have recovered any money.

Though the worst of the liabilities seem now to be known, there is a serious question of whether Lloyd's can continue to exist. If it goes down, it will be yet another in a long line of victims felled by greed and stupidity. But above all Lloyd's stands as yet another monument to financial deregulation, another warning that even the most venerable financial institution in the world is not immune to the sort of excesses common in the latter twentieth century. If it can happen at Lloyd's, it can happen anywhere.

S.C. Gwynne is the Austin Bureau Chief for Time.

The Luck Business: The Devastating Consequences and Broken Promises of America's Gambling Explosion

Robert Goodman

Free Press, $23

By Joshua Wolf Shenk

The "nice" side of town in Atlantic City is a stretch one block wide and less than 10 blocks long. This is what tourists see: velvet-soaked casinos, a Boardwalk lined with shops and concession stands, faux-everything. The rest of the city is a ghetto—cracked concrete coated with broken bottles and refuse. With the exception of pawn shops, which are plentiful, storefronts are mostly boarded up.

Casinos were supposed to revive this faded resort town. Instead, they hastened its decline. Rather than acting like a sponge soaking up visitors' money, as in Las Vegas, Atlantic City's casinos became more like rats, gnawing away at the remains of small restaurants and hotels. Out-of-state magnates like Donald Trump built self-enclosed fortresses along the beach. Jobs went to out-of-staters, and the problems of gambling addicts and increased crime stayed right at home.

You might expect this story to serve as a cautionary tale for towns attracted to the flashing lights of slot machines. Instead, casinos are enjoying unprecedented popularity among politicians and urban planners. Cities in rural South Dakota and Colorado mining country, in Louisiana and dozens of other states, have turned to gambling for a jolt of economic energy. They keep chasing the dream of Las Vegas, only to find themselves in the nightmare of Atlantic City. The big-spending tourists rarely come. Little new money enters the economy. The money that is spent is diverted from other area businesses.

Why do so many towns—from New Orleans to Joliet, Illinois to Davenport, Iowa—keep falling into the gambling trap? As Robert Goodman explains in *The Luck Business*, it's not because citizens are clamoring for more opportunities to gamble. In fact, every state-wide referendum to expand gambling since New Jersey's in 1976 has failed. The casino boosters are the industry itself and its eager followers—politicians seeking quick-fixes for deep-seated economic woes (and, sometimes, campaign contributions as well).

The pattern is depressingly familiar. It starts with vast promises: "This may be as important to Davenport as the Bill of Rights and the Magna Carta," one Iowa official said of Davenport's first casino license. "Riverboat gambling will start a rebirth of Joliet's center," predicted that Illinois town's city manager in 1992. "It will save us five years in developing our downtown."

The cities spend millions in infrastructure—readying the docks for riverboats, building access roads, expanding water and sewer systems. Next comes a high-profile media spectacle as the ribbon is cut, and the first gamblers throw their dice. Finally, after the hype comes the crash of unrealized expectations. Consider the case of Joliet. Like Atlantic City, Goodman reports, the town saw "a continuing stream of day-tripping gamblers, who stayed at the casinos and then left." No hotel was built. No new non-casino businesses were created, with the exception of a single take-out coffee shop.

The country is paying a dear price for this failed experiment. The rush to build casinos—and the concurrent expansion of lotteries and electronic gambling—has led to an enormous growth in the number of Americans who gamble. In 1990, 46 million people visited casinos. In 1993, that figure was 92 million. The number of gambling addicts, whose enormous debts lead to crime and broken families, is exploding. The problem is bound to get worse as a generation comes of age in an era of state-sanctioned gambling.

After the introduction of casinos; Atlantic City saw its crime rate triple in just three years, South Dakota endured a huge increase in bankruptcies and divorce claims. Between 1991 and 1994 Louisiana suffered a fivefold increase in the number of people seeking help for problem gambling.

The crazy thing about this gambling epidemic—and this is why Goodman's book should be read by anyone concerned with the crisis in public life today—is that political leaders are actively worsening the crisis. Seduced by the promises of tourist money and hundreds of new jobs, politicians cheerlead for expanded gambling and abdicate any regulatory role in the process. With lottery advertising, state money is even pitched in to make gambling seem like harmless fun.

At one point, Goodman quotes a gambling magnate talking straight about his plans: "When we put 50 slot machines in, I always consider them 50 more mousetraps. You have to do something to catch a mouse. It's our duty to extract as much money from the customers as we can and send them home with a smile on their face."

As this book demonstrates, the mice these businesses catch aren't just gamblers. They are towns, states—even the country itself—that are paying the price for a failed public policy.

Jihad v. McWorld

Benjamin Barber

Times Books, $25

By Gareth Cook

Last year, I went to Middleboro, a small town in southeastern Massachusetts, to write a piece about Rwanda. It had all the makings of your classic "shrinking planet" story. Here was Manzi Kanobana, a Tutsi teen from the heart of Africa, now an exchange student at a small New England high school. To these kids, Manzi seemed strange at first, but he played a mean game of soccer and quickly made friends. His home country's quirky customs caught on—like the midnight candy Christmas tradition—and, before long, he had plenty of friends with whom to watch TV—usually CNN's "International Hour." Middleboro, meet Kigali.

But that spring, amidst CNN's reports of Coca Cola's move to Prague and the most recent opening of a McDonald's franchise in Budapest, came chaotic stories of Rwanda's self-destruction. The president's plane had been shot down, and the nation's two tribes—the Hutus and the minority Tutsis—fell upon each other with an apocalyptic fury. One afternoon, I sat in a sparsely-furnished apartment, with Manzi's aunt sitting at the table next to me, crying softly as her young nephew explained, bewildered, how men came with machetes and executed most of his family.

Is the world coming together, or is it ripping apart at the seams?

This is the driving question behind *Jihad vs. McWorld*, an important new book by Rutgers political scientist Ben Barber. This book, like Paul Kennedy's *The Rise and Fall of the Great Powers* or Francis Fukuyama's *The End of History and the Last Man*, is an attempt to make sense of what is still awkwardly known as "the post-Cold War world." Barber concerns himself with what he sees as the two dominant international trends of our time: "McWorld integration," based on a rapidly growing world consumer culture, and "Jihad retribalization," splintering once-settled nations. He pointedly argues that although "McWorld" and "Jihad" are in seeming opposition, the two forces are in fact partners, attacking democracies at their roots. Yet, this is not a book solely for foreign-policy mavens. Barber asks provocative questions about the direction Americans are taking—as a country and as a culture.

For a while, it was fashionable to point out that the United States didn't win the Cold War—Japan did. Indeed, Japan did emerge from the superpower struggle as a real economic power unfettered by punishing levels of defense spending. But Barber argues that the real prize should go to Mickey Mouse. With the fall of communism, the last great empire, there is nothing to stop a distinctly American kind of consumerism, which gives "McWorld" its name, from sweeping the globe. Kentucky Fried Chicken has outposts in Nanjing, Xian, Hangzhou. American pop music—Madonna, Bruce Springsteen, Nirvana—can be heard in cafes from Tunis to Warsaw. Reruns of old television shows like "Dallas," "Wheel of Fortune," and "The Simpsons" are top programs across vast swaths of the planet. Modern communication and transportation have made borders ever more porous by default, even as the free-traders have made them more so by design.

There was a historical moment, right after the Berliners hacked down their wall, when the "McWorld" info-revolution seemed to have a distinctly human face. Fax machines and photocopiers, radio and television, all helped to undercut totalitarianism. They spread ideas and fueled discontent by showing the freedoms (and the consumer goodies) to be had in the West. Even MTV's claim that it helped bring down the Wall had a ring of truth: It was Madonna versus Marx, and Marx didn't stand a chance.

But the same forces that toppled old-line communists are also bulldozing the world's cultural landscape. Television, movies, and modern advertising are making more and more of the planet look more and more the same. *Terminator 2* was the number one film in Argentina, Malaysia and Mexico in 1991. For Indonesian youth, tea is out; Coke is in. T-shirts with American pop icons are a hot commodity throughout the Third World—and the Japanese pay upwards of $100 for a pair of Levis.

None of this is new, of course. As radio spread in the 1960s, it was already becoming difficult to escape the Beatles. The theme of traditional local cultures faltering under the onslaught of Western consumerism is a sad one, but a familiar one. Now, though, the process has accelerated.

There is also more to "McWorld" fears than the vague, claustrophobic sense that all the world's becoming an American strip mall. Control over the increasingly powerful info-entertainment sector is growing more and more concentrated. These new agglomerations sprawl across traditional media divisions—movies, television, cable, books, producers and distributors. By the 1990s, according to Ben Bagdikian, author of *The Media Monopoly*, 17 intermedia conglomerates owned half of the revenues from all media. Since this book was written, Disney announced it was going to purchase Capitol Records/ABC. Then Time-Warner announced it would join forces with Turner Broadcasting; the combination would own HBO, Cinemax, CNN, Time-Life books, a slew of magazines (including *People*, *Money*, *Sports Illustrated*, and *Time*) and a variety of other entertainment interests.

This is especially worrisome for the news business. After World War II, about 8 in 10 American newspapers were independently owned; by the beginning of this decade, about eight in ten were owned by one of the big chains. What of the network news? NBC is owned by General Electric. Now, Westinghouse wants to take over CBS, and Disney has made a deal for ABC, "where more Americans get their news than [from] any other source." Don't hold your breath for NBC to do a story on how GE continues to screw taxpayers on defense contracts.

Perhaps I am paranoid, but I sometimes feel that all the shows on television (with the possible exception of "The X-Files") are already produced by one big machine somewhere in the