OREGON FAMILIES AND OREGON'S FUTURE:
Sustaining The Social Base of Our Economic Enterprise

The Keynote Address by
David P. Snyder
at the Oregon State University Extension Annual Conference
December 1, 1987
Corvallis, Oregon
Greetings!

Extension's success over its 75-year existence is founded on its ability to deliver educational programs that solve problems and meet people's needs. Many of these programs are designed to address issues before they become problems. While we don't profess to use a crystal ball, we do try to look into the future and identify trends that might affect our clients and the way we deliver education.

This paper is the result of our most recent attempt to help our staff plan today for the work they will be doing over the next several years. It is the transcript of a talk presented to our annual Extension staff conference in December 1987 by noted futurist David Snyder. He is Life-Styles Editor of The Futurist magazine, and a pioneer social forecaster.

What we've learned from Mr. Snyder will be invaluable to us as we develop educational programs for the future. His discussion and conclusions however, are of value far beyond our planned use. It is for that reason that we share this document with you. We hope that by sharing this information, we can help others to better plan for the socio-economic changes and challenges that face us.

Best Wishes!

O. E. Smith
Director
OREGON'S FAMILIES
AND OREGON'S FUTURE:
Sustaining the Social Base of
Our Economic Enterprise

A public policy assessment
by Gregg Edwards
and David Pearce Snyder
The leadership of American business has made a commitment to replace the nation's basic production systems in order to restore our competitiveness in the world marketplace and thus assure our future long-term prosperity. History tells us that such technologic retooling typically takes 30 to 40 years, during which overall economic performance—and social wellbeing—temporarily decline. In the U.S. today, both median household income and average corporate profits have been falling for over a decade, and the most reliable forecasts suggest that these trends are likely to continue through the end of this century. This means that the majority of American families will face increasing economic distress in the 1990's, while the shrinking public sector revenue base will force further reductions in the social safety net.

Conventional economic theory sees such temporary periods of social degradation as an unavoidable cost of progress. If society is to be able to consume more in the long term, economists have concluded, society must consume less in the near term. In order to speed the nation's transition to more prosperous times, public policy typically seeks to promote commercial growth and innovation through deregulation, infrastructure development, business tax incentives and the assurance of cheap investment capital.

Public policy does little, however, to encourage society's adaptation to technologic innovation and change. To the contrary, diminished public revenues commonly force the curtailment of education and health programs that sustain productive social change.

By assuming that the domestic sector makes no direct contribution to our economic performance, public policy is ignoring the largest and most productive component of our common national enterprise. In fact, readily available data confirms that society itself is the core of our economy. In America, families and individuals own the majority of the nation's capital assets, more than either business or government. The Commerce Department has estimated that the tangible output of America's households is worth 160% of the GNP. Families make greater measurable contributions to good health than do the nation's doctors, and greater contributions to educational performance than the nation's teachers. In this day of venture capitalists and investment banking, families and friends are still the direct source of an estimated 70% of all start-up capital and 95% or more of all new businesses. And families provide more financial and physical support to their relatives than do all of the nation's welfare and social service programs combined.

At a time when all credible economic forecasts indicate that most U.S. households face a decade or more of declining wellbeing, public policy should at least enable households to do more with the limited resources that they do have. Specifically, public policy should encourage and reward productive inter-household, intra-family collaborations, especially where such arrangements can be shown to be more cost-effective than institutionally delivered services. Since families are already the nation's principal providers of health and social support services, even modest improvements in productive domestic collaborations would significantly reduce the overall level of unmet human needs in America. Similarly, since most new businesses will be started by the domestic sector, public policy should foster such ventures through expanded entrepreneurial education, self-employment support services and tax incentives.

In summary, only by making our economic policy socially rational and our social policy economically rational will we be able to ameliorate the unavoidable short-term social costs of the current technological revolution while accelerating our ability to realize the long-term benefits which that revolution will ultimately bring.

(Note: The following is the text of the keynote address delivered by futurist David Pearce Snyder to the Annual Conference of the Oregon State University Extension Service at Corvallis, Oregon on December 1, 1987.)
At the beginning of this decade, spurred by forecasts of continued rapid growth in competition from low cost Third World producers (1), the leadership of the U.S. business community made a collective commitment to substantially improve American productivity through massive investments in new workplace technologies (2).

From the outset, it was commonly understood that the widespread installation of productivity-enhancing technologies would unavoidably pose significant social costs (3); however, because of the absolute need to maintain the nation's competitiveness in the global marketplace in order to assure our continued prosperity, the concomitant social costs were judged to be acceptable, especially in light of the commonly-held assumption that jobs lost to automation and economic restructuring would be replaced by new employment opportunities in expanding, "high-tech" industries.

Today, after 7 years of unprecedented levels of investment in new workplace technology, the resulting increases in overall U.S. productivity have not been sufficient to significantly improve America's competitive position in world commerce. Our trade deficits have mounted, and 30,000 to 40,000 skilled U.S. industrial jobs per month have continued to be eliminated from our economy by low-cost foreign producers (4).

During this same period, in addition to the 2 to 3 million high-value American jobs lost to foreign competition, 9 million more high-value U.S. jobs in both industry and management have been eliminated due to automation and cost-cutting through plant closings, mergers, and over-head reduction measures (5, 6). When these displaced employees of the 1980's are combined with the U.S. jobs lost to foreign competition during the 1970's, it is estimated that 13 to 15 million middle- and upper-income jobs have been eliminated from the American workplace during the past 15 years.

The current techno-economic revolution has clearly had far more detrimental impacts upon America's cities.

Meanwhile, the numbers of middle and upper income jobs created by high-growth and high-tech businesses have fallen far short of original expectations. While three-quarters of the jobs eliminated in the U.S. since 1970 have been middle- and upper-income positions, no more than one-quarter of the new jobs created during that same period are estimated to have been middle- and upper-income positions. As a consequence, median household income in America—when measured in terms of real buying power—has fallen steadily since the mid-1970's (8, 9, 10). Moreover, Labor Department employment forecasts for the U.S. job market through the end of this century indicate that the trends of the past 10 to 12 years will continue, with per-capita income projected to begin falling by 1989. Thus, the most reliable long-range forecasts we have make it clear that millions of American households will be forced to cope with mid-career displacement (11) and declining financial prospects for at least another 10 years (12).

While the "Green Revolution" in the Third World and agricultural overproduction in the industrial nations has produced a global food surplus (13) and a crisis on the American farm (14), the current techno-economic revolution has clearly had far more detrimental impacts upon America's cities. Not only has the principal loss of middle-class jobs been in our urban industrial areas, but the new high-tech production facilities are not, in a growing number of instances, being built in cities. Because high-tech plants are, by definition, not labor-intensive, they need not be sited in populous urban areas, where business operating costs are normally 20% to 25% higher than they are in rural areas. Freed from the necessity to tap a large labor pool, high-tech industry has been moving into the countryside in a cost-cutting strategy called "greenfielding." America's new steel and auto plants are being built in Marysville, Ohio; Smyrna, Tennessee; and Plymouth, Utah; not Cleveland, Pittsburgh; or Flint and Pontiac, Michigan (15).

America's industrial cities grew large not because they were efficient communities; they weren't. In fact, dis-economies of scale increase the costs of social services in most cities over 300,000 to 350,000 population. Our cities grew large over the past century because they permitted the development of increasingly productive, labor-intensive manufacturing. But now that the U.S. economy is shifting from labor-intensive production to information-intensive production, industry no longer needs to bear the added overhead costs of urban operations. Thus, just as the open hearth blast furnace and the manual assembly line are rapidly becoming obsolete production technologies, many large cities are becoming obsolete social technologies. Since 1980, the population of almost all U.S. cities with over a half-million persons has shrunk (16),
A post-industrial economy run by a small, highly paid technocratic elite, in which the vast majority of jobs will be in low-paid consumer services and clerical work. This future vision confounds educators who are being pressed to prepare students for high-tech employment (19), and it troubles both policy makers and the general public with its inherent implications of increasing socio-economic inequities (20, 21).

While the socio-economic realities of the past 15 years and the forecasts for the remainder of the century strongly support the gloomy vision of America's transition to a service-based economy, the history of previous technological workplace revolutions suggests that the goal of a broadly prosperous high-tech, knowledge-based economy remains valid and achievable. But history also tells us that such workplace revolutions typically take 30 to 40 years, during the first half of which the general levels of economic wellbeing in society temporarily decline (22). The reason for this decline is that the nation's old, high-value economic core devolves much faster than the new, high-value enterprises are able to grow (see figure 1, page 9).

Faced with falling competitiveness in the marketplace, existing core enterprises cut overhead costs and close marginal facilities in order to free up capital to invest in R&D (research and development), advanced production technology and worker re-skilling. Such investments are not only costly (on the average, actual R&D expenditures overrun original cost estimates by 100% to 400%), but they are highly risky. In the U.S., only 12% to 20% of commercial R&D projects are financially successful; for major leaps in innovation, the success rate is much lower than that. Effective innovation takes time as well, with major R&D efforts routinely requiring 3 times longer than initially planned (23). Further delays—and costs—in the exploitation of workplace innovations arise from the need for massive worker re-skilling, from the need to monitor the performance of new products and processes, to refine the uses of new equipment and materials, and to integrate individual innovations into entirely new production systems which ultimately offer the greatest potential for increasing productivity.

(The entire sequence of steps required to fully assimilate fundamental production innovations throughout the economy may fairly be said to represent a collective national learning process, and the slow-but-steady growth of new productive enterprise should be seen as a national learning curve. Indeed, research has shown that the principal barriers to rapid innovation are the speed with which people can learn to master new realities, and the time required to redesign and redirect learning systems to incorporate those realities.)

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Whether one accepts the view that America is shifting to a service-based economy or to an information-based economy, the best available data we have makes it clear that the near-term future of the nation offers limited prospects for improved general prosperity, and that tens of millions of U.S. households will experience diminished economic circumstances (24). Moreover, the declining prosperity of our system means that public resources will continue to be reduced as well. Just as median household income has fallen over the past 12 years, average U.S. corporate profits have also been declining for more than a decade. Thus, the tax base for public sector revenues has been shrinking since the mid-1970's, and current forecasts suggest that this trend will continue at least into the mid-1990's, if not beyond (25).

The increasing public sector austerity of the past 10 years is largely the consequence of the current technological transition. Supply-side fiscal policies, the taxpayers' revolt and the Gramm-Rudman act have merely been the political mecha-
tended minor child at home (30, 31). Expected to have at least one unat-
tended minor child at home (30, 31). A consequence, by 1990, over one-half of all U.S. workers are expected to have at least one unat-
tended minor child at home (30, 31).

In addition to doubling up on income, households have also begun doubling up in generations. The numbers of families composed of multiple adult generations has been growing steadily since 1979 (32). In 1980, 52% of all 18-to-24 year olds lived with their parents; by 1983, it was 59%. During the same period, the number of 25-to-34 year olds living with their parents rose from 9.2% to 11.5% (33). And, while only 6% of all Americans over 60 live with a younger relative today (up from about 3% in 1980), a recent survey shows that 25% of all U.S. workers are caring for an elderly relative either in or near their homes (34). To accommodate additional family members—both young and old—America’s households have spent billions of dollars to expand or convert their homes (35).

By the mid-1990’s between two-thirds and three-quarters of all married couples are expected to be working full-time.

Meanwhile, as the effects of the techno-economic revolution have swept through the U.S. workplace, Americans have adapted to their changing circumstances. In the face of declining entry-level pay, for example, millions of U.S. house-
holds have sought to sustain middle-class living standards by maintaining two wage-earners. In 1970, 40% of all U.S. married couples both worked full time; by 1985, over 50% of all married couples in America were working full time, including 65% of all couples under the age of 55, and more than 70% of all couples employed in managerial, professional and technical jobs (29). By the mid-1990’s between two-thirds and three-quarters of all married couples are expected to be working full-
time. As a consequence, by 1990, over one-half of all U.S. workers are expected to have at least one unat-
tended minor child at home (30, 31).

The rapid growth of multi-income, multi-generation households clearly reflects the economic rationality at the heart of our basic lifestyle choices, and is a good measure of the domestic sector’s capacity to adapt to economic change (36). Other measures of recent domestic sector behavior provide clear evidence of society’s propensity not simply to adapt to changing economic realities, but to take steps intended to exploit those realities. Since 1980, for example, millions of U.S. adults have enrolled in college and technical schools (37), committing huge amounts of money and time to their own re-skilling and career change. And, in an even more striking demonstration of purposeful social adaptation, Americans have invested billions of dollars and hours in improving their own health.

Faced with soaring medical costs (38), and presented with a rapidly growing body of published research on the causes of disease, tens of millions of Americans have adopted more healthful life-styles, as reflected by reduced smoking, altered diets, exercise, and billions of dollars spent on fitness and home health equipment (39), and on health-promoting publications, video tapes and software. The U.S. Surgeon General has cited such life-
style changes and investments as the principal cause of a 6.6 year increase in average life expectancy in America since 1960, and a 40% to 50% reduction in death-rates from heart attacks (40) and strokes (41). The Surgeon General has further asserted that medical science and our institutional health care delivery system have made almost no contribution to increasing life-span during this same period, in spite of the fact that the costs of medical care increased by more than 300%, faster than any other component of the consumer price index (42). Indeed, one recent survey strongly suggests that families, by actively initiating and supporting healthful life-style changes among their members, make a much greater contribution to our wellness and longevity than do the nation’s doctors (43).

In short, over the past 15 years, America’s households—both as individuals and as families—have amply demonstrated their propen-

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America’s households—both as individuals and as families—have amply demonstrated their propensity to make substantial purposeful commitments and investments in response to changing economic realities. This propensity can be expected to manifest itself in future social adaptation, whether or not public policy encourages it. In a
time of revolutionary change, during which job displacement and income reduction will be widespread and the funding for social service institutions will necessarily be constrained, it will clearly be in the common interest for the nation’s families to support and sustain their members to the greatest extent possible. In particular, at a time when skyrocketing medical and housing costs are jeopardizing the wellbeing of the elderly (44), it will clearly be in the public’s interest for families to undertake more intergenerational collaborations for housing and home healthcare, especially where it can be shown that domestic enterprise is more cost-effective than institutional social services. To this end, it would seem reasonable for public policy to encourage and reward such productive domestic collaborations as a fundamental strategy for sustaining general living standards during a period of diminished prosperity.

Unfortunately, in developing public sector economic plans and programs, policy makers give little, if any, consideration to promoting domestic sector productivity, largely because modern economic theory treats households merely as consumers, rather than as productive enterprises. Eligibility for welfare and other public social support programs in America is essentially determined by the recipient’s ability to consume. If you can demonstrate that your income is insufficient to enable you to purchase the bare necessities of life in the marketplace, you become eligible for public assistance. Similarly, the principal social objective of public sector economic development policy is to increase the level of average household consumption through improved employment opportunities, thereby reducing the numbers of people requiring public assistance while increasing the tax base. Indeed, other than as a source of tax revenue and business investment capital (through personal savings), public policy simply does not

self-employment since the U.S. first became an industrial economy back at the turn of this century.

Households have been shown to be major promoters of increased life span and good health, with family members reflecting substantially higher levels of both physical and mental health than do single persons.

In addition to such directly measurable household contributions to our economy’s performance, the social sciences give us powerful evidence of further substantial economic value produced by households. As has already been discussed, households have been shown to be major promoters of increased life span and good health, with family members reflecting substantially higher levels of both physical and mental health than do single persons. And, while the widespread adoption of merit-based policies and practices has significantly reduced the influence of family connections in key “gatekeeper” functions such as college admissions, hiring and promotions, family membership remains the single most important factor in determining educational achievement and career success. Social research has also shown that membership in a family is the principal motivator of responsible personal behavior and of sustained individual commitments to productive activity throughout life. But, most important of all in this time of innovation and change, 75% to 85% of the average person’s affective competence (i.e. problem-solving ability) and cognitive flexibility and fluency (i.e. capacity to learn and adapt), is derived from the family (47). By comparison, formal train-

ing and education contribute almost nothing to an individual’s ability to learn and change, factors which have already been described as the principal determinant of society’s capacity to innovate rapidly and effectively (see parenthetical note on page 2).

Because policy makers essentially ignore the domestic sector’s substantial contributions to our economic performance, they not only fail to foster the enormous productive potential of domestic enterprise, but they also tend to pursue inefficient economic development strategies. Throughout the U.S., for example, state and local jurisdictions seeking to promote economic recovery from the decline of traditional core industries typically seek to attract new, “high-tech” industries. But experience has shown that such strategies are almost never successful, and further, that even when such schemes work, it takes at least a decade for transplanted enterprises to become self-sustaining generators of local economic growth (48).

By comparison, the most effective economic development programs build upon a community’s existing human and physical resources—its current base of skills and capacities—and upon its established institutions. Moreover, conventional economic growth plans tend to focus on a limited number of large-scale projects, while successful growth plans foster a multitude of small-scale innovative initiatives which are monitored, modified, and ultimately scaled-up or phased out based upon their marketplace performance. (In fact, the principal source of new job creation in the U.S. comes from the expansion of successful small entrepreneurship—10 to 100 employees—into intermediate size business—250 to 1000 employees). Conventional economic planning over-emphasizes infrastructure and capital formation, while successful plans involve the balanced, coordinated development
of human, physical and capital resources.

Two hundred years ago, when they designed our basic Constitutional framework, the founding fathers reserved substantial powers and responsibilities to state governments, so that they might serve, as Jefferson put it, “as civic laboratories” for exploring alternative solutions to the problems that would inevitably arise in the course of human progress. In 1787, even Jefferson probably could not have envisioned how homogenous America’s policy-making culture has become after two centuries of professionalization, meritocratization and electronic communications. Throughout the nation today, there is a consensus policy position on every pressing public issue: for economic development, it’s “high-tech”; for education, it’s “back to basics”; for welfare, it’s “work-fare”; etc. The downside risk potential for failure in the public arena has become so great that few leaders—or jurisdictions—will undertake actions or policies that are not already widely accepted as conventional wisdom.

Surely, the time has come for the nation’s political leaders and public policy makers to ask themselves, “After 12 years of declining household income and 6 years of a shrinking social safety net, can we provide our citizens with no more hopeful approach to the future than to mindlessly adopt a handful of popular policy nostrums whose validity has already been seriously questioned by rigorous research?”

In a nation where:

- the average real income of all families with children has already fallen nearly 10% (49);
- where half of the 6.8 million unemployed receive no public assistance whatsoever;
- where hundreds of thousands of psycho-socially dysfunctional people have been released to live on the streets with growing ranks of homeless, including families and their children (50);
- where over two-thirds of the elderly poor and near-poor (more than 5 million people) are not covered by Medicaid (51);
- where average social worker caseloads have doubled in 5 years;
- where millions of middle-income workers have suffered mid-career displacement with no expectations of re-employment at equivalent wages; and,
- where no credible economic scenarios currently forecast either a significantly improved capacity to enlarge the social safety net or a significant increase in household income,

is it enough for a state to hang up a “High-Tech Wanted” sign and say to its citizens, “Don’t worry, everybody; prosperity is just around the corner”? Is that “leadership”?

At a time during which most households can be expected to experience fixed or declining economic wellbeing, public policy should at least enable and encourage households to make more productive use of the limited resources that they do have. This is particularly true where state government is pursuing an economic development policy which, historically, has only produced improved economic performance over the long term. Families can—and do—care for dependent relatives; with appropriate public policy support, they could care for more. Families can—and do—engage in cooperative housing arrangements; with support, they could do more. Families can—and do—provide inter-household financial assistance to their relatives—for education, for business ventures and living expenses—and encouraged by economically rational social policy, they could do more.

By specifically acknowledging and rewarding productive domestic collaborations, policy makers would not only improve society’s ability to deal with diminished economic circumstances, but it would also permit a constructive re-negotiation of the working relationship between society and its public servants. While families can be encouraged to expand their support of dependent members, America’s households clearly cannot provide air traffic control, or clean up toxic wastes, or enforce health and safety laws, or regulate utilities, process sewage, pave streets and monitor pollution, or a host of other sophisticated services needed to sustain modern society. By encouraging households and extended families to be less dependent on public support systems, economically rational social policy will free up scarce public resources to be applied to essential functions that only government can perform.

At a time during which most households can be expected to experience fixed or declining economic wellbeing, public policy should at least enable and encourage households to make more productive use of the limited resources that they do have.

Finally, just as economically rational social policy will increase society’s ability to deal with the near-term, downside effects of the current technologic revolution, so too will socially rational economic policy increase society’s ability to exploit the long-term opportunities posed by that revolution. As has already
been discussed, successful economic development programs involve a multiplicity of small-scale projects based largely upon existing resources, capacities and know-how. Since the domestic sector is the source of most new business starts and new venture capital, programs to better inform society's entrepreneurial commitments and investments would clearly represent the most effective possible public sector economic development intervention. By identifying new marketplace needs, by supporting sound entrepreneurial education, by providing grass-roots management assistance and research services, state policies and programs could substantially improve the success rates of the family-based enterprises that will constitute the vast majority of all future new businesses. Those initial successes, in turn would provide Oregon with the broadest possible base of new enterprises from which an expanding array of regional, national and global markets may be served.

Home Extension Services to Promote Productive Domestic Enterprise

1. Outreach education program for families—including adolescents, adults and the elderly—explaining the nature of the Trans-Industrial Revolution, to serve as a framework for an enhanced array of career counseling and guidance services, including additional training programs. (Such an orientation is essential for informing individual and household commitments and investments, especially in light of the general inadequacy of public school counseling efforts. A similar component should be added to home economics and domestic science curricula at all levels.)

2. Training for family members of all ages in computer competency, in view of the increasingly productive role that personal computers will play in all domestic sector activities, including continuing education and employment re-skilling, health promotion and healthcare, farming and other family-based businesses, domestic and financial management and interhousehold cooperation (52).

3. Sponsorship of internship learning programs in support of adult education and employment retraining (53).

4. Training and support for home-based health care for convalescent and chronically ill family members.

5. Family Business "Incubator" Program (54)—Training and support for self-employment and family-based entrepreneurship, including:
   A. Media monitoring and research to identify new entrepreneurial markets and opportunities for family businesses;
   B. Performance evaluation and research to identify common failures and keys to success to guide future family ventures;
   C. Certification of qualified family ventures for financing.

Legislative Measures to Promote Productive Domestic Enterprise

1. Permit Individual Training Accounts (ITA’s)—like IRA’s—in which employees and employers contribute to a tax exempt fund to pay for the employee’s eventual retraining (55).

2. Permit income tax deductibility of purchases of personal computers for either educational or health care applications.

3. Permit individuals to deduct all adult educational expenditures associated with preparing for a new career or field of employment.

4. Permit individuals to deduct from their taxable income all financial contributions to the employment training of unemployed relatives.

5. Permit individuals to deduct from their taxable income all financial contributions to the education of all relatives whose immediate household incomes fall below the poverty line, including contributions to K-12, remedial and other schooling for minors, as well as for adults.

6. Permit deductions from taxable income for individuals who make inter-household financial transfers within families that reduce public sector support payments, including for long-term in-home healthcare, housing or rent subsidies, food stamps, AFDC or other similar social service support costs.

7. Permit a "Jobs Credit" tax reduction for taxpayers whose intra-family contributions of venture capital to a family-based business create new jobs.

8. Permit tax deductibility of documented contributions of volunteer time to direct community service activities operated by either public sector or private/nonprofit organizations. (In a time-short society, this will be essential in order to realize any significant increase in capacity of the volunteer sector.)

9. Permit extended families to incorporate as producer-consumer cooperatives (56).
This paper has not sought to place any specific definition upon the term "family," nor has it addressed the ethical and social functions of families. The purpose here is to examine the economic nature of families and households, and to draw attention to the failure of public policy makers to acknowledge the economic value produced by domestic enterprise. Policy makers clearly have no authority to involve themselves in the moral aspects of family life. But, just as clearly, policy makers must be concerned with the economic performance of families, since the domestic sector represents far and away the largest component of our economy. Not only are families our most productive institutions, they also own most of our assets, control most of our cash flow, and pay the vast majority of all taxes (57). If the domestic sector does not perform well, our entire economy will not perform well.

With respect to the question of who—or what—constitutes a family for public policy purposes, we would probably best be served by permitting the members of families to define the family themselves. Throughout human history, society—through the adaptive behavior of its individual members and familial groupings—has evolved purposefully and productively in response to changing economic and technologic circumstances. Almost certainly, we would be ill-advised to discourage or unduly restrict this timeless adaptive process at this crucial moment in our nation's future. As Congressman Edward Roybal, Chairman of the House Select Committee on Aging, recently observed, "A host of personal catastrophes are in the making." (58).

In the turbulent transitional years between now and the end of the century, states that fail to legitimize and foster greater social productivity will, almost certainly, condemn the majority of their citizens to a decade or more of diminished public services and increased economic distress. At the same time, states that place all of their economic development "eggs" in one or two high-tech "baskets" will seriously jeopardize the long-term prosperity of its citizens as well (59, 60). Only by purposefully tapping and promoting the productive capacities of the domestic sector—its households and its extended families—will a state be able to sustain its citizens' quality of life during the coming decade while laying the groundwork for long-term prosperity into the 21st century.


4. Port, Otis, op. cit.


24. McNamee, Mike, "New Economic Era: Merely a Rerun?" USA Today, Sept. 18, 1984: 3B.


60. Hilkirk, John, "States Find It Hard to Recruit Firms," USA Today, Nov. 13, 1984: 1B-2B.

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**Figure 1**

Changing Make-Up of the U.S. Job Market 1970 to 2010

<table>
<thead>
<tr>
<th>TOTAL -- ALL MIDDLE AND UPPER INCOME JOBS</th>
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<tr>
<td>MIDDLE AND UPPER INCOME JOBS ASSOCIATED WITH LABOR-INTENSIVE PRODUCTION &amp; MANAGEMENT</td>
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<tr>
<td>MIDDLE AND UPPER INCOME JOBS ASSOCIATED WITH HIGH-TECH PRODUCTION AND MANAGEMENT</td>
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David Pearce Snyder

David Pearce Snyder is life-styles editor of The Futurist magazine and a social forecaster whose seminars on strategic management and decision-making have been attended by representatives from most of the Fortune 500 companies. Before entering full-time practice as a consulting futurist in 1981, Mr. Snyder was senior planning officer for the U.S. Internal Revenue Service (1974–1981), where he designed and managed the service's management-by-objective and strategic planning systems.

A former consultant to the RAND Corporation, Mr. Snyder has also served as an instructor for the Federal Executive Institute and for Congressional and White House staff development programs. Since leaving the Federal Government, he has worked with hundreds of U.S. trade and professional associations, and with nearly 200 national, state, and local educational organizations. His private sector clients have included such major firms as IBM, Exxon, General Electric, Tektronix, and the Dayton-Hudson Corporation.

In demand as both speaker and writer, David Snyder has published over 100 articles and studies on the future of U.S. institutions, industries, and professions, and on the socioeconomic impact of new technologies. He is editor or coauthor of four books, including Future Forces, published in 1984 by the American Society of Association Executives. A sequel, Managing the Revolution, is scheduled for release in the summer of 1988.