

TILTING AT WINDMILLS



When we think about the foreigners who export addictive substances to this country, we picture a bunch of swarthy thugs with dark gloves and wonder why they do such terrible things. But what does the rest of the world think of us when it reads "the United States exported a record \$4.15 billion worth of tobacco and tobacco products last year, including 118.5 billion cigarettes?"...

If you aren't convinced that executive salaries have gotten out of hand, ponder the recent headline in the business section of *The Washington Post*: "Average Thrift CEO paid \$250,000."

While the practice is especially outrageous in the case of the incompetently run savings and loans, overcompensation of its top echelons is characteristic of

American business today. One reason for these salaries is that the boards of directors that confer them often consist of the CEO's friends and lackeys—and of CEOs from other companies who hope that they will be the beneficiaries of similar largesse and so don't want to break the great chain of favors that binds together the bigshots who serve on one another's boards. Incredibly enough, even in the absence of such friends, lackeys, and fellow CEOs, boards seem to have a natural tendency to fill dull moments at meetings with motions to increase the chief's salary. Someone will say old George deserves a raise and the other members mindlessly nod their heads....

Name two sports in which fixed contests are an accepted tradition. Okay, wrestling is

one, but what's the other? It is the home game in professional basketball. As of April 8, the Washington Bullets had a home record of 28 wins and 9 losses. On the road, they had won only 9 and lost 26. For the Atlanta Hawks, the comparable figures were 28-8 and 16-21; for the New York Knicks, 32-5 and 15-21. The same home/away contrast holds true for every team in the NBA.

But, you ask, isn't it just that home crowds are more supportive? In fact, far more is involved. The fix is put on by the owners who want to attract crowds to their home arenas with the lure of victory. They require visiting teams to take the earliest scheduled flight on game day, which in turn often demands a 6 a.m. wake-up call to get to the airport on time. Usually, the home team has the night off before the game, whereas the visitors may have

played consecutive nights not only in different cities but in different time zones. . . .

You're an archeologist doing a dig near City Hall in New York. You find some foundation stones, a builder's trench, and the brick and plaster rubble of an 18th century building. What are you going to say you have found? Your grants need renewing and a bit of publicity could help. Call it "a homeless shelter from the 1700s" and you're sure to get a front-page story in the Metropolitan section of *The New York Times*. Such a story did in fact appear early last month. While I would not for a minute suggest that my cynicism about the story's origin is justified in this particular case, I have long ago concluded that the average New Yorker is a born P.R. person and that we must be ever alert to the resulting proclivity to turn whatever he or she is doing into a news story. . . .

One reason the District of Columbia police force finds crime prevention so nettlesome is that in 1968 it had one captain and five lieutenants per precinct. Today each precinct has a deputy chief, four captains, and around 20 lieutenants.

Such top-heaviness of course is typical of the federal civil service as well. The turning point was 1978, the year in which the number of people at the bottom rank, the GS-1s, were finally outnumbered by those at the top, the GS-18s. . . .

Another problem for the D.C. police department is that 800 of its 3,950 officers become eligible to retire this year. Sixty percent of the entire

force is eligible to retire by 1992. This, mind you, is after just 20 years of service. Most of them are healthy and still young. Does it make any sense to pay them *not* to work when they are needed to patrol the streets? If a policeman has spent 20 years patrolling the mean streets of Anacostia, he might deserve not retirement but assignment to a softer job. But the great majority have already spent a substantial amount of time in offices or riding around in cars in safe neighborhoods. . . .

The truth we all suspected about the Reagan years is now official. The rich got richer and the poor got poorer. The income of the top fifth rose by 11 percent, while that of the bottom fifth declined by 6.1 percent. Fortunately, George Bush is proposing a cut in the capital gains tax to help those poor souls stuck at the bottom. . . .

Washington is awash in new million-dollar houses. Could this have anything to do with the fact that residential real estate is one of the few tax shelters remaining after tax reform and that tax reform put a million-dollar cap on mortgage debt, for which interest could be deducted? Why don't we limit the mortgage to \$250,000, or if you want to be kind to your upper-middle-class friends, \$500,000? Or why don't we limit the interest that can be deducted in one year to, say, \$20,000? Any of these steps would help reduce the deficit. It would also make the rich less able to dodge taxes. And it would accomplish both these ends without affecting the incentive the deduction provides for lower- and middle-income housing.

At the time we're making this legislative repair, we ought to fix another loophole that was left in the reform bill. It permitted people who had mortgages of more than a million dollars to continue carrying mortgage debt at whatever level it was in October 1987. If a wealthy homeowner had a mortgage of \$8 million, he can refinance it and still have the \$8 million ceiling. This would permit him to enjoy a perpetual tax savings of about \$126,000 per year. . . .

I've got good news for all my friends at the bar. There's still time to sign up for the "Innovative Billing" seminar to be held at Paradise Island, the Bahamas, on the 19th and 20th of this month. The textbook is *Beyond the Billable Hour: An Anthology of Alternative Billing Methods*. This may turn out to be the first bar association meeting at which the members spend more time in the seminar than at the beach. After all, the subject is not something frivolous, like how to give the client better service. This is about the heart of the matter—how to get more money from him. . . .

Not long ago we wrote about a federal judge, who, like most of his colleagues who had stepped down from full-time duty on the bench, had chosen "senior judge" status instead of retirement. He could make more money that way, enjoying all the raises given the full-time judges. The judge we were describing has done no judicial work at all for years. And it turns out, he's not the only one. According to *The Wall Street Journal*, 48 of the 277 senior judges do no judicial work. . . .

Among congressmen who seem least likely to vote to ban cigarette advertising, Dan Schaefer of Colorado stands out. On January 11 he received a \$1,000 honorarium from the Tobacco Institute. On February 2, he got another \$1,000. He added still another on February 3. . . .

When I was working for John Kennedy in the 1960 campaign, I encountered quite a few voters who disliked his father, Joseph P. Kennedy, so much for his appeasement during the early stages of World War II that they would not even consider voting for his son. A. Scott Berg's new biography of Samuel Goldwyn offers further evidence for the concern they felt. In 1940, while the Battle of Britain was raging, Kennedy advised a luncheon meeting of 50 top Hollywood producers to stop making anti-Nazi pictures or "using the film medium to promote or show sympathy to the cause of the 'democracies' versus the 'dictators.'". . .

Still worried about the deficit? Here's another way to reduce it. We own property in Tokyo, including an embassy, which is now worth \$5 billion. Why not sell it to the Japanese government, which professes such grave concern about our deficit, and then lease back only the space we absolutely need to carry on essential diplomatic functions. In fact, we should do this where real estate prices are high in the rest of the world. Sometimes we won't even have to lease back. As I have often pointed out, in scores of smaller countries such as Mali and Mauritania it would make sense for us to use the

Canadian or Australian or British embassies to take care of our business while we did the same for them in other countries. The savings in manpower as well as real estate could be substantial. . . .

One of my fondest delusions during the early eighties was that this magazine had had something to do with the then-declining number of law students. But the downward trend has been reversed. Who turned out to be more persuasive than *The Washington Monthly*? "L.A. Law."

Throughout the nation, 22 percent more students took the Law School Admission Test in 1988 than in 1987. At the University of Texas Law School, 1989 applications are 17 percent above 1988 and 30 percent above 1987. The Texas dean, Mark Yudof, explains:

"Students turn on 'L.A. Law' and they see they can make a tremendous living, get good cases, have a good sex life, and eat good meals." . . .

Waiting in line at the post office can be exasperating. That's why Dolores Martinez, the manager of lobby operations for the New York post office, is my heroine of the month. She has installed machines at two of the city's branch offices that give out tickets telling you what number you are in line and estimating how long you'll have to wait. So instead of having to stand in line, you can go out for a walk, or pick up your dry cleaning. Of course it would be better still if you would be served promptly and not have to wait at all. . . .

The Washington Post's Metro section doesn't know Washington, an indignant

reader recently pointed out in a letter to the editor of the *Post*, citing, among a large assortment of examples of the section's ignorance of local geography, a story criticizing D.C. ambulance drivers for getting lost, accompanied by the *Post's* map showing the supposedly correct route that would, in fact, have taken any driver who followed it straight into a dense wood. This geographical innocence is part of a larger problem of embarrassing ignorance about Washington that has been characteristic of the *Post's* Metro reporters over the years. Most of them have come from somewhere else and most serve only a few years on Metro because it's low on the *Post's* totem pole. . . .

Another kind of ignorance about Washington was illustrated by John Chancellor, who recently told "NBC Nightly News" viewers that federal employees earn 22 percent less than their counterparts in the private sector. This is false and has been false for the 25 years I've heard and read similar observations made by hundreds of Chancellor's colleagues in the press. If these fellows had been reading *The Washington Monthly*, they would have known that the comparison on which the 22 percent figure is based is between real jobs in the private sector and job *descriptions* in the civil service. These descriptions, written by government employees themselves, are designed to get the highest possible salary. In the words of our contributing editor, Leonard Reed, "They endow the average file clerk with responsibilities before which a Harvard MBA would quail." . . .

In Washington, we have an upscale grocery store called Sutton Place Gourmet that always seems to be jammed with well dressed young people carrying briefcases. Since everything costs more, why are they there? My friend, Walter Shapiro, has found the explanation. Fancy food is the least expensive way of establishing your social class by proving your good taste. If you can't afford a Rolls, you can still feel like you belong in one by buying Grey Poupon instead of French's. . . .

Ronald Kessler's new book, *Moscow Station*, while marred by an obvious tilt in favor of its FBI sources, is nevertheless a devastating portrait of CIA and Foreign Service incompetence and self-indulgence at our most sensitive diplomatic post. They employed Soviet nationals for lower-level tasks around the embassy. The Soviets, of course, never hired Americans to work in their embassy in Washington. But the Americans were used to this sort of thing—they did it at posts around the world. They got into the business of hiring foreign nationals because they were cheaper, and often more temperamentally suited to domestic service than Americans. Also, they could be hidden in budgets Congress didn't see, could spare the Americans the embarrassment of including servants, plumbers, and drivers in their own diplomatic class, and most important, could translate for the American Foreign Service officers, who traditionally have been reluctant, to say the least, to learn the host country's language.

In Moscow, according to

Kessler, "the Americans wooed the Soviets to drive them to the ballet, cut their hair, fix their radios, and even answer their phones at the embassy switchboard." A frightened would-be defector would have to talk first with a Soviet before he could plead for help from an American.

"Only the Soviets supplied by UPDK, a state agency controlled by the KGB," Kessler adds, "could work in foreign embassies in Moscow."

I was thinking of this when I saw a recent dispatch from the Associated Press that began:

"U.S. embassies abroad have hired hundreds of foreign nationals for security posts and other jobs without background checks, heightening the risk of espionage and terrorism."

In Egypt, 204 guards were not investigated; in Algeria, 94. In Argentina, 71 guards, who were hired by a local contractor, were investigated solely by him. In Thailand, the local contractor could choose which of the 183 guards he hired to protect U.S. facilities should be investigated. They were *not* investigated by U.S. security officers.

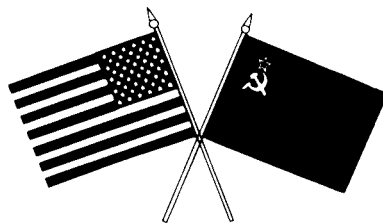
I was thinking of this again in early April, when one of the network news programs did a segment on our base at Guantanamo Bay. There were pictures showing Cubans who work at the base flowing through the gates each morning. No doubt they are personally selected by Fidel, who also insists that they exchange their dollars for pesos when they leave the base. That way he gets both the secrets and the hard currency. . . .

Some people think that the District of Columbia's government is bad because it is black. That that explanation

won't work is proved by the performance of the D.C. Metro system. Sixty-two percent of its employees are black and it is generally recognized as the best transportation system in the country. . . .

Incompetent teachers—Are these the rotten apples that are spoiling our system?—Unfireables populate public classrooms" read the banner headline across the front pages of the *Charleston* (West Virginia) *Sunday Gazette-Mail's* Outlook section on April 2. I congratulate the *Gazette-Mail* for taking on an issue that most editors seem unaware of, even though the large number of marginal talents who have invaded the classroom since 1970—when the women's movement began discouraging women from following traditional female career paths—is a critical national problem that must be faced if we are going to have any chance of giving a good education to those who can't attend private schools. . . .

—Charles Peters



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What's Wrong With Testing?

Except for supressing the talented, protecting incompetents, and making us less productive—not much.

by James Fallows

The term “meritocracy” was popularized 30 years ago by the English sociologist Michael Young, who introduced it in his short satire, *The Rise of the Meritocracy*. Taken literally, meritocracy means “rule by the meritorious,” and such a system is what America, among other societies, has always dreamed of attaining. Many people assume, even without thinking, that the current system of school tracking, tests, and professional organizations is about as efficient a meritocracy as we’re likely to devise. But is the connection between intelligence and success really so necessary and natural? It is not, as an examination of the meritocracy’s premises will show.

The starting point for today’s meritocracy, of course, is the idea that intelligence exists and can be measured, like weight or strength or fluency in French. The most obvious difference between intelligence and these other traits is that all the others are presumably changeable. If someone weighs too much, he can go on a diet; if he’s weak, he can lift weights; if he wants to learn French, he can take a course. But in principle he can’t change his intelligence. There is another important difference between intelligence and other traits. Height and

weight and speed and strength and even conversational fluency are real things; there’s no doubt about what’s being measured. Intelligence is a much murkier concept. Some people are generally smarter than others, and some are obviously talented in specific ways; they’re chess masters, math prodigies. But can the factors that make one person seem quicker than another be measured precisely, like height and weight?

Think for a moment about the difference between measuring intelligence and measuring anything else. We know that some natural traits are distributed according to what the statisticians call a “normal distribution,” better known as a bell curve. Height is the classic example. If you randomly chose a thousand American men and measured them, you’d find that most would be slightly over or under six feet, smaller numbers would be four inches taller or shorter, and only a few would be at the top and bottom of the scale. Many other natural characteristics—the number of hairs on a person’s head, the size of fish in a lake—follow a normal distribution. But some other, equally natural features, don’t. Hair color among Japanese citizens does not have a normal distribution: almost everyone’s is black. The ability to walk is another example. It is not “normally” distributed, since the great majority of people can walk without difficulty, and a minority of those who are too old, too young, or too sick cannot.

James Fallows, a contributing editor of The Washington Monthly, writes for The Atlantic from Yokohama, Japan. This is excerpted from his book MORE LIKE US: Making America Great Again published by Houghton Mifflin Company, Boston. Copyright © 1989 by James Fallows. Reprinted by permission.