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## A Nixonian Seer

By Amitai Etzioni

**THE AGE OF DISCONTINUITY: Guidelines to Our Changing Society.** By Peter F. Drucker. 394 pages. Harper & Row. 1969. \$7.95.

Everyone should read Peter Drucker to understand the Nixonian era, one which—with the provocation of SDS and more extreme groups—may well be here longer than many of us now suspect. As these lines are written in May, 1969, the Nixon Administration has not yet found its identity—or at least has not yet revealed it. The Nixon newcomers are slowly settling into a Democratic Washington with all the weight of a summer cloud. Liberal Democrats are still the Administration's most often quoted court intellectuals, with Kiesinger and Moynihan heading the list. Drucker, it seems to me, comes much closer to explicating the underlying ethos of welfare capitalism, which is the Nixonian true mettle. Actually, it may be said that Drucker is more Nixonian than the present facade of the new Administration; he is one of the few productive conservative thinkers. Free from the old clichés, ready to coin new ones, he is a man that the Republicans, were they more amenable to intellectuals, should find immensely useful.

The "discontinuity" that Drucker sees is not the kind that disturbs the New Left; on the contrary, he anticipates and welcomes a revitalized concern with production and productivity and a greater role for corporate bodies in our life. The qualitative jump he sees in our social history is due chiefly to four changes: the rapid rise of new industries based on novel technologies and new research; the shift from an international economy to a one-world economic system; the rise of a "society of organizations"; and the accelerated diffusion of more education to more people. These are not projections into the remote future but, the author notes modestly, a transformation which "is clearly visible but is not yet being perceived."

While discontinuities may be observed in all

major sectors of our society, the main one that Drucker focuses on is the transition from work on assembly lines to work in laboratories, with computers, and at drawing boards. "Knowledge industries" (from oceanography to urbanology) are his key to our improved future. "Knowledge workers" are expected to be more concerned with opportunities to apply their talents and training than with obtaining raises. The Leftist students, in this context, are the Luddites of the computers.

Drucker, as the neo-conservative ideologue, is concerned not only with efficiency and productivity, but also with improving the quality of life. He is worried about middle-class urban problems (pollution and transportation) but also about the way to achieve social justice for the black and the poor, both for its own sake and to prevent revolutions here and abroad. His main thesis evolves around the question: Who is the best agent of the needed societal changes?

Drucker is at his best in deriding the government as the central agent of change. In strong, well-pointed arguments, he depicts the government as highly inefficient, excessively ambitious in terms of the programs it generates, conservative in its interest in problems rather than in prospects, and anxious to protect existing practices rather than to innovate. Business, on all of these dimensions, is depicted as a vastly superior manager of our future.

Here enters Drucker's already frequently quoted concept of "reprivatization," according to which the government will return most of its functions to the private sector and limit its future efforts chiefly to conceptualizing and coordinating programs and not to carrying them out. The tune will be played by private corporate bodies, business above all. The government will be like a conductor—coordinating, guid-

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ing, injecting a concept, but "doing" much less.

The businesses that Drucker sees as our saviors (from overwhelming problems and fumbling government) are not the large corporations that appear to have developed a measure of social conscience and commitment (Xerox, IBM) but rather the smaller ones, which Drucker believes are more innovative than most corporate giants.

However, even the *Wall Street Journal* reviewer of Drucker's book could not quite follow this point; Grier Raggio's comment deserves to be quoted and remembered:

Drucker sees business as the institution most adaptable to change in our society, it alone having an index of achievement—profits—that reflects success in responding to new opportunities. He does not, however, tackle the argument that many urgent social needs are not backed by purchasing power and that high profits do not preclude a misallocation of resources. Profits then become a test of success in creating and satisfying wants among those who have money and not a measure of the enterprise's contribution to the public welfare.

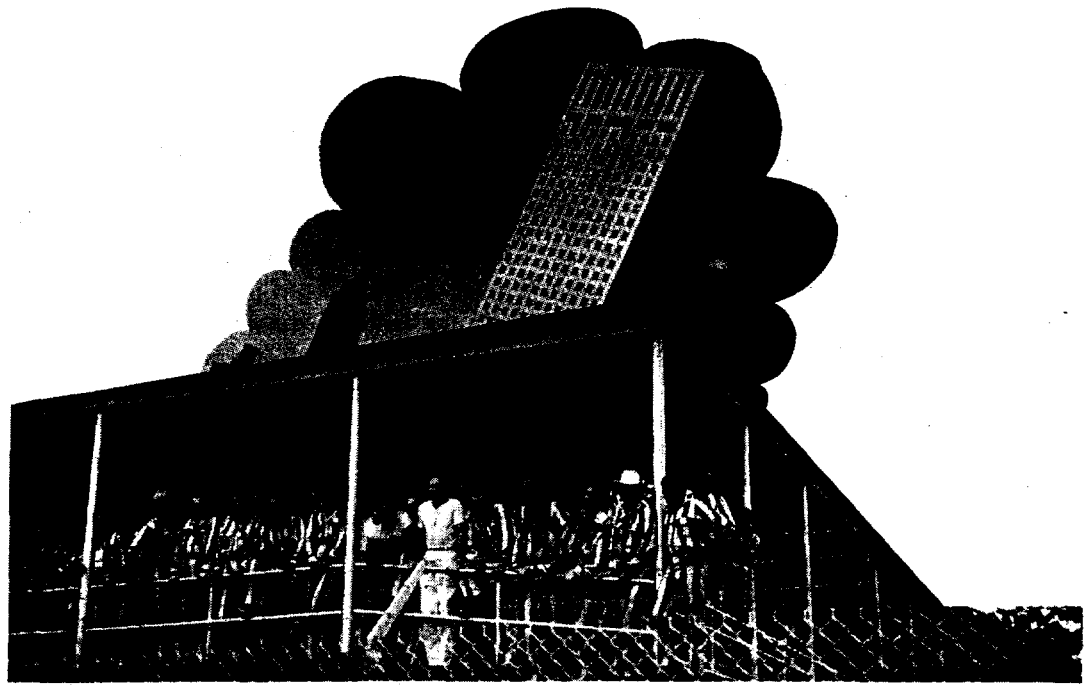
One solution to this dilemma is to suggest, or hope for, a growing social conscience in the business community. Drucker, departing here from the rhetoric of the Nixon Administration—although not necessarily from its direction—sees little merit in "the voluntary way," in the call for businesses (and other corporate bodies) to assume social responsibilities. It is his opinion (a correct one in my judgment) that voluntarism is unlikely to have much effect because it is not in business' self-interest and is beyond the reach of its special competence. Corporate bodies will be most helpful, Drucker observes, if they remain at the tasks they do best and which coincide with their self-interest. The way in which they find it to their advantage to treat social problems is not clear. Various incentives may be developed, such as outright government subsidies, tax advantages, loans, etc. But as past experience demonstrates, such incentives may be very expensive and often will

not yield the desired results. Many ethical issues are also involved: Could we have prisons managed by private companies, thus giving them the right to detain individuals? The quality of care, by most criteria, is substantially lower in proprietary than in non-profit public hospitals. Could the treatment of drug addicts be effectively carried out "as a business"?

A rather important "methodological" issue is also at stake here. When we assess the merit of an organization or an approach, we may compare it, on the one hand, to an abstract ideal or, on the other hand, to other alternatives either already available or realistically possible. Thus, if we ask, "Is the government effective in handling our social problems?" the answer is, "God, no!" Actually, it is surprising how few of the 430-odd domestic programs directed from Washington make any progress. But this is to compare a concrete, operating system to an ideal—a program that solves a social problem. On the other hand, when we look at business' treatment of social problems over against that of the government, we are comparing two alternative systems to each other. There are very few careful studies of relative efficacy here (other than in the production of hardware), and Drucker does not provide one. He tends to assume that just because the government is so ineffectual in dealing with these matters, business will do better. So far as I am concerned, this remains to be demonstrated.

Above all, in many areas, private-public "mixes" may be the most effective way to proceed, with the government acting as a partner in some situations, as a guard in others, and as a conductor in still others. The Post Office may well be "reprivatized," but I would like to see the government as a partner in prison management, as a more powerful controller of advertising, etc. To some degree, Drucker seems caught in a dated dichotomy of private vs. public authority, with his commitment on the private side.

In short, Drucker belongs to a large group



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of neo-conservative writers who would minimize the government's role without abdicating responsibility for the social concerns which helped bring the government into the picture in the first place. This tack is very similar to that taken by numerous Nixon task-forces who have been talking but have so far done little along these lines, perhaps because none of us knows the form of ownership, management, or organization which will provide us with effective yet socially responsible tools. So far as I can see, the answer lies not in reprivatization but in the greater integration of private organizations and public authorities, coupled with new modes and levels of participation by workers, clients, and citizens.

But this is not the place to discuss my "platform." What is most characteristic of Drucker's writing is a scope, breadth, and superficiality that are hard to equal. His main virtue is that of a generalist; as an economist, he rarely hesitates to deal with domestic or international

political issues, technologies, or social problems. (He says apologetically that he did not get around to studying the arts.) The book is full of rather simplified, over-generalized statements—for example, that the world is "one global shopping center" (actually, most of the shopping is done in the United States and Western Europe) and has "one common demand schedule, one common set of economic values and preferences" (which is true at such a high level of abstraction as to be almost meaningless).

The book's main value is not its detailed, deep study of our society and its dynamics. It should be read, above all, because of the mood that pervades it. It glorifies business and the businessman's society and legitimates a retraction of public authority. The book is frequently rationalistic and technocratic ("fix-it") in its orientation to our social problems and their treatment, despite a genuine concern with the "quality of life." It relies much more on improved social engineering than on authentic citizen involvement in efforts to create a good society in America. And, I suggest, it is closer to what Nixon and his intimate advisors and most of his cabinet members believe and think than any recent book. It may prove to be a fairly good indicator of where we are heading for a while. •