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EDUCATION'S CHALLENGE

by

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8/31/51 - Commencement
Address -

Commencement is an important occasion - perhaps the most important one in your entire lives.

The world facing you is sorely troubled, -- yet, at the same time, it offers the greatest opportunity ever presented for outstanding accomplishment particularly in a land where the individual is appreciated.

All of you, no doubt, have serious problems to meet and many of you, especially those who must give part of your lives to military service, are called upon to make tremendous sacrifices. But these sacrifices are made necessary by the very thing that creates your opportunity. They will add to your stature and your ability to solve the larger problems that lie ahead.

These problems are economic, social, political, and moral. They are as difficult as their objective is worthy. The welfare of all the people of the world depends on their satisfactory solution. They are involved because they are world wide. They are made more complex by revolutionary technological developments that have changed the mode of living, the welfare, and the security of entire nations of people.

In our own country, through the application of technology, bold, energetic, and imaginative men have created an industrial establishment and a living standard that surpass man's wildest dreams.

America's Accomplishments Through Free Enterprise

In assessing the reasons for this great record of growth, we must give due credit to our abundant and rich natural resources. But other nations equally blessed have failed to respond as we did. Certainly, American ingenuity and native ability for mass production were essential ingredients.

But beyond a doubt, the most important factor was the spirit of enterprise, progressive and courageous, that grew and thrived in a system of government that emphasized the dignity and importance of the individual, encouraged competition, and rewarded successful achievement. This system released the people to utilize fully and freely the nation's rich natural resources and to devote their own great capacity effectively to getting things done quickly and economically. It resulted in the building of a vast system of scientific research and technology, which is in itself a great new national resource - inexhaustible and capable of lengthening the life of present natural resources or substituting for those in short supply.

Free enterprise was essential for survival in the early pioneering days of our nation when life was simple but rugged. It remained a vital factor in our growth to industrial leadership. In our complex system today, the continuance of free enterprise is absolutely essential - that is, if we are to progress and enjoy the benefits of new developments that are bound to come from our great new resource, research. In fact, research has become the very epitome of the free enterprise system. It is the most important ingredient of an even higher American standard of living.

In two wars America has proved the advantages of our free enterprise system. In both emergencies we were forced to equip an army and navy in record time. In a few short years during World War II we progressed from drilling with wooden guns to excelling Germany in quantity and quality of war materiel that she had taken twenty years to build. All this we owe to our marvelous industrial system, its skilled workers and fine management, and our technology and education.

Since the beginning of World War II, our industrial system has more than doubled its electrical energy, which is now $3\frac{1}{2}$ times that of Russia's.

It has increased its steel output by 83 per cent and its aluminum capacity by 5 times. This makes our production of each of these vital metals $3\frac{1}{2}$ times that of the Russian orbit. We use over one-half the world's production of the nonferrous metals: copper, zinc, nickel, manganese, molybdenum, and cobalt.

To mention just a few more important industrial achievements:

- Our oil industry produces $\frac{1}{2}$ the world's output, 8 times that of Russia and her satellites.
- Our coal industry is also more than $\frac{1}{2}$ the world's, $3\frac{1}{4}$ times Russia's.
- American petroleum refineries with chemical industry's help, make over 7 million tons of chemicals from petroleum each year.
- Our chemists have generated the production of millions of tons of plastics and similar synthetic materials annually.
- We have built a capacity for synthetic rubber nearly as great as the maximum amount of natural rubber ever produced in all the world in any one year.
- Our output of man-made fabrics is twice as large as our entire wool production and 40% of our cotton crop.

Based on such a prolific source of materials our manufacturing industry is larger than the rest of the world's.

- Our facilities for transportation and communications are beyond comparison.
- The producing ability of our farm people with their labor-saving equipment is the envy of all other nations.

Is it any wonder then, that thousands of new businesses started small and became large, and that this evolution goes on continuously even today.

Is it surprising that our giant corporations, having grown thus, live harmoniously alongside and in competition with numerous small operations; that both small and large enterprises rise to the rescue of our nation in times of emergency?

Is it any wonder that research and technology have risen to such amazing heights or that American research is now a two billion dollar enterprise in itself; an enterprise that will continue to grow and provide a still better way of life; one that will keep all industry dynamic -- that is, if research continues to enjoy its present freedom from restraint.

A basic part of our wonderful American system is the principle that rewards (both material and spiritual) come from service; that income for capital and for labor is in direct relation to productivity.

Science and technology have created the opportunity for both capital and labor to receive greater rewards -- new and better products and processes to increase markets and improved tools so that labor can produce more and thus, earn more.

For example, a coal miner today using modern machinery can mine several times as much coal a day as he did by the old strong-back method. Actually today in the bituminous industry in America the miner produces nearly $2\frac{1}{2}$ times as much coal per hour as he did in 1914 and not all mines have been modernized. Such equipment requires an investment of additional dollars on which capital earns an extra return. But labor still gets the major share of the income from the additional tonnage mined. So, as a result of capital's expenditures of large sums of money for worker's tools, labor leaders succeed in getting wage increases because the worker is able to produce more wealth.

Beyond a doubt our system of free enterprise has been the prime factor in our superb national progress. But the greatest reward provided by this system is the sense of accomplishment that comes to the man or woman who performs a worthy service and knows that he is useful.

Other Plans - And Russia

There are, of course, imperfections in this system. Human frailties sometimes result in bad management, favoritism, greed, and corruption, and thus are deterrents to its operation. But these are exceptions and do not prove that the system is at fault.

Proponents of other systems of government (and most of these have failed in other countries) magnify these imperfections and try to destroy rather than improve the system that has made possible our industrial supremacy and the highest living standards in history. These plans always fail because they ignore the sanctity of the human individual and prevent the exercise of his natural love of freedom.

Even in some of the European nations where democracy reigns and a free enterprise system supposedly operates, restrictions deter the spirit of enterprise and stultify growth. One of the strongest of these deterrents is the restriction of the competitive spirit; e.g., by the use of cartels, whereby the market is rationed among the producers. The sale of the output of the cartel members is guaranteed at an agreed price. These members are afforded no opportunities to increase their individual markets by making a better product and they may not reduce prices. Incentive is gone and with it, progress.

When any social system begins to fall down, it is natural for the government to impose controls to protect a bad situation. It may thereby make things worse. One control or restriction leads to another and still another.

Finally, nationalization of industries, a strong centralized form of government, socialism, or something worse develops, resulting in a vicious cycle that can have but one end -- the lowering of living standards of the people, international strife, and human degradation.

Such a system might endure, but it cannot thrive. In the end it subordinates the individual to the state and makes man the ruled instead of the ruler.

Unfortunately in our own free enterprise system, to meet the competition of military aggressors, it sometimes becomes necessary to set up controls ourselves to provide sufficient production of materials for the nation's defense. But these should be released as soon as the emergency is past. We must be ever watchful to guard against the governmental use of national emergencies as an excuse for imposition of permanent dictatorial or socialistic devices to diminish the freedom of operation of our democratic institutions.

Let us build an armor against attack of our political and social institutions that will be as strong as that which we are making for our military establishment.

The Problems Confronting You

So - the problems confronting you graduates are indeed complex and world wide.

In the last quarter century, which covers the life span of most of you, our world has experienced revolutionary changes socially, industrially, and politically.

The discoveries of science and their wide-spread application have profoundly changed the mode of life and aspirations of most of the people on earth. Time and space have shrunk and commerce and industry have made nearly all nations dependent to some degree on others.

Finally, the development of powerful weapons of destruction makes it most imperative that all the inhabitants of this shrinking, disturbed world learn to live together peacefully.

In our rise to a position of leadership in the world of nations, our people have been called upon to share their wealth and military strength with others in order to help them in their desire to remain free. This we have done generously. Unfortunately, however, we have not always achieved our objective. Our selflessness has not always been understood. In many important instances our high purpose failed completely - in spite of our demonstrated success in making our own country great.

We achieved this success through outstanding ability and leadership in industry, finance, and technology. But this is not enough if we are to merit our position of leadership in the free world.

We need to keep our high American standards of living and to improve them constantly; to continue our dynamic economy and to keep and strengthen our free enterprise system. We need to overcome our ineptitude in dealing with people, to make our ideals and ambitions understood and to maintain our dignity as Americans at home and among the nations of the world. We must turn away from our wastefulness in both our domestic and national economies. We must return to our old standard of high moral conduct in all things.

To accomplish this we need a new, a fresh leadership in all phases of life's complex activities.

And that is where you graduates come in. This is the challenge to you. Today the most important need is to learn how to work with others - to secure acceptance of ourselves and our ideas. This ability is not learned from books or in the classroom. It comes from experience and a state of mind.

It requires a spirit of cooperative and understanding consideration for the other fellow, and a high degree of humility. It means playing for the team and not for the grandstand.

You Are The Ones To Do It

Our problems are so complex that they cannot be understood without the ability to learn and observe and judge and induce action that comes from good education and training. These problems cannot be solved except by people like you who have the knowledge to understand them, and the good common sense to appreciate how fortunate you are to be Americans.

Our nation's economic, political, and military predicament is such that leadership of the highest order is called for; leadership that is wise, human, courageous, and strong.

It is to you graduates, representing only a small proportion of your age group, that we, your elders, look hopefully for a better world. We call upon you to maintain, even to enhance the ideals that made our nation great. To you, and other tens of thousands like you across the country, this is education's challenge. It is up to you.

Thus, you are confronted with the greatest opportunities ever presented mankind. Success will require the same spirit, the same courage, the same wisdom that have saved our nation in other emergencies.

Each of you has your place in the sun. The importance of that place in your final destiny depends not so much on what sort of service it is, whether in public life, in business, or in one of the professions, as in how well you perform your task.

But whatever it is, get to it without delay, because my generation would like to see our world made better as quickly as possible. You graduates are the ones to do it. Of that I have no question. God speed you on your way.