

In with the Newt

By Carolyn Lochhead

The first Republican week

FOR THE FIRST TIME SINCE Krushchev replaced Stalin, Republicans on January 4 took control of the Senate and the House of Representatives. The Capitol seemed transported to a different planet.

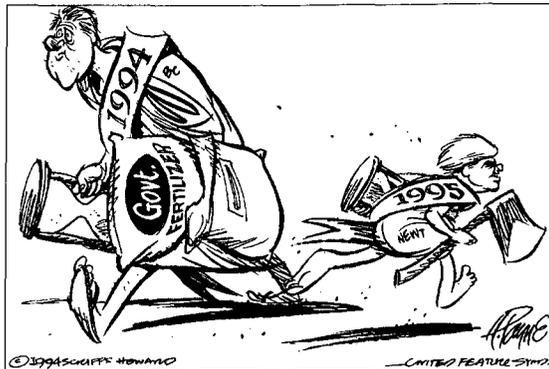
The formerly wretched and scorned ascended to the chairs of the great committees and began dictating free-market agendas once dismissed as ridiculous and unworthy of notice. Their leaders took over the ornate offices of the Capitol itself, like Goths inside the gates of Rome.

The new House majority leader, former economics professor Dick Armey, could be seen standing outside before a bank of television cameras quoting at length from Thomas Sowell.

In the House, Minority Leader Richard Gephardt passed the gavel to Newt Gingrich. Republicans roared with jubilation, and the front page of *The Washington Post* declared, "The Berlin Wall of American politics came tumbling down."

The legislative machinery on Capitol Hill suddenly shifted into reverse. Instead of the Family and Medical Leave Act—the first major bill passed by the previous Congress, requiring employers to grant special time off—Congress took up a measure to stop unfunded federal mandates on state and local governments.

Where last year Washington labored on a health-care program to take over a seventh of the U.S. economy, now it is pushing through the Contract with America, a 10-point blueprint of unapologetic conservatism. Reporters now treat the contract as seriously as they once treated health care, inquiring about regulatory cost-benefit analysis as they once detailed the intricacies of health alliances.



At the House Ways and Means Committee, which oversees taxes and entitlements, free marketeer William Archer took the chair long held by Chicago Democrat Dan Rostenkowski, defeated in November. Archer said he wants to abolish the income tax.

A Senate Banking Committee hearing on financial derivatives, blamed for the Orange County fiscal collapse, would normally have launched major regulatory backlash. Instead, the panel declared no need for further regulation. "Don't blame financial markets for the bad judgment on the part of participants in that market," said Sen. Phil Gramm, another former economics professor.

Over in the Senate Government Affairs Committee, Chairman William Roth employed tactics long honed by Democrats at committee hearings: lining up heaps of favorable witnesses first and leaving an opponent or two speaking to empty hearing rooms in the late afternoon.

Senate Budget Committee Chairman Pete Domenici vowed at a press conference to abolish 100 federal programs. "Why do you all look so gloomy?" Domenici asked reporters. "We're going to have a revolution in your thinking too."

Republican governors met with the new leadership and announced plans for an unprecedented transfer of welfare programs, including AFDC cash assistance, back to the states. Reporters mobbed the

Republican governors afterwards, smelling power like range cattle smell water, and scrambling over chairs to catch their comments. Three years ago, Michigan's John Engler and Massachusetts's William Weld addressed a half-empty room at a tiny Cato Institute conference that passed completely unnoticed by the outside world.

California's Chris Cox, who once couldn't get his name into a newspaper, was profiled on the front page of *The Wall Street Journal* as chairman of the House GOP Policy Committee. He has been reading David Stockman's book about why the Reagan Revolution failed. "There is a lesson to be learned," Cox said, "and that is don't be David Stockman. Don't think that you must accomplish everything instantly and that if you fail, God intended it to be the way it is."

"The federal government is 200 years old, and every single part of it was initially built for a reason," Cox said. "We can't simply assume it away. It's going to be hard work to take it apart as necessary, and leave in place what Americans truly desire in the 21st century."

The debate will no doubt be long and bloody, but what is most striking is how its terms have shifted. November's electoral quake shook Washington's foundation. Perhaps it will soon dissolve into the cynical posturing that usually prevails. But one could not help sensing that first week that the end of nearly half a century of Democratic rule might bring with it the end of the New Deal era of soft socialism. Who, after all, would have thought that the libertarian Cato Institute would ever be one of Washington's hottest think tanks? ♦

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Cracked Bell

By James J. Heckman

The Bell Curve: Intelligence and Class Structure in American Life, by Richard J. Herrnstein and Charles Murray, New York: The Free Press, 845 pages, \$30.00

CHARLES MURRAY AND THE LATE Richard Herrnstein have produced a controversial and well-written book about human differences, the sources of human differences, and how we should respond to those differences. The early reactions to the book in the popular press have been emotional and denunciatory, focusing almost exclusively on the authors' discussion of racial differences and the genetic basis for those differences. This is unfortunate. The book is not devoted exclusively to a discussion of racial differences, although it certainly considers them in detail. It is obvious that most reviewers of the book have not read it as a whole, if they have read it at all. It is also clear that in an age of rampant egalitarianism, discussion of differences in cognitive skills remains taboo. The authors deserve much praise for discussing a forbidden subject and thereby initiating a public discussion that challenges the egalitarian presumptions of our day.

Like Robert Reich in *The Work of Nations* and Mickey Kaus in *The End of Equality*, the authors are concerned about the growth of economic and social inequality in American society, a topic that dominates many contemporary political discussions. Unlike those authors, Murray and Herrnstein probe more deeply into the personal sources of inequality, devoting considerable attention to the genetic component of personal differences and presenting fresh empirical evidence about an important relationship between their measure of IQ and success in society at large. Like Reich and Kaus, Murray and Herrnstein worry about the consequences for the social order of the growing inequality in economic and social success between

the "haves" and the "have nots," and the social and economic partitioning of high-skill, high-IQ persons away from low-skill, low-IQ persons.

This 845-page book covers an enormous and impressive range of topics. Its numerous tables and charts make close reading a challenge. Indeed, all but trained social scientists will be intimidated by the statistical details and by the complicated arguments used by the authors. Even more forbidding to most readers will be the hundreds of pages of footnotes and appendix tables that document the statistical analysis underlying the arguments in the text. Despite all this, the book is organized in easily summarized sections. It is accessible at one level to all readers who are willing to skip the details.

The book contains four parts. Part I updates Herrnstein's 1973 book *IQ and the Meritocracy* and documents that American society has become more stratified on the basis of intelligence than it was even one generation ago. Merit—treated here as synonymous with IQ—has become concentrated in schools and the workplace. This increase in cognitive stratification results from the realization of the meritocratic vision of access to institutions based on individual ability. Social class and parental income play weaker roles in regulating access to education and jobs than at any time in American history.

The authors go on to note a phenomenon not discussed in Herrnstein's book—that since the late 1970s, the economic returns to measured skills, and in particular education, have increased. This has created a growing gap between the wages and employment of the skilled and the un-



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skilled. The authors note a strong, but by no means perfect, relationship between skill and IQ.

Part II presents original empirical research, combined with a synthesis of the existing empirical literature, that shows a strong relationship between the authors' measure of IQ and social performance. This portion of the book puts empirical flesh on Herrnstein's original bare-bones argument. Low-IQ persons are more likely to be in poverty, drop out of school, be unemployed or altogether idle, be on welfare, be bad parents, commit crimes, and withdraw from political activity than are high-IQ persons. In general, this relationship holds even after adjusting for the authors' measure of socioeconomic background.

The authors wish their readers to draw from this exercise the conclusion that nature—not just parental or social environment—plays an important role in explaining a variety of social pathologies. Taken literally, their research demonstrates that IQ, rather than socioeconomic background, plays the *dominant* role in generating differences in a variety of socially important outcomes among persons. The analysis uses data only for whites. By proceeding in this way, the authors establish the importance of IQ in accounting for individual differences without getting into the controversial issue of racial bias in IQ tests.

In Part III, they mention the unmen-