

THE BEST SEAT ON THE TITANIC

! NBN (Nebraska's Big Newspaper) for July 8 has on its front page one of the more cheery articles I have seen in a long time—but sad in the sense of the large number of people who can be induced to believe what it sets forth. A president of a small Nebraska college presents his partial diagnosis of problems in the job market and only one reader in five thousand will detect the serious error of reasoning which shouts from it. He says that America's productivity is suffering from a lack of motivation. He presents the case of how his college will produce in its graduates the attitudes that will enable them to get jobs instead of someone else. He says "We have to get them to care."

His college has set up a Career Development Institute to teach his vocational system to other colleges. The idea would seem to be that if more colleges did this, more people would find better jobs. I am going on record as asserting that this can't happen unless the number of jobs could change. Have you ever played musical chairs?

Oh sure, those particular colleges and their graduates can improve their relative status. But can they do it without reducing someone else's when the overall situation is determined by factors probably not considered anywhere in the curriculum of those colleges? Do you care who has the best seat on the Titanic?

He says that productivity has slipped in part because Americans have been convinced they should not enjoy work. People come up with ideas like that when they cannot visualize a massive equilibrium around which productivity would wobble even if a hundred percent of us sang through our daily tasks. Productivity is held at a figure far below its natural rate for reasons very carefully avoided in the economics curricula of our colleges.

That college plan, even if spread to every school in the country will not influence productivity nor our unemployment rate by one iota. Nine percent is not necessary. The rate could be zero or less.

Negative unemployment rate? That's what I said. How can one conceive of that? If being an employer were only a few percent more desirable, employers would increase in numbers and would be competing for more job applicants instead of rejecting them. At this point, some disputant, in his profound wisdom usually says, "But to do that you'd have to change the system." And I answer, "By the beard of the prophet! Of course, change the system. The system is nothing in the world except the total set of rewards and penalties. It gets changed every hour that any legislature ever sits."

Society needs for the colleges to pick up the thread of macroeconomics at the stage where it was still a science (before Karl Marx) and develop the logical consequences of the laws of Adam Smith, David Ricardo and Jean Baptiste Say.

"Quick fixes" avail society nothing if they try to conflict with fundamental natural cause-and-effect linkages.