

his eye upon a gaggle of party hacks entrenched in tawdry hoo-ha over the delivery of votes or the seating of delegations, he sees the War of the Worlds. He sees . . . Apocalypse. And he expresses it in this overwrought string of words which do not, after so long, describe much of anything unless it be the author's own vision of "madness and filigree."

Throughout *Fear and Loathing* runs the feverish notion, fostered by Thompson's overblown prose (reminiscent, really, of Howard Cosell) of the terrible significance of the shallow maneuverings going on about him, in caucus rooms and hotel suites. Convinced that these activities af-

fect the very planets in their orbits, he propagates the idea that at any given moment the whole show will go up in smoke.

This is precisely the danger of throwing words together, as Thompson does, out of all proportion to their weight. They lose their meaning, and after wading through 500 pages of such abused and garbled verbiage, the reader no longer entertains any suspicions that the writter might, after all, have something to say and not merely a decorative way of disguising the fact that he does not. Secondly too much apocalypse, laid end-to-end, when in reality great cracks are *not* appearing in the earth's surface and the moon has *not* collided with the

sun, tends to destroy any journalist's credibility.

So be it.

In closing I summon Aristophanes to dispatch Thompson and his book. "I will say this about his diction, it's ravine-like, hairy, mad-bull-like, crustacean, battering, craggy, shattering—and it makes no sense." Furthermore, he adds, it is "language to fry a man's brain." Which does not, I might add, take into consideration whether Thompson's brain was fried before or after he took pen in hand to give us this silly and worthless book.

Alan Crawford



## Economic Illiteracy, Demagoguery, and Public Distrust

Lindley H. Clark Jr., the economic news editor of the Wall Street Journal, initiated this column with four essays discussing the practice of business in America. The series attempted to bring to our readers' attention some of the problems inherent in doing business in America today. We are continuing this series now by publishing essays discussing the American condition from the perspective of individual businessmen. Each essay will be written by a businessman unless otherwise stated.

THE UNITED STATES has provided greater abundance and longer schooling for more of its people than any other society in history. Its industrial way of life has been widely envied and copied throughout the world. Yet the vast majority of its own citizens are back in the Dark Ages as far as understanding how their economic system works.

With all the special emphasis given to education in recent years, we seem to have raised the level of economic illiteracy. The average person today hasn't the foggiest notion that there is a vital link between profits and jobs, and between profits, technology, and the standard of living.

The ABCs of American capitalism aren't very hard to comprehend. Nor do the basic principles change from one generation to the next. Yet continuously we hear public leaders—in government, education, labor, and the press—making or supporting foolish economic proposals that, if adopted, would cause untold damage and disruption.

The nation is in a period of great self-doubt. Its long-range interests would be best served if the public understood that our economic system a) is the fairest as well as the most fruitful in the world, b) belongs not to the chosen few but to everyone, c)

can adapt to change, and d) preserves and promotes the almost limitless freedom of choice in daily living which has been denied to most other peoples.

1) *Is There Something Deeply Wrong in America?* This question was asked in a recent nationwide poll conducted by Louis Harris and Associates. For the first time since the 1968 assassinations of Robert Kennedy and Martin Luther King, a majority of Americans—53 percent—answered in the affirmative.

The interviewers also found that most Americans lack confidence in the leadership of nearly every major sphere of activity. This distrust is not merely the product of Watergate. It has been growing since the early 1960s.

2) *The Seeds of Public Distrust:* Why does the public hold its institutions in such low esteem? Is it simply because Americans are becoming more cynical as their society comes of age? Or are deeper reasons involved?

For years now, the prize of public opinion has been sought by one group, such as elected officials, charging another group with a serious lack of moral integrity. The blasts, played up in the media, are leveled for their emotional appeal and seldom contain any debate on the substantive issues involved. So it's impossible for most people to separate the wheat from the chaff. Some of the factors behind present antibusiness attitudes are:

a) *Economic Illiteracy:* Today's high school graduates know next to nothing about the system on which their whole economic future depends. With all the frill subjects offered, few secondary schools in the country provide any instruction at all in this important area.

Recently, for example, the superin-

tendent of education in a western state wanted to institute a mandatory course in capitalism for the high school system. Since virtually no material was available on this subject, he asked forty economics professors in the three state universities for their help. Of these, only two were willing to say they believed in free enterprise and would assist in designing the course.

At the college level, what passes for instruction about our system is often prejudicial. To illustrate, a textbook used in an eastern university opens by saying: "Capitalism stinks. We can only solve our social problems by doing away with capitalism and the institutions that support it." Most texts are less biased, but only a few give a balanced view of real-life economic forces and problems.

b) *Lack of Perspective:* Journalists have been placing far more emphasis on their zeal for reform than on informing the public. Their comments on business are nearly always devoid of perspective that would shed light on the subject.

For example, a *New York Times* editorial cited the nearly 50 percent gain in oil company earnings during last year's first nine months as supporting the "need" for subjecting them to an excess profits tax. It didn't even mention that oil profits were poor in 1972 or that other depressed cyclical industries had bigger 1973 increases. Incidentally, the *New York Times* scored a 65 percent profit recovery—two-fifths more than the oil firms.

c) *Incessant Demagoguery:* A favorite tactic has always been to charge that big corporations make their profits out of tax loopholes or by bilking their employees and customers. Since the Arabs shut off the oil last October and nearly quadrupled the world price, the political demagogues have jumped on the bandwagon as an easy way to harvest votes from public dismay over higher oil and gasoline prices.

The senators now "investigating" the energy crisis are blaming the oil companies for the price boosts. We wonder if any of them are aware that—thanks largely to the industry's technological progress—the cost of gasoline has risen far less since 1957 than congressional salaries.

d) *Industry's Achievements Taken for Granted:* Whatever faults their managements may share with the rest of humanity, the oil companies *did* take the risks, invest the capital, and provide the energy at bargain prices which helped enable the

# Brudnoy's Film Index

■ **Blazing Saddles:** Mel Brooks' spoof of western shoot-em-ups, starring Black Bart, the Negro sheriff (Cleavon Little), villain Hedley Lamarr (Harvey Korman), fast-gun Gene Wilder as the Kid, Brooks as a Yiddish-spouting Indian chief and a moronic governor (What? You say there are other kinds?), and assorted jokes as old as the hills, in a mostly flawed pastiche that at moments is incomparably hilarious. Madeline Kahn does the Dietrich put-down to end them all, as Lili von Shtupp the Teutonic Titwillow; Dom De Louise gives faggotry a bad name; and Frankie Laine vocalizes.

■ **Conrack:** Jon Voight as a hip modern Mr. Chips gone to a South Carolina sea island to teach "colored babies," as the fierce lady principal says. You can't hardly emerge with a dry eye, honey-chile, it's *that* maudlin, but Voight is vibrant, the youngsters are the promise of Afro-Americanism and absolutely wonderful, and the dilemma of the individual versus encrusted societal regimentation gets another go-around, not entirely witless.

■ **The Exorcist:** The *debbil* made her do it! Hanging in there, for the season, most likely.

■ **The Great Gatsby:** F. Scott Fitzgerald's works have never had it so good on the screen before. Robert Redford wrings every last drop of vitality out of his role as the Midwestern parvenu become West Egg (Long Island) Croesus; Mia Farrow delicate and chirpy as Daisy Buchanan; Lois Chiles incomparably gorgeous as Jordan Baker; Bruce Dern flexes his muscles and cheats on his wife Daisy—his Tom Buchanan is the best acted role in the film,

the cast of which is uniformly fine. I'm just about to run out and get *me* a pink rag of a suit too—and a cream-colored open car. *Gatsby* is lush, true to Fitzgerald's brilliant novel of 1920s decadence, and mark it well: we're in for at least a year of Gatsbymania.

■ **Mame:** Hm, let's see: first there was the book (1955), then the play *Auntie Mame* (1956), then Rosalind Russell in the *Auntie Mame* film (1958), then the stage musical *Mame* with Angela Lansberry, and now—they've juiced up Lucille Ball (age 62), shot her through enough gauze and fuzzy focus to reduce her to mush, and set her hopping through those tired old tunes for the umpteenth time. Bea Arthur zings as Mame's buddy Vera Charles, the sets are deliciously camp, but by now the tale has worn thin. Still and all, it is harmless froth and, damn it all, Ball makes it work, with no singing voice, the body of a gal half her age, and ain't *she* got fun.

■ **Serpico:** A bit rough around the edges, perhaps, but powerful in its delineation of the honest cop (a happy surprise) combating his unconscionably crooked peers. Al Pacino is super.

■ **The Spikes Gang:** Lee Marvin doing his grizzled old bandit number again, this time tying in with three innocent lads (Gary Grimes, Ron Howard, and Charlie Martin Smith, the last two out of *American Graffiti*) turning to crime for fun and profit. They all die in the end, and the film is dreadful, but compared to last month's *Billy Two Hats*, of the same general theme, it is princely.

■ **The Sting:** Newman, Redford, the thirties; lovable con men outwitting the bad-dies. Ho hum, it *does* become rather tedious, what with so many reincarnations

of this blue-eyed twosome at the same game, but this one is fun, the plot is juicy, and it beats Oral Roberts revival meetings on the tube.

■ **Sunseed:** Ever wonder what happened to Timothy Leary's pal Dick Alpert, the LSD-guru? He's now shaggy and beatific and reborn as Baba Ram Dass. He and a bowlful of new consciousness swamis doing their thing, lovely to see, but it won't replace wife-swapping among the masses.

■ **The Super Cops:** Are you ready for just one more? I mean, just one more about the copper duo (here called Batman and, uh huh, Robin) picking their way through police corruption? If so, o.k. As for me, I'll take:

■ **The Three Musketeers:** Whatshis-name's classic again, filmed here as high camp. Michael York, Oliver Reed, Richard Chamberlain, Simon Ward, Raquel Welch (Raquel Who?), Charlton Heston as Moses, er, um, that is, Richelieu, plus fabulous sets, moments of fun, but don't say that seventeenth-century France was *all* sport and frolic.

■ **Where the Lilies Bloom:** See, you take TV's *The Waltons*, by Earl Hamner, Jr. Then you clone from that *Apple's Way*, by Earl Hamner, Jr. Then, just to make sure that the Hamners eat right this year, you construct yet another, shall we say warming, heart-rending tale of just plain folks. This one is of kids making do after their mountain daddy dies. It'll get you, be forewarned, but the trend is already a crashing bore.

■ **Zardoz:** The Future, with Sean (Bond) Connery beefy and robotish. Pretty colors, stupid dialogue, preposterous throughout.

U.S. economy to reach its present size and strength.

The drug industry—another perennial punching bag—is also being charged with gouging the public. It should instead be praised for *reducing* the average unit price of prescription drugs over the past decade, in contrast with what has happened to the price of almost everything else.

Profitability in this industry is higher than in most other businesses. And because it is, drug companies are able to invest heavily in the research needed to develop health-benefiting and life-saving products. U.S. firms are responsible for two-thirds of the 868 major medicines brought out between 1940 and 1969 and to which millions of Americans owe their lives.

3) **Some Basic Economic Facts:** The profit-and-loss system is under attack as never before. Most of what the public hears is coming from one side. It must be given *all* the facts. But it won't get them unless more businessmen speak out on the economic issues that apply not just to their own fields but to the whole system. Here are some facts the public needs to know:

a) The profits of all U.S. companies together have gone up, on average, by less than 5 percent a year since 1947. This is a little slower than the typical paycheck has increased and it is only about half as

fast as total government spending has risen.

b) Unlike wages and taxes, profits often fluctuate widely from one year to another—both up and down. After the 1969-1970 recession, most companies' profit margins were the lowest since the 1930s. It was not until late 1972 that they began to move back to normal.

c) Profits and jobs tend to move together. When profits decline, companies are forced to cut back employment. When they increase, more hiring is done. The cyclical recovery in corporate earnings during 1972 and 1973 was largely responsible for the best kept economic secret of both years—the creation of a record *six million* new jobs.

d) Profits have the role of telling businessmen where to place their emphasis in converting labor, raw materials, and energy into useful products and services. In markets where profits are good, new producers are attracted and competition keeps prices in line. Where profits are poor or actual losses occur, competition stays away and directs its resources to more productive areas.

e) Over three out of every ten companies lose money each year. The ones that succeed in earning a profit receive an average net return of less than 5 percent on sales

and 10-11 percent on invested capital—hardly the "windfalls" people think.

f) Nearly half of all profits are collected and spent by the government. About 40 percent of what remains is paid out to 31 million shareholders. Another 100 million people also benefit from the dividends received by such stock-owning institutions as insurance companies, mutual funds, trust accounts, pensions, and profit-sharing plans.

g) Virtually everyone, including the government, is helped by the profits that are reinvested within the companies. These funds finance expansion, create more jobs, and develop new ways of providing goods and services as efficiently as possible. All this lifts the nation's standard of living.

4) **A Postscript:** Aside from inflation, the economy must cope with two big problems in the years ahead—building more capacity in energy and raw materials and making room for 1.5 million additional workers each year. Neither problem can be solved unless profits, as determined by free and competitive markets, are allowed to fulfill their curcial role of adjusting output to the ever-changing demands of society. □

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