

TIME

A Letter from the Publisher

espite a political career that spans nearly two decades, Ronald Reagan's decision-making process remains elusive, almost mysterious. As Senior Correspondent John Stacks says of

the subject of this week's cover, "Reagan appears simple and straightforward, but he is actually complicated. All of us want to know about how he works and thinks, what kinds of advice he accepts and rejects, how he adapts to challenges and change." Stacks first interviewed Reagan in 1967, not long after the former movie star had won the first of his two terms as Governor of California. Fifteen years later, Stacks finds that outwardly "Reagan hasn't changed at all. He's a monument to constancy."

Douglas Brew, who has covered Rea-

gan since he began campaigning for the presidency three years ago, spent a month researching this week's cover story. He too has found the President complex and occasionally impenetrable. Says he: "On one level, major issues, he is very predictable, but in his asides and small details, he is often quite surprising."

Both correspondents were also surprised by the openness they found while talking to two dozen of the President's closest associates, from the First Lady to members of the Cabinet. Some eagerly ventured their own theories about Reagan's makeup. Others were keen to discuss, in Stacks' words, "a political touch that causes even those who disagree to second-guess their own wisdom." One source so warmed to the topic that a scheduled 45-min. interview lasted more than five hours.

The President too was generous with his time. Stacks and Brew interviewed him on a day when he was completing his MX speech—and was hoarse besides. "But Reagan was characteristically gracious and pleasant," says Stacks. "Even as his staff paced the room signaling their desire for an end to the interview, he invited more and more questions."

To give its readers a broad perspective on modern Presidents, TIME turned to former Time Inc. Editor-in-Chief Hedley Donovan, who served a year in the White House as a senior adviser to Jimmy Carter. Donovan offers

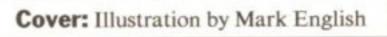
a comprehensive commentary on the presidency. Having spent much of his career reflecting on nine Presidents from F.D.R. to the present, he also proposes the qualities that future aspirants should possess, not to get the job, but to do it well.

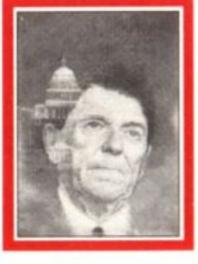
John a meizers



White House Correspondent Brew, center, and Stacks interview President Reagan

Index





Cover: Strong beliefs, eternal optimism and precious little adaptability shape Reagan's presidency. > An interview with Reagan. The former Editorin-Chief of Time Inc. analyzes what it takes to be a good President. See THE PRESIDENCY.



36 World: A demoralized P.L.O. tries to recoup its losses. ▶ An exclusive interview with President Zia of Pakistan. ▶ Mexico holds a bare-bones inauguration. > Refugees in Thailand wait in hope and despair for a place to go.



68 Christmas: Ranging from the Old West to the Middle East, from Washington, D.C., to Jerusalem, from cats to elephants, this year's readings of the season include sumptuous celebrations of religion, nature and art. See BOOKS.

American Scene

With its lawns and vania suburb looks like any other, except that the faces of its citizens are black.

74 Law

A startling new measure in San Francisco bolsters homosexuals' hopes of winning legal benefits long enjoyed by married couples.

30 Nation

The lameduck session split-levels, a Pennsyl- of Congress starts with a few fits. > Reagan goes south of the border. ▶ Kennedy says he will not run in 1984.

76 Computers

A Pennsylvania quadriplegic and an Ohio paraplegic are just two of the handicapped being helped by micros.

54

Economy & Business

Bad tidings for the jobless: unemployment takes a surprisingly big leap. ▶ Software millionaires. ▶ Piedmont learns to soar.

79 Cinema

Two brilliant actresses in powerful performances: Meryl Streep in Sophie's Choice and Jessica Lange in Frances.

64 Design

Still the gaudy grand master of art deco. Erté, who just turned 90, is being honored in the U.S. by four shows of his work.

80 Sport

Georgia's amazing Herschel Walker wins the Heisman Trophy as the best college football player of 1982.

72 Medicine

A landmark in surgery: the 71/2-hr. operation that gave Barney Clark a plastic heart and a bit more life.

82 Music

Blues Singer Alberta Hunter, 87, back at her Manhattan stand, proves that there are plenty of good tunes in an old violin.

73 Press

Boston is still a twonewspaper city as Rupert Murdoch buys Hearst's ailing tabloid, the Herald American.

3 Letters 53 Milestones 63 People **67 Theater** 78 Video

TIME (ISSN 0040-781X) is published weekly at the subscription price of \$41 per year, by Time Inc., 3435 Wilshire Blvd., Los Angeles, CA 90010. Principal office: Rockefeller Center, New York, N.Y. 10020. J. Richard Munro, President; Thayer Bigelow, Treasurer; Charles B. Bear, Secretary. Second class postage paid at Los Angeles, CA, and at additional mailing offices. Vol. 120 No. 24 ⊚ 1982 Time Inc. All rights reserved. Reproduction in whole or in part without written permission is prohibited. TIME and the Red Border Design are protected through trademark registration in the United States and in the foreign countries where TIME magazine circulates. POSTMASTER: Send address changes to TIME, Time & Life Building, 541 N. Fairbanks Court, Chicago, III. 60611.

This is

The Arcade Quality Video Game System

The Most Advanced Video Game System You Can Buy

ColecoVision was designed for what you had in mind-a great game system that's expandable into a great computer system.

Arcade Quality Graphics

ColecoVision graphics have the superior resolution and brilliant color of real arcade games. And this new advanced level of quality holds true for every part of the system.

Plays The Best

ColecoVision has arcade quality controlsjoystick, fire and jump buttons that make it easy to play. And ColecoVision offers a library of your favorite arcade games like Donkey Kong (which comes as a bonus with ColecoVision), Turbo, Zaxxon and Cosmic Avenger. Sports and educational games, too. Even ColecoVision's exclusive new Smurf game based on the #1 TV cartoon series.

Plays The Most

ColecoVision plays more games than any other system, because ColecoVision is an expandable system. By using ColecoVision's first expansion module An Expandable Computer





COLECOVISION EXPANSION MODULE #1 ALLOWS YOU TO PLAY ALL ATARI® VCS™ COMPATIBLE CARTRIDGES. AVAILABLE IN NOVEMBER PENDING FCC APPROVAL.



When you buy ColecoVision, you've already bought a sophisticated omputer ready to accept expansion modules of all kinds. And in 1983,

you'll be able to "activate" ColecoVision's amazing memory by simply plugging in a keyboard, a printer and other computer accessories. This expansion feature is your assurance that your ColecoVision will always keep pace with "state of the art" developments in electronics.

ColecoVision-a great game system that's expandable into a great computer system. The most advanced video game system you can buy.

YOUR VISION IS OUR VISION



COLECOVISION

Dad, This is the system we've both been waiting for. ColecoVision has everything! It step plays the best arcade games—It looks and plays just like the real looks and plays just like the real arcade and it plays the most arcade arcade. And it plays the most arcade games. It's got a plug-in attachment games. It's got a plug-in attachment that will allow us to play all of ataris VCS games! Bill

PS. And look at this, Dad, Coleco Vision is also a computer! And that's important-because, you know, I don't want to just play games. Could we go to the store and take a look?

WAYOU CANTELL BIBBBBCB BBANBB ETERICE BUILDING ANDARAWITH OUR EYES CLOSED.

The difference has always been easy to see.

Intellivision® has brilliant graphics, lifelike figures and realistic gameplay. Intellivision has the hand controller with 16 positions. The Atari® VCS has a joy stick with only half as many.

The Intellivision system is expandable.

But now, the difference is even more obvious. In case you haven't heard, Intellivision actually talks.

It's true. Just attach the new IntelliVoice voice synthesis module. Plug in any one of our new talking cartridges. Then, concentrate on the visual action. While IntelliVoice gives you up-to-the second verbal status reports. Feedback. And instructions which are essential to your game strategy.

Voice is just one innovation, though.

If you like arcade maze games, you'll love new Lock'N'Chase.*And wait

until you see Night Stalker, with its relentless one-eyed robot.

Of course, your dealer can show you the difference between Intellivision and Atari. For your nearest dealer, call toll free 1 (800) 323-1715. In Illinois, 1(800) 942-8881. Or shut your eyes, MATTEL ELECTRONICS®

and let Intellivision speak for itself.

NTELLIVISION®

Milestones

BORN. To Annemarie Moser-Pröll, 29, competitive, headstrong Austrian 1980 Olympic gold medalist skier and six-time World Cup winner, regarded by many as the greatest woman downhill racer of all time, and Herbert Moser, 32, a ski-equipment salesman: their first child, a girl. Name: Marion. Weight: 6 lb. 12 oz. Although Moser-Pröll once before came out of retirement, she now claims to have quit racing permanently.

MARRIED. Michael Howland, 36, State Department foreign service officer and one of the 52 hostages held captive for 444 days in Iran, and Joan Walsh, 36, also a State Department foreign service officer and hostage, although for only 16 days, after which she, some other women and blacks were released; he for the second time, she for the first; in Ogden, Utah. The couple met when both were assigned to the U.S. embassy in Iran and became reacquainted when both were assigned to State Department jobs in Washington.

DIED. Steve Gordon, 44, cinematic overnight sensation whose second screenplay and directorial debut, the fluffy screwball comedy Arthur, grossed more than \$130 million at the box office and guffaws of critical approval; of a heart attack; in New York City. A writer of TV commercials and sitcoms, he could not quite believe his Arthurian success, saying last year, "I haven't even started my next screenplay, and already it doesn't work. I just think I fooled them once."

DIED. Marty Feldman, 49, cockeyed, rubberfaced, cockney comedian best remembered as the lovable hunchback Igor in Mel Brooks' Young Frankenstein and as Brooks' zany sidekick in Silent Movie; of a heart attack after completing location filming of a new comedy; in Mexico City.

DIED. Robert Coote, 73, mannered and mustachioed British actor who originated the Broadway roles of Colonel Pickering in My Fair Lady and King Pellinore in Camelot, and who, in life as well as onstage, played to a spitting T the part of the frightfully British good fellow; in his sleep, apparently of a heart attack; in New York City.

DIED. Queen Helen of Rumania, 86. stately Princess of Greece and Denmark whose marriage to the irresponsible King Carol II was the stuff of tragic drama; in Lausanne. Seven years after their wedding in 1921, the strong-willed Queen divorced her recklessly unfaithful husband, and later entered a quiet European exile, declaring: "My life has been a sad one for years, and now I am going out into the dark." Moved by her dignity and grace, Rumanians urged her to resume her royal duties, but thereafter she served only as an unassuming Queen Mother and adviser to her son Michael, who was King for seven years until the 1947 Communist takeover.



- Great for Games . . . Learning . . . Programming
- Instant-Loading Cartridges for Personal Uses
- Easily Expandable Attaches to Your Own TV

Loads of Fun! A TRS-80 Color Computer means action and adventure. Just plug in a Program Pak™, and you're set to play thrilling games like Space Assault, Super Bustout and Mega-Bug!

Educational. The kids can learn to type, sharpen math skills, become an artist, compose music, even improve reading. And our entertaining tutorial manual shows you how to write your own programs with color and sound.

Easy to Use. A TRS-80 Color Computer can solve household problems, too. Set up a family budget, analyze investments, write letters and themes, access the latest news and stock quotes, and much more. You'll never grow tired of a TRS-80 either, because it expands as needs and skills grow.

Sophisticated. Want to create spectacular high-resolution graphics? Then select a Color Computer with Extended BASIC language—also sale-priced at \$100 off!

The Perfect Gift to Give . . . or Get! Save \$100 on the TRS-80 Color Computer of your choice at a Radio Shack Computer Center, store or participating dealer today!

Radio Shaek

The biggest name in little computers™

A DIVISION OF TANDY CORPORATION

Retail prices may vary at individual stores and dealers.

Economy & Business

How Programmers Get Rich

Software designers make big profits but face stiffer competition

46 xciting Career Opportunity: Make thousands or even millions of dollars in a fast-growing new industry by working out of your own home in your spare time." That sounds like one of those inflated advertisements for a job putting on mail-order labels or selling soap products door to door. Actually, it describes the way an eclectic group of individuals has capitalized on the popularity of the personal computer. By having the wit to develop programs that enable the machines to do a variety of tasks that users particularly want or need, stay-at-home software experts, many of them kids, are getting rich.

Les Freed, 29, a former TV technician, wrote a program called Crosstalk at his home in Woodstock, Ga., that allows different kinds of computers to communicate with one another. So far, its sales have reached \$1 million. Jeff Gold of Saratoga, Calif., was only 15 when he created a program in his bedroom that solved the puzzle of Rubik's Cube. A thousand copies were sold before Gold, now 16, came up with a second winner: a program to prevent the theft of other programs. Gold is making \$2,000 a week from the proceeds of both creations, and he recently bought himself a new ZX sports car. Jeff Garbers,

23, of Atlanta, who has a master's degree | velopment of software to in computer science, has already made | independent program-\$25,000 from sales of his electronic appointment calendar, called Time Manager. Says he: "The potential gain in this industry is more substantial than any other I can think of. If you are successful, you can make a comfortable living. If you have something that really makes a big splash, you can make a great deal of money. Basically all you need is a warm place for your computer, and some Pepsis, and you are in business."

Of course, once the author has written his program, he usually has to find a software company willing to mass-produce and market it. The product is most often sold in the form of a floppy plastic disc the size of a 45-r.p.m. record on which the inventor's program is inscribed. All programs, however they are packaged and sold, are known as software. Programs written by independents have become the engine that drives the boom in personal computers. Unit sales of the \$500-to-\$12,000 desktop devices for office or home are expected to reach 1.1 million by the end of this year, according to International Data Corp., a research company. But instead of shopping around for a particular machine made by Atari or Apple, canny consumers are first looking for the programs that will perform the specific tasks they most want done, such as letter writing or financial planning. Then buyers select the brand of computer that can operate that software. This year software sales for personal computers are expected to reach \$590 million, an 82% rise over the past two years. By 1986 sales could reach \$2.2 billion.

Because computer manufacturers frequently have their hands full just building and selling the complex machines, they have often found it easier to leave the de-

\$18,000 Datsun Turbo 280- Computer Whiz Gold and his new sports car

mers. The actual task of writing and perfecting a program takes hundreds of hours and requires particular skills and insights that need not reside exclusively in big corporations. IBM, which produces all its own programs for large Ex-Disc Jockey Mitchell Kapor main-frame computers, Calculations as easy as 1-2-3. established a company

precedent when it decided to encourage outsiders to develop software for its successful Personal Computer.

IBM has received a "substantial number" of submissions from individuals since its computer was introduced in August 1981. Apple Computer Inc. gets 100 every week. For any programmer whose software hits it big, the profits can be enormous. Seymour I. Rubinstein, 48, who wrote WordStar, a program for editing text, notes that while it costs only about \$25 to manufacture his software package, the programs retail for between \$200 and \$500.

The bench mark for success among independent programmers remains the record of Daniel Bricklin, a Harvard Business School graduate, and Robert Frankston, a computer scientist, who created VisiCalc in 1979. With nearly 400,000 copies sold for up to \$495 apiece. VisiCalc, a financial-analysis system for businesses, remains the single bestselling piece of software. Like other successful programmers, Bricklin, 31, and Frankston, 33, have expanded their business well beyond the prototypical home attic where many first get their start. They reinvested the VisiCalc income (more than \$11 million) in their new company, Software Arts, with headquarters in an old chocolate-factory building outside Boston; the number of employees has already grown from the original two to 80. The company's latest program, called TK!-Solver, is designed as a modern "tool kit" for solving mathematical problems like

> those confronted by engieneers and chemists. Says Bricklin: "You can't just start in the garage as easily any more. The price of entry is going up and up because people are expecting so much from these products."

Mitchell Kapor, a onetime Hartford, Conn., disc jockey and instructor of transcendental meditation, also started small. Kapor, 32, ran up \$30,000 in debts while writing two business programs on his own time. After selling the rights to the

programs for \$1.2 million and piling up \$500,000 more in royalties, he raised \$1 million in venture capital to start Lotus Development Corp. in Cambridge, Mass. Its first major product, called 1-2which runs only on IBM machines, is an elaborate business program that combines management information and graphing along with financial-analysis tools. 1-2-3 is expected to become a bestseller when it goes on the market next month at \$495.

As experienced programmers like Kapor step up their output, and personal computers become more sophisticated, competition gets more intense. Apple's new Lisa computer, which will probably be introduced in January, will have many software functions built into the machine. That may limit the market for independent producers. Just as it is no longer possible to start a computer company in a garage, it is becoming harder to get rich writing software in an attic. —By Alexander L. Taylor III.

Reported by Barry Hillenbrand/Boston and Dick Thompson/San Francisco

Scotch, Panasonic, Atari...

& Center Video Center.

Four names worth putting at the top of your list.



Panasonic Top-of-the-Line Color Video Camera

Self-titling character generator with burn resistance tube and slide/negative transfer function. (PV-956)

\$949.00

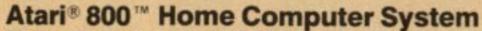




Panasonic Stereo Videocassette Recorder

8 Hour VHS features perfect still frame, picture scan and 14 day programmable function. (PV-1780)

\$949.00



The perfect personal computer for business or pleasure. Programmable for inventory, accounts receivable, billing, mailing lists and stocks & commodities quotations. Easy hook up for display on your TV screen.

\$699.00



Scotch® Videocassettes

The best video tape just got better, with improved, long play performance and longer play life.
Scotch® Video-cassettes...True
Color and Clarity.

CENTER VIDEO CENTER

BUFFALO GROVE (Plaza Verde)
Dundee & Arlington Hts Rd
394 1140

CHICAGO (East) 777 W Diversey (& Halsted) 929 9400

CHICAGO (West) 5565 N Elston Ave 637-1600 CRYSTAL LAKE (Country Corners) 230 So Virginia 815 455 2100

OAK LAWN 4542 W 95th St 636 9600

VILLA PARK (The Courtyard)
Roosevelt & Summit Rds
941.1700

SKOKIE 4953 W Dempster 679 2400

Open Monday thru Friday 11-9, Saturday & Sunday 10-5 Chicago (West) Open Monday thru Friday 9-5

We will beat any bona fide dealers quote

FINANCING AVAILABLE NO MONEY DOWN

All sale items cash & carry, while supplies last