The current economic crisis has caused retirees of the University of California Retirement Plan (UCRP) to question its stability and long term viability. While there is no apparent danger of any current retiree or member of the plan suffering a loss or reduction in benefits, it is clear the Trustees of the UCRP, the Board of Regents, will be making changes, particularly in terms of member and University contributions. This article will describe the current financial status of UCRP, some of the issues the Regents and the University will need to address to ensure its future, and the implications for UC retirees.

Since the early 1990s, the UCRP has been contribution free to both the University and plan members. This 18-year “contribution holiday” is a result of strong investment returns that resulted in an over-funded plan and a desire on the part of the University to use funds that would normally be contributed to the UCRP to be utilized for other purposes. In 1991 the UCRP was 150% funded with an actuarial value of assets of $12.9 billion and actuarial accrued liabilities of $8.6 billion. At the end of last fiscal year, June 30, 2008, the plan was still over-funded with actuarial assets of $43.8 billion and actuarial accrued liabilities of $42.6 billion or a funded ratio of 103%. During the “contribution holiday,” plan assets were used to pay retiree benefits as well as costs associated with three early retirement plans and seven Capital Accumulation Payments (distribution of a portion of surplus plan assets to members).

The market value of the UCRP on June 30, 2008 was $42.0 billion, down 5.6% from the June 30, 2007 balance. The variance in the market value of assets and the actuarial value of assets is the result of a smoothing methodology employed by the actuary to remove short term fluctuations in market value to produce a more even pattern of contributions. This is a commonly accepted practice in defined benefit retirement plans.

As of October 31, 2008 the UCRP market value of assets had declined to $31.74 billion or a loss of 22.70% for the current fiscal year. However, the actual impact of the current economic situation will not be known until the end of the current fiscal year and the June 30, 2009 actuarial study is completed in the fall of 2009. It is important to understand that the market value of assets is just one piece of a complex actuarial picture. As I will explain in more detail, public pension plans such as the UCRP do not use market value of assets to calculate contribution rates. Other variables, such as inflation, disability termination, mortality, and salary rates may to some extent offset negative investment returns.

So, what does all of this mean to those of us who are current retirees and can we expect any changes in the future? First, the funds held by the Trustees, the Board of Regents, are in trust for the benefit of the members of the plan. With over $30 billion of current assets there is every assurance that all of us and our beneficiaries will continue to enjoy the monthly deposits to our bank accounts. Benefits provided by UCRP are not affected by gains or losses in plan assets. UCRP is required to pay out vested benefits according to the established formula (generally based on age, service credit, and salary) regardless of investment returns. Under Federal law, the assets of the plan can only

Continued on p.2 →
be used for the exclusive benefit of Plan members, retirees, beneficiaries, and plan administrative expenses. UCRP invests for the long term, and short-term ups and downs are expected— even as dramatic as the current downturn. Over the long haul, the UCRP has had very good investment results and we all benefited from those results over the eighteen years of zero contributions, early retirement incentives, capital accumulation distributions, and cost of living adjustments to our retirement benefits. As a retiree I am very optimistic about the future of the UCRP and have every confidence that current and future retirees and beneficiaries will receive their hard-earned pensions.

What about the future of UCRP? When the Regents approved the cessation of contributions to the UCRP it was assumed contributions would restart at some point in the future. The mandatory 2-4% contributions by faculty and staff into a defined contribution plan were in part designed to soften the effect of restarting contribution to the UCRP when necessary. Given the sizable increases in faculty and staff over the last decade and a half, it is a tribute to the investment success and the efficiency of the plan administration that the contribution holiday has lasted this long. At the end of the 1991-92 fiscal year there were 92,479 active and 15,058 inactive members of the UCRP and by the end of the 2006-07 fiscal year the number had grown to 118,885 active and 59,056 inactive members. Anyone hired over the last eighteen years has the benefits of the retirement plan without making a contribution. In a recent memorandum to UC faculty and staff, President Mark Yudof noted that “nearly 80% of the current UC workforce had not contributed a single dollar to their individual UCRP accounts from which their future guaranteed benefit payments will be drawn.” President Yudof went on to state, “At the same time it is clear there are many long-term challenges regarding UCRP, and it is critical that we continue to evaluate options for achieving two equally important goals: keeping the Plan financially sound and offering retirement benefits that help to attract and retain the caliber of personnel needed to maintain UC’s quality and competitiveness.”

As early as the late nineties there was consideration of restarting contributions to the retirement plan. Although the plan was still over-funded by a significant margin, it was believed prudent to put a plan in place to deal with the inevitable need to contribute. In particular, it would be better to initiate such a plan in good times, when salaries were rising, rather than trying to implement it when it became a necessity and times might not be so good— like the current time. However, there was little support for such an approach because it would require the allocation of state and other resources from program needs at a time when the university was increasing enrollments. That plan, similar to what is now being proposed, would have redirected the contributions from the defined contribution plan into the defined benefit plan and over time ramped up both the employee and employer contributions to meet the normal cost of the plan. The “normal cost” of the plan is defined as the cost allocated under the Actuarial Cost Method to each year of active member service. For the 2009-10 fiscal year, the actuary has calculated a normal cost of 16.91% of the payroll of plan members but recommended a contribution rate of 11.61%. The lower rate reflects the fact that the plan had a surplus in the 2007-08 fiscal year, the year utilized for the actuarial study, and that the surplus be amortized to reduce the normal cost for the 2009-10 fiscal year.

In March of 2006, the Regents approved several changes intended to ensure UCRP’s long-term financial stability. Those changes included a targeted funding level of 100% over the long term, University and member contributions at rates necessary to maintain that 100% level with a range of 95 to 110%, and a multi-year contribution strategy under which contribution rates will increase gradually over time to meet the normal cost (at the time 16%). The Regents also advocated but delayed restarting contributions in fiscal 2007-08 because of funding and collective bargaining considerations.

At its November 2008 meeting, the Board of Regents received the report of the University’s actuary which recommended the restart of contributions in 2009-10. The Board accepted the report but deferred any action until a future meeting. It is assumed that sometime in the near future the Board will take action to resume both employee and employer contributions in 2009-10. It is my assumption that the restart of contributions will be ramped up over time with the initial employee contributions coming from a redirection of mandatory contributions now going into the UC Defined Contribution Plan. I also assume that the contribution approach will be a sharing of contributions between the employee and the University similar to what was done in the past and the current practice with CalPERS. President Yudof in his recent communication with UC faculty and staff indicated that before any action was taken there would be extensive consultation with members of the University Community including the Academic Council, the campuses and medical centers, emeriti and retirees, and the unions. Obviously, the restart of contributions will have an impact on the University’s many fund sources including the State of California budget, the UC medical centers, self-supporting entities like food service and housing, and our federal and private contracts and grants. Given the current economic times this presents a significant challenge for the University, but one that must be faced.

A few comments are in order concerning the fiduciary responsibility for the UCRP. As many of you are aware, there has been an attempt to take away from the Board of Regents the fiduciary responsibility for the retirement plan. The University has had a retirement plan since 1904 with the current UCRP established in 1961. Over the years the plan evolved to include provisions for basic retirement with four payment options, disability benefits, death benefits, pre-retirement survivor benefits, and
to amend Article IX of the Constitution of California relating to the University by adding a Section 10 concerning the retirement and health benefits. The Legislative Counsel’s Digest regarding the bill states the following: “This measure would create a board of trustees to govern the provisions of the retirement plan benefits to employees or retirees of the University of California and any trust or similar arrangement established by the University of California to fund post-employment health benefits. The measure would prescribe the composition of the board of trustees. The measure would require that meetings of the boards of trustees be public, subject to exceptions and notice requirements that by statute apply to meetings of the Regents of the University of California. The measure would specify that other constitutional provisions relating to the retirement boards of public pension systems apply to the board of trustees. The measure would also provide that retirement plan benefits, and post-employment benefit programs would also be subject to requirement enacted by the statue.”

The resolution mandated a thirteen-member board of trustees including three members appointed by the Regents, three ex officio members (the Lieutenant Governor, the Speaker of the assembly, the Superintendent of Public Instruction), an elected retiree, three elected active faculty or staff members, one elected academic senate member, one elected nonacademic member, and one elected representative of collective bargaining units. So what is wrong with this picture? For starters it seems that this approach would indeed throw the retirement system into the political arena, with a majority of the board potentially having conflicts of interest as either beneficiaries of the system or because of political considerations. Second, the current UCRP under the auspices of the Regents has had unprecedented results, with more than twenty years of overfunding and a contribution-free system for eighteen of those years. This has been achieved at a very low cost in plan administration and investment expenses. A new board would have to set up an extensive administrative structure and investment team to manage the billions of dollars of assets. This is already being done efficiently by the current UC structure. Third, the UCRP has been instrumental in UC’s success in recruiting and retaining the very best faculty and staff. Fourth, the faculty and staff do have a voice in the retirement plan through the University of California Retirement Plan Advisory Board which the University is proposing be changed to include a union represented employee. Finally, the University is a constitutional entity by design and has enjoyed great success as a result. The removal of the UCRP from the control of the Regents can only be a first step in potential future erosion of UC’s autonomy.

ACA5 was passed out of committee in the state Assembly, but there were not sufficient votes to bring it to a vote before the full Assembly. With the University apparently moving ahead to add an additional person to the UCRP Advisory Board representing organized labor, it is hopeful that this will not come up at the next session of the legislature.

One final thought: While I have great confidence in the UCRP I am less confident that over the long haul the UC retiree health care benefits will be available as currently structured. Unlike the UCRP retiree health benefits are on a pay-as-you-go funding arrangement. The accrued liability for current and future retiree and beneficiaries was $13.3 billion as of July 1, 2008. The pay-as-you-go cost in 2008-09 is projected at $225 million increasing to $609 million over the next decade. Perhaps this is a subject for a future article.

Emeriti Website
The UCSD Emeriti Association maintains a website: http://emeriti.ucsd.edu
Clicking the NEWS, PROGRAMS & MEETINGS button will allow you to view past issues of this newsletter. The website also provides the constitution and by-laws, lists of members, and minutes of meetings.
JOSEPH NEEDHAM: BIOCHEMIST, POLITICAL RADICAL, AND CHRONICLER OF CHINESE SCIENCE AND CIVILIZATION


By Chalmers Johnson
Professor Emeritus of International Relations

In the autumn of 1955, after two years in East Asia in the Navy, I returned to Berkeley to work for a Ph.D. in Asian Studies. I enrolled in the first of Joseph Levenson’s courses on the history of China. Among the many books he assigned for graduate students was one just published the year before. It was the first volume of Joseph Needham’s incomparable Science and Civilization in China, which has grown today to some twenty-four volumes, the first seventeen of which were written by Needham (1900-1995) or published under his direct supervision by Cambridge University Press. In Winchester’s engrossing and insightful biography of Needham, he makes a compelling case that Needham was “the foremost student of China in the entire Western world” and that Science and Civilization is “among the greatest intellectual accomplishments of all time.”

Well before becoming interested in China, Needham had established his reputation as one of England’s most distinguished biochemists. His three major scientific books – Chemical Embryology, 3 vols., 1931; A History of Embryology, 1934; and Biochemistry and Morphogenesis, 1939 – led in 1941 to his election as a fellow of the Royal Society, which is, according to Winchester, “arguably the greatest scientific distinction short of a Nobel Prize.” From 1918 until his death, Needham was first a student, then a fellow, and finally and astonishingly, given his politics (discussed below), the Master (1965-1975) of Caius College of Cambridge University.

In addition to his intellectual achievements, Needham was a biographer’s dream. He was, as they say at Cambridge, an eccentric. He was, among other things, a passionate and practicing gymnosophist (i.e., a nudist), an accordion player, a railroad buff, an enthusiastic folk dancer, a “man of the far, far left” politically from before the Bolshevik Revolution to the end of his life, without ever becoming a member of any communist party, and a chain-smoking churchgoer and preacher. He also loved language tutor, and after Dorothy Needham’s death in 1987, Needham’s wife, Dorothy, who was also a distinguished biochemist. This was Lu Gwei-djen (1904-1991), who very quickly became Needham’s mistress, his lifelong intellectual companion, co-editor of Science and Civilization, Needham’s personal Chinese language tutor, and after Dorothy Needham’s death in 1987, Needham’s wife for the last four years of her life. Joseph and Dorothy Needham were a distinctly modern couple with an “open marriage.” As Needham and Lu fell obviously in love in the fall of 1937, Dorothy “decided to accept the affair in a spirit of intellectually tolerant and fashionably left-wing complaisance.” All three remained close friends and colleagues for the rest of their lives, living close to each other on the same street in Cambridge.

Learning of Needham’s interest in China and his growing fluency in the language, in 1942, the British government sent Needham on a mission to unoccupied, Nationalist China to see what could be done to assist Chinese scientists and researchers. Japanese invaders had driven them from their universities on the coast, and they were trying to work under improvised conditions in the interior. He arrived in Chungking, the wartime capital, on February 24, 1943, as the fully accredited head of a new body called the “Sino-British Scientific Cooperation Office” and remained in China until March 1946. During that time he undertook eleven full-fledged expeditions, logging around 30,000 miles. The longest and most strenuous, from August to December 1943, was to Dunhuang in Chinese Turkestan, the site of some 400 caves and grottoes built in the Tang Dynasty (618-907 AD) by scholars and pilgrims from India bringing Buddhism to China. Earlier explorers had discovered at this desert oasis a “Diamond Sutra,” dated 868 AD, the “oldest dated printed book in history.”

This assignment to wartime China was indispensable for Needham’s life work. By the time he arrived he had already formulated in his mind the master questions that inform all of Science and Civilization. As Lu Gwei-djen later wrote, “The more he got to know us [Chinese], the more exactly like himself in scientific grasp and intellectual penetration he found us to be; and this led his inquisitive mind to wonder why therefore had modern science [from approximately 1500 AD on] originated only in the western world? Much later
on, after he and I had started investigating Chinese history, a second question presented itself: namely why, during the previous fourteen centuries, had China been so much more successful than Europe in acquiring knowledge of natural phenomena, and using it for human benefit?” En route to China in 1943, on the campus of Yunnan University in Kunming, he recorded the first of thousands of empirical observations that went into the books. This was that Chinese gardeners made grafts on plum trees very differently from the way English gardeners do and that the Chinese techniques were quite ancient.

Back in his rooms at Caius after the war, having been given a contract for Science and Civilization by Cambridge University Press and exempted from all teaching to work on it, Needham and a few close Chinese colleagues wrote the first volume. It was published August 14, 1954, and came very close to disaster because of the political furor that had by then engulfed Needham. He had been invited by the Chinese Communists to lead an “unbiased scientific inquiry” into Soviet and Chinese charges that the Americans in the Korean War had used biological weapons on Manchurian and North Chinese villages. Needham, who had been a close personal friend of Chinese Premier Zhou Enlai since their Chungking days, readily complied. On September 15, 1952, Needham’s commission of some sixty biological specialists (twenty-three with American Ph.D.s) issued their 665-page report charging the American military with germ warfare.

Needham’s university colleagues, the American and British governments, all the newspapers, intellectuals and pundits of the Cold War, and civic leaders from all walks of life attacked Needham with savage fury. As Winchester puts it “The establishment turned its guns on him as only the British establishment can do . . . Needham was intellectually in love with communism, and yet communist spymasters and agents, it turned out, had pitilessly duped him.” In 1998, the Cold War History Project of the Carnegie Institution began publishing secret documents from the Soviet Union that became available only after the USSR’s collapse. They revealed that Soviet agents had seeded dangerous toxins into all the sites from the Soviet Union that became the American and British governments, all the newspapers, intellectuals and pundits of the Cold War, and civic leaders from all walks of life attacked Needham with savage fury. As Winchester puts it “The establishment turned its guns on him as only the British establishment can do . . . Needham was intellectually in love with communism, and yet communist spymasters and agents, it turned out, had pitilessly duped him.” In 1998, the Cold War History Project of the Carnegie Institution began publishing secret documents from the Soviet Union that became available only after the USSR’s collapse. They revealed that Soviet agents had seeded dangerous toxins into all the sites in Manchuria that Needham and his colleagues investigated.

Needham ultimately recovered from this debacle only because of the rapturous reception of Science and Civilization in China. The books were said to be “perhaps the greatest single act of historical synthesis and intercultural communication ever attempted by one man” and Needham was compared with Bacon, Gibbon, and Darwin. Kenneth Rexroth, the American poet and essayist, declared in The Nation that “the second volume is about the best guide to Chinese philosophy in English, or for that matter in any language, including the Chinese.” Needham ended his life as the only living Englishman who was entitled to put after his name the initials CH, FRS, and FBA: the Companionship of Honour, “the most exclusive of British awards” given to him by the Queen in 1992, Fellow of the Royal Society, and Fellow of the British Academy. The Chinese honor him as much as the British.


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Nominations Sought for Dickson Professorships

The Awards Committee of the UCSD Emeriti Association invites your nomination(s) of retired faculty members for an Edward A. Dickson Emeritus Professorship, set up with the proceeds of an endowment by a Regent of the University and awarded annually at each of the campuses in the UC system. The amount of the award is $10,000, which is to reward and support the continued service of the awardee on behalf of the UCSD campus and/or community outreach.

Service is defined broadly and includes contributions to student or faculty development, to community outreach, or to projects established by the Emeriti Association.

Professors Kurt Benirschke and Sandy Lakoff were the 2008 recipients of this award. One or two Dickson awards will be made in June, 2009. The campus Emeriti Awards Committee solicits your nominations of an individual for this award and encourages self-nominations. The recommendation(s) of the Awards Committee will be reviewed by the Emeriti Executive Committee and then forwarded to the Vice Chancellor for Academic Affairs for approval and the appointment of the selected individual as an Edward A. Dickson Emeritus Professor. Please submit one or more names, with an explanatory letter, to the Emeriti Association Awards Committee c/o Suzan Cioffi, Director, Retirement Resource Center, 9500 Gilman Dr. Dept. 0020. Submissions are due by March 15, 2009.

– Donald Helinski, for the Awards Committee

How Science Came to La Jolla

Former UCSD chancellor and UC President Richard Atkinson, and Emeritus professor of Biology Jonathan Singer will participate in the first of a three-part lecture series sponsored by the La Jolla Historical Society on Tuesday, January 20, at 7:00 pm at St. James Hall, 7776 Eads Avenue, in La Jolla.

“The Beginnings of UCLJ – Soon to Become UCSD” will explore the vision and persuasion of Roger Revelle, including his interaction with the UC Regents, the City of San Diego, and John Jay Hopkins of General Atomic. Professor Singer will provide insights into early faculty recruitment, department development, and the design of undergraduate curriculum. A half-hour question and comment period will follow the presentation. The program, sponsored by a grant from the Ray Thomas Edwards Foundation, will be videotaped, transcribed, and become part of the oral history collection of the La Jolla Historical Society.

Subsequent lectures in the series “The Emergence of Pioneering Scientific Institutions in La Jolla” will be presented by Professors Suzanne Bourgeois and Walter Eckhart of the Salk Institute on February 17 and by Drs. Charles Cochrane and Michael Oldstone of the Scripps Research Institute on March 17.

The lectures are open to the public and are free to members of the La Jolla Historical Society. The fee for non-members is $15/lecture or $40/the series. For reservations, please e-mail Kristina Gibbons, LHJS Office Manager at kgibbons@lajollahistory.org. For additional information, please call lecture series organizer Connie Branscomb at 858-454-6871.
Ethics and Economics in Health Care

By Paul J. Friedman, MD
Professor Emeritus of Radiology

As Lawrence Schneiderman wrote in these pages in the last issue, “Despite overwhelming evidence that single payer universal health care is more economical, acceptable [i.e., ethical], and effective than all the alternatives, our politicians and policy makers quarrel without letup over the alternatives.” Of course, they’re not the only ones quarreling about this. But why? Let me add to Schneiderman’s list of causes.

The threat of “rationing” comes up frequently. As Schneiderman points out, the government can’t (or shouldn’t) promise everything for everyone. Healthcare services have limits; that’s how it is now, and that’s how it would be under a non-profit system. But isn’t there too great a disparity now between going without drugs or health care because of poverty, and receiving an excess of pills and procedures by pandering for profit? Something closer to the golden mean is needed. I agree with Larry that people with sufficient cash should be able to buy more elaborate diagnostic and therapeutic services without creating an unethical double standard of care, but this “free” market will have to be watched and regulated.

As an example of the sensitivity with which healthcare must be regulated, take the simple qualification Schneiderman makes in calling for universal care provided “it is not medically futile.” Who will decide whether a procedure is medically futile or not? Ethics committees in hospitals usually make a very precise interpretation of this aspect of their duty, but only when someone calls them in for a consultation. Such decisions can be left to experts, but the job of making such calls is not trivial.

What will a regulated system of universal care mean for professional and personal autonomy? Under the system of regulation already in place, by public law and agency rules, doctors are already concerned with over-regulation. Patients should be, too. Though a rule-bound, monolithic federal agency would be a relief after the capricious and soulless shenanigans of the insurance companies, everything depends on the good sense, selflessness, and sensitivity of those doing the regulating. Americans are traditionally wary of government — alias “big government” — and our confidence in our politicians and bureaucrats has not been strengthened by the experience of the past eight years, but our faith in free market ideology has been shaken even more by the current economic meltdown. Medicare’s attempts to cut physician reimbursement and the recent problems that have arisen in the Veterans Administration system of health care are two examples of what happens when unwise administrators control the government. Nevertheless, government action — as shown by Congressional postponement of those cuts — is amenable to ethical and political (re)action. Insurance companies, by contrast, are indifferent to anything beyond profit.

Why is a single payer system considered so “politically infeasible” that it is barely mentioned in public discourse, and supporters want to drop the expression completely, perhaps in favor of “Medicare for All,” or some less age-associated rubric? What makes for political infeasibility? Why wouldn’t enough congressmen vote for it? Many probably suppose their constituents cling to old beliefs in the virtues of “going it alone” and the “disgracefulness” of getting a public “handout.” But they are also likely to be influenced by their heavy dependence on the campaign contributions of well-heeled insurance companies.

All our European counterparts have come to the conclusion that healthcare must be regarded as a right, not a privilege, and that it must not be controlled by profit-maximizing corporations. Schneiderman is right that we too must adopt the same standard of social justice, whatever variation we decide on. Sure, there are tricky details that need to be worked out, such as the role of private supplementary insurance. In discussing the way European countries handle the issue, a 2004 WHO report says “it is possible to identify five distinct roles: dominant, compulsory, substitutive, complementary and supplementary.” The choices are complicated, but it is interesting that in this report the U.S. is used as an example of the terrible things that can happen with private insurance!

Let me add a few words about fiscal feasibility. When the Lewin Group was commissioned to do a study of the California situation, they found, without fudging the results, that the government would actually save in the long run (over two to three years) by diverting the stream of money that now goes to the insurance companies directly to providers. By eliminating a lot of middlemen, the money spent for health care stays in health care; it does not go into stockholder profits or excessive executive salaries. A lot of insurance company clerks who cull cases looking to deny eligibility would be out of work, as would those dealing with the forms of dozens of insurance companies in the back offices of hospitals and physicians. Overhead would be down to the Medicare rate, of about 4%, instead of the private rate of as much as 25-30%. I heard a telling argument recently. Someone said, suppose there were no public education and someone proposed to provide free K-12 schooling for everyone. Would we recognize the value of universal education enough to pay for what we have in fact developed?

A single payer bill, HR676, has been introduced in Congress. The California version, SB840, twice vetoed by the Governor, will come to life again in the next session. They deserve careful attention and support. The future is on our side!
By Sandy Lakoff

It’s an Ad-Mad World

“Advertising is the art of persuading people to buy things they don’t need with money they haven’t got.”

“Nobody ever lost a buck underestimating the taste of the American public.” (Barnum)

“Every crowd has a silver lining.” (Barnum)

Ad Age, the industry trade paper, has listed the top ten ad slogans of all time. The best is the work of La Jolla and UCSD Associate Emeritus Dan Yankelovich:

1. A diamond is forever. (De Beers)

The others:
2. Just Do It. (Nike)
3. The pause that refreshes. (Coca Cola)
4. Tastes great, less filling. (Miller Lite)
5. We try harder. (Avis)
6. Good to the last drop. (Maxwell House)
7. Breakfast of Champions. (Wheaties)
8. Does she or doesn’t she? (Clairol)
9. When it rains it pours. (Morton Salt)
10. Where’s the beef? (Wendy’s)

Also worthy of note:

“Don’t leave home without it.” (American Express)

“We answer to a Higher Authority.” (Hershey)

“It takes a tough man to make a tender chicken.” (Perdue Poultry)

“I can’t believe I ate the whole thing.” (Perdue Poultry)

(In Europe in the 1960s:) “Nothing sucks like an Electrolux.”

And I rather like this one encountered in England in the 1950s:

“If at first you do not appreciate these cigarettes, it is because your palate has been affected by inferior brands. (Embossed on tins of the highest-priced brand, State Express, made of only the finest Virginia leaf.)

The Perdue chicken ad was hatched by the agency of Scali, McCabe & Sloves. Sloves is one Marvin, a Brandeis graduate a couple of years behind me, who prepared for that career early on. While I was living in an apartment with other grad students in Cambridge, the phone rang, I picked up the receiver, said hello, and got this startling response: “I’m sorry. If you had answered, ‘Who, woo, Ginsberg,’ you would have won a new Chevrolet!” I later learned I had been the victim of a prank by Sloves, practicing for a line of work selling Volvos rather than Chevies – along with a chicken or two.

Modern political advertising was the brainchild of Rosser Reeves, perhaps the most successful adman of his time. The late David Halberstam, in his fascinating book, The Fifties, notes that Reeves decided early that the most effective ads were those that “hit people over the head with the product as bluntly as possible.” He liked to explain the technique by telling the story of the mule trainer called in to deal with a recalcitrant animal who had begun the treatment by first hitting the mule in the head with a two-by-four, explaining to the astonished owner, “Well, first I’ve got to get his attention.” Reeves invented the short spot ad to get across what he called the “unique selling proposition (USP).” In 1952, he persuaded a reluctant Dwight Eisenhower to record forty 15-second spot messages highlighting the USPs (e.g., “Eisenhower, the man who will bring us peace”) identified in surveys of voters. These were then prefaced by spliced-in set-up questions from actors posing as average voters and broadcast in the last three weeks of the campaign in tightly-contested areas. Thus began the “selling of the President.” Critics complained it made promoting a candidate no different from selling toothpaste. Marya Mannes summed up the critique neatly: “Eisenhower hits the spot, One Full General, That’s a Lot, Feeling sluggish, feeling sick? Take a Dose of Ike and Dick. Philip Morris, Lucky Strike, Alka Seltzer, I like Ike.” And that was only the beginning!

What will they think of next? Why, obviously “neuromarketing”: “Marketers, using magnetic resonance imaging scanners, record brain activity in minute detail, measuring how the products they are selling affect the brain’s pleasure centers. Daimler-Chrysler . . . showed pictures of cars to consumers while using MRIs to study the chemical changes in their brains. Unexpectedly, when an image of a Mini Cooper passed before their eyes, a ‘back area of the brain that responds to faces came alive.’ Turns out it wasn’t the Mini Cooper’s ‘ultra rigid body’ or ‘1.61, 16-valve alloy engine’ that attracted consumers; it was its irresistible face. ‘You just wanted to pinch its little fat metallic cheeks . . . and drive away.’ From a review of Martin Lindstrom, Buyology – Truth and Lies About Why We Buy,” by Andrew Stark in the Wall Street Journal.

It’s enough to make a fellow nostalgic for all those Burma-Shave signs that enlivened the American road in the years before turnpikes and freeways, with chuckleheaded verses like these:

Does your husband
Misbehave,
Grunt and grumble,
Rant and rave?
Shoot the brute some
Burma-Shave

Within this Vale
Of Toil and Sin,
Your head grows bald
But not your chin.
Burma-Shave!
Chronicles
January 2009

Kurt Benirschke
Dickson Professor Emeritus
of Pathology

Twinning
Wednesday, January 14,
4:00-5:30 pm

Christopher Wills
Professor of Biology

Adventures of an
Evolutionary Biologist
Wednesday, February 11,
4:00-5:30 pm

Mark Your Calendar!

Chronicles
Newsletter of the UCSD Emeriti Association

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Robert W. Oakes (Liaison to Retirement Association);
Suzan Cioffi (Director, Retirement Resource Center);
Mary Corrigan

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