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ADDRESS BY
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BEFORE MILLSAPS COLLEGE CONVOCATION
COLLSEUM, 1207 MISSISSIPPI STREET,
JACKSON, MISSISSIPPI
FRIDAY, FEBRUARY 24, 1967 - 8:30 P.M. (CST)

Senator Stennis, Governor Johnson, Governor Ellington, President Graves, Ladies and Gentlemen.

I am here in Mississippi tonight -- and very pleased to be so -- not only because of the warmth of your hospitality; but, in particular, because of the profound respect I bear the man who invited me: Senator John Stenais.

He is a man of very genuine greatness: not only in his home State of Mississippi; and not only in the Senate of the United States of America; but in this nation at large.

That he is a gentlemen, and a man of towering personal integrity is clear to anyone who knows him. But he is more than that. He is a man of courage and selflessness. He has handled matters of inflammable, emotional sensitivity with responsibility and balance; and he has strengthened the essential constitutional principle of the separation of powers in our government with a classicial sense of our history and our tradition.

I feel particularly objective about saying this of him, for there are some technical military matters on which he and I have disagreed.

But I want Mississippians to know -- and I want him to know -- that I regard his contribution to the United States as something beyond calculation.

This mation is in his debt.

And I am honored to be his friend, and his guest.

* * * *

Tonight I would like to discuss with you three important and interconnected issues. As it happens, they are all gaps of one kind or another.

The first is the gap between the developed and the underdeveloped world; the second is the gap between the two major areas of the developed world; and the third is the gap which exists among elements of developed nations such as our own.

Economic growth carries with it the potential for order and security. Lagging economic growth -- and widening differentials in growth both among nations and within nations -- carry the seeds of disunity and disorder. One of the principal ingredients of growth is a dynamic technology. And this in turn is a function of a high-quality, broadly-based educational system. It is this thems which I would like to explore with you tonight.

Let me begin with the economic gap between the developed and the underdeveloped world. In my address before the American Society of Newspaper Editors in Montreal, I discussed the relationship between security and development. I pointed out that in a modernizing world, security is development.

It is a lesson difficult for us to comprehend, for we have stereotyped security into purely military terms. Security has, of course, a military component. But we make a dangerous, and myopic mistake to believe that security and military power are synonymous.

History is full of human folly. And surely one of the most foolish features of man all through history is his almost incurable insistence on spending more energy and wealth in waging war -- than in preventing it.

It has not proved to be a very good bargain.

We read a great deal today about the crisis of the economic gap between the underdeveloped countries of Asia, Africa, and Latin America -- and the more favored nations of the northern hemisphere.

But, even to discuss that gap has now become a clicke. And the trouble with clickes is not that they are not true. The trouble is precisely the opposite: they are so true, and they are repeated so often, that one can no longer graup their implications.

The average annual per capita income in some 40 of the world's poorest countries today is roughly \$120. That is less than 35¢ a day. The annual per capita income in the United States is nearly \$3,000. That is about \$8,00 a day. That is more than a 2000 percent difference.

That is no more economic gap. It is a seismic fissure -- driving deep into the earth's sociological crust to a cortain, if hidden, fault line. It can produce -- it will produce -- thunderous earthquakes of violence, if rich and poor countries alike do not do more to meet the threat.

Natural earthquakes are not predictable. We can only tragically record their damage and death afterwards -- when it is too late. But seismic sociological explosions -- which can be far more damaging and deadly than their natural prototypes -- can to a degree be predicted.

Not only can they be predicted theoretically, they can often be practically prevented.

Let us be blunt.

If the wealthy nations of the world -- by support of projects such as our Foreign Aid Program -- do not do more to close this sundering economic split, which cleaves the abundant northern half of the planet from the hungering southern hemisphere, none of us will ultimately be secure no matter how large our stock of arms.

The seismic social shocks will reach us all -- and with them will come the inevitable tidal waves of violence.

As Secretary of Defense, my primary responsibility is the security of this nation. I put it to you frankly: the widening economic chasen between the rich nations and the poor nations can be as threatening to our security as the physical emergence of Chinese nuclear weapons.

It is as simple -- and it is as sobering -- as that.

Now, let me say a word about the second gap.

Unlike the first one, this second gap is between the <u>developed</u> nations: specifically between the highly industrialized nations of Europe, and ourselves.

The Europeans have termed it the Technological Gap. Their complaint is that we are so surpassing them in industrial development that we will eventually create a kind of technological colonialism.

Prime Minister Harold Wilson of Great Britain used some rather pointed language at a recent meeting of the Council of Europe at Strasbourg. He warned of "an industrial helotry under which we in Europe produce only the conventional apparatus of a modern economy, while becoming increasingly dependent on American business for the suphisticated apparatus which will call the industrial tune in the 70's and 80's."

The whole question got onto the agenda of NATO's ministerial meeting in Paris last December. The Organization for Economic Cooperation and Development has issued a report on the subject. The Common Market is meeting this month over the issue.

Part of the problem is the so-called brain drain.

Increasing numbers of foreign-born scientists and technicians are leaving the Old World for the New, not merely because of higher salaries but -- and this is perhaps even the more compelling motive -- because of the challenging and adventurous job-situations here in the United States.

While not discounting the more serious implications of this matter, we ought not to become too narrowly nationalistic about it either.

Brains, on the whole, are like hearts. They go where they are appreciated.

Now, nationalism, generally speaking, has never made much headway against love. And I rather doubt that in the end, nationalism by itself is going to be much more successful with the brain than it has been with the heart.

But I do have a suggestion for Europe about the so-called brain drain, if they are really so concerned about it.

To begin with, I believe that the technological gap is misnamed. It is not so much a technological gap as it is a managerial gap. And the brain drain occurs not merely because we have more advanced technology here in the United States, but rather because we have more modern and effective management.

God -- the Communist commentators to the contrary -- is clearly democratic. He distributes brain power universally.

But He quite justifiably expects us to do something efficient and constructive with that priceless gift. That is what management is all about.

Management is, in the end, the most creative of all the arts -- for its medium is human talent itself.

What -- in the end -- is management's most fundamental task?

It is to deal with change.

Management is the gate through which social, political, economic, technological change -- indeed change in every dimension -- is rationally and effectively spread through society.

Some critics, today, keep worrying that our democratic, free societies are becoming overmanaged. The real truth is precisely the opposite. As paradoxical as it may sound, the real threat to democracy comes from undermanagement, not from overmanagement.

To undermanage reality is not to keep it free. It is simply to let some force other than reason shape reality. That force may be unbridled emotion; it may be greed; it may be aggressiveness; it may be hatted; it may be ignorance; it may be inertia; it may be anything other than reason.

But whatever it is, if it is not reason that rules man, then man falls short of his potential.

Vital decision-making-- particularly in policy matters -- must remain at the top. That is partly -- though not completely -- what the top is for. But rational decision-making depends on having a full range of rational options from which to choose. Successful management organizes the enterprise so that process can best take place. It is a mechanism whereby free men can most efficiently exercise their reason, initiative, creativity, and personal responsibility.

It is the adventurous and immensely self-satisfying task of an efficient organization to formulate and analyze those options.

It is true enough that not every conceivable complex human situation can be fully reduced to lines on a graph, or to percentage points on a chart, or to figures on a balance sheet.

But all reality can be reasoned about. And not to quantify what can be quantified is only to be content with something less than the full range of reason.

The argument against modern tools like the computer is, in the end, an argument against reason itself. Not that a computer is a substitute for reason. Quite the contrary, it is the product of reason and it assists us in the application of reason.

But to argue that some phenomena transcend precise measurement -which is true enough -- is no excuse for neglecting the arduous task of carefully analyzing what <u>can</u> be measured.

A computer does not substitute for judgment anymore than a pencil substitutes for literacy. But writing ability without a pencil is no particular advantage.

Modern creative management of huge, complex phenomena is impossible without both the technical equipment and technical skills which the advance of human knowledge has brought us.

And in my view, the industrial gap that is beginning to widen between Europe and the United States is due precisely to what we have been discussing here.

Now, how can that gap be closed?

Can it be closed by boycotting American technology by high tariffs, or by prohibiting American investment in foreign countries? Can it be overcome by narrowly restricting scientific immigration? I doubt it.

Can the gap be closed by individual countries in Europe establishing an immensely expensive, and narrowly nationalistic, defense industry -- on the dubious economic theory that only through massive military research and development can a nation industrialize with maximum speed and benefit to its domestic economy?

The answer is demonstrably No.

And the proof is clear. The two overseas nations which have industrialized the most rapidly and successfully since the end of World War II are Germany and Japan. And neither of these nations has established a domestic defense industry.

How, then, can the technological gap be closed?

Ultimately it can be closed only at its origin: education.

Europe is weak educationally. And that weakness is seriously crippling its growth. It is weak in its general education; it is weak in its technical education; and it is particularly weak in its managerial education.

The relevant statistics are revealing.

In the United Kingdom, France, Germany, and Italy -- for example -- about 90 percent: of the 13 and 14-year-old students are enrolled in school. But after age 15, there is a tremendous drop-off. Then, less than 20 percent reductive a school.

In the United States, 99 per cent of the 13 and 14-year-olds are in school. But what is more important, even at age 18 we still have more than 45 per cent pursuing their education.

In the United Kingdom, there are some 336,000 students enrolled at the university level. Thus only about ten percent: of college-age individuals are attending institutions of higher learning.

In Germany, there are about 270,000 students at the university level, and this represents only about 7 percent of all the college-age youngsters.

In Italy, there are about 240,000 students at the university level; which, again, is only about 7 percent of the college-age group.

In France, the picture is somewhat brighter. Some 400,000 students, about 15 percent of the college-age group, are actually receiving higher education.

But compare these figures of industrialized Europe with the United States. Here we have more than 4 million students in college; and this represents some 40 percent of our college-age population.

What is also to the point is that modern managerial education -- the level of competence, say, of the Harvard Business School -- is practically unknown in industrialized Europe.

Now I cite these statistics, not to boast of American education, but simply to point out that technological advance -- and its two bedrock pre-requisites: broad general knowledge, and modern managerial competence -- cannot come into being without improving the foundation of it all.

And that foundation is education, right across the board.

What I am saying is that if Europe really wants to close the technological gap, it has to improve its education, both general and special, and both quantitatively and qualitatively. There is just no other way to get to the fundamental root of the problem.

Now, I do not want to be misunderstood in all this.

Science and technology, and modern management, do not sum up the entire worth of education.

Developing our human capabilities to the fullest is what ultimately matters most. Call it humanism -- or call whatever you like -- but that is clearly what education in the final analysis is all about.

But without modern science and technology -- and the generalist and managerial infrastructure to go with it -- progress of any kind, spiritual, humanistic, economic, or otherwise, will become increasingly less possible everywhere in the world.

Without this kind of progress, the world is simply going to remain explosively backward and provincial.

There is, it seems to me, a lot of needless and even negative provincialism left right here at home in the United States. And it exists at all four points of the compass.

Mississippians are intensely patriotic Americans. As Secretary of Defense, I am in a particularly good position to observe that. Mississippians won no less than four Congressional Medals of Honor in the Korean conflict. And they are fighting tonight -- half a world away -- to preserve the freedom of choice for a foreign and unfamiliar people from whom Mississippians ask nothing in return.

The bravery of Mississippians in legendary. At Gettysburg, it was a Mississippian regiment that advanced across that storied meadow towards Cemetery Ridge. They came as proudly as if they were on parade. Not a man reached the wall, but the regimental colors were planted by one Mississippian at arm's length away before he fell. The University Grays, a company of students from the state university, accepted casualties of exactly 100 percent. Their courage was without parallel.

On the base of a small Southern town's monument to the Confederate dead, there are inscribed the words: "The manner of their death was the crowning glory of their lives."

Mississippians intend to display that same courage in the face of the future as they have always done in the face of death.

That future will require courage of us all.

More has transpired to change man and his life on this planet in this past half century than in all the millenia of his entire history.

The United States has moved forward in the past few years at an incredible pace.

And the foundation of it all is the growing excellence of American education.

Every area in the United States has problems in this field. My home state of California has received its share of notoriety in recent weeks.

Here in Mississippi there are particular challenges for education. All of us in this hall are aware -- without rancor -- that this State has not kept pace with what it can and must do in education.

Though it places 14th among the 50 states in the expenditure of personal income going to education, it ranks last among the states in average expenditures per pupil.

The dropout rate is high, as is the illiteracy rate. The median of 8.9 years of schooling is substantially below the nation's average of 10.6 years.

The State's college-bound students rank well below the national average in scores achieved on the American College Testing program. Recent national scholarship tests show Mississippi to be last in the country in the percentage of students achieving a passing score.

But though these problems exist, the State has made genuine progress in a number of educational projects:

You have developed a state-wide system of junior colleges.

You have established a new organizational plan for higher education.

You have begun a Research and Development Center.

And most important of all, you have demonstrated a desire and a determination to improve the State's system of public and higher education.

We are all gratified that Millsaps College -- a private institution -- has been selected by the Ford Foundation as a potential "regional center of excellence," and that it has been awarded a Challenge Grant of \$1.5 million -- to be matched by Millsaps' raising \$3.75 million to meet the challenge requirement.

Raising money is, of course, always a challenge. It is particularly so in connection with schooling.

I have a personal and practical suggestion on how to move toward meeting that challenge in Mississippi -- and indeed in the nation at large.

It is a plan quite distinct from the Ford Foundation, and the challengegrant system under which this particular grant has been offered to Millsaps.

It is the concept of the Employee Matching Plan -- pioneered first by the General Electric Company in 1955.

The matching idea is at once simple and effective. A company matches the contribution of its employees to colleges, universities, and sometimes to pre-college institutions -- generally on a dollar-for-dollar basis, up to a pre-scribed annual ceiling amount.

Each company establishes its own ground rules, covering such details as which employees are eligible to participate; what classes of institutions are qualified to receive the proceeds; and what kinds of gifts, up to a designated level will be matched.

The particular value of the Employee Matching Plan is its immense flexibility. Companies may set up their own rules, and the rules vary widely.

But best of all, it gives the individual employee in a firm a strong feeling of personal participation in supporting education. If a large corporation gives money to education -- as so many do today -- there is a degree of impersonalization in the whole process.

But if an <u>employee</u> gives a gift -- no matter how small -- and realizes that in giving the gift he is in effect doubling, and in some cases tripling, his gift by the company's matching policy, he feels that he has done something personal and valuable to further education . . . as indeed he has.

The Employee Matching Plan in the large national corporations has been overwhelmingly successful in the short time that it has been in operation. It has raised tens of millions of dollars for educational institutions.

Shortly before I left the Ford Motor Company to join the Defense Department, I participated in setting up that company's plan; and there are now some 330 companies across the nation that have Employee Matching Plans.

The Council for Financial Aid to Education in New York, and the American Alumni Council in Washington are two institutions which can assist firms in designing plans to meet their own particular wishes.

What I particularly would like to see is this type of plan introduced in local and regional firms. At present, the Plans cover but a tiny fraction of employed personnel throughout the nation. By extending them to smaller concerns, their coverage and their leverage can be multiplied several fold. They can be tailored to fit virtually any size company -- and with virtually any set of ground rules.

I believe that Mississippians here in Jackson -- and throughout the entire State -- could bring their imaginative enthusiasm to this idea; and end by moving education forward throughout the State in a highly personal and rewarding manner.

Mississippi is proud of its past; and it is that pride that can enrich its present and enlarge its future.

Mississippi has a very great potential -- far greater than any of us here can perhaps even imagine. And that potential will spring from what is great and good in its past; and what is great and good in its land, its water, its fields; and, most of all, what is great and good in all its people.

In a beautifully sensitive passage, a writer of great distinction has put this truth with all the delicate insight that characterizes her work. Writing of Mississippi, she says:

"Perhaps it is the sense of place that gives us the belief that passionate things, in some essence, endure. Whatever is significant and whatever is tragic in a place live as long as the place does, though they are unseen, and the new life will be built upon those things, . . "

It is an honor for me that that gracious lady of American literature sits with me here on this platform . . . Miss Eudora Welty.

Thank you, and good night.