

EDITORIAL

Getting Serious About Inflation

ALMOST THREE months ago, President Jimmy Carter proposed his plan to fight inflation. Since that time, the main question that has been debated is whether labor and business can be persuaded to carry out a voluntary program to hold the line on wages and prices.

Obviously, anything that checks inflation is all to the good. To this extent, Jimmy Carter's program should be promptly accepted and implemented for whatever it is worth.

The trouble with the present debate, however, is that it tends to bypass the fact that spiraling prices are a manifestation, and not the cause, of inflation. The underlying cause of inflation is government itself. The government has been cheapening the dollar by printing money in order to pay its debts. It has also been inflating the currency by spending billions of dollars on nonconsumer goods.

The main threat to the safety of the national economy comes from a long-existing and fast-rising national debt that makes the government the principal beneficiary of a cheap dollar. This is the way nations have always met their long-term deficits.

It is not correct to say, therefore, that no one wins with inflation. Governments are winners when they meet their debts with inflated currency. Life insurance companies are also winners, since they pay off with money worth a great deal less than the money they receive in premiums.

It may be within our power to keep the problem from getting out of hand altogether, but so long as government itself serves as the powerful pump behind inflation, there is no way of preventing the erosion, slow or fast, of the value of our currency. Whether we like it or not, we are going to have to live with a basic inflationary situation for years to come.

If government spending is a major factor, can the present national budget be cut enough to make a difference? It can. Military spending alone represents a major inflationary force. The most important truth the American people need to be told today is that there is no connection between maximum military spending and maximum national security. If you want to build a house that would be secure against the elements, you would certainly want to have a sol-

id roof. But beyond a certain point, the thickness of that roof would not provide additional protection and would actually put an intolerable strain on the supporting structure. The same is true of the size of the military budget. There is only so much military hardware we can accumulate before it ceases to have additional security value and becomes an intolerable strain on the national economy.

The American people today are carrying the burden of at least 50 times more destructive power than is required to demolish any combination of military targets. We have enough nuclear megatonnage to expunge every major city in

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the world, including our own. And yet every day, 7 to 10 more nuclear bombs are added to our stockpiles.

Why?

It may be argued that the new models of our nuclear and thermonuclear bombs are more destructive and efficient than the earlier ones. Are we forgetting that those "early" models contained more explosive power than could be carried by an armada of 1,000 bombing planes with the most powerful TNT bombs ever devised? How much damage do we want to do to a city after it has been totally destroyed? Why is it necessary to produce a radioactive hurricane after we have created a holocaust? How do we go about "refining" or "sophisticating" a bomb that can devastate 2,500 square miles?

The problem is not nuclear obsolescence but moral obsolescence. The spending of military money has become an end in itself. We have allowed ourselves to believe that having a bigger military budget than the Russians is proof of our national strength and purpose—regardless of the fact that a large portion of our money is being spent on maintaining three separate military establishments with colossal overlapping of authority, functions, and equipment; regardless of overseas military bases that no longer serve a genuine security function; regardless of the high ratio of bureaucratic personnel and high-ranking officers to enlisted men; regardless

of the production of war planes and warships that make little sense in the context of modern war technology; and regardless of the fallacious nature of the comparison with the Soviet military, which provides for a vast military presence on the USSR's common border with China.

It is doubtful whether any money grab in history can begin to compare with the continuing assault on the United States Treasury by all those who benefit from inflated military budgets. The price to be paid is severe. Our security is weakened, not strengthened, when our overkill capacity uses up valuable resources and manpower in surplus deployment, storage, and management.

The heart of the problem is that there is no real constituency in the country today for sensible military spending. So many of us have our hands in the military till that there is no incentive to apply the brakes. Even Congressmen and Senators with otherwise enlightened voting records don't dare to say "no" to military waste because they know they would be voted out of office by all those who benefit from military dollars.

The bonanza so readily at hand blinds us to the fact that we are damaging the economy on which we all depend—and to the even starker fact that we are bequeathing a potentially bankrupt nation to our children.

Whether Jimmy Carter can succeed in mounting a genuine anti-inflationary program will rest on his ability to stand up not just to the military but to the labor unions and industry and all those who have a stake in high defense production. The President must find some way to persuade the American people of the mutually suicidal nature of the new warfare. The people need to be told that they must look to the control of force, rather than to the pursuit of force, if they truly are concerned about the safety of the nation and of the world itself.

In the process, Jimmy Carter may make himself expendable, but he would at long last liberate the nation from the delusion that it can squander its wealth and resources and still have something worth passing along to the next generation other than debts, a worthless economy, and a vulnerability to the first haphazard political system that comes along.

—N.C.

The money spent complying with government regulations can't bring you more energy.

For a group whose primary function is to search for oil, the oil industry spends a lot of unnecessary time and money complying with government regulations.

According to the American Petroleum Institute, one oil company had 115 technical people tied up full time preparing reports for the Federal Government. Another company had to make out a special report that ran 475,000 pages.

We realize a certain amount of regulation is necessary. But much of the time and money spent on memos and reports could be put to better use.



LIGHT REFRACTIONS

How the Other Half Talks

by Thomas H. Middleton

THE OCTOBER 28, 1978 issue of *SR* included a piece called "Let's Cut the Poortalk," by David Myers and Thomas Ludwig. You may remember that they observed that millions of us who are by any reasonable standard very affluent have an unfortunate way of complaining about our poverty. At almost every level of wealth, the authors point out, people find adequate justification for bemoaning their low standard of living.

Myers and Ludwig attributed this phenomenon to what they call the adaptation-level principle. I gather that the adaptation-level principle might be embodied in the man who 10 years ago had a black-and-white television set and thought of color TV as a luxury, and a quite unnecessary one at that, but who today owns two or three color sets and would consider himself culturally deprived without them. So, as the authors observe, we can never establish heaven on earth, since our attainments will be unable to keep pace with our aspirations.

When I first saw Myers and Ludwig's word *poortalk*, I thought, Why not *poor-mouth*, which is already in the dictionary? Why coin a new word? Then I realized that there is an important difference between the two.

To illustrate, there's an old maxim—or if there isn't, there should be—that says, "If you want to corrupt a man, first make him rich." This maxim is useless to those of us unable to make ourselves rich, let alone enrich someone we'd like to corrupt. But for a piratical Captain of Industry, Film Mogul, or other potentate—a Daddy Warbucks, for example—it's a good rule of thumb. Offering to make a man rich if he will compromise his principles might or might not work, depending largely upon the man's character; but take the same man and, without tempting him to betray himself, make him rich. Give him a couple of years to become accustomed to his house, his swimming pool, his tennis court, his Mercedes-Benz, and his golf club membership; then threaten to cut off the source of all the goodies. It will be as

though you were threatening his very life. His dreary old principles will suddenly seem insignificant, and he will see things from a new angle, very close to that of Daddy Warbucks.

Daddy Warbucks's beneficiary-victim, providing a hyperbolic embodiment of the adaptation-level principle, will use *poortalk* in speaking of the great difficulty he has in maintaining what he has quickly learned to appreciate as his normal standard of living. The fact is that almost all of us, in less dramatic circumstances, indulge in *poortalk*. *Poor-mouth*, it seems to me, is subtly different.

Webster's New International, Second College Edition, defines *poor-mouth* as a verb meaning "to complain about one's lack of money; plead poverty." WNI III, which doesn't hyphenate *poor mouth*, calls it a noun and says, "a profession or protestation of poverty—often used with *make*." Then WNI III points up what I think is the essential difference between *poortalk* and *poor mouth*. The example they give is, "when you ask him for a donation, he makes a *poor mouth*."

In my experience *poor-mouth* has been both noun and verb and at times has been used to refer to one who makes *poor-mouth*. The *poor-mouth* is a special breed. He is usually lavish in supplying himself, but unable to give a contribution. We all know a few *poor-mouths*, I'm sure. They complain about having a rough time making ends meet because business has been terrible and the expense of putting little Ronnie and Ginnie through prep school is outrageous. At the same time, they explain their purchase of a new Rolls Royce by saying that they just couldn't resist it, and God knows how they'll ever pay for it. And their new \$2,000 stereo is absolutely bankrupting them, but it does put you right in the concert hall. When you go out to dinner with them, it's, "Martha and I are watching every penny these days, so let's see. You had shrimp cocktails and we had soupe du jour. I guess we can split the wine, even though Martha only had half a glass...."

I think of *poor-mouth* as the habit of people who surround themselves with luxuries, but, when it comes to sharing, be it charity or splitting the check, there's just nothing left.

Poortalk, on the other hand, comes naturally to everyone but saints and con artists. ●



"I'm pretty sure what the problem is, but someone seems to have borrowed my copy of *Fat*."