

WASHINGTON — It is intellectually chic to say that the United States is changing from an industrial society to a high-technology society. This statement vastly exaggerates trends that are slowly taking place, and it disregards some significant counter-trends resulting from the need to adapt to the new energy environment and to reindustrialize, and from national security considerations.

The end of industrial society is widely predicted. Already, it is said, the manufacturing sector employs only one of every five Americans, most people work in services, and the

# Prematurely Burying Our Industrial Society

By Amitai Etzioni

tant sources of employment, production and export. Even agriculture is still a very important sector, especially in exports, that no sensible person would wish to close down.

Above all, shoring up the economy requires attention to basic industries that have been neglected and are not about to be replaced by information-based industries. The rise of new communications technology will not replace an efficient transportation system. Coal, grain and steel will not travel by telephone lines or satellites; they require modernized ports, railroads and other such object-handling and object-carrying facilities. Similarly, energy is not, by and large, knowledge-based industry. America needs to sink more and deeper into new kinds of oil wells, mine more coal and install countless passive solar units. All these involve object industries and blue-collar jobs. In addition, the largest defense commitment is to hardware, mainly the product of basic industries.

The notion that America should "export" low-skilled jobs to third-world countries and concentrate on high skilled jobs is a dangerous simplification. True, if each country devoted itself to producing whatever its "comparative advantage" prescribed and traded freely with others, all would benefit. But the reality of international relations is one of the Soviet Union and China, the Organization of Petroleum Exporting Countries, and protectionism in Japan and Europe.

In this setting, to follow two abstractions of economics — comparative advantage, uninhibited trade — would have disastrous consequences for our less-skilled workers.

To expect that we can train most of our lower-skilled workers for high skilled jobs is all too optimistic. While we should invest more in schools, training and retraining, we are sure to have a sizable low-skilled labor force for the foreseeable future.

Even if we were to "export" our low-skilled jobs, we might well find that other countries are better suited to do high-skilled work. Then, by the logic, America might be said to be "most suited" to produce Coca-Cola and hot dogs, and little else. The criteria of comparative advantage and free trade must be mitigated by common sense, considerations of national security, sensitivity to social needs, and a demand for mutuality in international trade.

We have been for a long time, and we will continue to be, a two-track society, with strong elements in both basic and high-technology industries. The basic industries need to be retooled and perhaps trimmed, and the new ones encouraged, but not one at the expense of the other.

*Amitai Etzioni, who was a senior adviser in the Executive Office of the President in 1979 and 1980, is author of the forthcoming "An Immodest Agenda."*



Anita Siegel

most rapidly growing services deal with information, not objects.

Many of those who hold this view urge the United States to distinguish between future-oriented industries, which are to be endowed with public support (tax benefits, credits, etc.), and those mired in the past, which are not. The knowledge industry tops most lists of winners; manufacturing industries are often among the losers.

Actually, America is not experiencing a closing down of one sector and an opening of new ones; rather, the shift of resources taking place is very gradual. For instance, between 1959 and 1979, the proportion of workers employed in manufacturing declined at an average annual rate of 0.175 percent, and is expected to decline 1.4 percent more by 1990. Between 1959 and 1979, services increased their share of the labor force at an average annual rate of 0.3 percent; a rise of less than 2 percent is expected by 1990.

It follows that while it might be worthwhile to encourage new, trendy industries, it is neither practical nor desirable to ignore older ones. They will be with us into the 1990's as impor-