

Our company, which was founded in Chicago in 1854, has always had the very real feeling that its officers, as well as its shareholders, must be concerned with the total welfare of the community because we cannot be prosperous unless the community or the State in which we are located is prosperous. Therefore, as has been indicated, it has been the tradition of our company for its officers to take a concern in those socioeconomic areas where we think, over the long pull, the interest of the total community, including the business community, are affected.

Mr. Besse has spoken generally about the responsibilities of education and I can simply say that I agree wholeheartedly with him, especially the area in which he indicates that it will be necessary for education to flex and to change to meet certain circumstances which exist in our contemporary society.

I am in hearty accord with what Mr. Nichols stated as to the desirability of the Office of Economic Development and the strength that can come from the coordination of all the factors involved, but I want to address myself particularly this morning to the fact that there are specific areas of immediate concern that should have the attention of such an office and I know have the attention of this committee.

In the city of Chicago, we have on the average 1,000 youngsters dropping out of school in their sophomore and junior years each month. This means that over the course of a year, there are roughly 10,000 of our high school students who do not finish their work. It has been conservatively estimated that, for the balance of this decade, in the United States there will be roughly 7½ million of these youngsters who will not complete their high school work. This can be a very substantial part of a work force, not only of a community, but of a country.

Now, probably one of my virtues in appearing here today is that I come from one of the last businesses that defies automation. It is simply impossible for any machine to replace a sales person behind a counter with a customer. It is impossible for a machine to handle the roughly 150,000 different items that we handle in most of our stores in any organized way. It takes the human hand, it takes the human mind. Yet, in an industry that has defied automation, except in certain of its accounting areas, we find ourselves, like all other industries, greatly handicapped in getting people who have fundamental skills in basic mathematics.

As the president of our company, I would dislike being placed on the floor to run what we call a classification cash register which rings up a simple sale for a spool of thread. This is a very complicated proposition and I am always amazed that we have anything less than college graduates who are able to do this because it still defies me. But the most important thing is that even in that simple job behind the notion counter today there is required a certain fundamental skill of reading, of writing, of understanding. In keeping simple stock records, it is important that we have the ability to read symbols and to understand where this particular merchandise moves. This all depends upon human knowledge.

We have been concerned for some time with the fact that approximately 10 times as many of the youngsters who come out of our census tracts in the city of Chicago, what we would call the poverty areas of