

# New Jersey Herald

Established 1829  
Newton, N.J. 07860 • (973) 383-1500  
www.njherald.com

Published daily Monday through Friday  
by the New Jersey Herald, Inc.  
continuing  
The Sussex Register, established 1813  
Sussex County Independent, established 1870

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MORE REALISTIC F.E.M.A. GUIDELINES FOR REBUILDING IN NEW ORLEANS

## Back to the books

Congratulations to the winners of school board elections. Now hit the books.

New Jersey's schedule—the elected taking office almost immediately—requires new board members to get up to speed fast on budgets, particularly in the districts which had them voted down.

It's a tight schedule, and like any exam it rewards those who prepared in advance. Extra credit goes to those members who counted the cost of elected office and studied the budget and construction or repair plans beforehand.

Those who emerged from contested elections have an incentive to prepare, since many of them ran on specific programs of change, reform or tax control.

In the Sussex-Wantage district, which was the focus of much political debate and turmoil, it was surprising to learn that newly elected officers hadn't reviewed the budget and one hadn't even toured the schools needing repairs.

Surely the new officers are up to the task of assessing the budgets and suggesting revisions, but it doesn't instill confidence when board members don't have a plan other than to start looking now. To expect to create an effective plan—from scratch by the June deadline—that addresses rising taxes and buildings in need of repair seems overly ambitious.

The solution for all new officers is the same as it in class: crack the books, study hard and ask lots of questions.

## The 401(k) — a GOP weapon?

By DONALD LAMBRO

WASHINGTON — Of all the economic trends in our country today, none is more potentially far-reaching politically than the fantastic growth of tax-deferred 401(k) retirement accounts.

This sector of our economy doesn't get much attention in political and social-issues circles, but interviews with experts in this field reveal the little-known or under-reported impact 401(k) plans are having and will have on our society and our politics.

Introduced in 1981, these investment plans have contributed mightily to the nation's growing investor class, especially among middle- and lower-income Americans, broadening ownership of the economy, boosting the much-criticized savings rate and, many now believe, making the country's electorate more conservative in its voting behavior.

"The 401(k) has done an enormous amount of good for the prosperity and stability of our country," said Heritage Foundation economist Bill Beach. "When citizens have a vested interest in the economy and own more property (or investment assets), the more stable and politically conservative your society will be."

The numbers are astounding and explosive: Since 1990, total worker assets in 401(k) plans have grown by an average of 13 percent a year, from \$385 billion to an estimated \$2.1 trillion in 2004, the most recent year for which figures are available, says the Investment Company Institute (ICI), which represents the mutual-funds industry.

More than 43 million U.S. workers participated in 401(k) plans at the end of 2004, up from 10 million in the mid-1990s, about a third of the entire workforce. On average, nearly 70 percent of participants' assets in these plans are invested in broad-based, highly diversified stock mutual funds.

The conventional view about savings is that its rate has been in decline for years. But that long-held perception is changing as a result of 401(k) growth, which has not been included in the savings measurement formula.

"There is now a belief it has increased savings, particularly among lower-income households," said Sarah Holden, an ICI economist. "If you have an account that is labeled 401(k), you look at it as something that is not liquid and that you can't spend today. They are accumulating significant (savings) balances."

Stocks can rise and fall with the economy, but 401(k) plans have, to a large degree, been an anchor in the market because their owners are "a tough crowd who stick with it through thick and thin in bear markets," Holden told me.

The average balance grew from \$67,000 at the end of 1999 to more than \$91,000 by the end of 2004, owing to consistent worker contri-

butions compounded by increasing stock values.

All this has profound political implications as well. "Investors, regardless of income, gender or race, vote more Republican than non-investors," tax-cut crusaders Grover Norquist and Cesar Conda wrote in a Wall Street Journal analysis about the impact of President Bush's tax cuts.

Financial writer James Glassman helped launch a polling group called Investors Action Alliance that supports their conclusion. Its survey of 1,000 voters in the 2004 election found that among voters under 50, investors preferred Bush 51 percent to 43 percent, while non-investors favored



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Sen. John Kerry 53 percent to 36 percent.

Gallup Poll editor in chief Frank Newport said there isn't polling data to support this correlation. Still, he told me, "It's possible that, as we move toward what Bush has called an ownership society, it could change what's important to Americans when they vote."

That day seems to be coming and could be accelerated by a pension-reform bill that passed the House last December by a 294-132 vote. One of its key provisions would encourage employers to automatically enroll new workers in 401(k) plans, making them regular investors unless they choose to opt out.

That politically strategic provision, which has received little attention thus far, would turn most of the workforce into investors with a growing stake in Wall Street and the corporate economy.

When ICI economists calculated the effect of automatic enrollment, their test model projected that 401(k) participation would rise to 92 percent of all eligible workers. Significantly, their study found that the "positive impact of automatic enrollment on participation rates proved even stronger among lower-income workers."

These workers, of course, represent the core of the Democrats' base that Republican strategists want to win over in future elections, and they believe that moving them into the investor class is the way to do it.

This was the underlying political strategy at the center of the president's ill-fated Social Security investment-account reforms that crashed in 2005. But expansion of the 401(k) ownership universe would breathe new life into his plan to turn working-class investors into conservative tax-cut voters.

It deserves to be at the top of a retooled, pro-worker, pension-reform agenda.

Donald Lambro is a syndicated columnist.

## We've lost our patriotism

Editor:

Where has all our patriotism gone? It wasn't too long ago that we were waving flags all over the place: flags on cars, flags on lawns and porches. Everyone was so proud to be an American. The stores couldn't keep up with the demand for flags. What has happened?

Now, more than ever, we need to stand behind our president and support him.

Today, there seems to be no respect for authority.

People are allowed to blaspheme everyone from God almighty to the president of the United States.

When is it all going to stop so that we can get on with our lives and win this war, not only abroad, but within our own country?

Remember, united we stand, divided we fall.

Emily Slockbower,  
Past president and life member,  
American Legion Auxiliary  
Ogdensburg

### Diplomacy the way to go with Iran

Editor:

It is beyond belief that we are in danger of making the same mistake twice. This time, it would be worse, because an attack would intensify an already volatile situation.

This must be settled by negotiation. Iran is years away from nuclear weaponry. No more invasions, bombings, and irresponsible actions that cost innocent lives.

Charles DeMarco  
Hopatcong

### English only in America

Editor:

I went into a business and was shocked to see that bilingual signs in English and Spanish were posted around the store.

I believe in immigration, but this is America, and we speak

English. Our strength stems from a common language and culture. At one time, in order to be a citizen of this great country, one had to speak English.

"In the first place, we should insist that if the immigrant who comes here in good faith becomes an American and assimilates himself to us, he shall be treated on an exact equality with everyone else, for it is an outrage to discriminate against any such man because of creed or birthplace or origin. But this is predicated upon the person's becoming in every facet an American, and nothing but an American... There can be no divided allegiance here. Any man who says he is an American, but something else also, isn't an American at all. We have room for but one flag, the American flag... We have room for but one language here, and that is the English language... and we have room for but one sole loyalty and that is a loyalty to the American people."

Russell and Lois McCue  
Newton

## Ask the right questions

By CLIFFORD D. MAY

Scripps Howard News Service

The question is not whether Donald Rumsfeld should resign. The question is not even who should replace him. The question is: What goals would a new secretary of defense set, and what strategies would he implement to achieve them?

If Rumsfeld's critics believe America's military has met its match on the battlefields of Iraq, they should say so forthrightly. But they should talk, too, about the ramifications of an American defeat in the heart of the Arab Middle East.

For example, once al-Qaida can credibly claim to have driven U.S. forces out of Iraq, is there any reason to believe the line will be held in Afghanistan? And what responses should we expect elsewhere in the region after such an American humiliation?

If, on the other hand, the critics believe we can and should prevail in Iraq, but that Rumsfeld is fighting Abu Musab al-Zarqawi's suicide bombers and the remnants of Saddam Hussein's regime incorrectly, let them outline a better approach. Last fall, Andrew F. Krepinevich Jr., writing in Foreign Policy, did not demand Rumsfeld's head, or accuse him of "arrogance" or of not being a good listener. He did deliver a blistering critique of what he called a "faltering effort." But the headline of his article was "How to Win in Iraq" and he offered a coherent strategic alternative.

The question also is not whether Rumsfeld has made mistakes. The question is: What has he learned from his mistakes?

The high-tech, big-blast bombs dropped on Baghdad early in the conflict did not "shock and awe" our enemies as Rumsfeld presumably anticipated. By contrast, the low-tech videotapes of

**The question also is not whether Rumsfeld has made mistakes. The question is: What has he learned from his mistakes?**

hostages having their heads sawed off did cause something like that reaction in millions of American and European viewers.

There probably should have been more "boots on the ground" following Saddam's toppling, especially since Ambassador Paul Bremer would soon disband the Iraqi army, leaving no one to maintain order. But that's history. Who would propose bringing in more troops now? The focus needs to be on the battles being fought today and the battles to be fought tomorrow. (Actually, American forces have never lost a battle in Iraq. Why that doesn't count as winning in this war I'll leave for a future column.)

Rumsfeld is hardly alone in having made mistakes. For more than a quarter-century, almost all Western leaders and "experts" blundered badly by underestimating the enemy we now face: his determination, his ruthlessness and, yes, his competence. Worse than that: Many have been slow to recognize that militant Islamism is the enemy, as serious a threat as were Nazism and Communism in their day.

It has long been observed that generals prepare to fight the last war rather than the next war. Part of the explanation: They know more about the last war than they do about the next war.

In the years since the collapse of the Soviet Union, the Pentagon under various secretaries spent little energy preparing to fight the kind of low-intensity conflict now under way in Iraq and Afghanistan. There are many generals who don't want to fight wars that rely not on nuclear submarines and stealth bombers but on hard men willing to bloody their hands on the mean streets of cities like Fallujah and Ramadi.

Rumsfeld is the only secretary of defense to have prepared for the job by serving as secretary of defense. Thirty years ago, when he was the youngest man ever to hold the job, he was probably a less-difficult boss. This time around, his goal has been to fundamentally transform what he sees as a sclerotic Pentagon bureaucracy. That has not made him popular with those invested in the status quo.

A separate question — one well worth asking — is whether a Pentagon reshaped by Rumsfeld will be all that it can be, whether it will be capable of employing organized violence more effectively than America's adversaries (which is, after all, the mission). Transforming the military so it can better fight 21st-century wars while simultaneously fighting the first 21st-century war is a tall order, akin, some would say, to repairing an F-16 during aerial combat. But that's the challenge Rumsfeld has undertaken. A military designed and equipped only to fight yesterday's foes is of limited value.

Retired generals should be welcomed into the debate on military transformation. But they can't make much of a contribution until and unless they start asking the right questions.

Clifford D. May is president of the Foundation for the Defense of Democracies.

## Doonesbury



BY GARRY TRUDEAU

## Getting out of N.J.

By GREGORY J. RUMMO

Continental 2614 lifts off smoothly from runway 4L at Newark's Liberty International airport. I'm on another business trip to the Midwest, Kansas City to be precise, a destination that acts as a very convenient hub from which I can drop in and visit with a half-dozen customers in the animal health industry.

Faithful readers of my column may think you are reading a selection from the archives. You're not. But if the prose seems vaguely familiar, I have in the past and I do wish to take yet another opportunity to commend the TSA personnel at Newark Airport along with the rest of the people responsible for the entire travel experience associated with 'getting out' of New Jersey.

Friends who live in other states often ask me what my favorite thing about New Jersey is. "Newark Airport, Terminal C," is, without fail, my response.

It seems it's only newsworthy when a traveler has a bad experience with airport security. I have yet to have a 'bad experience.'

On this trip, I set a new personal record for getting from the curb to the other side of the security screening area: 3 minutes and 15 seconds.

By taking advantage of Continental Airline's web site and the ability to print out a boarding pass at home, I was able to walk directly to the security area, completely avoiding the check-in procedure. (All of my baggage was carry-on.)

Disclaimer: Being somewhat of a frequent traveler, I do have 'elite status,' earning me the privilege of a shorter security line. But today, all of the lines were moving.

After showing my boarding pass and ID, I walked to the screening area. I wore loafers which I easily slipped off and placed on the belt for x-ray screening.

Removing a silver bracelet I wear just about everywhere I go and my watch so as not to trip the metal detectors, I started towards a cheerful screener who asked to see my boarding pass once again.

If I hadn't had to fumble with my laptop and place it in a separate plastic bin, I might have made it through security in under three minutes. Oh well, perhaps on my next trip — it'll give me something to look forward to. And I love a challenge.

Why am I always so lucky? Earlier this year, the Wall Street Journal's Peggy Noonan wrote about an awful experience traveling out of New York's LaGuardia airport en route to a speaking engagement in Florida. Here's a little of what she described in her Feb. 23 column, "If Cattle Flew."

"6:10 a.m., Tuesday two days ago, LaGuardia Airport. A long line of what appeared to be roughly a thousand people was snaking down a hall past newsstands and shops. Chaos and an hour wait to get through security..."

Pity those poor New Yorkers. If you've ever flown out of LaGuardia, you know why Mrs. Noonan had something to complain about.

After risking your life to get there from New Jersey, a trek in itself that necessitates crossing two bridges, paying a ransom in tolls, and inhaling a near-lethal dose of carbon monoxide while waiting in traffic, when you finally arrive inside the terminal, you must contend with a tidal wave of humanity trying to get through a terminal that is badly in need of expansion.

Fortunately on this side of the Hudson, the folks at Continental Airlines have figured it all out. Their hub at Newark has completely taken over Terminal C, a brightly lit, spacious building consisting of three concourses filled with shops, eateries and kiosks.

The security area is reminiscent of the largest toll plaza on the Garden State Parkway. Travelers are speedily sent on their way—even the ones who are stopped for additional screening—something I have managed to avoid on my last half dozen trips or so.

We are a nation of travelers. The number of people flying has almost reached pre-9/11 levels. With the summer coming, I imagine the crush at airports around the country with the associated delays will only increase.

But at least getting out of New Jersey remains relatively hassle-free—if you know the secret. Shush. Not so loud. We don't want to spoil a good thing.

Gregory J. Rummo is a syndicated columnist.



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