

humanity, without more specific shared identities (such as being fellow Americans or fellow anticommunists) to reinforce them. "To find, as the Good Samaritan did, a single victim by the roadside is one thing," Orwin notes. "To confront a succession of them on television, widely scattered around the globe, is something else. Our humanitarian impulses may fire, but they will also tend to sputter."

Because humanitarian intervention is not based on pressing national interests, he points out, its viability "depends very much on the perception of it at home. Here too the role of television is both crucial and ambiguous." Underscoring "the ruthlessness of an oppressor" on TV may well provoke more indignation with him and evoke more compassion for his victims, but "it also highlights the risks inherent in continued intervention."

Let 'Em Fight

"The Interservice Competition Solution" by Harvey M. Sapolsky, in *Breakthroughs* (Spring 1996), Defense and Arms Control Studies Program, Center for International Studies, Massachusetts Institute of Technology, 292 Main St. (E38-603), Cambridge, Mass. 02139.

For many years, reformers attacked "wasteful" interservice rivalries in the U.S. military. Then, in 1986, they won a significant victory. The Goldwater-Nichols Defense Reorganization Act strengthened the position of the chairman of the Joint Chiefs of Staff and ushered in "jointness": the armed services were supposed to put aside juvenile interservice rivalries and work together to define military needs. Although the services opposed the legislation, they have since become "champions of jointness, their shield against being played off against one another by civilians," writes Sapolsky, a political scientist at the Massachusetts Institute of Technology. In his view, however, more interservice rivalry would be a good thing.

Interservice competition offers civilian defense leaders several important advantages, he argues. For one, it helps them to get vital information. "What the Navy will not tell us about its vulnerabilities, the Air Force and Army might," he notes. Competition also gives civilian leaders more leverage in their effort to control defense policy. "Ranks of medal-bedecked generals and admirals agreeing on the same position are a formidable force to confront

"It is hardly surprising," Orwin says, "that the responses of Western governments to the Balkan war have deferred" to the ambivalence about intervention that viewers feel. When a high official of one European country was asked, off the record, why his government neither intervened in force in Bosnia nor refrained from intervening, but instead intervened ineffectually, he explained "that such was the policy dictated by the CNN factor." Western governments, Orwin observes, wanted "their interventions to be [tele]visible, while avoiding [tele]visible losses."

It is possible that television's influence will diminish in the future. Ironically, Orwin points out, the medium's constant stream of disturbing images from around the world may eventually have the effect of inuring viewers to distant suffering.

in any Washington policy battle," Sapolsky points out. Civilians do better with "informed and powerful military allies in defense strategy and budget discussions."

Interservice rivalries also spur innovation, he argues. "It was the Navy's fear of losing the nuclear deterrent mission entirely to the Air Force in the 1950s that gave us the Polaris submarine-launched ballistic missile, which in turn reduced our need to deploy hundreds upon hundreds of vulnerable and costly strategic bombers and most of the liquid fueled missiles the Air Force was developing."

The Pentagon's civilian leaders may not be keen to bring back the good old days, Sapolsky says. "Interservice friction produces a great deal of political heat because it usually involves appeals to Congress and the recruitment of partisans among military retirees, contractors, and friendly reporters." Instead of being viewed as the necessary prelude to informed judgment, the political conflict may leave the impression of bad management on the part of the civilian defense officials, especially when accusations begin to fly about "wasteful duplication."

Fortunately, Sapolsky says, there is

another force that will foster more competition: fiscal austerity. “There is no better spur to candor, error correction, and cre-

ativity in defense planning,” he says, “than a very tight budget and a few smart rivals competing for budget share.”

ECONOMICS, LABOR & BUSINESS

Race and Real Estate

“Mortgage Lending in Boston: Interpreting HMDA Data” by Alicia H. Munnell, Geoffrey M. B. Tootell, Lynn E. Browne, and James McEneaney, in *The American Economic Review* (Mar. 1996), American Economic Assn., 2014 Broadway, Ste. 305, Nashville, Tenn. 37203.

Blacks and Hispanics seeking to buy a home generally have a harder time getting a mortgage than whites do. Minority applicants are almost three times as likely to be rejected, according to data collected under the federal Home Mortgage Disclosure Act (HMDA). But is that because lenders discriminate, illegally, on the basis of race—or is it only because they are selective, quite reasonably, on the basis of economic factors, such as income and credit history? Analyzing additional data for 1990 gathered by the Federal Reserve Bank of Boston, Munnell, a member of the U.S. Council of Economic Advisers, and three colleagues from the Boston Fed contend that the legitimate selectivity explains a large part of the racial gap—but not all of it.

On average, the authors say, minority applicants have less wealth and weaker credit histories than white applicants do, and they need to borrow more relative to the value of

the property they seek to buy. When these disadvantages are taken into account, the difference in rejection rates shrinks considerably. But minority applicants are still 1.8 times more likely to be rejected than comparable white applicants. Minorities’ “adjusted” rejection rate is 28 percent, compared with a rate for whites of 20 percent. It appears, the authors say, that “white applicants may enjoy a general presumption of creditworthiness that black and Hispanic applicants do not.”

David Horne, of the Federal Deposit Insurance Corporation, and other critics have claimed that the Boston Fed study, whose preliminary findings were available four years ago, is ideologically biased and methodologically flawed. Munnell (who was director of research at the Boston Fed when the study was done) and her colleagues now fire back at Horne and his “errors.” The statistical battle goes on.

One Third of a Nation?

“The Crusade That’s Killing Prosperity” by Lester Thurow, in *The American Prospect* (Mar.–Apr. 1996), New Prospect Inc., P.O. Box 383080, Cambridge, Mass. 02238.

Nearly eight million Americans were officially out of work last fall—5.7 percent of the labor force—but they were only a small part of the vast, hidden army of the unemployed and underemployed in the United States, contends Thurow, an economist at the Massachusetts Institute of Technology.

Add to the officially jobless the five to six million not counted because they are not actively seeking work (perhaps having become discouraged), and the 4.5 million

