

LBJ Meets the Press . . . Sort of

by Richard L. Strout

Franklin Roosevelt, in a little over three terms, had 998 press conferences: twice a week before the war; once a week during the war. When I refer to a press conference I mean one announced in advance and held in Washington: I do not mean a sudden, spur-of-the-minute affair, nor yet an ambulatory press conference where the President strides around the flower beds and the puffing press pursues him.

Mr. Truman, if my figures are right, had well over 300; General Eisenhower cut the number down to 200, and President Kennedy in his bright 1,000 days had a conference about once a fortnight.

Alas, this tradition has not continued in recent days. President Johnson has been one of the most accessible men to the press of any President; that is, in informal gatherings, meetings with individual bureau chiefs or tips to favorite correspondents. But as for formal press conferences, I can only figure that he had nine last year. So far in 1966 he has held only one.

I think the "formal" press conference is important. In the first place, what is said is on the record. It cannot be contradicted or thrown down next day. A press conference that is scheduled in advance brings in the reporters who are experts or specialists who have something special to ask which only the President can answer. A formal conference brings in somebody besides the White House "regulars." Twenty or 30 newsmen are assigned to the White House at all times. They go with the Chief Executive on trips, they follow him to Texas or Honolulu. They include top-notch reporters but they are, willy-nilly, part of the family. They have to keep on living with Mr. Johnson, no matter how sharp a question they ask. They are a kind of White House bodyguard. At a formal press conference as many as 300 correspondents may be present and the whole thing is on a more impersonal level. Another thing: a formal question-and-answer exchange is a psychologically sound method of presenting complicated government issues in a way that the public can understand.

It is my contention that under present conditions something traditional and valuable is being lost in Washington. In this loss the press is being diminished,

This is excerpted from the George Polk Memorial lecture given by MR. STROUT, of the Washington bureau of The Christian Science Monitor, on the occasion of the 1966 George Polk Memorial awards.

and the country is dropping a safeguard. President Johnson himself is a big loser.

There is always the danger for any President that he lose touch. He can't always be out traveling or campaigning. It is just when he is busiest, with a war on, that he may be most cut off. One way of keeping in touch is to let the big, awkward, variegated press corps into his presence. There is no other way for the American public, through the press, to tell the President, face to face, what worries it. Harry Truman put it better than I can: The Chief Executive should meet newsmen once a week, he said, *to find out "what's on the public's mind."*

What's the good of a big conference if only a dozen or so reporters actually ask questions? There is something more than just asking questions. The press wants to know how the President looks, how he reacts, how he feels; the regular, renewed revelation of his manner and mood; there are judgments to be made of his physical and emotional state, prompted by spontaneous questions.

All free governments have some means of subjecting their executive to interrogation. In Great Britain, the executive comprises 40 men of ministerial rank. The cabinet undergoes question time, an hour a day, four days a week, in parliament. But in the US the executive is all rolled into one. No other democracy has an elected leader with such enormous, such awful power. It is the power of peace and war. There is no question time in Congress. Where a modern President foregoes the regular press conference – and I acknowledge it has many faults and is time-consuming and even irksome – you are apt to get a substitute: government by leak, information by seepage, news-ooze.

Let me illustrate. In the Sunday *New York Times* of March 6, on the editorial page, appeared an article by C. L. Sulzberger. Sentence after sentence began "Mr. Johnson believes . . ." – "Mr. Johnson reckons . . ." – "The President is himself convinced . . ." – "What deeply concerns the President . . ." The gist of the article was that Americans, in Mr. Johnson's view, tend to become more belligerent as war continues, and he is afraid of the hawks rather than the doves if frustration mounts.

Very likely this is true. But is this the right way to put such matters out? Scripps-Howard columnist Lyle Wilson on March 10, referring to quite another matter, cited "these faceless, perhaps irresponsible sources of

vital news." Lyle Wilson's deduction was that we are in for a long war, and "Mr. Johnson's choice evidently is to leak the news to the American public rather than to shock the nation with a bold statement of what must be expected." News by osmosis may be successful for a while, but in time it produces, I believe, a credibility gap; the kind of a gap which some think they see at present. Gen. Maxwell Taylor, presidential adviser, wants to mine Haiphong harbor; we ought to be able to ask Mr. Johnson about it.

There are evidences that the President is of two minds about regular scheduled press conferences. On March 13 and March 20 a year ago he promised "at least one press conference a month."

Why hasn't he held them? In a celebrated interview not long ago Bill Moyers attacked the radio-TV press conference as a "circus," as "televised extravaganzas." I think the thing goes deeper than Moyers' explanation. Mr. Johnson, in my estimation, does very well at

formal press conferences when he has held them.

It is my judgment that Mr. Johnson wants to hold control in his own hands. His ideal is a private audience with selected reporters where he can talk and they can listen, and nobody asks too many unexpected questions. It is a habit, an approach, an instinct that he cannot break. He discovered in the Senate that when he disclosed his views, he limited his freedom of choice, and his opponents thwarted him. He is a very complicated man. He is divided about the press: he affects to decry it, and reverences it; he patronizes it, and he writhes under it; he will overact in an extraordinary way to woo some individual reporter.

Yet the President cannot leave it alone, what it is saying, what the polls are saying, what his rating is. Theoretically, I am sure, he has faith in the ultimate give-and-take of opinion in a free democracy, but he can't overcome a lifetime of trying to manipulate the scales in his favor.

Keynes Isn't Enough

The Goal Beyond Full Employment

by Louis J. Walinsky

During the course of 1965, even the businessmen and the politicians came to realize what the economists, following John Maynard Keynes, had contended for nearly three decades—that the government, through appropriate policies, could bring the economy to a state of virtually full employment. Having won this most significant victory, the economists became promptly bemused with the far lesser—though undeniably important—question of how to maintain full employment without inflation. It was the politicians, in the person of President Johnson, whose call for a Great Society placed necessary new emphasis on the critical questions on which the Keynesian economics had been silent all along. These questions are: how can income be better distributed; and how can we better use our productive capacity?

J. K. Galbraith pointed out nearly a decade ago that our preoccupation with full employment has actually been negative on this score; it served to diffuse the attention which earlier generations had properly focused on these questions. Liberals and organized labor, enchanted with the new panacea, failed ade-

quately to recognize that, while the full employment objective aimed at conditions conducive to social justice and social priorities, the objective itself was neutral on these fundamental questions.

Full employment, to be sure, does provide jobs for all those able and willing to work, and it does favor both higher wages and more generous public expenditures for social welfare. Conceptually, however, it requires neither of these; it is as compatible with a slave- or poverty-ridden society as it is with a welfarist one. This neutrality is evident in the conflicting uses made of the objective by opposing interest groups. Thus, organized labor and the liberals have sought to justify higher wages, shorter hours and public deficit spending for education, health, housing and other welfare measures in times of unemployment on the grounds that these would augment private and public demand and thus promote full employment. But businessmen and conservatives have argued at the same time that higher wages and shorter hours, by raising costs and squeezing profits, would reduce incentives to private investment and hence to job creation. Economists have

also been divided on these questions — a division derived as much from disparate value systems to which they subscribe as it does from conflicting economic analysis. For economists conventionally are not concerned with social justice and production priorities. The classical economics had asserted that — given the level and distribution of income at any time, and competitive conditions — the optimum allocation of resources would be affected through the marketplace. Since anything less than the full utilization of resources would, in a world of scarcity, be wasteful, the full employment of manpower and other productive resources was obviously desirable. The economists' objective was thus efficiency rather than welfare. But, since the same marketplace also determined the rewards distributed to the productive factors responsible, these distributive shares — wages, rents, interest, profits — were also presumably "optimum," in economic terms, given competitive conditions. This closed logical system quite effectively insulated economists — with, of course, such notable exceptions as J. K. Galbraith, Leon Keyserling and Gerhard Colm — from concern over the equities of income distribution, the effects (or mal-effects) of this distribution on what and how much was produced, and the effects in turn of various combinations of resource use on the distributive shares themselves. The moral effect of this insulation, however unintended, has been very similar to Dr. Pangloss' fatuous "Whatever is, is right." The questions *Production of What?* and *Production for Whom?* were relegated to welfarists, interest groups, politicians.

The Keynesian economics added to, rather than changed, this basic analysis. It held, first, that full employment can be assured, if public and private demands in the aggregate suffice to take off the market at satisfactory prices the entire output of goods and services which can be produced at any given time. It maintained, second, that the government, through appropriate fiscal, monetary and related policies, can and should assure such a level of demand and hence full employment. Keynes' concern was thus with the levels and aggregate adequacy of demand, production and employment, not with the composition of demand and output, nor with the distribution of the rewards of production, nor with the interaction between what and how much was produced and the distribution of its benefits. If demand needed to be bolstered, it might be bolstered equally well by income tax cuts which favored the rich or the poor; or by incentives to private investment spending; or by public spending for space exploration and for aircraft carriers as well as for schools and hospitals. So long as aggregate demand

was augmented sufficiently to ensure full employment, that, rather than its composition, was what mattered. The tax cuts of 1964 and 1965, which chose to stimulate private rather than public demand, and which benefited corporate and high level personal incomes as well as lower level incomes, illustrate the point. They clearly showed a preference for any kind of additional private spending rather than for additional schools and hospitals. And within the area of private spending, they showed little preference for necessities as against luxuries. Nevertheless, in Keynesian terms, they accomplished the full employment objective.

Spending for What?

Another major deficiency of the full employment objective was that it confused ends and means. Glorification of full employment as an end in itself has been in large part responsible for the failure properly to evaluate what and whose needs and wants are served, unserved or disserved. Thus, during the Truman years, some liberals and labor spokesmen opposed reductions in the military budget, not primarily because they believed that cuts would endanger the national security, but because they feared the unemployment which might ensue. This same confusion of ends and means even now causes us, when we measure the Gross National Product, to value among the goods and services produced both the output of the chemicals plant which poisons the air and water, and the materials and effort devoted (all too seldom) to their purification.

What are the implications — relatively ignored in the full employment economics — of the distribution of income and the composition of demand, so far as full employment is concerned? What, in other words, is the influence of the size of the shares into which the social pie is cut on the quality and size of the total pie?

If less than full employment is the result of too little demand for goods and services, why, recurrently, do we experience such deficiencies in demand? Whatever the initial explanations in terms of distortions and imbalances between savings, investment, production and consumption, the ultimate answer must go back to the highly unequal distribution of incomes in our society. A less unequal distribution would generate fewer and less severe distortions and, in turn, a lesser need for periodic governmental interventions of one kind or another to assure the adequacy of aggregate demand. It would lead at the same time to improved social production priorities in the private economy. By increasing effective demand at the lower end of the income scale, it would assure (though not in all cases) that more urgent needs were met at the expense of lesser ones. But how can we achieve sufficient improvement in primary income distribution in ways which would be

LOUIS J. WALINSKY is an economic consultant specializing in development planning.

consistent with human dignity and our kind of society?

Public expenditures for education, most importantly, and for health, housing, urban renewal and recreational and cultural facilities and services, are the key to a healthy recasting of the distribution of incomes. By helping people to become more productive, more secure and, in the best sense of the words, more demanding and competitive, such outlays – in vastly larger proportions than we have till now provided – would improve the distribution of incomes in our society. (Meanwhile, I would argue strongly for interim measures to supplement low incomes sufficiently to bring them up to minimum decency levels.) Such public expenditures would create the conditions necessary to a more nearly *self-sustaining* full employment and obviate much of the continued tinkering required by the indiscriminate demand management we have been practicing. Recognition, in economic terms, of the significance of investment in human beings for the distribution of incomes, the composition and level of demand, the level and composition of output, and the *interrelation* of all these, is therefore needed to round out the Keynesian system.

More Leisure vs More Goods

Looking to the future, it appears quite safe to assume that Americans will increasingly elect to exchange potential increments of goods and services for more leisure. In 50 years, for example, with productivity rising at only three percent per year, each worker could produce more than four times as much per hour as he can now. With productivity rising at five percent annually – and who will dare to say, in the face of the outlook for both education and technology, that such a prospect is remote – output per man hour would increase to more than 11 times the present rate! Surely, long before such a point is reached, most workers would choose more free time in preference to more goods! It seems most likely also, and for the same reasons, that within the lifetime of our children it will become quite practicable – whether we elect to do so or not – substantially to divorce, for a large part of our society, the need for income from the need to work.

Under such circumstances, leisure and its uses, rather than employment and its uses, would increasingly become the problem. Quite apart from its past inadequacies, therefore, we have in the full employment objective a goal which would become increasingly vulnerable to growing abundance and opportunities for leisure. If we have needed for some time a new core economic policy goal to remedy past inadequacies, we need such a goal all the more now to anticipate the emerging problems as well.

Jobs for all who seek them; the elimination of

poverty and discrimination; decent housing in a decent neighborhood for every family; the revitalizing of our cities; the health of our people; education of the highest quality for every child; the beautification of our countryside; an end to air and water pollution; the pursuit of excellence; opportunities for fulfillment of the spirit, freed from domination from material values – these major elements of the Great Society objective integrate into one social and economic concept all that was previously lacking in the full employment objective. It supplies the needed emphasis on income distribution and production priorities; it distinguishes properly between ends and means; and it provides a framework within which the emerging problems of abundance and leisure can be anticipated and solved.

It is time for us to recognize that, in terms of the possibilities it opens, President Johnson's call for a Great Society is perhaps far more significant than he himself has realized – that it is, potentially, the most significant peacetime call an American President has issued since Lincoln's time.

If we viewed it in this way, we would not permit the demands of the Vietnam war to slow our progress toward a greater society to a creep. We would provide the greater public outlays needed for supplements to indecently low incomes, for low-rent housing and urban renewal, for education and training, for health and for other essential public purposes.

Given the limitations of manpower and facilities on total output and, therefore, on noninflationary total spending, these essential outlays can be financed only by using the tax mechanism to curb private spending for less essential personal and business purposes. The current debate over whether taxes should be raised further than the Administration has proposed is concerned with the inflationary implications of *presently* contemplated levels of federal expenditure, which provide only inadequately for Great Society programs. To provide adequately for these, we should be debating tax increases of \$12-14 billion, rather than the \$6 billion some proponents of additional tax increases have suggested. The larger sum would still be below the present value of the tax cuts of 1964 and 1965 which – it should be remembered – were enacted not to alleviate tax hardships but to reduce the fiscal drag on a then underemployed economy.

Our mistake (let us face it) in reducing taxes in 1964-65, instead of using revenue surpluses for needed social and economic progress, should be corrected now. But whether we are serious enough about building a Great Society to pay the quite modest price it demands is another matter. It is this, I suspect, which will determine in the end how great was President Johnson's call and fix his place – and ours – in history.