

1. "Right now, 1 in every 5 Americans is black, Hispanic or Asian. By the year 2000, 1 in every 4 will be." Blacks will number 33.5 million; Hispanics, 23 million; Asians, 10 million.

2. Rate of poverty among Hispanics is 26%; black, 36% -- triple the white rate.

3. Almost half of all black men are either not in the labor force or are unemployed, compared to about 30% of white men. Two-thirds of black teenagers who want to work are without jobs.

4. "For every percentage point of unemployment above 4%, we lose about \$30 billion in taxes & higher social expenditures. Today's unemployment has a hidden bill of \$180 billion in addition to the extra costs of crime, health & emotional disorders caused by joblessness."

Both Etzioni & Jacob recommend investing in people -- training & retraining workers to fill today's jobs. Jacob fears that the middle is dropping out of the job market because of hi tech. "The labor market is polarizing. There will be a few good jobs at the top, many bad jobs at the bottom & fewer decent jobs in the middle." Puncturing another over-blown assumption, Etzioni believes hi tech involves only a small portion (3/4 of 1%) of the job market and won't take away mid-level jobs. Other speakers voiced this same opinion -- hi tech is not as major an influence on the economy as so many think it is. Jobs making machines will not be sufficient to replace jobs running machines (see pr 6/13).

WHO'S WHO IN PUBLIC RELATIONS

ELECTED. PRSA officers for 1984 are: pres, Barbara Hunter (exec vp, Dudley, Anderson, Yutzy Public Relations, NYC); pres-elect, David Ferguson (gen mgr, pr, US Steel, Chi); sec'y, Jerry Dalton (dir, corp comms, Electronic Data Systems, Dallas); treas, Anthony Franco (pres, Anthony M. Franco, Inc, Detroit).

Serving 2-yr terms as directors-at-large: Rolf Glerum (vp & gen mgr, Rocky/Marsh Public Relations, Portland, Ore.), Graham Sudbury (dir, corp comms, The Williams Companies, Tulsa), Gerald Voros (pres, Ketchum Communications, Pittsburgh), Nancy Wolfe (pres, The Wolfe Group, Winston-Salem).

Assembly delegates-at-large: John Paluszek (pres, Paluszek & Leslie Assocs, NYC) & David Meeker (pres, Meeker-Mayer Public Relations, Akron). Roy Cottier (vp-corp rels, Northern Telecom Ltd, Mississauga, Ont.) represents Canadian members.

FIRST STATE NETWORK FORMED

Acceptance of PRSA's Code of Ethics, membership in its Counselors Academy & accreditation of all principals will be hallmarks of the first state network of counseling firms -- PROhio. Jim Little said Ohio has no one dominant city & has great diversity, therefore the innovative network makes sense there. Member firms are Meeker-Mayer (Akron & Columbus), Adams Gaffney & Assocs (Cincinnati), Young-Liggett (Cleveland), Penny/Ohlmann/Neiman (Dayton), Diversified Communications (Toledo), Farragher Marketing Services (Youngstown).

AWARDS. PRSA selects 3 to receive highest individual awards: Donald McCammond (exec vp, American Energy Week, Richmond, Va.) receives Gold Anvil Award; Paul Dannelley (assoc prof, H.H. Herbert School of Journalism & Communication, UOklahoma, Norman) receives Outstanding Educator Award; William Marsh (sr counselor & pres emeritus, Rocky/Marsh Public Relations, Portland, Ore.) receives Paul M. Lund Award.

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ADAM SMITH IS DEAD: PRSA CONFERENCE PONDERES IRONY OF BASIC INDUSTRIES & LABOR WANTING "FAIR TRADE," NOT FREE TRADE, SINCE INDUSTRIAL/SOCIAL POLICY PRESERVES JOBS, STABILITY

Saving our de facto industrial society in this post-industrial era requires rethinking basic tenets -- like "free enterprise" -- and seeing through some ideas that grow bigger than reality -- like "hi tech," advise several prominent figures who addressed PRSA's 36th National Conference in NYC last week.

"Free trade is not practiced anywhere in the world today," says David Roderick, chrm, US Steel. He recommends a national industrial policy, coordinated with a social policy. It should 1) reinterpret antitrust laws to let mergers "thin the ranks," leaving "fewer companies -- but cost-efficient & profitable ones"; 2) not pit "sunset" industries against "sunrise" ones, but apply hi tech to make basic manufacturing more competitive; 3) give "temporary relief from imports."

Only the US has no coordinated industrial policy, agrees Thomas Donahue, sec'y-treas, AFL-CIO. "We pretend government shouldn't make such decisions and that we're a completely free trade society." Both historic & contemporary facts show otherwise, he said. Given this policy confusion, labor -- "the nation's great civilizing, humanizing, democratizing movement" -- seeks a "larger share for workers than market forces might dictate."

Is Public Interest Served By Prolonging Sunset?

Chief employment problem of the next decade will be dealing with highpriced Midwest heavy industry workers. Retraining is not easy for this workforce, nor will traditional high differential wage structure continue to be available for steel and auto workers, predicts Ezra Solomon, Stanford U Grad School of Business. Reciting traditionalist views, he feels combination of high energy costs, high interest rates, strong US dollar & high wages have done permanent damage to 20% of heavy industry.

William Duke, Atlantic Richfield, feels government can help more effectively by retraining assistance, extended unemployment benefits & early pension plans than by an industrial policy designed to hold back sunset of heavy industry. He notes that only Japan has successfully carried out an integrated industrial policy. Poland,

"Job creation is the number one issue for the nation between now and the 90s. Otherwise, our society may be the sunset industry." (Donahue)

"In 1981, our basic industries provided \$823 billion to the US economy -- 51% of the total for all manufacturing. These industries employed 47% of the manufacturing workforce and 10% of the entire US labor force. That's hardly a dismissable sector of our economy!" (Roderick)



Russia, Belgium, France tried and had grave economic problems. Better to welcome sunrise of electronic age with ability to make old industry more efficient and provide new services and products, he believes.

ESOPs: CHANGE AGENT FOR
PUBLIC OPINION ABOUT BUSINESS,
GENERATOR OF PRODUCTIVITY

If workers own the business by putting up capital, they have high self interest in productivity and quickly learn the realities of business management. Luis Granados, managing dir, The Employee

Stock Ownership Ass'n, says 5,000 worker-owned businesses are spreading out ownership of capital and giving hands-on introduction to economic education where previous efforts have failed.

Granados outlined the economic philosophy of Louis Kelso and his method of gaining a mixture of higher motivation, quality control & community backing. Kelso's writings show ESOPs are feasible for a wide variety of businesses. But they should not be viewed as miracle workers in saving plants from closure. Feasibility studies are essential to determine economic viability & potential to attract venture capital. Also, intensive internal & community communications are essential to deal with the possible let down of euphoric expectations. Most successful ESOPs spring from healthy companies. Merely changing the source of capital investment does not cure negative attitudes toward management.

RISING INTEREST IN ETHICAL STANDARDS
BOTH REPORTED & DEMONSTRATED AT CONFERENCE

Issues before PRSA's Grievance Board in 1983 include 1) unprofessional behavior with media, 2) disclosure

of a potential client's plans to an adversary, 3) non-performance under contract, 4) misrepresentation of a speaker's status at a press conference, 5) copyright infringement, 6) legal ownership of pr records, 7) guaranteeing media placements, 8) whether communications between client & employer are privileged, 9) discount rates to media, 10) blind solicitation of new business, 11) propriety of chain letter project, 12) improper use of APR, 13) non-payment of fees under contract, 14) libel of one member by another.

The Assembly of PRSA voted to widen its Code of Professional Standards to safeguard confidences between a member and a potential client or employer.

Chrm Don McCammond said 5 of the complaints were filed by outsiders -- a corporate CEO, a trade press ass'n & 2 reporters. He notes the outside complainants quoted specific articles of the Code, indicating its growing stature. PRSA is preparing an index of all complaints and their disposition since adoption of its Code in 1954.

McCammond, who is a lawyer but spent his career in top corporate pr posts, helped draft the original code. For that & many other services to the profession he was awarded the Gold Anvil at the conference. His acceptance speech was devoted to the history of the Code and his view as a continual participant that it is increasingly effective in curbing unprofessional acts.

In addition, PRSSA conducted a session on ethics & its effect on professionalism. North American Public Relations Counsel, a loose confederation of several pr societies, spent most of its meeting discussing the possibility of a uniform code.

SKILLS, NOT JOBS, IS THE PROBLEM;
NEARLY EVERY WORKER NEEDS RETRAINING

"New jobs are emerging at accelerating rates," was the good news MIT's David Birch told conference attendees. But the labor force isn't keeping up with the new job skills that are needed.

Changeover from manufacture to "thoughtware" economy has taken its toll in the number of unemployed. 211,000 auto workers and 119,000 steel workers are idle. 10 to 15 million manufacturing workers and at least as many service workers will be displaced over the next 20 years as a result of automation, plant relocations and domestic & international competition. But, while 25,346 businesses went bankrupt last year, 566,942 new companies opened their doors. New jobs are being created and new skills are needed. "Our biggest challenge is to retrain every worker in the US," predicts Birch.

This job transformation is happening at a fast pace. Predicted completion is by 1990. Change will occur faster than length of a typical worker's career cycle. 90% of 1990's labor force is in the market today. Schools will solve 10% of the new-skills training problem. Remaining 90% will need retraining. In the next 15-20 years, workers may have to be retrained 2 or 3 times during their working life.

One response to the retraining challenge is "Jobs for Connecticut's Future." Program's purpose is to: "define the training & retraining needs of Connecticut's labor force and develop logistical & monetary support." Arthur White, Yankelovich, Skelly & White, explained program's 4 points: 1) predict future jobs & skills needed; 2) investigate education & training resources within Connecticut for their ability to teach new skills; 3) develop a proactive strategy to fill gap between skill needs & skill training capabilities; 4) implement. "When we're done, we won't just produce a study. We'll put a process in place," Birch emphasized -- which could be used anywhere.

ONE PROBLEM FOR PRACTITIONERS:
"SLOGANEERING HIDES THE PROBLEM,"
STATISTICS DENY HUMANITY

Amitai Etzioni, George Washington U prof, counseled listeners that phrases like "2 tier society" and "sunrise" & "sunset" industries are just slogans that neatly package discomfoting aspects of reality. By giving unpleasant realities palatable names -- a public relations technique -- are we guilty of avoiding the issues & consequently preventing solutions?

John Jacob, National Urban League pres, cited some statistics that need to be addressed. Like slogans, statistics often deny the humanity they represent:

Birch also points out:

1. Heart of future education will be liberal arts. (Recent study shows most CEOs studied liberal arts in college.)
2. Present concept of work will change incorporating job sharing, early retirement, shorter work weeks, etc.
3. Measured by today's understanding of full employment, future holds 25-30% unemployment. "We'll rename it so it'll become acceptable."
4. Contrary to popular thought, Sunbelt has high unemployment rate. Northeast has high employment.