

The Folly of Trying to Fix the Unfixable

Craig J. Cantoni

More than a half-century ago, Edward C. Banfield foresaw the failure of vogueish attempts to remediate crime, poverty, unemployment, housing shortages, urban decay, racial and class disparities, and other socioeconomic problems. His advice can easily be extended to medical care. He famously wrote, "We cannot solve our serious problems by rational management. Indeed, by trying we are almost certain to make matters worse."

Of his many books, the following three are the most notable—or the most notorious in some quarters, particularly among those whose livelihood depends on making things worse.

Government Project was published in 1951 and has recently been republished by the American Enterprise Institute. It is a book version of Banfield's doctoral thesis and was based on his experience as a New Dealer working for the Farm Security Administration.

The book tells the story of the U.S. Government's attempt to turn around the lives of destitute migrants during the Great Depression. Government idealists established a cooperative farm in Pinal County, Arizona, about halfway between Phoenix and Tucson. People who volunteered to work and live on the farm were provided good housing, generous pay, and job security—all of which were in short supply during those hard years.

After several years of success, the volunteers quit in anger and frustration, and the cooperative fell apart. What happened? Human nature happened. The cooperative was beset by infighting and conflicts over the pecking order, workloads, goals, and leadership.

The lesson is that well-intentioned societal interventions will fail if they are designed and run in a top-down manner by ivory-tower "experts" removed from reality and deluded into believing that everyone thinks as they do, shares their values, and responds to the same incentives.

The Moral Basis of a Backward Society was published in 1958. It details life in a small town in Southern Italy, a village that was marked by envy, distrust, nepotism, and general dysfunction. Self-interest and familial relationships were so strong that they overpowered the common good and kept villagers from working cooperatively with each other, for fear that their neighbors might take advantage of them. This lack of social capital resulted in widespread poverty.

Banfield was assisted on the book by his Italian-American wife, who had learned Italian as a child and thus was better able to communicate with the townsfolk.

The book shows the powerful role that culture plays in socioeconomic problems. Government interventions and programs are prone to fail if they do not take this into consideration and, for political reasons or fear of being judged as racist, are not honest about cultural realities.

The Unheavenly City was first published in 1970 and was republished in 1974 with the title *The Unheavenly City Revisited*, along with a new preface. It was reissued in 1990 by Waveland Press, Inc.

A recurring theme in *The Unheavenly City* is that time-orientation is a major determinant of social class. Austrian

economists called this "time preference."

Those with a short time-orientation tend to live for the moment, are impulsive, seek immediate gratification, and do not invest in their future or their children's future. Typically mired in poverty in the lowest social stratum, they tend to be slovenly in personal appearance and housekeeping, struggle with relationships, jump from job to job, are often in trouble with the law, and are disconnected from the larger community.

Those with the opposite traits, habits, and values occupy the higher strata, and those with the longest time horizon are likely to be found in the highest stratum.

This is not to suggest that all poor people have a short time-orientation. Many are born into poverty and bad neighborhoods, face discrimination or other injustices, or have had a medical or financial setback. The industrious among them or their offspring will eventually climb out of poverty, especially if the government focuses on removing discriminatory barriers, protecting them from criminals, and providing targeted temporary assistance, when necessary, without making them wards of the welfare state.

Whether due to nature, nurture, culture, personality, time-orientation, politics, or other variables, one-size-fits-all policies and programs often backfire.

Take compulsory education. As Banfield wrote, some students are not suited for 12 years of schooling, for various reasons. They might have a dislike for academics, might be better at working with their hands, or might be too maladjusted socially to conform to classroom formalities and peer pressure. Forcing them to sit in a classroom for 12 years can result in rebelliousness, withdrawal, disruptive behavior that interferes with the learning of other students, and a loss of self-esteem and self-confidence due to always being behind their classmates.

A better option for them and the school system might be to reduce the years of formal education and replace that time with other opportunities, such as learning a trade while working as an apprentice.

But the conventional wisdom is stuck on 12 years, as if "12" is a magic number or scientifically determined, and as if there were not educated citizens before the advent of compulsory education in the latter part of the nineteenth century.

Only about a third of K–12 students today are proficient in English and math, and it is doubtful that even a third of high school graduates could comprehend the *Federalist Papers*, which were published in leading newspapers in 1787 and 1788, long before the public education movement.

President George W. Bush's "No Child Left Behind" goal would inadvertently demonstrate Banfield's point. Perhaps it was an admirable sentiment or smart politics to wish that every student would succeed in school, but it was a goal that was bound to fail, at great expense—in spite of, or because of, the U.S. Department of Education being established years earlier by President Jimmy Carter. The department has grown into a sclerotic behemoth that has been captured by teacher unions and other interest groups.

A corresponding folly was the idea that every high school

senior should graduate with the academic ability to go on to college. A corollary proposition was that those who did not go on to college would be consigned to a life of low wages and ignorance.

These notions led to high school grades being inflated, to colleges having to offer remedial courses to make up for what students didn't learn in high school, to a movement to do away with SAT scores and other quantifiable measures of college readiness, to many students dropping out of college due to being ill-prepared academically, and to the student loan debacle (scam?).

Aided and abetted by the government, the debacle drove up the cost of college; left students mired in debt, oftentimes for degrees of dubious value; and was endorsed out of self-interest by college administrators and faculty, thus revealing the hypocrisy of their platitudinal teachings about social justice.

One is struck in reading *The Unheavenly City* that many of the same issues and follies that existed a half-century ago still exist today. For example:

Banfield debunked the notion that increases in the minimum wage would benefit the lowest social stratum, but the fallacy continues today with renewed vigor.

Banfield said that urban renewal and downtown revitalization would tend to benefit the upper strata and shift the poor to other parts of a city, but such top-down plans continue unabated today, under the guise of helping the disadvantaged.

Banfield predicted that government programs to increase home ownership and affordability would backfire, a prediction that the U.S. Department of Housing and Urban Development seems determined to prove true, given that it has spent hundreds of billions of dollars to no avail while triggering two financial crises, the savings and loan crisis of the 1980s and the mortgage crisis of 2008. In fairness, HUD did not accomplish this alone. It was assisted by Fannie Mae, the Federal Reserve, and other agencies.

There are many other examples of Banfield's prescience, but the most pertinent one today might be his predictions about race relations.

Banfield has been accused of racism, especially relative to blacks. This is a complete falsehood. There is nothing in his writing to suggest that he believed that blacks—or any other

race for that matter—are inherently or genetically inferior, or are naturally predisposed to crime, fatherless families, welfare dependency, poor grades, short-term thinking, or other negative characteristics and social norms. In fact, he frequently discussed and lamented the historic injustices borne by blacks, and he stressed that equal rights were a precondition for blacks rising out of poverty as a group.

The accusations of racism stem from his temerity in disagreeing with the conventional wisdom of other social scientists and with race activists on what should be done beyond equal rights to accelerate black achievement and income.

Banfield questioned the effectiveness of policies that ignored cultural impediments in black communities; proposed that white guilt, virtue signaling, and paternalism were more harmful than helpful to blacks; and criticized race hucksters (my word) for imparting a self-defeating mindset of victimhood, which encouraged blacks to blame whites for their own failures.

Despite all of this, Banfield saw that the attainment of equal rights had markedly and quickly improved black lives—improvement that would continue to advance naturally. He also saw a paradox: that as blacks closed the socioeconomic gap between themselves and whites, race hucksters and pseudo-intellectuals would become even more strident in their claims of victimhood and racism, as well as in their demands for government intervention.

He saw another paradox: The upper strata of white society—those with college degrees, high income, a long time-orientation, and a concern for the larger community—would join in the pseudo-intellectualism, as if wallowing in perceived guilt and groveling performatively would somehow further black advancement.

Banfield did not live to see how prophetic he was. He died before the advent of such divisive nostrums as critical race theory, white fragility, white privilege, exclusionary versions of diversity, equity, and inclusion (DEI), and the stereotype that all whites are guilty of oppression, colonialism, imperialism, and racism.

Fortunately, Banfield predated today's cancel culture and thus can't be canceled for being right.

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