

On Business Day, April 6, students heard this description of the future by one of the nation's foremost financial authorities. He said it will be

DANGEROUS BUT WONDERFUL

By EDWARD T. McCORMICK
President, American Stock Exchange

I should like to point up . . . the remarkable opportunities that now lie before you. Opportunities that seem to me fantastic, when I consider in retrospect the conditions that temporarily confronted me and my fellow classmates on receipt of our depression period diplomas from the University of Arizona twenty-five years ago.

Instead of the hard to open doors of a so-called mature economy that confronted us a quarter of a century ago, you now have before you the wide-open and inviting portals of a dynamic and regenerated industrial system. Where once we sought and searched for openings, now by and large jobs come seeking you.

Don't let anyone ever tell you about the good old days. So far as you are concerned these are the good old days and they show bright promise of growing even better . . .

Statistics tell the story. Living standards in this country have risen more than 65% in the last twenty-five years, and a far greater increase is predicted by 1980. By that time it is estimated that average spendible income which now amounts to \$4,400 will have risen to \$8,000 per family (in 1955 dollars) and the present 40-hour week will be down to 35 hours.

This is the promise now held out for you, more jobs, with higher income, and more leisure time in which to enjoy it.

Of course, this present happy condition didn't arise by chance nor will the existing estimates be fulfilled by the simple process

of osmosis. Your predecessors, by the well known means of hard work, research, inventiveness and capital expenditure have set the present stage for you.

In the last ten years, for example, \$233 billion were spent by industry for new plants and equipment, with the result that, since our victory over Japan, we have doubled our manufacturing capacity in this country.

Research expenditures alone have grown from less than \$1 billion in 1941 to about \$4 billion in the year 1954, and it is believed that by 1975 they will add up to \$16 billion dollars a year. As a matter of fact, in the past seven years we have spent as much for research as was expended in the previous 170 years. And you are the beneficiaries of the new products, new services, new industries, and the multitude of new jobs that have come into being, and will continue to spring into existence because of it.

This is the opportunity that is waiting for you, an opportunity for success that has never previously been matched in history. But it is an opportunity that comes to you saddled with the duty not only to prepare yourselves to the best of your ability for a position of leadership in this bright new era, but with a challenge, as well, to match the accomplishments of those who go before you.

You can best prepare yourself for leadership by some specialization leavened with a good measure of the humanities. While

a sound grasp of business and related techniques is essential, it is nonetheless insufficient in itself for the leadership this world needs. Leadership requires, in addition, an insight into the problems of human relations, for management, while dealing with materials and money, assets and profits, more importantly deals with men as they are today and will be tomorrow. It requires idea men; men with a curiosity for new processes and new methods—men who can put such ideas, processes, and methods into practice for the furtherance of our way of life. Leadership abhors intellectual laziness and mental stagnation and, very importantly, it also requires articulate men. For, however learned, brilliant, creative or talented a man may be, unless he is able to express his thoughts with sincerity, conviction and clarity, his opportunities are dimmed appreciably. Articulate leaders are of special importance in today's world of business and government. Clear and fluid expression are essential elements of conference discussions with other representatives of management, with labor, in testimony on Capitol Hill, in the offices of other policy-making agencies of our government, and in speaking to other citizens. We need articulate leaders, moreover, who can and will express themselves as proponents of our system of free enterprise. Too few of our business leaders, immersed as they are in problems of mass production, have spoken in the past, or are speaking even at the present time, in defense of the capitalistic system of which they are a component part, a system which has brought about a wider spread of opportunity for our individual citizens than any other system has ever been able to achieve in history.

Management today faces challenging prospects that never before confronted our economic captains. Not only must they conduct research, produce, market, and finance their wares. Not only must they establish policy, direct their forces and coordinate their activities. Not only must they participate in the establishment of benefit and welfare programs, wage levels, competitive prices, and produce the highest grade of merchandise at the lowest cost, but they must also gird themselves for a monumental battle in the field of dogma, thoughts and ideas. They must win the public mind to their cause. They must offset the inroads made by the ideological weapons launched by our enemies at home and abroad. It is, therefore, imperative that they tell the story of our free competitive enterprise and democratic way of life as they understand and practice it.

In a sense the business school is a lab-

oratory for business. From the test tubes of our colleges and universities emerge the business and community leaders of tomorrow. You undergraduates must understand fully that you will carry the burdens of business in the years ahead. You young men and women must be constantly aware of the dedicated effort required to prepare yourselves for future responsibilities.

Prepare yourselves to the limit of your abilities. In this highly competitive world of ours mediocrity does not pay off for long. On the other hand, the need of business for good men is great. Business opportunities in this fast moving economy are ever expanding. We have only scratched the surface of the industrial revolution and are not yet in sight of our economic horizon. I can assure you that if you will maintain at all times a lively curiosity for sound learning in your specialized field and concerning the events in the world around you, then carry this curiosity unblunted into the business world, you will have every reason to proceed with confidence.

I wish to urge you to preserve, as well, your inborn instinct to take a reasonable chance and not follow the false path of guaranteed security. Remember that for free men of intelligence, initiative, imagination and ambition there are no limited goals. The entire history of this nation is a record of accomplishments of such men who have had the courage to hazard their futures and fortunes on a calculated risk. Our present prosperous and powerful position among the nations of the world is a memorial to men of vision who were willing to leave their homes and push to the West, who were willing to forego assured income for research into the unknown, willing to risk their hard earned capital for the furtherance of new ideas, new ventures and new products.

Fresh pages to this history are written in every day that passes. We have all been witnesses to the remarkable surge of scientific achievements during the last 15 years, the revolutionary application of jet propulsion to airplanes, the piercing of sound barriers, the production of synthetic goods, the introduction of television to our homes, the discovery of penicillin and other antibiotics, and the processing and production of frozen foods.

Every week, almost every day that passes brings to light somewhere in this country, new products, more efficient methods of production and fresh lines of research. Each new idea stirs intelligent curiosity, and opens up before it new vistas of invention. Each improvement in production techniques invites and stimulates ri-

valry for further improvement. For such is the nature of our free competitive scheme.

We have, under capitalism, come a long way in a short period of time—not only have we come to enjoy the highest standard of living of all others—not only have we built the greatest industrial organization that ever existed, but we have become as well the acknowledged leader of the free

About the Author

O.U. students heard one of the foremost financial wizards of today's business world, Edward T. McCormick, personable president of the American Stock Exchange, during the fourth annual Business Day April 6.

McCormick, who at 46 has enjoyed a phenomenal rise in the financial world, spoke to over 800 business students.

A stocky man with iron-gray hair, McCormick lauded today's teaching methods during a *Sooner Magazine* interview. "I find more determination and alertness in modern students, and I think it is a result of better teaching methods. The case method, a practical example, is very helpful to the student. When I was a student, I was given a book and a lecture, but I missed the colorful, practical presentation given in colleges today."

He holds degrees from the University of Arizona, Northwestern University and Duke University, and originally planned a career as a finance and economics teacher. While working toward his Ph.D. at Duke in 1934, he selected the new government regulations on securities as the subject of his thesis. He became vitally interested in the practical side of securities while obtaining information from the Securities Exchange Commission and secured a job with the commission.

"I started with the Commission in 1934 at a salary of \$1,900 a year," McCormick said, grinning slightly in retrospect, "and in 1949 President Truman appointed me to the five-man commission." Two years later he became, at 41, president of the second largest stock exchange in the United States.

Asked about his personal philosophy or advice for young men starting out in the realm of business, McCormick replied, "Students nowadays have all of the technical advantages and opportunities, but there's no kidding around, what you've got to do is work like the devil."

peoples of the earth, a bulwark in our vigorous strength and great resources against the forces of totalitarianism and slavery.

This is the great heritage that has been passed down to us, which we shall maintain and which the students of today and tomorrow will improve upon. We have now achieved a position amongst the nations of the world where leaders with foresight and sound practical knowledge are sorely needed. We shall be faced with tremendous responsibilities, with problems that will test our intelligence, our strength, and our patience—problems which will one day be your task to resolve. Let us trust that you will have the foresight to prepare yourselves accordingly. Here at the University you can develop whatever talents you may have for research and management. Here you will obtain a sound technical knowledge that will prepare you for your future broad decisions. Here you will come to possess, as part of your mental equipment, a familiarity with basic business, economic and sociological principles essential for the resolution of the fresh and troublesome problems which will constantly arise before you in your future positions. In this present atmosphere of international tension it is, of course, difficult in many cases for some of you to give to the search for knowledge your full concentrated effort. It is hard for you, with the prospects of service in the armed forces, to plan for the years ahead, but such plans must be made. This present opportunity to devote your time to the pursuit of knowledge should never for a moment be wasted. Men have lived throughout wars and threats of wars since the beginning of time and your generation will likely enjoy no different experience.

To improve our present high standard of living, even to maintain it, will require intelligent thinking and hard work, on the part of each and every one of us. To preserve the American ideal, it will not suffice simply to believe in it, it must be supported actively, with determination and perspiration.

It is a dangerous but wonderful future that lies before you. Probably never before has opportunity beckoned with so rich a store of rewards for those who would pursue them. Probably never before could careers be launched with such promise of success in so many lines of endeavor. Probably never before has such heavy responsibility awaited students who are to be the business leaders, the scientists, the philosophers, the statesmen, the diplomats of the future.

It is a great time to be preparing for and starting out on a career.