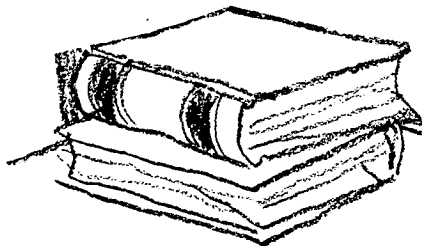


neers have lost their skill but because the aims of men have suddenly become much smaller than they were in the Golden Fifties. The engineer is perfectly capable of winning through to new vistas of plenty, and if there is pollution to be fought as a by-product, the engineer can take care of that in his stride once he gets the signal from the people.

Maybe the intellectual climate is about to take a turn for the better. Last year an English economist, Wilfred Beckerman, wrote his witty *Two Cheers for the Affluent Society* in which he proved the "ecosystem" could do little for man and beast unless there was an economic surplus to turn into water purification and so forth. Now we have Mr. Florman's defense of the artist-engineer, a fit companion book to *Two Cheers*. Incidentally, St. Martin's Press has published both books, a sign of true sanity.



► **RACE AND ECONOMICS** by Thomas Sowell (New York: David McKay and Company, 1975) 276 pp., \$9.95.

Reviewed by Allan C. Brownfeld

IF ONE WERE TO SURVEY what has been written in the U.S. about the racial question during the past quarter century, he would be hard pressed to find a more eloquent and honest presentation than this book by professor Thomas Sowell, a black economist now on the faculty of the University of California at Los Angeles. It deserves wide readership — among members of all races.

Dr. Sowell, a firm advocate of the free market, declares that "Race makes a difference in economic transactions as in all other areas of life," but he denies that the black experience in America is radically different from that of other groups.

Although blacks arrived here during the colonial period, groups which came later — such as the Irish and the Italians — have moved ahead faster. Some have identified race as the retarding factor, but this is a mistaken view, Dr. Sowell argues. It "is not the time . . . of arrival in America, but (1) the time of being freed from slavery, and (2) the time of movement from the rural south

into a modern, industrial and commercial economy . . . ”

Blacks “had to undergo two major drastic transformations within two or three generations. They had first to adjust to freedom and individual responsibility for feeding, clothing and housing themselves. This adjustment had to be made in an economy and society devastated by war The second great adjustment was to urban living — an experience which had proved shattering to European immigrants from similar rural backgrounds before them. Most of today’s black urban population has been in the city only two generations, and many of the poorest and most problem-ridden, less than that.”

The experiences of the Irish immigrant in the 19th century and the black urban dweller of the 20th are, argues Dr. Sowell, very similar. In 1888, William Dean Howells noted that “the settlement of an Irish family in one of our suburban neighborhoods” strikes a “mortal pang” in the old residents. Henry George applied the phrase “human garbage” to the immigrants of the 1800’s and H. G. Wells doubted that they could be absorbed into society.

Dr. Sowell writes that, “The Irish were prominent among the immigrant groups exhibiting the usual symptoms of social pathology

among people at the bottom. They had very high rates of death from tuberculosis . . . as well as high rates of insanity, a disproportionate number of widows and orphans and inmates of poor-houses, as well as very large overrepresentation among those arrested and imprisoned.”

Of the several 19th century immigrant groups, the Jews advanced most quickly. The reason dates back to their distant past — as did the corresponding failure of other groups to advance more quickly. He writes that, “In one important respect, medieval Jews were very fortunate in the particular form of occupational discrimination practiced against them. They were forbidden to engage in those occupations which were central to feudalism — those involving the land . . . and were therefore forced into urban, commercial and financial occupations, which would of course later turn out to be central to the modern capitalist economy.”

Thus, argues the author, blacks, Poles, Irish, Italians and other groups came from a rural and illiterate past which had to be overcome. Prejudice and discrimination was not, in reality, blind hatred, but represented an aversion to the vast differences between these groups and the urban American population. As they acclimat-

ed and succeeded, the prejudice largely ended.

The most successful non-white group was the Japanese. They met discrimination, and during World War II were interned by the U.S. Government. Yet, their economic advance continued. Neither they nor the even more successful Jews looked for government aid or assistance. They simply educated themselves, acquired the skills necessary to succeed, and made dramatic economic progress. Contrasting the Japanese approach to that of today's liberal desire for governmental intervention in the economy, Dr. Sowell notes that, "Legally, Japanese-Americans never received full restitution for their wartime losses. . . . The actual settlement payments amounted to no more than ten cents on the dollar. The Japanese-Americans, however, did not put their emphasis on trying to get justice, but rather on trying to get ahead. This they did."

It is Dr. Sowell's conclusion that, "political power is not a necessary condition for economic advance. . . . The Irish were the most politically successful of American minorities. They dominated political life in a number of American cities by the middle of the 19th century. Yet . . . the bulk of Irish-Americans was still predominantly in unskilled and me-

nial occupations in the last decade of the century. . . . Emphasis on promoting economic advancement has produced far more progress than attempts to redress past wrongs."

It is the author's belief that liberal and interventionist programs — minimum wage laws, rent control, school busing — do more harm than good in assisting black Americans to advance economically. Concerning the minimum wage he writes: "minimum wage laws are not passed for the purpose of racial exclusion, but the actual economic effects—do not depend upon the intentions of those who establish a . . . situation. The net effect of any . . . arrangement which sets the rate of pay above that required to attract the number of qualified workers needed is to make it cheaper to discriminate in deciding who *not* to hire." Similarly, he writes, "Rent control reduces the cost of discrimination in housing, and enables ethnic boundaries to be maintained longer than otherwise." Welfare, in particular, has made many blacks wards of the state and has deadened the incentive needed to progress.

Of the so-called "experts" who have produced programs such as urban renewal — meant to help the poor, but proving counter-productive—Dr. Sowell asks for a healthy skepticism: "Everyone understands

that when a representative of a soup company tells us that his product makes the best lunch, a healthy skepticism is in order. But when a housing 'expert' unveils the latest plan to 'save the cities' or a member of the education lobby asks for expanded 'opportunities' for youth to consume his product at taxpayer expense, there is a tendency to regard them as wise men promoting the public interest."

Every negative situation faced by blacks today, argues Dr. Sowell, was faced at an earlier time by other immigrant groups. The future success of blacks, he believes, is to look carefully at the qualities which other groups developed to improve their condition: "Among the characteristics associated with success is a future orientation — a belief in a pattern of behavior that sacrifices present comforts and enjoyments while preparing for future success."

Today's minorities, Dr. Sowell believes, are not really far behind the 19th century immigrant groups at similar stages of development. The answer, he believes, lies within the groups themselves — not with the larger society. If government would simply stop meddling in such affairs and throwing up roadblocks — such as union shops which have notoriously kept blacks out of skilled

crafts and license laws which restrict entry into many jobs—progress would be more rapid. Prejudice, the author argues, is not eliminated by carrying placards against it but by removing its causes. The small degree of blind racism which remained would be of little consequence.

This book, hopefully, will become a landmark in the literature of race relations and its relationship to economic success. It is an eloquent plea for freedom and free enterprise from a black intellectual about whom we will be hearing a great deal in the future.

- **FAITH AND FREEDOM: A Biographical Sketch of a Great American, John Howard Pew** compiled by Mary Sennholz. (Grove City, Pa., Grove City College, 1975) 179 pp.

Available at \$6.00 from The Foundation for Economic Education, Irvington-on-Hudson, N. Y. 10533.

Reviewed by Mark B. Spangler

"We never plan anything. I think there's got to be more central planning. . . . People may think badly of the idea simply because anything that smells of government and planning stinks. To me it makes sense."¹ Those are

¹ *Time*, February 10, 1975, pp. 70-71.