatory levels. Which is all the more reason that it's

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important for you all to get in the act.

New Activism

Of course, it's not only the impact of the mass media that has accelerated the change. There's a basic new activism. Consumers are active. Accountants are active. Lawyers are active. There's a general affluence in our society that makes people more willing to get involved — a higher level of education, a greater percentage of youth.

The Vietnam period created an agonizing reappraisal of many things — the soundness of our political leadership, beliefs in religion and home. The dissension it created between friends and family, and young and old, and right and left fostered an era of turmoil in which the young were ready to deny and question the value of anything that existed longer than six months.

Seminal events and people, a Rachel Carson, a Martin Luther King, a Ralph Nader, combined with mass media made a tremendous impact on our society.

When we landed on the moon, and we saw on the television tube, the big blue marble earth, it brought home very

dramatically to our country the fact that we do have a closed system, and it made the public far more sensitive to and ready to accept environmental regulation.

And finally, computer conceptualization, a very interesting phenomenon. People thought: "When computers come, this country is going to be a bunch of IBM-card robots. Little black boxes are going to run the economy, and we will be a faceless society."

And the exact reverse has happened. The computer has given us more individuality, more chance for difference, because it can handle huge amounts of data. And another thing, it's given us tremendous power, at least we think so....

People are impatient with problems, because they think, "We have a weapon now, we have a tool that can embrace anything, no matter how complex it is." That's good; that's bad. It's good because it gives, I think, a sense of optimism in times when we wonder will we ever solve complex problems. It's bad because it's simplistic. You know what the computer specialists say, "Garbage in, garbage out."

And you have to have some facts to feed in before you can use that as a tool to solve problems.

The Corporation

What, then, is the impact of all this in our society? I would like to examine the question in terms of the corporation and its perspectives.

There is no question that in the next 10 years the large, the super-sized, corporations are going to undergo change.

There's a focus today in the legislative arena to examine what is the place of the super corporation. Who owns it? The stockholders? People don't own a huge corporation, they invest in it like a mutual fund. Well, who does own it? The officers? They are paid employes. The board of directors? They don't know what's going on. So what is the relationship between society and this huge entity, which is so important to our society?

One thing is sure, the next generation of managers of major entities, banks, manufacturing companies, whatever, are going to have to get involved in the arena of ideas. They'll have to get involved if they want to shape, change and participate in the future — in questions of ethics and rights and lifestyles. These are part of business decisions today, because the government is telling business what cars to make, how low they should be, how heavy they should be, what kind of fuel they should use, how much they should cost, and what happens when they crack

The multinational corporation has its own set of problems. I won't go into it in detail, but obviously the relationship between a corporation and the host country is being examined closely today both at the U.N. and in the Common Market. We see the decided change that the multinational corporation, at least in America, is no longer going to have the right to build the plant wherever it wants it and own it totally. More and more the thrust is going to be in more of an operational contract. And the reverse, as we see more and more foreign ownership of domestic facilities, there's going to be an impact on management style and union-management relationships.

The Worker

The job is going to change. Men and women are going to want jobs guaranteed for life. It's not going to be enough to say do you have state unemployment benefits that will pay you 90% of your salary the first year.

People want jobs, and people are beginning to question the right of a company to fire. In our Brussels office we have to give people something like a year and a half's salary when we fire them. We hire very carefully now. And it's going to get worse, because as in Japan and in other countries, a guaranteed job for life is going to be the lifestyle.

One question that's going to have great impact on many industries is job content. Now there are those who say, "Look, give the guy another buck an hour and he'll be happy," or five dollars, or whatever.

But there is a growing school of thought, particularly in Europe, that says that a human being who spends a good deal of his life on the job has to have some meaningful experience out of it. And I'm not just talking about men on the assembly line. I'm talking also about the thousands and thousands of men and women who have paper shuffling jobs in white collar positions...

What will happen, when it will happen, I don't know, but it's going to happen because the thrust is there, because the character and personality of our work force is changing. There won't be any dif-



Elias "Buck" Buchwald

ference between the blue collar and the white collar in the years ahead. They'll just be working and earning a salary, and the designation of the two is going to disappear as it has disappeared in a company like IBM.

The major problem we are going to have, as you well know, is the productivity of our workforce. Not so much in the manufacturing — at least they can make some capital investment — but in the service industries, where we don't know how to measure productivity yet.

The Union

And union leadership has got a real problem. If a man becomes a president of the union, it's his career, he's the head of an operation.

Now, with so many fringes being federalized, the government telling employers what insurance they must provide, and regulating pensions, and setting health and welfare standards and tinkering with salary structures, how much more time can the union president spend just on getting a raise? He's got to look for new things, new areas. And I say that just half jokingly, because if I were a union leader I've got to say to myself that if I want to have a career, and want my son to go into my line of work, then I've got to get more involved in the places where I have a union. I want to participate to a greater degree in the management of the enterprise.

And the dividing line between management and labor, you've got to believe, is going to become fuzzier and fuzzier in the years to come. It already has in Europe. In Sweden and in Germany they have the two-tier board of directors. Now for the nonce, at least in Germany, one board is for real and the other board is for show. But in Sweden, no sir! They both get involved in running the company. And the inevitability is, how is the union leader going to justify his job if not to look for areas in which he can broaden his responsibility? The problems that's going to create, I think I don't need to dwell on.

The Government

Many of our problems at the federal government level need to be solved on a regional basis.

Historically we're a state structure. Somehow in the years to come we're going to have to evolve a more effective way of dealing with regional problems. There was a bill put in the hopper two or three years ago to establish federal regions in which every federal department and operation would be headquartered regionally. And for obvious political reasons it died. But there is a slowly increas-

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ing recognition that somehow we've got to develop some mechanism to deal with regional, social and economic problems in a politically regional way.

We also cannot afford any longer the adversary position between the private and the public sector. The problems that need solving require the mutual understanding and respect and cooperation of the two sectors. And part of the political action that you all have to be involved in is to help solve that problem. And the climate has never been better, I think, for that. The country has to solve some very basic social-economic priorities that affect your industry and every other industry, relating to minerals, land, energy, environment and, ultimately, to financial resources.

The Nation

And finally, perspective on the nation. The fact of the matter is, the United States is a have-not nation today. We're running out of many of our natural

There's some question, too, of whether we have all the capital resources we're going to need. We're a different kind of country than we were; we don't have the abundance, the cornacopia of resources that we once had. The pressure of environmentalists, or whatever, is pushing the processing industries and the extractive industries away from the country.

Another thing that is going to have a tremendous impact on our society is the emergence of the woman as a minority with a political base.

We think that in the not too distant future you will not relate a particular sex to a particular job. That is to say, when you start seeing, and you will, a proliferation of male secretaries, a secretary will no longer generate the image of a woman. And we think more, and more, and more there will be no sex differentiation when there comes to visualizing what it takes to fill a job. This is going to change some fundamental relationships. For example, those within a family, between the two bread winners, and the way that goods and services will be promoted and sold will be wholly different.

The country needs a change in educational values. We need the para-medical man, we need the para-engineer, we need the para-lawyer; the para-accountant. We need a level of expertise between labor and the profession. Something that combines the mind and the hands. And hundreds and thousands of our kids will have a far more satisfying life if we don't put such a heavy premium on the so-called liberal arts education.

The expectations of our country are still rising. The have-nots still want what the haves have. And living standards are going to have to drop, living standards in the traditional sense, if you measure only in terms of material possessions, so to speak, facilities, and so forth. We don't have it; we don't have the money; we don't have the capital resources we once had. We have to make choices. That doesn't mean life couldn't be better in terms of satisfaction.

The point is, however, the fact that the United States is a have-not nation, while expectations are rising and living standards are dropping, is going to create, we think, periods of tension in the years ahead. Those tensions will surface when those segments of society whose expectations are still rising find that our society as a whole can't supply them.

And dealing with those tensions is going to be a complex communications problem.... And what it means is that more than ever before you have to get involved.

ENTERTAINMENT GUIDE

Cosby at HMT: Everything funny but traffic

By HBJ Entertainment Guide

Bill Cosby has to be the only comedian in the world who can do 40 minutes on dental hygiene and keep an audience in stitches while he's doing it.

That's exactly what happened when Cosby opened a three-show set at Houston Music Theatre recently.

Very few of the theater's 2,865 seats were empty for the initial "An Evening With Bill Cosby." And it was the kind of audience which was pre-disposed in the star's favor.

Everything he did provoked general laughter. Cosby, all by himself, alone on the stage, without warmup or backup, could do no wrong.

minutes (it is ever thus in Houston), yet there were some latecomers. They did not escape Cosby's notice, to the delight of the punctual arrivals.

Cosby feuded with a balky mike and pleaded with unseen producer Dick Ott, "somebody's got to fix this." The audi-

Cosby said he had learned how to "talk Houston" but the only word he knew was "bye." Hysterics.

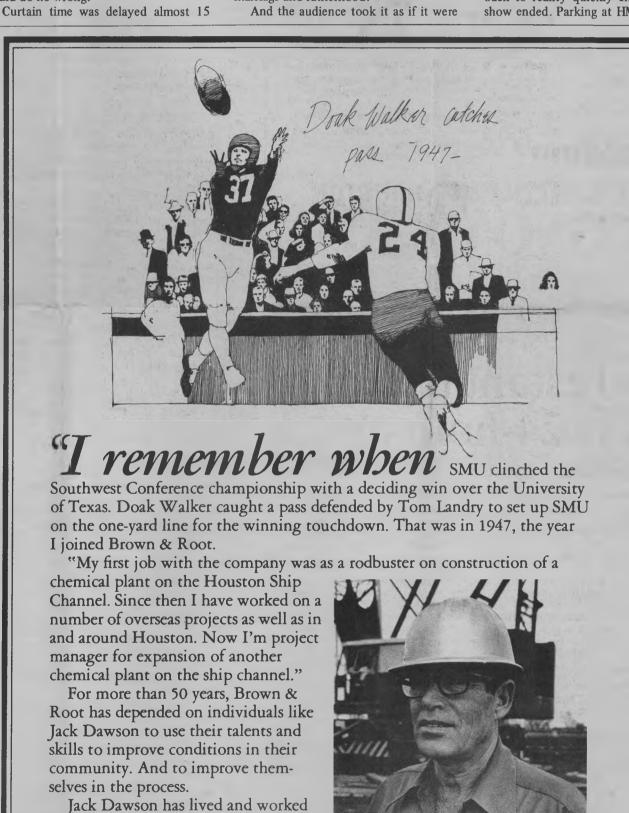
There was no trace of such patented Cosby characters as Fat Albert and Old Weird Harold, but Cosby got in a plug for his Jell-O commercials; hit the nerve by describing a trip to the dentist; recounted the joys and frustrations of boyhood, marriage and fatherhood.

\$1-a-pound sugar being given away. Although HBJ did not actually witness anyone rolling in the aisles, a fellow in front of us fell out of his chair from laughing so

Cosby is difficult to put on paper because his humor is the product of a remarkable memory for trivial but universal experiences combined with an acute sense of timing, a carefully controlled body whose movements contribute to the punchline and the ability to provide his own appropriate sound effects.

All of this came together for a couple of hours of delightful whimsy which was well worth the \$7.50 per head.

But the enchanted audience was jolted back to reality quickly enough once the show ended. Parking at HMT, going in, is



Jack Dawson, Project Manager



in the Houston area a long time.

So has Brown & Root.

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