

BOOKS

Poor Policy—How Government Harms the Poor

by D. Eric Schansberg

Westview Press • 1996 • 244 pages • \$25.00

Reviewed by George C. Leef

As Thomas Sowell correctly observes, before one can be a partisan of the poor, he must first be a partisan of the truth. Unless we understand the truth about the causes of poverty and the truth about the effects of what are called “anti-poverty programs,” we are not going to be able to do anything to help the poor. Indeed, trying to aid the poor without an accurate analysis of the causes and the effects of the proposed cures, we are apt to make their condition worse. In medieval times, doctors used to bleed people suffering from diseases on the assumption that bad blood was causing their distress; this was almost never beneficial and fatal in many cases. Could it be that government policy today toward poverty is on a par with bleeding?

In *Poor Policy*, D. Eric Schansberg argues that, like bleeding, government policy to help the poor actually is harmful. Welfare programs aren’t just *ineffective*. They are *harmful*. Furthermore, the author, who is assistant professor of economics at Indiana University-Southeast, makes a strong case that many of the poor are poor (or at least poorer than they would otherwise be) due to the effects of laws and policies designed to benefit various groups of non-poor people. In short, Schansberg is arguing the classic laissez-faire position against interventionism by demonstrating that it creates and exacerbates poverty.

Virtually everything government does outside of its Jeffersonian core of protecting individual rights to life, liberty, and property creates wealth transfers that make the society poorer on the whole, and have their worst impact on those who can least afford it. Schansberg devotes several chapters to the familiar list of laws that especially hurt the poor—the minimum wage, occupational licensing, rent control, and so on. In doing so, he introduces the reader to public-choice economic theory. Once people understand the logic of public choice, they are less apt to be taken in by the claims that laws like those are “well-intentioned.”

I particularly commend the author for attacking sacred cows. Social Security? Sorry. It harms the poor. Drug prohibition? It harms the poor also. Public education? A cataclysm for the poor. Given that so many Americans have been conditioned to ask of any proposed public-policy change, “How will it impact the poor?” we should use Schansberg’s book (as well as the works of Charles Murray, Marvin Olasky, and others) to bludgeon Social Security and so on with the argument, “They *hurt* the poor!”

The book also takes some well-aimed shots at the pernicious idea that Christianity demands that we have a governmental welfare system. Big-government advocates shamelessly resort to this form of moral blackmail, but the author replies, “The bottom line is that there is no relation between the biblical call to Christians and the use of government to help the poor. In fact, they are diametrically opposed. The use of government to reach certain ends is based on coercion. The change in behavior designed to accompany the Christian’s Spirit-filled life is completely voluntary.” The use of coercion to accomplish anything, whether it is feeding the hungry or exploring Mars, is simply *wrong*. Schansberg has here hit upon what I believe must be the foremost goal of defenders of liberty, namely, to get people to pay attention to the morality of the *means* and not just the desirability of the ends.

Poor Policy is a useful, nontechnical book that neatly organizes a lot of data and arguments against the ideas that government can, does, and should assist the poor. Bravo. ☐

George C. Leef is book review editor of *The Freeman*.

The Concise Conservative Encyclopedia by Brad Miner

Free Press • 1996 • 318 pages • \$15.00

Reviewed by Aaron Steelman

The free-market movement in the United States has prospered tremendously over the past 20 years. Dozens of market-oriented think tanks and journals have been created, and an increasing number of students are becoming interested in the ideas of liberty. *The Concise Conservative Encyclopedia* provides a valuable and easy-to-read introduction to the ideas, individuals, and organizations that have shaped this burgeoning intellectual movement.

Miner's book contains 200 brief entries, an afterword by the author, and five succinct essays on the origins of conservative thought, ranging from antiquity to the modern era. Those essays are written by Carnes Lord, Jacob Neusner, James Schall, S.J., Peter Stanlis, and Charles Kesler.

In the preface, Miner argues that the "purpose of a 'reader's encyclopedia' such as this one is not to provide the last word on the topics and people it covers, but to offer the inquiring reader just enough information about the subject in question to enable him to go on reading in some other book with a modicum of improved perspective." Toward that end he has succeeded marvelously.

The entries have been chosen wisely and the author has given more than adequate attention to all the major strains of modern free-market thought, including classical liberalism. Every major classical liberal and libertarian figure—including Mises, Hazlitt, Bastiat, Friedman, and Hayek, to mention but a few—is incisively and intelligently profiled. In addition, Miner has included entries for a number of other individuals and institutions that readers of *The Freeman* will undoubtedly be familiar with, but that many nonlibertarians will not. Among those are Frank Chodorov, Bertrand de Jouvenel, and Felix Morley. The book also contains brief, yet insightful, descriptions of the Austrian, Chicago, and Virginia schools of economics. And Miner doesn't shy away from discussing differences of opinion on the Right. He discusses the debates over an interventionist foreign policy and free trade, and he deals with the seeming divide between traditionalism and libertarianism, which he argues has been overblown.

For newcomers to free-market thought, his suggested readings at the end of each entry will be valuable—although there are a few exceptions to that rule. For example, the lone book by Mises that he has recommended is *Human Action*. While there can be little question that *Human Action* is the most comprehensive statement of Mises's worldview, how many beginners are going to be able to actually get through it? Listing, for example, *Liberalism* or *Planning for Freedom* as well would have been more helpful.

Moreover, there are some exclusions that seem a bit puzzling. The Institute for Humane Studies, the Cato Institute, and the Volker Fund do not receive individual listings, nor do Israel Kirzner and Richard Epstein, two giants of free-market scholarship.

Despite those problems, *The Concise Conservative Encyclopedia* is a tremendous improvement over its two principal competitors: *Right Minds: A Sourcebook of American Conservative Thought* by

Gregory Wolfe and *A Dictionary of American Conservatism* by Louis Filler. It belongs in the library of every student of liberty, beginner or veteran. □

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The Diversity Machine: The Drive to Change the "White Male Workplace"

by Frederick R. Lynch

The Free Press • xv + 416 pages • \$27.50

Reviewed by Brad Stetson

Even though race-and-gender-based double standards are encountering increasing public opposition, the affirmative action steamroller and the diversity machine have continued their work. Affirmative action has sustained some severe critical and legal blows lately, but its commercial cousin, the diversity movement, has escaped close scrutiny—until now. With this wide-ranging book, sociologist Frederick R. Lynch of Claremont McKenna College, crushes the Potemkin Village of slogans, moralisms, and stereotypes that have shielded diversity management from careful analysis.

Lynch diligently traces the diversity movement from its roots in the affirmative action campaigns of the 1960s to its entrenchments in the boardrooms of today's largest corporations. He carefully documents the language and rationales of "diversity trainers," the salespeople for the movement who practice a subtle form of extortion by urging CEOs and personnel managers to have a workforce that "looks like America" or "reaches out" to the "underrepresented." In other words, the best way to avoid being called names at an interest group's press conference or to preempt discrimination is to artificially pump up the number of women and minorities employed and promoted. Of course subsequent training in "cultural sensitivity" and multiculturalism also looks good—and is very profitable for the firms devoted to providing such "services" to corporations.

While Lynch is respectful of the good intentions of many in the diversity movement, he does not accept their rhetoric at face value. At conference after conference, he encounters "diversity experts" who, for all their multicultural awareness and self-proclaimed sensitivity, are unwilling to acknowledge either intragroup differences or the legitimate grievances of white males.