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# EDITORIALS

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## DRUG DEALINGS

by R. Emmett Tyrrell, Jr.

I hope the Republic's drug dealers and addicts were not following the news stories on April 10 when Drug Czar William J. Bennett brassily announced his aggressive \$80 million plan for the suppression of these louts in our nation's capital. The District of Columbia is the Beirut of America's drug culture, and the administration has promised to bring all the might of the federal government to bear upon its bloody traffic in illicit drugs. Yet if the denizens of the drug culture noticed the political response to the administration's plan, they must recognize that government will remain impotent to clamp down on them.

No sooner had Bennett announced his plan for building more hoosegows and bringing in more law enforcement officers than the Republic's so-called progressives were atwitter with alarm. When Housing and Urban Development Secretary Jack Kemp announced a coordinated plan that would make it easier to evict drug offenders from

federal housing projects, the alarm turned to derision. "This is not getting rid of the problem," sneered Mr. Rick Tingling-Clemmons, an official from something called the National Tenant Organization. "The people affected by this would then be homeless and we'll have to pay more money for them than we're already paying." But "the people affected by this" are drug offenders, and Mr. Bennett would not leave drug offenders homeless. He would move them from public housing, where they prey on the innocent, to public jails, where they belong. Mr. Tingling-Clemmons's response to Secretary Kemp's recommendation that security cameras be installed in housing projects and that their harassed tenants carry identification cards was classic: "That sounds like apartheid." Apartheid? Is the Republic of South Africa's infamous policy a vast program to combat drugs, or is it a racist program? Is Mr. Tingling-Clemmons alleging that the administration's program is racist? He is, and he is not alone. The Rev. Jesse Jackson's comment was, "What struck me was the three white males there to announce the plan without any

city officials." I have always thought that a racist is one who focuses on the color of one's skin rather than the substance of one's labors.

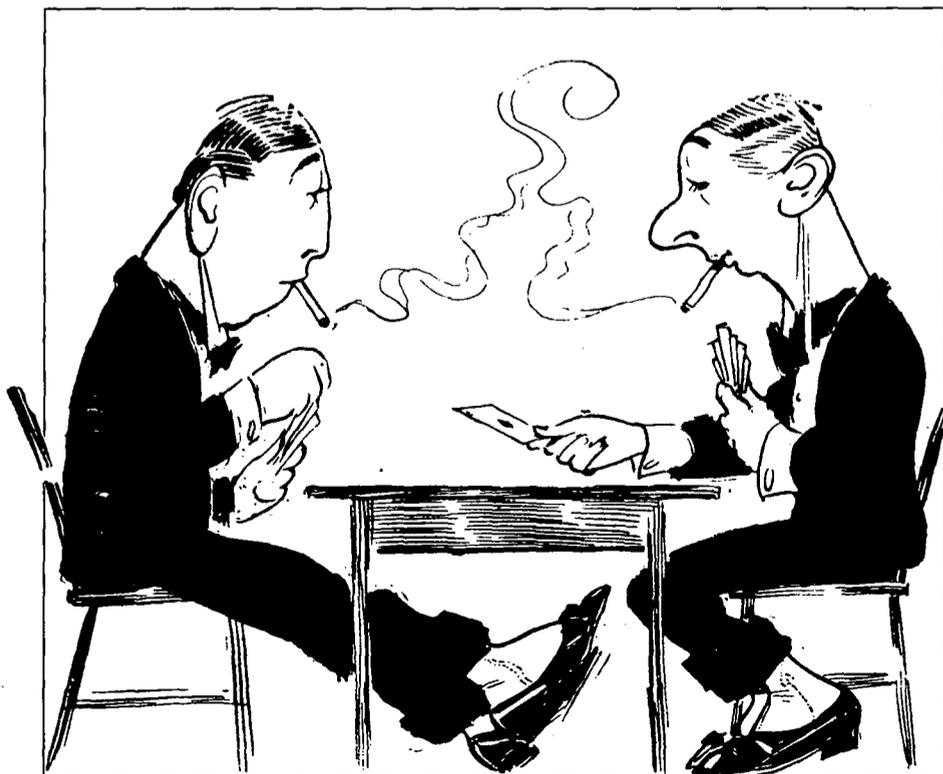
And so it seems that the antidrug initiatives of Messrs. Bennett and Kemp are going to run smack into the maneuverings of those weird creatures who emerged from the 1960s, some to reform the wrongs of the past, others to exploit those wrongs. Both types seem to have learned nothing from the growing carnage of the drug culture. They respond to the administration's plan with the empty bromides of the past: Drug Education! Drug Rehabilitation! Experience shows that these are mere placebos. Participation in the drug culture is a felonious act best left to the cops' ministrations. They at least know how to make an arrest. No one seems to know how else to deal with large numbers of drug abusers.

A 1987 National Institute of Justice report sums up what researchers have learned about drug education: "There is no consistent evidence that drug education programs either decrease or increase the likelihood that students will use drugs." (Though the report adds that some education programs en-

courage drug use among young people.) And a recent Rand Corporation study of drug rehabilitation programs in the District produced equally dismal findings. Rehabilitation programs are hugely expensive and bring few positive results.

Meanwhile, drug abuse continues to take a grisly toll. The Department of Transportation estimates that as many as 15 percent of all highway fatalities are drug-related. National Institute of Justice studies find that in some cities as many as three out of four persons arrested test positive for drugs. Perhaps 40 percent of those serving time in federal prisons admit to using drugs while committing crimes. Ordinary Americans in large numbers want the government to take vigorous action against drugs. Ever more evidence suggests that the intelligent use of drug testing and incarceration is the only way to suppress the drug culture. The Navy's drug testing program has cut drug use among Navy personnel markedly. Corporations have made the same discovery. I predict that the drug culture will flourish, particularly among the very poor. They are the unfortunate constituents of the Rev. Jackson, and the creatures from the 1960s. □

*Adapted from RET's weekly Washington Post column syndicated by King Features.*



## LOOKING FOR LOONS

Where are all the nuts of yesterday? The other day I happened by Lafayette Park across from the White House. To my astonishment the motley of shabby prophets and loons was nowhere to be seen. A gorgeous sun shone down on beds of tulips and silver streams of water arching up from the black waters of reflecting pools. The heroic statuary gleamed but on the lush lawns reposed only the occasional Romeo and Juliet, and on the old benches only bureaucrats and tourists taking a break. For just over two decades the park has been home for milling mobs of protesters, usually the demented types but occasionally protesters from professional grievance groups such as the

National Organization for Women.

Now even the demented types are gone. I saw one ensconced in a cardboard Taj Mahal graced with the unexceptional message, "Wanted: Wisdom and Honesty." And there was another standing above what appeared to be a procession of little yellow egg cartons, lettered, I believe, with such words as "apartheid," "poverty," "processed foods"—topics that did not hang together. I returned the next day to get the details, but the entire display had vanished. Alas, Messrs. Bush and Gorbachev make it very difficult for the American of apocalyptic vision and neurotic fervor to gather a crowd.

Finding the nuts is not going to get easier if Bush and Gorbachev have

their way. They are not summoning us to the brink any longer. In America and apparently even in the Soviet Union the citizenry is being urged merely to be productive and law abiding. For me the only reliable location for viewing the glassy-eyed and furious is Georgetown University, which is precisely where I went recently to espy some old-fashioned fruitcakes. I suppose I could have fared equally well on most of the other campuses in the country, but at Georgetown's McNeir

Hall a couple of middle-aged radicals were defending in debate the student protests of the 1960s against former radicals Ronald Radosh and David Horowitz. With Peter Collier, Horowitz has just written a splendid book asserting that the radicals of the 1960s so weakened American authority and values as to assure the pathologies of the 1970s, many of which—for instance, drugs and venereal disease—are still with us.

In *Destructive Generation* (Summit

Books, \$19.95), the authors argue that the main pox of 1960s radicalism, the New Left, hated American liberalism and America generally. Violence, personal indulgence, intolerance, elitism, and brat-kid narcissism were the major ingredients of the New Left, many of whose members have never acknowledged the destructive consequences of their acts and reign today as middle-aged faculty in the closed society of the university. In defense of the New Left slouched two museum pieces from

1969. Only one was a professor, but both were in uniform: pole-climber boots, blue jeans, book bags (Attache cases? Never!), and the insufferable mannerisms of the spoiled child.

I was eager to hear their defense. Were they of the opinion that Southeast Asia is now prosperous and democratic, that libertine sex is wholesome, that drug abuse is fine, that there was no destruction from their protests, no murders committed by Black Panthers?

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## CAPITOL IDEAS



### THIRD WORLD HYDRAULICS

by Tom Bethell

A feature of recent reporting about Third World debt has been a kind of willful self-deception. We are told that the issue is above all one of debt reduction. "Treasury Secretary Nicholas Brady uttered the magic words last week: 'Debt reduction,'" the *New York Times* editorialized in mid-March. "He conceded that Third World countries, heavily in debt to Western banks, need relief." A few paragraphs further on, however, we were told that "creditor banks must continue new lending." On April 10 journalist-advocate Jonathan Fuerbringer recommended in the *New York Times's* news columns that "new loans must be made even as old debt is forgiven." The *Washington Post* stressed the need for "a continued flow of new lending."

The issue never was "debt reduction." As seen by the Treasury (or perhaps more accurately, Treasury Undersecretary David C. Mulford and his assistant Charles Delarra), the World Bank, the International Monetary Fund, and their media flacks, the real issue is: How are we going to persuade the big banks to go on shoveling more money into Latin America, given those countries' obvious reluctance to repay their existing debts?

The key point about Third World debt is this: Latin American countries were already enjoying debt relief before the Brady plan was proposed. This had been obtained by the simple expedient of nonpayment. Nations are now securely beyond the reach of gunboats,

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and if they want debt relief, they can have it any time they want. All they have to do is stop paying. Most countries have not announced this as policy, however, because their office-holders enjoy spending the dollars that Americans keep sending them (under the mistaken impression that the money is "capital" and that it will be "invested"), and they would like to receive more such dollars in the future. They have learned that all they have to do is wring their hands and promise to make reforms; whereupon they have been permitted to renegotiate their debts and more money has been forthcoming to pay old interest.

But this still leaves the Latins short of new spending money. Here the outmoded theories of economists have come to the rescue. To an amazing extent, Keynesian economists are still in control of international economic policy—one of the main reasons why the Third World remains in such a mess year after year. Keynesian theory equates new spending with economic growth. In order to "grow," then, the Latin economies needed more loans from the U.S. Here is a relevant paragraph from a *Washington Post* editorial (April 5), possibly written by Hobart Rowen, a tireless exponent of what I call Hydraulic Economics:

Up through 1987 it was still possible to hope that, with enough new lending, the Latin debtors could grow out of their troubles. But during the past year, all the major debtors have been sinking toward stagnation. One central reason is a drastic drop in investment—and investment is down because of the enormous flows of money out-

ward to service the debts. Meanwhile it has become increasingly clear that the commercial banks will not renew lending to the debtors on anything approaching the scale necessary to ensure growth there. [Note the way "growth" is made dependent on "lending," which is conflated with "investment."]

Riots in Venezuela at the end of February provided the convenient rationale for promoting the Brady plan. Stripped of all obfuscation, the purpose of the plan is to reach into the pockets of American taxpayers and use their dollars to repay old loans made by the New York banks, who will then be encouraged to make new loans. (Those democracies down there are fragile, remember, so pay up gladly. In the long run it will be a good investment for us all! We wouldn't want to see the return of the *caudillos*, would we?) "Unless the Bush Administration accelerates its promised debt relief proposals," the *New York Times* urged within three days of the Caracas riots, "the flames could spread to many other Latin American democracies."

Amidst the deception, an outstanding article about the debt appeared in the *Wall Street Journal*, by Larry A. Sjaastad of the University of Chicago. "It is not so much a question of helping out the debtor countries, but rather reimbursing, after the fact, the stockholders of the creditor banks for losses already acknowledged by the market," he wrote. "Indeed, if the U.S. Congress were to come up with \$75 billion tomorrow to write off the entire external bank debt of Brazil the

money would never leave New York. Since Brazil is not servicing that debt, it would be little better off, but bank shares would soar on Wall Street."

He added that since the Mexican default in 1982, "the book value of the developing countries' capital-market debt, both short and long term, rose to \$610 billion from \$472 billion. The market value of that debt, however, has declined to probably less than \$240 billion. On an accrual basis, this amounts to an approximate \$370 billion transfer to the debtor countries. Yet we hear never-ending laments about the 'burden' of that debt, when one might well ask: When in history have debtors had it so good?"

Melanie Tammen of the Competitive Enterprise Institute in Washington, D.C. makes much the same point. "Just when official intervention has less justification than it ever did," she wrote in CEI's *Update*, "Brady would use official assistance (through the World Bank and the IMF) to 'facilitate' what has been under way since the mid-1980s—the bargaining process between debtors and creditors. With most Latin American debt now valued at ten to forty cents to the dollar and still falling, new-fangled World Bank 'guarantees' on commercial bank debt . . . will only provide a further boon to Western banks."

I sought a comment on this from John Williamson, a senior fellow at the Institute for International Economics, C. Fred Bergsten's shop (high-profile advocates of World Bank and IMF policies and Hydraulic Economics in general).