tained the National Party and the ANC—apartheid and Marxism, respectively—had both been discredited. Mandela's government embraces "prevailing Western economic views: ones that stress budgetary restraint, lowering the deficit, controlling inflation, creating an environment friendly to business, cutting regulation, and—most remarkable of all in a party that in its freedom charter pledged to nationalize the commanding heights of the economy—moving toward dismantling state monopolies and selling off their assets." Inflation dropped to seven percent last year, the lowest figure in a quarter-century.

Reducing poverty is the country's great challenge, Chettle writes. Yet the economy has been growing at only about three percent a year—not enough to significantly reduce unemployment, which approaches 40 percent. "Among comparable middle-income developing countries, South Africa has one of the worst records in terms of health, education, safe water, fertility, and income inequality." Mandela's government hasn't much changed that. Lewis calls gross inequality "a time bomb." But Mandela told him: "We must not be unrealistic. We want to bring about change without any dislocation to the economy."

Ever since he was elected president, Mandela "has treated his job as more ceremonial than executive," note the editors of the *Economist* (Apr. 5, 1997). Seventy-nine years old this July, Mandela has increasingly left the running of the government to deputy president Thabo Mbeki, his designated political heir. Mandela's term ends in 1999.

Mandela's shortcomings as chief executive, Lewis concludes, are dwarfed by his achievements in the last three years. "He has taken a country utterly divided by race and made it one where people of different races actually share a vision: where 'the two worlds have begun to overlap.' . . . He has transformed the political system without creating unrealistic expectations in the newly enfranchised. He has taken a country where fear was everywhere and made it free. He has given a society marked by official murder a culture of human rights." A new constitution and bill of rights are now in place.

Despite its serious problems, Chettle says, South Africa "is *not* a typical African state. That is true not only in terms of its infrastructure—an extensive financial, educational, and industrial base, and good communications and roads systems—but also its history. For well over a century the country, or its constituent parts before Union in 1910, has had all the institutions of democratic government. The conflict that has consumed the last half century did not concern so much the adequacy of those democratic institutions as their failure to include all the people." The recent political reforms, Chettle says, have been "a good example of the reassuring pragmatism that has prevailed in South Africa."

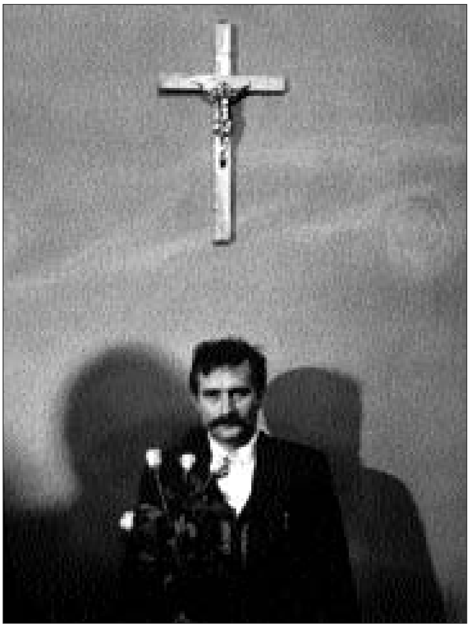
The Christ of Nations

"The Catholic Church and Poland's Return to Europe" by Timothy A. Byrnes, in *East European Quarterly* (Jan. 1997), Box 29 Regent Hall, Univ. of Colorado, Boulder, Colo. 80309.

It is hard to imagine a more Catholic country than Poland. Not only does it owe its freedom in part to the boldness of Pope John Paul II but the church, through Primate Józef Cardinal Glemp and the other bishops, has remained actively involved in Polish politics. It now appears, however, that the church may have overplayed its hand. The ex-communist (and anticlerical) Democratic Left Alliance (SLD) now dominates the governing coalition in the Sejm (parliament), and the SLD's Aleksander Kwasniewski overcame the church's open opposition to defeat Lech Walesa in the 1995 presidential election. Last year, despite strong church protests, President Kwasniewski signed into law a liberalized abortion measure. Surveys show that a majority of Poles consistently dissent from the church's stand against abortion, and 75 percent think that the church should stay out of politics.

"Why does the church continue to assert itself so aggressively in Polish politics?" asks Byrnes, a political scientist at Colgate University. The answer, he contends, is that it is looking far beyond Polish politics to "the future shape of European society."

During Poland's agony of the last two centuries—its history of partition, occupation, and foreign domination—the Catholic



Lech Walesa, who was a Solidarity hero in 1980, lost the presidency in 1995, despite the Catholic Church's support.

Church there has been strongly linked with Polish nationalism. In popular folklore and nationalist literature, Poland is the "Christ of nations," its suffering and serial dismemberment to be followed by national rebirth and international Christian renewal.

"Pope John Paul II and many of the Polish bishops see their homeland as sitting once again astride the great religious and political divisions of the European continent," Byrnes writes. "They want an authentically Catholic Poland to serve as an instrument of the re-evangelization of the Orthodox East, and as a spiritual and moral exemplar to the secular West." Church leaders see their agenda in Poland—banning abortion, reintroducing Catholic instruction into public schools, and ensuring a legally protected role for the church—not only as morally right but as "essential prerequisites to Poland's playing its proper role in the European community of nations."

Asia's Senior Citizen

"Japan's Aging Economics" by Milton Ezrati, in *Foreign Affairs* (May–June 1997), 58 E. 68th St., New York, N.Y. 10021.

Japan's population is aging so fast that the nation may soon resemble an Asian Leisure World. In the early 21st century, thanks to low birthrates and longer life spans, fewer than two Japanese will be at work for every retiree. Unlike the United States, Japan has no influx of youthful immigrants to replenish the work force. The result will be a radically reshaped Japan, with a new role in the region and the world, contends Ezrati, chief investment officer at Nomura Capital Management, in New York.

Japan built its postwar economic success on the prodigious saving of its citizens, who now put away 12–15 percent of income. But as Japan goes gray, more and more Japanese will be consuming their savings. At the same time, meeting the government's public pension obligations will probably put Tokyo's budgets more deeply in the red, Ezrati says. "The combined impact on public and private budgets could cut the nation's savings rate in half."

With a shrinking pool of workers, moreover, Japan will lose the surplus output that it has been exporting. Retirees will keep consumer demand up, increasing imports. Tokyo will be forced to abandon its postwar policy of promoting exports while limiting imports with regulatory barriers. Japan's $130 billion global trade surplus of early 1993 fell to $77 billion last year; in time, Ezrati predicts, it will turn into a deficit.

Labor shortages will drive up wages, prompting Japanese industry to set up production in other Asian countries. This, too, has already begun to happen. Eventually, Ezrati says, Japan will become a "headquarters nation." Already, manufacturing there has shrunk from nearly 50 percent of gross domestic product during the 1960s and '70s to little more than half that.

Since World War II, Japan has been content to remain under the U.S. defense umbrella. But no nation, Ezrati says, can afford to put its industrial base on foreign soil without being able to protect it. Japan "will have to act for itself, diplomatically and, if necessary, militarily." The change is bound to cause unease not only in Japan, long a reluctant power in its region, but throughout Asia, where memories of Japanese military aggression in the 1930s and '40s are still fresh.