

Inflation has pushed more and more people into higher and higher tax brackets, and has resulted in onerous taxation of purely illusory profits—capital gains and interest earnings. In the early 1960s only about 3% of all tax returns were subject to marginal tax rates over 30%; by 1974, nearly a third of all tax returns were in those brackets. In 1966, two Brookings economists estimate, the average overall tax rate on income from capital was almost twice as high as the tax on income from labor.

The tax reforms of 1969 and 1976, combined with taxation of inflated income, have raised this punitive taxation on capital even further—thus stifling the main source of growth. We tax the stuffing out of income from investments and are surprised when nobody wants to save and invest.

Like the tax cuts of 1971 and 1975, the Carter tax cut will be heavily tilted toward those with low incomes. If these increases in the progressivity of the tax rates were done explicitly and honestly, Middle America would throw the rascals out. After the last two tax reductions, the average federal tax rate on a family of four

earning \$10,000 to \$15,000 rose from 6.5 to 10.3%. With tax cuts like these, who needs increases?

Everyone is saying that higher natural gas bills will reduce purchasing power and increase inflation—a magnificent contradiction. Money spent on domestic gas and oil is not lost to the economy. You might just as well say that because people spent more on batteries and snow tires, the economy is faced with deflationary pressures. The idea of adjusting fiscal policy to the weather is fine tuning carried to a ridiculous extreme. Stimulating demand when supply is restricted is a way to get people to rush out and buy what isn't there; a clearly inflationary idea.

Moreover, an increase in the price of, say, citrus fruits and vegetables—which is only about 3% of the consumer price index—is not inflationary. If people pay more for one thing, they have less to spend on others, and there is no lasting inflationary effect.

Actually, the short-term outlook is quite good. It takes time, and a lot of hard work, to demolish the U.S. economy. But the new Administration has made a good start at it. □

---

Tom Bethell

## Capitol Ideas

*"My husband quotes Darwin to me all the time," said Happy. "Yeah, yeah," the Vice President perked up. "To survive you gotta adapt."*

For months I found it hard to understand why Washington is so grey to the mind's eye. The weather tends to be sunny, the atmosphere clear, the surrounding countryside beautiful. I called an old Washingtonian who now lives in Hollywood and is involved in the movie business. "There are so many pastel shades here," she said. Of course. One thinks of Hollywood in color—technicolor. "Why is Washington so grey?" I asked her. She thought for a minute and said: "It's the newsprint." A beautiful perception, I think. The newspapers here are the "trades." More or less everyone in Washington has a professional obligation to read them. It is a depressing exercise. What a gloomy compilation the *Washington Post* is: an assemblage of memoranda to Congressmen and supermarket ads.

---

Russell Baker noted recently that to a Rip Van Winkle awakening after a 20-year sleep, "perhaps the most shocking change....would be the universal display of undressed girls on magazine covers at the newsstand where he buys his morning paper." When he finally got around to reading his paper, our Van Winkle would soon enough encounter the tremendous propaganda campaign currently underway to depict women as an abused "minority." This would have seemed absurd to him in 1957.

Somehow, these two features of the contemporary landscape are never linked up, as they should be: prominently displayed pornography, depicting women as sex objects; and the complaint by women that they are treated as sex objects.

Technology links them. Birth control pills make "sex objects" out of women. And abortion: a million unborn children murdered every year in this country. Undoubtedly the reduction of women to sex objects—the disconnection between sex and childbirth and the

onanistic gazing at objects of sexual fantasy—is the most serious evil dislocating our society today. But this is unlikely to be perceived as anything other than an eccentric view, at least for some time. Women hail the Pill as "liberating." And liberals champion pornographers as free spirits exploring the boundaries of self-expression.

The prosecutions of Larry Flynt of *Hustler* and Harry Reems of "Deep Throat" have brought the Washington liberals out to the predictable fund-raisers. A sigh of happiness is heard in the city. At last! Persecution once again! Police State Repression and all that. "I have to tell you that there is something refreshing about the Reems case," wrote *Washington Post* columnist Richard Cohen. "It is such a blatant example of governmental excess that when you couple it with the return of capital punishment, it gives liberals like me something to live for."

Now we have a full-page ad in the *Post* and the *New York Times* "sponsored by Americans for a Free Press" proclaiming Larry Flynt to be AMERICAN DISSIDENT (like Solzhenitsyn). It is signed by predictable spirits of the age, among them Ramsey Clark, Pete Hamill, Daniel Ellsberg, Hugh Hefner, John Leonard, Gore Vidal.

Surely Malcolm Muggeridge was right. The behavior of our contemporary "liberal" can be explained only in terms of a death wish: Dismantle the Pentagon, the funds to be diverted to education—no doubt innovative. Take Soviet expressions of goodwill at face value. Kill off unwanted, unborn infants who have done no harm to anyone, but keep alive convicted murderers. There you have the liberal agenda for the 1970s.

---

Back in the days of Batista, the winter months were the season for travel to Havana. They still are today. Only the sponsor has changed, from Batista to Fidel. It is now very "in" in Washington to fly to Cuba for a week, preferably in the party of a senator or

---

*Tom Bethell is the Washington editor for Harper's and a contributing editor to the Washington Monthly.*

two, lounge on the beach, drink rum, go ga-ga over Fidel the Liberator, and return with a suntan and a box of *Partagas Habanas*. The latest to make the trip have been Ben Bradlee and Sally Quinn of the *Washington Post*. Most of these specially admitted tourists urge a normalization of relations with Cuba on their return. But this will surely result in tourism being opened up to all, thus making it less exclusive, less "in." On the other hand the advantage is that if such relations are restored, the U.S. will end up helping to finance Castro's brand of totalitarianism, lending a thin veneer of viability to Marxism. This, of course, is the goal of Washington's fellow travelers.

In the final days of the Ford Administration I went to the Sans Souci, having heard that this was an authentic Washington experience. It is a kind of theater-in-the-round where one may see and be seen by the famous people of the moment. Simultaneously one eats lunch. By remarkable good fortune my companion and I were seated right next to Vice President Nelson Rockefeller, who was lunching with his wife, Happy, and a local hostess named Joan Braden, who gets her name in the papers from time to time. Rockefeller had four days to go as Vice President.

Joan Braden and Happy Rockefeller were exhorting Rockefeller "not to be afraid to speak out—really tell the people what's on your mind," implying that as former Vice President he would have the necessary platform and people would listen. I watched Rockefeller when they thus encouraged him. He was leaning back in his chair, occasionally forking spinach into his mouth, with the back of his left hand held under his chin to prevent spillage. "Yeah, yeah," he said, not really interested. He looked for all the world like an elderly businessman lunching at the New York Racquet Club—resembled, in fact, pictures one had seen of his remarkable grandfather. It was not that he was *afraid* to speak out, it was simply that he knew it was...hopeless. To be a Rockefeller in the last quarter of the 20th century! A symbol of the capitalist era after the arrival of the New Class. Like a lone surviving dinosaur after the beginning of the Age of Mammals.

Lunch dragged on. By three p.m. we were still there. So was the Rockefeller party. No great pressing business for him, apparently. Then Happy Rockefeller turned to speak to my friend and me. Who were we? What did we do? Democracy in action. She spoke of the young—her children. A son might turn out to be an athlete. A Rockefeller of the Track. And why not? The board room clearly was passé. Then Happy said to us: "My husband quotes Darwin to me all the time." She turned to Nelson, drowsing peacefully after his meal. "What is that about Darwin you tell me?" she asked.

The Vice President perked up. "To survive you gotta adapt," he said. He somehow managed to imply at the same time that it was no good expecting *him* to adapt. One sympathized with the old fellow. He slipped a gilt-edged wallet out of his breast pocket and paid the check, after a small struggle. Joan Braden—creature of our egalitarian age—made a manful play for it.

Meanwhile....at the other end of town....the new order was assembling for a two-day conference. Nader and His Pals. Whither Public Interest? I decided to attend. The burning question was: Would Jimmy Carter co-opt the Public Interest Movement? A "good guy" in the White House reduces the need for self-appointed good guys in Washington's Government-in-Exile (mostly centered on Dupont Circle).

The consensus at the International House, where Nader's minions met, was that Carter would do no such thing. For two days the hotel was a veritable hub of raised consciousness, people orientation, resource pooling, cross pollination, audience participation, interfacing, and discussions of the government process, the political process, the budget process, the selection process, and the lobbying process. The austere Nader was present throughout, speaking like a computer as only he can. "It is important to particularize the nature of the advocacy in two gen-

eral areas," he remarked in a plenary address, "the first being the procedural fairness of the institutions that affect our lives, and access thereto...." Quite so.

After a while I became totally bemused by the whole thing and concluded that someone should undertake a rhetorical analysis of the Public Interest movement, so called. Groups forming the component parts of this "movement" proceed primarily by staking out righteousness, claiming that they own it exclusively. To a large extent this has been achieved through a clever terminological appropriation. Such words and phrases as *Justice, resources, action, public interest, consumer, democratic, friends of, access to, better, concerned, rights, advocacy, protective*, are used as though they are completely straightforward and uncontroversial concepts to which other people or organizations outside the Nader umbrella do not have a just claim.

Similarly, it is high time that Nader's anti-business rhetoric be analyzed in detail. Let me cite just one example, used several times to describe the business community at this meeting: *The enemy*.

It is not encouraging to learn that Ralph Nader now has Jimmy Carter's "telephone number," and presumably, ear. Shortly after he came to Washington Carter announced his desire to stay in touch with the "common, ordinary people." I hope he succeeds. My feeling about Carter is that he managed to capture the Presidency because he maintained, at least to some extent, the simple and uncomplicated point of view of a Georgia warehouseman. Which is fine. But he is, I fear, terribly open-minded about all matters (to the point of gullibility), and when the Washington folk get to him with such items as: Jimmy, you shouldn't build that dam because some minnows will be hurt by it; Jimmy will say, Lawdy, I would never have thought of *that* in Georgia! Stop that dam! So his instinct to stay in touch with his roots is right, but I'm afraid he is just too agog and eager and willing to learn to lap up the kind of rubbish that Washington's 12th-floor problem-solvers will feed him. If he can steer clear of that, he might be a good President.

Nevertheless, for the time being it must be said that Jimmy Carter has performed one signal service: he finally ended the Kennedy Dynasty. The other day I encountered a Very Prominent Washington Journalist, who was discussing the great resentment on the part of the remaining Kennedys (notably Ethel) toward the arriviste Carters. "The Kennedy people all voted for Ford, you know," the VIP Journalist said. How marvelous, if true, as I suspect it is! How hollow the ideals of Camelot, that they could be so easily laid aside for four more years, in the hope of a Restoration of the Monarchy in 1980. The Kennedys must have prayed for the defeat of Carter—the upstart from Georgia. As I am sure did many other Washingtonians. "Governors shouldn't be allowed to run," one member of the Washington Comintern told me last spring. "They don't know who's who or how the government runs." These elitists already felt that there was far too much "input" into D.C. from the states (read: sticks)—except in the form of tax dollars, of course. A president from "Giawgia" would be the last straw. Well, now he is here, and good luck to him. I only hope he steers clear of the minnow-folk.

P.S. At the Senate Armed Services Committee's hearing dealing with Paul Warnke's nomination to head the Arms Control and Disarmament Agency, a petition was circulated among the journalists present. It was put together by Townsend Hoopes, and it was entitled "Warnke Warmly Supported by Broad Spectrum." A *Newsweek* correspondent next to me looked over the list of 37 signatories, and recalling similar recent petitions, often with the same names, remarked, "That makes three Charlie Yosts to five Reverend Hesburghs." Normally I find the well-known cynicism of reporters tedious, but on this occasion it was quite refreshing. □

Fred D. Baldwin

## A Question for Consenting Adults

*Is talking to a CIA agent worse than having a homosexual affair with him?*

In 1958 Stringfellow Barr wrote a satirical novel, *Purely Academic*, whose hero was an otherwise undistinguished history professor erroneously believed by his colleagues to be giving some kind of information to the Central Intelligence Agency. The question never arose whether his supposed activities were right or wrong, but his academic fortunes took an abrupt turn for the better because he was surmised to have prestigious contacts and perhaps even access to grant money.

Some things have changed in academia and some have not. On January 12, 1977, members of the political science faculty of Brooklyn College concluded that their colleague, Professor Michael Selzer, had violated standards of academic integrity by agreeing to talk to a member of the CIA upon his return from a trip to Israel. After a four-hour closed meeting, they concluded that Selzer's actions were grounds for dismissal although they recommended a milder punishment, such as temporary suspension.

The case prompts two observations. First, it is a measure of how grave are the wounds suffered by our intelligence agencies in recent years. Some of these wounds are arguably self-inflicted because of the agencies' insensitivity to American citizens' rights to privacy. Second, if one wants clear thinking on how to restore sensitivity to individual rights, the last place to go should be the political science departments at American universities.

The facts in this particular instance, as reported by the *New York Times* and the Associated Press, are as follows. According to Selzer, whose version of events was not publicly disputed prior to his department's decision, he contacted the CIA in hopes of securing information on his academic specialty, the psychology of political extremists. His request was denied, but several months later a CIA agent asked him for a meeting.

The meeting took place in a Manhattan bar. The agent asked Selzer to report any information he might come across while traveling abroad that he thought interesting. Selzer was not asked to try to find out anything in particular, nor was any money involved. Selzer also said that he later asked an unidentified Brooklyn College official about the propriety of cooperating with the CIA and was told that the institution had no policy one way or the other.

Dr. John W. Kneller, Brooklyn College president, later said that a decision to enter into "an open relationship" with an intelligence agency should be left to an individual but that he felt that "there is no place in the academic community for clandestine relationships of any kind."

Whether or not the president's statement was intended to be as sweeping as it sounded, it and the department's resolution cen-

suring Selzer may be taken as representative of current academic opinion on clandestine relationships, at least with intelligence agencies. The Brooklyn College committee cited a 1976 resolution of the American Association of University Professors that contact with intelligence agencies "has risked undermining the credibility of published research and risked compromising the position of academics." The committee also cited a recent resolution by the American Political Science Association that urged noncooperation in intelligence activities "unless the sponsorship is fully dis-

closed" to colleagues, students, and the individuals affected.

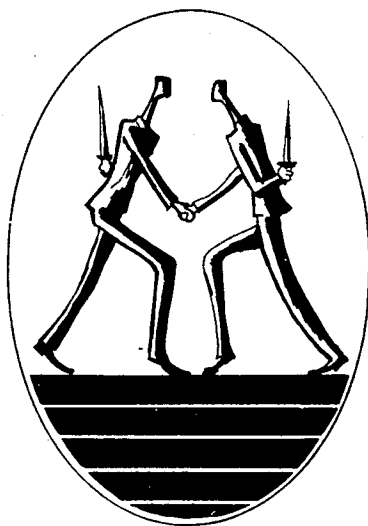
It is easier to pronounce pieties than to draw up equitable guidelines on such matters. One of my professors in graduate school, a distinguished medieval historian, was generally believed to share with the CIA his extensive knowledge of the geography and institutions of France. No one supposed that his silence about whether or not these contacts indeed took place affected his lectures on the laws of vassalage. Things are no easier if the test is presumed to be the relationship of private activities to a scholar's own field. Is a professor of psychology obliged to report his sexual preferences (or his "clandestine relationships") or a professor of economics to disclose his personal investments?

Selzer's case involves only the right of an individual to talk to a representative of his own government, on his own time and with no money involved. It is hard to see how that is anything other than his own business. If his colleagues regard his conduct as reprehensible, they are perfectly entitled to criticize or shun him as individuals, but unless they can demonstrate that an ethical violation was committed, they have no basis for recommending that he be suspended for failing to inform them of his conversations.

What makes the Brooklyn College episode tragic instead of comic is that it suggests that providing information to one's own government, in a perfectly legal context, is perceived as unethical.

Anyone wishing to think seriously about the desirability and difficulty of getting accurate foreign intelligence would be well advised to read Anthony Cave's *Bodyguard of Lies* (Harper and Row, 1976), a history of British intelligence and deception activities before and during World War II. Although it is fascinating reading, it is less a cloak-and-dagger thriller than a serious study of intelligence policies.

That history makes clear that for a nation wishing to understand how foreign leaders, businessmen, and intellectuals think about things, there is no substitute for talking to them and to people who talk with them regularly. This particular kind of intelligence, which is as necessary for peace missions as for war, cannot be gleaned by spy satellites or monitoring radio broadcasts. Nor can it be collected through the open literature, for businessmen and civil servants normally write few articles, and in many



*Fred D. Baldwin is a man of letters from Cortland, New York.*