



ANNUAL REPORT 1986

The Twentieth Century Fund



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ANNUAL REPORT

The Twentieth Century Fund
1986

The Twentieth Century Fund is a research foundation engaged in policy-oriented studies of economic, political, and social issues and institutions. It was founded in 1919 by Edward A. Filene, who made a series of gifts that now constitute the Fund's assets.

The Twentieth Century Fund
41 East 70th Street
New York, New York 10021

Published by PRIORITY PRESS PUBLICATIONS

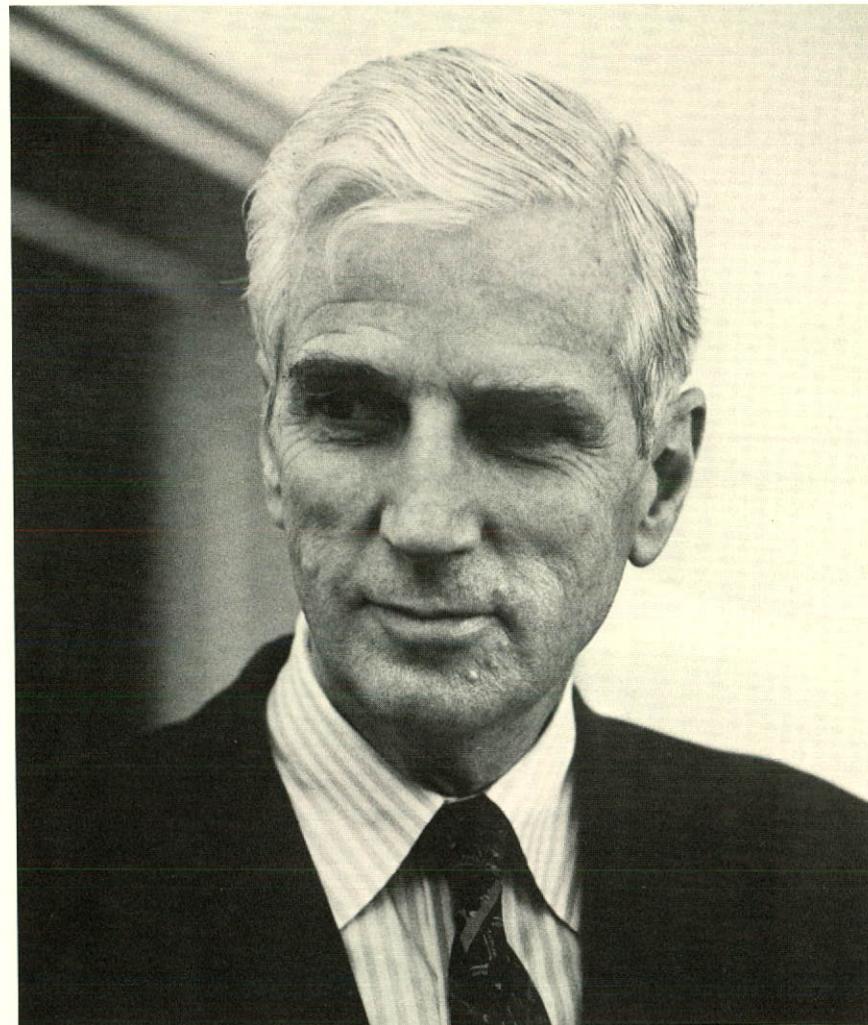
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DEDICATION

Jonathan B. Bingham
(1914-1986)



Jonathan Bingham fitted easily into a circle where liberal politics and intellectual interests held sway; he was at home among civilized debate and a search for rational accord upon large matters. In dedicating to his memory this Annual Report of the Twentieth Century Fund, we pay respect to a friend who in the deepest sense was as one with the ideals and purposes of the Fund and was all that anyone would want in a Trustee.

Jonathan came naturally to a life of public service. The patrician bearing, the cool intellect, the discipline of mind and spirit evident in all he did and said, were the culmination of a long line of scholars, divines, and public men. His father was famed as an archaeologist and discoverer before he became a U.S. senator; Jonathan was the youngest of seven sons whose careers spanned the liberal professions. From the beginning, at school and college, he was clearly marked for success.

We who were his comrades thought of him in our romantic youth as one bound for the highest of elective offices. His career was distinguished enough, in law, in the United Nations, in state and national office; but an innate diffidence at odds with his ambition, a fastidiousness in his approach to truth, a formality and stiffness of bearing (sometimes mistaken for pride) left over from his New England forebears—all combined to exclude him from political prizes that had seemed to

many of us certain to be his. But where he served, he served with distinction, with uncommon ability, with grace; and he never betrayed his own qualities of decency and justice.

His nine terms in the Congress began with the most dramatic incident in his career: the trouncing of the entrenched and wily old boss of the Bronx, Charles A. Buckley. Buckley referred to him in the campaign as "just a big stiff" and then saw himself beaten by 4,000 votes. Thereafter, Jonathan had the secure backing of a constituency at once grateful for his concern for their local interests and proud of his involvement in world causes. He stood with the liberals and reformers in Congress, for support of Israel, for disarmament, for the halting of nuclear proliferation, for fairness to women and blacks. He made his mark on several major pieces of legislation; but perhaps more significant in the long run was the spirit in which he approached every legislative task. His fairness and good sense were recognized by men of both parties, by leaders of both Houses.

At the Fund he sat among his peers with quiet authority, not speaking often (though often deferred to when questions of congressional procedures or attitudes were under discussion); and certainly he never spoke just to air his own knowledge or to emphasize his wide experience. Considering the unpredictability of the legislative schedule, he was

faithful in attendance. In many ways he was a model Trustee of the Fund, just as he was a model public servant. Jonathan will always be remembered for having been true to himself and to standards uncompromisingly his own.

—August Heckscher

DIRECTOR'S REPORT

As a tax-exempt foundation dedicated to searching out critical public policy areas, the staff and Trustees of the Twentieth Century Fund have always had to look ahead, sometimes to the immediate future, often to the longer term. Lately, though, our thinking has focused on the forthcoming presidential election, which for the first time since 1968 does not involve an incumbent. That circumstance alone should make both major parties and their aspirants for the presidency somewhat more receptive to new ideas and approaches.

We are aware, of course, that there is no such thing as a clean slate in politics. The Democrats will be criticizing all of the alleged sins, whether of omission or commission, of the Reagan administration, while the Republicans will be defending them. It goes without saying that the party platforms will pay lip service to all the major and most of the minor interest groups in our polity. Similarly, the contenders for the presidency already have positions on most issues. If they embrace anything new, it will be in an attempt to broaden their appeal, not to narrow it. Still, I am convinced that whatever the political complexion of the new administration taking office in 1989, it will have to face up to a series of critical issues and it can benefit from the work of public policy institutions such as the Fund in the shaping of its agenda.

Despite the efforts of candidates, and their campaign managers, to emphasize person-

ality rather than substance, tailoring their views to what the polls suggest will enhance their standings with the greatest number of potential voters or alienating the fewest, we plan to continue our efforts to improve the so-called electoral process. The Fund has long been involved in examining how our political leaders are chosen, who finances their campaigns, and what ought to be the ground rules for the presidential debates, all with the aim of assuring the best possible choices and engaging the interest and the participation of the electorate. We have in the recent past, and perhaps just a bit prematurely, sponsored an independent Fund Task Force—chaired by Edmund Muskie, former senator and secretary of state—that studied the activities of political action committees. In its report, entitled *What Price PACS?*, the Task Force recommended a limit on the money that PACs can contribute to candidates and urged Congress to offset the influence of PACs with a program of partial funding for congressional candidates, who would receive matching grants for sums they raised from individuals. We also supported two papers, *Beyond Debate* by Joel Swerdlow (1984) and *For Great Debates* by Newton Minow and Clifford Sloan (1987), that suggested ways to improve and regularize the debates between the leading candidates for the presidency.

The Fund has made considerable progress since it first became interested in the problems of political campaigning. Our initial project, begun in 1968, dealt with both

the costs and the difficulties television posed for political parties and their candidates. That project, which focused on the problems of congressional candidates, was, incidentally, chaired by Newt Minow. When it got under way, only one set of televised debates had taken place, the 1960 series between John Kennedy and Richard Nixon that had been arranged and sponsored by the major television networks. Sixteen years passed before the second series between Jimmy Carter and Gerald Ford. And though we now have had debates of sorts in the past three presidential elections, there was only one debate between Jimmy Carter and Ronald Reagan in 1980; and only three debates in all, including one between the vice presidential candidates, in 1984. Moreover, dissatisfaction has been voiced about the sponsorship of the debates, their format, including the use of journalists as questioners, and their timing.

In his latest work for the Fund, Minow and his collaborator make a series of suggestions for the 1988 debates. Their principal proposal, that the major parties commit themselves to debates and that they serve as sponsors of the debates, has already been acted upon. Others of their recommendations, such as the call for three presidential—and one vice-presidential—debates and for the elimination of journalist questioners in favor of direct confrontations between the two debaters, are under consideration by a bipartisan organization set up by the parties. The Fund is delighted to have played

a part in this development. But we do not believe all the problems are solved. What is needed most now is fresh thinking on how to make the debates more informative and revealing. We think that the candidates ought to deal more directly with issues and, at the same time, debate with each other.

* * *

Looking ahead to the new administration, it is obvious that it will have to deal with all sorts of problems, national and international, from the moment it takes office. The Reagan administration, wounded by its secretive antics in what has been variously labeled *Iranagate*, *Iranamok*, and *Iran scam* and facing investigations by a Democratic Congress, does not now seem to have the desire to undertake much in the way of new measures; even if it did, it is doubtful that it still has enough influence to get its way. In all likelihood, the administration will devote its waning energies to negotiating an arms control agreement with the Soviet Union, which is itself a formidable task, one that affects the security of our allies and consequently our relations with them. Whatever the outcome, the concentration by the White House on these negotiations (and on the investigations in Congress) is bound to add to the list of problems that have been either scantily treated or ignored altogether. In any case, the next administration will have its hands full.

But what will be or should be its priorities? Once it recognizes that it cannot do all the things it would like to do, to say nothing of all the things that its supporters, pressure groups, the media, and foreign governments suggest that it do, it can begin putting together its policy agenda. Like other public policy institutions, the Fund hopes that its program will play a part, directly or indirectly, in determining priorities as well as in the formulation of specific policies. Unlike most other institutions, though, we are not confined to a specific set of issues. Nor are our publications—Fund books, Papers, and Task Force Reports—designed solely for a specialist audience of academics and policymakers. To the contrary, we seek to reach out to the public, especially the growing number of people concerned and informed about the well-being of our nation and its role in the world.

In dealing with public policy, the Fund's program, for the most part, tends to be analytical and practical rather than theoretical. Fund authors always try to put in context the policy problem that they are dealing with, and their policy recommendations take into account political realities. That means that they are more concerned with what is possible than what is ideal. And just as we believe that we ought to appeal to the broadest possible audience interested in critical issues—since effective policy depends in large part on a strong base of public support—we believe that our program should not be restricted to either

domestic or foreign issues since each is inevitably linked to the other.

Still another feature of the Fund's program is that we usually avoid sponsoring research on what might be called fashionable or trendy issues. The current emphasis on competitiveness has already generated activity in any number of institutions, and we do not think that the Fund would add anything by jumping on the bandwagon. Competitiveness, indeed, is a subject that already seems to be headed for the same fate that was suffered by industrial policy, the subject of the moment not too many years ago. In any event, we prefer neglected but critical policy problems and areas where we think that the Fund has a distinct advantage because we have little in the way of competition or because we can bring to the attention of the general public an issue that has, until we came on the scene, been the province of specialists.

That is the case, for example, with our series of Fund Papers on the international debt crisis. We began sponsorship of these papers when the debt crisis was regarded as a technical problem, of interest mainly to bankers and financial experts. Although it became the stuff of newspaper headlines for a short while, only to fade away with official pronouncements that the crisis had been resolved, we persisted on the commonsensical ground that no quick solution would work. So far we have published six Fund Papers dealing with various aspects of

*the problem or specific countries caught up in the coils of the debt problem, and four more are nearing completion. We have also sponsored two book-length studies treating the issue: Bernard Nossiter's *The Global Struggle for More* and Pedro-Pablo Kuczynski's, tentatively titled, *Marking Time: The Latin American Debt Question*. In addition, we also are contemplating an independent Fund Task Force to consider what specific measures, now that the so-called Baker Plan seems to have outlived its usefulness, can provide relief to the countries most burdened by debt, thus allowing their economies to begin to grow again.*

*Similarly, we were pleased to sponsor I. M. Destler's *American Trade Politics*, which, in a collaborative effort, was published by the Fund and the Institute for International Economics. Given the rise in domestic protectionist sentiment, Destler's book was not only timely but extraordinarily useful; he analyzed the ways in which Congress became increasingly subject to protectionist pressures while it was ceding power on trade to the executive branch, which in turn followed macroeconomic policies that led to a flood of imports and a fall in exports. The results are huge deficits in our balance of payments and, of course, in the federal budget. We are searching for other policy studies in the trade area, although it is my hunch that, now that trade has become so heated an issue, it will be difficult to be as fresh and as pertinent as Destler.*

We are also vitally interested in the problems posed by the federal deficit. Admittedly, this is hardly a neglected or unexplored area; almost everybody has had his say on what ought to be done. But the Fund might venture into this crowded field if we found a writer with sufficient wisdom and authority to be heeded. And we think that in this area our Task Force format, which brings together a select group of authorities to consider policy options and choose which seems most feasible and worthwhile, may have an impact. A Task Force on the federal deficit is a possibility. And so is one on the difficulty of coordinating domestic economic policies among the major industrialized nations, whether five or six or seven or ten; perhaps an independent and international Fund Task Force could determine what is both practical and feasible in coordinating domestic policies.

Another important and very timely study, which will be published in the fall of 1987, is David Calleo's wide-ranging and critical analysis of the United States's relations with its European allies. Challenging the notion that the United States under Ronald Reagan has managed to reassert its dominant role as leader of the Western alliance, Calleo argues that though we remain a superpower, we can no longer exert the hegemony that we enjoyed through the first three decades of the postwar period. His provocative book should be must reading for aspirants to the presidency as well as for anyone interested in assessing the basic

tenets of American foreign policy and considering what must be done to adjust our strategic objectives to our means.

At the risk of sounding like a relentless drumbeater, I am convinced that John Brooks's *The Takeover Game*, which also is scheduled for fall publication, will attract the attention it clearly merits. A gripping and comprehensive account of the changes that have taken place in the investment banking community, he describes what those changes portend for our economy. As up-to-date as the scandals involving some of Wall Street's arbitrageurs, Brooks's study has a number of recommendations for reform. I should point out that finance is a major area of Fund concern, and I dare say it will continue to be mine. Thus, we also published *Who Owns the Corporation?*, a Fund Paper by Edward Jay Epstein, who supports corporate raiders because they have fought entrenched managements benefiting at the expense of the shareholders. Here again, we are contemplating a Task Force on insider trading, which, despite all of the publicity accorded some recent cases, is a peculiarly hazy area.

Another area where we are considering doing more work is social policy. It is easy to predict that social policy, and especially welfare policy, will be subject to a whole new look once the Reagan administration departs. We began our own reexamination with a Fund Paper, *Saving a Generation*, by Blanche Bernstein, who deals with the seem-

ingly intractable problem of families headed by a single parent who, more often than not, is either black or Hispanic and who has a number of children, frequently with different fathers. This sizable group, which absorbs most of the federal funds provided in the Aid to Dependent Children program, has until recently been ignored by minority leaders. Lately, though, as Bernstein reports, the magnitude of the problem and its persistence have forced minority politicians to call for more rigorous standards of behavior. It is Bernstein's view that intervention is also essential if we are to prevent this phenomenon from plaguing us generation after generation.

So many institutions are already involved in examining questions about welfare policy that the Fund has entered the field only when it could find a new or neglected aspect of the problem, as was the case with the Bernstein paper. In this vein, we are also sponsoring a book-length study of welfare by Robert Haveman of the University of Wisconsin, who proposes a comprehensive reform of the nation's welfare system. Noting that the pre-Reagan system had serious deficiencies but also critical of Reagan's approach, he is seeking to put in place what amounts to a new form of welfare.

I should also make mention in this brief review of some of the Fund's work in the political area, where we want to see that our democratic polity works as efficiently and as fairly and as responsively as possible.

One such effort that the Fund sponsored was *The Government's Managers, the Report of a Task Force*, chaired by former governor Charles Robb, which evaluated the Senior Executive Service, the federal government's elite corps of managers. Another is Thomas Cronin's study entitled *Direct Democracy*, a critical analysis of the various devices—referenda, recalls, petitions—for direct participation by the electorate. Still another is Abigail Thernstrom's *Whose Votes Count?*, a critical appraisal of the Voting Rights legislation, which is devastatingly candid in demonstrating that our political system has moved from assuring "one man, one vote" to electing minority representatives in proportion to their numbers in the country.

This review gives a taste of the Fund's program as we turn our sight increasingly on the forthcoming election. By doing so, I have slighted a number of valuable books and papers that are not directly aimed at a future administration. (Summaries of all the work sponsored by the Fund are contained in the pages that follow.) A national election, especially one like we will have in 1988, makes the adrenaline run faster here at the Fund. We have no bottom line that shareholders can applaud or deride. We have no direct competition that we can measure ourselves against. What we have is an opportunity to make a mark in the policy area. And there is nothing like an election in the offing to get us going.

M. J. Rossant

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The Investment Advisory Group, together with the Director, advises the Fund's Finance Committee on ways to increase resources for an expanded research program.

Over the past decades, the Twentieth Century Fund has provided scholars with an opportunity to challenge the prevailing wisdom on significant public policy issues, to evaluate critically the performance of public and private institutions, and to identify new tasks for the government. The Fund seeks scholars who—regardless of political persuasion or institutional affiliation—promise to bring a fresh perspective to this examination of public problems and who have the ability to communicate to a broad, informed, and not merely specialist audience.

The Fund is particularly interested in projects on public policy in the four broad areas of study on which the Fund currently focuses: Domestic Policies, Politics, and Economics; Communications, Science, and Technology; Urban Economic and Social Issues; and U.S. Policy in the International Area.

The fundamental challenge for scholars examining any of the issues in these areas is to find more effective ways of dealing with problems of broad public concern. Independent Task Forces, convened by the Fund, provide a forum for addressing discrete and timely issues and for making specific policy recommendations. Book-length projects permit individuals to take a more reflective view of political, economic, and social problems. Fund Papers allow for the dissemination of shorter analyses of critical and especially timely public policy issues.

In reviewing proposals in each of its program areas, the Fund looks for studies that identify emerging problems and promise to produce useful policy recommendations

based on thorough and critical examinations of significant issues. The Fund itself takes no position on political controversies, leaving its authors free to reach their own conclusions.

The purpose of the Fund's research program is the publication of analytical studies of contemporary public policy issues for an audience that includes the informed public, the press, policymakers, and the academic community. Achieving this goal is not easy. It requires the completion of scholarly work of high quality on a timely basis and the presentation of the work in a lively, nontechnical manner. Procedures have been developed by the Fund to protect the independence of the project directors, while providing them with professional assistance in presenting their findings and conclusions.

As a private operating foundation under the Tax Reform Act of 1969, the Fund does not make research grants, award fellowships or scholarships, or support dissertation research. Instead, it directly administers its programs. The Fund edits the manuscripts and arranges for their publication by commercial publishers or university presses.

The Fund's staff actively solicits proposals on topics selected by the staff and Trustees. It also reviews all proposals submitted independently. An initial proposal may consist of a letter describing a policy problem for investigation and presenting a research plan. Members of the staff work closely with applicants to develop preliminary proposals; full proposals—ten to fifteen pages in length—include, in addition to a definition of the problem and a description of the

research approach and methodology, a tentative book outline. Only those proposals recommended by the staff are reviewed by the Board of Trustees, and only the Board of Trustees has the authority to approve proposed projects. Proposals are judged in terms of their potential contribution to public policy, scholarship, and clarity of presentation.

Administration of Fund projects is divided into two roughly equal stages designed to facilitate the transformation of scholarly research into policy books for a broad public. Recognizing the costs and risks of research, the Fund pays research expenses, given evidence of satisfactory progress toward completion, throughout the course of the project. During the first stage, the project director, who is primarily engaged in research, is compensated on a regular biweekly basis in accordance with his schedule; in this stage, a staff member assigned to the project periodically confers with the project director. Before the end of the first stage, the project director meets with the staff to review the status of the project and the book outline and to establish a schedule for submission of manuscript.

In the second stage of the project, the Fund continues to work closely with the project director but asks him to assume some financial risk as an incentive for timely completion of a publishable manuscript. The project director's compensation is divided in this second stage into payments for delivery of draft manuscript approved by the Fund, and a final payment for a complete manuscript

approved by the Fund. Written comments by the staff on all manuscript received are provided to the project director. These comments evaluate the author's presentation and the soundness and appropriateness of the supporting research. The project director is solely responsible for the accuracy of the evidence he presents, and has complete independence in drawing conclusions and setting forth recommendations.

A "Guide for Submission of Proposals," which explains Fund procedures, is available upon request.

CURRENT STUDIES

DOMESTIC POLICIES, POLITICS, AND ECONOMICS

This program area, though limited to national concerns, encompasses an unusually wide range of subjects. It examines the way in which our nation functions, covering our basic political structures, the role of the federal government in various areas, and the ways in which national policies affect the private, public, and not-for-profit sectors and the relationships among them.

Some of the projects in this program area examine broad issues involving American democracy—how it works and how it applies to the ways in which Americans live. Other projects focus on specific aspects of traditional American institutions and values.

The Politics of National Security. In the aftermath of the Vietnam War, Congress has actively sought to expand its role in defense decisionmaking. But increasing congressional involvement in national security has been subject to vigorous debate. The executive branch has criticized congressional "meddling," claiming that its intervention inhibits the shaping of a forceful foreign policy; others argue that Congress is only fulfilling its constitutional duty to "provide for the common defense." Barry M. Blechman, a political scientist with practical experience in both the executive and legislative branches, is undertaking a historical analysis of Congress's attempts to define its role in defense policymaking since the mid-1960s. In his view, Congress has a significant role to play in the formulation and oversight of defense policy, but it is ineffective and sometimes counterproductive when it seeks to involve itself in the details of defense decisionmaking. His study is scheduled for completion in spring 1988.

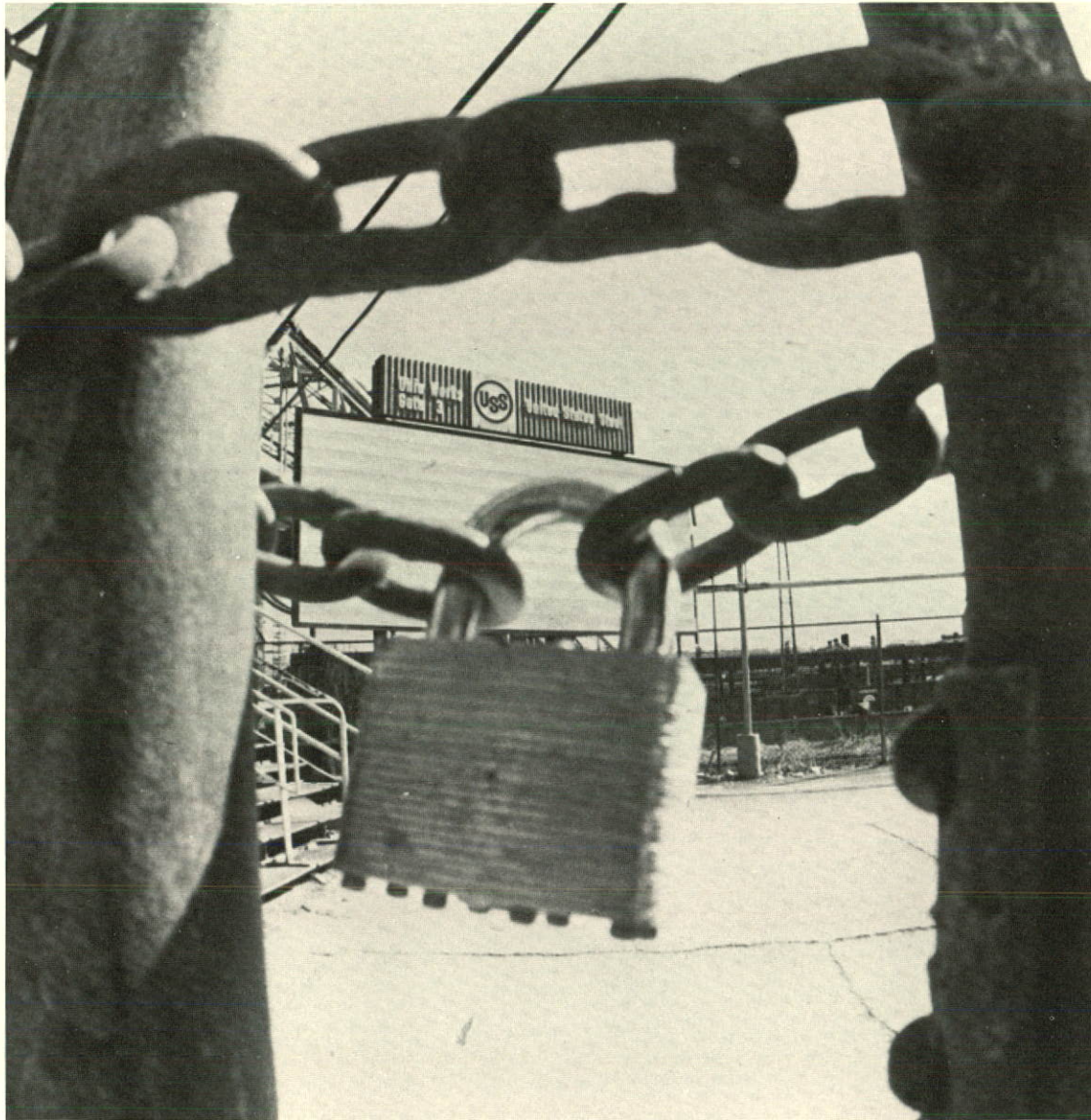
The Defense Procurement Mess. Enormous cost overruns, poor performance in the field, and exorbitant prices paid for commonplace items—the litany of defense procurement debacles is a familiar refrain in the press, justifiably sparking public outrage at the billions of dollars wasted annually. Congressional reviews and presidential commissions have produced countless reports but little understanding and even less in the way of tangible reform. William H. Gregory, former editor-in-chief of *Aviation Week and Space*



Technology, looks beyond the headlines to examine the underlying structural problems that beset the U.S. defense industry. His study, which is scheduled for completion in late 1987, reviews efforts to deal with the defense procurement mess and makes policy recommendations aimed at more streamlined, flexible, and publicly accountable procurement procedures for the Pentagon.

Military Manpower Policy. The obligation to bear arms in defense of the state is a traditional hallmark of citizenship. But the United States has relied on an all-volunteer force for over a decade, treating military service as an occupation and an opportunity for self-advancement. The military force that resulted is not only unrepresentative of the U.S. population, but also alters the relationship between the military and the civilian society it serves. David R. Segal of the University of Maryland is examining how the break in the link between civic rights and obligations came about, the consequences, and proposals to restore obligatory military service. His project, which has been subject to delay, is scheduled for completion in 1987.

Federal Power and the Electoral Rights of Blacks and Hispanics. The Voting Rights Act, passed in 1965, guarantees minority voters equal access to the polls by removing the restrictions that prevented them from registering to vote. In the years since its passage, the scope of the act has been broadened—through administrative and judicial interpretation as well as legislative



amendment—far beyond its original mandate. Today, the Voting Rights Act maximizes the opportunity for minorities to elect members of their own groups to political office. Abigail M. Thernstrom of Brandeis University has examined the political forces and strategies that changed the meaning of “one man, one vote,” in her book *Whose Votes Count? Affirmative Action and Minority Voting Rights*, a Twentieth Century Fund Study, which will be published by Harvard University Press in fall 1987.

Worker Representation. Concern has long been voiced about the contradiction between democratic American political institutions and the autocratically managed industries that have been the hallmarks of capitalist society. While representational democracy was extended into the economic sphere by New Deal legislation—which, through independent trade unions and collective bargaining, ensured workers a degree of representation in decisions on working conditions and wages—that system has, in many critical ways, become outmoded. Declining union strength, technological innovation, and international competition—along with a changing political and social climate—have all undermined its effectiveness. Charles Hecksher of the Harvard Business School has been examining the strengths and limitations of the New Deal framework in light of technological, economic, and political changes in order to suggest reforms. His manuscript will be published by Basic Books in early 1988.

The American Trade Policymaking System. America's trade policy has been central to the course of the world economy since early in this century. Protectionism in the interwar period contributed significantly to deepening and prolonging the Great Depression. Subsequent American trade liberalization underwrote postwar prosperity. More recently, congressional attempts to revert to restrictions on trade threaten international economic stability. I. M. Destler of the Institute for International Economics has analyzed the ebb and flow of American postwar trade policy and the difficult trade policy choices facing the United States today. His book, *American Trade Politics: System Under Stress*, was jointly published by the Institute for International Economics and the Twentieth Century Fund in the fall of 1986.

Public Policy Toward Disability. More than a hundred government and private programs offer help to the disabled, providing income maintenance, medical care, rehabilitation, and other services. Created piecemeal, this complex melange of programs often works at cross-purposes—at considerable expense to the taxpayer. According to Edward D. Berkowitz of George Washington University, these programs are neither efficient nor equitable, and they encourage the disabled to retire at public expense instead of promoting rehabilitation, independence, and making a contribution to society. The author has reviewed the history of disability policymaking to assess the programs currently in place and

to recommend politically feasible reforms that will put the considerable financial investment in these programs to best use. His book, *Disabled Policy: America's Programs for the Handicapped*, a Twentieth Century Fund Report, will be published by Cambridge University Press in spring 1987.

Industrial Policy Debate in the United States. "Industrial policy," which has been much in vogue in recent years, has been hailed as the solution to declining American competitiveness and derided as un-American or simply foolish. Since the very notion of economic "planning" has always created ideological discomfort in the United States, supporters have been eager to place their proposals in a broad historical context. But opponents also have invoked historical precedent to justify their views. Otis L. Graham, Jr., of the University of North Carolina is analyzing the uses and abuses of historical analogies in the industrial policy debate. His project, which has been subject to delay, is now scheduled for completion in late 1987.

Income Redistribution Policy. The anti-poverty programs initiated in the 1960s to reduce the persistent differences in employment opportunities, income, status, and other measures of well-being have been the subject of considerable debate. Since the late 1970s, the notion of a trade-off between economic equity and efficiency has been a prominent feature of this debate, with many concluding that the United States simply cannot afford government programs aimed

at combating economic inequality. Robert H. Haveman of the University of Wisconsin at Madison questions the usefulness of the idea of a trade-off, arguing instead that there is no single national objective in our welfare programs. In his manuscript, due for completion by mid-1987, he will examine government income-redistribution policies and programs, arguing that, by and large, these programs have not been so costly to efficiency as is widely accepted. He also will recommend reforms intended to improve both equity and efficiency.

The Effect of Congressional Oversight on Social Regulation. Public confidence in the ability of government to offer protection from health and safety hazards in the face of complex technological innovation and fierce political pressure has been put to increasingly stringent tests. Because legislative consensus is difficult to achieve in this area, Congress often relies on its oversight tools—including the appointments process, review of agency procedures, and investigative hearings—instead of statutory reform. Christopher H. Foreman, Jr., of the University of Maryland is studying Congress's capacity to oversee the implementation of social policy, how—and the extent to which—oversight contributes to regulatory stringency, and how regulatory oversight might be improved. His project is scheduled for completion in 1987.

The Availability of Nonfuel Minerals. The United States has been curiously lethargic about formulating a long-term policy to en-

sure reasonably priced supplies of critical nonfuel mineral resources. Although we have always managed to cope—relying on a steady flow of supplies from the Third World, ad hoc resort to stockpiling, and ingenuity in finding substitutes—there is the risk of shortages of metals vital to our defense industry and to parts of our increasingly high-tech economy. Raymond F. Mikesell of the University of Oregon has assessed the reliability of current sources of nonfuel minerals and the threat of disruption in the flow of these minerals to the United States, existing stockpiling programs, the trade-offs between protecting the environment and maintaining or increasing domestic production, and new directions for nonfuel minerals policy. His book, *Nonfuel Minerals: Foreign Dependence and National Security*, a Twentieth Century Fund Book, will be published by the University of Michigan Press in spring 1987.

Direct Democracy in America. The United States is one of very few democratic nations that does not have a national referendum or other direct legislative process. During the Progressive era, a number of states and localities adopted direct democratic procedures, and in recent years Americans have increasingly turned to initiatives, referenda,

and recall petitions as a direct expression of the popular will on issues as diverse as tax reform and atomic power. Thomas E. Cronin of Colorado College has examined the effectiveness of these measures, evaluated proposals for a national initiative, and considered the future prospects for direct democracy in America. His project, which has repeatedly fallen behind schedule, is expected to be completed in 1987.

The Future of Banking in the United States. As banks expand their activities beyond traditional state lines and extend the scope of the financial services they offer, rapid changes continue to take place in the banking industry. At the same time, the bankers' turf has been invaded by new financial competitors, offering traditional banking services with varying degrees of success. James L. Pierce of the University of California at Berkeley is assessing both the effects of these changes—on the financial system and on the stability of our monetary mechanisms—and proposals for regulatory policy reform. His project is scheduled for completion in 1987.

Policy Research Institutions in the United States. Policy research foundations, university research centers, and both for-profit and not-for-profit research firms have, over the course of the twentieth century, contributed to American policymaking and political culture. Providing the analyses that in many other countries would come largely from within official agencies, these policy

research institutions have achieved something of the status of a shadow government. James A. Smith is exploring the development of American public policy institutions and the ways in which they have influenced intellectual trends and the policymaking process. His project is scheduled for completion in 1987.

U.S. Defense Policy. Nuclear weapons, the focus of intense public concern, are playing a decreasing role in the nation's defense policy and account for a mere fraction of U.S. spending on defense. The bulk of defense spending—more than 90 percent of military outlays—generally escapes public attention. Congress consistently fails to reassess the fundamental purposes of the defense establishment on which public dollars are lavished. Edward N. Luttwak of Georgetown University's Center for Strategic and International Studies, author of numerous books on defense, is examining the largely unchallenged substance of U.S. defense policy, exploring and evaluating options to current force structures and priorities to determine whether the unchanging, largely uncontroversial defense policy goals can be achieved more efficiently and effectively. His study is scheduled for completion in 1987.

Investment Banking in the American Securities Markets and the American Economy. Current headlines—about billion-dollar takeovers, poison pills, junk bonds, and the wrongdoings of arbitrageur Ivan Boesky and other traders—reveal that investment banking is no longer a discreet and gentlemanly occupation. On the contrary, it has become an immensely profitable, increasingly rough and competitive business. John Brooks, a longtime chronicler of Wall Street, has written an account of this new world of investment banking, analyzing how and why it has changed and the implications of this transformation for the investing public and the U.S. economy. His book, *The Takeover Game*, a Twentieth Century Fund Book, is scheduled for publication by Truman Talley Books/E. P. Dutton in fall 1987.



Domestic Youth Unemployment. The programs designed in the 1970s to combat the growing unemployment rates of youth in the baby-boom generation are no longer applicable. Demographic changes and changes in the labor market have confined the youth unemployment problem to those in urban ghettos and regions with declining industries. But a similar problem has emerged—that of displaced workers. Michael L. Wachter of the University of Pennsylvania, who had initially set out to examine the problems faced by, and programs developed to aid, young people entering the difficult labor markets in the 1970s, attempted to apply the knowledge gleaned from that experience to the current issue. Unfortunately, the need for a significant body of new data and continuing shifts in the political and social environment did not allow for timely completion of a book-length study with such a focus. After the end of the fiscal year, the project was terminated and the manuscript returned to the author.

Task Force on Conflicts of Interest in the Arts. Politicians, bureaucrats, and professionals from the private sector are responsible for determining which institutions and individuals receive government subsidies for the arts. While there has been widespread debate over the amount and nature of these subsidies, little attention has been paid to the conflicts of interest that exist in the selection process. The Fund continues to seek an informed writer to identify the incidence of such conflicts in government grantmaking to

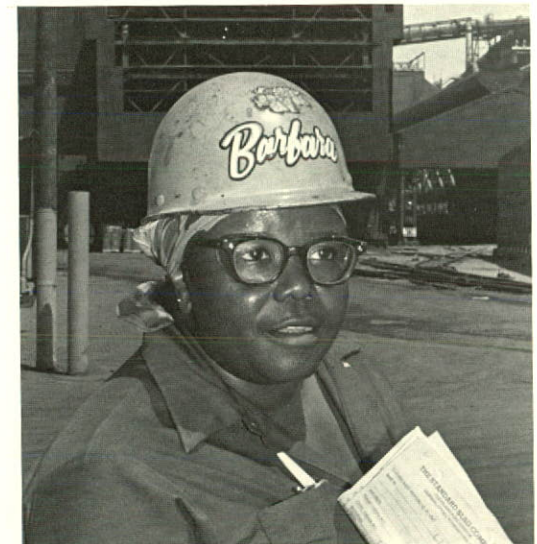
the arts. If investigation reveals significant abuses, an independent Fund Task Force will be created to discuss them.

Immigration Reform from an Urban Perspective. Immigration has always been subject to dispute. There is no doubt that it provides new vigor to American communities and to society as a whole, but it also has been seen as a threat to the interests and opportunities of the urban poor. This is the case today, where blacks, at the lowest economic rung, and labor unions are opposed to liberal immigration policies. Thomas Muller, formerly of the Urban Institute, is examining both the conflicts that arise and the economic revitalization that takes place because of immigration through an examination of three major urban centers—Los Angeles, Miami, and New York. He expects to argue against restrictive immigration policies and to recommend means to ameliorate potential social conflict. His project is scheduled for completion in early 1987.

National Service in America. The idea of national service has gained increasing attention as policymakers search for ways to deal with such problems as youth unemployment, worker training, and the provision of social services. Proposals ranging from underwriting youth volunteers to linking student loan eligibility to local community service frequently are couched in national service terms. Charles C. Moskos of Northwestern University, author of several books on the military, is examining the current national

service debate within the broad context of citizenship rights and obligations. His study, which has suffered some delays, is scheduled for completion in 1987.

The Not-for-Profit Sector in a Mixed Economy. Burton A. Weisbrod of the University of Wisconsin began an investigation of the not-for-profit sector in American society, which encompasses such diverse institutions as hospitals, schools, and trade associations, has been growing rapidly in recent years, providing a wide variety of services similar to those offered by profit-making institutions and government agencies. Because of extensive delays and problems with the draft manuscript the project was terminated after the end of the fiscal year, and the manuscript returned to the author.



COMMUNICATIONS, SCIENCE, AND TECHNOLOGY

This program area focuses on the political, economic, and social consequences of developments in communications, science, and technology. The Fund's long-standing interest in the area of communications naturally expanded to cover the effects of new technological developments such as satellite communications and computers. From there it was a small step to the examination of the effects of rapid developments in technology and, carried a step further, in science on society. It has become clear that these developments have policy implications that are often realized only after the fact. The Fund is therefore actively seeking proposals in this area.

The News Media, the Government, and the Public. It was not so long ago that the American press, fresh from its self-trumpeted triumphs in Vietnam and Watergate, was portrayed in heroic terms. The cult of the investigative reporter was born—an almost epic figure, slaying the dragon of government deception or corruption. But the esteem that the media have enjoyed has been ebbing over the years; whether because of the conservative shift in the political climate or the media's growing arrogance, neither print nor electronic journalism holds the public confidence it once did. Richard M. Clurman, a veteran journalist and student of the press, examines the modern media and their privileged role in our society, using General Westmoreland's suit against CBS and Ariel Sharon's suit against Time Inc. to explore the major sources of conflict and tension. His manuscript is being circulated to publishers.

Presidential Science Advising. American scientists have been involved in public policy since the Einstein letter to President Franklin D. Roosevelt, which led to the Manhattan Project and, ultimately, to the atom bomb. In 1951, President Truman created the post of science adviser, thus institutionalizing the means by which government came to rely on scientific experts. In 1957, when Sputnik challenged the U.S. strategic defense, President Eisenhower formally brought science policy into the White House; he appointed James R. Killian, Jr., special assistant to the president for science and chairman of the newly established President's Science Ad-

visory Committee. Gregg Herken, a historian, is analyzing the influence of the president's science adviser in the making of public policy and assessing the changing role of American science in serving the government. His project is scheduled for completion in 1987.

Conference on Presidential Debates. With the 1988 presidential election campaign already under discussion, the Fund, long a champion of televised presidential debates, planned a conference (jointly sponsored by Harvard's Institute of Politics and the Fund) at the Kennedy School of Government at Harvard. A group of scholars, politicians, and representatives of public interest organizations discussed the past, present, and future of presidential debates, with an eye toward making recommendations to ensure that the debates take place. In a paper prepared for the conference, Newton N. Minow, cochairman of the League of Women Voters Presidential Debates Steering Committee in 1976 and 1980, and Clifford M. Sloan, an attorney, set forth the argument that the two major parties should sponsor the debates. The paper, *For Great Debates: A New Plan for Future Presidential TV Debates*, published as a Twentieth Century Fund Paper early in 1987, was released just prior to the announcement of the establishment of a new bipartisan organization to sponsor quadrennial televised presidential debates.

Science and the Courts. Our courts are facing novel and difficult challenges in attempting to assign responsibility and assure justice



in cases where technological advances raise moral or public policy issues and even expert testimony is divided about the facts. Sheila Sen Jasanoff of Cornell University explores the roles that the courts play in deciding such cases. In her study, scheduled for completion in late 1987, the author reviews the ways such controversies have been handled in the past and offers specific policy recommendations for a more constructive (and more judicious) relationship between science and the courts.

The New American Health-Care System.

The dramatic expansion of health-care coverage by private insurers and the federal government, and the subsequent concern with the rising costs of that care, have already brought major changes in the delivery of health services for most Americans. These changes are far from over, and many decisions must be made about the kind of health-care system we want—decisions that will be made by private, mostly corporate, buyers of insurance and by government through the regulations it imposes on the health-care providers and the ways it pays for care under Medicare and Medicaid. Donald W. Light, director of the division of behavioral and social medicine of the University of Medicine and Dentistry of New Jersey, is examining the changing economics of the health-care industry and formulating policy options for improving the quality of, and access to, health care while holding down costs. His project is scheduled for completion in early 1987.

Accountability in the New Health-Care System.

Decisions about medical treatment used to be made solely by doctors—accountable only to themselves and their patients. Choices about community medical facilities were made by hospital boards drawn from the community or, in the case of municipal hospitals, by administrators responsible to elected officials. The assumption was that these decisions were made by those with the interests of the patients and the community at heart. This situation has been drastically altered by the growth of for-profit hospital chains in which decisions, taken by boards often distant from the local hospital, presumably are based on the effect they will have on the corporation's rate of return. This raises questions about whether the goals and mechanisms by which doctors and hospital administrators are held accountable adversely affect the quality of, and access to, medical care. Bradford H. Gray, a senior professional associate at the Institute of Medicine, who is examining these questions, intends to recommend new mechanisms of accountability to ensure that both public and private interests are served. His project is scheduled for completion in early 1987.

The Politics of Crisis Management in Biomedical Research.

The AIDS crisis, a problem of unprecedented complexity for the U.S. health-research establishment, has sorely tested the ordering of the nation's health-care priorities. Sandra Panem of the Sloan Foundation has been examining the way crises are managed by the nation's

health-care delivery systems to arrive at more effective ways to reorder the nation's health-care priorities when life-threatening new diseases occur. Because her draft, after revision, remained largely descriptive rather than analytical, after the end of the fiscal year, her project was terminated and the manuscript returned to her.

International Communications Development in the 1980s.

In the 1970s, militant Third World supporters of a new world information order fashioned a theory of communication as an instrument of the state, and lambasted Western media as an expression of "cultural imperialism." Robert L. Stevenson of the University of North Carolina began an assessment of the validity of such charges and a review of the evolution of the debate. Because of his failure to develop a strong policy argument, his project was terminated and the manuscript returned to the author.

URBAN ECONOMIC AND SOCIAL ISSUES

Another area of Fund interest is the problem of America's cities. In recent years, the effects of social disruption on life in the cities have become a subject of concern; during the 1970s, the Fund convened a number of Task Forces to examine such problems as the ways in which courts deal with criminals and policies toward young offenders. The Fund has also sponsored a number of projects examining the roots of the fiscal crises facing the nation's large older urban areas; for example, it established two Task Forces to explore New York City's financial difficulties and two more on the tax-exempt capital market, through which cities and local government units raise a good portion of needed capital. The projects listed below are a sampling of the subjects relating to this vital area that are of interest to the Fund.

The Politics of Urban Infrastructure. The quality of life in the nation's cities depends, to a large extent, on the streets, the sanitation systems, and the public facilities that make up their infrastructure. Investment in infrastructure varies substantially from city to city—as much because of local political priorities as either local or national economic conditions. Thus citizens must turn to local government initiatives—rather than to broad federal programs—if they are dissatisfied with urban infrastructure. Heywood T. Sanders of Trinity University is examining the role of local politics and programs, and how they combine with state and national policies to provide critical services to our nation's cities. His manuscript, which has been subject to delay, is now scheduled for completion in early 1987.

The Future of Cities. Despite the scattered encouraging signs of urban revival, serious problems—poverty, racial tension, and economic atrophy—continue to plague our cities. Robert F. Wagner, Jr., who has extensive experience in the government of the nation's largest city, began examining the ills afflicting American cities with a view toward identifying strategies for ameliorating them. When he accepted the appointment as president of the New York City Board of Education, it proved impossible for him to devote himself to his study, resulting in its termination after the end of the fiscal year.

Police Undercover Work. In the past twenty years, covert law enforcement activity has expanded at both the federal and the local level—particularly in cases involving organized crime and political corruption. Its critics argue that undercover tactics breach civil liberties; its supporters claim that undercover work is critical to controlling crime. The public appears ambivalent—sometimes recognizing that undercover activities are the only way to obtain evidence, sometimes expressing fear that they will be abused. Gary T. Marx of the Massachusetts Institute of Technology has been investigating the effectiveness of undercover tactics and the oversight mechanisms used to guard against abuses. His project is scheduled for completion in early 1987.

Metropolitan Segregation. Problems of poverty, poor housing, unequal educational opportunity, and crime continue to plague both black Americans and the Hispanic immigrants who fill our cities' ghettos and barrios. Unlike other groups that manage to assimilate or move up the socioeconomic ladder, many in these minorities seem unable to find a way out. According to Gary Orfield of the University of Chicago, government policies that foster residential segregation are largely to blame. Because of repeated delays with the draft manuscript, the project was terminated and the manuscript returned to the author.



U.S. POLICY IN THE INTERNATIONAL AREA

This program area has a broad focus that embraces relations between the United States and other nations. Some of the projects in this area analyze the effects of international affairs on U.S. policy; others examine U.S. policy toward and role in international institutions; and still others explore development economics, which has critical long-term implications for the United States.

The Fund began its investment in this area in the post-World War II era, and today its international projects have become one of its most important program areas. The Fund is continuing to seek out projects dealing with significant policy issues in this field.

Third World Demands in the Next Decade. The once-strident calls of the Third World for a new international economic order have quieted in the face of a decade of worldwide economic problems. But these Third World nations, many of which have seen bright prospects for growth destroyed by the mounting debt crisis and the refusal of the international financial community to underwrite development programs without some guarantees, continue to face serious problems. Bernard D. Nossiter, former chief UN correspondent for *The New York Times*, believes that the only remedy for these problems is resumption of sustained, inflation-free growth in the advanced nations. His book, *The Global Struggle for More: Third World Conflicts with the Rich Nations*, a Twentieth Century Fund Essay, will be published by Harper & Row in spring 1987.

International Debt and Default. The excessive indebtedness of the developing countries and the specter of default by any one of them continues to cause intense concern in the international financial community. Nowhere is that threat to the world's financial system more in evidence than in Latin America—the focus of several new and forthcoming papers in the Fund's series on this subject. In addition to *The Costa Rican Laboratory* by Sol W. Sanders and *The Brazilian Quandary* by Marcilio Marques Moreira, who is now the Brazilian ambassador to the United States, the Fund commissioned two papers on the Mexican debt problem. One, *The Mexican Time*

Bomb, by Norman A. Bailey and Richard Cohen, has already been published; it argues that the crisis will continue so long as Mexico's creditors and its own government fail to recognize the nature of the problem. The second, by Luis Rubio and Francisco Gil-Diaz, provides a Mexican perspective that argues for much greater concessions on the part of creditors. The Fund also has commissioned a paper on the debt problem in Peru by Ortiz de Zevallos. The series may also include a paper on the role of the major international financial agencies by Don Babai, a paper on long-term measures for the resumption of economic growth in the debtor countries by Rudiger Dornbusch, and a paper on policy options for the United States (now the biggest debtor nation) by Robert Hormats. The series also includes *The Debt of Nations* by M. S. Mendelsohn, *The Costs of Default* by Anatole Kaletsky, and *The African Burden* by Rupert Pennant-Rea.

Latin American Debt and Development.

The international debt crisis, which first attracted widespread attention in 1982, is still with us. Although almost every six months one or another official spokesman declares the crisis resolved, this pronouncement is always followed by fresh—and usually panicky—negotiations on behalf of a Mexico, a Brazil, or an Argentina. Pedro-Pablo Kuczynski, a former energy minister in Peru who is now a prominent international banker with The First Boston Corporation, argues that the debt crisis will not disappear until the debtor nations are able to resume and sustain

noninflationary growth. He presents a clear, analytical account of how the debt crisis developed and what must be done to treat it. His manuscript is being circulated to publishers.

The Democratic Revolution in Latin America. U.S. policymakers have been encouraged by the resurgence of democracy in Latin America—a welcome change in an area of vital importance to the United States—that has bolstered the general stability of the entire hemisphere. But this development presents potential pitfalls as well as

great possibilities for U.S. foreign policy. Howard J. Wiarda of the University of Massachusetts—Amherst is assessing the political transformation taking place in Latin America; those aspects of its political culture that, traditionally, have retarded democracy; and the history of U.S. foreign policy concerns in the region. He intends to put forth specific and realistic policy options that will promote Latin America's democratization, keeping in mind other U.S. interests in the region and the level of acceptable "interference" in its internal affairs. His project is scheduled for completion in 1988.



The Crisis of Multilateralism. At the very time that international interdependence has risen to unprecedented levels, many multilateral arrangements are under great strain, in some areas close to collapse. The United States, which first breathed life into most post-World War II multilateral schemes, is now regarded as multilateralism's major critic. John Gerard Ruggie of Columbia University believes that this crisis of multilateralism could not have come at a less opportune time, since more countries rely on the resources of multilateral institutions now than ever before. He is reviewing the rise of multilateralism, why it has come to be challenged, and what contribution it still can make in the conduct of international relations. His project is scheduled for completion in 1987.

UNESCO and Its Future. This study of the United Nations Educational, Scientific, and Cultural Organization (UNESCO) by S. Nihal Singh, a well-known Indian journalist who is now editor of the *Express* of India, was to explore what might be done to resolve the conflicts afflicting this most cantankerous of UN institutions. Unfortunately, because the author's many attempts to address UNESCO's problems never got beyond the descriptive, the project was terminated after the end of the fiscal year.

U.S. International Monetary Policy. International monetary relations, marked by turmoil for more than a decade-and-a-half, have, at times, been a substantial source of domestic economic distress. Robert Z. Aliber

of the University of Chicago, who has been examining the evolution of the international monetary system, concludes that many of the economic problems that the United States is experiencing stem from mistakes that have been made in identifying and pursuing American policy interests. While not all problems can be avoided, he believes that a more coherent and focused U.S. policy would better serve both the United States and the world as a whole. He intends to propose major new directions for U.S. policy in his manuscript, which, after many delays, is now scheduled for completion in 1987.

The United Nations and the Paralysis of Western Diplomacy. Rosemary Righter, former diplomatic correspondent for the *Sunday Times* of London, has been analyzing the policies of the United States and its allies toward the United Nations. Once dominated by the West, in recent years the United Nations has been influenced more by the growing number of postcolonial Third World states, often joined by the Communist bloc. It is the author's thesis that the West bears a large share of the blame for this transformation—partly because it has underestimated the importance of the United Nations, partly because it has failed to present persuasive and cohesive options. Her manuscript, which has been subject to delay, is currently scheduled for completion in 1987.

U.S.-Mexican Economic Relations. The United States always has been an important trading partner for Mexico, and the reverse

is increasingly true, so that economic prospects and policies in each country are of vital interest to the other. Of particular concern to U.S. economic policymakers is that Mexico—embroiled in a debt crisis that shows no signs of abating, stagnant economic growth, deep-seated social tensions, and the declining legitimacy of its ruling political party—appears headed toward instability. Sidney Weintraub of the Lyndon B. Johnson School of Public Affairs at the University of Texas is examining the challenge to American interests in Mexico, economic relations between these close neighbors, and the policy options available. His project is scheduled for completion in 1987.

American Policy Toward East Asia. Richard L. Sneider, a former ambassador to the Republic of Korea and deputy assistant secretary of state for East Asian and Pacific affairs, successfully drafted some early chapters of his manuscript on how the United States might deal with Asia's economic challenge. In August 1986, Richard Sneider died.

Germany's Role in the Atlantic Order. An examination of West Germany's growing role as an economic and political power in Europe—sponsored as a companion piece to David P. Calleo's assessment of the Atlantic Alliance—was begun in 1985 by Josef Joffe, a scholar and journalist. Evidently, the author's duties as foreign editor of the *Süddeutsche Zeitung* in Munich prevented him from making any real progress on his project.

Accordingly, the project was terminated after the end of the fiscal year, with the author agreeing to return a portion of the compensation paid to him.

Contemporary Emigration Policies. People in many countries are prevented from leaving their homelands. At the same time, millions of others have been directly or indirectly forced out of the countries in which they live. Often, the same governments are responsible for both situations. Never before have states so effectively controlled the rights of their citizens to stay or leave. Alan Dowty of the University of Notre Dame, who has examined the development of state control over population flows and assessed strategies to bring political pressure to bear on those states that violate the right to self-determination, makes a strong argument for open borders. He urges U.S. policymakers to lead the call for change by rethinking restrictive U.S. immigration policies and demanding worldwide freedom of movement. His book, *Closed Borders: The Contemporary Assault on Freedom of Movement*, a Twentieth Century Fund Report, is being published by Yale University Press in early 1987.

A New U.S. Policy for the Atlantic Alliance. The survival of the Atlantic Alliance—the most important and among the most enduring of America's relationships—is in question. Forged in the aftermath of World War II, when the cold war was heating up, the Atlantic Alliance between the United States, Canada, and the countries of Western

Europe has managed to survive major economic and political developments. But profound transformations in U.S.-European relations and fundamental economic, social, and political changes in the United States and Europe have increased transatlantic tensions, making rethinking and reform essential to the alliance's survival. David P. Calleo of Johns

Hopkins University has examined the entire range of alliance problems in order to assess how best to assure the continuation of this critical Western institution while bringing about necessary adjustments in the roles of the United States, long the dominant participant, and its allies. His manuscript will be published by Basic Books in fall 1987.



Since its inception in 1919, the Twentieth Century Fund has pioneered among foundations in disseminating its research, usually in book form, to a general, rather than a specialist, audience. The Fund remains faithful to this tradition, providing timely analyses and policy prescriptions on a broad spectrum of critical public policy issues.

The guiding principle in placing Twentieth Century Fund book-length manuscripts is the requirement that they make their own way in the marketplace. Hence, the manuscripts that result from the Fund's research are placed, after editing, with commercial publishing houses or university presses on a nonsubsidized basis. Fund manuscripts are submitted to all publishers who have asked to see them as well as to those whose lists suggest an interest in the subject. Standard contracts are signed, which provide for advances and royalties that are used to defray the project's costs, adding to the revenues available for the Fund's research program.

Of particular interest to the Fund when deciding which publisher to sign with are timely publication, a reasonable price, and, after a relatively short interval, publication of a low-cost paperback edition to reach the broadest possible audience. Accordingly, proposals on marketing, promotion, and advertising submitted by publishers are carefully weighed.

The Fund always has lavished attention on its manuscripts. Because publishers have placed a growing emphasis on the sales potential of books, editing, which is designed to enhance readability, has assumed in-

creased significance. Since publishers tend to shy away from lengthy manuscripts that are more costly to produce, special efforts are made to ensure economy of language without compromising ideas.

The Fund works closely with publishers to launch all books bearing the Twentieth Century Fund imprimatur. On the eve of publication, press releases are issued and press conferences held to alert the electronic and print press to the findings and recommendations of our studies. In addition, the Fund's dissemination program includes the placement of op-ed pieces and articles by Fund authors, and arrangements for television and radio interviews and attendance at professional conferences and conventions. In conjunction with publishers, the Fund also explores the possibility of foreign translations. To ensure continuing attention to Fund works, out-of-print Fund books frequently are placed with reprint houses.

During fiscal 1984, the Fund established its own in-house press, Priority Press Publications, which makes possible rapid, quality publication—at reasonable cost—of the reports of independent Fund Task Forces and timely shorter manuscripts on critical public policy issues. The flexibility afforded the Fund by Priority Press has led to a new publishing designation: Twentieth Century Fund Paper.

With a growing number of Fund Papers published and in progress, a new section in the publishing portion of the Annual Report was introduced in 1985—Fund Papers in print and forthcoming. Because of the short

time frame in which Fund Papers are produced and published, they appear only in the publishing section.

During fiscal 1986, six Fund-sponsored books were published, all bearing the Fund imprimatur. Walter Laqueur's *A World of Secrets: The Uses and Limits of Intelligence*, a Twentieth Century Fund Book, was released by Basic Books in November 1985. (A United Kingdom edition was published in December 1985 by Weidenfeld & Nicolson.) *The International News Services*, a Twentieth Century Fund Report by Jonathan Fenby, was released by Schocken Books in March 1986. In May 1986, two Twentieth Century Fund Reports and one Twentieth Century Fund Essay were released: *Stabilizing an Unstable Economy*, a Twentieth Century Fund Report by Hyman P. Minsky, was published by Yale University Press; *Too Many Promises: The Uncertain Future of Social Security*, a Twentieth Century Fund Report by Michael J. Boskin, was published by Dow Jones-Irwin; and *New Roads to Development*, a Twentieth Century Fund Essay by Raanan Weitz, was published by Greenwood Press. In June 1986, Cambridge University Press published *Social Security: Visions and Revisions*, a Twentieth Century Fund Study by W. Andrew Achenbaum.

Two Fund Task Force Reports were published: *Treating Malpractice*, Report of the Twentieth Century Fund Task Force on Medical Malpractice Insurance, with a background paper by Andrew Tobias, was published in June 1986; *The Government's Managers*, Report of the Twentieth Century

Fund Task Force on the Senior Executive Service, with a background paper by Mark W. Huddleston, was published in February 1987.

Priority Press Publications published a number of Twentieth Century Fund Papers in fiscal 1986. Three papers were added to our continuing series on international debt and default: *The African Burden* by Rupert Pennant-Rea, published in January 1986; *The Costa Rican Laboratory* by Sol W. Sanders, published in March 1986; and *The Brazilian Quandary* by Marcilio Marques Moreira, published in May 1986; a fourth paper in this series, *The Mexican Time Bomb* by Norman A. Bailey and Richard Cohen, will be released in January 1987. In addition, Jennifer Roback's *A Matter of Choice: A Critique of Comparable Worth by a Skeptical Feminist*, was published in February 1986.

Contracts were signed during fiscal 1986 for the publication of *Closed Borders: The Contemporary Assault on Freedom of Movement*, a Twentieth Century Fund Report by Alan Dowty (Yale University Press, March 1987), and *Nonfuel Minerals: Foreign Dependence and National Security*, a Twentieth Century Fund Book by Raymond F. Mikesell (University of Michigan Press, April 1987). Contracts also have been signed for Bernard D. Nossiter's *The Global Struggle for More: Third World Conflicts with the Rich Nations*, a Twentieth Century Fund Essay (Harper & Row, March 1987), Edward D. Berkowitz's *Disabled Policy: America's Programs for the Handicapped*, a Twentieth

Century Fund Report (Cambridge University Press, June 1987), Abigail M. Thernstrom's Twentieth Century Fund Study, *Whose Votes Count? Affirmative Action and Minority Voting Rights* (Harvard University Press, fall 1987), John Brooks's *The Takeover Game*, a Twentieth Century Fund Book (Truman Talley Books/E. P. Dutton, fall 1987), David P. Calleo's *A New U.S. Policy for the Atlantic Alliance*, a Twentieth Century Fund Book (Basic Books, fall 1987), and Charles Heckscher's *Who Speaks for Workers? The Rise of the New Unionism*, a Twentieth Century Fund Book (Basic Books, winter 1988). I. M. Destler's *American Trade Politics: System Under Stress* will be jointly published by the Institute for International Economics and the Twentieth Century Fund in November 1986.

Current Major Fund Studies, Reports, Books, and Essays, Cloth Bound, in Print

Social Security: Visions and Revisions

By W. Andrew Achenbaum, a Twentieth Century Fund Study. Franklin Roosevelt envisioned the Social Security system as "the kind of protection America wants" for the elderly in serious financial trouble or for those Americans facing temporary fiscal distress due to family tragedy. Over the years, Social Security evolved into the nation's largest, costliest, and most successful domestic institution, but demographic, political, economic, and cultural shifts in American society now have eroded support for the system. Achenbaum, a professor of history at Carnegie-Mellon University, assesses how and why the Social Security system changed from a means of social insurance into a form of welfare, advocating reforms that would continue to promote the general welfare of our aging society by assuring a socially acceptable, universal minimum standard of living to all Americans. 300 pages, June 1986, \$19.95. Publisher: Cambridge University Press.

Too Many Promises:

The Uncertain Future of Social Security

By Michael J. Boskin, a Twentieth Century Fund Report. At a time when the ratio of the nation's retired elderly population is increasing dramatically, the issue of public retirement policy has taken on fresh urgency. The

Social Security system, on which so many elderly Americans depend, has been threatened by both short- and long-term fiscal crises. Despite Social Security tax increases, the long-range financial security of retired workers is no longer assured. Boskin, chairman of the Center for Economic Policy Research at Stanford University, examines the institution that has become the most expensive "sacred cow" in America and proposes instead a two-tier Social Security system that would tie benefits directly to contributions and encourage the growth of private savings and insurance, while guaranteeing a basic retirement income for all citizens. 196 pages, May 1986, \$19.95. Publisher: Dow Jones-Irwin.

Stabilizing an Unstable Economy

By Hyman P. Minsky, a Twentieth Century Fund Report. Since the mid-1960s, the American economy has been characterized by increasing turbulence and periods of financial instability, inflation, rising unemployment, and a marked slowdown in the improvement of living standards. Although this instability is a normal part of a complex market economy, it can be controlled—allowing for swings but not runaway inflations or deep depressions—through appropriate intervention by major financial institutions and government. Minsky, professor of economics at Washington University, St. Louis, examines the history and the theoretical underpinnings of the U.S. economy and presents an agenda for financial reforms, employment strategies, and regulations that

will enhance economic stability and promote economic growth. 353 pages, May 1986, \$29.95. Publisher: Yale University Press.

New Roads to Development

By Raanan Weitz, a Twentieth Century Fund Essay. Development planning has failed in all too many countries because planners have not taken the traditional value systems of the people into consideration in their planning and because the need for a balance between private initiative and government intervention has been overlooked. Weitz maintains that poverty and underemployment, which prevent economic growth, can only be remedied by achieving the "optimal mix" of private and government participation for each region, keeping in mind the importance of prevailing social and individual value systems. Weitz, head of the Settlement Study Centre in Rehovot, Israel, sets forth detailed recommendations for solving the critical economic problems facing the developing countries. 257 pages, May 1986, \$27.95. Publisher: Greenwood Press.

The International News Services

By Jonathan Fenby, a Twentieth Century Fund Report. The four major international news agencies—the Associated Press, United Press International, Reuters, and Agence France-Presse—that disseminate more than 80 percent of the news that reaches the non-Communist nations, are distinctly different, fiercely independent entities. Yet many developing countries protest what they consider to be a monopoly by these Western

news agencies on the flow of world news. Fenby, head of *The Economist's* Bonn bureau, argues that this accusation is unjust and unfounded. He contends that the four international news agencies simply collect and distribute news in the form most digestible to the greatest number of recipients willing to pay. Fenby provides an objective look at the history and current role of the big four news services and assesses the prospects for resolving the conflict between the West and the Third World on the vital issue of the international flow of information. 275 pages, March 1986, \$19.95. Publisher: Schocken Books.

A World of Secrets:

The Uses and Limits of Intelligence

By Walter Laqueur, a Twentieth Century Fund Book. The frequent failure of intelligence agencies to anticipate major international events and to assess ongoing developments correctly at a time when intelligence is critical to effective policy-making has led to a "crisis of intelligence." Despite technological advances in data gathering, the assessments provided our policymakers frequently are wrongheaded, either because abundant data is analyzed incorrectly or because sound intelligence is ignored. All too often, because of these miscalculations, U.S. policymakers, taken by surprise, are not prepared to cope with political and military developments. Laqueur, chairman of the International Research Council of the Center for Strategic and International Studies of Georgetown

University, examines the causes of intelligence failures, and the prospects for improvement in intelligence gathering and analysis. 404 pages, November 1985, \$21.95. Publisher: Basic Books (United Kingdom edition: Weidenfeld & Nicolson).

The American Ethos: Public Attitudes toward Capitalism and Democracy

By Herbert McClosky and John Zaller, a Twentieth Century Fund Report. The rising tension between capitalist and democratic values, according to McClosky and Zaller, is at the foundation of political division in the United States today. Americans committed to capitalism are wary of "too much democracy," and favor stronger controls on freedom of speech, press, assembly, and the rights of due process. Americans committed to democratic values are critical of private enterprise, suspicious of its power, and sympathetic toward government efforts to tame it. The authors trace the evolution of capitalist and democratic values in American history and analyze the findings of a current survey on the political attitudes and values held by American opinion leaders, political elites, and the public. 342 pages, February 1985, \$27.50. Publisher: Harvard University Press.

Affordable Housing: New Policies for the Housing and Mortgage Markets

By Kenneth T. Rosen, a Twentieth Century Fund Report. Without a massive effort to stimulate recovery of the housing industry, the American dream of owning a home of

one's own will become out of reach for many first-time homebuyers. Rosen assesses the depressed state of the American housing and housing-finance industries, which he blames on shortsighted policy decisions, demographic and sociological changes, and the troubled economy of the past decade. He cuts through the maze of statistics, excuses, and pessimism and shows how the current problems in housing emerged, why our long-standing national housing goals are obsolete, and what policies are needed to resuscitate the ailing housing industry and to make good housing affordable again. 181 pages, October 1984, \$29.95. Publisher: Ballinger Publishing Company.

Puerto Rico: A Colonial Experiment

By Raymond Carr, a Twentieth Century Fund Study. Relations between the United States and Puerto Rico, troubled ever since Puerto Rico was acquired by the United States in 1898 in the aftermath of the Spanish-American War, have become increasingly strained. Carr, the warden of St. Antony's College at Oxford and a noted historian, analyzes Puerto Rico's relations with its imperial masters from the time it was a Spanish colony to its present commonwealth status. He argues that the United States is responsible for many of the problems facing Puerto Rico today. His objective examination of the difficulties inherent between a superpower and a quasi-colonial possession not only illuminates the relationship between Puerto Rico and the United States but also sheds light on the broader issues of colonialism and

imperialism. 477 pages, April 1984, \$25.00 (paper, \$12.95). Publisher: New York University Press (Vintage Books).

**The Democratic Muse:
Visual Arts and the Public Interest**

By Edward C. Banfield, a Twentieth Century Fund Essay. Since 1965, the federal government, principally through the National Endowment for the Arts, has been in the business of directly subsidizing the arts in America. After examining the history, function, and organization of the National Endowment for the Humanities, the art museum, and public school arts programs—the major institutions bringing art to the public—Banfield argues that federal programs fail to bring the visual arts to greater numbers or to increase public understanding and appreciation. He concludes that government subsidies for the arts are an inappropriate and ineffective use of taxpayers' money and that all arts subsidies—direct and indirect—should be eliminated, leaving the support of the arts largely to the private sector. 244 pages, April 1984, \$15.95. Publisher: Basic Books.

The Atlantic City Gamble

By George Sternlieb and James W. Hughes, a Twentieth Century Fund Report. Politicians constantly seek quick and painless means of raising funds for stimulating economic growth. In the past decade, they seized on a number of seemingly ingenious devices, from lotteries to off-track betting, that promised big increases in revenues. But the results

rarely measured up to expectations. Legalized casino gambling—billed as a sort of magic bullet to spur faster growth and increase employment—is the latest of the “solutions” to beguile politicians and the public. In November 1976, the state of New Jersey embarked upon a bold experiment when voters approved a referendum to authorize casino gambling in Atlantic City. Sternlieb and Hughes report on the results of that experiment, providing a critical analysis of casino gambling as a tool for economic development, concluding that its social and political costs are excessive. 215 pages, November 1983, \$16.50 (paper, \$6.95). Publisher: Harvard University Press.

**Patrons Despite Themselves:
Taxpayers and Arts Policy**

By Alan L. Feld, Michael O'Hare, and J. Mark Davidson Schuster, a Twentieth Century Fund Report. The significant deductions granted rich patrons of the arts by U.S. tax laws give them a dominant voice in shaping arts policies while raising the tax burden on all other taxpayers. The authors note that almost two-thirds of government support received by the arts is provided indirectly through deductions, not directly through grants. They do not recommend a complete overhaul of the current system, but they do insist that changes are needed to ensure that those who support the system are given some say about how the money they provide is allocated. 263 pages, July 1983, \$30.00 (paper, \$15.00). Publisher: New York University Press.

**Court Reform on Trial:
Why Simple Solutions Fail**

By Malcolm M. Feeley, a Twentieth Century Fund Report. Concern about ever-increasing crime rates, unfair or indifferent treatment of the accused, and inefficiency in meting out justice have all created dissatisfaction with the criminal court system. The author, a prizewinning writer on the criminal justice system, explores the workings of the criminal courts, analyzes the effectiveness of four recent criminal court reforms—new bail practices, pretrial diversion, mandatory sentencing, and speedy trial rules—and makes recommendations for creating a fairer, more efficient, and more effective criminal justice system. 251 pages, February 1983, \$7.95 (paper). Publisher: Basic Books.

**A Pole Apart:
The Emerging Issue of Antarctica**

By Philip W. Quigg, a Twentieth Century Fund Report. The debate over the Law of the Sea has reawakened interest in the Antarctic, a region governed by the twelve nations that signed the Antarctic Treaty in 1959. The treaty is subject to review in 1991, and claims of the developing nations to a share of the area's resources raise serious questions about its renewal. Quigg, former managing editor of *Foreign Affairs*, has analyzed the extent to which the promise of wealth from minerals lying miles beneath the Antarctic ice is real and recommends policies for dealing with the situation as 1991 approaches. 299 pages, November 1982, \$19.95. Publisher: McGraw-Hill/New Press.

Economic Development: Theory, Policy, and International Relations

By Ian M. D. Little, a Twentieth Century Fund Book. Efforts to increase the pace of economic development in less-developed countries have met with mixed results. While there are a lot of success stories—notably Brazil, Mexico, Korea, Taiwan, Hong Kong, and Singapore—the vast majority of developing countries have had unsatisfactory rates of growth. Little, an innovative theorist and frequent adviser to national governments and international organizations, appraises the evolution of development since 1944 and provides recommendations drawn from his experience. 452 pages, October 1982, \$13.50 (paper). Publisher: Basic Books.

Controlling the Bomb: Nuclear Proliferation in the 1980s

By Lewis A. Dunn, a Twentieth Century Fund Report. Policies pursued by the United States and other governments will have a critical influence on the prospects for heading off runaway proliferation. As more countries—and less stable countries in conflict-prone regions—initiate or resume nuclear weapons programs, the risk of nuclear weapons use escalates dramatically. Further, according to Dunn, there is the increasing danger that terrorists will get hold of nuclear devices. He suggests new policies to strengthen existing checks on the pace and scope of proliferation and to contain the likely growth of nuclear weapons activity. 209 pages, March 1982, \$7.95 (paper). Publisher: Yale University Press.

Going by the Book: The Problem of Regulatory Unreasonableness

By Eugene Bardach and Robert A. Kagan, a Twentieth Century Fund Report. Government regulation of business has come under increasing attack because of its dampening effect on the American economy. At the same time, dangers from nuclear power plants and toxic chemicals have heightened public awareness of the need for regulation, and public interest and consumer groups have continued to lobby for the protection of the consumer and the general public. The authors argue that in the long run regulation will tend to increase and with it tendencies toward inflexibility and unreasonableness. 375 pages, February 1982, \$29.95. Publisher: Temple University Press.

Congressional Spending

By Dennis S. Ippolito, a Twentieth Century Fund Report. Even though passage of the Congressional Budget and Impoundment Control Act of 1974 gave Congress the means for establishing spending priorities, influencing fiscal policy, curbing executive impoundments, and developing its own sources for budget data and analysis, it did not succeed in its primary objective of exerting control over federal spending. Ippolito explains the reasons for this failure and considers how best to remedy it. He favors a constitutional spending limit that would restrict government expenditures to a fixed percentage of the gross national product. 286 pages, January 1982, \$32.50 (paper, \$10.95). Publisher: Cornell University Press.

Fund Studies, Reports, and Essays in Print

Autos, Transit, and Cities

By John R. Meyer and Jose A. Gomez-Ibanez, a Twentieth Century Fund Report. Government programs to solve urban transportation problems have been largely ineffectual. In a work that addresses urban transportation problems and policies since World War II, the authors argue that many transportation problems can be solved through a sustained, systematic effort that must acknowledge the continuing prominence of the automobile. They assess in detail the role of public transportation and related issues of growing concern—land use, energy consumption, air pollution, and transportation for the poor, the elderly, and the handicapped. 360 pages, November 1981, \$25.00 (paper, \$8.95). Publisher: Harvard University Press.

Corporate Control, Corporate Power

By Edward S. Herman, a Twentieth Century Fund Study. In the first major work published on the American corporation since *The Modern Corporation and Private Property* by Adolf A. Berle, Jr., and Gardiner C. Means, which was published in 1932, Herman examines who controls the corporation and for what purposes. The study traces the shift in control of the nation's corporate giants from owner to manager, revealing that the corporate objectives of high profits and greater size remain unchanged. The author contends that, while the power and influence of the American corporation have

grown tremendously during this century, the corporation continues to evade its responsibility to the public. 432 pages, April 1981, \$13.95 (paper). Publisher: Cambridge University Press.

**Multinationals in Latin America:
The Politics of Nationalization**

By Paul E. Sigmund, a Twentieth Century Fund Study. Since the rapid increase in the number of nationalizations of foreign-owned concerns in Third World countries, many observers have predicted the demise of the multinational corporation in the developing world. Sigmund challenges the notion of a rising tide of nationalization, arguing that, in Latin America at least, most of the exposed enclaves in the extractive industries that were the major targets of the economic nationalists have now been taken over. He perceives the beginnings of a new era of bargaining between Third World governments and foreign investors. 426 pages, October 1980, \$32.50 (paper, \$12.95). Publisher: University of Wisconsin Press.

**Abuse on Wall Street: Conflicts of Interest
in the Securities Markets**

A Twentieth Century Fund Report. A compilation of seven monographs issued earlier, along with substantial new material. The project was under the supervision of a Steering Committee, chaired by Roy A. Schotland, professor of law, Georgetown University, and included William L. Cary, Benjamin V. Cohen, Roger F. Murray, M. J. Rossant, and William Stott. In addition to the original

monographs, the book contains a new monograph on real estate investment trusts by Schotland and a new introduction and conclusion by Schotland detailing the Steering Committee's call for an effective self-policing effort by the securities industry, including industrywide guidelines, concrete written provisions, and effective implementation machinery. The monographs included are *Commercial Bank Trust Departments* by Edward S. Herman, *Corporate Pension Fund Asset Management* by John Brooks, *State and Local Pension Fund Asset Management* by Louis M. Kohlmeier, *Union Pension Fund Asset Management* by Richard Blodgett, *Investment Banking* by Nicholas Wolfson, *Broker-Dealer Firms* by Martin Mayer, and *Nonprofit Institutions* by Chris Welles. 736 pages, April 1980, \$45.00. Publisher: Quorum Books.

**Unloving Care:
The Nursing Home Tragedy**

By Bruce C. Vladeck, a Twentieth Century Fund Study. The author criticizes the politics and economics of the nursing home industry, touches on the scandals of recent years, and assesses the (in his view) inhuman way in which we deal with the infirm elderly. Presenting a comprehensive, analytic review of the incremental legislation that produced our nursing home system, he recommends drastic revisions—including a sharp reduction in the number of nursing homes—to improve the quality of care for the growing number of elderly who require it. 308 pages, March 1980, \$9.95 (paper). Publisher: Basic Books.

The Changing American Voter

Enlarged Edition, by Norman H. Nie, Sidney Verba, and John R. Petrocik, a Twentieth Century Fund Study. The authors of this critically acclaimed book on electoral behavior added, for this new, enlarged edition, a trenchant analysis of the 1976 presidential election. Basing their study on a comprehensive survey of American voters, they document and analyze the dramatic changes in attitudes toward political parties, issues, and candidates since the last major work on the subject, in 1952. A timely yet scholarly account, this study makes many astute observations that have significant implications for policymakers, politicians, and the American public. 430 pages, January 1980, \$25.00 (paper, \$10.95). Publisher: Harvard University Press.

Island China

By Ralph N. Clough, a Twentieth Century Fund Study. The author gives valuable insight and perspective to the problems that arose with the U.S. recognition of the Republic of China and the changing attitude of the United States vis-a-vis Taiwan. Clough, who served as deputy chief of the U.S. mission in Taipei and as director of the Office of Chinese Affairs in the State Department, evaluates the effects on Taiwan of changing relationships among the major nations engaged in trade with Asia and concerned about the region's security as well as Taiwan's role in U.S.-China relations. 264 pages, October 1978, \$18.50. Publisher: Harvard University Press.

The Subsidized Muse: Public Support for the Arts in the United States

By Dick Netzer, a Twentieth Century Fund Study. The author, an economist, assesses public support of the arts as analogous to public subsidies in such areas as housing, transportation, and education. The author considers both the public interests that may be served by government intervention to supplement the resources that the market provides to the arts and the hazards of government intervention. The book sets out the logical arguments for government support of the arts and appraises the record of public support of the arts since 1965 in light of these arguments. 289 pages, April 1978, \$14.95 (paper). Publisher: Cambridge University Press.

The Public's Business: The Politics and Practices of Government Corporations

By Annmarie Hauck Walsh, a Twentieth Century Fund Study. The author traces the growth of the more than 7,000 government corporations spending over \$24 billion annually on operations and new capital facilities. The author analyzes the forces in politics, government, and the private sector that have favored the choice of government corporations for the provision of public works and services. She examines the consequences of this choice for the quality and nature of authority activities, the consumers or users of authority services, the various participants in the municipal bond market, and the public. 436 pages, April 1978, \$13.95 (paper). Publisher: The MIT Press.

Social Limits to Growth

By Fred Hirsch, a Twentieth Century Fund Study. In this landmark work setting forth a new view of the changing nature of desirable social objectives and economic growth, Hirsch points out that as societies become richer, larger numbers of people can afford and acquire the trappings of affluence. But many of these goods and services are not available in large quantities nor can they be acquired by larger numbers of people without losing their value. He concludes that fundamental changes must be made in the individual orientations and expectations of the successful few rather than the aspiring many. 209 pages, December 1976, \$15.00 (paper, \$6.95). Publisher: Harvard University Press. Available in Swedish, Japanese, Portuguese, German, Italian, and Spanish translations.

**The New Presidential Elite:
Men and Women in National Politics**

By Jeane Kirkpatrick, jointly sponsored by the Twentieth Century Fund and the Russell Sage Foundation. American politics, according to Kirkpatrick, is being transformed by a new type of political activist, one unconcerned about party organization and out of touch with the values and views of the party rank and file. The study includes a large-scale examination of convention delegates and the only comprehensive analysis of politically active women and the obstacles they face in achieving full participation in political life. 605 pages, October 1976, \$13.95. Distributor: Basic Books.

The New Economics of Growth: A Strategy for India and the Developing World

By John Mellor, a Twentieth Century Fund Study. Focusing on the failure of India to carry forward its economic development, the author makes a strong case for increasing investments in agriculture rather than in industry. He explains how such a strategy will increase the participation of the poor in the growth process and eventually lead to greater industrial production. 384 pages, April 1976, \$42.50 (paper, \$12.95). Publisher: Cornell University Press.

Public Employee Pension Funds

By Robert Tilove, a Twentieth Century Fund Report. A thorough examination of public employee pension funds, this work stresses the need for sweeping reform. The author considers it necessary to integrate public pensions with Social Security in order to avert a taxpayer revolt. 384 pages, March 1976, \$50.00. Publisher: Columbia University Press.

The Big Foundations

By Waldemar A. Nielsen, a Twentieth Century Fund Study. The author presents the first detailed examination of the nation's thirty-three largest foundations (each with assets of over \$100 million). Although he defends the idea of foundations, he criticizes the disturbing failures of these institutions and suggests ways in which they can realize their unique potential. 484 pages, October 1972, \$36.00 (paper, \$16.00). Publisher: Columbia University Press.

Fund Task Force Reports in Print

The Government's Managers

Most of the advanced industrial democracies boast a mandarin class—a group of highly trained professionals in the upper reaches of the civil service who are as skilled in the art of making policy as in carrying it out—but in the United States, much greater store is set on climbing the corporate ladder or testing entrepreneurial talents in the marketplace. This bipartisan Task Force, chaired by Charles Robb, former governor of Virginia, examined options and put forth specific recommendations for recruiting and retaining high-quality government managers, who are so critical to the well-being of the nation. The report is accompanied by a background paper by Mark W. Huddleston of the University of Delaware. 88 pages, February 1987, \$10.00. Publisher: Priority Press Publications.

Treating Malpractice

Malpractice claims are filed in ever-growing numbers, although only 28 to 40 percent of the more than \$2 billion in annual malpractice insurance premiums are expended compensating injured patients. It has been argued that the current malpractice liability system operates more like a lottery than a dispenser of justice. This report of an independent Task Force examines the American medical malpractice liability system to determine whether it deals ade-

quately with negligence on the part of health-care providers. The Task Force, chaired by Carol Bellamy, former president of the New York City Council, recommends reforms to reduce the uncertainty of the medical liability system while enhancing its deterrent function. The volume includes a background paper by veteran financial journalist Andrew Tobias. 70 pages, May 1986, \$7.50. Publisher: Priority Press Publications.

Living Cities

Once a largely elitist movement, urban preservation has taken on grass roots appeal, spurring increased government involvement at all levels. But how well has the preservation movement used its growing power and influence? This report of an independent Task Force evaluates where preservation has brought positive benefits and where it has not, focusing on preservation as a tool of urban development. The Task Force, chaired by Orin Lehman, commissioner, New York State Office of Parks, Recreation, and Historic Preservation, and including a diverse group of public officials, preservationists, and developers, concludes that preservation has been a boon to development and puts forth recommendations for government and private sector activities that will protect our historical legacy while promoting the economic well-being of our nation's cities. The report is accompanied by a comprehensive background paper by David Listokin of the Center for Urban Policy Research of Rutgers University. 118 pages, June 1985, \$10.00. Publisher: Priority Press Publications.

Battle Lines

This report of an independent Task Force examines the feud between the military and the media over press access to war zones, and considers what can be done to prevent relations between the military and the media from becoming so strained as to restrict the flow of information to the American public during military engagements. The Task Force, chaired by Edward N. Costikyan and made up of media and military representatives as well as those with experience in government service and politics, focused on the critical role of civilian authorities in securing effective press coverage of our military. The volume includes a background paper by Peter Braestrup, a veteran journalist and former war correspondent. 178 pages, May 1985, \$10.00. Publisher: Priority Press Publications.

The Science Business

Revolutionary discoveries in molecular biology and the potential profits to be made from the commercial application of these discoveries have resulted in a huge upsurge in collaborative arrangements between industry and the scientific community. This development, while providing significant funding for research, has raised serious concerns. An independent Task Force, chaired by Robert L. Sproull, then chancellor of the University of Rochester, and including representatives from the business, financial, scientific, and academic communities, assessed the problems arising from the commercialization of science and offers guide-

lines for future university-industry relations. The volume includes a background paper by Nicholas Wade, an editorial writer for *The New York Times*. 84 pages, June 1984, \$7.50. Publisher: Priority Press Publications.

Science in the Streets

The communication of information about the risks that inevitably accompany technological developments is critical to an informed citizenry. But reporting is complicated by a lack of public understanding, pressures on the media, reluctance on the part of the scientific community to speak out until conclusive data are available, and the uncertainty inherent in most risk situations. An independent Task Force, comprised of scientists, media representatives, and others knowledgeable about risk, examined media coverage of several recent threats to the health and environment of Americans and offers recommendations on how to improve communication of scientific information. This volume also includes a background paper by Dorothy Nelkin; a dissent by Harrison E. Schmitt, former astronaut and senator from New Mexico, who served as chairman of the Task Force; and a paper by Harry Schwartz on the media's treatment of AIDS. 97 pages, May 1984, \$7.50. Publisher: Priority Press Publications.

Next Steps for Summitry

This report of an international conference on economic summitry sponsored by the Twentieth Century Fund addresses what can be done to improve the performance of the an-

nual economic summit meetings attended by leaders of the seven major industrial democracies. The distinguished members of the conference, chaired by Jean Francois-Poncet, former French foreign minister, assess the strengths and weaknesses of economic summits and offer constructive, practical, and detailed recommendations on how to make the summits more useful. Their report is accompanied by a background paper by David Watt, former director of the Royal Institute of International Affairs (Chatham House), United Kingdom, that provides a concise history of summitry. 61 pages, May 1984, \$7.50. Publisher: Priority Press Publications.

What Price PACS?

With the decline of the major political parties, the rise of interest groups, and the increasing amounts of money needed to buy technological expertise and exposure, political action committees (PACs) have emerged as a major new force in American politics. While this development promotes citizen participation in politics, it also raises concern. PACs are now the chief conduit for donations from business, labor unions, professional associations, and other groups to candidates seeking public office, and have a huge and, as yet, largely untapped potential for a much wider variety of activities. An independent Task Force, chaired by Edmund S. Muskie, examined the growing influence of PACs in American politics and recommends political campaign financing reforms. The background paper by Frank J. Sorauf assesses the constitutional and legal issues

raised by PACs, evaluates their effects on the American polity, and discusses methods used to control or regulate them. 129 pages, January 1984, \$8.50. Publisher: Twentieth Century Fund.

Making the Grade

The report, which examines America's troubled public school system, presents the recommendations of an independent Task Force consisting of eleven noted educators. The Task Force, chaired by Robert Wood of Wesleyan University, former secretary of the Department of Housing and Urban Development, urges the federal government to take the lead to assure that all public school students acquire the knowledge and skills necessary to participate in our democratic society. The report presents specific recommendations aimed at improving the quality of teachers, ensuring adequate training in mathematics and science, and promoting the teaching of English to non-English-speaking students. The background paper by Paul E. Peterson of the University of Chicago presents a detailed examination of the state of the public school system. 174 pages, May 1983, \$6.00. Publisher: Twentieth Century Fund.

Deficits and Detente

The report of an international conference on the balance of trade in the Comecon countries declares that the indebtedness of Poland and the other Comecon nations poses a threat to the stability of the international financial network. In their report on the

balance of payments of the Soviet Union and its East European allies, the participants at the conference—bankers, economists, journalists, and political scientists—noted that the deficits of the Comecon countries have to be addressed by both creditor banks and debtor governments. The background paper by Richard Portes explores the depth of the indebtedness problem. The conference was sponsored by the Center for Research on International Institutions, Geneva, the Graduate Institute of International Studies, Geneva, and the Twentieth Century Fund. 92 pages, March 1983, \$6.00. Publisher: Twentieth Century Fund.

New York—World City

The report, which examines the long-term economic and fiscal difficulties facing New York City, presents the recommendations of an independent Task Force, consisting of businessmen, politicians, and educators and chaired by retired Judge Charles Breitel. The Task Force identifies foreign investment as the brightest spot in the city's economy and recommends policies that will enhance New York City's position as a global marketplace. The report also recommends the preservation and reconstruction of existing residential neighborhoods and infrastructure. The report of the Task Force is accompanied by a background paper by Masha Sinnreich, formerly of the Fund staff, and an appendix by former New York City Budget Director David A. Grossman. 230 pages, December 1979, \$15.00 (cloth, \$25.00). Publisher: Oelgeschlager, Gunn & Hain, Inc.

With the Nation Watching

This report suggests that televised presidential debates by the leading contenders for the nation's highest office be a "regular and customary feature" of presidential campaigns. To that end, the Task Force, composed of Americans in broadcasting, journalism, politics, and public affairs—urges immediate action on the organization, financing, and format of the debates. Chaired by Douglass Cater, a senior fellow of the Aspen Institute and president of Observer International, the Task Force offers a blueprint for exploiting the potential of television in future campaigns. The volume includes a detailed background paper written by Lee M. Mitchell. 120 pages, June 1979, \$5.95 (cloth, \$12.95). Publisher: Lexington Books/D. C. Heath and Company. Available from the Twentieth Century Fund.

A Free and Balanced Flow

In early 1978, a group of distinguished journalists and communications experts, headed by Francoise Giroud, former French minister of culture, was brought together by the Twentieth Century Fund to assess charges over imbalances in the flow of information between developed and developing nations and threats to freedom of the press. The report presents the recommendations of this distinguished group and calls for an independent body to monitor efforts to deal with the dispute. 77 pages, December 1978, \$5.75 (cloth, \$12.50). Publisher: Lexington Books/D. C. Heath and Company. Available from the Twentieth Century Fund.

Winner Take All

Since the beginning of the Republic, the electoral college has been the subject of controversy. An ingenious compromise, it was devised to be acceptable to both advocates of direct popular election and those of congressional election of the president. The Task Force, a bipartisan group, evaluated the present electoral system and various proposed alternatives to arrive at a totally new approach to the presidential election process—the national bonus plan. 82 pages, August 1978, \$9.00 (cloth, \$16.50). Available from the Twentieth Century Fund.

Confronting Youth Crime

This report confronts the dilemma of protecting the young while deterring youth crime and addresses the problems of the transition from juvenile to criminal court. In its recommendations, the Task Force sets forth the basic outlines of a coherent and just sentencing policy. 120 pages, April 1978, \$14.50. Publisher: Holmes & Meier Publishers.

The Raised Curtain

The report makes recommendations for U.S. cultural exchange agreements and their implementation, exploring ways to improve access to research material by U.S. scholars participating in U.S.-Soviet exchange programs. 101 pages, August 1977, \$3.00. Publisher: Twentieth Century Fund.

Those Who Served

This Task Force report recommends maintenance of existing special programs for veter-

ans until general social welfare measures, such as Social Security, a national medical program, and other services, provide equal or better benefits. It calls on the federal government to provide employment for all Vietnam-era veterans who are willing to work but cannot find jobs. 134 pages, December 1974, \$10.00. Publisher: Kraus Reprint Company.

Easy Money

This Task Force report examines the increasing resort to legalized gambling by state and local governments as a means of increasing revenue and combating organized crime. Concluding that the major benefits claimed for legalized gambling are illusory, the report states that legal gambling cannot be counted on either to raise public revenues or to reduce organized crime. 88 pages, November 1974, \$10.00. Publisher: Kraus Reprint Company.

The Rating Game

This Task Force report recommends the establishment of an independent nonprofit information center to compile and publish reports on the fiscal conditions of state and local government borrowers. The accompanying background paper provides a comprehensive survey of the tax-exempt market. 161 pages, April 1974, \$12.00. Publisher: Kraus Reprint Company.

A Free and Responsive Press

This Task Force report urges the establishment of an independent National News Council to hear complaints from the press

and the public on questions of accuracy, fairness, access, and government interference, as well as to study and report on issues involving freedom of the press. The background paper traces the development of the British Press Council and of state and local press councils in the United States. 88 pages, February 1973, \$13.00. Publisher: Kraus Reprint Company.

Press Freedoms Under Pressure

This Task Force report examines government pressure against the press through subpoenas, censorship, and legislation. The background paper provides a survey of various forms of such pressure. The appendixes present a list of state shield laws currently in effect, the Department of Justice guidelines for subpoenas to the news media, and Supreme Court opinions in the Pentagon Papers case. 192 pages, May 1972, \$13.00. Publisher: Kraus Reprint Company.

Fund Papers in Print and Forthcoming

The Mexican Time Bomb

By Norman A. Bailey and Richard Cohen, a Twentieth Century Fund Paper. The summer of 1982 is usually considered the beginning of the international debt crisis. That was when Mexico, one of the fastest growing developing countries, was on the verge of defaulting on its debt. Because of Mexico's proximity to the United States and the ties between the two countries, what happens in Mexico is of vital interest to U.S. policymakers. Bailey, a former investment banker and academic specializing in Latin America who was on the National Security Council staff (1981-83) as special assistant to the president and senior director for international economic affairs, and Cohen, author and former publisher of *Washington/World Intelligence Focus*, analyze Mexico's debt problem and its significance to other major debtor countries. 61 pages, January 1987, \$9.00. Publisher: Priority Press Publications.

Immunization Dice

By Michael Brody, a Twentieth Century Fund Paper. The number of producers of childhood vaccines in the United States today has dwindled, cutting supplies of some vaccines to desperately low levels. Moreover, vaccine producers have expressed doubt about manufacturing and distributing vaccines against new diseases, such as herpes and AIDS, when research makes such vaccines possible.

The reason is that vaccines can have damaging side effects, which may result in lawsuits and adverse publicity that are far more costly than the profits the vaccines can bring. Compounding the problem is the issue of mandatory vaccination, which places individuals at jeopardy through no choice of their own. Brody, a journalist noted for his coverage of product liability issues, analyzes the nature of the vaccine crisis and the legislative remedies under consideration. 77 pages, January 1987, \$10.00. Publisher: Priority Press Publications.

For Great Debates: A New Plan for Future Presidential TV Debates

By Newton N. Minow and Clifford M. Sloan, a Twentieth Century Fund Paper. Televised debates between the candidates for president are the centerpiece of the presidential campaign, the superbowl of American politics. The debates provide the only opportunity for the public to see the candidates in an adversarial—and somewhat spontaneous—setting, with the potential for substantive discussion of important issues. Minow, a partner at Sidley & Austin, cochairman of the League of Women Voters Presidential Debates Steering Committee in 1976 and 1980, former chairman of the Federal Communications Commission, and a current director of CBS, and Sloan, an attorney, put forth a new plan for future presidential debates: the creation by the parties of a new organization to assume responsibility for sponsoring the debates. 71 pages, January 1987, \$10.00. Publisher: Priority Press Publications.

Who Owns the Corporation? Management vs. Shareholders

By Edward Jay Epstein, a Twentieth Century Fund Paper. The corporation takeover game has become big news, as corporate raiders combat the defense tactics—ranging from golden parachutes to green mail to poison pills—of corporate management. Shareholders, the presumed owners of the corporation, get lost in the shuffle, almost always the losers in these battles for control. In this examination of corporate takeovers, Epstein, author of numerous articles and books on intelligence operations and the workings of the media, reveals just who controls the corporation—and for what purposes—and then assesses what can be done to redress the balance of power between shareholders and corporate managers, making specific recommendations for restoring a free market in corporate control. 69 pages, October 1986, \$8.00. Publisher: Priority Press Publications.

Saving a Generation

By Blanche Bernstein, a Twentieth Century Fund Paper. The devastating cycle of poverty and welfare that has already ensnared a generation can be broken only if programs and policies are put in place to encourage family stability, reduce school dropout rates, and end the epidemic of teenage pregnancy. Young women, particularly in the black and Hispanic communities, who have children before reaching adulthood and completing their educations, pass on a culture of poverty and welfare dependency to their children. Bernstein, former commissioner for

health and human resources in New York City, recommends government intervention to break this cycle of welfare dependency in the nation's minority communities. 63 pages, September 1986, \$7.50. Publisher: Priority Press Publications.

A Two-Faced Press?

By Tom Goldstein, a Twentieth Century Fund Paper. Freedom of the press, enshrined in the First Amendment, is one of the glories of American democracy, and it is a freedom the press takes seriously, claiming that any legislation affecting what it can publish, including what advertising it can accept, would encroach on that freedom. Using the issue of cigarette advertising as a starting point, Tom Goldstein, a journalist and scholar of journalism, points out the conflicts and problems presented by advertising products that, though potentially harmful, are not subject to government strictures or warnings. He examines the difficult questions raised by attempts to control what the media presents to the public and recommends that the media take responsibility for advertising. 54 pages, September 1986, \$7.50. Publisher: Priority Press Publications.

Terrorist Spectaculars: Should TV Coverage Be Curbed?

By Michael J. O'Neill, a Twentieth Century Fund Paper. Television coverage of terrorism mobilizes public emotions, influences government policies, and even shapes the events themselves. Western television, with its competitive spirit, its zest for violence, and

its technical efficiency, sometimes serves as the unwitting handmaiden or tool of terrorism. O'Neill, a veteran print journalist, former editor of New York's *Daily News*, and former president of the American Society of Newspaper Editors, examines the difficulties that a free press faces in dealing with terrorist outrages. His suggestions for reform attempt to strike a balance between the public's right to know, press freedoms, and media responsibilities. 109 pages, August 1986, \$7.50. Publisher: Priority Press Publications.

Judging the World Court

By Thomas M. Franck, a Twentieth Century Fund Paper. The U.S. withdrawal from the jurisdiction of the World Court as a result of the suit brought against it by Nicaragua made clear that U.S. respect for international law is not all that it is proclaimed to be. Yet the United States remains party to many treaties under which it continues to accept the court's jurisdiction. Franck, professor of law and director of the Center for International Studies at the New York University School of Law, assesses the World Court's role in settling international disputes and argues that submission to its general jurisdiction serves the U.S. national interest and helps to preserve a stable international legal system. 112 pages, July 1986, \$8.50. Publisher: Priority Press Publications.

The Brazilian Quandary

By Marcilio Marques Moreira, a Twentieth Century Fund Paper. In the great lending spree of the 1970s, Brazil, hailed as the Latin

American country with the most promising future, was the biggest borrower of them all. But just when it seemed that Brazil would realize her great promise, the lenders stopped lending, leaving Brazil vying with Mexico for the role of the world's leading debtor country at a time when Brazil's authoritarian military government had given way to democratic rule. Moreira, Brazil's ambassador to the United States, brings a Third World perspective to the analysis of Brazil's debt problem, focusing not only on the complex economic considerations involved in financing development but also on its critical political and social repercussions. 87 pages, May 1986, \$7.00. Publisher: Priority Press Publications.

The Costa Rican Laboratory

By Sol W. Sanders, a Twentieth Century Fund Paper. Most of the attention given the continuing international debt crisis has focused on the major debtor countries. Yet many other countries have been hard hit. In this paper, part of the Fund's continuing series on international debt problems, Sanders focuses on the debt of a single small country, Costa Rica, which, in per capita terms, probably has the biggest debt problem in Latin America. He examines how Costa Rica, long considered a "model democracy," managed to get into such financial straits; what can be done to assure that responsibility for financial excesses are shared equitably; and how such excesses can be avoided in the future. 74 pages, April 1986, \$7.00. Publisher: Priority Press Publications.

A Matter of Choice:

A Critique of Comparable Worth by a Skeptical Feminist

By Jennifer Roback, a Twentieth Century Fund Paper. The idea of comparable worth—that is, comparable pay for different but comparable jobs—has become an increasingly political issue. The women's movement, its most ardent advocate, has focused its campaign for comparable worth on the gap between wages paid for jobs traditionally held by men and wages paid for jobs traditionally held by women, arguing that this gap demonstrates continuing discrimination. Roback, a research associate at the Center for the Study of Public Choice at George Mason University, contends that acceptance of comparable worth will only delay the full integration of women into all sectors of the economy. 53 pages, March 1986, \$7.00. Publisher: Priority Press Publications.

The African Burden

By Rupert Pennant-Rea, a Twentieth Century Fund Paper. The entire developing world has been hard hit by the international debt crisis, yet little attention has focused on the heavy debt burden in Africa, which contains many of the world's poorest countries. As part of a series on international debt problems, Pennant-Rea, editor of *The Economist*, examines the unique characteristics of Africa's economic problems and explores remedies that will enable Africa to ease the burden of its indebtedness and to increase economic growth. 55 pages, January 1986, \$7.00. Publisher: Priority Press Publications.

A Quiet Broker?

A Way Out of the Irish Conflict

By William V. Shannon, a Twentieth Century Fund Paper. In this impartial and succinct analysis of the problems in Northern Ireland, Shannon reveals the roots of the hostilities that have for so long caused such wrenching violence, assesses the many attempts to resolve the conflict, and makes specific recommendations for a political resolution—including a possible role for the United States. 52 pages, March 1985, \$7.00. Publisher: Priority Press Publications.

Spiked: The Short Life and Death of the National News Council

By Patrick Brogan, a Twentieth Century Fund Paper. In 1973, an independent Twentieth Century Fund Task Force called for the establishment of a private organization that would give the public a forum for airing its grievances about unfair and inaccurate reporting by the media and that would protect the media from threats to its independence. In this no-holds-barred account, Brogan chronicles the history of the National News Council, set up to achieve those objectives, revealing its struggle to establish itself, the work it accomplished, and the causes of its demise. 129 pages, February 1985, \$8.00. Publisher: Priority Press Publications.

The Costs of Default

By Anatole Kaletsky, a Twentieth Century Fund Paper. Although debtor nations have so far managed to avoid outright default through rescheduling arrangements, Kalet-

sky, of London's *Financial Times*, contends that the internal sacrifices required may prove intolerable and that some form of default by one or more borrowers is highly likely. Stressing the fragility of the economic and political underpinnings of current adjustment programs, the genuine risk that default will occur, and the need for governments and banks to share in the burden of debt relief, he proposes options for a cooperative solution to the debt crisis. 116 pages, January 1985, \$7.00. Publisher: Priority Press Publications.

The Debt of Nations

By M. S. Mendelsohn, a Twentieth Century Fund Paper. In this first in a series of Fund Papers analyzing the international debt problem, Mendelsohn, a British financial writer who is a consultant to the World Bank, disagrees with those who place blame for the huge debts incurred by Third World nations on irresponsible governments and negligent lending institutions. Claiming that the current situation is a natural outgrowth of prevailing market forces, he argues that the threat of a worldwide collapse caused by default by one or more of the heavily indebted developing nations is exaggerated and can be averted. 67 pages, September 1984, \$7.00. Publisher: Priority Press Publications.

Beyond Debate

By Joel L. Swerdlow, a Twentieth Century Fund Paper. Tens of millions of television viewers watched the 1976 and 1980 presi-

dential debates. According to most surveys, such debates have a unique ability to interest citizens in politics and government. Swerdlow, a journalist specializing in politics and the media, reviews the 1960, 1976, and 1980 debates; explores why debates did not take place in 1964, 1968, and 1972; examines the impediments to televised debates; analyzes participation of third-party and independent candidates; and assesses the incentives that might be created to encourage major party candidates to participate. He also evaluates ways to improve the organization, sponsorship, and format of televised presidential debates as well as how to ensure that they will be a regular feature of presidential campaigns. 89 pages, February 1984, \$6.00. Publisher: Twentieth Century Fund.

Other Books in Print

Pensions:

The Hidden Costs of Public Safety

By Robert M. Fogelson. Firemen's and policemen's pension systems, which are in serious fiscal trouble, are putting a severe financial strain on big cities across the nation. Fire and police pension rolls have grown tremendously, pension payrolls have soared, and, despite all the money the cities have poured into these systems, a massive buildup of deficits has taken place. To pay these pension bills, cities may have to raise property taxes, defer capital improvements, reduce the municipal work force, and cut back on vital services. Fogelson investigates how police and fire pension systems got into such serious trouble, reveals why efforts to solve the problem have failed, and evaluates proposals for reform. 248 pages, August 1984, \$26.50. Publisher: Columbia University Press.

Excellence & Equity: The National Endowment for the Humanities

By Stephen Miller. From its founding in 1965, the National Endowment for the Humanities (NEH) has supported scholarly research as well as educational and public programs in the humanities. While its budget grew dramatically over the years, so did tensions and criticism over its handling of this dual mandate. Miller, a former NEH staff member, assesses how NEH's "identity problem" has affected its development and accomplish-

ments and makes recommendations for restructuring the NEH, for revising its review procedures, and for improving the process by which its chairman is selected. 192 pages, May 1984, \$17.00. Publisher: University Press of Kentucky.

The Public Library in the 1980s: The Problems of Choice

By Lawrence J. White. Many public libraries are closing; others are finding funding in short supply and in danger of disappearing altogether. Even though only a relatively small portion of the public makes use of libraries, most Americans think of the public library as a significant cultural institution. White, a professor of economics at New York University, addresses the dilemma, offering recommendations to strengthen the finances of libraries. The author's proposed solutions to the serious and long-term problems facing libraries include a discussion of the possible uses of new technology. 208 pages, February 1983, \$26.00. Publisher: Lexington Books/D. C. Heath and Company.

The Role of Economic Advisers in Developing Countries

By Lauchlin Currie. If they are to accelerate the pace of growth in the developing countries, foreign economic advisers must influence the policymakers who can act on their advice. Currie, who led the first World Bank mission to Colombia in 1949 and who has subsequently served as a resident economic adviser to that country, examines the performance of many of the foreign missions to Co-

lombia over the past thirty years and shows why so much of their advice was inappropriate and makes recommendations for improving the content and influence of advice. 270 pages, December 1981, \$29.95. Publisher: Greenwood Press.

The International Labor Organization: An American View

By Walter Galenson. This work presents an insider's view of the International Labor Organization (ILO), from which the United States had withdrawn in protest in 1977 and later rejoined in 1980. The source of conflict, the author argues, arises not from the day-to-day operations of the ILO but from its tripartite structure. The book examines why the United States perceived conditions as sufficiently changed to warrant its rejoining and presents recommendations for the appropriate U.S. role in the ILO during this second phase of U.S. participation. 351 pages, May 1981, \$29.50 (paper, \$13.95). Publisher: University of Wisconsin Press.

The Politics of Land-Use Reform

By Frank J. Popper. This book examines the land-use reform movement that arose in the late 1960s—one of the major currents in recent American political history. In a highly readable combination of sophisticated policy analysis and on-the-ground realism, the author evaluates the movement, tracing its origins, course, and results, and points out the lessons to be learned from it. Using a case-study approach, the author focuses on the land-use programs of six states with

strong innovative reforms. 321 pages, March 1981, \$29.50 (paper, \$12.50). Publisher: University of Wisconsin Press.

Up Against Apartheid: The Role and the Plight of the Press in South Africa

By Richard Pollak. This is a firsthand report on the English-language press's battle against the Nationalist's policy of apartheid. The techniques employed by the South African government to exert control and the efforts of the press to resist are documented in the examination of the one institution that remains relatively free to criticize the Afrikaner government. Portions of the Erasmus Commission reports that document the scandalous propaganda efforts of the South African government—never before published in the United States—are included. 157 pages, March 1981, \$15.95. Publisher: Southern Illinois University Press.

Domestic Intelligence: Monitoring Dissent in America

By Richard E. Morgan. This book examines the tension between the need to protect privacy and political dissent and the need for the government to protect the community. In the aftermath of Watergate, the revelation of serious abuses created distrust of virtually all domestic intelligence activity and led to vigorous efforts at reform. The ABSCAM and BRILAB operations placed the FBI once again in the public eye. The author concludes that intelligence operations aimed at anticipating criminal activity are necessary in a complex, highly vulnerable society,

but emphasizes that they can be conducted responsibly with appropriate guidelines and oversight mechanisms. 194 pages, October 1980, \$14.95 (paper, \$6.95). Publisher: University of Texas Press.

Housing the Poor: The Case for Heroism

By Alexander Polikoff. This book describes how law and public policy helped fashion the racially and economically segregated residential pattern that today characterizes most of our major metropolitan areas and explains why neither the courts nor local governments can be relied upon to confront this "apartheid" condition effectively. It argues for "heroism"—a federal housing dispersal policy to provide housing opportunities for the poor in middle-class neighborhoods. 216 pages, March 1978, \$25.00. Publisher: Ballinger Publishing Company.

The "Dollar Drain" and American Forces in Germany: Managing the Political Economics of Alliance

By Gregory F. Treverton. This is a case study of a long-standing problem clouding relations between the United States and the Federal Republic of Germany—the issue of "offset," or the financial concessions made by West Germany in connection with the stationing of U.S. troops on West German soil. On the basis of extensive interviews with participants, the author analyzes the varying interests and points of view that governed the actions of politicians and bureaucrats in both countries. 226 pages, February 1978, \$14.00. Publisher: Ohio University Press.

Political Money: A Strategy for Campaign Financing in America

By David W. Adamany and George E. Agree. Arguing that the existing methods of financing political campaigns are inconsistent with democratic ideals, the authors advocate the use of a campaign finance voucher system involving citizen participation as a basis for flat and proportional grants to candidates for a range of public offices. 242 pages, March 1975, \$7.95 (paper). Publisher: Johns Hopkins University Press.

Energy: The New Era

By S. David Freeman. A comprehensive guide through the maze of information and misinformation surrounding the energy crisis of the early 1970s, this book offers a clear explanation of how the crisis developed and puts forth recommendations for dealing with it. 386 pages, May 1974, \$14.50. Publisher: Walker and Company (Vintage Books).

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Professor, University of Delaware

GRANTS

The Fund, a private operating foundation under the Tax Reform Act of 1969, devotes its income to its own program of public policy research. The Board of Trustees has exercised the Fund's limited discretion to make grants solely to demonstrate the Fund's responsibilities to the community or in connection with its own research activity.

New York City

In 1986, the Fund made an unrestricted voluntary payment of \$25,000 to the City of New York in recognition of the municipal services—police and fire protection and garbage disposal—that it receives free of charge as a tax-exempt property owner. As the nineteenth annual voluntary payment to the city, the gift brings the total contribution to the city to \$351,500. The first payment, made in 1967, was for \$10,000, and increases have been made from time to time to take account of inflation.

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AUDITORS' REPORT

**To the Board of Trustees of
Twentieth Century Fund, Inc.:**

We have examined the balance sheets of Twentieth Century Fund, Inc. (a Massachusetts not-for-profit corporation) as of June 30, 1986 and 1985 and the related statements of revenue, expenses and changes in fund balance for the years then ended. Our examinations were made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of Twentieth Century Fund, Inc. as of June 30, 1986 and 1985 and the results of its operations and the changes in its fund balance for the years then ended, in conformity with generally accepted accounting principles applied on a consistent basis.

Our examinations were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The data contained on pages 53 to 59 inclusive are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has been subjected to the auditing procedures applied in our examinations of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

New York, New York
August 6, 1986

Arthur Andersen & Co.

Twentieth Century Fund, Inc.

Balance Sheets

June 30, 1986 and 1985

	1986	1985
Assets		
Cash	\$ 19,856	\$ 69,616
Accrued interest and dividends receivable	369,229	281,390
Accounts receivable and prepaid expenses	1,708	1,300
Investments, at cost (quoted market of \$40,139,544 and \$38,492,287)	38,122,828	36,317,110
Fixed assets, at cost, net of accumulated depreciation of \$349,829 and \$345,951 (Note 2)	318,531	351,195
Total Assets	\$ 38,832,152	\$ 37,020,611
Liabilities and Fund Balance		
<i>Liabilities:</i>		
Accounts payable and accrued expenses	\$ 114,210	\$ 28,531
Federal excise tax payable	—	223,111
Total Liabilities	\$ 114,210	\$ 251,642
<i>Fund Balance:</i>		
Net outstanding project commitments	\$ 2,153,459	\$ 2,172,505
Net investment in fixed assets	318,531	351,195
Available for investment and future projects	36,245,952	34,245,269
Total Fund Balance	\$ 38,717,942	\$ 36,768,969
Total Liabilities and Fund Balance	\$ 38,832,152	\$ 37,020,611

The accompanying notes to financial statements are an integral part of these statements.

Twentieth Century Fund, Inc.

Statements of Revenue, Expenses, and Changes in Fund Balance

For the years ended June 30, 1986 and 1985

	1986	1985
Revenue		
Interest	\$ 3,283,934	\$ 1,797,712
Dividends	39,913	782,006
Royalties on sale of publications	44,854	26,346
Task force publication sales	16,954	15,906
Other	6,513	14,477
Total Revenue	\$ 3,392,168	\$ 2,636,447
Expenses		
<i>Operations:</i>		
Program	\$ 1,778,982	\$ 1,552,178
Publishing	225,789	211,342
Administration	524,833	541,992
Total Operations	2,529,604	2,305,512
<i>Government payments:</i>		
Federal excise tax	—	217,937
Payment to New York City in recognition of municipal services	25,000	25,000
Total Expenses	\$ 2,554,604	\$ 2,548,449
Changes in Fund Balance		
Net excess of revenue (from operations) over expenses	\$ 837,564	\$ 87,998
Realized net gain on investment transactions	1,111,409	9,336,764
Increase in Fund Balance	1,948,973	9,424,762
Fund Balance, beginning of year	36,768,969	27,344,207
Fund Balance, end of year	\$ 38,717,942	\$ 36,768,969

The accompanying notes to financial statements are an integral part of these statements.

Twentieth Century Fund, Inc.
Notes to Financial Statements
For the years ended June 30, 1986 and 1985

(1) Accounting policies

Research projects:

The cost of research projects is recognized as incurred. Unexpended appropriations for projects in process at year-end are reported as reservations of the fund balance.

Investments:

Investments are carried at lower of aggregate cost or market. Gains and losses on sales of investments are determined on a first-in, first-out basis. Interest income is accrued as earned. Dividend income is recorded as of declaration date.

Tax status:

Twentieth Century Fund is a research foundation engaged in the study of cultural, economic, and social issues and institutions. The United States Treasury Department has advised that the Fund is considered a private foundation, as defined in sections 501(c)(3) and 509(a) of the Internal Revenue Code, and as a private operating foundation as defined in Internal Revenue Code section 4942(j)(3). This classification results in an exemption from federal income taxes pursuant to Internal Revenue Code section 501(a).

(2) Fixed asset accounting

Major fixed asset additions are capitalized and depreciated using the straight-line method over their estimated useful lives. Fixed assets and the related accumulated depreciation at June 30, 1986, are summarized as follows:

	Cost	Accumulated Depreciation	Estimated Useful Lives
Land	\$125,000	\$ —	
Building	175,000	129,062	40 years
Building Improvements	278,686	182,069	40 years
Equipment	89,674	38,698	7 years
Total Cost and Depreciation	\$668,360	\$349,829	

(3) Employee benefits

Retirement benefits for substantially all employees are provided through defined contributions by the Fund for the purchase of individual annuity contracts with Teachers Insurance and Annuity Association and College Retirement Equities Fund. The cost of the plan, which is funded currently, approximated \$62,000 and \$57,000 for the years ended June 30, 1986 and 1985, respectively.

Twentieth Century Fund, Inc.

Statement of Operating Expenses by Function

For the year ended June 30, 1986, with

Comparative Totals for 1985

Schedule 1

Expenses	Program	Publishing	Administration	Schedule 1	
				1986	1985
				Total	Total
<i>Direct Expenses:</i>					
Salaries, consultant fees, and travel	\$808,677	\$ —	\$ —	\$808,677	\$710,115
Twentieth Century Fund papers	76,241	—	—	76,241	—
Publications, printing	—	64,111	—	64,111	59,284
Annual Report, clipping services	—	—	18,815	18,815	24,407
Newsletter, press conferences	—	46,532	—	46,532	38,962
<i>Headquarters' Expenses:</i>					
Salaries and related costs	611,701	85,335	346,378	1,043,414	949,427
Office equipment and supplies	39,692	4,867	16,795	61,354	68,796
Maintenance of building	45,836	7,274	25,108	78,218	103,652
Option management fees	—	—	—	—	49,920
Professional fees	—	—	55,434	55,434	75,074
Meetings and conferences	98,267	9,325	33,501	141,093	96,218
Telephone and postage	27,393	4,347	15,005	46,745	47,785
Depreciation	19,141	3,038	10,485	32,664	36,336
Other	52,034	960	3,312	56,306	45,536
Total Operating Expenses	\$1,778,982	\$225,789	\$524,833	\$2,529,604	\$2,305,512

Twentieth Century Fund, Inc.
Statement of Project Appropriations
For the year ended June 30, 1986

Schedule 2

Title of Project and Project Director	Total Project Appropriation	Unexpended Balance June 30, 1985	Activity for the Year		Unexpended Balance June 30, 1986
			Net Appropriations	Expenses	
<i>Accountability in the New Health Care System</i> , B. H. Gray	\$92,500	\$92,500	\$ —	\$33,493	\$59,007
<i>American Policy Toward East Asia</i> , R. L. Sneider	95,500	95,500	—	39,169	56,331
<i>American Trade Policymaking System</i> , I. M. Destler	91,650	29,685	(9,065)	20,620	—
<i>Availability of Nonfuel Minerals</i> , R. F. Mikesell	62,500	19,218	(11,960)	7,258	—
<i>Changing Attitudes Toward Access to Health Care</i> , D. J. Rothman	95,700	—	95,700	—	95,700
<i>Conflicts of Interest in the Arts</i> , Task Force	25,000	24,500	—	—	24,500
<i>Contemporary Emigration Policies</i> , A. Dowty	82,700	22,200	17	22,217	—
<i>Crisis of Multilateralism</i> , J. G. Ruggie	99,000	99,000	—	26,500	72,500
<i>Defense Procurement Mess</i> , W. H. Gregory	76,000	—	76,000	—	76,000
<i>Democratic Revolution in Latin America</i> , H. J. Wiarda	99,500	—	99,500	7,338	92,162
<i>Direct Democracy in America</i> , T. E. Cronin	86,750	36,504	—	—	36,504
<i>Domestic Youth Unemployment</i> , M. L. Wachter	93,415	16,989	—	—	16,989
<i>Effect of Congressional Oversight</i> on <i>Social Regulation</i> , C. H. Foreman	67,750	27,287	—	22,402	4,885
<i>Federal Power and Electoral Rights</i> , A. Thernstrom	75,800	20,684	—	15,336	5,348
<i>Future of Banking in the United States</i> , J. L. Pierce	115,500	103,457	—	36,141	67,316
<i>Future of Cities</i> , R. F. Wagner, Jr.	85,750	77,543	—	28,729	48,814
<i>Future of Social Security</i> , W. A. Achenbaum	73,250	26,859	(9,692)	17,167	—
<i>Ideological Innovations in Latin America</i> , A. D. Lehmann	77,750	—	77,750	2,500	75,250
<i>Immigration Reform from an Urban Perspective</i> , T. Muller	90,300	71,566	—	21,107	50,459
<i>Income Redistribution Policy</i> , R. H. Haveman	110,500	110,500	—	48,666	61,834
<i>Industrial Policy Debate in the United States</i> , O. L. Graham	67,000	31,473	—	1,468	30,005
<i>International Communications Development</i> in the 1980's, R. L. Stevenson	79,500	12,478	(12,478)	—	—
<i>International Debt and Default</i> , Task Force	46,000	27,175	—	—	27,175
<i>Investment Banking in the American Securities Markets</i> , J. Brooks	93,000	56,377	—	23,474	32,903
<i>Latin American Debt and Development</i> , P. Kuczynski	81,000	—	81,000	33,437	47,563
<i>Medical Malpractice</i> , Task Force	46,500	46,500	(24,300)	22,200	—
<i>Metropolitan News Media and Urban Policy</i> , P. C. Kaniss	75,250	38,733	(38,733)	—	—
<i>Metropolitan Segregation</i> , G. Orfield	74,300	26,109	(25,397)	712	—
<i>Military Manpower Policy</i> , D. R. Segal	88,200	28,461	—	—	28,461
<i>National Retirement Policies</i> , M. J. Boskin	85,000	18,902	(3,450)	15,452	—

Twentieth Century Fund, Inc.

Statement of Project Appropriations, continued

For the year ended June 30, 1986

Schedule 2

Title of Project and Project Director	Total Project Appropriation	Unexpended Balance June 30, 1985	Activity for the Year		Unexpended Balance June 30, 1986
			Net Appropriations	Expenses	
<i>National Service in America</i> , C. C. Moskos	83,400	33,385	—	5,500	27,885
<i>New American Health Care System</i> , D. W. Light	84,700	74,938	—	38,384	36,554
<i>New U.S. Policy for the Atlantic Alliance</i> , D. P. Calleo	93,350	10,972	—	946	10,026
<i>News Media, the Government, and the Public</i> , R. M. Clurman	108,700	63,673	—	16,060	47,613
<i>Northern Ireland Problem, Conference</i>	10,000	855	(855)	—	—
<i>Not-for-Profit Sector in a Mixed Economy</i> , B. A. Weisbrod	115,500	41,677	—	4,164	37,513
<i>Organ Transplant Policy</i> , J. M. Prottas	79,100	—	79,100	—	79,100
<i>Police Undercover Work</i> , G. T. Marx	94,500	22,167	—	13,448	8,719
<i>Policy Research Institutions in the U.S.</i> , J. A. Smith	89,500	43,872	—	9,884	33,988
<i>Politics of Crisis Management in Biomedical Research</i> , S. Panem	110,000	54,036	—	26,406	27,630
<i>Politics of National Security</i> , B. M. Blechman	82,500	—	82,500	6,607	75,893
<i>Politics of Urban Infrastructure</i> , H. T. Sanders	70,500	28,901	—	3,648	25,253
<i>Presidential Debates, Conference</i>	47,417	—	47,417	—	47,417
<i>Presidential Science Advising</i> , G. Herken	68,300	45,761	—	15,774	29,987
<i>Public Policy Toward Disability</i> , E. D. Berkowitz	81,500	34,420	(7,236)	27,184	—
<i>Reassessment of Germany's Role in the Atlantic Order</i> , J. Joffe	91,500	72,250	—	(1,750)	74,000
<i>Science and the Courts</i> , S. S. Jasanoff	80,000	—	80,000	—	80,000
<i>Senior Executive Service, Task Force</i>	49,000	—	49,000	6,578	42,422
<i>Third World Demands in the Next Decade</i> , B. D. Nossiter	99,200	33,606	(687)	32,919	—
<i>U.S. Defense Policy</i> , E. N. Luttwak	120,000	120,000	—	50,000	70,000
<i>U.S. International Monetary Policy</i> , R. Z. Aliber	121,000	56,769	—	7,000	49,769
<i>U.S. Policy Toward Eastern Europe</i> , B. Kovrig	91,500	—	91,500	—	91,500
<i>U.S. Policy Toward Latin America</i> , H. Raymond	74,000	—	74,000	—	74,000
<i>U.S.-Mexican Economic Relations</i> , S. Weintraub	98,800	98,800	—	36,678	62,122
<i>UNESCO and Its Future</i> , S. N. Singh	92,100	52,528	—	11,142	41,386
<i>United Nations and the Paralysis of Western Diplomacy</i> , R. Righter	94,000	87,269	—	40,671	46,598
<i>Worker Representation</i> , C. Heckscher	72,000	36,426	—	12,048	24,378
Total Research Projects	\$4,734,632	\$2,172,505	\$789,631	\$808,677	\$2,153,459

Twentieth Century Fund, Inc.
Statement of Investments
June 30, 1986

Schedule 3

Description	Cost	Market
Summary:		
Short Term Paper	\$19,480,177	\$19,527,258
Notes	1,190,228	1,278,955
Bonds	16,675,509	17,955,768
Common Stock	776,914	1,377,563
Total Investments	\$38,122,828	\$40,139,544

Twentieth Century Fund, Inc.
Statement of Investments, continued
June 30, 1986

Schedule 3

Description	Principal Amount	Cost	Quoted Market
Certificates of Deposit:			
IDS Cash Reserve Certificate (a)	\$1,110,101	\$1,110,101	\$1,110,101
IDS Variable Term Certificate 6.85% 12/17/86	519,819	519,819	519,819
IDS Variable Term Certificate 6.85% 12/19/86	1,080,312	1,080,312	1,080,312
IDS Variable Term Certificate 7.65% 8/9/86	259,522	259,522	259,522
	\$2,969,754	\$2,969,754	\$2,969,754
Money Market Funds (b):			
Dreyfus Liquid Assets Inc.	\$2,200,708	\$2,200,708	\$2,200,708
Dreyfus Government Securities Series	1,657,201	1,657,201	1,657,201
Kemper Money Market Fund Inc.	1,678,418	1,678,418	1,678,418
T. Rowe Price Prime Reserve Fund	1,548,795	1,548,795	1,548,795
	\$7,085,122	\$7,085,122	\$7,085,122
Mutual Funds:			
Dreyfus GNMA Fund Inc.	203,310(c)	\$3,188,645	\$3,118,782
	203,310	\$3,188,645	\$3,118,782
Promissory Notes:			
CIT Financial Corp. 6.75% 7/28/86	\$175,000	\$175,000	\$175,000
Ford Motor Credit Co. 6.8% 7/3/86	875,000	875,000	875,000
Ford Motor Credit Co. 6.8% 7/7/86	825,000	825,000	825,000
General Electric Credit Corp. 6.7% 7/21/86	900,000	900,000	900,000
General Motors Acceptance Corp. 6.825% 7/3/86	1,000,000	1,000,000	1,000,000
General Motors Acceptance Corp. 6.725% 7/28/86	600,000	600,000	600,000
	\$4,375,000	\$4,375,000	\$4,375,000
U.S. Government:			
U.S. Treasury 7.6% 9/4/86	\$2,000,000	\$1,861,656	\$1,978,600
	\$2,000,000	\$1,861,656	\$1,978,600
Total Short Term Paper		\$19,480,177	\$19,527,258

(a) Interest rate declared quarterly. (b) Yields change daily. (c) Number of shares.

Twentieth Century Fund, Inc.
Statement of Investments, continued
June 30, 1986

Schedule 3

Description	Principal Amount	Cost	Quoted Market
Notes:			
American Express Credit Corp. 11.5% 3/15/89	\$250,000	\$249,603	\$270,000
American Express Credit Corp. 11.125% 1/15/90	500,000	490,000	545,000
Amoco Corp. (d) 8/1/89	250,000	250,625	251,875
Commercial Credit Co. 15% 9/1/87	200,000	200,000	212,080
Total Notes	\$1,200,000	\$1,190,228	\$1,278,955
Bonds:			
Bell Canada 14.5% 6/15/91	\$200,000	\$199,000	\$222,750
CBS, Inc. 14.5% 6/15/92	100,000	99,375	115,750
Central Hudson Gas & Electric 17.125% 8/15/91	100,000	98,750	104,500
General Motors Acceptance Corp. 14.625% 6/15/89	300,000	298,950	318,375
Imperial Oil Ltd. 15.5% 12/1/11	200,000	200,000	226,040
Niagara Mohawk Power Co. 15.75% 6/1/92	100,000	99,250	106,000
Superior Oil Co. 14.375% 12/1/91	250,000	250,000	284,063
Tenneco Inc. 14.5% 6/1/91	200,000	198,000	220,000
U.S. Treasury 7.875% 12/31/87	2,000,000	1,995,938	2,029,360
U.S. Treasury 8.5% 6/30/87	2,000,000	2,001,250	2,036,240
U.S. Treasury 8.5% 11/30/87	4,000,000	4,001,563	4,087,480
U.S. Treasury 8.625% 11/15/88	3,000,000	3,006,250	3,098,430
U.S. Treasury 10.75% 8/15/90	400,000	313,875	444,624
U.S. Treasury 11.5% 11/15/95	250,000	239,922	312,968
U.S. Treasury 11.875% 8/15/93	250,000	247,266	306,640
U.S. Treasury 12.5% 5/15/87	800,000	785,219	839,496
U.S. Treasury 13% 11/15/90	800,000	781,844	958,744
U.S. Treasury 13.125% 5/15/94	800,000	777,688	1,051,000
U.S. Treasury 13.25% 4/15/88	250,000	249,375	276,093
U.S. Treasury 13.75% 8/15/87	250,000	247,344	268,905
U.S. Treasury 13.875% 11/15/86	200,000	189,000	205,310
Upjohn Co. 14% 6/1/91	200,000	198,250	221,000
Wells Fargo & Co. 14.5% 6/1/91	200,000	197,400	222,000
Total Bonds	\$16,850,000	\$16,675,509	\$17,955,768

(d) Floating interest rate is based on U.S. Treasury Bill rate.

Twentieth Century Fund, Inc.
Statement of Investments, continued
June 30, 1986

Schedule 3

Description	Number of Shares	Cost	Quoted Market
Stocks:			
Federated Department Stores, Inc.	15,500	\$776,914	\$1,377,563
Total Stocks		\$776,914	\$1,377,563

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Cover design: Edward J. Deniega
Publication design: Glenn M. Edwards

