Anderson is Truman's antithesis.

Anderson also makes the traditional speechwriter's mistake of overrating his own prose. James Reston wrote after the '76 campaign that Carter had not yet delivered a single memorable speech, but Anderson contends that Carter actually gave five such orations that year and includes one of them in the book's appendix. It's true that great words can be forgotten, but invoking the test of time, Reston has won the argument hands down.

In fact, as Anderson correctly points out in the book's astute concluding chapter, it was Carter's failure to appreciate the importance of words and rhetoric that helped cripple his term in office. It says something about the Carter presidency that his most famous oration—"the malaise speech"—is known by a term he never actually used. But it goes beyond that. This was a candidate with almost perfect pitch; his great and unusual political strength was as a listener and an empathizer, which is why he is still so skilled at mediation. In the troubled years of the mid-seventies, empathy gave Carter an unusual ability to read the public mood, but for a time it obscured the fact that presidents are ultimately elected to lead, not to listen, and they lead through words. A writer, it has been said, is someone who has something to say, not someone who has to say something—an aphorism that could apply to leaders as well. Anderson's efforts notwithstanding, decent-to-a-fault Jimmy Carter could never quite figure out what that something to say should be.

Steven Stark, a commentator for National Public Radio and CNN, is writing a book about television.

Self-Inflicted Wounds: From LBJ's Guns and Butter to Reagan's Voodoo Economics

Hobart Rowen

Times Books/Random House, $25

By Wallace C. Peterson

On January 1, 1966, Hobart Rowen began his career with *The Washington Post*, where he has worked for 28 years as a reporter, senior economics correspondent, financial editor, and columnist. In 1965, economist Arthur Okun's "Discomfort Index," a measure obtained by adding the unemployment and inflation rates, was 6.1, the lowest level the index reached in the 33 years between 1960 and 1993.

Rowen joined the *Post* at the start of the long, slow economic and political decline of the United States. Today, Rowen says, ". . . America can no longer boast that it is number one. Indeed, we are the world's largest debtor nation, and many critics insist we have become a second-class power unable to lead the world by virtue of either our unmatched economic prowess or our political sagacity."

Though momentarily the nation is modestly recovering from the 1990-91 recession, the economic decline of which Rowen speaks is real. Since the late sixties, the real wage of the American worker has fallen, family income has stagnated, the gap between rich and poor has widened, and productivity growth, the ultimate engine for economic progress, has fallen to less than half its historic average.

The central thesis of Rowen's thoroughly documented book is in the title: Our wounds are largely self-inflicted. Specifically, Rowen says, the immediate fault lies with the last six presidents, each of whom failed at critical times to make the right decisions that would have maintained the nation's economic health.

Rowen is right that the decline began with Johnson, a flawed and tragic figure. Rowen relates in rich detail Johnson's economic duplicity, showing how in 1966 he concealed the exploding costs of the Vietnam War not only from the American public but from his economic advisors, trying desperately to find money for both the war and his Great Society. In 1966, military spending jumped by 21.6 percent over 1965, an $11 billion increase, which at today's prices would be nearly $50 billion. For political reasons, Johnson refused even to consider a tax increase (1966 was an election year), which Keynesian economics dictated and practically every economist in the nation supported.

With unemployment below four percent in 1966, the large increase in military spending without an offsetting tax increase was a sure-fire formula for inflation. The consumer price index jumped from a modest 1.6 percent rise in 1965 to a 5.5 percent increase by 1969.

Enter Richard Nixon, a more evil than tragic figure, as *The Haldeman Diaries* make clear. Besides his failure to end the Vietnam War before thousands more Americans died unnecessarily, he confronted three major economic problems. The first was the inflation inherited from the Johnson administration; the second was the crisis in the postwar Bretton Woods international monetary system; and the third was the arrival of OPEC (Organization of Petroleum Exporting Countries) on the world economic stage.

As analyzed by Rowen, Nixon's record in each of these cases was not wholly black or white, but dark gray, tending more toward failure than success. Nixon's "game plan" to bring inflation down involved "gradualism," using tight control of money and expenditures to slow the economy down without causing too much unemployment. Gradualism didn't work. The economy slid into a recession in 1970, costing the Republicans dearly in the year's congressional elections.

The failure of gradualism led to Nixon's August 15, 1971 bombshell—his "New Economic Policy" that suspended the gold convertibility of the dollar (for foreign official holders of dollars), devalued the dollar, and, more importantly, ended fixed exchange rates, a key feature of the postwar international monetary system established at the Bretton Woods, New Hampshire conference in 1944; at the same time, it imposed a mandatory system of wage-price controls to curb inflation.

Given the circumstances of the time, Nixon's New Economic Policy was a sound move. (Nixon was apparently unaware that the phrase New Economic Policy—NEP, for short—was the name Lenin gave to his retreat from pure communism in the early twenties.) Rowen, however, sees a major failure in Nixon's follow-through on price controls after August 15. The president's erratic management of the system of controls—from freeze to thaw, back to freeze again, and then dissolution of the whole program—gave the idea of peacetime controls a bad name while strengthening the hand of "free market" zealots who believe there isn't anything markets can't do better than governments.

Nixon was still president when OPEC boosted oil prices four-fold in December 1973 and the Arabs launched their embargo, but he was so paralyzed by Watergate that America was unable to offer any leadership during this first oil crisis. Rowen believes we should have begun gas rationing, persuaded the oil-using industrial states to follow unified policies with respect to OPEC, and undertaken a cooperative effort to develop new energy resources. These things were not done, leaving the West to grovel before OPEC for a decade or more.

After Nixon, we had Ford and Carter—decent men, but largely failures in the presidency. Ford pursued the inflation beast with his toothless WIN (Whip Inflation Now) campaign, even as the nation was sliding into what was to become at the time the worst recession since the Depression. On inflation, Ford stubbornly refused to consider wage-price controls, and as for the recession, the only thing that Ford and Alan Greenspan, his economic advisor, pushed for was a one-shot tax cut that did little or nothing to halt the decline in output.

Carter's problem was not a lack of intelligence—he was probably one of the smartest men to occupy the White House in recent years. But as president, Rowen says, Carter was indecisive and disorganized, unable to escape the influence of his long-time Georgia banker friend, Bert Lance. Lance, Rowen believes, gave Carter disastrous advice that doomed his presidency even before he took office. Carter shouldn't even consider trying voluntary wage-price guideposts, Lance argued, because dabbling with controls would shatter "business confidence." Carter's anti-inflation policy amounted to pleading with business and labor to show restraint, a totally ineffective approach.

And what of Ronald Reagan? As Rowen notes, Reaganomics not only put the aspirations of the New Deal and the Great Society in reverse gear for 12 years, but its reckless destruction of the federal tax base with the ensuing and unprecedented peacetime deficits crippled the power of the federal government to tackle constructively the real problems facing the nation.

What of the future? Rowen is cautiously optimistic, believing that recovery of the American Dream is possible, but it will take more than a decade to reverse course and undo the damage we have inflicted on ourselves. I agree. Needed most, in my judgment, is what Bush never understood—"the vision thing." Providing that vision is President Clinton's great task. As it is said in Proverbs, "Where there is no vision, the people perish."

Wallace C. Peterson is George Holmes Professor of Economics Emeritus at the University of Nebraska-Lincoln and the author of Silent Depression: The Fate of the American Dream.

Congress, the Press, and the Public

Thomas Mann and
Norman Ornstein, eds.
Brookings Books, $36.95

By Ken Bode

"Congress-bashing has become a media pastime." That is the thesis of this collection of essays written mostly by academics and edited by two of Washington's stud-duck analysts of Congress: Thomas Mann and Norman Ornstein.

In an era when it has become fashionable, especially among politicians and professors, to blame the press for excessively negative coverage, cynical assumptions about congressional ethics, and emphasis on rumor and scandal over issues and institutional process, the authors come up with some interesting findings.

Public support for Congress, as everyone knows, is at ground level, and the authors insist that the media's focus on celebrity, scandal, and sensationalism is one important reason. They are probably right. It should be remembered, however, that they write of a period that produced the S&L debacle, Speaker Jim Wright's forced resignation, numerous congressional indictments and convictions for bribery and other matters, a variety of sexual escapades, the John Tower and Clarence Thomas confirmations, Iran-*contra*, midnight pay raises, check-kiting at the House bank, check-dodging at the House restaurant, and the Keating Five—to name just a few. Obviously, journalists are going to cover scandals like these, and this coverage is bound to affect the way the public views the institution.

But first, the good news. Karlyn Bowman and Everett Carll Ladd show that over the past 50 years, people have begun to pay more attention to Congress and feel they know more about it. Herb Asher and Mike Barr measure varying levels of public support for the institution, and find that when Congress is actually functioning effectively in a highly public way, support goes up substantially. Over the past 20 years the two high-water marks of public support were in 1974 on the eve of the Nixon resignation, and in 1991, during the congressional debate on the Gulf War.

Examining the coverage of Congress from 1972 to 1992, Robert Lichter and Daniel Amundson find that 67 percent of all stories in that period focused on *policy*, not on scandal. Another 15 percent involved congressional investigations (of things like corporate price-fixing), seven percent involved election campaigns, and five percent covered confirmation hearings or were profiles of individual members.

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