

Shelton. "In short, perestroika is a financial squeeze for the average Soviet consumer."

Clearly, paying workers more worthless rubles won't motivate them to improve productivity. This is where the West comes in. Our role is to supply the consumer goodies that will make Soviet workers more tractable during the transition to perestroika. "Let the West provide the carrot for Soviet workers to get perestroika rolling," observes Shelton.

Western technology is also vital to improving the productivity of Soviet enterprises. Shelton persuasively argues that if Gorbachev cannot get perestroika going, then the game is lost anyway, so he has nothing to lose by borrowing as much as he can in order to finance his gamble.

And borrow Gorbachev has. New Soviet financial initiatives have been fast and furious. Since Gorbachev took office in 1985, Soviet borrowing has jumped by more than 50 percent. All this borrowing is occurring at a time when the Soviet Union's two major hard-currency exports, oil and weapons, are being hampered on world markets.

Finally, a desperate Soviet Union is trying to entice Western companies into joint ventures with Soviet enterprises. Just how Western businessmen will be able to repatriate their profits, if any, is a detail to be worked out later.

Gorbachev's gamble on perestroika is already in deep trouble. Decentralization, enterprise self-financing, and price reform are all lagging way behind schedule. In January, he reportedly pleaded with skeptical colleagues to give perestroika more time. He asserted that the current, severe shortages of food and consumer goods are not the fault of his economic initiatives. He blamed the situation on decades of huge budget deficits that had been thoroughly concealed from the Soviet Union's citizens (and Western bankers). Gorbachev even called the budget deficit "the gravest heritage of the past." Nevertheless, he declared, "There is no basis for pessimism, despondency, let alone panic." But as Shelton shows, there is.

In view of the serious situation within the Soviet Union, what should the West do? Many policymakers argue that, because he represents truly new thinking in the Kremlin, we must help Gorbachev succeed. They hold out the hope that *this* time the West has an opportunity to wean the Soviets from totalitarian communism.

Shelton urges Western leaders not to succumb to the current end-of-the-Cold-War euphoria. By rushing to bail out the Soviets, the West will be giving up real economic resources in return for ephemeral political concessions. As we all know, the promise of any politician can be revoked overnight, but a factory lasts a bit longer. And capital is fungible. "Funds can be used to produce washing machines, run prisons camps, or build nuclear warheads," writes Shelton. When goods are manufactured outside the Soviet Union, paid for with Western

credit, and then imported for use in the internal Soviet economy, they permit scarce Soviet resources to be deployed elsewhere—Afghanistan, Angola, Cuba, Vietnam, Nicaragua. The West should heed French political commentator Jean-François Revel, who recently wrote: "If we are truly aiming to induce the great Communist systems to democratize, the one thing we must not do is help them surmount their crises while remaining communist. For unless the sickness is allowed to run its course, they will never fundamentally change."

Shelton's book is a thought-provoking and timely warning to the West that rocky times are inevitably ahead for the Soviet Union as communism slowly strangles itself on its own internal contradictions.

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### Book Hints

Revolutionary War buffs and scholars of early American history will find the writings of Mercy Otis Warren, resurrected by Liberty Classics, a fascinating narrative by one of the few women chroniclers of the era. Antifederalist in perspective, the **History of the Rise, Progress and Termination of the American Revolution** (Indianapolis, 2 vols., 762 pp., \$30/\$15) not only provides a look at historical events but offers a perspective on the ethical and philosophical underpinnings of the American Revolution.

Another Liberty Classics book, **The Correspondence of Adam Smith** (464 pp., \$7.50 paper), edited by Ernest Campbell Mossner and Ian Simpson Ross, gives a glimpse into Smith's private life. By his own admission a lazy correspondent, Smith wrote mostly insubstantial letters inquiring after the health or activities of his friends. However, occasional missives to such renowned thinkers as David Hume, Edmund Burke, or Jeremy Bentham contain commentary that fleshes out Smith's own philosophy. But even the more mundane epistles help bring Smith to life, verifying his own assertion that "the smallest circumstances, the most

minute transactions of a great man, are sought after with eagerness."

**Ayn Rand: The Voice of Reason—Essays in Objectivist Thought** (New York: New American Library, 353 pages, \$19.95) offers Rand's perspective on a variety of topics—the Vietnam War, the space program, religion, and even Marilyn Monroe. Also included in the collection are essays by her literary executor, Leonard Peikoff, and one essay by Peter Schwartz, editor of *The Intellectual Activist*. Concisely defined in the book's introduction, Rand's Objectivist philosophy "upholds *capitalism* in politics, on the basis of *egoism* in ethics, on the basis of *reason* in epistemology." This collection of works amply illustrates Rand's development of these ideas.

For lighter fare, James Hogan's high-tech thriller **The Mirror Maze** (New York: Bantam, 448 pp., \$4.95 paper) portrays a future America in which a third political party, the Constitutionals, has united the country around the goal of unrestrained freedom. Hogan, former winner of the Prometheus Award, here gives us intrigue as well as food for thought.

—L. S.

# BRICKBATS

**C**osmetology instructor Michael Cerami was convicted of first-degree manslaughter for shooting a school official who had asked for his resignation. After Cerami was acquitted by reason of insanity in a second trial, a New York State appeals court ruled that job stress contributed to Cerami's mental breakdown and awarded him workers' compensation.

**B**an lollipops? That's professional busybody Dr. Sidney Wolfe's solution to an idea that might make the medicine go down a bit smoother for kids. Children are generally afraid of injections, so a Utah company is testing a narcotic-laced lollipop that children can lick before undergoing surgery. Anesta Corp. makes these "treats" with a purple dye that coats the tongue and lips to help catch doctors or nurses who might misuse them. But Wolfe is outraged. He claims the abuse potential is huge and has petitioned the FDA to halt the experiment.

**I**s it art, or schlock? The People's Republic of Massachusetts has decreed that the state shall decide the difference. Gallery owners complained that cut-rate paintings from Asian countries—often painted by many people in assembly lines—were luring tourists away from their finer artwork. So the state enacted a law barring the sales of mass-produced paintings unless clearly labeled "not an original." Local artists in Rockport, an arty community, "are irate" because "our art is affordable," says Jack Abady of United Oil Paintings, Inc. "I guess they feel art should be out of reach."

**A**lbert and Elizabeth Watson dared to ask New York City for permission to erect a fence on their property. The Watsons bought a building that had been vacant for years and had become a haven for druggies. They gutted the interior and rebuilt it as a photo studio. But the prop-



**"STALLED? NONSENSE — WE'RE RIGHT ON TRACK..."**

erty is located in a "landmark" district in Greenwich Village. So city planners demanded a large window to retain the area's industrial character. The Watsons agreed, but also wanted some privacy. So they decided to put up a fence. Not so fast, says the city. No community group or agency opposed the fence. Scores of city agencies approved the plan. Still, it's taken three years, six hearings, rulings by 10 different government bodies, and more than \$20,000 to get the fence put up. "There are two ways to do a building in New York," says the man who managed the project. "The New York way, where you pay everybody off, or the correct way. We did it the correct way."

**Y**ou don't have to pry Robin Heid's gun out of his cold, dead hands. Just make him a good offer. A Denver Roman Catholic priest, Marshall Gourley, did just that. The padre offered \$100 to anyone surrendering a firearm. Heid, a 35-year-old private investigator, turned in a cheap handgun worth \$40. He'll use the \$100 as a down payment on an AR-15

assault rifle. "This is a capitalist country," says Heid. "When you have a chance to make a good deal, you make it."

**N**ew York City lost \$5 million last year because it could not collect on illegible traffic tickets. So this year the city is sending its cops and traffic agents to penmanship class. Joseph Bilello of the Transportation Department's training academy says he will try to teach them "pre-kindergarten block letters."

**N**o beefcake is allowed at this small Baptist college in Pineville, Louisiana. Even the president of Louisiana College admits that a fundraising calendar of photos of male students in bathing suits was "as scintillating as a Sears catalogue." But church leaders were outraged. "It makes us look like we're liberal or something," says the Rev. Charles Hutzler, pastor of the Alpine Baptist Church. Only 23 calendars had been sold in the school bookstore when sales were halted.

—Mark Edward Crane