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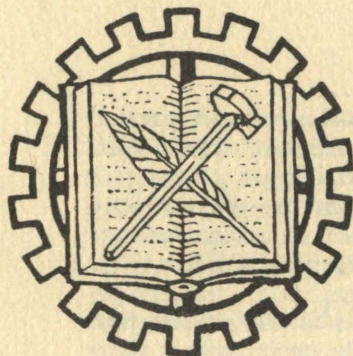
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The *A Newsletter of The Center for Private Enterprise Education* Harding College Division of Business and Economics

Entrepreneur*

U. S. Chamber of Commerce Cites Harding's Center in New Publication

(Editor's note: The following is excerpted from CONTACT . . . A Directory of Interpreting Business-Economic Education Programs, copyright 1978. The Directory describes programs which share a common goal: communicating business and/or economic information which generates positive attitudes toward business.)

Harding College's Center for Private Enterprise Education purpose is to bring free market information to a variety of audiences. Among the Center's activities is a newsletter called the Entrepreneur which contains private enterprise oriented articles by industry and academic experts. The Center's student-faculty staff also has developed multi-media programs which include: (1) an extensive library of free market books, pamphlets and films — all of which are listed in a companion Businessman's Bibliography; (2) a Speakers Bureau for civic, educational, and professional audiences; (3) E. Q. (Economics Quotient) Quiz, Free Market Crossword Puzzle, and bumper stickers; (4) Armchair Economist and Economic Enlightenment Certificates; (5) news articles and editorials; (6) radio broadcasts and spot announcements; and (7) a Free Market Economics Course for college credit.

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(The Center for Private Enterprise Education has also received listings in similar publications of the National Association of Manufacturers, the United States Industrial Council, and the American Economic Foundation.)

The Eight Thousand Days

*by E. Mandell deWindt
Chairman of the Board, Eaton Corporation*

Ladies and gentlemen, to say that I have enjoyed my visit to Harding College would be a great understatement. Before coming here I was heartened by the many reports that told of Harding's dedication to building character, citizenship, and moral values in any atmosphere of academic excellence. Having seen that dedication come to life and action has been an enlightening and inspiring experience.

I have had an exciting opportunity to spend some time with the faculty and students of the American Studies Program. I came away from the discussions, as I have

from several meetings with your people throughout the country with renewed confidence that America's future will continue to be in good hands. Today, I'd like to take a look at that future, your future, from the viewpoint of the American Business System and the special challenges it poses for each of you.

There are just about eight thousand days left in this century, only a handful in the perspective of history. At the end of those eight thousand days, you will be in charge of turning the calendar into the new millenium. The 21st century will be yours to shape, yours to direct. What you do personally in the next eight thousand days will determine to a large extent that course of our nation and our world for the 21st century. It's an awesome yet exciting challenge.

If we look back briefly over the first three quarters of our aging present century, we can count some gains and some losses. Technology has made major leaps. We've harnessed the atom, conquered space, vanquished killer diseases, and, through advances in communications and transportation, have shrunk the globe. We can see events as they happen anywhere in the world and be there in a matter of hours. In doing so, however, we have produced the potential for global destruction through nuclear power, depleted our energy resources to the point of crisis, and generally fouled up the environment.

* The acting, organizing enterpriser in the world of commerce.

We have seen the chances of global war decrease while being replaced with a frightening plague of terrorism. The industrialized nations of the world have reached high levels of affluence that only serve to point out that a growing majority of the world's inhabitants are facing starvation and deprivation. That same economic progress also gave birth to an "unpredictable monster" known as "inflation."

In our own nation we have endured wars of both the global and regional variety, a Great Depression, and several lesser economic downturns. We have been witness to substantial progress in human rights and equal opportunity, while recognizing that a great deal more needs to be done.

For America, one quality has enabled us to prevail as the world's leader throughout this momentous century. That single, most important quality has been the enterprise of a free people . . . the system, the way of life . . . that has enable us to overcome adversity, make the sacrifices, and reap the rewards that have brought us within striking distance of the 21st century.

Free People Have Options

Now what we do . . . and more importantly . . . what you do with the eight thousand days left will largely determine whether the enterprise of a free people remains as the moving force of America . . . or is slowly and subtly replaced by a system that, in an effort to be all things to all people, removes the elements of risk, profit, and individual achievement that are the necessary and vital ingredients of freedom.

First of all, let's reject out of hand any idea that we are at the mercy of inexorable forces leading us to an inevitable fate. Inflation and recession, war and peace, human rights and the denial of human rights are all engineered by men and women, and what man has put together, he has the innate power to foul up, change, or improve. Free people . . . as opposed to controlled people or subjugated people . . . can make things happen fast.

And free people have options. As individuals and as a nation, we have as many roads to the future open to us as can be conceived and implemented. We have the option of doing nothing. We can merely sit on the sidelines and watch inflation triple the price of everything in 8,000 days . . . prices that have doubled over the last 8,000 days.

We can watch in bemused wonderment as the government grows to the point that by the year 2,000, government spending will constitute 60 percent of the Gross National Product and easily dominate our business and personal lives. Fortunately, a myriad of options exists.

As you grow in responsibility and experience, you may well look at those who preceded you in running the world and say . . . "Thanks, you certainly left things in a horrendous mess". You will not be able to deny, however, that you also inherited an unequalled opportunity to do something about the state of affairs.

Whatever your course of study, whatever your eventual choice of a career, you will find the opportunity to shape the destiny of our nation. I'd like to spend a few minutes today looking at some of those opportunities from the perspective of American Business.

Almost every college graduate who interviews for a position with our company asks the question, "Will I have an opportunity to determine and carry out the social responsibility of the company?" Each may have something a little different in mind, but they want to be assured that they will be working in a climate where social, as well as economic, ends are pursued.

The answer they are seeking at the time can be found in a wide variety of activities, contributions, involvement, and community leadership that are evidence that Eaton, indeed, provides an opportunity for social involvement and the company is possessed of a corporate "conscience."

Responsibility of Business

"Social responsibility", "corporate conscience" and "corporate citizenship" are phrases that have come in to the language in recent years that indicate that young people are looking to business for a lot of different things that are not found in a job description. Once satisfied that he is talking to a company with a "conscience", the prospective employee then learns that social responsibility is a lot more than a list of good deeds.

He finds that his job and his success depend entirely on just how well he exercises his social responsibility because I can say, without reservation, that the primary social responsibility is to earn a profit. From profits, and only from profits, come the taxes, jobs, opportunities for advancement, incentives for investment, contributions to charitable cultural, and education causes that keep our nation going strong.

Thus, by excelling at his work, an employee makes the most important contribution to social progress. I have no intention of launching into a defense of profits; they are the life-blood of our nation. I would say only that those who rail at "unconscionable" profits by a particular company have the shoe on the wrong foot. For a business management, it's unconscionable . . . from a social as well as economic view . . . to fail to make a profit.

Once a profit has been achieved, the company and its employees have an unlimited opportunity to embark on a variety of programs of involvement and support of projects designed to improve the quality of life in our plant communities, our nation, and throughout the world. At Eaton we encourage, support, and, in fact, expect, our managers to provide leadership and specialized skills to their communities.

Whether it's as a coach of a Little League team or chairman of a United Way campaign, or serving in an elected office, business managers are essential members of every community's voluntary efforts to meet basic human needs and to improve the quality of life.

Another opportunity you will have in these next eight thousand days is to determine the shape and power of government for the 21st century. I hope that you'll give it the attention it deserves as voters . . . as candidates . . . as workers for political causes . . . and as elected officials. Thus far in this century we've seen government grow at an alarming rate and have witnessed the emergence of an "invisible" government of unelected regulators with growing powers over our liberties.

A People of, by, and for the Government?

In their zealous efforts to reform, regulate, and restrict business, these regulators have succeeded in nibbling away at the personal freedoms of every American. What legislators and voters seem to overlook is that a restriction on business is a restriction on personal freedom.

Let's look at just a few aspects of the growing size and power of government. It took us 186 years to reach a federal budget of \$100 billion. That was in 1962. Only nine more years were required to reach the \$200 billion mark, and last year we passed the \$400 billion milestone.

We've had a budget deficit for 17 of the last 18 years. The Tax Foundation has figured that the interest cost of the debt incurred by deficit spending in this decade alone will reach one billion dollars per week. Today, American individuals and businesses must spend 130 million hours each year filling out more than 5,000 required government forms. The Department of Health, Education, and Welfare has nearly 150,000 employees, and in the last fifteen years 236 new federal agencies have been created.

No one can deny the responsibility of government to provide controls for our complex society, but the current "era of regulation" has produced a mishmash of directives and laws that are often contradictory, seldom based on cost effectiveness, and seemingly oblivious to the consequences as long as nearsighted, narrow goals are achieved.

Automobiles have been a special target of the regulators and provide some good examples of their tinkering with the economy. Mandated seat belt interlock systems, and "crashproof" bumpers cost American consumers more than 5 billion dollars during their short, unhappy, required life. Leaded gasoline has been banned, although there is not a single case of injury or disease traceable to the lead in gasoline.

We have controlled emissions, although we're not quite sure how much and how far we had to go. And now the shape, size, and performance characteristics of cars are the option of the government, not the consumer.

Much of this unneeded regulation results from elected and appointed government officials who, once ensconced in Washington, are afflicted with a strange and deadly malady known as "Potomac Fever". This acute and incurable disease results in the belief that once in power, one suddenly develops a divine right and talent to protect everyone from everything, and interprets equality of opportunity as meaning that the government should divide everything equally regardless of any personal accomplishment or striving.

It also affects the hearing. In the case of a national energy program, for instance, regulators have steadfastly refused to listen to the expert advice of industry engineers and scientists. "Potomac Fever" is highly contagious and quickly spreads to state and local government officials.

All of the "Father Knows Best" activity designed to protect us from ourselves is clothes in good intentions . . . but so was the Spanish Inquisition, the Third Reich, and Watergate. The late Hubert Humphrey likened the regulatory agencies to children who, after birth, were given to the neighbors to raise . . . along with a blank check.

Jimmy Carter entered the White House with a promise to reform and streamline the federal bureaucracy. I'm sure he meant it, but he soon found himself up against the toughest lobby in the world . . . the government itself and a spate of self-perpetuating agencies.

Today, business is working harder than ever before to involve itself in politics in every legal and ethical way possible to effect legislation and support candidates who will signal a return to responsible . . . and responsive . . . government. I am sure that each of you will make the most of your own opportunities to be a participant . . . not a spectator . . . in the process of government.

Economic Issues and Tradeoffs

I should add here, and somewhat wearily, that I love clean air and water, and I believe that industry is doing a

remarkable job in preserving and protecting the environment. It's going to take time . . . and a consideration of the trade-offs . . . to reach meaningful goals. It took generations to get our environment where it is today and it should be obvious to all that to force correction overnight can only result in economic dislocation.

This moment of doubt and pause in America's statesmanship needs to be resolved soon if the world is to reach its potential for development for the 21st century.

At the present, we have a leadership vacuum. We have no energy policy, no inflation policy, no world trade policy. We seem to spend more time on the effects of saccharine on laboratory mice than we do on the effects of unbridled government spending and intervention on the future state of the world. Today, as never before, we need excellent leadership that gives wings to our opportunities.

We need only go back to President Carter's "inflation" message of a few days ago to see the effects of wavering leadership. While urging spending restraint by business and individuals, the government is going \$60 billion into the red — applauding an inflationary "emergency" proposals to quench political hot spots without regard to their effect on the total economic picture.

The President, the President's advisors and the Congress have got to discipline themselves first. They can't have their cake and eat it, too. If we're going to halt inflation, we've got to cap it at the wellhead located in Washington. That's going to take cohesive planning, positive action and most of all, a quality of statesmanship. That has all but disappeared from government.

Perhaps the first indication that this message is getting through was the report today that the House had

unexpectedly defeated the Emergency Farm Aid Bill. I don't intend to judge the merits of that legislative proposal, however, an estimated additional \$6 billion expense would have potentially added about 10 percent to the currently projected federal deficit.

Integrity the Key

Perhaps the greatest opportunity and challenge for the people who will take us to the next century is that of restoring the confidence of the American people in the integrity of its leaders in business, government, labor, and education. That confidence has been severely shaken by recent events and highly publicized incidents of unethical behavior.

Yet ours is a society founded on personal integrity, one that prevails because of personal integrity. The fact that there are those willing to compromise their integrity for one gain or another is a comment on the human condition. It clouds the fact that our business system cannot operate without the highest levels of personal integrity.

The wheels of commerce, finance, and industry would come to a screeching halt without mutual trust as the overriding force. So, too, of other facets of our society. The moral values that you are gaining here at Harding need never be compromised in the world at large. Indeed, they will prove to be your strongest assets in reaching your personal goals.

If I were to sum up all of the opportunities that we have in speeding toward the 21st century, it would be that of preserving and improving our American system. We've come a long way on the enterprise of a free people. That same spirit holds the answer to many of the problems of our troubled world. When those eight-thousand days are counted down and we turn the last page of our 1999 calendar, it will be your world. I have every confidence that you're going to make the most of the opportunities it will offer.



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