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WE CAN HARDLY pick up a newspaper or magazine these days without reading about air and water pollution, excessive noise, chemical contamination of food, damage to the ecological balance, urban decay and a host of other ills.

Dissertations on the perils about us greatly outnumber prescriptions for their solution. But there is no lack of the latter, and the more I read of these prescriptions, the more uncomfortable I become. For it seems that too many of them do not dig far enough toward the roots of the problems or project far enough forward to the possible consequences of the remedies proposed.

I make these observations as a certified public accountant whose profession comprises several categories. One, of course, is accounting systems and the data that evolves from them. In addition, there are management advisory services, tax services and auditing.

My own experience has been mainly in the field of auditing. And one of the first things an auditor learns is to dig for facts—not to be satisfied just with information that is plainly on the surface, but to try to run down what may lie behind that information or what may flow from it in the future. An auditor knows that the obvious, accepted uncritically, may lead to faulty conclusions. In my judg-
ment, many of the social and environmental problems we face today really cannot be solved unless we apply to them the same sort of objective, unemotional approach that is characteristic of an auditor.

Let me note some specifics.

When an electric utilities company announces a plan for a new generating plant, the odds are high it will run into a storm of opposition. In response to the utility's concern about growing consumer demand and the prospect of still higher demand in the future, opposition groups will counter with protests against the polluting effects of the proposed installation.

Sometimes the opponents will suggest alternative ways of enlarging supply and will declare their willingness to hear all sides of the question. Usually, however, these concessions are muffled; the main burden of the message is: "Don't do it." An adverse judgment seems to have been formed at the outset and to be unalterable.

WHILE WE SHOULD NOT be indifferent to air pollution from the burning of fossil fuels, to thermal pollution of water by an atomic plant, or to the obliteration of natural beauty by damming a river for a hydro-electric plant, we cannot be indifferent, either, to the need for ample electric supply.

Among the campaigns of protest against new utilities installations there may be some that include a declaration of what the protestors are willing to do to cut their personal use of electricity,
and what similar actions they are prepared to recommend to their fellow citizens. But if there have been any such declarations, they have not come to my notice.

Yet opposition to new facilities—without accompanying proposals for feasible alternatives or for cutting consumption—do not lead toward solutions but only point up the dilemma.

Would the protestors have us go to bed at sunset, as our ancestors did and as people in many parts of the world still do? Should street-lighting be reduced—and if so, at what cost in increased accidents and crime? Should elevators and public transit be restricted, and electricity for cooking, refrigeration, air conditioning and a thousand other purposes be rationed?

Failure to extend one's thinking to logical conclusions on these questions is, to my mind, a serious deficiency, tending to invalidate much of what is being written and said about our environmental problems. For most of the solutions offered will have offsetting costs. To gain something, we must give up something.

President Nixon has ordered a halt to construction of the 180 million dollar Cross-Florida Barge Canal on the recommendation of his Council on Environmental Quality. The canal had been intended to reduce barge shipping costs between the Gulf of Mexico and the Atlantic Coast. But, as Mr. Nixon said, in calculating the economic return on the project, destruction of natural ecological values hadn't been counted as a cost, nor had preservation of the environment been considered a credit.
THIS IS THE FIRST TIME a President has taken a step of this kind—a highly encouraging indication of a new outlook on social accounting at the highest political level.

When DDT was first synthesized, it was hailed as an immense boon. However, its virtual indestructibility in the normal course of events, and therefore its persistence in the natural food chain were not generally recognized at the time. Today its use is widely, and probably wisely, banned.

But DDT did wipe out malaria in many areas. Had we known at the start what we know now about the pesticide, would we have banned it at the cost of the death or disability of millions of people? That is not an easy question, but it is the kind of question that I think we are going to be increasingly called upon to answer.

In many parts of the country these days there is controversy between those who wish to preserve the amenities of country life and those who wish to improve the living conditions of families at lower levels of the economic scale. The conflict generally centers on the matter of zoning regulations. People favoring low density of population defend zoning on the grounds that it keeps an area spacious and free from suburban sprawl, while their opponents claim it discriminates against the less affluent.

THE ADVOCATES of both points of view are no doubt sincere and well-intentioned. But they appear unable to reach an accommodation, to find, through reason, a resolution of their differences. Too often, they merely trade emotional
charges, question each other's motives, and come no closer to answers that might just possibly serve both goals.

The consequence is either an impasse or the triumph of one group which there-upon embarks on an undertaking with noble sentiments but without sufficient consideration of all possible consequences.

Some ten or fifteen years ago, for example, a project for massive slum eradication was proposed for St. Louis. Called the Pruitt-Igoe development, it not only met with little opposition but was heralded as the very model for coping with one of our gravest social problems—decent housing for the poor.

Forty-three apartment houses, each 11-stories tall, were erected in the heart of the city. Today twenty-six of the buildings are abandoned, and there is talk of tearing down the whole lot.

The supporters and sponsors of Pruitt-Igoe, unchallenged by any serious questioners, seem to have looked only at the immediately apparent facts—namely, that there were many poor people in the city who lived in miserable conditions. So a total of $36 million was spent, much of it in borrowings that are still unpaid—and the outcome was a compounding of the problem.

THE PROJECT HAS BEEN a dismal failure because it concentrated impoverishment, not just the economic kind but social impoverishment as well. Burglars and narcotics-pushers zeroed in on the area like weevils on a thick and unprotected field of cotton. The housing authority cannot keep enough guards to maintain security. Windows are broken
faster than they can be replaced. In winter, pipes freeze and burst and send water cascading down stairwells. The remaining tenants desert the project as fast as they can find shelter, even if it is in a dilapidated shell.

This is an example of not enough digging into the roots of a problem and of not thinking forward to all the possible ramifications of proposed solutions.

An alternative to the approach that was taken at Pruitt-Igoe is that of a Boston-based company organized less than two years ago. This organization, in the private sector and avowedly profit-oriented, does not go in and tear down existing buildings, thus necessitating massive relocating of people. Instead, it prefers to rehabilitate empty structures. When this is not immediately possible, the company works with government agencies to relocate tenants until the reconstruction can be completed.

BEFORE EMBARKING on a project, it studies the availability of supportive services. It not only contacts local groups but gives careful consideration to their advice. It aims at housing that will be integrated with the rest of the community instead of becoming an island in a sea of decay.

An important part of this company's program is assistance to members of the minority community to help make the neighborhood self-sustaining. Financing is done partly by the company itself and partly through government small business loans to permit neighborhood people to establish service companies and local businesses.
The company has two projects under way already, one in Boston, another in Newark, N.J.; and while it is too early to judge the results, the approach seems to me rational and promising.

One of the more melancholy manifestations of the problems of our times is the alienation of some of our youth. I can understand the revulsion of young people against some of the features of our society—against the sham and tawdry, against the clumsiness and coldness of bureaucracies, against exploitation and oppression. I abhor and condemn, however the actions of that minority of alienated youth who hold that the only way to bring about a better society is to destroy the present one with bombs and disruption.

As for those alienated youth who take nonviolent ways, I wonder whether they, too, have not failed to think things through. One sees them sitting in parks or on the steps of public buildings, perhaps picking a guitar, perhaps just staring forlornly into space. Presumably, they manage to live by remittances from home, welfare assistance, or panhandling.

But do they never wonder about the morality of a style of living that is parasitic? Can they long be content to be fed and sheltered by a society they reject?

There is a third group of young dropouts made up of those who are productive. In various parts of the country there are hundreds of so-called communes or collectives whose members do odd jobs, raise food, make handicraft articles. One cannot disdain the desire of these people to simplify their lives, nor can one deny their sincerity.

But one must ask whether they, also,
are not deluding themselves. Have those who advocate this style of living thought through to all its consequences? I presume that, if they regard their life-style as ideal, they regard it as *universally* ideal. But living in small, separate groups, with a minimum of organization, means a return to hand-made tools, to a food supply rarely above the subsistence level.

Some of the rebels against the present System do not think this is too great a price to pay. Have they, then, gone on to consider that it would also mean an end to books, most musical instruments, recorded music, photography, modern medicine and surgery—that for the great majority of individuals in such a society, life would be, in the words of Thomas Hobbes, "solitary, poor, nasty, brutish and short"?

I STRONGLY DOUBT that many people can be persuaded that this is an ideal life-style. Those who do believe it, should, of course, be free to follow it. It seems much more sensible, though, to work toward adapting our social and economic institutions to the highly technical environment that exists, rather than to seek retreat from the environment.

Charles Reich, the 42-year old Yale professor whose book *The Greening of America* develops an ideology of alienation more coherent than any disenchanted youth has yet produced, maintains that a more benign social order is not incompatible with industrial technology.

He says in his book, "Since machines can take care of our material wants, why
should not man develop the aesthetic and spiritual sides of his nature?”

However, the main institutions of American society have long been moving in the very direction that Reich proclaims in a tone of new revelation.

Mr. Reich holds up as a goal the development of man’s aesthetic and spiritual faculties. That, of course, requires time beyond what is necessary just to earn one’s daily bread. And time for contemplation and cultural pursuits is provided by the machines invented and built under the incentives of capitalism.

The work-week has been cut by a third in the past 50 or 60 years while per capita output has multiplied by three or four times. Our System, with a capital “S”, has in a span of about two generations virtually eliminated scarlet fever, polio, tuberculosis and several other diseases that formerly scourged mankind.

AS FOR CULTURAL DEVELOPMENT, the number of symphony orchestras in the United States exceeds 14 hundred. The per capita purchase of books is greater today than it was before the coming of television. Thirty years ago, 10 percent of our high school graduates went on to colleges or universities. Today 50 percent do so.

This is by no means to say we have attained a perfect society. It’s unlikely we ever will. But it surely indicates that our economy is not one that creates nothing but ill and should be replaced with something wholly different.

So perhaps the young people who dream of upsetting the System by revolution should examine more clearly whether
the System is not already on a course of becoming more humane.

They may find that today’s Establishment is typified in the words of the chief executive of a major company who spoke on social and environmental problems to the Executives Club of Chicago a few months ago.

REFERRING TO EARTH DAY demonstrations in the spring of 1970, he said: “These young men and women pointed to disruptive sights and sounds, to municipalities that dump raw sewage into waterways, to industries that offend the senses and ignore the public interest. . . .

“I think most industry leaders applauded these student efforts.”

And he added, “At our company we have environmental auditors paying unannounced visits to our plants to make certain that our strict policies are rigidly enforced. These technical experts are empowered to shut down operations if necessary, and all their reports come directly to me as well as to Division Presidents.”

Such remarks—and, more importantly, such policies—surely reveal the very opposite of a public-be-damned tycoon.

Another indication of efforts by private enterprise to contribute to the solution of social problems may be found in the area of solid wastes disposal. Programs are underway to recycle the products of our factories and mills after they have served their original purpose.

The glass, steel, aluminum, paper and plastics industries have all launched collection campaigns to recover their respec-
tive products before they get into the solid waste stream. A major aluminum company has been buying back more than four million cans per month in Los Angeles alone.

Aluminum and steel, of course, can be melted down and recycled. The same is true of glass. But in addition, the largest bottle-maker in the nation has successfully experimented with use of ground glass as an aggregate in road surfacing — "glasphalt," as they call it.

Plastic is being used experimentally for the same purpose, while in San Diego a dairy recovers plastic milk containers and converts them into sewer pipe.

CHIEF EXECUTIVES of 22 of our largest corporations have formed the National Center for Solid Waste Disposal, which hopes to build a 15-million-dollar model plant for mining municipal waste for the valuable elements it contains. They expect that a computerized plant can actually turn a profit, while helping to clean up our air, water and landscape.

The National Center plans to work closely with the new Federal Environmental Protection Agency, headed by my fellow Hoosier, William Ruckelshaus. Such cooperation between the public and the private sectors, following logical, well-thought-out programs, should bring some real results.

As far as pollution is concerned, the fact is we are all polluters. Mankind has been throwing off waste and trash since the race began. But when our race was small in number, waste got recycled back into the soil and water and air without upsetting the ecological balance. It is only recently, in terms of historic time,
that raw-material use has become so great, and disposal needs so huge, that we are in trouble.

WE IN THE ACCOUNTING PROFESSION have not stood apart from the environmental and social problems of our time. The American Institute, for example, has set up a committee on ecology to concern itself first with gathering information on ways in which CPAs have been dealing with environmental management; and second with recommending methods by which the profession can be more useful in this area.

A number of accounting firms have performed engagements of an environmental and social nature. One example is a study of air pollution conducted for the Public Health Service in Kansas City by a task force that included meteorologists, economists and accounting firm management consultants.

The assignment was to determine the types of air pollutants in the area, the sources of each type, the techniques that could be used at each source to bring air purity up to specified levels, and the estimated costs of alternative measures.

Despite the fact that there were thousands of variables to consider, the study group produced a detailed report showing what level of air purity could be achieved through the expenditure of what level of money, and how to spend whatever sum might be available with maximum effectiveness. The group's report is now under study at the Department of Health, Education and Welfare and may become a guide for further interdisciplinary analyses of similar problems.
Other public accounting firms have been engaged to do studies of urban renewal projects, transit patterns for the Northeast Traffic Corridor, the restructuring of state welfare programs, methods for curbing alcoholism and drug abuse, and management systems for health care organizations.

The thought I offer for consideration is that approaches to our social and environmental problems today are often too emotional and superficial. While appeal to emotion is sometimes necessary to arouse action, it is not enough by itself. Frequently, it leads to attempted remedies which are not true solutions—which, indeed, sometimes bring about results that are the exact opposite of those wanted.

WE MUST NOT, either as individuals or members of special groups, regard ourselves as virtuous victims and others as villains. Ardent conservationists should not look upon industrialists as callous culprits, and industrialists should not regard conservationists as crackpot obstructionists. No single group of people is to blame for the ills we see; our environmental and social problems are not going to be met successfully by an approach of confrontation.

As alternative, I suggest an approach marked by more rationality and objectivity. This entails recognition that the causes of social and environmental problems are complex, and simple prescriptions for their solutions are delusive.

A rational approach requires that we understand conditions broadly and analyze proposed cures in depth. We must
find better methods than we now have for measuring cost/benefit ratios in the social field and for establishing criteria for gauging that elusive value, "the quality of life." However, we cannot defer action until we have a well-defined system of social accounting. Action and research must go forward concurrently.

A rational and objective approach calls for realization that we are face-to-face with two cosmic facts. The first is the conservation of matter—that we cannot, in the fundamental sense, throw anything away. In one form or another it continues to exist forever.

THE OTHER FACT IS that we live in a closed system. Our planet is as much a space vehicle as one of the rocketed modules that have carried men to the moon and back. And just as the waste produced by astronauts in the process of living has to be recycled, so the wastes produced on earth have to be recycled for us to continue to live.

Finally, a rational approach involves a change in our concept of our place on earth. For thousands of years, man has conceived his mission as being one of dominion over all the rest of life—the conquest of nature. That idea may have been reasonable when it was first set forth. But not now. For man is part of nature. Therefore, if he damages nature, he eventually damages himself.

There is need for a complete shift from the idea of conquest of nature to the idea of cooperation with nature. And, in relations among mankind itself, more mutual understanding and tolerance will be immensely helpful.