

“Market forces not to blame for society’s ills”

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Although William Raspberry raises many important issues in his April 14th article "Class the real issue, not race," the analysis is shallow and unfair to free market thinkers.

He says we have a "huge, and growing, dispossessed class..." How huge? How fast is it growing? He doesn't say. A Department of Labor study showed that in the last year wages for the lowest paid workers actually rose, reversing a long trend.

A 1992 Urban Institute report claimed that over a 10-year period, 60% of those studied moved from one income class (quintile) to another. From both the top and bottom class, 50% had moved to a different class 10 years later. If people move between classes, we have to be careful in claiming that there is a growing dispossessed class.

What about our "blind expectation" that the market will solve social problems? Supposedly we worship an idea that "cannot possibly withstand detached analysis." This implies that free market thinkers are incapable of detached or scientific analysis, meaning they should be ignored. But several free market advocates, Milton Friedman, George Stigler, Gary Becker and F. A. Hayek have all won Nobel Prizes in economics. We may disagree with their policy positions, but surely at some time in their lives they engaged in detached analysis. To single out just one group should alarm careful thinkers of all ideological

stripes. If we vilify conservatives today, who will it be tomorrow? Marxists? Will only one viewpoint ultimately be seen as legitimate and scientific?

Although we have downsized government, it spends, transfer payments included, more than one-third of the gross domestic product. This percentage has remained fairly constant. It is lower than many other countries, but we are hardly in the midst of a free market frenzy.

Raspberry says our "fealty" to market forces is destroying our sense of community. This is a problem which I don't believe that free market advocates have addressed adequately. But the first time I heard of it was in a column by the conservative William F. Buckley nearly twenty years ago. Free market advocates, however, do care about poverty. Friedman has long championed the Negative Income Tax, a direct subsidy to poor workers. Community was very important in Hayek's work.

We have seen crime drop in recent years. It is in part due to fewer young males. But what about the jobs created by the market? Could not the lower unemployment rate have helped?

Finally, the article discusses how money and economic success have become our religion. This is not a new idea. Max Weber discussed it in his famous book, *The*

Protestant Ethic and the Spirit of Capitalism, written around the turn of the century. The fine book *Money and the Meaning of Life* by philosopher Jacob Needleman has updated Weber's ideas for the 1990's.

I will conclude with some cautionary words from the respected liberal economist Robert Heilbroner. In his book *The Making of Economic Society*, he writes, "The exercise of authority is the most powerful instrument society has for enforcing economic change." o!"

(emphasis in the original) The government has moved people with projects like dams, roads, stadiums, etc. Has this been worse than the sins of the market? I don't know. Raspberry makes no detached comparisons. *The Express-News* recently discussed this happening due to the fair in 1968. Heilbroner goes on to say "Nor is it clear how and to what extent the market mechanism is to be blamed for society's ills—after all, we can find poverty and misallocation and pollution in nonmarket economies to