

Continued from page 14

firms "to lower labor costs by lowering wages." What they should be doing instead, Hoerr asserts, is "improving productivity by reorganizing work, giving workers more voice in deci-

sion making, and stepping up training programs." With the permanent-replacement strategy, Hoerr maintains, U.S. business may well be shooting itself in the foot.

Discount Destruction?

"Sam Walton and Wal-Mart Stores, Inc.: A Study in Modern Southern Entrepreneurship" by Sandra S. Vance and Roy V. Scott, in *The Journal of Southern History* (May 1992), Rice Univ., P.O. Box 1892, Houston, Texas 77251.

For better or worse, businessman Sam Walton (1918-92) had a big impact on the American South. Starting in 1945 with a single variety store in Newport, Arkansas, and concentrating on the country towns and smaller cities that large retailers shunned, Walton developed a chain of discount department stores, Wal-Mart Stores, Inc., that expanded across the Sun Belt and beyond. Many southerners were grateful and proudly regarded their local Wal-Mart store as "a symbol of progress and hope," note historians Vance and Scott, of Mississippi's Hinds Community College and Mississippi State University, respectively. But others mournfully contended that the "Wal-Marting" of the South destroyed a cherished way of life.

Walton's first store was a Ben Franklin franchise, located in Newport, a town of 5,000 about 80 miles from Little Rock. Sales almost tripled in three years—prompting Walton's landlord to take over the business himself. So Walton started anew in 1950 in Bentonville (pop.: 3,000), in the northwest corner of the state. By the early 1960s, Walton and his brother, Bud, had built a chain of 16 stores.

But the Waltons, Vance and Scott write, "understood clearly that variety stores were losing market share to supermarkets... and to expanded drugstores... and that retailing as a whole was being changed markedly by discount merchandising." In 1962, Walton opened his first Wal-Mart Discount City store in Rogers, Arkansas (pop.: 5,700). By 1970, the Waltons had 18 Wal-Marts, selling everything

from clothing to garden equipment, as well as 14 Ben Franklin variety stores. Some big-city sophisticates sneered at the "couturier to the hillbillies." But stressing low prices and encouraging employees to feel part of "one big family" (with no need for a union), Wal-Mart steadily expanded. By 1980, the old variety stores were gone and Wal-Mart had 276 outlets in 10 states in the South and Midwest. By 1990, it had 1,525 outlets in 29 states and was challenging both K mart and Sears, Roebuck for the title of number-one retailer in the United States.

There is no denying Wal-Mart's impact on small towns, Vance and Scott note: "Some local merchants went out of business; while the focal point of many communities, their once-bustling main streets, withered away, and with them a way of life." Locally owned stores, detractors argued, kept more profits and salaries in the community.

There may be some truth to such laments, Vance and Scott say, but "on balance Wal-Mart no doubt serves the greater good. Country towns had been dying for decades before the huge discounter appeared on the scene. Its stores attracted customers in droves, and local enterprises that did not compete directly with Wal-Mart benefited significantly." Most important, Vance and Scott say, people in hundreds of rural communities suddenly had available "a wide variety of reasonably priced goods." Had that been true before, they note, Wal-Mart would never have succeeded.

SOCIETY

Tuition Tales

"The Scandal of College Tuition" by Thomas Sowell, in *Commentary* (Aug. 1992), 165 E. 56th St., New York, N.Y. 10022.

Throughout the 1980s, tuition at American colleges and universities increased faster than inflation. By 1990-91, tuition at 255 institutions

was \$10,000 or more, and at places such as Brown and Princeton the cost of tuition, room, and board now tops \$20,000. College adminis-

Should Immigration Be Curbed?

A Survey of Recent Articles

America has always been of two minds about immigration. There were the inspiring words of Emma Lazarus inscribed on the Statue of Liberty—and then there were the not-so-inspiring national-origins quotas imposed during the 1920s. The United States finally scrapped that dubious system in 1965, and today about one million immigrants, legal and illegal, pour into the country each year. The illegal population alone—currently three to four million—is increasing by more than 200,000 people a year, with most coming from Latin America (particularly Mexico). Many Americans, remembering their own immigrant forebears, think that the United States should welcome even these illegal newcomers. But many other Americans apparently are coming to a contrary view: that it is time to impose more restrictions on immigration.

“Emma Lazarus notwithstanding,” asserts Lawrence E. Harrison in the *National Interest* (Summer 1992), “there is compelling evidence that most Americans are opposed to continuing high levels of immigration, legal and illegal.” Harrison, a

former U.S. Agency for International Development official, cites a 1990 Roper poll that found 91 percent favoring an all-out effort to stop illegal entries and two-thirds wanting to reduce lawful immigration. What’s more, he adds, “They are right.”

Harrison urges not only “moving more aggressively” to deport illegal immigrants and devising “an effective and humane border control system,” but also forging a new policy regarding legal immigrants.

Visas should be granted on the basis of the prospective immigrants’ “educational and professional experience” rather than, as now, their family ties to people already in the United States. “The roots of our economic troubles are deep,” he says, “and a recovery from the current recession will not produce circumstances in which the national interest will be served by the immigration of uneducated, unskilled people.”

The immigrants today are coming from “an astounding array of backgrounds and cultures,” notes Rob Gurrwitt in *Governing* (June 1992). Topping the list of countries of origin



trators frequently explain that their costs are rising sharply, and hasten to add that students are still getting a good deal. High as tuition may seem, they say, it does not cover the full costs of an education. Sowell, a Senior Fellow at the Hoover Institution, contends that neither of these plausible-sounding claims makes any sense.

Colleges and universities “seek to insinuate . . . that the cost of what they have always done is rising, necessitating an increase in tuition.” In reality, he says, the institutions have

been expanding what they do—and whatever they choose to spend their money on, however dubious it may be, is called a “cost.” Academic bureaucracies, for example, have ballooned. Although student enrollment nationally rose by less than 10 percent in the decade after 1975, college professional support staffs increased by more than 60 percent. The concept of “cost” in academe is extremely elastic, Sowell observes. The University of South Carolina paid the widow of Egyptian President Anwar Sadat \$350,000 to teach one class a week for three

for legal immigrants in 1990 were Mexico and El Salvador, followed by the Philippines and Vietnam; then came the Dominican Republic and Guatemala, followed by South Korea and China. In all, Asia sent 338,581 legal immigrants in 1990, while Latin America accounted for a little over one million (including former illegal immigrants already here who won legal status during the 1980s).

The immigrants are not spread evenly throughout the United States. Three-fourths of those who came here during the 1980s went to just six states: California, New York, Texas, Florida, Illinois, and New Jersey. California alone accounted for 35 percent of the total.

Absorbing all of the newcomers is not easy, Gurwitt reports. "Local officials have been called on for everything from soothing landlords enraged by the discovery that tenants were cooking meals over open fires in the living room to explaining to young men that snatching their bride of choice from her home is considered kidnapping in this country."

Forbes Senior Editor Peter Brimelow, writing in *National Review* (June 22, 1992), argues that today's immigrants receive too much in the way of social services. America's historical experience with immigration was "a triumphant success," he says. "But in the late 20th century, the economic and political culture of the United States has changed significantly—from classical liberalism to an interventionist welfare statism. . . . Earlier waves of immigrants were basically free to succeed or fail. And many failed: as many as a third of the 1880-to-1920 immigrants returned to their native lands. But with the current wave, public policy interposes itself, with the usual debatable results."

According to a study of census data by economist Stephen J. Trejo of the University of California, Santa Barbara, immigrants who arrived during the 1970s were more inclined to rely on

welfare than were earlier immigrants. Writing in *Contemporary Policy Issues* (April 1992), Trejo reports that the welfare-recipient rate in 1980 for immigrants from Mexico, Central America, South America, and the Caribbean was about 13 percent—twice as large as for immigrants from Europe or Asia.

"All the empirical evidence," Peter Brimelow says, "is that immigrants from developed countries assimilate better than those from underdeveloped countries. It is developed countries that teach the skills required for success in the United States."

The large supply of low-wage unskilled labor is tempting American business "away from the high-tech trajectory necessary to compete internationally," contends demographer Leon F. Bouvier in his recent book, *Peaceful Invasions: Immigration and Changing America*. U.S. industry cannot succeed in the global economy with a low-wage, low-price strategy, he says, because wages low by American standards "are not low enough to compete with [those of] Chinese seamstresses or Chilean farm workers." Moreover, Bouvier argues, the influx of newcomers who do not complain about extremely low wages or wretched working conditions worsens the plight of the American poor: "As long as eager immigrants are available, private employers are not going to make the difficult and costly adjustments needed to employ the American underclass."

Indeed, the influx hurts even the immigrants of the 1970s and '80s. The restrictive immigration laws of the 1920s, Bouvier says, "were racist and are an embarrassing blot on the American conscience." Yet, by limiting the influx of newcomers, the laws prevented the growth of self-perpetuating ethnic enclaves and encouraged those immigrants already here—Italians, Slavs, and Jews—to get out and get moving into the American mainstream.

semesters. In truth, Sowell says, "it is the amount of money that colleges and universities can get—from tuition, endowment income, donations, etc.—which determines how much their spending or costs will go up, *not* the other way around, as they represent it to the public."

What about the claim that tuition does not even cover the cost of education? It is not supposed to cover it, Sowell points out. Alumni and others donate money for the explicit purpose of subsidizing education. There is no more reason to suppose that tuition should cover all

the costs of college education, he says, than there is to assume that magazine subscriptions should cover all the costs of a magazine's production. "Nor do magazines make any such sanctimonious claims." In any case, Sowell says, all the talk about the cost of "education" is misleading. Universities spend a large (but unknown) share of their money promoting faculty *research*, not teaching.

With parents in many cases being invited to take out loans against the equity in their homes to finance the education of their children,

The Fate of the Vietnam Veteran
(Median Weekly Earnings of Full-Time Workers, Sept. 1989)

	ALL VETERANS	Vietnam Theater	Outside Vietnam Theater	NONVETERANS
Average.....	\$519	\$498	\$551	\$511
White	522	508	551	524
Black	451	405	558	363
Fewer than 4 years of high school.....	389	403	376	333
4 years of high school	478	463	491	447
1 to 3 years of college	522	499	575	532
4 or more years of college.....	759	625	835	737

The Vietnam veteran of popular mythology is a perpetual misfit, chronically unemployed or worse. A new study in Monthly Labor Review (June 1992) by Sharon R. Cohany of the U.S. Bureau of Labor Statistics tells a different story: Many of the eight million Vietnam-era veterans earn more than their nonveteran peers. (Unemployment is identical among the two groups.) Overall, veterans have more schooling than their peers, chiefly because relatively few are high-school dropouts, but the four million who served in the Vietnam theater are less educated than other veterans.

Sowell believes that the time has come to examine closely what colleges and universities are really doing. The institutions' "pious state-

ments," he suggests, should be regarded "with the same skepticism that is applied to self-serving statements from other institutions."

PRESS & MEDIA

The Origins of Trash Journalism

"The Wicked World: The *National Police Gazette* and Gilded-Age America" by Elliott J. Gorn, in *Media Studies Journal* (Winter 1992), Columbia Univ., 2950 Broadway, New York, N.Y. 10027.

Before the *National Enquirer* and tabloid television, before the *New York Post* and other scandal sheets, there was a lurid and extremely popular publication by the name of the *National Police Gazette*. "Murder and Suicide: A Gush of Gore and Shattering Brains All Around the Horizon" was just one of its regular columns. Under the direction of Richard Kyle Fox, an immigrant from Belfast, the magazine flourished in the late 1870s and early '80s, and paved the way for the "yellow journalism" of the '90s.

The *Police Gazette* started out in 1845 as a sober chronicle of the crimes of the day, but after the Civil War it began moving toward sensationalism. It didn't move close enough, how-

ever. By the mid-1870s, when Fox acquired it, the *Gazette* was near extinction. He breathed new melodramatic life into the weekly, splashing its pages with much more graphic images of "murders, seductions and horrible accidents—all that was gruesome or thrilling." Writing in the "new" *Gazette* was strictly informal, with the emphasis placed on rumor and gossip—and on the well-told "story." The aim was entertainment, not enlightenment. "Coverage of sports—especially illegal blood sports like boxing and cockfighting—of vaudeville and variety shows, and of sexual scandals, particularly among the socially prominent, grew increasingly important to the *Gazette*," Gorn