



STEVE NORTHUP

GEORGE SHULTZ &amp; LAWRENCE MALKIN

## A LETTER FROM THE PUBLISHER

THE great decisions and arcane maneuvers of finance ministers, international bankers and speculators often seem remote to the public. Yet these actions have universal impact. In this week's cover story, which focuses on Treasury Secretary George Shultz, we analyze the events leading up to the dollar devaluation, discuss the prospects of its success and report the effects on the pocketbook.

Journalists who specialize in economics are keenly aware of devaluation's personal penalties. Associate Editor George Church, who wrote this week's cover story, counts himself lucky that he was not planning a foreign vacation but worries that his favorite Gauloises cigarettes will become even more dear in the U.S.

Roger Beardwood, who is moving from his post as European economic correspondent to become Paris bureau chief, has been observer, and occasional victim, of monetary crises since the British kept the proceeds in sterling, and took a loss. "For the past two years, the U.S. balance of payments figures have been my bedside reading," he says. Last week, as he interviewed financial experts, Beardwood also watched his dollar worth shrink in terms of Belgian francs.

To Washington Correspondent Lawrence Malkin, a veteran economic reporter who interviewed Shultz for the cover story, and was working in London in 1967, the scenario was familiar: "The pattern is always the same: the frenzy on the exchange markets, the weekend lull while international officials work out their deals, then the aftermath of uncertainty." That aftermath is particularly significant to Malkin, who is being transferred to London. Says he: "I am now watching the money markets with a deeply personal interest."

Some news events command immediate attention. Others require months or even years to take shape. The changing application of the Constitution's due-process clause is such an evolving story, and this week's Law section examines the trend in depth. The story was written by Contributing Editor Jose M. Ferrer III, who has been our principal Law writer since 1968. "One of the Law section's goals," says Ferrer, "is to show how people's day-to-day lives may be affected by even subtle changes in legal practice. In the case of due process, the effects seem to be profound."

Ralph P. Davidson

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