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There being no objection, the article was ordered to be printed in the RECORD, as follows:

NOT A RETREAT, NAPOLEON EXPLAINS

(By Arthur Hoppe)

PARIS.—Reports that France's Grand Army had retreated from Moscow in disarray were vigorously denied today by government spokesmen.

A War Ministry official said the army had merely engaged in "mobile maneuvers" and that everything was "going according to plan." He said French troops were "moving swiftly westward in an orderly fashion" and the enemy was "following in great confusion."

Meanwhile, Emperor Napoleon, who returned to Paris yesterday well ahead of his soldiers, remained cheerful and optimistic. He said he could now see "the end of the tunnel."

The emperor modestly declined to describe the Russian operation as a victory, saying it could not be assessed in "traditional terms." Its purpose, he told an interviewer, "was not to conquer territory, nor destroy an army, but simply to disrupt enemy supply lines and thus insure the safety of our French boys in Central Europe."

He said that "considerable progress" had been made "toward achieving those goals," pointing out that Moscow itself had been captured and burned and "vast quantities" of Russian arms seized—"arms that will no longer kill French soldiers."

Moreover, he said, Russian losses were five times French losses "by conservative estimates."

The emperor refused to set a firm date for the total withdrawal of all French troops from Central Europe "even though it would be very popular for me to do so."

He said such a move would sabotage peace talks with the Russians and the Prussians. Nor, he said, would he unilaterally withdraw the remaining French troops, "even though, politically, there is a great temptation to do it."

"After all of this sacrifice and all of the effort, if France, right at the time we are winding down this war and bringing our men home, were to throw in the towel, then we would suffer a blow all over the world," he said.

Peace, too, would suffer a blow, he added, for France "is the greatest peace-keeping nation in the world today."

At the same time, Napoleon urged Frenchmen to remain confident. He said the "limited Russian incursion" had delayed the enemy "at least six weeks."

The emperor decried eyewitness reports that the Grand Army had panicked during the mobile maneuvering. He said he had been assured by Marshal Ney that 18 out of every 22 battalions had maneuvered well. The eyewitnesses, he said, just happened to see the other four.

"I know what's going on," he said firmly. "We have a plan. It is being implemented." Moreover, he said proudly, the withdrawal of French troops from Russia "is proceeding well ahead of schedule."

Napoleon's candid assessment of the Russian incursion did much to ease growing French disquietude over the seemingly endless war.

Indeed, several of his ministers urged him to begin construction of a second Arc de Triomphe over the Champs Elysees to commemorate "the glorious success" of his Russian campaign.

With unexpected humility, the emperor declined.

OBSERVATIONS ON CALLEY TRIAL

Mr. ALLEN. Mr. President, Alabama, is blessed with many competent daily and

weekly newspaper editors who delight in hard-hitting editorial commentary but few, if any, daily or weekly editorial writers in Alabama wield a more trenchant pen than Tom Johnson, editor of the Montgomery Independent, Montgomery, Ala.

Mr. President, in an editorial of April 1, 1971, Tom Johnson unloads a few choice observations and conclusions with respect to the Calley trial including a penetrating observation concerning "premeditated murder." The term "premeditated murder" when used in the context of a battlefield and under conditions of extraordinary tensions, fears, physical strain, and emotional fatigue, may strike lawyers as well as editors as an incongruous anomaly.

Mr. President, the editorial is captioned "Lt. Goat Calley" and ends as follows:

End of sermon. The President of the United States will lead us in prayer.

There is much wisdom between the caption and this trenchant conclusion which I recommend to the thoughtful consideration of Senators and the public in general.

Mr. President, I request unanimous consent that the Tom Johnson editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LT. GOAT CALLEY

The conviction of a previously obscure lieutenant named Calley can only excite the utmost confusion in any reasonably sensible man. Here is a young officer—perhaps he is a swine (it doesn't matter)—who has been charged, convicted and, by the time this appears, perhaps sentenced for the premeditated murder of Vietnamese civilians.

Almost everything presented against Calley was abhorrent. He supposedly shot women, children and old people, all of whom allegedly were defenseless and non-belligerent. But trying to thrash your way out of the confusion, it is pertinent to remember that bomber pilots routinely destroy innocent lives, as do artillerymen, mortar-men and others who kill the unseen enemy and innocents alike. Is this the controlling factor—that the dumb, young, vacuous lieutenant who takes a life is more culpable because the victim is physically close and within his gunights?

There are many things about this case which should cause Americans to examine themselves. For example, Calley stands convicted of "premeditated murder." Without being sophomoric about it, what is war in any case but premeditated murder? Also, if Calley, a bottom-of-the-line lieutenant, is answerable for his acts, so is the person above him, and the man above him, and him and him and him. Finally, under the Nuremberg principle, it would seem necessary to convict Gen. Westmoreland and impeach and remove from office and imprison the President in power at the time of the alleged crimes.

Wars were never fought to teach men the proper method of holding a tea cup and serving sherry. Wars condition men to destroy life without making nice distinctions. Even most of the combatants are there against their will, and many of them—as innocent as the most innocent civilians—go down in flames.

All of which is simply to say, with no intention of defending Calley, that the hell of war is that it is hell. Nice people get hurt and their lives are ruptured. Men, women and children suffer and die.

If an aberrant personality such as Calley

comes along—assuming he is one—who bears the responsibility? Is it those who sit at home in ease or those who are sent forward as proxy warriors? Americans have much to search themselves about in the Calley episode, either for sending him where he was, for encouraging the atmosphere in which he acted or for condemning him when he committed warlike acts.

End of sermon. The President of the United States will lead us in prayer.

BANK OF AMERICA MOVES TOWARD SOCIAL ACCOUNTING

Mr. MONDALE. Mr. President, an unfortunate number of businessmen are not providing the leadership the country needs to identify and eliminate pressing social problems. For that reason it is especially gratifying to read the comments of Mr. A. W. Clausen, president of the Bank of America.

In a recent address, Mr. Clausen called for a more rational approach to the social aspects of American life. He suggested a social report that would help us to decide where we want to go, how we might get there, and what sort of progress we are making. He said we have not yet done this, but it is possible, and with some effort, it is possible in the near future.

It was because of views similar to Mr. Clausen's that I reintroduced, in January of this year, S. 5, The Full Opportunity and National Goals and Priorities Act. I think Mr. Clausen's comments, an American Banker editorial explaining them, and a March 8, 1971, Christian Science Monitor, article discussing them, are all very significant and would be helpful in the consideration of S. 5. Therefore, I ask unanimous consent that the three items be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

BOFA MOVES TO SET QUALITY STANDARD TO GAUGE SOCIAL GAINS

Development of a national "arithmetic of quality" is urged by A. W. Clausen, president of the Bank of America NT&SA, San Francisco, so that progress and failure in coping with social and economic problems can be quantitatively measured. Mr. Clausen told the sixth annual financial conference of the Conference Board in New York that his bank has taken the first step by "asking our accountants to attempt to place detailed cost estimates on what management considers its major social responsibilities."

These annual financial conferences have always served a valuable purpose. They are a time for learning from the past, a time for evaluating the present, and, most importantly, a time for looking to the future and for charting a prudent and wise course for ourselves, our companies and our nation.

Despite some recent pressures, a look at the past shows that in the quarter century since World War II, American business, large and small, has produced an economy of imaginative enterprise and real strength. This economy's outpouring of goods and services has changed the aspirations and living standards of more people than any revolution in history.

Yet this success—this remarkable change in aspirations and living standards—has, in an ironic way, brought forth a growing questioning of our socio-economic system. Today, more and more people look out at the world and find it less and less satisfactory. There is no question in my mind—and I trust none

in yours—that what we have come to call the quality of life is now, and will continue to be, the burning issue of the 1970s.

The quality of life issue is a cluster of inter-related problems: ecology, hypertechnology, pollution, over-population, urban blight, transit congestion, crime, minority and campus unrest—plus our continuing garden-variety socio-economic aspirations which have motivated American policy-making for virtually the past century: satisfying jobs, adequate housing, adequate care for the aged, adequate medical care, and so forth.

The important thing is that environment and the quality of life as a composite issue has captured our attention. William James once observed that, "What holds attention determines action." But he did not say what kind of action. And that is the difficulty now.

Our government has made tentative probes at tackling these issues. Many of the corporations represented in this room have embarked on imaginative programs to clean up the environment and improve the lot of the underprivileged. Yet when we add up all corporate and government effort we come to the conclusion that our national attack on the quality of life issue has been puny when compared to the magnitude of the problem.

I submit to you that a major reason for our inadequate response is that we find the quality of life issue confusing and that the prime cause of that confusion is a lack of even the crudest forms of measurement of quality.

I realize there are some who quite literally do not give a damn about the quality of our environment. In a memorable speech before Bank of America managers last month, Louis Banks, editorial director of Time, Inc., mentioned a vivid recollection of lunching in an elegant Manhattan apartment, surrounded by priceless impressionist paintings and hearing one of Wall Street's venerable geniuses remark: "I think this city is past saving, and I think my responsibility is to sit back and figure out how I can profit from its decline and fall." Mr. Banks went on to say he regretted to report that particular Nero is still fiddling—and still prospering.

More disturbing, however, is the prospect that this financier's particular Vision of Truth might yet become a reality for all of us. The problems of living here in New York are merely amplifications in one degree or another, of the problems that stalk the length and breadth of our land. Crime and congestion, pollution and poverty, urban decay and unrest . . . you know the list as well as I. And you, too, have heard the note of despair that all too often creeps into the conversation when these problems are discussed, even among reasonable, well-intentioned men.

Our ills are simply too enormous, they say, too grave, too far advanced to be susceptible to solution. Perhaps, they say, if we just go about the business of minding our own business in the same old way all will be well in the end. Which sounds a good deal more innocent than what Mr. Bank's Nerotic friend had to offer, but ultimately amounts to about the same thing.

Today, I would like to suggest that there is a viable alternative to this philosophy. Without in any way trying to understate the magnitude of the problems, I would like to suggest that we need not let their enormity shock us into paralysis, nor their gravity stampede us into foolish and ineffective action. Yet at the same time, I must repeat a caveat that an associate of mine is fond of citing: that if you would eat an elephant you must do so one bite at a time.

Certainly one of the first bites that must be taken in coming to grips with contemporary social and economic problems is the development of what I choose to call an arithmetic of quality . . . and along with

that, the evolution of something called a social report.

Development of an arithmetic of quality will not be easy—nor am I here to claim I know precisely how the job should be done. Accomplishment of the task will require the best efforts of many disciplines and institutions. But there will be no effective policy making without such an arithmetic of quality.

Much of the arithmetic must be refined—and in many cases innovated and developed from scratch—because we depend upon some mathematical form to assess any set of alternatives. And policymaking is nothing more than the act of trying to choose the right alternative.

At present, our economic arithmetic focuses on cyclical changes in total activity. It focuses on the flow of inputs and outputs, not on the total stock of assets in the nation. Somehow, changes in stocks in a much wider range of assets must be taken into account if we are ever to talk meaningfully and with precision about the quality of life.

We need a system where net output is increased or decreased by the amount that total assets—capital, knowledge, skills, physical environment and sociopolitical environment—are augmented or reduced as a consequence of our activities.

For example, deterioration of the physical environment because of pollution means that the flow of benefits from this asset is reduced. Thus, where economic growth deteriorates the physical environment, a set of accounts should register not only the usual increase in net output resulting from growth in the market sector, but also record any offset to the degree the physical environment assets depreciate, lessening the future flow of benefits.

If you do not feel the walls shaking or the floor rumbling, it is because there is nothing particularly new or dramatic about this idea. The idea of a social report has been around for some time. Our engineer-President, Herbert Hoover, set aside funds for work on such a project in 1929. It was dropped and all but forgotten, ironically, in the distress of the Great Depression.

More recently, a few experimental steps have been taken toward developing a social report. Daniel Bell has written extensively about the idea, and in 1968, a government-commissioned panel produced a study called "Toward a Social Report."

This study was not intended, as some critics mistakenly believed, as a definitive statement on the present condition of American society. It was, rather, an attempt to suggest a possible model for future social reporting—an attempt to ask some of the questions that must be answered to perfect the techniques of meaningful social measurement.

Ideally, a social report should identify, assess and measure those elements of our national life that are essential to our well-being—and which are not, and cannot be, measured by present economic indices.

While these goals must ultimately be decided through our normal political channels, I think Bell gives us an idea of the direction and scope of social goals when he suggests they should deal with the "ability of an individual citizen to establish a career commensurate with his abilities and live a full and healthy life equal to his biological potential, and include a definition of the levels on an adequate standard of living and the elements of a decent physical and social environment."

The exact outline of a workable social report, however, is not important for this discussion. Even in rather crude form, a social report of some sort would enable us to do at least five things better than we can now:

First, I believe it would help rationalize public support behind the solutions needed in our social problem areas.

Second, it would expedite actual formulation of rational private and public, corporate and legislative goals by furnishing a regular and systematic assessment of our social problems, and the costs as well as benefits of various proposed solutions.

Third, it would help us develop logical priorities by pointing out which problems are most critical, and the cost in economic assets and human terms—let me stress human terms.

Fourth, it would allow us to develop policy alternatives and select from them the most promising solutions to specific problems by pinpointing the precise nature, components, and scope of such problems.

And, finally, it would allow us to determine whether the programs we select to deal with such problems are actually working. It would provide a benchmark—even though possibly at first a crude one—of the effect of our efforts over time.

If you are with me this far—if you agree that some system for quantifying and reporting social problems would produce the benefits I have indicated—it seems pertinent to ask why progress has been so slow in developing such an arithmetic of quality.

Detractors from the idea seem to fall into three broad categories: those who say it cannot be done, those who say it already has been done, and those who say it should not be done. Let us look at these arguments one by one and see how well they hold up under scrutiny.

Those who say it cannot be done, at least for a period of decades, include even some of the most ardent champions of the social report concept.

I think they are wrong. Despite the complexity and magnitude of the task, I believe it can be done more quickly than is commonly thought. And I cite history as my proof.

Go back with me to the year 1945. Our economy was coming off a wartime binge. There was great concern that in the process of shifting factors of production from war to peace goods our economy might be thrown into utter chaos. The concern was different in kind but similar in degree to the comments we hear today about our ability to cope with social and environmental problems.

It was this depth and consensus of concern that led, I believe to the remarkably swift development of several measuring and reporting tools we have used to manage our economy in post-war years.

The gross national product immediately comes to mind. Many of its components had been developed over the years, but its consolidation as a comprehensive measuring device did not occur until 1945. The GNP has become so much a part of our day-to-day lives we sometimes forget it is a member of the under-thirty generation—it is only 25 years old!

While our record has not been perfect, we can take pride in our economic performance since 1945. On the whole, we have done a creditable job, and in so doing the tools that were refined and developed for measuring our progress have served us exceedingly well.

Aside from historical precedent, there is yet another reason to be confident that an arithmetic of quality can be developed.

Not too long ago, the analysis of statistical information of any significant diversity was physically inconceivable. But now with the aid of a new servant, the computer, a compilation that would have taken 500 scientists working 500 years to accomplish, can be done in the instant it takes to blink an eye. Literally.

The challenge is to set the computer to work on the right problems—to ask answers to the right and relevant questions.

A second category of detractors are those who say the job has already been done.

I simply cannot agree. It must be clear

to any observer of contemporary America that the tools at hand are no longer sufficient, in and of themselves, to enable us to accomplish the tasks we have set for ourselves. As we move away from strictly economic objectives, these tools fall short because they don't tell us how well we live.

Let me give one set of examples. The gross national product is one of those economic tools with which we measure our accomplishments regularly, from quarter to quarter, from year to year. It is widely used. It is a familiar and accepted standard. If GNP goes up, the widespread and popular assumption is that we are better off than if it were at some lower level. But in fact the GNP statistics can and do produce misleading information—or no information at all—about many of the things which make life worth living.

They have distorted some economic events to the point where an episode of social deterioration shows up as a gain rather than a loss, or even a success rather than a failure of deliberate policy.

A textbook situation involves almost any natural calamity—an earthquake, flood, fire or tornado. An earthquake like the one in Los Angeles 10 days ago can wipe out millions of dollars of physical assets. Yet, because labor is paid and materials purchased to rebuild the community, the result is a GNP rise even though the renovation may never be able to match the assets destroyed.

Another example is that of the company manager who fails to install an anti-pollution device on a factory smokestack. Over time, walls of nearby houses are blackened. The factory's saving—in not buying an anti-pollution device—becomes an added cost to homeowners, who must pay for labor and paint more frequently than normal to overcome smoke damage.

The irony here is that the gross national product is increased indifferently by both the manager's action—which adds to his company's profit—and the homeowner's costs for repair work. Clearly, here the GNP is an inadequate indicator of societal costs and benefits as well as economic ones.

The GNP is not the only economic statistical concept that can distort the true picture of life in the nation. The Consumer Price Index, which we have used for years to reckon what we claim is the "cost of living" regularly indicates that the cost of medical services has risen, adding to the inflationary bias of our view of the economy. Yet the index neglects to account for the fact that solid advances in the quality of medical care per dollar unit of expense have been achieved during the same period. And, of course, similar flaws can be identified in other components of the index.

Finally, and perhaps of all the economic indicators the one closest to the hearts of those in this room, is profit. By arguing for a new arithmetic of quality, I do not mean to suggest that businessmen should abandon their wholesome respect for the ruthless realism of the profit-and-loss statement.

In the market system that so far has served us so well, it is essential to understand the profit mechanism—which I contend is not incompatible with efforts to fulfill diverse socially beneficial goals. The businessman is a conciliator among the interests and claims of shareowners, creditors, customers and employees. As a fellow banker, Gabriel Hauge has noted with typical lucidity: "What we all share is an interest in efficiency, which means dividends for owner, security and interest for creditors, a good bargain for the customer and better rewards for the employee."

In the end, Mr. Hauge notes, the diverse interests in decisions converge. The role of profit is as much that of a balance wheel as a measuring stick: Profits that are too low suggest neglect of the consumer or lack of

innovation, or a sacrifice of stockholders for the short-run interests of other groups, or just poor management.

"Profits that are too high suggest a lack of competitive vigor, and offer obvious targets for new entries, higher wage demands or governmental surveillance."

But as important as profits are, they are no longer sufficient as a sole determinant of corporate performance, from either the investor's or the corporate manager's point of view. Investment managers are coming to the conclusion that there will be precious little profit emanating from cities racked with disorder, choked on their own mass and polluted beyond human endurance.

Those investment analysts who are truly concerned with a company's social as well as profit performance—and they constitute a small but growing band—are hard put to evaluate the former. The traditional measures simply do not tell much. And the press releases and annual reports, which may be perfectly straightforward, are always slightly suspect as thoroughly objective measures.

The corporate manager is in an even more difficult position.

Pressured from all sides to improve his company's social contribution—by customers, by shareholders, by politicians, by young people—he has only the crudest sort of tools for analyzing alternative actions and measuring trade-offs among them. The very human tendency is to oil the wheel that squeaks the loudest and let it go at that.

Despite some of the heroic and bold efforts made by individual corporations here and there, we will not see any really substantial and intelligently directed commitment of private resources to public problems until we have developed an analytical framework by which such a commitment can be justified and monitored.

Which brings me to the last group of detractors—those who say a new arithmetic of quality should not be developed. They say this for two reasons. The reasons are subtle and difficult to answer in any absolute sense. But let me at least try to give you my perspective on them.

The first is often heard from young people. One of their principal grievances against the Establishment is that the so-called Technocracy—our present business, government and even academic system—has appeared to be overly preoccupied with statistics and numerical averages. And I do not think we can dismiss this criticism out of hand.

In a way, we have been tending toward a kind of intellectual indolence because of which we content ourselves with aggregates alone, regardless of the extraordinary exception. We have forgotten or chosen to ignore the statistical truth that a man can drown in a river with an average depth of three feet of water.

I cannot accept, however, the conclusion reached by some of our young people that the discipline of mathematics must be cast from our lives. Rather we need to learn how to use this discipline correctly . . . to temper it with human judgment and see that it remains a tool rather than a tyrant.

There is one other objection to the development of an arithmetic of quality. Many fear it will become an excuse for inaction. Their fears are based on the notion that it will take an impossibly long period to develop such a system of measurement and during the interim we will simply sit on our hands awaiting the evolution of rational guidelines.

I made it clear earlier that I think the proper measuring system can be developed a lot quicker than most predict. Of course, no comprehensive system is developed overnight. The seeds of our current system of economic statistical measures were planted decades ago in piecemeal efforts to measure change and report progress. We

have come a long way from relying on pig iron and coal production, freight carloadings and bank debits to tell us about our economic health.

These early measures were useful and they offer some valuable insights as to the practical way to get started on our current problems. We must weave available bits and pieces of information into a total measurement system, filling in important data gaps as the need becomes evident.

But I do not mean to suggest that meanwhile we should sit on our hands. I think all of us as individual companies must move ahead as best we can to develop programs and practices designed to accommodate social and environmental as well as economic needs.

Each business management today must somehow decide what its own social priorities are—and then set out a program to accomplish them. And this implies some tangible means of measuring progress.

I am encouraged by some as-yet-experimental efforts at Bank of America—efforts which we hope will enlarge the practical dimensions of what we can afford to devote by way of manpower, management time and other resources in meeting social responsibilities.

We know we need a social cost budget as well as the conventional economic cost budget. We have taken the beginning step in asking our accountants to attempt to place detailed cost estimates on what management considers its major social responsibilities. We don't know how successful we will be, but we're certain some estimates are better than none. We are certain they will enable us to make better business judgments and thereby avoid abrupt changes in significant programs.

I commend the concept of a social cost budget to you—and call upon the accounting profession to help all of us work out this new arithmetic tool.

Since I have used the word "arithmetic" so extensively in my remarks this afternoon, perhaps it is appropriate to close with a story on that subject.

It is about the mathematics professor who is trying to explain the Theory of Limits to one of his students.

"Now look son," he says, "suppose you have a date and when you go by the dorm to pick her up she is sitting on the sofa waiting for you. You approach half the distance to the sofa and stop. Then you go half the remaining distance and stop. Then you go half of that distance, and so on. Do you ever reach her?"

"Well, sir," says the student, "mathematically speaking, I guess not. But if I keep going those half distances I'll sure as hell get close enough for all practical purposes."

I do not pretend that the arithmetic of quality I am calling for will, in and of itself, move us to the perfectly ideal society. But it is an essential first step. And maybe it can help us get close enough to the ideal, as the student said, "for all practical purposes."

[From the American Banker]

TOWARDS AN ARITHMETIC OF QUALITY

The quest for techniques whereby human events can be distilled into statistical measurements is one of the compulsions of the age, and carried to excess, as it often is, one of its minor curses. At worst, statistics can stupefy, overwhelm, distort, mislead, and serve the rationale for false propositions.

But while the excess is distressing, the absence can lead to total frustration. Consider, for example, all moralizing aside, the immensely complicated mechanics of translating into sensible action the will of profit-making organizations to respond to the new demands being put upon them by new assertions of social concern. To formulate these

equations requires a kind of corporate equivalent of the new math.

And so it is important that last week the head of the world's largest bank proclaimed his commitment to the development of what he called "an arithmetic of quality," as the basis for evolution toward "something called a social report."

"Development of an arithmetic of equality will not be easy, nor am I here to claim I know precisely how the job should be done," stated A. W. Clausen, president, Bank of America NT&SA, in a speech before the Conference Board (the full text of which is reprinted on the opposite page as Required Reading). "Accomplishment of the task will require the best efforts of many disciplines and institutions. But there will be no effective policy making without such an arithmetic of quality."

The economy's present statistical framework, he observed is simply not big enough. "Somehow, changes in stocks in a much wider range of assets must be taken into account if we are ever to talk meaningfully and with precision about the quality of life," Mr. Clausen maintained. "We need a system where net output is increased or decreased by the amount that total assets—capital, knowledge, skills, physical environment, and socio-political environment—are augmented or reduced as a consequence of our activities."

And he expressed confidence that "the proper measuring system can be developed a lot quicker than most predict.

"Of course, no comprehensive system is developed overnight," Mr. Clausen conceded. "The seeds of our current system of economic statistical measures were planted decades ago in piecemeal efforts to measure change and report progress. We've come a long way from relying on pig iron and coal production, freight carloadings, and bank debits to tell us about our economic health."

And as piecemeal was the beginning, Mr. Clausen suggested, so piecemeal may be the way to advance. "These early measures were to get started on our current problems," he said. "We must weave available bits and pieces of information into a total measurement system, filling in important data gaps as the need becomes evident."

Bank of America has already gotten started, he reported. "I am encouraged by some as yet experimental efforts" there, he said, "efforts which we hope will enlarge the practical dimensions of what we can afford to devote by way of manpower, management time, and other resources in meeting social responsibilities.

"We know we need a social cost budget as well as the conventional economic cost budget," Mr. Clausen declared. "We've taken the beginning step in asking our accountants to attempt to place detailed cost estimates on what management considers its major social responsibilities. We don't know how successful we will be, but we're certain some estimates are better than none. We're certain they will enable us to make better business judgments and thereby avoid abrupt changes in significant programs."

Despite Mr. Clausen's disclaimers, these experimental efforts appear all but certain to pay off, and in many ways: as a practical means for the bank to find out answers to complicated problems; as a pilot project for a new system for articulating corporate consciousness; as an example for others to explore the same unmapped terrain.

For even worse than a surfeit of statistics is an insufficiency; the very quest for a social arithmetic is in itself a boon.

[From the Christian Science Monitor,
Mar. 8, 1971]

TAKING QUALITY INTO ACCOUNT

Amid the current clamor for pollution control, environmental protection, and zero population growth, one phrase seems to stand out as central: the quality of life.

What does it mean? Probably most people visualize it in terms of pure air, sparkling rivers, and clean streets. Or safe streets. Comfortable, convenient transportation. Good schools and health facilities. Et cetera, on down the line.

Beautiful. But what, ask the practical ones, does it cost? Can we afford it?

Many committed environmentalists are ready to make an ecological leap of faith and say flatly that we cannot afford not to improve the quality of life.

There it is again, that old twin streak of idealism and pragmatism that run deep through the tissue of American life, usually in competition.

We would like to make a leap of faith of our own, on this premise: that the qualitative and quantitative aspects of life in a technological age are not necessarily and hopelessly at odds.

We watch with mixed feelings proposals that all economic and population growth be brought to a halt; that our economy move into an era of status quo; that we readjust our national priorities toward more humane ends.

The pragmatic side of us wants to quantify these assessments, to put a tangible handle on them.

Can it be done? For some years now, serious students of the "soft" sciences have been working at a social accounting system that would measure such intangibles as the relative value of, say, hiring an experienced schoolteacher for \$10,000 a year against a greenhorn for \$7,000. Which, in the end, costs the community more?

Social accounting has hit an uphill road. Economists tend to be leary of measuring intangibles. Some are openly hostile.

For this reason it is heartening to have A. W. Clausen, president of the Bank of America, call for "an arithmetic of quality."

Mr. Clausen's yardstick would ring a bell when any factor of "economic growth"—say an increase in the output of automobiles—would deteriorate the physical environment. His set of accounts would register not only the expected "growth" in the market sector, but would subtract from that the depreciation which the added cars would work on the environment.

We are a long way from realizing such a mathematical yardstick. But the fact that a leading banker calls for its development is itself a leading indicator that idealism and pragmatism continue to work together for the public good in the minds of enlightened thinkers and doers.

PROBLEMS OF THE AGED

Mr. BOGGS. Mr. President, the able and distinguished senior Senator from Illinois (Mr. PERCY) delivered a perceptive analysis of the problems of the aged last Wednesday, March 31, at the annual membership meeting of the National Council on the Aging.

In his address to this group, the Senator commented on problems which are—or which should be—of major concern to all of us. Because solutions to these problems will require our serious attention and best efforts during the 92d Congress, I invite the attention of the Senate to the Senator's remarks, and ask unanimous consent that they be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR CHARLES H. PERCY

It is a great privilege to appear before you today. I have long regarded the elderly as this nation's most shamefully neglected minority group. Considering the size of this minority—20 million Americans—and the ob-

vious fact that providing for the elderly is synonymous with planning for our own futures, our collective callousness is particularly difficult to understand.

Older Americans—the one in every 10 who is over 65—constitute an invaluable reservoir of talent and experience. Yet this country does not draw upon this precious resource; an individual over 65 who wishes to continue to contribute to our society is actively discouraged by our Social Security laws from doing so. And, because of the inadequacy of our social programs for the elderly—in areas such as health, housing, nutrition, and transportation—many Americans over 65 are physically unable to contribute, even if they are willing to make the financial sacrifice that is required.

We simply cannot afford to squander our manpower. We must develop a coherent national policy for the elderly not only because it is morally right, but because it is in the national interest to do so. To tell Americans who have helped to build this country for four decades or more that they are no longer needed is so shortsighted, so obviously wrong, that one wonders how we could have perpetuated such an attitude for so long.

Americans do not send their elderly parents and grandparents out to sea to die, as some primitive societies have done. Rather, we cruelly ignore them, and hope they will disappear quietly, without a fuss. If they do assert themselves—if there is a fuss—we frequently shunt them off to nursing homes, many of which are squalid, cheerless waiting rooms for the grave, staffed by underpaid incompetents.

Anyone who watches television or reads a newspaper knows that this is a youth-oriented society. Maturity, stability, accumulated wisdom—these simply do not sell. We are conditioned to blot, color, tint, firm, smooth out or cover up any sign of approaching age. When the physical evidence can no longer be camouflaged, when illusions of immortality are shattered by the inevitable realities of the aging process, the aged individual suddenly feels lonely and abandoned, a member of a stigmatized subculture.

His physical deterioration ordinarily coincides with an abrupt loss of income and mobility, perhaps with a loss of a spouse or a relative and very frequently with a chronic illness. Having been categorized as one of the aged, he is separated from the mainstream of society. Our social and cultural attitudes deprive him of psychological support and he withdraws from society, facing a future so bleak that it is barely imaginable to most of us.

As Ann W. Simon, author of *The New Years: A New Middle Age*, has pointed out, our veneration of youth has distorted our understanding of the totality of life. She says: "Making youth the pivot of existence devalues the rest of life and prevents a view of the whole. Older people have nothing to live for, younger people nothing to grow up for."

Our discrimination against the old has grown so widespread that it has earned itself an ugly name—"age-ism." With its implications of segregation and alienation, it is as malignant a phenomenon as racism, and, I submit, equally commonplace. To remove this flaw in our national character will require a commitment as vast—in terms of governmental action and public education—as that which we have devoted to our race problems.

In this, the year of the White House Conference on Aging, we will doubtless hear many expressions of concern about the problems of the elderly. Hopefully, the conference itself will result in the formulation of a national philosophy on aging—something which we lack as a people, as John B. Martin, U.S. Commissioner of Aging, has noted. I would also hope that the conference will provide a forum for the presentation, analysis, discussion and synthesis of specific pro-