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EDITORIAL

FIELD OF DREAMS

The sixty-second Academy Awards ceremony finally gave Americans the celebration they've been expecting, and missing, in this time of triumph. With its global overbite and planetary penetration, the show seemed to bestow its most treasured Oscar, for the best performance of the year, not on a venerable movie star but on an aging imperial system. Diana Ross's past-midnight rendition of "Over the Rainbow," with audiences in Moscow, Tokyo, Buenos Aires and other sleepy cities singing along in a semblance of unison, was supposed to be something of an international anthem to Hollywood's hegemony and America's cultural superiority.

Hollywood has always manufactured American dreams, and it has now come to stand for the American system. Several commentators on the Academy Awards noted that the movies represent this country's last successful endeavor of the century. *The New York Times* quoted a professor (in Canada, of course) as saying: "Other people make better cars, better electronics. Our schoolchildren are stupider, and so on. But the one thing the world envies is the miracle of Hollywood. It's very comfortable to focus on something the United States has and everybody wants."

But can a world system long endure solely on a foundation of tinsel, gossip and illusion? It's true that America has the most sought-after symbols in the world today: the golden arches, the Hollywood celebrity, the goddess of liberty. They bring in a hefty profit. But they are too vulnerable to fashion and too readily replaced (or sold—as Columbia Pictures was to Sony this past September). Before long, a nation of stupid children and devastated industries may not be able to sustain the illusion that glitter is really gold. And that the system itself is, more and more, only a movie.

BOMBS INTO PLOWSHARES

PLANNING FOR ECONOMIC CONVERSION

SEYMOUR MELMAN AND LLOYD J. DUMAS

It's time to start planning the conversion of America's defense economy to civilian work. By conversion we mean political, economic and technical measures for assuring the orderly transformation of labor, machinery and other economic resources now being used for military purposes to alternative civilian uses. The political impetus for conversion is gaining momentum as a result of the relaxation of cold war tensions. Another stimulus to action is America's deteriorating competitive position in the world economy.

A major factor in America's decline to the status of a second-class industrial power has been the voracious appetite of the military-industrial complex, which employs 6.5 million civilian and military personnel in more than 135,000 factories, laboratories and bases. From 1947 to 1989 this country diverted to military purposes resources whose value exceeded the fixed reproducible, tangible wealth of the entire civilian economy. Tens of thousands of factories became virtual wards of the Pentagon; sheltered from the discipline of the marketplace, they adopted inefficient and costly methods. An indirect consequence of the larger share of tax dollars funneled into the military establishment was a diminution of public investment in the infrastructure and its resulting decay. The debilitating effect of all those developments on American industrial strength is readily apparent.

Labor productivity, a key indicator of long-term efficiency, has significantly declined. Between 1968 and 1988

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EDITORIALS.

Money-Go-Round

Democracy! they cry. Freedom! they shout. But when the talk turns to the dollars and cents of foreign aid, a great beating of wings can be heard in the corridors of Washington. It is the sound of confusion cloaked in high moral purpose. The present mood can be traced back to January, when Senator Robert Dole proposed on the Op-Ed page of *The New York Times* to reallocate part of the aid earmarked for Israel, Egypt, Turkey, Pakistan and the Philippines to an "emerging democracies fund." Much fuss ensued over which countries were the most deserving contenders—and on what criteria. Why should Panama be worth half a billion, and Namibia half a million? Any sense that there is unlimited cash in the bank to follow the flag has vanished, and the hopes of Poles, Romanians and Filipinos for a mini-Marshall Plan are doomed to disappointment.

The arguments over who gets what have much more to do with the self-absorbed shell game of domestic politics than with clear foreign policy goals. Proposals to cut aid to Israel run smack into the hostility of Aipac; Bush's call for a Panama-Nicaragua fund conflicts with the Democrats' wish to play to ethnic Eastern European voters; any talk of an overall increase in foreign aid is shot down by invoking

Gramm-Rudman, or the tax-increase taboo, or by the Pentagon's refusal to be seen as a cash cow (even though canceling research on the LHX helicopter, to pick just one item, would comfortably pay for the Panama aid package). Where Defense Secretary Dick Cheney does make grudging cuts, it's to keep Congress at bay, not to express a coherent world view. Under the law of inertia, of course, money can always be found for programs already in place—like $1 billion for a two-year rental of Philippine bases to guard against a nonexistent threat.

This absence of threats is what largely accounts for the neurotic tone of the debate. Even assuming the cash can be found, what is it for? The largest single chunk of funds at stake is $720 million in aid to Panama and Nicaragua. But to what end? To secure the victory and put pressure on Cuba—reassuringly traditional goals—as Bush suggests? To salve a guilty conscience? To show us that America follows through on its commitments? Because, as Deputy Secretary of State Lawrence Eagleburger says, we owe it to them? (As war reparations, perhaps, though that thought, most assuredly, occurs to nobody in Washington.)

The goals of U.S. aid since World War II have been clear: to contain Communism, open markets and make over the world in America's likeness. Now comes the dilemma: on one hand, the triumphalist myth that the cold war has been won; on the other, the evident fact that there is nobody left to contain, coupled with the more diffuse anxiety that there are few markets we are able to penetrate. It is Japan, not the United States, that has the products that will sell and the reserves to dole out in the form of aid; and it is West German, not American, entrepreneurial drive that will crash into the captive markets of Eastern Europe. The United States, meanwhile, risks continued global decline, even the prospect of becoming, in Walter Russell Mead's alluring phrase, "the Argentina of the twenty-first century."

The only part of the foreign aid repertoire to survive intact is the impulse to evangelize the world in the name of democracy. For years, that effort could be measured by keeping an eye on the missionaries of the C.I.A. and the Agency for International Development. But the agency to watch in the 1990s will be the National Endowment for Democracy. Already zealously engaged in "building democratic institutions" in Eastern Europe and Latin America, it has the image of being both high-minded and low-budgeted—considerable bipartisan virtues in these straitened but bombastic times.

Maggie Stumbles

London

Middle England is stirring. On March 22 the constituency of Mid-Staffordshire, a Conservative bastion, fell to the opposition Labor Party—its greatest by-election triumph since 1935. While this result may not be an accurate guide to the outcome of the next general election, by-elections do reflect the political mood of the country. Today, with opinion polls showing a Labor lead of as much as 28 percent, the weather vane is set hard against Margaret Thatcher.

The primary reason for the Mid-Staffordshire revolt was the introduction of the poll tax or community charge, which 89 percent of voters identified as the most important campaign issue. This is the Conservatives' plan for local taxation, which, unlike the old system of property tax, is predicated on the principle that every adult, irrespective of income, should pay an equal amount toward local services. Supposedly designed to make local authorities more accountable, the tax represents the latest phase of the Tories' crusade against rebellious Labor-run councils. If ever there was a symbol of Thatcherite inequity—a duke will pay the same as a dustman—it is the poll tax. Bungled estimates of its impact have made matters worse for the government: According to the latest figures, 25 million people will be worse off under the tax, while only 10 million will benefit.

The middle-class core of the Conservative Party is in open rebellion, and not just in Mid-Staffordshire. Eighteen Tory councilors in West Oxfordshire and nine in Beverley, Humberside, have abandoned the party, rejecting their national colleagues' claims that high poll-tax bills can be blamed on profligate Labor councils. In Tory heartlands throughout the country, people whose most demonstrative political act had been attendance at a Conservative Party coffee morning have marched in protest.

At one level, of course, the widespread dissatisfaction with the Conservative government is based on self-interest. Most Tory voters dislike the poll tax because it hurts them financially, not because it is inherently regressive. Yet underlying the anger is a more general sense of economic betrayal. Faced with spiraling prices and mortgage payments (inflation and interest rates are now at 7.7 percent and 15 percent respectively), many, particularly homeowners, are switching their allegiance from Thatcher. She encouraged the purchase of houses and consumer goods on credit, but under current economic conditions people can't keep up their payments.

Third-term Thatcherism is discredited on many other fronts—from the plans for water and electricity privatization to the further dismantling of the National Health Service and plans to replace student grants with loans. The public perception is that Thatcher has gone too far. In the past, people ignored the Conservatives' obvious contempt for the principles of the welfare state because of the short-term economic gains that Thatcher brought to many of those who had work. Now, concurrent with economic decline, they begin to look at what she has done to Britain's social fabric. The health, education and transportation systems are chronically under-funded. Homelessness here in Britain rose by 122 percent in the 1980s, mostly because of further restrictions on welfare entitlements. Increasing numbers of people are driven to beg.

That is why Labor's bland slogan in Mid-Staffordshire, "Vote for what you value," was successful—there is a growing sense among Britons that what they value is under attack from the Conservative Party. The overwhelming public support for the ambulance workers in their recently settled six-

month salary dispute can be seen as a sign of the success of a new style of media-conscious, nonthreatening trade unionism, but it was also a protest against the contempt that Thatcher and her government showed for an integral part of Britain's health service.

For Conservative M.P.s looking ahead to the next general election, the poll tax may appear a monumental blunder. But their main concern is Thatcher herself, who is now seen as the engineer of social demolition. This image may prove terminal. This past October she became the most unpopular Prime Minister since polling began.

Some Tory M.P.s now talk openly of replacing Thatcher with dissident former Defense Minister Michael Heseltine, although it is not clear that the party could recover from the bruising internal battle such a challenge would provoke. Others hope for an economic turnaround that would pave the way for pre-election tax cuts, a winning formula in 1987.

But even that might not be enough. Beneath the discontent with Thatcher is a growing rejection of the "enterprise culture" she has promoted. The popular verdict now is that this has not only failed to address Britain's long-term economic decline but has also brought an era of social decay and disintegration. Consequently, the traditional postwar enthusiasm for the welfare state is fast re-emerging as a central factor in British politics.

The prime beneficiary of this mood is the Labor Party, the only alternative to Thatcherism after the collapse of the small center parties. But just how much of an alternative is Labor? Its leaders do continue to speak the language of social concern, yet their strategy is marked by extreme caution, an avoidance of any appearance of radicalism and a reluctance to argue for anything that might not command majority opinion-poll support. Of course, because of the government's combination of dogmatism and ineptitude, this may not matter in opposition. But in power?

Expectations of an early Thatcher resignation are probably misplaced, and a general election does not have to be called before spring 1992. However, the Tories are in their greatest turmoil in fifteen years, and their leader is now a hated figure. The Labor victor in Mid-Staffordshire, Sylvia Heal, boldly proclaimed, "The dark age of Thatcherism is drawing to a close." By present reckoning, she may well be right.

EDWARD MILIBAND

Edward Miliband, a former Nation *intern, is a student at Corpus Christi College, Oxford.*

Frosh Activists

The Age of Reagan seems to be coming to an end on the nation's campuses: 37 percent of this year's freshman class report that they "participated in organized demonstrations" last year, according to an authoritative poll—more than double the percentage of the late 1960s. "Influencing social values" was "a very important goal" to 41 percent—an all-time high (the sixties peak was 34 percent, in 1969 and 1970). Eighty-six percent of all college freshmen think the government is not doing enough to control pollution, 68 percent said the government wasn't doing enough to promote disarmament and 65 percent supported abortion rights—the highest ever, up from 53 percent in 1979.

What gave last year's high school seniors the idea that they ought to fight the power and exercise their First Amendment rights? School issues provoked many demonstrations in 1988-89, as students marched against dress codes and in support of popular minority teachers and officials threatened with firing. The dismissal of a black superintendent was the focus of the recent Selma, Alabama, sit-in by black high school students. In Los Angeles, 10,000 high school students took part in sit-ins and protest marches during a two-week teachers' strike last year, with many of the students actively supporting the teachers' demands—the largest wave of student-led protests in the L.A. schools in twenty years.

Fewer of this year's freshmen told the poll they were interested in majoring in business than any entering class during the previous five years, and the number who said it was "very important" or "essential" to "be successful in my own business" declined to 45 percent, its lowest point in more than a decade. "The great surge of popularity of business majors and careers that we witnessed during the 1970s and 1980s has ended," the pollsters concluded. Crime and drugs were the only areas in which a majority of first-year students held Reaganite views: Only 21 percent opposed the death penalty, compared with 58 percent in 1971; 17 percent favored legalizing marijuana, an all-time low, down from a peak of 53 percent in 1977.

The study, conducted annually since 1966 by U.C.L.A.'s Higher Education Research Institute and the American Council on Education, involved 296,000 freshmen at almost 600 two- and four-year colleges and universities; it was statistically adjusted to represent all 1.6 million first-time, full-time students entering college in fall 1989. Students filled out a four-page multiple-choice "Student Information Form" on which the political questions were camouflaged. The form included a list of twenty-five "activities"; students were asked to check those they had engaged in. "Participated in organized demonstration" came between "won a varsity letter for sports" and "was bored in class."

So the *Zeitgeist* has shifted. But it's not shifting back to the sixties: There's no Vietnam War to provide a unifying focus for protest today, and no leaders of student protest have captured national media attention. Today's freshman activists find themselves in a more intellectually nurturing campus environment than did their predecessors of twenty-five years ago. More faculty members are teaching about power and inequality than ever before, and the campus left of the eighties leaves a respectable legacy of fighting for divestment and against campus racism. The eighties were a hard decade—and the times they are a-changin'.

JON WIENER

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