

Georgia Business AND Economic Conditions

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Part 2

Connecting with the World: Georgia Enters the Third Millennium

Suzanne A. Lindsay

Editor's Note: In the following article, Georgia Business and Economic Conditions goes beyond its usual emphasis on economics and short-range forecasts for Georgia, the Southeast, and the nation. As the Third Millennium begins, what lies ahead for the state in an ever more interdependent world? Part 2 focuses on some of the issues Georgia must face.

As the Third Millennium begins, three inter-related issues emerge as crucial to all Georgians. The first is achieving an increasingly high standard of living and quality of life for the state's residents. The second is closely related: dealing with economic development and its social and political ramifications without sacrificing quality of life or the environment. The third is educating all Georgians to their highest capacity and improving educational quality through public and private support.

THE CRUCIAL ISSUES

■ Employment ■

Georgia already ranks among the leading Southeastern states in value and rate of growth of its personal income. Per capita income, which has increased steadily over the

last thirty years, varies greatly among counties and metropolitan areas. In 1997, however, 13.8 percent of Georgians lived in poverty, and many are among the "working poor." Legal changes designed to move individuals towards independence and self-sufficiency have spurred innovative ways of helping the lowest-income residents, but many problems will remain. The state's smaller welfare rolls have occurred not only because of stiffer requirements for temporary public assistance, but also because jobs have been plentiful. What will happen when, inevitably, the pace of growth slows and/or recession sets in, remains to be tested.

Many things will make it hard for some Georgians to find "good" jobs. First, and perhaps most importantly, they lack self-confidence, education, and the other skills needed to hold down a job. Social services—training, child care, transportation, "bridge" health care services

and insurance—will help. Even so, a hard core of unemployment will remain. Where people live is important: in rural areas and small places, where most jobs are the land or in the forests, some will not find work. In urban areas, limited public transportation may make it hard for central-city residents to reach jobs in outlying areas, where affordable housing also is scarce, or for suburban residents to commute downtown. Moreover, labor is not always mobile. People cling to their familiar surroundings, or have family responsibilities that keep them there.

■ Urban Development ■

Urban development is even more complicated than other issues. For example, transportation currently is the “hot button” because federal regulations will deny funds for transportation projects in the Atlanta metropolitan area until air quality standards are met. The location, construction, and design of roads are economic forces and complicated political issues with social implications. The simple response to crowded roads—widen what is there or build more—no longer will be enough.

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Where will a new road go? What environmental effects will it have? Who will pay for it? What development will follow?

The problems will offer chances, however, to develop new policies. Renovating existing neighborhoods, encouraging “infill” building, approving “cluster” housing that keeps open space but has reasonable density; encouraging energy-efficient, “affordable” housing to keep lower and middle-income residents in the market; designing residential areas to avoid pouring many vehicles through just a few intersections, and allowing new retail and office developments to add on-site housing and alternative transportation, are a few options. By cutting commuting time and numbers, and encouraging energy-efficient building and retrofitting, many of these approaches also will help to attack carbon dioxide emissions.

■ Air and Water Quality ■

Air quality is not just Atlanta's problem: restrictions are very likely soon in some of the state's smaller metropolitan areas, especially Athens, which lies in the same “airshed.” Moreover, another very powerful force is affecting economic development statewide: the supply and purity of fresh water. The entire state will share this concern.

In the 1960s and '70s, the state's water supply was considered inexhaustible. Population growth, urban and commercial development, and much more pumping from the aquifers, now mean that Georgians must think carefully about how much water is available where and who uses how much of it. Water woes include droughts that already threaten surface sources and periodically limit non-essential uses in many metropolitan counties. Along the coast, salt water intrusion into aquifers threatens water quality and could limit growth. The decade-long “water wars” with Alabama and Florida over quality and flow through two shared river basins will be another complication. Seven years of negotiations under federal auspices have yet to produce a solution, and time is running out on a temporary three-state compact.

Few of the smaller water reservoirs already authorized are complete. Communities near the state's existing large reservoirs will worry about keeping their withdrawal rights, providing enough water to attract industry and new residents, and preventing pollution from existing industries and homes. Some effects of “water woes” are indirect. For example, deepening the channel into the port of Savannah may harm nearby fresh-water and brackish marsh reserves. Many industries along the river also depend on a regular, substantial flow of fresh water that would be endangered if salt water moves upstream.

All of these questions and problems may be expected to continue well into Georgia's future. Assessing ecological impacts carefully, maintaining watersheds, preventing pollution from all sources, and emphasizing conservation and creative reuse all can help to deal with a true limit to growth in the Third Millennium.

FIGURE 1
Cone of Economic/ Environmental/ Social/ Political Influences



Graphic by Beata Kochut

■ Education ■

The third major factor in quality of life is education. Georgia will have no more pressing problem than that of educating its citizens for an age of information and high technology, and for everyday tasks that require a wide variety of skills. These are not new problems. Since the 1950s, governors, the state legislature, and many local leaders have seen that Georgians must be educated well. Education's links to severe social problems have been explored at every level. The responsibilities of government, the schools, the community, families, and students themselves have been dissected from every conceivable angle, and more and more resources have been put into educational institutions. In fiscal year 1999, education consumed over 56 percent of state government's budget.

In a tight labor market, many employers also have invested time and money on helping undereducated employees to reinforce basic skills, meet higher and more technologically advanced standards, and open ways to advance. The Georgia Lottery, local school systems, private institutions, and individuals have added even more money—yet Georgia still ranks low on many positive measures of educational outcome and high on such undesirable ones as the high school dropout rate.

Education for the new millennium will involve many constituencies and issues. A national, state, and local

nership Program (ICAPP), and the new Global Learning Online for Business and Education (GLOBE) program will work to meet industries' needs through the state's technical institutes and the University System. The lottery-funded HOPE scholarship program already is helping many students to attend these institutions or Georgia's private colleges and universities, but the issues of access and financing for post-secondary education for those who do not qualify for HOPE will remain. Without help, these students will be left behind in the marketplace of ideas and skills. Clearly, the state will need other programs, even more innovative, that will help to give its citizens an edge in the national and regional competition that intensifies each year.

That very competition makes issues in employment a logical extension of those in education. In the new "war between the states," corporations bargain with several states or within a state, to find the best combination of quality of life, potential labor force, tax advantages, and other elements of a competitive "package." This approach is logical for the business, but pits area against area and may leave the winner with direct or indirect expenses that wages and taxes paid by workers and the company will take years to return. States often justify their incentives as "meeting the competition," and as paying off indirectly by attracting more firms in

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dialogue on goals and how they should be achieved will continue. The balance between cost and quality will remain critical, however. Defining "education" broadly, to include traditional academic skills and content, technical training, informal institutions such as "street-front academies," education at a distance by television or over the Internet, apprenticeships, work-study programs, and internships, is essential. Georgia also must provide ways for people to retrain for new fields as their old skills and jobs are outdated.

Helping Georgians become adaptable, life-long learners is essential because it will help to attract the stable, well-paying jobs the state needs so much. Employers consistently rank "quality of life" and the availability of a skilled, competent labor force as two of their most important reasons for choosing to begin or expand a business in a particular place. Areas that do not have a "critical mass" of such workers will have little chance in the competition within the state, much less in that between the states.

Georgia's Quick Start, its Intellectual Capital Part-

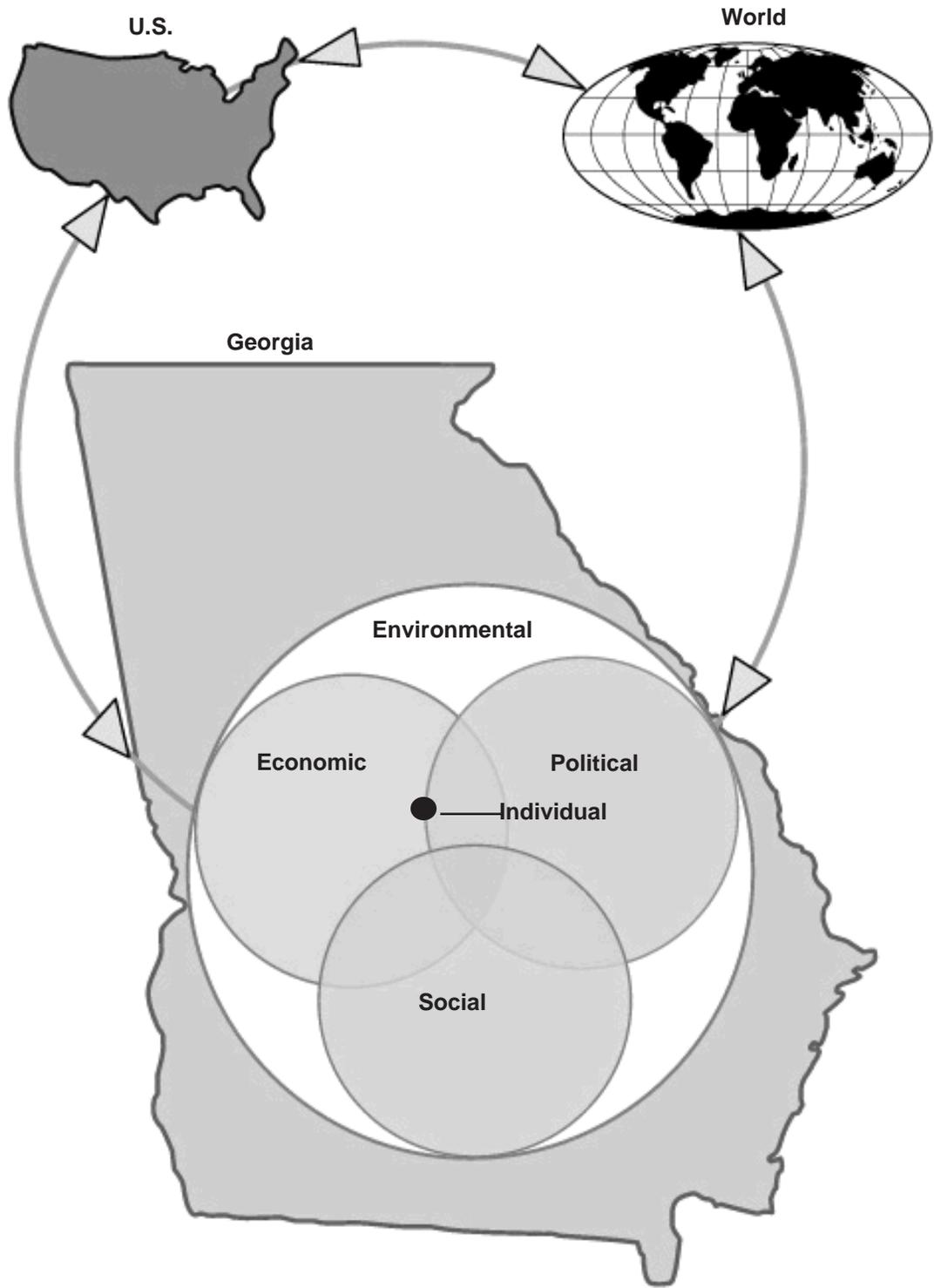
the longer run and providing jobs to areas more than willing to invest in order to receive them. If the corporation stays in business in the locality long enough to pass such a break-even point, so much the better. If, however, it treats its investment as temporary and moves on later for a "better deal" elsewhere, the long-run benefits are questionable.

■ Technological Change ■

Other problems connected to employment also will be important in the future. For several decades, the nation and state have been adjusting to increasingly rapid, often traumatic, industrial change. The apparel industry is perhaps the best-known example. Its employment has plummeted over 1970-1998: nationally, from 1,363,800 to 763,300 jobs, and in Georgia, from 70,000 to 32,000 jobs.

The reasons? Rapid changes in technology and the relatively high cost of labor (even in a right-to-work state) compared to that of efficient equipment made

FIGURE 2
Flow of Relationships from the Global to the Individual



Graphic by Beata Kochut

older plants increasingly less productive. The industry also reorganized from central administrative and distribution facilities served by smaller outlying plants, to larger plants that smoothly integrate ordering, production, and delivery to meet buyers' orders "just in time." New or renovated plants installed labor-saving, automated processes operated by fewer but more highly trained workers. Most importantly, international competition and trade agreements, combined with changes in tariff and import regulations, made it increasingly profitable to move production out of the U.S. to countries with much lower average wage levels.

Benefits are an increasing cost of employment, and an issue in themselves. Health and disability insurance coverage and retirement benefits are especially important to most workers. Increases in these costs encourage employers to use temporary workers or to subcontract parts of their operations. Health insurance is a major problem, too, for the growing numbers of the unemployed, self-employed, and retired workers. In 1997, 17.6 percent of Georgia's population had no coverage. Now another gap has appeared, between persons on public assistance who can qualify for at least some coverage under Medicaid and similar programs, and those who have used up their eligibility and must be dropped.

At risk also are the under-employed, who are working for wages barely above the poverty level, often without any benefits except required state and federal coverage. Because of low pay, their old age health and retirement benefits may be inadequate. Aided by prosperity and full revenue coffers, Georgia has made some low income groups, especially the children of the "working poor," eligible for Medicaid coverage, but when the full weight of welfare reform descends during an economic downturn, these issues also will become acute.

In fact, the entire role of state government is being and will be rethought. Even its responsibilities to maintain public health and safety, enforce the law, and provide publicly-used infrastructure are closely examined. Georgia already hires private firms for many functions that once were entirely within the state's purview: operating prisons under contract; providing social services; maintaining public buildings; and dealing with solid wastes. Privately-financed and operated toll roads and bridges and even the first tentative steps to operate public elementary schools may come soon. Private security services already are well established.

Such actions bring both benefits and problems. In the social services, the number of state employees has not dropped. Accountability also will be an issue—how to encourage competition and therefore better service at lower cost, but still hold contractors to standards that protect the public at large. "Privatization" also carries built-in conflicts with public employees' representation groups, who have no right to strike but still, in some areas, exert considerable pressure.

Success Story

One industry in Georgia that has learned how to compete is textile and carpeting manufacturing. Severe problems in the 1970s began the industry-wide retooling, training programs, and continuous technological advances that have made it a world leader today. In the 1990s, a second trend took hold: a wave of mergers and buyouts. The industry is a good example of how success can spur the development of many more firms as spin-offs, suppliers, and retailers, and also of how demands on employees escalate with the increasing sophistication of the production, sales, and distribution processes.

WHO PAYS?

One of the most difficult set of issues for the future of Georgia will lie in how to pay for government. The state's tax laws have never been comprehensively revised, even though its economic base and population have multiplied many times over. The state relies on the "big three" taxes, two of which are in practice regressive. People who have quite low incomes are subject to at least a 3 percent income tax, and a proportionately larger share of their incomes goes for taxable spending. The 80 percent of Georgia's families that pay state income tax provide about 48 percent of total revenues collected (as of FY 1998). State sales and use taxes provide another 36 percent. The corporate income tax, and relatively minor taxes on financial institutions occupations and corporate net worth, contribute about 7 percent. Once-large sources, such as the motor fuels tax, motor vehicle fees, and alcohol taxes, now are only small, but vital, parts of the revenue picture.

The late 1990s saw individuals' state tax burdens fall because the state sales tax on food was removed, and the personal exemption and deductions for the blind and elderly under the individual income tax were increased. Prosperity plus an administrative and legislative commitment to cutting taxes allowed these changes; however, what future governments will do to rationalize and simplify the current tax code is difficult to anticipate.

There will be issues aplenty. In effect, both the individual income tax (because of its capped rate and extensive coverage) and sales and use taxes are regressive. The "big three" now provide 91 percent of revenues collected and are sensitive to the business cycle—a fact that awaits only a recession to come home to govern-

ment and citizens alike. The heavy impact of cyclical downturns emphasizes both the need for sources of revenue that respond less to changes in personal income and the wisdom of encouraging smaller and more efficient government in the Third Millennium.

Sweeping revisions of the tax system are up to the state's legislature to initiate and the voters to approve if constitutional questions are involved, which makes the prospects for great change unlikely. Also unanswered are the problems of coping with the state's obligation to pass on or finance unfunded federal mandates, to avoid pre-empting local governments' revenue sources, to deal with both individuals and business fairly and efficiently, and the long-run effects of tax incentives to attract, expand, and keep businesses. Any legislative moves to increase industry's burdens will be a case-by-case question, opposed both by industry itself and by local areas where jobs and property taxes are at stake.

innovative technologies will make headway only if their costs come down. One option may be incentives, possibly including taxes or tax credits, to encourage both individuals and businesses to use cleaner burning fuels, install innovative anti-pollution technology, and conserve energy.

Many of today's important issues will dominate the future of state government. They include education at all levels; assuring public safety; combating crime and administering justice; financing prisons and/or alternatives, paying for programs; transportation; maintaining public infrastructure; administering social programs; dealing with other levels of government; encouraging responsible, sustainable growth and development; and protecting the environment while recognizing human needs for land, air, and water. These tasks bear on the central concern of state government: maintaining public confi-

As industries that were nonexistent 50 years ago become increasingly important, equitable tax treatment of firms that have more intellectual capital than physical assets will set up new challenges.

Paying for environmental protection and cleanups either directly or through tax- or permit-based funds will be an issue; so will such related questions with economic implications, such as enforcing existing federal regulations on erosion and billboards through fines and penalties.

As industries that were nonexistent 50 years ago become increasingly important and the state's economy moves further away from its traditional bases in manufacturing and agriculture, equitable tax treatment of firms that have more intellectual capital than physical assets will set up new challenges. If the services, which now escape the state sales tax, are to be a very large part of Georgia's future, should they be brought into the state's tax base?

State government's role in deregulating public utilities already raises tax questions, as regulated monopolies give way to service-based competition. The issues go far beyond taxes, and include universal access to service; incentives for, and restrictions on, choosing or switching providers; and balancing the interests of the individual consumer and small businesses versus the market power of large users. Environmental issues will also play a part, since producing power, for example, currently requires burning fossil fuels, damming rivers, or operating nuclear plants. Solar power and other

dence in, and support of, reasoned and reasonable proposals and programs, and building on Georgia's comparative advantages without destroying them.

Underlying the challenges facing the state are those of its local areas, which reflect Georgia's great geographic, social, and economic diversity. These areas also must cope with the effects of global, national, and state-wide trends.

GOING LOCAL IN THE THIRD MILLENNIUM

For most Georgians, their real future lies in the place where they live. No matter where that is, the forces that directly or subtly shape their surroundings, livelihoods, and social relationships respond to larger trends.

In the future, local interests will be as diverse and opinions as varied as they are now. People will disagree on the uses of land and private property rights versus public interest. Included in discussions of environmental quality or damage will be crucial questions about the

As the Third Millennium Begins: Global, National, State, and Local Issues and Trends

Global

Environmental change and preventive/compensatory measures
 Increasing world population: divergent national and regional rates of growth vs. available resources
 Competition for renewable/ non-renewable resources
 Impacts of advanced technology on economic, social, political, and environmental conditions
 Developing and maintaining effective international and regional alliances, international law/treaties, and/or enforcement agencies
 Promoting peaceful solutions in a world armed for defense and/or aggression: international cooperation and interdependence
 Stress from differing national and regional political systems lying along a gradient between democracy and dictatorship
 Economic, political, cultural, and environmental impacts of current and potential superpowers
 Stress from competing economic systems
 Development of global economic networks characterized by extremely mobile capital and very rapid response to information/change
 Rise of regional and continental blocs unified by trade, defense, investment, and monetary and fiscal policies
 Consequences of competition between open markets vs. protectionism
 Social consequences of a rapidly changing, information-dependent world; the role of social services
 Defining the importance of "human rights"
 Providing health care; dealing with the "new plagues" and resurgent existing diseases
 Impacts of advanced technology
 Cooperative exploration of space

National (U.S.)

Long- and short-term environmental problems and policies, including
 Long- and short-term impacts of changing national demographics
 Impacts of advanced technology on economic, social, political, and environmental conditions
 Dealing with economic fluctuations; the "steady state" economy vs. the business cycle
 Dependence of economy on inter-linked production, transportation, and information
 Impacts of long- and short-term monetary and fiscal policies
 Impacts of deregulation and/or reregulation on industry and individuals
 Dealing with twin trends: consolidation and convergence industries
 Continued growth of "service" vs. "basic" industries
 Importance of skilled, educated, flexible, mobile, creative labor force in the "Age of Information"
 Impacts of long- and short-term monetary and fiscal policies
 The impact of foreign investment and U.S. investment abroad
 Rethinking the role of national government: downsizing and "Big Government"
 Amount and distribution of federal spending
 Mandates: delegating responsibilities; but keeping control
 Changes in social welfare programs
 Provision, costs and financing of, and access to, medical care
 Protection of public health
 Changing positive and negative social trends
 Influence of federal funding/policies on "urban sprawl," small towns, "edge cities," and rural areas

Global, National, State, and Local Issues and Trends

State (Georgia)

Direct and indirect impacts of global and national trends and polities
 Environmental issues
 Demographic trends
 Economic health of urban, small-town and rural Georgia
 Adding value through agriculture
 Urban sprawl as problem or opportunity
 Competition for investment/ industry/employment : the new “War between the States
 Transportation problems and opportunities as core element in economic development and many environmental issues
 Water as prerequisite for growth
 Rethinking the role of state government: honest, efficient, economical
 Reorganization of state tax system
 Dealing with unfunded federal mandates and underfunded local governments
 Privatization of services and/or facilities
 Supply and regulation/deregulation of energy and other public utilities
 Improving publicly-funded infrastructure
 Issues in education
 Issues in employment
 Improving public safety
 Building on Georgia’s comparative advantages

Local

Coping with impacts of global, national, and state-wide trends
 Conflicting views on land use, property rights, and environmental quality
 Impact of demographic trends
 Emphasis on locally-controlled, responsive, efficient, cost-conscious local government
 Sources and adequacy of governments’ financial resources
 Quasi-governmental authorities: costs, effectiveness, powers
 Local and regional cooperation vs. go-it-alone
 Issues in decentralization of services and functions
 Privatizing of local functions/services
 Issues in economic development
 Issues in employment
 Achieving educational quality with public/private support
 Encouraging a healthy society
 Blending the past with the present and future

number and routes of roadways, the creation and application of local zoning laws, and the virtues of planning versus the vices of over-control. In the end, however, how any law is received will depend partly on local attitudes and aspirations. Even passing a local bill in Georgia's legislature requires, by courtesy, that local representatives support it unanimously. The result is a balancing act among interests and an exercise in compromise.

The demographic makeup of a place and general trends will affect its needs for affordable housing, schools, nursing home beds, social and medical services suited to the ages of inhabitants, post-secondary school training, and jobs of all sorts. A high dependency ratio—the ratio of children under 16 plus persons over 65 to the working-age population of persons aged 16-64—will pose different problems than those of places where the rate is low.

In fact, economic issues of development and employment will be most dramatic at the local level. In a small place, adding or losing 50 or 100 jobs is important. Closing a local manufacturing plant, or attracting a Wal-Mart, will make a great difference to the local economy and unemployment rate. Government jobs, including defense-related employment, will remain vital to many places in Georgia because they are relatively stable and carry health, disability, and retirement benefits, and have considerable “ripple” effects.

It is not surprising, then, that many local areas will find improved public infrastructure and services necessary to survive. Adequate roads; a nearby airport; an assured, pure water supply and an efficient sewage treatment plant; connections to high-speed information transfer cables or satellites; well-financed elementary and secondary schools plus opportunities for higher education or technological training; active business recruitment through regional or state agencies; and Quick Start programs will be only the beginning.

Conflict will be built in, too, since with money generally come issues of control. Will a community cooperate with its neighbors and hope for side benefits even if the town next door actually gets the new jobs, or will it go it alone? Should it start an industrial park? Will it offer tax incentives, provide sites, run free utility lines, build on speculation, or adapt older buildings to new uses? Can it lower the local school drop-out rate and push for improved technical training or a community college nearby so its younger generation has a better start? Can the leaders of many groups cooperate, or will they go in different directions and lose momentum?

In the coming century, local Georgia will need much more information about what methods have worked where, and when. How have communities preserved or improved their quality of life and economic and social opportunities for residents? The problem will not always be too little change; sometimes it will be too much, too rapidly.

Often, local government and/or quasi-governmental authorities will play important parts. Issues of financing government and spending the proceeds will go local, but perhaps will be even more passionately fought out. Property or sales taxes? Special Local Option Sales Taxes, and if so, for what? Tax rebates for new businesses? Subsidized housing? Bond issues for a local hospital, clinic, recreational building, or new schools? Salary supplements for local teachers? Going beyond the basics in education to include specialized classes and/or services? Pursuing programs that actively encourage young people to stay in school, learn skills, go on to higher education, and avoid early parenthood? For every advocate there may be a naysayer, but such issues must be tackled if local areas are to thrive in the Third Millennium.

Citizens will demand that their local government be responsive, efficient, and cost-conscious; however, one issue will be particularly thorny. Consolidating functions and/or jurisdictions is theoretically appealing, but many people treasure their local identities and history, so merging with a neighboring town or county is simply too wrenching. Consolidating functions between adjacent jurisdictions is far more likely, already occurs, and by law, must be considered to receive some state funds.

Federal and state financing will still be critical for both continuing local programs and capital improvements. As the state passes on federal mandates and optional programs, local areas will have to come up with their shares of basic costs or required matching funds. Local revenues now depend heavily on property and inventory taxes and on local-option sales taxes of various types. Property taxes are more stable over the business cycle but substantially burden small businesses, landowners, and homeowners. Local option sales taxes are cyclical and must be approved by voters either initially or periodically, but capture some revenue from non-residents. Many local areas will find, moreover, that the total sales tax rate is competitively important. If a county's rates are above those of its neighbors, its merchants may lose sales to adjoining areas or states with lower rates.

State government's decentralization also will give some places chances for good jobs. Partly because of air quality in the Atlanta area, the state already has relocated some of its offices, and its regional offices may carry heavier loads. The locations of federal regional offices, now clustered around Atlanta, also will be important to local personal income and revenues. Particularly vital are the large military installations that dot Georgia and the interstate routes that link them to the rest of the nation. Defense spending is perhaps the clearest case of how global and national events directly influence the economic and social lives of individuals and their hometowns. In addition, as federal spending on social programs waxes or wanes, and as changes are made in Social Security programs, the effects will ripple through local economies.

GEORGIA'S ASSETS

Access to advanced technology is one of a local area's most important assets. Counties and towns that are close to technical institutes and that have reliable, high-speed telecommunications will be far ahead in the competition for jobs. These facilities also will allow the "life-long learning" that increasingly will characterize the Third Millennium. Such assets also will let local areas and regions to set up Internet links to advertise their attractions, accommodations, and merchants to the world.

Multi-laned and "developmental" highways also will have roles. The multi-laning of U.S. 441 and U.S. 27 will offer travelers alternative, convenient, and reasonably direct routes to Florida and the other Gulf Coast states, or north and west to other states. The roads pass through some of Georgia's least known but most attractive areas, making regional cooperation in events and advertising important. North Georgia, which for decades lagged behind the Piedmont counties of the state in personal income and employment, now has close to explosive growth along parts of its multi-laned highways, especially those offering easy access to Atlanta.

The **demographics** of a slowly aging population also will be important. Attracting economically independent civilian and military retirees will give smaller towns a new way to grow. The opportunities bring risks, too. Over-development can simply transplant urban sprawl and ruin the natural beauty and slower pace that attracts the new residents. Demand for such expensive public services as fire, police, medical, and civic facilities can increase faster than the tax base. Once-welcome industry (such as poultry processing plants, stone quarries, and paper mills) can find their methods of operations or environmental impacts under fire.

For much of local Georgia, the biggest challenge in the Third Millennium may well be that of blending the past with the present and the future, in search of a healthy society where community matters but larger issues are acknowledged and accepted as important. As "new people" arrive, both enriching and difficult cultural changes will come with them.

Throughout history, newcomers always have, subtly or directly, changed the places they joined, but in turn have been influenced by existing culture. For example, schools now find themselves educating Hispanic, Vietnamese, or Cambodian students whose cultural differences can add new opportunities to the classroom. Corporate employees or retirees from other parts of the U.S. bring with them differing ideas about what makes a good life, what government should or should not do, and how social problems should be handled. Greater population density may stretch thin the basic public services of a town. Against such difficulties must be set the new energy, ideas, and financial base that newcomers contribute.

BEGINNING THE THIRD MILLENNIUM

The great forces that unite global, national, state, and local interests and, ultimately, affect all the living creatures of the planet, including billions of humans, already are clear. The first, and most basic, are the environmental conditions that allow life to exist on the planet, the intricate loops of cause and effect, of interdependence between the physical and biological, that have developed over billions of years. The second great force is change over time. Things will not stay the same; variations in basic ecological conditions and systems have far-reaching effects that we are only beginning to discover.

The same two characteristics also apply to the political, social, and economic relationships of our own species. There are the "givens," the current conditions that, with our limited view of time, we see as fundamental. Then there is political, social, and economic change, sometimes minor, sometimes cataclysmic, but always there as the balances of these systems shift visibly or slowly.

Within these two great forces we can see major currents that will affect humanity, from the individual in her home to the species as a whole. The increasing rapidity of communication, action, and reaction in an information-dominated world is one aspect of the future. Another is the continuing advance of technological innovation on many fronts, from that same communication through agriculture, all the major industries of our times, and the availability and uses of energy. A third is the substitution of continuously-evolving systems (of accounting, manufacture, or information-retrieval, say) for processes that recently have been stable or static. Still another is the dominance of the principle of competition, coupled with—and to some extent contradicted by—the principles of consolidation and cooperation. A last effect is the widening circle of economic, social, and political life, so that a movement that originates in one country can spread to others, to continents, or globally.

Concentrating on the technological and mechanical aspects of human life can lead to minimizing the great questions of social interaction among humans. Whether it be individuals, families, or aggregations that we call "society" and label geopolitical, the great effects of change will manifest themselves in many social situations. In a realistic vision of the future, competition will dominate but the "safety nets" of social systems still will exist. The inevitability and desirability of differences among and between individuals, states, and nations will be acknowledged and accepted, but balanced by working towards cooperation between like and unlike. Georgians will work with the tools of tomorrow to ensure their own and the state's future in the Third Millennium. ■

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