

tility toward Koreans already indicates.

Beyond this, however, the future of New York looks fairly bright. What ails the city is what ailed the country 10 years ago—too much government. New York's addiction to rent control, of course, is legendary. What is remarkable—as Harold M. Hochman points out—is the number of other areas where the city government also practices price fixing. New York now controls the prices of 16 different consumer items, while demanding licenses and permits for 600 to 700 different ways of making a living. Poland hardly does better.

In fact, there is very little wrong with New York that a good dose of privatization wouldn't cure. Jose A. Gomez-Ibanez makes an excellent case for deregulating bus transportation as a way of solving rush-hour traffic problems. Savas makes the familiar case for vouchers in the schools. Even Mark Willis, deputy commissioner for planning at the Department of Housing Preservation and Development, is ready to admit that government planning doesn't work—an admission that would probably cost him his job if anyone were willing to take it seriously.

On the other hand, there are some real clinkers in this volume. Paul Goldberger, architectural critic for the *New York Times*, seems to be here only as an example of what New York is up against. He wants people in New York to stop building all those tall buildings. Frank Macchiarola, former chancellor of the New York Board of Education, also puts on a muddled performance, hoping to solve New York's problems through “a system of care and commitment” and more “efficiency and responsiveness in government.”

What you have to realize, though, is that, as far as New York is concerned, even assembling a quorum for a slim volume like this is quite an accomplishment. After all, New York is the place where people talk about “The City,” not just as the municipal government, but as some kind of mystical entity capable of providing everything to everybody if only we feed it enough money and find the politicians who will run it right.

Another 20 years of Republican

prosperity in the rest of the country may eventually awaken New Yorkers to the realization that something is going on out there. Until then, as Louis Winnick predicts: “New York will muddle through....Though [this] is neither a dazzlingly successful outcome nor a hopelessly failed one, New York is still likely to remain the nation's primary business

and cultural center, a proving ground for the creative, and magnetic north on the compass of the world's immigrants.”

That in itself is saying something.

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Capitalism and Community

BY PAUL HEYNE

Free Persons and the Common Good, by Michael Novak
Lanham, Md.: Madison Books, 233 pages, \$17.95

Ever since his conversion in the 1970s from socialist to capitalist convictions, Michael Novak has been trying to persuade other Christians and especially fellow Roman Catholics to follow his lead. His latest contribution to this project attempts to remove a major obstacle: the belief that capitalism is excessively individualistic.

The moral critics of capitalism typically argue that the system abandons the public interest, the common good, and the welfare of the community to self-interest, private goods, and the wealth of individuals. They cannot approve of a social system that seems to reduce the common good to a mere unintended by-product of selfish individualism. Novak tries to show in his latest book that classical liberalism, the system of social thought in which capitalism is embedded, contains a realistic and defensible conception of the common good to go along with its respect for individual rights and personal freedom.

That isn't quite how Novak himself describes the book. He presents it as an attempt to interweave or marry two traditions: classical liberalism and the concept of the common good as developed largely by Catholic thinkers. But the latter tradition emerges looking rather vague, incoherent, and even inconsistent.

Novak is not necessarily to blame. Catholic thinkers have apparently been making little use in recent years of the concept of the common good. And when



Michael Novak: opening up dialogue with the theological despisers of classical liberalism

they have used it, writes Novak, they have frequently disagreed about the meaning of the term or made significant mistakes in discussing it. So Novak must refurbish the concept of the common good before he can blend it with the ideas of liberal thinkers. The task is a daunting one. The reader learns that “the common good has frequently been invoked as a justification for almost any and every internal ordering of society” and that the concept is “not simple” or “univocal” but rather “very rich and subtle” and therefore to “be used with care.” The appendix even includes “a map of the usages of ‘common good’” that Novak adapts for his own purposes “at the risk,” he anxiously admits, “of taxing the reader beyond endurance.”

The reader's endurance will not be strengthened by the growing suspicion that Catholic and other Christian thinkers working in this tradition have in fact made no contributions of genuine importance to the development of liberal democracy. Though Lord Acton considered Aquinas to be "the first Whig," his followers have by and large not followed up on those elements of his political thought that appealed to Lord Acton. What can we really expect to learn about freedom from a tradition that, as Novak admits, "did not arrive formally at the full recognition of the socially effective principle of religious liberty until the Second Vatican Council (1962-65)"?

Novak writes: "What in recent centuries we have come to call 'human rights' have in Jewish and Christian vision a short, direct justification"; but he goes on to admit that "the political relevance of these conceptions took centuries of bloodshed and effort to emerge" and that "this struggle was often best advanced by nonbelievers, often in the teeth of opposition from Christian princes and prelates." He adds: "The lines of history twist and turn, even when the lines of intellectual implication are straight." The quantity of twisting and turning displayed in the history of Christendom might prompt a skeptic to suspect that the lines of intellectual implication are largely imaginary.

Novak credits Jacques Maritain (to whom the book is dedicated) with the observation that "the long centuries of Jewish and Christian teaching about the dignity of the human person, working like yeast in the dumb dough of history, sought completion in institutions worthy of that dignity." Later on he asserts that "the modern market system itself arises from impulses of the Jewish and Christian inheritance of the West, which instructed our forefathers that the dignity of every human being is beyond price."

Can this be true? How many Christian theologians or bishops entertained anything but contempt for the notion of human dignity prior to the democratic revolution of modern times?

How much can be gained by interweaving liberalism with religious traditions that can be interpreted in so many

uncertain or conflicting ways, that have so consistently endorsed the ruling ideas of the prevailing culture, and whose principal representatives have shown, at least until very recently, almost no understanding of the ideas undergirding either the U.S. Constitution or what Adam Smith called "the obvious and simple system of natural liberty"?

Novak's exposition of liberalism sometimes suffers from his eagerness to blend it with the tradition of the common good. For example, he makes a cogent case for the claim that the American founding was an enterprise of

How many Christian theologians entertained anything but contempt for the notion of human dignity prior to the democratic revolution of modern times?

classical liberals. To redeem them from the charge of excessive individualism, he argues that their basic unit of analysis was not the individual but the community that secures the rights of individuals. This argument falls apart, however, when he supports it by reference to the Mayflower Compact and the writings of John Winthrop, with his emphasis on the formation of a Christian state. The founding fathers—Madison, Hamilton, and the others who came together to hammer out the U.S. Constitution—were no longer able to presume the unity of church and state that was Winthrop's basic presupposition.

Another example is Novak's use of L.T. Hobhouse to show that "the English liberals, more than is commonly believed, were also explicit about the claims of the common good, the social order, and the public interest." The problem is that Hobhouse's 1911 *Liberalism* represents a substantial movement away

from the tenets of classical liberalism toward the very different political philosophy that has taken over the name in this century, especially in North America.

Chapter Three, on "Order Unplanned," is the section of the book that most directly confronts the religious critics of capitalism. Novak suggests that those who insist we must "attend to" or "intend" or "aim" at the common good may have trapped themselves in some obsolete conceptions of Aristotle. Subsequent Catholic thought, he contends, developed the idea that the common good is a social order in which everyone participates rather than an objective that is consciously and purposefully pursued by those who are "in charge" of the society. The arguments in F.A. Hayek's *The Constitution of Liberty* and his *Law, Legislation and Liberty* are presented as a culmination of this development. Novak does find Hayek misleading at times, though, and calls for studies that would compare Hayek with Maritain and reinterpret Hayek's work in the light of Aristotle and Aquinas. Adam Smith is also invoked and "corrected," so that what Smith called the "interests" of the individual become the ethically less offensive "better judgment" of the individual.

To demonstrate liberalism's concern for the common good, Novak also makes extensive use of Ludwig von Mises's 1927 *Liberalism* in its English translation by Ralph Raico, published in 1962 as *The Free and Prosperous Commonwealth* but now available with its former title restored as *Liberalism in the Classical Tradition*.

Novak characterizes his book as an "early foray" in which he has "been able to accomplish little more than to drive in stakes to mark where further work promises fruitfulness." Those of us Christians who deplore the arrogant ignorance so prominent in contemporary church pronouncements on economic questions wish him well. It takes persistence, skill, and courage to open up dialogue with the theological despisers of classical liberalism.

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HOMELESSNESS: THE MOVIE

BY THOMAS W. HAZLETT

As health concerns and various probation agreements force the Hollywood illuminati to discard the cocaine habit, they have begun a frantic search for a new high. It appears thousands are finding solace in Cause Addiction. And the box office smash of the moment is clearly a tearjerker—*Families in the Streets: Affluent America's Greedy Legacy*.

The stars are lined up to snort a little of the magic. "Your girl can call my girl and set up the homeless thing. We'll take lunch and sketch it. You're beautiful, babe. Luv ya. Mean it."

The Homeless in Reagan's America. What a rush!

Still, the dramatic talents of airbrushed Sactor boys and girls can be put to serious use in this Nonsubstance Abuse. Susan Dey, who obviously studied statistics and demography with a rare dedication while on the set of the "Partridge Family," recently told CNN talk-show host Larry King that 3 million homeless people are a disgrace in a country with such vast wealth.

When Mr. King weakly suggested that other calculations of the problem place the figure considerably lower (two respected private research centers, the Urban Institute and the National Bureau of Economic Research, put the number at 450,000 to 600,000), Ms. Dey flashed very large, sullen eyes at the host. Appearing quite on the brink, she said, her voice virtually broken: "Of course there are 3 million. You can see them."

The overwhelmed Larry King fell silent before the devastating performance. Bravo! Encore! Here, here! (And hey, who are you gonna believe, the Urban Institute or Grace Van Owen, D.A.?)

Forget the fabrication of millions of homeless. Forget the fabrication that Reagan budget cuts are responsible. (Actual spending for low-income housing rose by 65 percent in real terms during the

Reagan years; "budget authority" got cut 71 percent, but that is a meaningless projection. Outlays are what get spent.) Forget about the fact that if these megamillionaire actor-director-producer types wanted to share their 12,000-square-foot homes, Reagan's America is a perfect place in which to make such individualistic contributions.

Forget too, about America's housing marketplace, where greed-oriented, non-consciousness-raised couch potatoes produce about 1.7 million new residences each year. The Americano easily enjoys more housing square footage, of a higher quality, than his counterpart anywhere this side of Jupiter. By physical units, the U.S. housing machine cranks it out fast enough to house the likely homeless population in *one month*.

What is truly so simply mahvelous, darling, about Hollywood's new hallucinogen is that the only individual held in lower esteem by the glitroids than a Reagan housing appointee is...a *developer*. Anyone even remotely versed in the politics of Beverly Hills, Brentwood, Bel Air, and Malibu is well aware that the one thing that can never be built in any of these communities is middle-income, high-density housing. (I purposely didn't even mention low-income housing in the same sentence with these communities to avoid legal liability for heart failure, should Martin Sheen's secretary read this to him.)

Three houses per acre? Six? Condos? Apartments!?!? That's going to just kill the environment, babe. If God, that crazy cat, had wanted us to build more than one house per five acres, he wouldn't have given us a Sierra Club.

If "Housing Now!" goes on the placard, one might wonder about Housing Then. These protesters are the "I've got mine, you can live in Riverside" crowd, who have so successfully shell

shocked local councilmen and zoning boards into excluding affordable housing. This is an ugly California ethic that has taken root in nice neighborhoods coast to coast. Those who have studied this virulent social pathology for decades (well, perhaps not quite as tirelessly as Ms. Dey has pursued a statistical database) seem to be curiously absent, however, from the podium at homelessness rallies.

For example, MIT's esteemed urban planning professor Bernard Frieden. His classic 1979 study of six large housing projects in the San Francisco area revealed that, in every instance, upscale homeowners combined with professional environmental activists to impose large regulatory delays and huge legal fees on developers building several hundred to thousands of units of low- to middle-income housing. The "no-growthers" in San Francisco regularly agreed to compromise with developers when they downscaled their densities and promised to build much more expensive housing.

Or nationally recognized housing economist Anthony Downs, of the Brookings Institution. In his 1988 study, Downs explicitly tied the issue of local rent controls to the question of housing availability and homelessness, showing that such controls signal property owners that rental housing is a bad investment and that those who put their capital into it are buffoons. (The New York homeless might have gotten a chance to talk to him about the net loss of 11,000 rental units *annually* in that rent-controlled city.) I guess Frieden and Downs are busy doing housing research on all the major rally dates.

No matter. I'd rather hear what Cher has to say. And, oh, how she says it. Really. You can see them.

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