

into action the basic policies that we would like to follow. This is the third of the changes that I think are going to occupy the attention of management, this question of how to adjust their operations to the problems of abundance and surpluses in contrast to the problems of scarcity.

All these things are not going to be of equal significance in every kind of activity or every kind of company. They will change first in some and then in others as surpluses begin to supplant scarcities, as indeed they have in the field of agriculture and in the field of transportation.

Even the processes of collective bargaining, which is another phase of mobility and change and adjustment, are beginning to bog down in numerous instances. They are in terrible shape in the railroad business. You find more and more--and this is the kind of thing that worries me--frequently an irreconcilable conflict at the collective bargaining table. The first one to suggest compulsory arbitration is the businessman; in other words, inviting the extension of the rulemaking society. In compulsory arbitration the word "compulsory" is the antithesis of free.

Finally, there is one more shift in this picture that I think is going to compel the attention of management. That is the shift from interest in the production of goods and services to preoccupation with the task of producing jobs and job satisfactions.

Why in the world should a businessman be primarily concerned with jobs and job satisfactions? He is in business to make a profit. He makes a profit by producing a product and selling it in competition with his competitors, and selling it for more than it costs him to make it. The job is a byproduct. He is delighted that he is able to produce the job, but how and why should it become a focus of his major interest?

There are two reasons. One is that a business organization in producing goods and services also produces incomes which flow out to the society in the form of salaries and wages. Without producing those incomes the market dries up. That is one reason business must necessarily interest itself in jobs and job satisfactions.

The other reason is that business is increasingly coming to realize that its ultimate sanction is not found in law nearly so much