



America's new embassy in Iraq is a fortress made up of two dozen buildings covering 104 acres. Its cost has escalated from \$592 to \$736 million.

Belgium, NATO, and the European Union. In an era dominated by the Internet, cell phones, videoconferencing, and modern airline connections, writes Jerrold D. Green, president of the Pacific Council on International Policy, "policymakers need to reassess whether retaining many traditional in-country functions of embassies still makes sense."

Embassies such as the one to Belgium, a historic building on a busy underpass recently surrounded by a chainlink fence and a jumble of bollards and barricades, are "vulnerable, expensive, and cumbersome." They wall diplomats in secluded

safety zones rather than immersing them in local culture.

America will always need representatives stationed overseas to handle sensitive or specialized tasks and to understand the cultural, linguistic, political, and social factors that make each country different, Green says. The antiquated embassy-based model may not achieve that goal. Embassies are impediments to understanding local culture and costly to staff. Twenty-first-century overseas representation needs to be sharper and smarter—but diplomats need to get their mail delivered to the countries where they are stationed only when there is

sufficient value added. Could routine visa applications be moved offshore? Could experts fly in for meetings with local officials? Britain is already experimenting with "laptop diplomats," and other nations are asking foreign service staff to cover more than one country.

The new U.S. embassy in Iraq is roughly the size of Vatican City, with desk space for 1,000 workers behind blast-resistant walls. Baghdad, to be sure, is a special case. But the world is full of unique challenges to American diplomacy. To be effective, Green writes, embassies need to be integrators, not bunkers, as they are today.

ECONOMICS, LABOR & BUSINESS

The Long Tail Tale

THE SOURCE: Should You Invest in the Long Tail?" by Anita Elberse, in *Harvard Business Review*, July–Aug. 2008.

WIRED EDITOR CHRIS ANDERSON made a big splash in 2004 with his article (later a book)

touting the revolutionary coming of the "long tail." His thesis: that online companies such as Amazon and Rhapsody could cheaply market hard-to-find products such as offbeat song tracks or books, and the individual sales

from such niche products would stretch out in a "long tail" on a sales chart, eventually overtaking the high-volume sales of the bestsellers.

Anita Elberse, a professor at Harvard Business School, recently tested Anderson's idea. Looking at Rhapsody music "plays" over a three-month span (more than 32 million transactions), she found that "the top 10 percent of titles accounted for 78 percent of all plays, and the

top one percent of titles for 32 percent of all plays.” Although the numbers represent a much greater diversity of songs (since even one percent of a million is still 10,000) than might be available at, say, a typical Wal-Mart store, Elberse found that overall Rhapsody sales were still more densely clustered around the “head”—the more popular offerings—than the “tail.” The same pattern held when she looked at Quickflix, an Australian service that rents DVDs by mail: “Some 150 titles (roughly the number of movies released annually to theaters by major Hollywood studios) accounted for nearly a fifth of all rentals.”

Elberse and a colleague also looked at Nielsen reports about online music and video sales. They showed that “sales did shift measurably into the tail.” Sales of obscure DVDs increased, for example. But the overall revenue from such sales still showed that “an ever smaller set of top titles continues to account for a large chunk of the overall demand for music.”

Elberse also uncovered some familiar patterns, matching those described by William McPhee in the early 1960s in his book *Formal Theories of Mass Behavior*. McPhee had suggested that people who shop sparingly tend to gravitate toward popular products—no big surprise—but also that high-volume consumers were much more willing to explore obscure items. When Elberse looked at video rentals, for instance, she found that volume

renters (those averaging at least 50 rentals over six months) did dare to “venture into the tail” to select rarely rented titles. Tellingly, though, all the consumers rated the popular movies as more enjoyable than the obscure ones. “It is a myth,” Elberse says, “that obscure books, films, and songs are treasured.”

Even though the online world offers consumers astounding diversity, Elberse writes, it also opens “a flood of products all competing for consumers’ attention.” In such a volatile marketplace, it’s always going to be easier for better-known products to rise to the top, a truism illustrated by a decision Hyperion Books made in 2006 to back a new title trumpeting a red-hot Internet phenomenon: Chris Anderson’s *The Long Tail*.

ECONOMICS, LABOR & BUSINESS

The Graying of Kindergarten

THE SOURCE: “The Lengthening of Childhood” by David Deming and Susan Dynarski, in *The Journal of Economic Perspectives*, Summer 2008.

KINDERGARTENERS ARE GETTING older and older, and it’s not good for the economy, write David Deming and Susan Dynarski of the Kennedy School of Government at Harvard. The age of children entering school has gradually risen since 1968, so that today one in every six fails to start classes in the traditional year of the child’s fifth birthday.

A major reason for the graying

of kindergarten is that states have raised the minimum age of enrollment. But this accounts for only a quarter of the change. The rest is the “redshirting” of youngsters intentionally kept out of school by at least some parents who expect them to grow bigger, smarter, and more competitive in the “arms race” for high school football and Harvard.

Educators often describe this extra year of school-free childhood as a “gift of time” that gives socially or educationally underdeveloped children a chance to mature. But it can also enable enterprising parents to position their offspring to be the oldest in the class, instead of just average. There is no evidence that seniority guarantees success in the long run, but in sports, studies have shown that children who make the elite soccer, hockey, swimming, and tennis teams are disproportionately born just after the age cutoff for those leagues, write the two public-policy scholars.

Having a few hefty nearly-seven-year-olds in a class of children who recently turned five can skew the curriculum of the class as teachers “raise their standards, resulting in lower relative performance and increased grade retention rates for children who enter school at the statutory age,” the authors say. Redshirting parents are more likely to be richer and better educated than those who enroll their children as soon as they are old enough to attend.

Postponing kindergarten intensifies inequality in American life, Deming and Dynarski con-