

POLITICAL BOOKNOTES

Hidden Spending: The Politics of Federal Credit Programs. Dennis S. Ippolito. *Chapel Hill, \$19.95.* Does the federal budget deficit give you nightmares? Then maybe you'd better avoid *Hidden Spending*. Ippolito, a government professor at Southern Methodist University, says that things are even worse than they seem. Largely uncounted in the growing public debt are hundreds of federal credit programs, which have accumulated nearly \$600 billion in outstanding loans and loan guarantees. In recent years, he figures, credit programs have added some \$100 billion to the federal debt.

The book is a brisk, thorough dissection of the federal government's role as a lender—what the programs are, how they work, how their costs are concealed, and why they've come about. It deserves attention because Washington's credit obligations have grown rapidly in the last decade and because their costs are little understood.

The costs are not simple to measure. When the federal government lends, it generally offers a lower interest rate than the borrower could get elsewhere. But calculating what he could get elsewhere involves some guesswork. And many of the loans wouldn't even be made in the private sector. Loan guarantees are even trickier, since they require no outlays unless the borrower defaults. But that doesn't mean they're free. Credit is diverted from less risky ventures to more risky ones, with the taxpayers bearing the risk instead of private lenders. Estimating costs is made harder still by the failure of lending agencies to provide complete information about defaults and interest costs.

These elusive costs are exactly what makes credit a politically attractive tool for presidents and members of Congress. In a period of growing budget pressures, loan programs offer a cheap way to channel help to a favored constituency, whether it's middle-income college students or international

banks. The constituencies get their help, but without making an embarrassing addition to the deficit. Credit costs, notes Ippolito, are "sufficiently diffuse, uncertain and indirect (as well as often being long-term) to shelter political benefits against political costs. With credit, there need be no losers."

The author concedes that the Reagan administration has held the growth of credit in check and directed attention to the problem, but notes that "all of the major credit programs have survived...reasonably intact." What is needed is to honestly calculate the costs of loan programs and to include them in the budget—thus forcing them to compete on equal terms with those programs requiring direct expenditures.

—Stephen Chapman

Best of the Realist. Paul Krassner, ed. *Running Press, \$8.95.* From 1958 until it faded away in 1974, Paul Krassner's underground magazine, *The Realist*, dished out an irreverent and often obscene mix of satire, interviews, and offbeat news items attacking mainstream institutions and morality. Religious piety, sexual repression, racial discrimination, and the Vietnam war were all pilloried in a manner that adolescents of all ages found hilarious and titillating, but now very little of it holds up as amusing. The book's failure, in its own way, shows just how much both the culture and former idealists have changed since the 1960s. It also demonstrates how tame most of today's satire really is.

The Realist can still shock and offend, even as it fails to amuse. The controversial, tasteless parody of "The Parts Left Out of the Kennedy Book" (William Manchester's *Death of a President*) is reprinted here, complete with its extremely unfunny necrophilia scene. Even for *Realist* fans who relished Krassner's uninhibited satire, this gratuitous shocker proved too much and the thousands of cancelled subscriptions eventually led to the

magazine's collapse. Jokes and cartoons on cripples, sanitary napkins, and gay sexual injuries may in Krassner's view have advanced First Amendment rights, but they hardly offered satire with a radical point of view.

But the magazine, along with Lenny Bruce's monologues, also provided fiercely moral satire that contributed to the 1960s culture of protest and undermined the authority of respectable institutions. Even the magazine's "clean" items carried a sting. For instance, in reacting to a 1965 Evans-Novak column that said a government task force found few South Vietnamese complaints about village bombings, *The Realist* reported the results of a mock government poll. Questions included, "Do you have any complaints about the way American planes bombed your village?" The answers were similar for each question: Yes—0 percent; No—24 percent; and No Opinion—76 percent. *The Realist* quoted "Ngo Diem Gallup" as saying the high no-opinion vote was due to "physical inability to answer because of death." There's real anger in that joke, a perspective missing in today's comedians, like Eddie Murphy, who have borrowed the obscenities of Bruce and Krassner without the moral passion. Others, like Art Buchwald or Mark Russell, offer only lukewarm commentaries on politicians' foibles, and they're safe enough to allow these satirists to be treated as court jesters.

Most of *The Realist's* targets have faded away or lost their power, and so has that sort of satiric intensity. It was fueled, at heart, by a hopeful belief that moral outrage could make a difference. But with the growth of apathy and cynical indifference, such satire has lost its appeal. For a few years in the 1970s, the political passion of *The Realist* did find its way into some of the work of Lily Tomlin, Richard Pryor and the pioneering writers for *National Lampoon* and "Saturday Night Live," but they've all lost their fire. Now we're left with Joan

Rivers's "slut" jokes and the ascendancy of a smug, heartless conservative ethic that remains essentially unchallenged by today's toothless satirists. A modern, truly funny *Realist* would certainly be welcome now, and this dated anthology is no substitute.

—Art Levine

Why Democracies Perish. Jean-Francois Revel. \$17.95. An experienced polemical columnist and celebrated point man for conservative anti-communists, Revel should know the danger of overstating his case. In particular, you would expect he would know the difference between exaggeration and threat-mongering and a sober, persuasively realistic exposition of the nature of the Soviet Union. In fact, he seems to have no sense whatever of this distinction.

It's too bad, because Revel has been watching the Kremlin for some time, and he has interesting ideas about what makes the Soviet state so particularly ruthless and potentially threatening to the rest of the world. As Revel's title indicates, his principal argument deals with the democracies' response to totalitarianism. But in fact much of the book is given over to a simple indictment of the Soviet Union—a long, detailed and often repetitive catalogue of the qualities that he believes make it so dangerous.

Much of this is familiar—the militarism, repression, adventurism, disinformation, and encouragement of terrorism. On occasion, Revel offers a new or little-known anecdote—about Soviet infiltration of the Western European peace movement, for example—to support what are by now otherwise routine charges among anti-communist conservatives. At other times, his perceptions seem more telling. Among the most persuasive is his sense of the patience and perseverance with which Moscow has often pursued its expansionist goals, trying again and again in Finland, for example, over a period of more than 25 years, before Finlandization was finally achieved in the aftermath of World War II. He is convincing too on the

typical intransigence and ruthlessness of Soviet negotiators, who rarely share their Western counterparts' willingness to make concessions—both minor and major ones—to show their good will or give momentum to a difficult negotiation.

More often, however, Revel's picture of the Soviets is simply not credible—overstated, generalized and off-puttingly tendentious. His sweeping claims about Moscow's grand imperial designs, his unproved assertions about the way the Kremlin is using its "military superiority" to obtain in Western Europe "without going to war precisely the same results that a war would bring," the strangely awed and overwritten descriptions of a "monopolization of power more effective than any mankind has ever known before"—in the end, it all adds up to a shrill and fairly predictable caricature that can hardly help to alert Americans to the real difficulties of dealing with the Soviet Union.

It is not a very promising backdrop for Revel's thesis about the plight of Western democracy—his notion that it is a kind of "willing victim," losing its struggle with totalitarianism and, what's more, losing deliberately. What Revel fears most is that the West is "predisposed to succumb"—a complicity that he believes to be both witting and unwitting. In part at least it is a matter of choice and political will: "The way in which a civilization faces difficulty is at least half-determined by its mental and moral state and only half by its objective situation."

More importantly, however, and more ominous, the problem, he argues, is rooted in the very nature of democratic society. Here, too, some of Revel's arguments are more familiar than others. Our divisive politics work against consistency in foreign policy; our lack of historical memory numbs our sense of outrage, leaving us unprepared for each next round of Soviet repression and adventurism; popular opinion limits our use of force and undermines our espionage; the Atlantic alliance is unable to main-

tain even the semblance of unity. Many of his criticisms are indisputable. The problem here too is that he undermines his case with ludicrous exaggeration.

The democracies' political scruples may at times put us at a disadvantage in the face of an uncompromising adversary, but not even Revel himself seems to quite believe his melodramatic claim that we are somehow on the verge of "perishing." The Yalta agreement, flawed as it was, was not a "psychotic denial of reality." The cold war is hardly, as Revel argues, indistinguishable from detente, and there is little to be learned by suggesting that virtually all Western leaders—"conservative and Christian. Democrat, centrists and socialists, Republicans and Democrats"—have in effect pursued the same cowardly appeasement of the Soviet Union.

Revel may himself believe that his own clever slogans can erase the differences between Henry Kissinger and Petra Kelly, but he is unlikely to convince any but the most committed and hawkish anti-Soviets. Nor can such overstated and polemical arguments possibly help us come to terms with the real differences between our diplomatic code of conduct and the very different one that tends to prevail in the Kremlin.

There is in fact something shrewd and disconcerting about many of Revel's criticisms. A good number of Western diplomats are undoubtedly misled by their optimism and openness and the store they put in good personal relations with their opposite numbers. The West does not generally like confrontations and we tend to want to get along—and as a result sometimes we may not bargain hard enough. The democracies do not, however, always show such virtuous restraint—Revel declines to pass judgment on American support for the Nicaraguan contras or the Chilean regime of General Augusto Pinochet—and in the end his overdrawn caricature of the naive and well-meaning Westerner does little to help us grapple with the very real but unavoidable ways in which our