

the United States zealously promotes the Protestant Deformation throughout the

world, it may be simultaneously promoting its own self-destruction.

## Women at War?

“Feminism and the Exclusion of Army Women from Combat” by Laura L. Miller, in *Gender Issues* (Summer 1998), Transaction Periodicals Consortium, Rutgers Univ., 35 Berrue Cir., Piscataway, N.J. 08854-8042.

The perennial agitation to put women in U.S. Army combat positions has yet to convince a rather significant group: most army women.

“Enlisted women and women of color particularly are likely to *oppose* assigning women to combat military occupational specialties,” reports Miller, a military sociologist at the University of California, Los Angeles, who conducted interviews and surveys during 1992-94 at various locations here and abroad. “Many express resentment toward officers and civilian activists who are attempting to open combat roles to women.”

Some three-fourths of more than 960 army women surveyed said that women who wish to volunteer for the infantry or other combat arms should be allowed to do so, provided, many added, that they can meet the physical requirements. Nearly half would extend the voluntary option to men. Few of the women—only 11 percent of enlisted women, 13 percent of noncommissioned officers, and 14 percent of the officers—would volunteer themselves for combat roles, however. When a smaller sample of women were asked to choose between the status quo and requiring women to serve in the combat arms in the same way men do—the option the feminist activists prefer—65 percent stuck with the status quo, and 24 percent opted for the gender-blind assignment policy. (The

other 11 percent were neutral).

Female officers, who are college graduates, predominantly (70 percent) white, and career oriented, are more likely than enlisted women to favor a combat role for women—in part, no doubt, believing that exclusion from combat hinders their careers. Miller suggests that civilian feminists, who have a similar background, identify with the officers. But 84 percent of all the women in the army are enlisted soldiers, who typically enter with only a high school diploma, are mostly either black (48 percent) or other minority (11 percent), and are less likely to make the military a career. The enlisted women also would be more likely than the female officers to be killed in combat.

Miller suggests that feminist activists alter their strategy and adopt a compromise position. “Most Army women would support a policy that allows women to volunteer for the combat arms if they qualify [physically] but would not involuntarily assign them.” Instead of rejecting that policy because it would treat women and men differently, she says, feminists should accept it as an advance over the status quo. The subsequent performance of the exceptional women who were interested and qualified would probably dispel the myth that all women are unsuited for combat, she says. And the gap between the activists and the majority of women in uniform would be narrowed.

## ECONOMICS, LABOR & BUSINESS

### *Chasing the Flat Tax Dream*

*A Survey of Recent Articles*

As April 15th nears each year, many taxpayers struggling to find their way through the labyrinth of IRS definitions and dicta angrily conclude that there must be a better, simpler way. In recent years,

this recurrent dream has acquired a name: the flat tax.

The brainchild of Stanford University economist Robert Hall and political scientist Alvin Rabushka, the flat tax was strong-

ly advocated by 1992 Democratic presidential contender Jerry Brown, and more recently by 1996 Republican presidential aspirant Steve Forbes. In Congress, House Majority Leader Richard Arme y (R.-Texas) and Senator Richard Shelby (R.-Ala.) are pushing the flat tax hard.

**T**hough it comes in different versions, the idea essentially is that household wages and pension income above a certain amount (but not other types of income) and corporate revenues less expenditures (including the full cost of capital investment) would both be taxed at the same flat rate. The rate is 19 percent in the Hall-Rabushka proposal and 17 percent in the Arme y-Shelby one. Tax forms could fit on postcards, it is promised, and Americans could fill them out easily, without having to resort to tax code hermeneutics. No more fuming as April 15th draws closer!

Sounds great, but the reality might not be quite so wonderful. Joshua Micah Marshall, a Writing Fellow at the *American Prospect* (May-June 1998), contends that “the flat tax would leave the rich paying less and the poor and middle class paying more.” Though proponents stress the simplicity of the flat tax, a progressive tax need not be complicated, he points out. “It would be just as easy to ‘simplify’ the tax code by creating four or five graduated tax brackets and eliminating most, or all, deductions. That’s simple, straightforward, and *progressive*.”

But both the Hall-Rabushka and the Arme y-Shelby proposals are also “progressive,” according to an analysis in *Contemporary Economic Policy* (Jan. 1998) by Mun S. Ho, a Visiting Fellow at Harvard University’s Kennedy School of Government, and Kevin J. Stiroh, an economist with the Conference Board, in New York City. While the flat tax may be the soul of simplicity, figuring out its effects is not easy, because of the family allowances (excluding those whose wages are below a certain level from being taxed) and the tax on business income (which would have an impact on wages and prices). Using Current Population Survey data on households for 1993, Ho and Stiroh calculate that the average tax rate for families with less than \$10,000 in total income would be about three percent under both proposals,

and would steadily increase—to about 17 to 19 percent for families with total income more than \$1 million. That is progressive, they note, though “less so than the current combination of a personal income tax and a corporate profits tax.” In fact, they add, both flat tax proposals “shift the burden of the income tax from both high- and low-income families to the middle class.”

In their pioneering 1983 book, *Low Tax, Simple Tax, Flat Tax*, Hall and Rabushka, as quoted by *New Republic* (Dec. 15, 1997) staff writer Jonathan Chait, touted the flat tax as “a tremendous boon to the economic elite,” and conceded that “it is an obvious mathematical law that lower taxes on the successful will have to be made up by higher taxes on average people.” Comments Chait: “This candor, while admirable, did not prove an effective political strategy.” Hence, Republican flat taxers have wrapped the idea in near-soak-the-rich populist rhetoric. “It is just plain wrong that the politically well connected have been able to carve out for themselves special treatment under the law,” Arme y has said, for instance.

“To defuse the ‘fairness issue,’” reports *National Review* (Mar. 9, 1998) national reporter Ramesh Ponnuru, Arme y’s proposal, like Forbes’s, provides “generous exemptions.” A family of four earning \$25,000 would owe no tax at all. But many Republicans, writes Ponnuru, now “worry that a flat tax . . . could be a political disaster,” taking “millions of voters off the income-tax rolls [and] thus expanding the ranks of people who can vote for big government at no obvious cost to themselves.”

**W**hatever the merits, a flat tax is not likely to be adopted in its pure form, observes William G. Gale, a Senior Fellow in the Brookings Institution’s Economic Studies Program. “The flat tax is considered a simple tax with a relatively low rate in large part because it eliminates, on paper, deductions and exclusions that no Congress has dared touch,” he points out in *The Brookings Review* (Summer 1998). Among them: deductions for mortgage interest, state and local income and property taxes, and charitable contributions. These “loopholes,” Gale says, have long been sacrosanct, for two reasons:

“political forces and views of social equity.”  
The same pressures would be at work on

any flat tax that moved from controversial  
idea to inescapable reality.

## *Sky High*

“Airline Deregulation” by John E. Robson, in *Regulation* (Spring 1998), Cato Institute, 1000  
Massachusetts Ave. N.W., Washington, D.C. 20001.

Airline deregulation, 20 years old last October, has been a great success, contends Robson, who chaired the now-defunct Civil Aeronautics Board (CAB) in 1976 when it endorsed the radical move. Americans are flying more and paying less than ever before.

In 1978, the year President Jimmy Carter signed the Airline Deregulation Act, which scrapped the 40-year-old system of government control over airline fares and service, some 275 million people flew on domestic carriers; in 1997, more than twice as many—600 million—did. Fares are 22 percent lower today, according to some economists, than they would have been if government regulation had continued. Competition among airlines is keener, with the average number of carriers per route up 30 percent since 1977, by one account. In 1997, airlines that had begun flying since 1978 held 18 percent of the market—an all-time high.

The airlines’ development of hub-and-spoke networks, Robson points out, has given travelers more choices in departure and

arrival times, and a much greater choice of destinations. Even at airports serving small communities, the number of scheduled departures increased by 50 percent, according to a 1996 General Accounting Office report, though some airports—notably those serving small and medium-sized communities in the Upper Midwest—have seen declines in service.

Another “minus” in the current situation is that a handful of hub airports are dominated by one or two carriers, including those in Atlanta (Delta), Denver (United), Detroit (Northwest), Saint Louis (TWA), and Chicago (American, United), with the result being higher fares and much gnashing of teeth by customers. At the “average” dominated airport, fares are an estimated 21 percent higher than at all other airports. Even so, Robson says, the customers there should be thankful for deregulation. Northeastern University economist Steven Morrison calculates that fares at the dominated airports are still lower than they would have been without deregulation.

## *Reforming Management*

“‘Flexible’ Workplace Practices: Evidence from a Nationally Representative Survey” by Maury Gittleman, Michael Horigan, and Mary Joyce, in *Industrial and Labor Relations Review* (Oct. 1998), Cornell Univ., Ithaca, N.Y. 14853-3901.

Consultants and other experts have spilled much ink in recent years touting new styles of business management that supposedly improve corporate performance. If what their advocates say about “Total Quality Management,” “quality circles,” job rotation, and other such nostrums is true, then surely most companies would have embraced one or another of them by now. Well, it seems, they have and they haven’t.

Out of nearly 6,000 firms surveyed in 1993, the Bureau of Labor Statistics (BLS) found that only 42 percent had adopted any of a half-dozen specified alternative practices. Not surprisingly, such arrangements were most popular with manufacturing firms

(56 percent adopted at least one), though establishments in wholesale trade were a close second (55 percent).

Total Quality Management (which, survey takers were told, stresses “doing things right the first time, striving for continuous improvement, and . . . meeting customer needs”) found favor with 21 percent of the firms. Sixteen percent let workers have a say in buying the equipment they use, 14 percent gave small teams of workers authority over how best to get their collective job done, 13 percent permitted workers to rotate among different jobs, 11 percent had coworkers evaluate a worker’s performance, and only five percent opted for quality circles (in