



much less finish. So instead I'm advising him to read Henry Hazlitt's *Economics in One Lesson*. The best primer on economics, this book demolishes most of the fallacies the president will hear from his advisers.

The second big issue facing the country is race; divisions among various ethnic groups threaten to rip this country apart. I was tempted to pass along various books by Walter Williams, Thomas Sowell, Shelby Steele, Anne Wortham, and Stanley Crouch, but instead I advise the president to read Richard Epstein's new book, *Forbidden Grounds*. This sweeping book begins with the basic values of liberal society—freedom of contract and freedom of association—and shows how these values foster another liberal value, racial tolerance. Epstein then demonstrates how current civil-rights policies not only undermine freedom of contract and association but also promote racial division. Epstein's book should be the basis for a reevaluation of civil-rights law.

Deciding upon a third book proved to be the most difficult. Should I recommend something to counter all of the environmental doomsaying the president will undoubtedly hear from his advisers? Should I pass along a book outlining the benefits of free trade? What about foreign policy or defense?

I decided upon none of those options. Instead, I urge the president to read Robert Heinlein's *The Moon is a Harsh Mistress*. Why? First of all, it's a damned good read, the best of Heinlein's novels, so the president won't put it down. That's good because the first part of the book paints a believable portrait of how a truly free society would work. This book isn't abstract ideas but people, albeit fictional ones, dealing with problems and solving them without the government's help. Quite frankly, this book could do more to impress the value of freedom upon the president than any other I could recommend.

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★ Robert W. Poole Jr.

What has been most sorely lacking in the Bush administration is a basic vision, a philosophy of government. The most profound and important book on this subject in many years is Thomas Sowell's *Knowledge and Decisions*.

Sowell's inspiration was F. A. Hayek's 1945 essay, "The Use of Knowledge in Society." *Knowledge and Decisions* is a book-length elaboration on that theme, drawing on the extensive body of knowledge produced during the '50s, '60s, and '70s in such fields as law and economics and public choice theory. The book's theoretical first half explains how knowledge is generated and used in society, the necessity of trade-offs (economic, social, and political), and the crucial importance of incentives in human organizations. Part II applies these principles to 20th-century trends in economics, law, and politics, showing how and why centralization of government fails to

solve the problems it's intended to solve and creates a host of new ones. A thorough familiarity with these lessons would give the president a needed dose of humility about what government planning and programs can accomplish—plus a framework for shaping a new kind of presidential agenda.

Perhaps the most serious threat to Americans' well-being and prosperity today is the rise of pseudoscience—irrational attacks on foods, drugs, chemicals, energy supplies, and modern technology itself in the name of protecting us from cancer or saving the environment. The first book to document the perversion of science in the service of a new regulatory agenda was Edith Efron's vastly underappreciated 1984 book, *The Apocalypitics*. Efron's specific subject is cancer prevention, and she presents the book as an intellectual detective story: a journalist discovering and systematically documenting the gradual corruption of science in the service of environmental politics. The book's length can be intimidating, and its title may be off-putting. But Efron's message must be understood by policy makers, especially as the same type of pseudoscience now dominates far too much environmental and energy policy making.

Another issue high on any president's agenda must be urban policy. Yet until last year, most books about cities failed to acknowledge the profound changes that have taken place in urban form over the last two decades. Joel Garreau's *Edge City* is the first popular book to take seriously the shift of economic activity from traditional downtowns to suburbia. What makes Garreau's sometimes rambling account especially interesting is that he obviously began his research hostile to these changes but ended up discovering a highly decentralized market process at work—a process that reflects the way real people prefer to live and work. An urban policy based on trying to restore the predominance of traditional downtowns, served by traditional transit, is not only doomed to failure but also profoundly antidemocratic.

In recommending these three books, I take it for granted that the president-elect has already read David Osborne and Ted Gaebler's much-touted *Reinventing Government*. It reflects a "new paradigm" approach stressing choice, competition, cost-effectiveness, and accountability. While hardly laissez-faire, this approach would represent a welcome change of course.

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★ Virginia I. Postrel

Washington is a weirdly sterile place—the true home of the cultural elite, left and right—and the president is the most insulated person in America (with the possible exception of Michael Jackson). Reading should break the box and pull the president into the world where people don't all have identical suits, identical haircuts, and mostly identical ideas about what constitutes the good life.

For starters, I recommend two beautifully written books about the people who are transforming world business and world cultures: *American Steel: Hot Metal Men and the Resurrection of the Rust Belt*, by Richard Preston (Prentice-Hall, 1991), and *The Outnation: A Search for the Soul of Japan*, by Jonathan Rauch (Harvard Business School Press, 1992).

American Steel is an adventure, an absolutely riveting drama of the building of a minimill to make rolled steel with never-before-tried technology. This audacious undertaking is made all the more challenging by Nucor Corp.'s determination to do everything fast. The book has plenty to say about international and domestic competition—"man against man" in English-class jargon—but it is really about man against nature, about the joys and hazards of taming metal that's nearly 3,000 degrees Fahrenheit, "runny as water and as unpredictable as a cat."

And while Preston vividly portrays the romance of hot metal, *American Steel* is anything but romantic. A terrible accident destroys much of the mill and leaves a man to die a slow and painful death from burns. "Until you see the walls of a steel mill blown off and part of the roof blown away, the power of hot metal doesn't hit you." Neither I, nor I suspect the president, would be willing to take the risks that making steel requires. But some people relish them, and civilization is the better for it. The president should appreciate that. So should the risk-averse control freaks who populate Washington.

The Outnation is as tranquil as *American Steel* is hard driving. Less about trade, competitiveness, and international relations than about people, culture, and values, this tiny volume (180 pages, with photographs) has more insightful things to say about trade, competitiveness, and international relations than most books two or three times its length.

Those insights spring primarily from Rauch's willingness to look at Japan detail by detail instead of cramming an entire civilization—and a country of 125 million not-in-fact-homogenous individuals—into a tidy thesis for talk-show bookers. An enormously subtle book filled with well-chosen stories about real people, *The Outnation* appreciates and exposes the myths Japanese and Americans tell about our cultures and our differences. It is suffused with a sense of history and with a great appreciation for liberal values and why we value them. Reading it, we learn not only about Japan but about ourselves, where we come from, and, perhaps, where we're going.

Dedicated "to the unknown civilization that is growing in America," *The Constitution of Liberty*, by F. A. Hayek (University of Chicago Press, 1959), is three times as long as *The Outnation*, has no pictures, and tells no anecdotes. It is not journalism. But it is profoundly about "the real world" and, though philosophy, it is not abstract.

Hayek's is the nuanced world of history and action, in which knowledge emerges from experience and experimentation

and principles are different from revealed axioms. *The Constitution of Liberty* is one of the wisest books ever written, the most appreciative of liberty, and the most distant from today's Washington—a place where people actually believe the man in the White House "creates jobs" and dictates culture. Entering Hayek's world, even for a chapter, would be a radical step out of the box.

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Jonathan Rauch

Three books, Mr. President? I can think of three dozen, and I can think of one. High on a list of three dozen would certainly be Mancur Olson's *The Rise and Decline of Nations* (Yale University Press, 1982), whose 10-year-old predictions today look depressingly accurate. Olson's hypothesis is that special-interest groups and their anticompetitive arrangements accumulate inexorably over time and gradually choke off economic and political vitality. Thus may postwar democracy, in America and elsewhere, seize up in much the way a man might choke on his own phlegm. Olson's hypothesis, though not uncontroversial, positively must be reckoned with, especially by a president, who needs to appreciate that pandering to interest groups is more dangerous than it seems.

Another among a handful would be Aaron Wildavsky's unheralded but fascinating *The Rise of Radical Egalitarianism* (The American University Press, 1991). Wildavsky looks at activists of seemingly quite different kinds, from land-use regulators to feminists to environmentalists to animal-rights advocates, and discovers a common cultural thread, namely the belief in the moral virtue of diminishing any given array of differences between people (or species). Most Americans believe in liberty and equality, but radical egalitarians are one-value people—like the antipodal radical libertarians, but much more influential. "*Egalitarians exist not to be satisfied*," writes Wildavsky (*italics his own*). He will help show you what makes them tick.

But really there is only one book, on a list by itself. It was published in 1988 and has become a monument to the fact that liberalism still has millions of committed enemies, and they will hurt us if they can.

You ought to read *The Satanic Verses* and make sure everybody knows you are reading it. Then you should ensure that there will be no semblance of normal relations with Iran until the death sentence against Salman Rushdie is revoked. In 1989, George Bush's reply to the death sentence was of oatmeal consistency, and the White House has been silent on the matter ever since. Please do better. If the president of the United States does not stand stoutly beside those who exercise the right to criticize (as Rushdie's novel harshly and justly criticized both the Ayatollah Khomeini in particular and Islamic fundamental-