

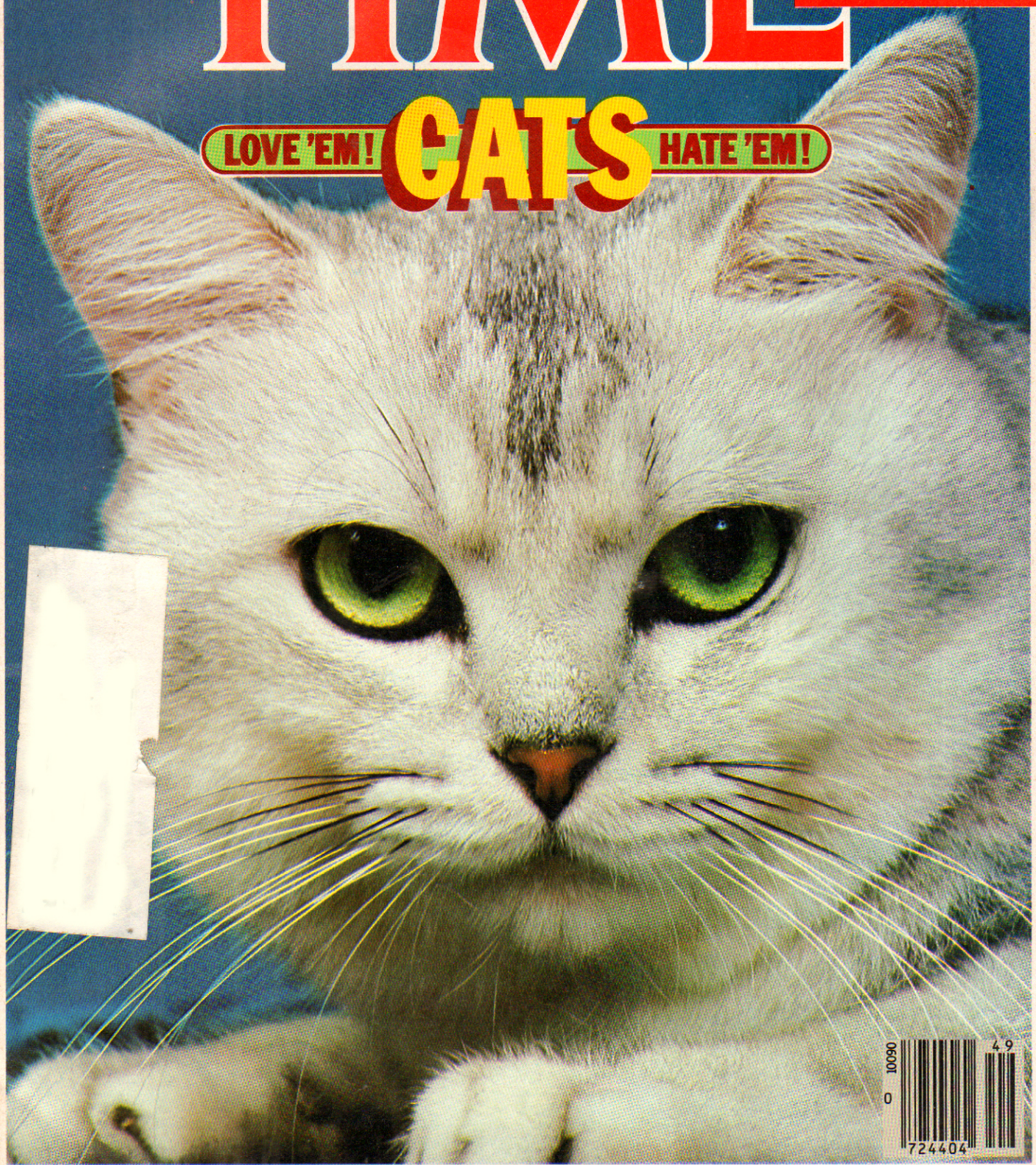
DECEMBER 7, 1981

\$1.50

# TIME

**VETO**  
Reagan's Risky  
Victory

LOVE 'EM! **CATS** HATE 'EM!



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## A Letter from the Publisher

As a boy, TIME Associate Editor J.D. Reed was indifferent to cats. Recalls he: "For a lot of men, cats are an acquired taste, like eating snails. A boy growing up in the Midwest wants a dog. It's a macho thing." Later in life, though, Reed's attitudes softened enough for him to work at writing poetry in a study shared with two Siamese cats—Emily and Hilda, named after Poets Emily Dickinson and Hilda Doolittle. That blend of interest in the literary and the feline eminently qualified Reed to write this issue's cover story on America's love-hate relationship with cats.

Appropriately enough, given the history of mutual suspicion between human beings and felines, an informal poll of staffers who worked on the story reveals a roughly even split between cat defenders and detractors. "Cats are more photogenic than dogs," says Photographer Neil Leifer, who took the cover photo and five other pictures for the story, "but I'm much more a dog person." Leifer owns two dogs, a Hungarian sheep dog and a golden retriever, and has no plans to inflict a cat on them. Rosemarie Tauris, one of the story's reporter-researchers, has no pets at present, but once was the happy owner of an alley cat named Fritz. She con-

fesses to "a love for the cuddliness, the softness of cats." Reporter-Researcher Georgia Harbison, who contributed much of the reporting for the cover, provides a home for Victoria, a ten-year-old Persian Angora with silky white hair and green eyes. Fond though she is of Victoria, Harbison stops short of a blanket endorsement of the whole species. Says she: "Victoria is not like a lot of other cats. She is extremely affectionate, and she'll flirt with strangers because she wants to be petted." Any such offerings of affection are wasted on Senior Editor William F. Ewald, who edited the story. Says Ewald: "The only animals I like are the edible ones."



Dowd with friend



Harbison and her Angora, Victoria

Correspondent Maureen Dowd, who joined TIME's staff last September from the Washington *Star*, and who was working on her first cover story, found the subject beguiling and familiar. She grew up in Washington with five cats who produced 25 kittens. Though she proposed such dignified names as Princess and Napoleon for the kittens, her older brothers and sister insisted on calling all of them J. Fred Muggs, after NBC's famous chimpanzee. Sums up Dowd: "After years of covering public officials, I found cats a pleasant relief. Cats are every bit as narcissistic as politicians, but, happily, they are much less talkative."

John A. Meyers

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Cover: Photograph of Champion Rubaiyat Jiggs, Shaded Silver American Short Hair, by Neil Leifer



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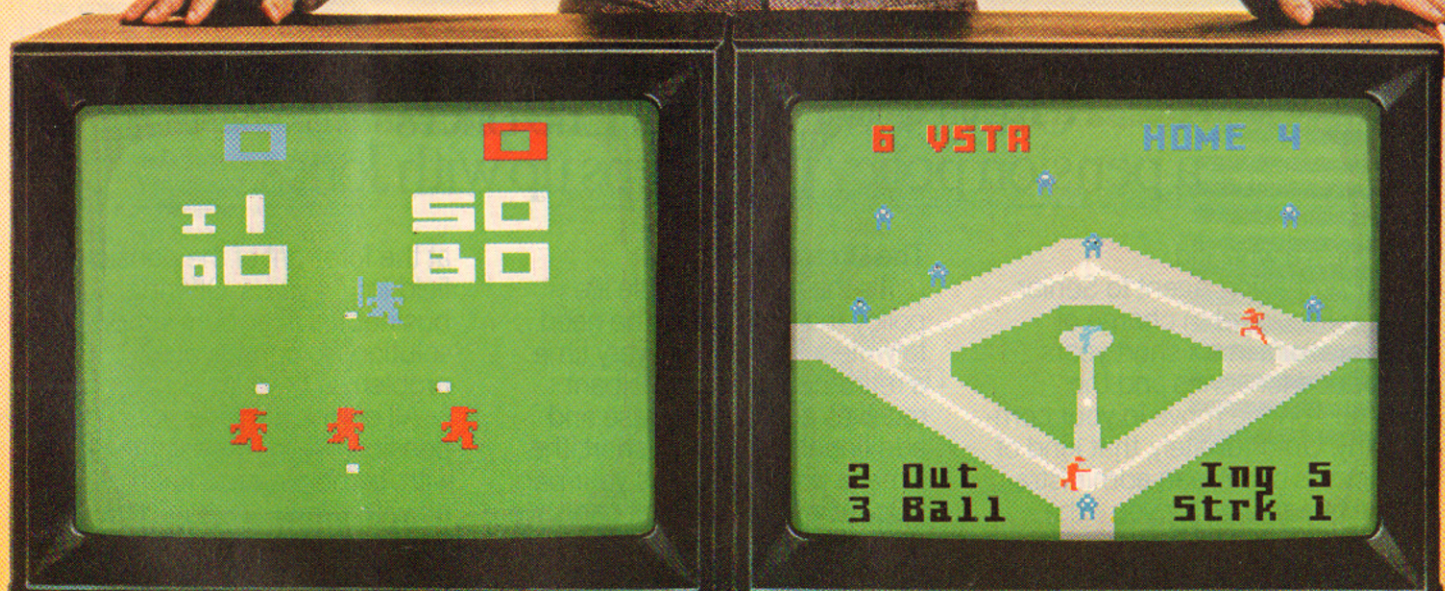
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# Two pictures are worth

*Atari vs. Intellivision?  
Nothing I could say would be more  
persuasive than what your own  
two eyes will tell you. But I can't  
resist telling you more.*

*— George Plimpton —*



**ATARI**  
HOME RUN™ BASEBALL

**INTELLIVISION**  
MAJOR LEAGUE BASEBALL™

# a thousand words.

It's obvious how much more realistic Intellivision graphics are. But take a closer look. Notice the Intellivision players. They've got arms and legs like real players do. Look at the field. It actually looks more like a real baseball field. If you compare the two games, I think you'll find that Intellivision looks a lot more like the real thing.



Atari Casino™ No dealer.



Intellivision Las Vegas Poker & Blackjack. You play cards with a shifty-eyed dealer.

## More about action

You can see how much more realistic Intellivision looks. What we can't show you here is how much more realistically it moves. If you could compare the two, I think you'd see that Intellivision has smoother and more life-like movement than Atari.



Atari Pelé's Championship Soccer™ players



Intellivision NASL Soccer™\* players

## More about control

If you've ever played a video game, you know how important control is. And if you held these two control units in your hand, you'd know Intellivision gives you more. The Atari hand controller offers only 8 positions and one button. The Intellivision hand controller has 16 positions and 4 buttons. So Intellivision allows



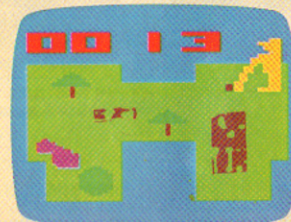
ATARI JOY STICK HAND CONTROLLER

INTELLIVISION HAND CONTROLLER

you to maneuver players and objects in more directions with greater precision and accuracy. And the Intellivision controller is compatible with the entire library. With Atari, some games require the purchase of additional control units.

## More about challenge

You can't see it here, but I have found that in many of the Atari programs, the game play is rather simplistic. With Intellivision, the game play is more sophisticated. And that makes Intellivision more challenging. With Intellivision PGA Golf for instance, you get nine different clubs to choose from. With Atari Golf, you have to make do with just one club. Greater attention to detail is a quality I have found in all of the Intellivision games. Making them more realistic. And more challenging.



Atari Golf



Intellivision PGA Golf™\*

## More about libraries

Both Intellivision and Atari have large libraries. But there really isn't any way you can tell which library is better, until you play with both. Once you compare the two systems for challenge, sophistication and continued interest, I'm confident you'll choose Intellivision. But don't just take my word for it. Visit your local dealer and decide for yourself.



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# A Computer Whiz Short-Circuits

*Products fizzle and profits plummet at Texas Instruments*

During the 1970s, Texas Instruments was a shining star of American technology. The Dallas-based electronics giant became the world's leading producer of semiconductors, calculators and digital watches. Its annual sales quintupled to \$4 billion by 1980. More than any other U.S. company, TI was admired by industry analysts as an innovative, aggressive outfit that was up to the challenge of beating the Japanese at one of their best games: consumer electronics.

But now TI's glow is fading like the flickering display on a calculator with dying batteries. The firm's profits are down 55% for the first 9 months of this year. It has laid off 2,800 employees, or 3% of its work force. The price of its stock has plunged 50%, from \$150 to \$75. TI's once dominant share of the calculator market is being squeezed on the high-priced end by Hewlett-Packard, while the Japanese have cornered sales of economy models. Its attempt to break into the home-computer business has been disastrous. As for digital watches, TI was unable to match the Japanese marketing blitz and abandoned the field altogether.

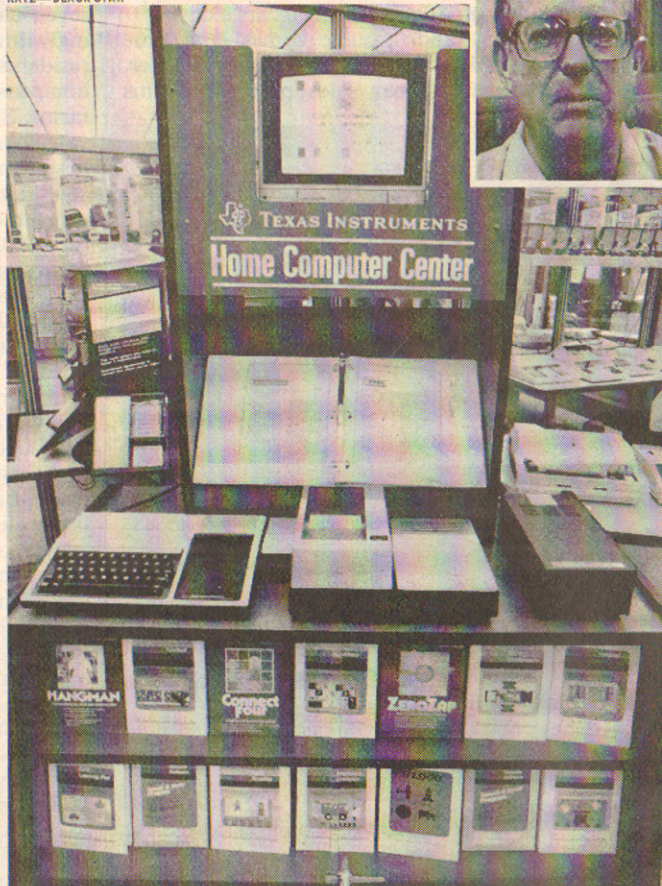
TI remains the leading producer of semiconductor chips, those tiny silicon-based flakes that are the all-important components of computer circuitry. But profits from this bread-and-butter portion of the company's business are being pummeled by an economic slump in the U.S. and Europe. Because demand for computer parts has dropped sharply, the entire microchip industry is suffering from serious overcapacity that has resulted in fierce price-cutting competition.

To make matters worse, Japanese companies, including Hitachi, Nippon Electric and Fujitsu, are charging headlong at TI's semiconductor supremacy. They have already captured about 70% of the market for one new advanced chip, the 64K RAM (for random access memory), which can store 65,536 separate bits of information and is expected to become one of the most widely used pieces of computer hardware. TI last summer abandoned another information-storage technology, called the magnetic bubble memory, because it never caught on with enough computer makers. The company had invested more than \$50 million to develop the bubble memory. Despite these setbacks, TI is ahead of the Japanese in the sale of microprocessors,

chips that can perform computations.

While TI still leads the semiconductor race, the firm has staggered badly in its efforts to sell products to consumers and small businesses. Its research and development prowess remains unsurpassed, but its marketing strategies have repeatedly failed. TI's entry into the personal-computer business is a prime example. The dominant companies in that market, including

KATZ—BLACK STAR



TI electronics store in Dallas. Inset: President J. Fred Bucy  
*Fading like a flickering calculator with dying batteries.*

Apple and Tandy, aimed their machines at business professionals who take complicated work home or at skilled hobbyists who seek a versatile living-room computer. TI, in contrast, targeted the ordinary American family for its model 99/4. The machine can play games, teach children vocabulary or keep track of household finances. Yet it was a flop in the marketplace because the price of more than \$1,000 was too expensive for most families, while computer buffs considered the product too unsophisticated. Observes Bill Meserve, a computer analyst with the Arthur D. Little consulting firm: "The 99/4 was neither fish nor fowl."

TI has also earned a reputation for

pushing its own innovations rather than listening to the echoes it hears in the marketplace. Says John J. McDonald, president of the American subsidiary of Casio, a Japanese electronics firm: "When a buyer wants chocolate ice cream, you give him chocolate. But TI tells him why he really wants vanilla." Two months ago, TI introduced a line of desk-top computers for small businesses. Electronics experts were surprised to learn that the new models were not designed to use a popular computer-operating system called CP/M that provides the basis for many of the leading software programs. Instead, TI has developed alternative programs. Analyst Jean Yates of Gnostic Concepts, a California-based market-research firm specializing in electronics, labels this strategy a "basic, critical mistake." Some industry experts believe that TI deliberately chose to disregard CP/M simply because the company did not write the programs and does not sell them.

Such a maverick corporate style has long been a tradition at TI. The company has prided itself on being an industry leader rather than a follower. Its scientists and engineers work grueling hours, urged on by demanding managers, to beat the competition to a breakthrough. A leading electronics analyst calls the TI style "management by fear." A former company executive says that the firm's leadership, from President J. Fred Bucy on down, is too rigid and hurts employee morale.

Nonetheless, the creative tension at TI, without question, has sparked a long string of impressive achievements. The firm has had overwhelming success with the invention of a "talking" computer chip used in its Speak & Spell and other similar learning aids for children. Besides its pace setting research in semiconductors, TI has developed a series of state-of-the-art radar and missile-guidance systems for the U.S. military. As the Reagan Administration's planned defense buildup gathers force, these technologies could become huge moneymakers.

Rather than rest on its semiconductor strength, the company is determined to revive its ailing consumer business. Some industry analysts believe that TI is finally beginning to recognize the importance of developing marketing expertise to match its technological verve. Solving its problems will take time, but the firm is building its future on a sturdy financial and scientific base.

—By Charles Alexander.  
Reported by Sam Allis/Dallas



The Hungarian puzzle has spawned a profitable array of sequels, spin-offs and solution guides

## Rubikmania

### Chips off the old cube

Worldwide sales of the original Rubik's Cube, the six-sided brainteaser invented by Ernő Rubik, a Hungarian professor of architecture, have now passed the 10 million mark. Moreover, the perplexing puzzle has spawned a bountiful and profitable array of sequels, spin-offs and solution manuals that is turning into a minor industry.

In Britain, for example, the royal wedding inspired an imitation cube that shows the Union Jack on four sides and the likenesses of Prince Charles and Diana, Princess of Wales, on the other two. Because of its pictures, the royal cube is even tougher to solve than its Hungarian predecessor. While Rubik's Cube has a mere 43.2 quintillion (432 followed by 17 zeros) possible arrangements, the new British version has 88.6 sextillion (886 followed by 20 zeros) permutations.

Rubik also has come out with Son of Cube, a three-dimensional twister called the Magic Snake, which can assume the shape of a swan, saxophone or steamroller. F.A.O. Schwarz, New York City's premier toy store, sold out its initial shipment of 864 Snakes in a week. Copy-cubers have devised multicolored variations of Rubik's baffle in the shape of pyramids, octagons and cylinders. A new puzzle marketed in France called the Tower of Babel has sold 600,000 copies in three months at a price of about \$12.

In publishing circles, the cubists are hotter than Harold Robbins. With 6 million copies in print, *The Simple Solution to Rubik's Cube*, a 64-page booklet written by Stanford Chemist James Nourse, has become the fastest-selling title in the history of Bantam Books, outpacing *Jaws* and *Valley of the Dolls*. Buoyed by the acute aggravation of frustrated cube twiddlers, Nourse's book has topped bestseller lists in the U.S. and around the world from New Zealand to Nigeria. Says John May, managing director of George's Booksell-

ers in Bristol, England: "The cube phenomenon is the biggest thing of its kind we have ever experienced. Books on the cube are selling like mad." Even august Cambridge University Press has entered the field with *Conquer That Cube*.

Penguin Books has sold 1.2 million copies of *You Can Do the Cube*, by Patrick Bossert, a 13-year-old London schoolboy. It has also been translated into half a dozen languages, including Dutch, German, Portuguese and Japanese. Among other tips, Bossert advises that a little Vaseline strategically applied to the inside of a cube will make its parts rotate faster. He can unscramble a lubed cube in 45 seconds. His royalties so far have totaled more than \$100,000, but his father plans to salt most of that money away for his son's education and other future needs. Still, classmates at his Richmond school often greet the boy with the plea, "Can you lend me a fiver?" Bossert has just diversified his fledgling business by taping a half-hour video cassette that demonstrates his cube-twirling technique.

Inevitably, the popularity of Rubik's Cube has encouraged rip-offs as well as spin-offs. Counterfeit versions are available on street corners in some American cities for far less than the normal \$5 to \$10 price. Ideal Toy Corp., which holds the U.S. distribution rights of Rubik's brainteaser, has sued more than 20 American companies for importing fake cubes from such places as Taiwan and Hong Kong.

The beginnings of a cube backlash, though, are already apparent. Ballantine Books has published *Not Another Cube Book*, an anticube treatise that tells readers "How to Live with a Cubaholic" and "How to Kick the Habit." Entrepreneurs Steven and Roger Hill of Menlo Park, Calif., have produced what they call "the ultimate solution": the Cube Smasher, a plastic paddle guaranteed to pound the puzzle to bits. So far they have sold 100,000. Those who resort to the Cube Smasher may also be interested in a paperback released this month by Tor Books. Its title: *101 Uses for a Dead Cube*.

## Lending an Ear

### Companies seek complaints

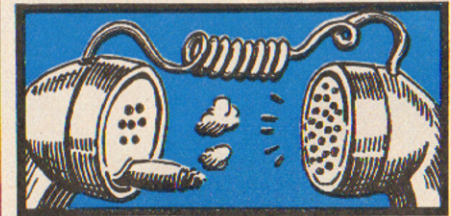
The 19th century robber barons would be speechless. Instead of turning a deaf ear to their workers' concerns, a growing number of corporations are urging employees to get things off their chests by going directly to the boss on hot lines or through the mail. Firms have devised programs with catchy names such as Expressline, Speak Up! and Open Door that guarantee confidentiality and offer assurances of action on valid complaints.

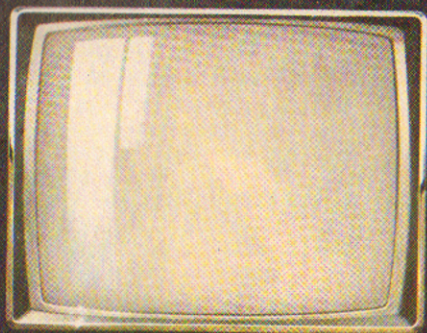
One of the latest corporations to join this movement is American Express. The giant financial and travel company has begun offering a program called Expressline to the 4,000 employees at its headquarters in Manhattan. Users write their queries on special forms and mail them to an outside post office box in self-addressed, postage-paid envelopes. A personnel department worker then retypes all questions and replaces senders' names with codes, unless a questioner wishes to be known. Management promises that a reply will be made in every case within ten days by the responsible person, including the company chairman.

American Express received 80 Expressline questions in the first eight days of the program. The most common query: could the Dec. 28 payday be moved up to Dec. 24? The company has now changed the date.

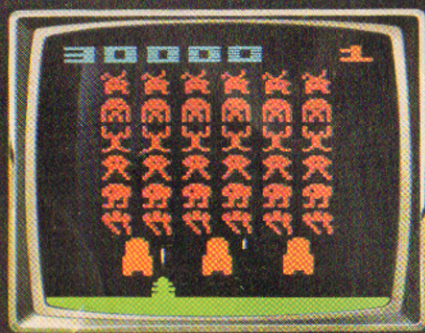
One of the models for Expressline was IBM's Speak Up! The computer company installed the system to handle minor administrative problems such as heating and parking. The program has generated an average of 13,000 letters annually in the past two years from IBM's 195,000 U.S. employees. About 70% of the questions are fielded by the personnel department. Says Walton E. Burdick, vice president of personnel: "The tone of the queries ranges all over the lot. Some are testy, but most are not." Another IBM program, called Open Door, encourages face-to-face meetings between executives and employees with something on their minds.

The trend toward greater openness is generally applauded by students of corporate behavior. Says Margaret K. Chandler, a professor at Columbia's business school: "Anything that convinces people that they have a right to speak out is all to the good." She believes that growing company interest in employee problems is part of the general concern for ways to improve productivity.

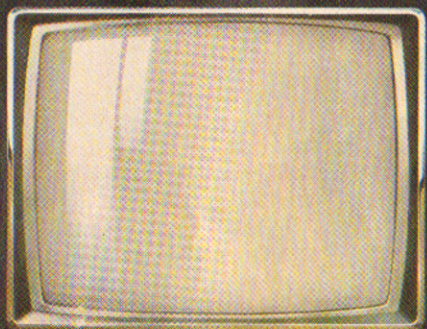




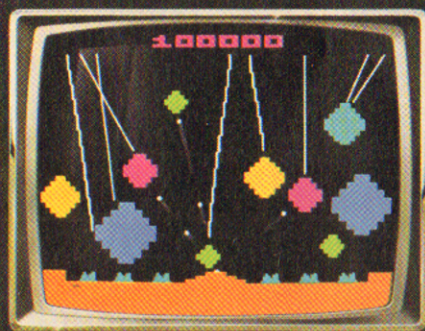
ALL OTHERS



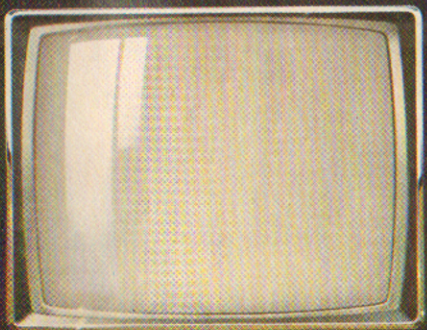
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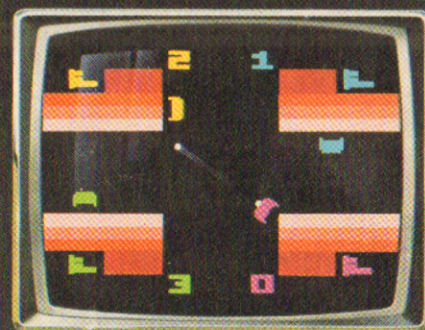
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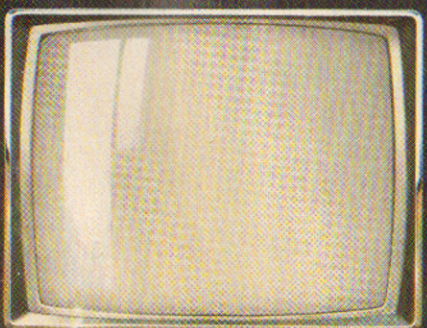
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judging by its current success in the arcades, ATARI Pac Man\*\* is slated for the same next year.



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