"Prophecy is the most gratuitous form of error."

-- George Eliot

Any attempt to be usefully prophetic for the 1980s carries double jeopardy. There is no consensus on what the decade promises; and even if we knew that we would be hard pressed to say what individuals or families can do about it.

Individuals and families "do" in two dimensions. They act in the realm of citizenship, and they try to keep their households in order.

As an extension economist in public affairs I tend to stress the citizen role. Many citizens resist that role. They are more comfortable with personalizing their response to the sweep of events. Perhaps there is a strain of self-declared heroism in all of us, as we aspire to the Henley cloak of being "master of my fate ... captain of my soul."

Most of us know better. Yet a flow of books offers the ultimate in audacity. They tell the lucky reader how not only to survive social crisis but profit from it. Two such books are You Can Profit from a Monetary Crisis by Harry Browne and How to Make Inflation Make You Rich. The latter is co-authored by Herbert Stein, former Chairman of the Council of Economic Advisers, and his son.

To be sure, favorably situated persons can often gain as others lose. No one has shouted more than I about how sharply recent events have redistributed wealth and income. Inflation has enriched initial holders of real property. Runaway energy prices have transferred wealth to holders of energy resources from all the rest of us.

But on the whole, the opportunities to exploit other persons' misery are few and are denied most people. For the majority of ordinary citizens, there are no shelters, no caves in which to hide.

Moreover, even in the area of private financial management, the primary focus of this session, much depends on what national economic policies prove to be. These are policies relating to inflation, energy, income tax rules, and the bagful of shock absorber programs such as unemployment insurance, Food Stamps, medical insurance, and social security. Paradoxically, yet typically for our era, advice to individuals trying to manage their own affairs includes their learning how to utilize public and cooperative resources available to them.
And so we ask, what will be the course of economic events in the 1980s, how will it be shaped by political action, and how will the lives of citizens be affected?

My own judgment is that the trend will be downhill and that drastic public action will prove necessary before the end of the 1980s.

If pressures on the economy were to come gradually we probably could adjust fairly well. If we could gradually cure our 7-billion-barrel appetite for petroleum we would be able to alleviate the worst hardships and adjust our individual life styles. But if the flow of oil from the Near East should be cut off suddenly we would have pandemonium if not panic.

Nor can we take much comfort in the policy-making record to date. Nationally we duck the hard issues. An example is proposed deregulation of railroads in the face of urgent need to rebuild them. Interest-groups run wild in their selfish advocacies. There is dallying with snake-oil cures, cultism, casuistry. Tight money and balanced budgets almost fit that category; there is no logical justification for denying operating funds to sound businesses, or for shackling our capacity to adapt the federal budget to changing circumstances.

We could of course adjust better to the exigencies of the future if we were sure what they will be. In this respect the futurists have something to offer. Even so, I suspect we know more than we want to admit. Last fall I concluded a talk on inflation with the sentence, "... our nation will not resolve its problem of inflation until our citizens reconcile themselves to finding more of their satisfactions in the realm of the spirit than of luxury-level creature comforts." To my amazement, this idea was picked up in press accounts more than any of my other attempts at wisdom. The idea is accepted, yet also put aside.

Some loss of creature comforts would not be alarming except for two caveats. One relates to income distribution: poorer classes might be expected to do all the "enjoying" of spiritual pleasures. The other is our innate resistance to change. My vision is of a decentralized society in which the population clusters around nuclear centers that are themselves connected by good public transportation, primarily railroad. Gone would be suburbia, both inner and outer. Apartments (or condominiums) would be the rule, not detached homes with yards mowed with gasoline-hungry miniature tractors.

I foresee an end to airconditioning, automatic washers and driers, and self-defrosting refrigerators. Food will be stored and prepared in less energy-intensive manner than now. All this can be done, but we will resist doing it.

What about household management? Medical bills head for Mars faster than Explorer II and I see no solution other than a cooperative or public program. Health Maintenance Organizations are a possibility but a national program seems likely. Inflation absolutely ruins private saving. Either we stop inflation, or we will have to turn to indexing the principal of bank deposits and personal insurance. Or perhaps we will employ a negative income tax and let society spare the individual of concern for his future.

On one subject I am positive. It is the need for education. The problem is to know what kind of information will be valid and useful for the 1980s. That, I suppose, is why we are here. At least we can agree that what we need to teach in the 1980s is not the conventional, archetypal, stereotyped. In this respect the 1980s do indeed promise to be exciting.