

Editor  
JAMES W. MICHAELS

Managing Editor  
SHELDON ZALAZNICK

## Assistant Managing Editors

Jerry Flint, Geoffrey Smith, Paul Sturm

Executive Editors: James Cook, Jefferson Grigsby

Economics Editor: Ben Weberman

Art Director: Everett Halvorsen

Senior Editors: Ruth M. Gruenberg, Howard Rudnitsky, John A. Conway, William G. Flanagan, Thomas O'Donnell, Stephen Kindel, Harold Sencker, Donald Moffitt, John Merwin

Contributing Editors: Richard Phalon, Clothfield Spencer, Norman Gall, Dero A. Saunders

Associate Editors: Jean A. Briggs, Subrata N. Chakravarty, Christine Miles, Donald E. Zipperer, Carol E. Curtis, Richard Greene, Richard L. Stern, Betty Franklin, Barbara Ettorre, John R. Dorfman, Priscilla S. Meyer, Steve Kichen, Paul B. Brown

Staff Writers: John A. Byrne, Pamela Sherrid, Jeff Blyskal

Reporters: Thomas Jaffe, Anne Bagamery, Barbara Rudolph, Jonathan Greenberg, Laura Rohmann, Ellyn Spragins

Senior Reporter-Researchers: Alyssa A. Lappen, Paul Bornstein, Jon Schriber, Jay Gissen, Janet Bamford

Reporter-Researchers: Merrill Vaughn, Laura Saunders, Robert McGough, Kevin McManus, Aaron Bernstein, Robert Teitelman, Jill Andresky, Martin Love, Christopher Power, Richard Behar, Jane Sassen, Walecia Konrad, Neal Koch, Anne McGrath, Francesca Lunzer, Jinny St. Goar

Washington Bureau: Howard Banks, Manager; Allan Dodds Frank, Jayne A. Pearl, Donna Barnett

West Coast Bureau: Lawrence Minard, Manager; Kathleen K. Wiegner, Michael Cieply, Ellen Paris, Roger Neal

Southwestern Bureau: William Baldwin, Manager; Toni Mack, Jessica Greenbaum

Midwestern Bureau: Jill Bettner, Manager; Lisa Gross

European Bureau: Rosemary Brady

Columnists: Stanley W. Angrist, Sully Blotnick, Thomas P. Murphy, Richard B. Hoey, David Dreman, Ashby Bladen, Ann C. Brown

Art Department: Roger Zapke, Ronda Kass, Associate Art Directors, Robert Mansfield, Assistant Art Director, Nikki Frost, Amy Horton, Photo Editors, Hadas Dembo, Photo Research, Andrew Christie, Charts

Information Services: Robert M. Sterenson, Manager; Library: Dolores A. Lataniotis, Chief; Clarita Jones, Assistant; Dominic Madormo, Debra Rapps, Susan Dietrich, Research; Santiago Alvarado, Gloria Katz

Statistics: Donald E. Popp, Editor; Maria M. Latorraca, Associate Editor; Ann C. Oliver, Assistant Editor; Edward Sakalian, Melody Wagstaff, Diana L. Hoadley

Copy Department: Marlene Mandel, Deputy Chief; Jane Lashaw, Dolores Guillot

Director of Production: John J. Romeo; Robert M. Rosengarten, Edward B. Morgan, Peter Althoff, Joseph De Gray, Lucille Landi, Terry Ashley, Jane E. Hartnett, Assistants

Advertising Production: Patricia Deckelnick

Director of Photocomposition: James Cianelli; Karen Heuler, Assistant; Mark Decker, Johnnie English, Arthur Petz

## Chairman and Editor-in-Chief

MALCOLM S. FORBES

## President and Deputy Editor-in-Chief

MALCOLM S. FORBES JR.

## Publisher

JAMES J. DUNN

## Executive Vice President

LEONARD H. YABLON

Vice President-Associate Publisher: Christopher Forbes

Vice President-Administration: Scott R. Yablon

Vice President-Finance: Seymour Fried

Vice President-Controller: Joel B. Redler

Vice President-Treasurer: Leonard Greenberg

Director of Advertising: Stephen G. Nicoll

Director of Corporate Communications: Wm. Donald Garson

Director of Circulation: John M. Thornton

Director EDP: Jerome Hoffman

Advertising Representatives:

New York: Donald W. MacDonald, Eastern Manager;

George C. Clissold, Consumer Adv. Manager;

G. Croft Henry, Financial Adv. Manager;

Richard Calkins, Ellen S. Dweck, Jeffrey M. Cunningham,

Joan E. van Diepen, Gerard F. Moss, John H. Reock

Arnold J. Prives, Director, Advertising Supplements

Thomas G. Petersen, Codirector, Adv. Supplements

Margaret A. Monsor, Codirector, Adv. Supplements

James W. LaCignola, Dir., Int'l. Adv., The Americas, Asia, Pacific

Boston: Nick Carter, Manager

Atlanta: Charles S. Thorn Jr., Manager

Chicago: James H. Mallon, Manager

William J. Powers Jr., Robert W. Buckley Jr.

Cleveland: James B. Norton, Manager

Dallas: Fred H. Wellington, Manager

Detroit: Don Dane, Manager

Los Angeles: Craig E. Miller, Manager

San Francisco: Richard W. Reynolds, West Coast Manager

London: Peter M. Schoff, Director, Int'l. Adv.

Corp. Report Updates: Sarah Madison

Classified: Linda Loren

PAID CIRCULATION OVER 700,000

FOUNDED 1917 BY B.C. FORBES (1880-1954)

## Paging Mrs. Grundy



George Will

At least one major newspaper has decided to drop columnist George Will on the grounds that Will gave some private advice to candidate Ronald Reagan in the 1980 presidential campaign. The indignant newspaper claimed Will thereby violated journalistic ethics. What unctuousness on that paper's part, what risible self-righteousness! Has no one in the Washington press corps ever publicized a pet politician or a pet cause in exchange for a so-called scoop? Do reporters come by their exclusives through sheer intuition? Is there no quid pro quo? And isn't a strong point of view

expected of opinion columnists? George Will has more historical perspective than all the other Washington pundits put together. The stately clarity of his prose fills me with envy and sets a standard the rest of us can only aspire to. Six cheers for the best political essayist since Walter Lippmann.

## You don't have to be Hungarian . . .

Hungary probably ranks with Tierra del Fuego and Timor as places of least interest to American businessmen. Nevertheless, I highly recommend Lawrence Minard's interview with Hungarian economist János Kornai. Page 64. It's a great read.

## A long-lasting summer job

Since finishing his Hungary articles, by the way, Laury Minard, his wife, Elizabeth, and daughter, Sara, have departed London, where Laury served four years as our European Bureau Manager. They are now in Los Angeles, where he has taken over as chief of our bureau for the West Coast and Pacific Basin. Aged 33, Laury joined FORBES in 1974 as a summer researcher while he was working toward his Ph.D. in economics and soon decided to chuck academic economics for journalistic economics. Since then he's written about everything from Wall Street to the weaknesses of the Saddam Hussein government in Iraq. In his new assignment Laury expects to devote a good deal of attention to Japan and the Pacific. Little wonder. Born in Seattle, raised partly in Alaska, he spent his youth gazing toward the Orient.

## A beautiful swan song

Jonathan Greenberg is only 25, but he has already developed many of the skills of a veteran reporter. It shows in the piece entitled "The rise and well-cushioned fall of Robert Sutton." Starting on page 34 of this issue, this story of a less than lovable rogue carries a profound moral for our times. FORBES, alas, is losing Jonathan Greenberg. He's embarking on a new career as a television scriptwriter. Our loss. Hollywood's gain.

## A cheap source of long-term capital

Way, way back in the new issues boom of 1967-68, a principal of one of the then hottest companies told Senior Editor Howard Rudnitsky why selling stock to the public was a great deal for him. "Why," he exulted, "it's free long-term capital." Cynical but realistic, the company took its free capital and many of the early shareholders took a hosing. Same thing is happening again on a huge scale, Richard Stern and Laura Saunders report in "Doesn't anyone remember?" Page 31.

*James W. Michaels*  
Editor