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We Were Soldiers Once, and Broke

By BEN STEIN

AS should be clear to anyone who reads these columns, I am fascinated by finance. I have been since I was a lad. Finance distributes risk. The smart, aggressive, tireless men and women in it allocate capital. In many ways, this efficient allocation of capital - sometimes more efficient than others - explains why capitalism so thoroughly trounces socialism and communism.

Finance guys take risks that would terrify most of us. They carry immense burdens of fear and retribution on their shoulders. It is a wonder to me that the managers of hedge funds and the people who trade derivatives can even sleep at night. I know I wouldn't be able to catch one wink.

Still, when I read the daily news I am often struck by something that has nothing to do with the finance classes I took at Columbia or Yale, but in a way has everything to do with them.

Maybe I can summarize the dissonance in this little example: In the financial section of the newspaper or the business magazine, there is an article about a man, Philip J. Purcell, who has just left a huge financial services company after his performance was deemed subpar, and he's taking home a \$113.7 million severance package.

Then there's an article about the fellow who is replacing him, and about how he was offered something like \$25 million a year. A fellow on the job just three months, whose main quality was apparently loyalty to the subpar-performing manager, is getting \$32 million.

And in a publication called Trader magazine, there's an article about the top hedge fund and commodities fund managers, and they are getting \$250 million to \$500 million a year each, personally.

And I think to my little self: "Wow, that's a ton of money. But I guess they do something very useful, helping to allocate capital and to make money for the shareholders and for the people who invest with them."

Then I turn from the financial news to the general news section of the paper, or to the barrage of e-mail messages I get from people in the Army and Navy and Marines and Air Force, and I read about men and women who are taking fire from insurgents in Iraq and being blown up by homemade bombs that the Pentagon refers to as improvised explosive devices. The people being blown up are maybe corporals, and they get \$1,900 a month, including combat pay.

Or I read a letter from a buddy of a member of the Navy Seals who was killed recently in Afghanistan when his helicopter went down, and he was getting maybe \$1,950 a month, fighting the Taliban and fighting Al Qaeda (which killed 3,000 innocent men, women and

children on American soil on Sept. 11, 2001). That means the guy at the hedge fund is getting as much as, say, 10,000 of these corporals per annum.

What keeps going through my mind is that there is a big, yet always unstated, connection between these two groups of men and women - on one hand, the megastars of Wall Street and corporate boardrooms, with their vast paychecks, yachts and horse farms in the Hamptons, and, on the other, the grunts in body armor chasing down terrorists half a world away in 130-degree heat.

The link is that the men and women of Wall Street and of corporate America do their very important work - and it is vital work, indeed - inside a box of security and safety created by the courage of the men and women who wear battle dress uniforms and ride down the highway of death in Iraq in armored personnel carriers handling machine guns.

The men and women in the Armani suits, who get the huge paychecks - and who, again, do work I sincerely appreciate and admire - could not exist for long if they were not being shielded by the men and women in uniforms and boots.

And I do not mean only the military. I am also talking about the police officers, the firefighters and other first responders; the Department of Homeland Security folks; the airport security people; and the people in the C.I.A., the F.B.I. and the National Security Agency. All of them offer their time and their lives and their families' sanity to protect the country.

That means, among other things, protecting the free markets in finance - and in ideas, religions and human feelings. There would be no finance section of the newspaper without the protection of those whose job is to protect and to serve.

By the way, I have the very same feelings when I read newspaper book reviews, movie reviews, dance reviews and art reviews. None of this criticism or creativity would be possible if we did not have the military and the other men and women who protect us from an unending reign of terror from fanatics and maniacs. None of the astounding beauty of daily life in America would be possible without the shield of the men and women riding around in valleys in Afghanistan and infiltrating terrorist cells all over the world.

This is not leading up to a specific policy prescription beyond what my father and I have been saying for decades: that upper-income people like me (and I am a welfare mother by Wall Street standards) should pay more tax, and people in uniform should get more pay.

Mainly, what I want to say is that we should have in our hearts - far ahead of a desire for a rising stock market, a soft landing in real estate and a return to a more normal yield curve - extreme gratitude for those who make our business and finance world, and indeed our whole world, possible.

We could live a little while without a stock market. It was closed for a time after the United States entered World War I and we survived, although I personally would not have liked it. But we could not live at all without those who earn modest wages and keep the whole system going - and whose risk does not involve being fired and getting a severance package if something goes wrong, but may mean a homecoming in a box or a life with a prosthesis.

Remember that it all depends on the fighting men and women, not on the people in finance. It depends on the guys whose names you will never know, guys who come home and work - not at jobs in which helicopters ferry them to secret-deal meetings in New York or London, but at jobs in places like a car wash in Burleson, Tex., where one of the men who captured Saddam Hussein is working without complaint and with barely mentioning that he was in Iraq.

That is, if they come home with all their limbs - or if they come home at all.

Ben Stein is a lawyer, writer, actor and economist.