

AFFIRMATIVE ACTION: A WORLDWIDE DISASTER

Thomas Sowell



Introduction, Albert Mosley

THOMAS SOWELL ARGUES THAT AFFIRMATIVE action policies have been instituted around the world as a means of compensating certain groups for past injustices, and that these programs exhibit similar patterns: they tend to expand in scope, benefit the most fortunate members of the injured groups, increase polarization within the society, encourage fraud, and encourage the false belief that each ethnic group should be proportionately represented in each kind of occupation. Preferences either for or against a group tend to erode the incentive to achieve on the basis of individual merit. Those members of a targeted group who are least well-off tend to become worse-off and those who are most well-off tend to become even better-off as a result of preferential policies. Sowell argues that the very idea of group compensation is an illusion, for it is not possible to restore a group to the position they would have achieved had they not been adversely affected by the incursion of a then more dominant group.

Questions to consider: What common effects does Sowell attribute to affirmative action programs around the world? How does Sowell explain the underrepresentation of minorities in education and business? Why does Sowell believe it is impossible to restore a group to the level it would have occupied had there been no historical discrimination? Why does Sowell believe that affirmative action policies diminish rather than increase incentives to hard work? Why does Sowell believe that affirmative action offers only the illusion of compensation? What are alternate forms of compensation?



Arguments for and against “affirmative action” have raged for about twenty years in the United States. Similar arguments have provoked controversy—and even bloodshed—for a longer or a shorter period, in the most disparate societies, scattered around the world. India, Nigeria, Australia, Guyana, Malaysia, Sri Lanka, Pakistan, and Indonesia are just some of the countries where some groups receive official, government-sanctioned preferences over others. While the American phrase “affirmative action” is used in Australia and Canada, other countries have used a variety of other phrases, such as “positive discrimination” (India), “sons of the soil” preferences (Indonesia, Malaysia), “standardization” (Sri Lanka), or “reflecting the federal character” of the country (Nigeria). The same general principle of government apportionment of coveted positions, to supersede the competition of the marketplace or of academia, was of course also embodied in the *numerus clausus* laws used to restrict the opportunities of Jews in prewar Central and Eastern Europe.

The countries with preferential policies have varied enormously in cultural, political, economic, and other ways. The groups receiving preferences have likewise varied greatly, from locally or nationally dominant groups in some countries to the poorest and most abject groups, such as the untouchables of India. Such vast disparities in settings and people make it all the more striking that there are common patterns among these countries—patterns with serious implications for “affirmative-action” policies in the United States. Among these patterns are the following:

1. Preferential programs, even when explicitly and repeatedly defined as “temporary,” have tended not only to persist but also to expand in scope, either embracing more groups or spreading to wider realms for the same groups, or both. Even preferential programs established with legally mandated cut-off dates, as in India and Pakistan, have continued far past those dates by subsequent extensions.
2. Within the groups designated by government as recipients of preferential treatment, the benefits have usually gone disproportionately to those members already more fortunate.
3. Group polarization has tended to increase in the wake of preferential programs, with nonpreferred groups reacting, adversely, in ways ranging from political backlash to mob violence and civil war.

“Affirmative Action: A Worldwide Disaster,” by Thomas Sowell, reprinted from *Commentary*, December 1989, pp. 21–41.

4. Fraudulent claims of belonging to the designated beneficiary groups have been widespread and have taken many forms in various countries.

In the United States, as in other countries around the world, the empirical consequences of preferential policies have received much less attention than the rationales and goals of such policies. Too often these rationales and goals have been sufficient unto themselves, both in the political arena and in courts of law. Without even an attempt at empirical assessment of costs versus benefits, with no attempt to pinpoint either losers or gainers, discussions of preferential policies are often exercises in assertion, counter-assertion, and accusation. Illusions flourish in such an atmosphere. So do the disappointments and bitterness to which illusions lead.

Foremost among these illusions is the belief that group “disparities” in “representation” are suspect anomalies that can be corrected by having the government temporarily apportion places on the basis of group membership. Every aspect of this belief fails the test of evidence, in country after country. The prime moral illusion is that preferential policies compensate for wrongs suffered. This belief has been supported only by a thin veneer of emotional rhetoric, seldom examined but often reiterated.

I. THE ASSUMPTIONS OF “AFFIRMATIVE ACTION” “TEMPORARY” POLICIES

When U.S. Supreme Court Justice William J. Brennan described the “affirmative-action” plan in the *Weber* case as “a temporary measure” he was echoing a view widely held, not only in the United States but also around the world. Britain’s Lord Scarman likewise said:

We can and for the present must accept the loading of the law in favor of one group at the expense of others, defending it as a temporary expedient in the balancing process which has to be undertaken when and where there is social and economic inequality.

The rhetoric of transience and the reality of persistence and proliferation are both international features of preferential policies. “Affirmative-action” plans initially justified in the United States by the unique historic sufferings of blacks have been successively extended, over the years, to groups that now add up to several times as many people as the black population—and more than half of the total American population. These include not only American Indians, Hispanics, and Asians, but also women. A very similar

pattern emerged in India, where official preferences were established more than forty years ago for untouchables, for some tribal groups, and for unspecified “other backward classes.” Since then, so many groups have managed to get themselves included under “other backward classes” that they now outnumber the untouchables and the tribal peoples put together.

Even where no new groups are added to those legally entitled to official preferences, new occupations, institutions, and sectors of the society can fall under the coverage of preferential policies. Malays were granted preferential employment in government back in colonial Malaya under the British. After Malaya became independent Malaysia and especially after the “New Economic Policy” announced in 1969, preferences spread to university admissions, government loans, occupational licenses, and employment in private businesses, both local and foreign-owned. The island nation of Sri Lanka has followed a pattern much like that of Malaysia. Preferences for the Sinhalese have not spread to other groups but have simply become more pronounced and more widespread over time.

Perhaps the classic example of preferences that spread far beyond their initial group and their original rationale have been the preferences in Pakistan. The desperately poor Bengalis of East Pakistan were “underrepresented” in the civil service, the military, business, and the professions. Even the administration of East Pakistan was filled with West Pakistanis. Preferential policies to correct this were advocated in 1949 as “temporary” expedients to be phased out in five to ten years. In reality, however, these policies have lasted decades beyond this time and in 1984 were extended to 1994 by the late President Zia. Not only did preferential quotas spread well beyond people from the East Pakistan region; they persisted long after East Pakistan broke away in 1971 to form the independent nation of Bangladesh. In other words, those who provided the initial rationale for preferential policies have now disappeared by secession but the policies themselves have acquired a political life of their own.

Despite such patterns in these and other countries, the word “temporary” continues to be used in discussions of preferential policies—judicial and scholarly, as well as popular and political. No argument seems to be considered necessary to show that this transience can be enforced, so that the word “temporary” will be something more than political decoration. Indeed, few seem to feel a need to specify whether the dimensions of “temporary” are to be measured in actual units of time or by the attainment of some pre-conceived social results. If the latter, then the distinction between “tempo-

rary” and “eternal” can be wholly illusory in practice. In short, the nebulousness of the concept of “temporary” preference has matched its futility.

STATISTICAL DISPARITIES

Equally nebulous are the assumptions about the statistical “disparities” and “imbalances” that preferential policies are supposed to correct.

The idea that large statistical disparities between groups are unusual—and therefore suspicious—is commonplace, but only among those who have not bothered to study the history of racial, ethnic, and other groups in countries around the world. Among leading scholars who have in fact devoted years of research to such matters, a radically different picture emerges. Donald L. Horowitz of Duke University, at the end of a massive and masterful international study of ethnic groups—a study highly praised in scholarly journals—examined the idea of a society where groups are “proportionately represented” at different levels and in different sectors. He concluded that “few, if any, societies have ever approximated this description.”

A worldwide study of military forces and police forces by Cynthia Enloe of Clark University likewise concluded that “militaries fall far short of mirroring, even roughly, the multi-ethnic societies” from which they come. Moreover, just “as one is unlikely to find a police force or a military that mirrors its plural society, so one is unlikely to find a representative bureaucracy.” One reason is that “it is common for different groups to rely on different mobility ladders.” Some choose the military, some the bureaucracy, and some various parts of the private sector. Even within the military, different branches tend to have very different racial or ethnic compositions—the Afrikaners, for example, being slightly underrepresented in the South African navy and greatly overrepresented in the South African army, though their utter dominance in the government ensures that they cannot be discriminated against in either branch. Powerless minorities have likewise been greatly overrepresented or even dominant in particular branches of the military or the police—the Chinese in Malaysia’s air force and among detectives in the police force, for example.

In the private sector as well, it is commonplace for minorities to be overrepresented, or even dominant, in competitive industries where they have no power to prevent others from establishing rival businesses. Jewish prominence in the clothing industry, not only in the United States, but in Argentina and Chile as well, did not reflect any ability to prevent other Americans, Argentines, or Chileans from manufacturing garments, but sim-

ply the advantages of the Jews' having brought needle-trade skills and experience with them from Eastern Europe. The fact that Jews owned more than half the clothing stores in mid-19th-century Melbourne likewise reflected that same advantage, rather than any ability to forbid other Australians from selling clothes. In a similar way, German minorities have been dominant as pioneers in piano manufacturing in colonial America, czarist Russia, Australia, France, and England. Italian fishermen, Japanese farmers, and Irish politicians have been among many other minority groups with special success in special fields in various countries, without any ability to keep out others.

Another distinguished scholar who has studied multi-ethnic societies around the world, Myron Weiner of MIT, refers to "the universality of ethnic inequality." He points out that those inequalities are multidimensional:

All multi-ethnic societies exhibit a tendency for ethnic groups to engage in different occupations; have different levels (and, often, types) of education, receive different incomes, and occupy a different place in the social hierarchy.

Yet the pattern Professor Weiner has seen, after years of research, as "universality" is routinely assumed to be an *anomaly*, not only by preferential-policy advocates, but also by the intelligentsia, the media, legislators, and judges—all of whom tend to assume, as a *norm*, what Professor Horowitz has found to exist (or even to be approximated) in "few, if any, societies." That what exists widely across the planet is regarded as an anomaly, while what exists virtually nowhere is regarded as a norm, is a tribute to the effectiveness of sheer reiteration in establishing a vision—and of the difficulties of dispelling a prevailing vision by facts.

Some might try to salvage the statistical argument for discrimination by describing discrimination as also being universal. But, to repeat, groups who are in no position to discriminate against anybody have often been overrepresented in coveted positions—the Chinese in Malaysian universities, the Tamils in Sri Lankan universities, the southerners in Nigerian universities, all during the 1960's, and Asians in American universities today being just some of the minorities of whom this has been true. All sorts of other powerless minorities have dominated particular industries or sectors of the economy, the intellectual community, or government employment. Among businessmen, India's Gujaratis in East Africa, the Lebanese in West Africa, the Chinese in Southeast Asia, the Jews in Eastern Europe, and Koreans and Vietnamese in black ghettos across the United States are just some examples.

Among high government officials, the Germans were greatly over-represented in czarist Russia, as were Christians in the Ottoman empire. Among intellectuals, the Scots were as dominant in 18th- and 19th-century Britain as the Jews have been in other parts of Europe. In short, large statistical disparities have been commonplace, both in the presence of discrimination and in its absence. Indeed, large disparities have been commonplace in the utilization of preferential programs designed to reduce disparities.

The intellectual and political *coup* of those who promote the randomness assumption is to put the burden of proof entirely on others. It is not merely the individual employer, for example, who must disprove this assumption in his own particular case in order to escape a charge of discrimination. All who oppose the randomness assumption find themselves confronted with the task of disproving an elusive plausibility, for which no evidence is offered. As for counter-evidence, no enumeration of the myriad ways in which groups are grossly disparate—in age of marriage, alcohol consumption, immigration patterns, performance in sports, performance on tests—can ever be conclusive, even when extended past the point where the patience of the audience is exhausted.

Those viscerally convinced of the pervasiveness of discrimination and its potency as an explanation of social disparities—and convinced also of the effectiveness of preferential policies as a remedy—are little troubled by the logical shakiness of the statistical evidence. That is all the more reason for others to be doubly troubled—not simply because an incorrect policy may be followed but also, and more importantly, because actions ostensibly based on the rule of law are in substance based on visceral convictions, the essence of lynch law.

STATISTICAL “CONTROL” AND “EXPLANATION”

Those who regard income differences or occupational differences among groups as evidence of discrimination recognize that groups also differ in education, job experience, and other factors that affect such results as incomes and occupations. However, by comparing individuals with the same education, the same job experience, etc., who belong to different racial or ethnic groups, they treat the remaining differentials in pay or occupational status as evidence of discrimination and as a rough measure of its magnitude. In principle, this process of statistically controlling variables that affect outcomes is logical and reasonable. It is only in practice that serious problems arise

because we simply do not know enough to do what we are trying to do or claiming to do.

A 1982 study by the U.S. Commission on Civil Rights, for example, recognized that differences in age and education affect incomes but considered that its study of intergroup economic differences was “controlling for such factors” when it compared individuals of the same age and with the same number of years of schooling. Unfortunately, education is one of many *multidimensional* variables. Education varies not only in number of years, but also qualitatively, according to the caliber of the institution in which the education was received, the performance of the student receiving the education, and the kind of field in which the student specializes. Seldom are statistical data sufficiently detailed to permit holding all these dimensions of education constant. Moreover, qualitative variables such as the caliber of the institution are difficult to quantify and impossible to quantify with precision.

One way of dealing with this complication is to ignore the multidimensional nature of education, by either explicitly or implicitly assuming that these individual variations more or less cancel out when comparing thousands of people. However, individuals from different racial or ethnic groups differ not only randomly but also systematically. For example, groups with significantly lower quantities of education tend to have lower qualities of education as well, whether quality is measured by individual performance, institutional ranking, or the prestige and remuneration of the fields of specialization. This pattern is found, whether comparing Chinese versus Malays in Malaysia, Tamils versus Sinhalese in Sri Lanka, European and American Jews versus North African and Middle Eastern Jews in Israel, caste Hindus versus untouchables in India, or whites versus blacks or Hispanics in the United States. Thus, what is called the “same” education in intergroup statistical comparisons is often not even approximately the same education in reality.

The difference that these multiple dimensions can make may be illustrated by one of the few studies that attempted to control the qualitative dimensions of education—a study comparing the salaries of faculty members from different racial backgrounds. Among its variables were (1) possession or nonpossession of a Ph.D.; (2) the professional ranking of the department from which the Ph.D. was obtained; (3) the field of specialization; and (4) the number of articles published by the faculty member. In gross terms—that is, controlling for none of these variables—white faculty had a higher average salary than black faculty. But when blacks and whites in the same field were compared, blacks had higher salaries than whites in the social sciences and the

natural sciences, while whites had higher salaries in the humanities. When comparing blacks and whites who both had Ph.D.'s from highly rated departments, blacks earned more than whites, in all three areas. Among faculty members with Ph.D.'s from lower-ranked departments, however, whites still had higher salaries than blacks. Blacks with Ph.D.'s earned higher salaries in the social sciences and whites with Ph.D.'s earned more in the natural sciences. Among faculty members with Ph.D.'s and five or more articles published, blacks had higher salaries than whites in all three fields, when both had their doctorates from the same quality level of institution.

In short, the very same raw data can tell not only a different story, but even an opposite story, according to how much they are disaggregated or how many variables are held constant. Ultimately the researcher is limited by the available data and the dimensions they cover. These particular data happened to cover qualitative dimensions that are often lacking. This good fortune resulted from the long-standing practice of academic professions to rank graduate departments in their own respective fields. What is more generally relevant to the use of statistics in preferential-policy analysis is that individuals with apparently the "same" education along one dimension may have very different education along other dimensions. Put another way, groups are not distributed randomly or the same among the various dimensions. In this particular example, black faculty had a Ph.D. less than half as frequently as, white faculty, the Ph.D.'s received by black faculty were from high-quality institutions less than half as often, and were concentrated in fields with lower average earnings. Finally, black faculty published far less than white faculty.

These data also happened to include Asian faculty members. Their distribution in all these respects differed substantially from the distributions of either blacks or whites. Such multidimensional differences among groups are commonplace around the world, however often random or proportionate distribution is *assumed* in discussions of preferential policy. In India, for example, an attempt to compare untouchable medical-school students and caste, Hindu medical-school students of the same social characteristics proved futile when individuals from the two groups who were similar in specified characteristics turned out, during lengthy interviews, to be very dissimilar in characteristics not specified at the outset but clearly relevant to their medical education.

Beginning with untouchable and caste Hindu "students matched individually" by "some important background characteristics" such as father's

occupation, income, or language. Indian scholar P.R. Velaskar later discovered that “the match group is not perfectly matched as originally planned”—a considerable understatement, for the illiteracy rate among the fathers and grandfathers of the untouchable medical-school students was several times as high as among the other medical-school students’ fathers and grandfathers. Understandably, the untouchable students had had parental guidance in their education less often than the other students had, the homes from which they came contained far fewer books, and their pre-college schools were not as good. They were not meaningfully the same, even though the same on the particular socioeconomic characteristics initially specified. Untouchable students in India’s medical, engineering, and other institutions of higher learning have had disastrously high failure rates and drop-out rates.

Multidimensional differences are not statistically “controlled” by holding one dimension constant, even when that is the only dimension on which data are available. Moreover, not all differences are quantifiable, or all non-quantifiable differences negligible in their effect on outcomes. Where statistics are able to capture only some of the relevant dimensions—to “control” only some of the variables—the assumption that remaining disparities represent discrimination is implicitly an assumption that groups are distributed similarly in the unexamined dimensions, however disparately they are distributed in the variables for which we have data.

Just as statistical “controls” for variables that differ among groups often fail to control, so statistical “explanations” often fail to explain in any but the most narrow definitional sense used by statisticians. When two groups differ in some way—in income, for example—and 20 percent of that difference is eliminated by holding constant some factor x (years of education, for instance), then *in a purely definitional sense* statisticians say that factor x “explains” 20 percent of the difference between the groups. Unfortunately, as arguments develop, their initial special definitions and assumptions tend to fade into the background, with the statistical results becoming correspondingly inflated as to their scope and validity.

The potential for misleading explanations can be illustrated with a simple example. Shoe size undoubtedly correlates with test scores on advanced mathematics examinations, in the sense that people with size-3 shoes probably cannot, on average, answer as many questions correctly as people with size-12 shoes—the former being much more likely to be younger children and the latter more likely to be older children or adults. Thus shoe size

“explains” part of the math-score difference—in the special sense in which statisticians use the word. But nobody can expect to do better on a math test by wearing larger shoes on the day it is taken. In the real sense of the word, shoe size *explains* nothing.

When a statistician testifies in court that his data can “explain” only 40 percent of income disparities between groups by “controlling” for age, education, urbanization, and whatever other variable may be cited, the judge and jury may not realize how little the words “explain” and “control” mean in this context. Judge and jury may conclude that the other 60 percent must represent discrimination. But virtually no statistical study can control for all the relevant variables simultaneously, because the in-depth data, especially along qualitative dimensions, are often simply not available. By controlling for the available variables and implicitly assuming that the unaccounted-for variables do not differ significantly between groups, one can generate considerable residual “unexplained” statistical disparity. It is arbitrary to call that residual “discrimination.”

Looked at another way, groups with visible, quantifiable disadvantages often have other, not-so-visible, not-so-quantifiable disadvantages as well. If statistics manage to capture the effect of the first kinds of disadvantages, the effects of the second kind become part of an unexplained residual. It is equating that residual with discrimination that is the fatal leap in logic. There may in fact be real discrimination—but the crude statistics currently available neither demonstrate its presence nor measure its magnitude.

STATISTICAL TRENDS

Where the benefits of “affirmative action” are not simply regarded as axiomatic, they are too often based on a partial reading of statistical trends. “Before” and “after” comparisons abound, to show that minority representation in this or that institution or sector—or in desirable jobs throughout the economy—has increased in the wake of preferential policies. This might be valid in a static world, to which “change” was added—which seems to be the kind of world envisioned by those using that approach. However, such a vision bears little resemblance to the real world, in which affirmative action has been just one of innumerable social changes, including many going back much farther than preferential policies.

The proportions of blacks in professional and other high-level occupations increased substantially in the decade following passage of the Civil Rights Act of 1964—a fact often cited as evidence of its effectiveness in the

economy. What is almost never cited is the fact that the proportions of blacks in such occupations rose even more substantially in the decade *preceding* passage of the Civil Rights Act of 1964. Nor were blacks unique. The incomes of Chinese Americans, Japanese Americans, and Mexican Americans all rose, both absolutely and relative to the incomes of whites, in the decade preceding passage of the Civil Rights Act of 1964. This was not a static world, to which “change” was added, but a world of trends already in motion. Moreover, the kinds of social trends that preceded preferential policies were by no means unique to the United States.

In a number of countries around the world, it has been precisely the rise of a newly-educated and upwardly-mobile class among previously lagging groups that provided the political impetus to demands for preferential policies. In Bombay, capital of India’s state of Maharashtra, the “marked advancement of the Maharashtrians occurred prior to the stringent policy measures adopted by the state government” to promote preferential hiring, according to a scholarly study. In part this reflected a prior “enormous growth in school enrollments” in Maharashtra and a “rapid expansion in college enrollment”—also prior to preferences. A similar growth of an indigenous, newly-educated class in Poland, Czechoslovakia, and Lithuania during the years between the two world wars led to demands for preferential policies in the form of group quotas to relieve them from having to compete with Jews. Likewise, in Nigeria, it was the recent growth of an educated class in the north that led to demands for preferential policies to relieve them from having to compete with more educated southern Nigerians. This same pattern of a rising educated class prior to the preferential policies that they promote can also be found in Indonesia, Sri Lanka, Malaysia, the Quebec province of Canada, and much of sub-Saharan Africa.

A serious assessment of preferential policies cannot ignore preexisting trends. Neither can it generalize from trends in particular sectors to national trends. Even in countries where nationwide data on the economic position of officially preferred groups show little or no improvement, nevertheless improvements in particular sectors may be dramatic. For example, increased employment of officially preferred groups at higher levels may be much more striking in government agencies and in government-related parts of the private sector than in the economy as a whole. This pattern has been visible at various periods in India, Poland, Malaysia, Hungary, Sri Lanka, and the United States. But this is hardly decisive evidence of the effectiveness of such policies when nationwide data tell a very different story.

In the United States stories and statistics abound as to how the number of blacks employed in particular institutions increased dramatically during the 1970's—often in government agencies or in firms with government contracts that made them subject to federal “guidelines.” However, the employment of blacks by private firms without government contracts actually declined between 1970 and 1980. What were, from the viewpoint of the economy, *transfers* of people were seen from the viewpoint of particular institutions as dramatic *increases*. It is one of the elementary fallacies to generalize from a part to the whole, whether it is called “the fallacy of composition” or the story of the blind men feeling different parts of an elephant.

ASSUMPTIONS AS LAW

Flaws in logic or evidence are unfortunate in intellectual speculation but they are far more serious in courts of law, where major penalties may be inflicted on those whose employees or students, for example, do not have a racial or ethnic composition that meets the preconceptions of other people. Some U.S. Supreme Court justices have repeatedly treated statistical disparities as tantamount to discrimination and assumed the task of restoring groups to where they would have been otherwise. Even where group disparities in “representation” reflect demonstrable performance disparities, these performance disparities themselves have been taken as proof of societal discrimination. Thus, in the *Weber* case, Justice Harry Blackmun declared that there could be “little doubt that any lack of skill” on the part of minority workers competing with Brian Weber “has its roots in purposeful discrimination of the past.” In the *Bakke* case, four justices declared that the failure of minority medical-school applicants to perform as well as Allan Bakke “was due principally to the effects of past discrimination.” The Court’s task, therefore, was one of “putting minority applicants in the position they would have been in if not for the evil of racial discrimination.”

All this presupposes a range of knowledge that no one has ever possessed. Ironically, this sweeping assumption of knowledge has been combined with an apparent ignorance of past disparities in performance, disparities favoring groups with no power to discriminate against anybody. From such judicial speculation it is only a short step to the idea of restoring groups to where they would have been—and *what* they would have been—but for the offending discrimination.

What would the average Englishman be like today “but for” the Norman conquest? What would the average Japanese be like “but for” the enforced

isolation of Japan for two-and-a-half centuries under the Tokugawa shoguns? What would the Middle East be like “but for” the emergence of Islam? In any other context besides preferential-policy issues, this presumption of knowing the answers to such questions would be regarded as ridiculous, even as intellectual speculation, much less as a basis for serious legal action.

To know how one group’s employment, education, or other pattern differs statistically from another’s is usually easy. What is difficult to know are the many variables determining the interest, skill, and performance of those individuals from various groups who are being considered for particular jobs, roles, or institutions. What is virtually impossible to know are the patterns that would exist in a non-discriminatory world—the deviations from which would indicate the existence and magnitude of discrimination.

Age distribution and geographic distribution are only two very simple factors which can play havoc with the assumption that groups would be evenly or randomly distributed in occupations and institutions, in the absence of discrimination. When one group’s median age is a decade younger than another’s—not at all uncommon—that alone may be enough to cause the younger group to be statistically “overrepresented” in sports, crime, and entry-level jobs, as well as in those kinds of diseases and accidents that are more prevalent among the young, while the older group is overrepresented in homes for the elderly, in the kinds of jobs requiring long years of experience, and in the kinds of diseases and accidents especially prevalent among older people.

Another very simple factor operating against an even “representation” of groups is that many ethnic groups are distributed geographically in patterns differing from one another. It would be unlikely that American ethnic groups concentrated in cold states like Minnesota and Wisconsin would be as well represented among citrus growers and tennis players as they are on hockey teams and among skiers. It is also unlikely that groups concentrated in land-locked states would be equally represented in maritime activities, or that groups from regions lacking mineral deposits would be as well-represented among miners or in other occupations associated with extractive industries as groups located in Pennsylvania or West Virginia.

Differences in geographic concentrations among racial and ethnic groups are by no means confined to the U.S. In Brazil, people of German and Japanese ancestry are concentrated in the south. In Switzerland, whole regions are predominantly French, German, or Italian. In countries around the world, an overwhelming majority of the Chinese or the Jewish popula-

tion is heavily concentrated in a few major cities—often in just one city in a given country. Group differences in geographical distribution can reach right down to the neighborhood level or even to particular streets. In Buenos Aires, people of Italian ancestry have concentrated in particular neighborhoods or on particular streets, according to the places of their own or their ancestral origins in Italy. In Bombay, people from different parts of India are likewise concentrated in particular neighborhoods or on particular streets.

Lest the point be misunderstood, while these two simple and obvious factors—age and location—are capable of disrupting the even “representation” that many assume to exist in the absence of discrimination, there are also innumerable other factors, of varying degrees of complexity and influence, that can do the same. Moreover, differences in age and location may play a significant role in explaining *some* socioeconomic differences between *some* groups but not other socioeconomic differences between those groups, or among other groups. The purpose here is not to pinpoint the reasons for intergroup differences—or even to assume that they can all be pinpointed—but rather to show how arbitrary and unfounded is the assumption that groups would be evenly “represented,” in the absence of discrimination. Precisely because the known differences among groups are large and multidimensional, the presumption of weighing these differences so comprehensively and accurately as to know when some group would be “but for” discrimination approaches hubris.

Even the more modest goal of knowing the *general direction* of the deviation of a group’s position from where it would have been without discrimination is by no means necessarily achievable. What are the “effects” of centuries of injustice, punctuated by recurring outbursts of lethal mass violence, against the overseas Chinese in Southeast Asia or against the Jews in Europe? Both groups are generally more prosperous than their persecutors. Would they have been still more prosperous in the absence of such adversity? Perhaps—but many people with a long history of peace, and with prosperity supplied by nature itself, have quietly stagnated. This is not to say that the Jews and the Chinese would have done so. It is only to say that *we do not know and cannot know*. No amount of good intentions will make us omniscient. No fervent invocation of “social justice” will supply the missing knowledge.

INCENTIVES AND RESULTS

“Affirmative-action” policies assume not only a level of knowledge that no one has ever possessed but also a degree of control that no one has ever

exercised. Proponents of preferential policies have tended to reason in terms of the rationales and goals of such policies—not in terms of the *incentives* these policies create. Yet these incentives acquire a life of their own, independent of—and often counter to—the avowed goals of preferential policies. Nor are these simply isolated “mistakes” that can be “corrected.” They are the fruition of fundamental misconceptions of the degree of control that can be maintained over a whole galaxy of complex social interactions.

At the individual level, the potential beneficiary and the potential loser are not mere blocks of wood passively placed where the policy dictates. Nor are they automatons who continue acting as before, except for modifications specified for them by others. Rather, they respond *in their own ways* to preferential policies. One of these ways was exemplified by a question raised by a group activist seeking preferential hiring in India’s city of Hyderabad: “Are we not entitled to jobs just because we are not as qualified?” A Nigerian wrote of “the tyranny of skills.” The sense of entitlement—*independent of skills or performance*—has long been an accompaniment of preferential policies for the most disparate groups in the most disparate societies.

The late South African economist W. H. Hutt pointed out long ago that the most “virulent” white supporters of early racial-preferential policies in the mines were “those who had not troubled to qualify themselves for promotion,” and who therefore relied on being white instead. Today, in the Virgin Islands, even schoolchildren excuse their own substandard academic and behavioral performance by pointing out that government jobs will be waiting for them as U.S. citizens—jobs for which their better-behaved and better-performing West Indian classmates are ineligible. In Malaysia, likewise, “Malay students, who sense that their future is assured, feel less pressure to perform,” according to a study there. A study of black colleges in the United States similarly noted that even students planning postgraduate study often showed no sense of urgency about needing to be prepared because they “believed that certain rules would simply be set aside for them.” In India, even a fervent advocate of the untouchables, and of preferential policies for them, has urged untouchable students in medical and engineering schools to abandon their “indifference.”

The disincentives created by group preferences apply to both preferred and non-preferred groups. As W. H. Hutt wrote of the South African “color bar,” these racial preferences “have vitiated the efficiency of the non-whites by destroying incentives” and have also “weakened incentives to efficiency

on the part of the whites who have been featherbedded.” A very similar principle is found in the very different setting of Jamaica, after it became independent and black-run. There it was the whites who faced the disincentives of the non-preferred. Many withdrew from the competition for public office because they “felt that the day of the black man had come and questioned why they had to make the effort if the coveted job or the national honor would go to the blacks, despite their qualifications.” The upshot is that preferential policies represent not simply a transfer of benefits from one group to another, but can also represent a net loss, as both groups perform less well as a result.

Those who initiate preferential policies cannot sufficiently control the reactions of either preferred or non-preferred groups to ensure that such policies will have the desired effect, or even move in the desired direction. Counterproductive reactions that reduce national prosperity or social tranquility adversely affect even members of the preferred group, who are also members of the general society. Whether their gains in one role exceed their losses in the other role is an empirical question whose answer depends on the specifics of each situation. One of the clearly undesired and uncontrolled consequences of preferential policies has been a backlash by non-preferred groups. This backlash has ranged from campus racial incidents in the United States to a bloody civil war in Sri Lanka.

HONORS

Nowhere is control more illusory than in the awarding of honors, whose very meaning and effect depend upon other people’s opinions. Preferential honors for members of particular groups can easily render suspect not only those particular honors but also honors, fully merited and awarded after free and open competition. If one-fifth of the honors received by preferred groups are awarded under double standards, the other four-fifths are almost certain to fall under a cloud of suspicion as well, if only because some of those who lost out in the competition would prefer to believe that they were not bested fairly. It is by no means clear that more real honors—which are ultimately other people’s opinions—will come to a group preferentially given awards. Preferential honors can in practice mean a moratorium on recognition of the group’s achievements, which can be confounded with patronage or pay-offs. This need not inevitably be so. The point is that the matter is out of the control of those who decide award policy, and in the hands of others observing the outcomes and deciding what to make of them.

Honor is more than a sop to personal vanity. It is a powerful incentive which accomplishes many social tasks, including tasks that are too arduous and dangerous to be compensated by money—even inducing individuals in crisis situations to sacrifice their lives for the greater good of others. In more mundane matters, honor and respect from one’s colleagues and subordinates are important and sometimes indispensable aids, without which even the most talented and conscientious individuals sometimes cannot fulfill their promise. To jeopardize the respect and recognition of individuals from preferred groups by rewarding “honors” tainted with double standards is not only to downgrade their own achievements but also to downgrade their chances of accomplishing those achievements in the first place. For example, minority faculty members have often complained about a lack of intellectual and research interaction with their colleagues, and of being thought of as “affirmative-action” professors. After the media revealed that black students were admitted to the Harvard Medical School with lower qualifications, white patients began to refuse to be examined by such students. The negative effects of tainted honors are by no means limited to academia.

PARTIAL PREFERENCES

The illusion of control includes the belief that preferential policies can be extended *partway* into a process while maintaining equal treatment in the remainder of the process. For example, in the early days of “affirmative action” in the United States, it was sometimes asserted that special efforts to recruit minority employees or minority students would be followed by equal treatment at the actual selection stage and afterward. Special concern for particular groups might also mean only special scrutiny to see that they were treated equally. President John F. Kennedy’s Executive Order No. 10,925 required that employers who were government contractors “take affirmative action to ensure that the applicants are employed, and that employees are treated during employment without regard to race, creed, color, or national origin.” That is virtually the antithesis of what “affirmative action” has come to mean today, either in the United States or in other countries where the term refers to statistical results viewed precisely *with regard* to race, color, creed, or national origin.

The concept of preferential concern stopping partway into a process is not confined to employment or to the United States. In India, a government minister has urged a small lowering of university-admissions standards for students from scheduled castes (untouchables) and scheduled tribes, with the

proviso that “he was recommending relaxation for admission and not for passing or grading.” Similar views were once expressed in the United States, where special recruitment programs for minority students quickly led to lower admission standards for them—and this in turn sometimes led to “affirmative grading,” to prevent excessive failures by minority students. Double standards in grading may originate with the individual professor or be a result of administrative pressures. Halfway around the world—in Soviet Central Asia—professors are also pressured to give preferential grading to Central Asian students. In Malaysia, preferential grading is virtually institutionalized. As Gordon P. Means puts it:

Although grading is supposed to be without reference to ethnicity, all grades must be submitted to an evaluation review committee having heavy Malay representation. Individual faculty members report various instances when grades were unilaterally raised, apparently for purposes of “ethnic balance.”

Sometimes preferential grading takes the less direct form of creating special or easier subjects for particular groups, such as Maori Studies in New Zealand, Malay Studies in Singapore, or a variety of ethnic studies in the United States.

Whether in employment, education, or other areas, carefully limited or fine-tuned preferences have repeatedly proved to be illusory. Neither time limitations nor other limitations have in fact stopped their persistence and spread.

A wide variety of moral arguments has been used to justify preferential policies. Some of these arguments have little in common, except for being largely unexamined in the excitement of crusading zeal—and being successful politically. Among the reasons given for preferences are that (1) the group is indigenous; (2) the group has been historically wronged; and (3) the group happens to be less well represented in desirable institutions or occupations, for whatever reason, so that this “imbalance” must be “corrected.”

Whatever the arguments for preferential policies, these preferences (as we have seen) can long outlive the validity of those arguments, whether the degree of validity be zero or 100 percent, or anywhere in between. A genuinely disadvantaged group can cling to preferences, or seek more, long after their disadvantages have been redressed. The moral question, therefore, is not simply whether particular groups deserve particular benefits for particular periods of time, or until particular social conditions are achieved. The

real question is whether the *actual consequences of the particular processes* being initiated are likely to be justified, morally or otherwise.

INDIGENOUSNESS

The logic that turns indigenousness into a moral claim is by no means obvious. Claims of being indigenous evoke a sense of solidarity within the beneficiary group—and often also feelings of moral support from outside the beneficiary group. The question is what basis there is for anyone who is not indigenous to take seriously such moral claims by those who are.

Where an indigenous group was once invaded, dispossessed of its lands, or otherwise mistreated by conquerors, the moral condemnation of the latter is based on their actions, not on the indigenousness of the victims. Had they done the same things to people who had settled within the prior century, that would not make it any more right or wrong. Moreover, claims of indigenous preference are not limited to such situations. Malays today claim privileges based on being “sons of the soil”—not against the British, who were the colonial power, but against the Chinese and the Indians, who were not. Similar preferential claims have been advanced by the indigenous peoples of Fiji, Burma, Uganda, and other countries, against groups who never conquered them or even tried to.

One reason indigenous victims may seem especially wronged is that the toil of untold generations may have gone into producing what was taken from them. But, again, this may be equally true (or more true) of people who cannot claim to be indigenous. Were England to be invaded, conquered, and plundered, that would be widely condemned, even though no one familiar with their history would claim that the English are the indigenous people of England. Moreover, in many parts of the world, the indigenous peoples have built few material things of a lasting nature and the conquerors have built much, so that a reconquest by descendants of the original inhabitants would represent more plunder than the original conquest. So too would it governmental transfer of what has been created in the meantime.

One of the recurring themes in moral arguments for indigenous preferences is the linkage of the indigenous peoples to their native soil. Phrases like “sons of the soil,” in various countries, evoke this image. However, human beings have not created land. Whether indigenous or not, their occupation of it as a group has largely been based on force. When one conquering people is in turn conquered by another, observers may deplore the bloodshed and plunder, but it is difficult to see what moral claim the losing side has

against the winners, who have simply been more efficient or more lucky in pursuing the same goals as themselves. Here as elsewhere, where injustice has been done, it is the injustice that is morally significant, not the indigenouness of the victim.

Even in places and times where no credible claim of conquest or plunder can be made against a non-native, non-preferred group, there is often still a feeling that the indigenous people are entitled to preferential treatment in their own homeland. Little or no argument is usually offered for this assertion. At most there may an allusion to the fact that most peoples “rule the roost” in their own homelands, and that there is psychic discomfort when “foreigners” (even many generations resident in the country) are unduly prominent in the economy or society. This is essentially an argument that what *is* in most places is what *ought* to be in all places. In addition to being a *non sequitur*, this assertion attributes to indigenouness a power that is usually due to being a numerical majority. At its worst, it is an argument that might makes right or an evocation of tribalism that need not be shared by observers who are not of that tribe, and which has no moral basis in any case.

HISTORICAL COMPENSATION

The wrongs of history have been invoked by many groups in many countries as a moral claim for contemporary compensation. Much emotional fervor goes into such claims but the question here is about their logic or morality. Assuming for the sake of argument that the historical claims are factually correct, which may not be the case in all countries, to transfer benefits between two groups of living contemporaries because of what happened between two sets of dead people is to raise the question whether any sufferer is in fact being compensated. Only where both wrongs and compensation are viewed as collectivized and inheritable does redressing the wrongs of history have a moral, or even a logical, basis.

The biological continuity of the generations lends plausibility to the notion of group compensation—but only if guilt can be inherited. Otherwise there are simply windfall gains and windfall losses among contemporaries, according to the accident of their antecedents. Moreover, few people would accept this as a general principle to be applied consistently, however much they may advocate it out of compassion (or guilt) over the fate of particular unfortunates. No one would advocate that today’s Jews are morally entitled to put today’s Germans in concentration camps, in compensation for the Nazi Holocaust. Most people would not only be horrified at any such sug-

gestion but would also regard it as a second act of gross immorality, in no way compensating the first, but simply adding to the sum total of human sins.

Sometimes a more sociological, rather than moral, claim is made that living contemporaries are suffering from the *effects* of past wrongs and that it is these effects which must be offset by compensatory preferences. Tempting as it is to imagine that the contemporary troubles of historically wronged groups are due to those wrongs, this is confusing causation with morality. The contemporary socioeconomic position of groups in a given society often bears no relationship to the historic wrongs they have suffered. Both in Canada and in the United States, the Japanese have significantly higher incomes than the whites, who have a documented history of severe anti-Japanese discrimination in both countries. The same story could be told of the Chinese in Malaysia, Indonesia, and many other countries around the world, of the Jews in countries with virulent anti-Semitism, and a wide variety of other groups in a wide variety of other countries. Among poorer groups as well, the level of poverty often has little correlation with the degree of oppression. No one would claim that the historic wrongs suffered by Puerto Ricans in the United States exceed those suffered by blacks, but the average Puerto Rican income is lower than the average income of blacks.

None of this proves that historic wrongs have no contemporary effects. Rather, it is a statement about the limitations of our knowledge, which is grossly inadequate to the task undertaken and likely to remain so. To pretend to disentangle the innumerable sources of intergroup differences is an exercise in hubris rather than morality.

As one contemporary example of how easy it is to go astray in such efforts, it was repeated for years that the high rate of single-parent, teenage pregnancy among blacks was “a legacy of slavery.” Evidence was neither asked nor given. But when serious scholarly research was finally done on this subject, the evidence devastated this widely held belief. The vast majority of black children grew up in two-parent homes, even under slavery itself, and for generations thereafter. The current levels of single-parent, teenage pregnancy are a phenomenon of the last half of the 20th century and are a disaster that has also struck groups with wholly different histories from that of blacks. Passionate commitment to “social justice” can never be a substitute for knowing what you are talking about.

Those who attribute any part of the socioeconomic fate of any group to factors internal to that group are often accused of “blaming the victim.” This

may sometimes be part of an attempt to salvage the historical-compensation principle but it deserves separate treatment.

“BLAME” AND “VICTIMS”

The illusion of morality is often confused with the reality of causation. If group A originates in a country where certain scientific and technological skills are widespread and group B originates in a country where they are not, then when they immigrate to the same third country, they are likely to be statistically “represented” to very different degrees in occupations and institutions requiring such skills. There is nothing mysterious about this, in causal terms. But those who wish to attribute this disparity to institutional discrimination are quick so respond to any mention of group B’s lesser scientific-technological background as a case of “blaming the victim.” By making the issue *who* is to blame, such arguments evade or preempt the more fundamental question—whether this is a matter of blame in the first place.

Clearly today’s living generation—in any group—cannot be *blamed* for the centuries of cultural evolution that went on before they were born, often in lands that they have never seen. Nor can they be blamed for the fact that the accident of birth caused them to inherit one culture rather than another. In causal terms, it would be a staggering coincidence if cultures evolving in radically different historical circumstances were equally effective for all purposes when transplanted to a new society. Blame has nothing to do with it.

GRIEVANCE VERSUS “JUSTICE”

Moralism confuses issues in many ways. For example, justifiable compassion for less fortunate people often shades off into an unjustifiable romanticizing of such people, their leaders, or their leaders’ ideas and rhetoric. Groups seeking preferential treatment almost invariably say that they are seeking “justice,” whether they are a majority or a minority, previously favored or disfavored, currently better off or worse off than others. When people want *more*, they call *more* “justice.” But when groups with a sense of grievance acquire power, locally or nationally, they seldom stop at redressing grievances and seldom exhibit justice toward others.

Nothing is more common than for previously oppressed groups to oppress others when they get the chance. When Poles and Hungarians acquired their own independent nations after World War I, they inaugurated a savage escalation of anti-Semitism. Similarly, after World War II, newly independent nations began oppressing their respective minorities from

Indonesia to Sri Lanka to almost all of sub-Saharan Africa. This has included not only the usual forms of discrimination but also mob violence that has killed hundreds in Indonesia and Malaysia, thousands in Sri Lanka, and tens of thousands in Nigeria.

South Africa's white Afrikaners have long been "grievance-fed" people, as W. H. Hutt called them. Their leaders have kept alive for generations the grievances that caused them to launch a great trek away from British authority to settle new land in the 19th century, the grievances growing out of the two Boer wars they lost against the British, and the economic resentments they felt as a pre-dominantly lower class in an economy dominated by British and Jewish businessmen and financiers. Some of these historic grievances were quite valid—for example, the 25,000 Afrikaner women and children who died in British concentration camps during the second Boer war. However, as Hutt observed: "Races which grumble about the 'injustices' or 'oppressions' to which they are subjected can often be observed to be inflicting not dissimilar injustices upon other races." The Afrikaners' escalation of anti-black laws when they first came to power in a coalition government in 1924 was only a foretaste of the evils of full-scale apartheid which they later imposed after they achieved un-challenged political-dominance in 1948.

Similar patterns have existed in the United States. Just as the long-oppressed Irish became one of the groups most hostile to blacks, so today Koreans and Vietnamese refugees operating small businesses in black ghettos in cities around the country are targets of racist propaganda and violence from local black leaders and those whom they incite. The arguments and demands made against them are the same as those made against the Jewish businessmen in the same ghettos a generation earlier or against the Chinese businessmen in Southeast Asia, the Lebanese in Sierre Leone, or small retailing, minority groups in countries around the world. What it different is that such racism on the part of some black leaders is passed over in silence by those who normally condemn racism, because their vision automatically casts blacks in the role of victims. But people do not cease being human beings just because they are labeled victims—and if the history of human beings shows anything, it shows repeatedly the desire for self-aggrandizement at the expense of others.

A sense of group grievance is seldom a prelude to just treatment of others. More often it heralds a "Now it's our turn" attitude. No one felt or promoted a sense of being historically aggrieved more than Adolf Hitler.

“UNDERREPRESENTATION” AND “LIFE CHANCES”

Quite aside from claims of historic wrongs, the argument has often been made—on grounds of morality as well as political or social expediency—that the “underrepresentation” of particular groups in desirable roles is an “imbalance” to be “corrected.” Majorities have pressed such claims as readily as minorities in circumstances where their only disadvantages were their own lack of skills or interest, as well as where a plausible case could be made that imposed disabilities have handicapped them.

Among the many unexamined assumptions behind preferential policies is the belief that intergroup friction is a function of the magnitude of income gaps, so that more social harmony can be achieved by reducing these gaps. As with so much that has been said in this area, evidence has been neither asked nor given, while counter-evidence is plentiful, varied, and ignored.

In Bombay, the hostility of the Maharashtrians has been directed primarily at the South Indians, who are somewhat ahead of them economically, rather than against the Gujaratis, who are far ahead of them. Throughout sub-Saharan Africa, there has historically been far more hostility directed by Africans against Asians than against Europeans, who are economically far ahead of both. A similar pattern is found *within* African groups. In Nigeria, for example, the Yoruba were far ahead of the Ibo economically in 1940, while there was a much smaller gap at that time between the Hausa and the Ibo. Yet the hostility and violence between Hausa and Ibo in that era greatly exceeded any friction between either of these groups and the Yoruba. Later, as the Ibos rose, narrowing the gap between themselves and the Yoruba, it was precisely then that Ibo-Yoruba outbreaks of violence occurred.

Advocates of preferential policies often express a related belief, similarly unsuspected by evidence, that an even distribution of groups across sectors of the economy tends to reduce social frictions and hostility. Much history suggests the opposite, that (in the words of Professor Horowitz) “the ethnic division of labor is more a shield than a sword.”

The utter dominance of particular sectors by particular minority groups has been quietly accepted for generations in many countries—until a specific, organized campaign has been whipped up against the minority, often by members of the majority who are seeking to enter the minority-dominated sector and are finding their competition very formidable. Often majority-group customers or suppliers actually prefer dealing with the minority-run entrepreneurs. Even in the midst of ethnic riots against other groups certain middleman minorities have been spared—the Greeks in the Sudan, Hindus

in Burma, Marwaris in Assam. Organized boycotts of minority businessmen have been spearheaded by majority-group business rivals, from Uganda and Kenya to the Philippines and the United States. Contrary to what is widely (and lightly) assumed, neither an even representation of groups nor mass resentment at unevenness is “natural.”

Repeatedly, in countries scattered around the world, it has been precisely the rise of newly emerging ethnic competitors—whether in business, government, or the professions—which has produced not only friction with groups already dominant in the sectors concerned but also, and much more importantly, has led the newcomers to whip up their whole group emotionally against the already established group. A Sri Lankan legislator noted this pattern early in that country’s inter-ethnic troubles:

University graduates and people like that are the cause of all the trouble—not the vast mass of the Sinhalese people. It is those men, these middle-class unemployed seeking employment, who are jealous of the fact that a few Tamils occupy seats of office in government—these are the people who have gone round the countryside, rousing the masses and creating this problem.

Halfway around the world a similar charge was made, that “the educated Nigerian is the worst peddler of tribalism.” In the very different setting of Hungary in the 1880’s, the promotion of anti-Semitism was largely the work of students, intellectuals, and sections of the middle classes, while the Hungarian peasant masses remained relatively unresponsive.

Advocates of preferential policies often see these policies as not only promoting social harmony by reducing gaps in income and “representation,” but, also, as part of a more general attempt to “equalize life chances.” Much effort is expended establishing the moral desirability of this goal and the extent to which we currently fall short of it, while little or no effort goes into establishing our *capability* to accomplish such a staggering task. One clue to the magnitude and difficulty of what is being attempted are the various ways in which first-born children excel their siblings. A completely disproportionate number of the famous individuals in history were either first-born or the only child. In more mundane achievements as well, the first-born tend to excel. A study of National Merit Scholarship finalists showed that, even in five-child families, the first-born became finalists more often than all the other siblings combined. The same was true in two-, three-, and four-child families. Such disparities, among people born of the same parents and raised under the same roof, mock presumptions of being able to equalize life

chances across broader and deeper differences among people in a large, complex, and, especially, multi-ethnic society.

The abstract moral desirability of a goal cannot preempt the prior question of our capacity to achieve it. This is not even a question of falling short of all that might be hoped for. It is a question of risking counterproductive, disastrous, and even bloody results.

BENEFICIARIES AND LOSERS

Part of the moral aura surrounding preferential policies is due to the belief that such policies benefit the less fortunate. The losers in this presumed redistribution are seldom specified, though the underlying assumption seems to be that they are the more fortunate.

Empirical evidence for such assumptions is largely lacking and the *a priori* case for believing them is unconvincing. For example, the effects of preferential policies depend on the costs of complementary factors required to use the preferences. These costs can obviously be borne more readily by those who are already more fortunate. Benefits set aside for businessmen of the preferred group are of no use to members of that group who do not happen to own a business, or possess the capital to start one. Preferential admission to medical school is a benefit only to those who have already gone to college. Because preferential benefits tend to be concentrated on more lucrative or prestigious things, they are often within striking distance only for the fortunate few who have already advanced well beyond most other members of the preferred group. In Third World countries, where the great demand is for clerical jobs in the government, the poorer groups in these countries often have difficulty reaching even the modest level of education required for such employment.

Preferential scholarships for Malays in Malaysia are a classic example. Students from families in the lower-income brackets—63 percent of the population—received 14 percent of the university scholarships, while students whose families were in the top 17 percent of the income distribution received more than half of the scholarships. In India, preferential programs for both untouchables and “other backward classes” show the same pattern. In the state of Haryana, 37 different untouchable castes were entitled to preferential scholarships but only 18 actually received any—and just one of these received 65 percent of the scholarships at the graduate levels and 80 percent at the undergraduate level. Similar patterns are found in other parts of the country. In the state of Tamil Nadu, the highest of the so-called “back-

ward classes” (11 percent of the total) received nearly half of all jobs and all university admissions set aside for such classes. The bottom 12 percent received no more than 2 percent of the jobs and university admissions.

In some cases—including the United States—the less fortunate members of a preferred group may actually retrogress while the more fortunate advance under preferential policies. After “affirmative-action” policies took hold in the early 1970’s, blacks with little education and little job experience fell further behind the general population—and indeed further behind whites with little education and little job experience. Meanwhile, blacks with college education or substantial job experience advanced economically, both absolutely and relative to whites with the same advantages. Yet another example of the benefits of “affirmative action” to those already more fortunate are the business “set-asides” that give minority entrepreneurs preferential access to government contracts under Section 8(a) of the Small Business Act. Minority businessmen who participate in this program have an average net worth of \$160,000. This is not only far higher than the average net worth of the groups they come from, but also higher than the average net worth of Americans in general.

This pattern of simultaneous advance at the top and retrogression at the bottom is not confined to the United States. In India, the era of preferential policies has seen the proportion of untouchables increase significantly among high-level government officials, while the proportion of untouchables who work as landless agricultural laborers has also increased. In Malaysia, the representation of Malays on corporate boards of directors has increased significantly, while the proportion of Malays among the population living below the official poverty level has also increased.

Just as the advocates of preferential policies arbitrarily assume that such policies will benefit the “disadvantaged,” so they arbitrarily assume that this will be at the expense of the “privileged.” They neither offer evidence of this in advance nor are so impolitic as to collect data on this point after preferential programs have been inaugurated. Such evidence as exists points in the opposite direction. In Bombay, preferential policies to put Maharashtrians into the ranks of business executives had only minor effects on the Gujaratis who were dominant in that occupation, reducing the proportion of Gujarati executives from 52 percent to 44 percent. Among the South Indians, however, their 25-percent representation among Bombay executives was cut in half, to 12 percent. A similar pattern appeared in the very different setting of prewar Hungary, where policies favoring Gentiles had relatively little effect

on the Jewish financial and industrial elite but imposed real hardships on the Jewish middle class and lower middle class. In the United States, despite voluminous official statistics on all sorts of racial and ethnic matters, no one seems to have collected data on the actual losers under “affirmative action.” It may be significant, however, that those who have protested their losses all the way up to the U.S. Supreme Court have not been named Adams, Cabot, or Rockefeller, but DeFunis, Bakke, and Weber.

II. THE ILLUSION OF COMPENSATION

What makes compensation an illusion is not only that sufferers are not in fact compensated, or the effects of historic wrongs redressed—or even accurately identified and separated from innumerable other social factors at work simultaneously. Both the principle of compensation and the particular form of compensation via preferential policies require careful examination.

THE PRINCIPLE OF COMPENSATION

Given the mortality of human beings, often the only compensation for historic wrongs that is within the scope of our knowledge and control is purely symbolic compensation—taking from individuals who inflicted no harm and giving to individuals who suffered none. In addition to the moral shakiness and social dangers of such a policy, it also promotes a kind of social irredentism, a set of *a priori* grievances against living people, whether or not they have ever inflicted harm on those who feel aggrieved. In view of the futile but bitter and bloody struggles engendered by territorial irredentism, there is little good to hope for by applying this same principle in a new field.

The factual reality that actual benefits from compensatory preferences tend to be concentrated in the already more fortunate elites among the preferred groups makes the moral case for such policies weaker and the social dangers greater. The more educated, articulate, and more politically sophisticated elites have every incentive to whip up group emotions in favor of more and better preferences, despite the increasing group polarization this may produce, and to be intransigent against any suggestion that any such preferences should ever be reduced or ended. This has been a common pattern in the most disparate countries.

In principle, compensation can take many forms, beginning with a simple transfer of money from one group to another. In practice, however, preferential policies are the form taken in many countries around the world. The

implications of that particular form, and of its alternatives, raise still more troubling questions.

THE FORM OF COMPENSATION

If, notwithstanding all philosophic objections to the principle of group compensation, such a policy is in fact chosen, then the particular form of the compensation can make a major difference in the costs and the consequences of compensatory policies. When resources, or the benefits they create, are transferred from group A to group B, this is not necessarily—or even likely—a zero-sum process, in which the value of what is lost by one is the same as the value of what is gained by the other. What is transferred may be subjectively valued differently by the losers and the recipients. There may also be objectively discernible differences in the use of the same resources by the two groups.

Compensatory policies may, in theory, take place through transfers of money, transfers of in-kind benefits, or through differential applications of rules and standards. In Australia, for example, various money and in-kind transfers to the aborigines add up to more than \$2,000 annually for every aboriginal man, woman, and child. Such transfers arouse relatively little political opposition or social backlash. Similarly, in the United States, monetary compensation for Japanese Americans interned during World War II aroused relatively little controversy—and even that little controversy quickly subsided, once the decision was made.

Such monetary transfers are less costly to individual members of the majority population the more the majority outnumbers the minority receiving the transfer. Obviously, if group A is 100 times as large as group B, each member of group B can receive \$100 at a cost of only one dollar to each member of group A. However, even where the losses sustained by one group are significant, monetary transfers may still be efficient, in the narrowly economic sense that what is lost by one group as a whole is gained by another group with no direct net loss to society as a whole. Whatever the merits or demerits of this particular transfer on other grounds, it is not inefficient. Politically and socially, the opposition to such transfers is therefore unlikely to be as great as opposition to the same net transfers in forms that cost more to the losers than is gained by the gainers. Preferential policies often cost the losers more than is gained by the gainers. Preferential policies, by definition, involve a differential application of rules and standards to individuals originating in different groups. Even where the preferences

are not stated in terms of differential rules or standards, but rather in terms of numerical quotas, “goals,” or “targets,” differences in the qualifications of the respective pools of applicants can readily make numerical similarities amount to differences in standards. This is a very common result in countries around the world. In Nigeria, programs to have college-student populations reflect “the federal character” of the country—i.e., tribal quotas under regional names—led to a situation where cut-off scores for admission to the same college varied substantially between students from different tribes or regions. In Sri Lanka, demographic “standardization” policies led to similar disparities in qualification requirements for individuals from different regions of the country. In India, attempts to meet quotas for untouchable students led to drastic reductions in the qualifications they needed for admission to various institutions. Where applicant pools in different groups are different in qualifications, numerical quotas are equivalent to different standards. Therefore preferential policies in general, however phrased, are essentially in application of different rules or standards to individuals from different groups. The question then is: what are the effects of transfers between groups in this particular form?

There are many ways in which intergroup transfers through differential standards can become negative-sum processes, in which what is lost by one group exceeds what is gained by another, thus representing a direct loss to society as a whole—as well as causing indirect losses, due to a larger resistance or backlash than if the recipient group had obtained the same value or benefit in some other form. An obvious example is when a particular group, in which 90 percent of the students admitted to college succeed in graduating, loses places to another group in which only 30 percent of the students graduate. Group A must lose 900 graduates, in order for group B to gain 300 graduates. It might be objected that this overstates the net loss, since there may be some marginal benefit simply from having attended college, even without graduating. Offsetting this, however, is the fact that groups with lower qualifications tend to specialize in easier and less remunerative fields, whether in India, Malaysia, the Soviet Union, or the United States. Therefore group A may lose 900 graduates largely concentrated in mathematics, science, and engineering, while group B gains 300 graduates largely concentrated in sociology, education, and ethnic studies.

The *apparent* losses to one group under preferential policies may also far exceed the real losses, thereby further raising the indirect social costs of backlash and turmoil. For example, an observer of India’s preferential

policies for untouchables (known officially as “scheduled castes”) has commented:

... we hear innumerable tales of persons being deprived of appointments in favor of people who ranked lower than they did in the irrelevant examinations. No doubt this does happen, but if all these people were, in fact, paying the price for appointments to Scheduled Castes, there would be many more SC persons appointed, than there actually are. To illustrate: supposing that 300 people qualify for ten posts available. The top nine are appointed on merit but the tenth is reserved, so the authorities go down the list to find an SC applicant. They first one at 140 and he is appointed. Whereupon all 131 between him and the merit list feel aggrieved. He has not taken 131 posts; he has taken one, yet 131 people believe they have paid the price for it. Moreover, the remaining 159 often also resent the situation, believing that their chances were, somehow, lessened by the existence of SC reservations.

Where certain opportunities are rigidly “set aside” for particular groups, in the sense that members of other groups cannot have them, even if these opportunities remain unused, then there is the potential for a maximum of grievance for a minimum of benefit transfer. Admission to medical school in India’s state of Gujarat operates on this principle—and has led repeatedly to bloody riots in which many people have died. Reservations or “set-asides” in general tend to provoke strong objections. The first major setback for “affirmative action,” in the U.S. Supreme Court was based on objections to reserved-admissions places for minority applicants in the 1978 *Bakke* case. A later major setback occurred in *City of Richmond v. Croson* (1989), where minority business set-asides were struck down by the Supreme Court. Similarly, in India, an exhaustive scholarly legal study of preferential policies found: “Virtually all of the litigation about compensatory discrimination has involved reservations, even though preferences in the form of provisions of facilities, resources, and protections directly affect a much larger number of recipients.” This litigation has been initiated mostly by non-preferred individuals who complain of being adversely affected. In some ultimate sense, non-preferred individuals are just as much adversely affected by preferences in other forms that direct resources away from them and toward preferred groups. But it is preference in the specific form of “reservation” or “set-aside” that seems most to provoke both violence and litigation.

By contrast, resource transfers designed to enable disadvantaged groups to meet standards are accepted while attempts to bring the standards down to them are overwhelmingly rejected. In the United States, preferential policies

have repeatedly been rejected in public-opinion polls. However, the same American public has strongly supported “special educational or vocational courses, free of charge, to enable members of minority groups to do better on tests.” More than three-fifths of all whites even support “requiring large companies to set up special training programs for members of minority groups.” The issue is not simply whether one is for or against the advancement of particular groups or is willing to see transfers of resources for their betterment. The method by which their betterment is attempted matters greatly in terms of whether such efforts have the support or the opposition of others.

III. REPLACING ILLUSIONS

With all the empirical weaknesses, logical flaws, and social dangers of preferential policies, why have they become so popular and spread so rapidly around the world? One reason is that their *political* attractions are considerable. They offer an immediate response—a quick-fix—at relatively little government expense, to the demands of vocal, aroused, and often organized elites, speaking in the name of restive masses. This restiveness of the masses is by no means incidental. Violence has frequently preceded preferences, from the American ghetto riots of the 1960’s to the Malay and Indonesian riots against the Chinese at about the same time, to terrorism in India, and massive mob violence against the Tamils in Sri Lanka. This violence by the masses is typically used politically to promote elite purposes via preferential policies. An international study of ethnic conflicts concluded:

Preferences tend to respond to middle-class aspirations almost entirely. They do little or nothing about the resentments of those who do not aspire to attend secondary school or university, to enter the modern private sector or the bureaucracy, or to become businessmen. Although lower-class resentments are often profound—it is not, after all, the middle class that typically participates in ethnic violence—the resentments may have nothing to do with occupational mobility and preferences do not address them.

Preferential policies, then, are politically attractive as a response, however socially ineffective or counterproductive such policies may later prove to be in practice. At a sufficiently superficial level, the moral attractions of preferential policies are considerable as well. Even in South Africa, moral appeals were made on behalf of a “civilized labor policy”—protecting European workers’ customary standard of living from being undercut by Africans

and Indians accustomed to living on less—and clergy, intellectuals, and others not personally benefiting joined in support of these policies on that basis. Preferential policies allow intellectuals as well as politicians to be on the side of the angels (as locally defined at the time) at low cost—or rather, at a low down payment, for the real costs come later, and have sometimes been paid in blood.

The last refuge of a failed policy is “the long run,” in which it will supposedly be a success. In other words, those who predicted the short run wrongly ask to be trusted with the much harder task of predicting the long run rightly. This argument, used to defend the counterproductive effects of preferential policies, is far less defensible in an international perspective where old preferential policies (as in India or Sri Lanka) have progressed from intergroup political hostility to bloodshed in the streets and deaths by the thousands, while newer programs (as in the United States) are still in the process of increasing group polarization, and the even more recent preferential policies taking shape in Australia and New Zealand are still at the stage of optimistic predictions.

Even the most damning indictment of a policy is almost certain to be met with the response: “But what would you replace it with?” However effective as a political tactic, such a question confuses rather than clarifies. It is like an arbitrary prohibition against saying that the emperor has no clothes, until a complete wardrobe has been designed. The question misconceives policy, and human actions in general, in yet another way: no one who extinguishes a forest fire, or removes a cancer has to “replace” it with anything. We are well rid of evils.

This is not to say that none of the aspects of social issues raised during “affirmative-action” controversies should ever be addressed by public policy. The case for public policy in general, or for a particular public policy, must be made on the individual merits of the particular issues raised—but not as a general “replacement” for some discredited policy.

What must be replaced are the social illusions and misconceptions underlying preferential policies, for any alternative policy based on the same illusions and misconceptions will have the same fatal weaknesses in its structure. In some countries and for some purposes social policy may wish to ameliorate the lot of the less fortunate or make it possible for individuals or groups to acquire the knowledge and skills necessary for their own advancement. It is infinitely more important that such efforts be based on facts and

logic than that there be one particular scheme selected from innumerable possibilities as the uniquely designated “replacement” for existing policy.

We may or may not be able to agree on what the ideal, or even a viable, policy must be. What we can agree on is far more fundamental: We can agree to *talk sense*. That will mean abandoning a whole vocabulary of political rhetoric which preempts factual questions by arbitrarily calling statistical disparities “discrimination,” “exclusion,” “segregation,” and the like. It will mean confronting issues instead of impugning motives. It will mean specifying goals and defending those specifics, rather than speaking in terms of seeking some nebulously unctuous “change” or “social justice.” Perhaps more than anything else, talking sense will mean examining policies in terms of the incentives they create, and the results to which these incentives lead, rather than the hopes they embody. It will mean that evidence takes precedence over assertion and reiteration.

IV. INCENTIVES VERSUS HOPES

“TEMPORARY” PREFERENCES

Many of the factual findings of this study will be surprising only because incentives have not usually been the focus of discussions of preferential policies. For example, given the incentives, it can hardly be surprising that preferential policies do not become temporary merely because their proponents use the word “temporary.” The incentives are to do exactly what has been done, in country after country: extend and expand both the preferences and the list of beneficiaries, not to mention those individuals who make themselves beneficiaries through fraud.

Once we face up to the fact that “temporary” preferences are not likely to be temporary in reality, and that the group whose history provides the moral rationale for initiating preferential policies is unlikely to remain the sole group preferred in a multi-ethnic society, the real issue then becomes: what are the probable consequences of an enduring policy of group preferences for the whole range of groups that will probably get them? The answer to that question will depend, not on what rationales there are for preferences, but rather on what *incentives* these policies create—including incentives for members of the preferred group, for members of other groups likely to seek preferences, for members of groups likely to resent and react to preferences, and for a whole group-consciousness industry that acquires a vested interest in agitating emotional issues in an ever more tense, polarized, and even explosive atmosphere.

The moral issue is then no longer whether group A or B deserves compensatory preferences, but whether groups C, D, E, etc., also deserve such preferences—especially if these latter groups are larger, more educated, or otherwise better-positioned to use the preferences, thereby diluting or destroying the value of preferences for group A or B, who may have stronger moral claims or more urgent social needs. As the cases of untouchables in India and blacks in the United States both illustrate, it is all too easy for a tragically unfortunate group of people to be used simply as an entering wedge to create benefits going others in much more fortunate circumstances, whether those others are within their own racial or social group or numerous outsiders to whom the preferential principle is successively extended. Clearly, no recitation of the historic oppressions suffered by blacks can justify preferences for white, middle-class women, whom some believe to be the principal beneficiaries of the acceptance of the preferential principle.

Both in India and in the United States a point is ultimately reached where the initially designated beneficiaries of preferential policies begin to object to the continued extension of their status to others. Thus blacks objected to legislation in the Louisiana House of Representatives which extended “minority” status to Cajuns. In India, untouchable leader Dr. B. R. Ambedkar fought successfully against the extension of central-government preferences to members of the “other backward classes” in the Indian constitution.

An analysis of preferential policies in terms of the incentives they create cannot treat preferences as simply a benefit added to existing social processes. Preferential policies change the very nature of processes—whether these be hiring processes, college-admissions processes, or other social processes. An employer who was once free to choose among job applicants on the basis of his own assessments of their ability to do the job must, after preferential policies, consider also how readily his decision can be justified to third parties, in terms that will be understood and accepted by those who are less knowledgeable about his business, who were not present at the interview, and who would have less experience on which to base an assessment such as he made. “Objective” criteria in general and educational credentials in particular are likely to gain more weight under these circumstances because third parties can understand such things, even if other qualities are in fact more important on the job. The growth of credentialism can further disadvantage less fortunate groups, especially if preferences have also been extended to other groups with more credentials—e.g., middle-class white

women in America as compared to black males. There can be fewer job opportunities for less educated black males after preferential policies that extend far beyond them to encompass groups better able to play the game under the new rules.

Where preferential policies apply not only to the initial intake (hiring, college admissions) but also to subsequent progress (promotions, college grades, honors), the incentives created can operate at cross purposes. For example, the requirement that initial intake numbers be reported to third parties tends, by itself, to create incentives to hire more of the designated group. However, the knowledge that this group's subsequent progress must also be reported—and can become the basis for costly litigation and large damage awards—inhibits the hiring of individuals from the preferred group, unless they seem more “safe” than individuals who can be readily demoted or terminated because they come from groups without legal preferences. Which of these contending tendencies will predominate in the actual decisions can vary with the industry or activity, the nature of the pools of applicants, the policies and practices of the third-party observers, and whether the decision-maker is spending his own money or the taxpayers' money. The point here is that, once more, the changes in the nature of the process induced by preferential processes need not increase the opportunities of the officially preferred group—and may, on net balance, *reduce* those opportunities. Where the existence of preferential policies also leads to a slackening of efforts among the preferred group, then the dangers of counterproductive results are further increased.

Abstract possibilities of counterproductive results from preferential policies are by no means conclusive. However, they do make it easier to understand empirical patterns observed in the United States, India, and Malaysia, where (as noted above) the poorer members of the preferred group have actually *retrogressed* during the same span of time when the group's elite has advanced dramatically. Preferential policies unequivocally create an increased demand for the “safe” and credentialed members of the preferred group, while making the less educated, less skilled, and less experienced members a more risky gamble for an employer than they would be in the absence of preferences. This is especially so in the United States, where preferences are predicated on prior discrimination and on continuing dangers of discrimination, with statistical disparities often being equated with such discrimination in courts of law, which can make multimillion-dollar damage awards to those judged to be victims.

EVASIONS OF PREFERENCES

Given the differing costs of discrimination to those in government who impose preferential policies and businessmen in the private sector who are required to carry them out, it can hardly be surprising that both opposition and evasions have been aroused against such policies in country after country.

In the absence of an understanding of incentives, explanations tend to account for evasion or opposition to preferential policies by a hostility to the particular groups designated as beneficiaries of these policies. Clearly this cannot explain widespread white evasions of policies designed to help whites, as in South Africa, where for years the government has been fining white businessmen for hiring more blacks and in higher occupations than they are legally allowed to. Economic incentives, rather than humanitarianism, have been behind such widespread evasions of the “color bar” in South Africa in times past and of apartheid laws more recently. Once the *multiple* sources of resistance to preferential policies are admitted, it is no longer possible to attribute automatically the failures of such policies to “institutional racism,” “unconscious bias,” or similar explanations, *without evidence*. Circular reasoning cannot substitute for evidence.

Incentives allow discussions to proceed in terms of the actual decision-makers involved, individual or institutional, seeking their own specific self-interest rather than in terms of some arbitrarily collectivized “society,” “power structure,” or other such construct not corresponding to any empirically demonstrable decision-making unit. The poetic license of speaking of “society” as acting this way or that is a declaration of intellectual bankruptcy, as fair as empirical evidence is concerned. Such metaphors are an evasion of crucial questions about incentives and causation.

INCENTIVES OF ACTIVISTS

Unelected “spokesmen” who speak boldly to the media in the name of groups seeking or receiving preferential policies are a common social phenomenon from New Zealand to Britain to North America. There are also common patterns in their pronouncements, reflecting common incentives facing them. Any fundamental reexamination of the assumptions behind preferential policies—and still more so, any resulting change of policies—can expect to encounter their vocal, bitter, and determined opposition, including inevitable charges of racism against outsiders, labels of “traitor”

put on any members of their own group who disagree publicly with them, and whatever other claims or charges seem likely to be politically effective.

The common thread of group activists around the world is separatism. Insofar as their group, whether a majority or a minority, reaches a *modus vivendi* with other groups, there is less of a role for group activists. Accordingly, group activists often seek separate languages, separate institutions, and even separate territories. Even where most of the group already speaks the language of the surrounding society, as among the Maoris of New Zealand, group activists seek to reconstitute artificially a separate language community. In Australia, all-aborigine schools have been established, emphasizing the teaching of the aboriginal languages.

Unrealizable demands are another common feature of group activists, whether these demands are for massive “reparations” payments for slavery for blacks in the United States or for making the Maori language the official language of New Zealand. While demands that can be met might benefit the group, demands that cannot be met benefit the group activist. The point is “to create the appropriate climate for bitter recriminations,” as an observer of Australian aboriginal activists put it. Sometimes, through miscalculation, a demand may be made that can be and is met—in which case, what is conceded must then be denounced as paltry and insultingly inadequate, however important it may have been depicted as being when it seemed unattainable.

Threats of catastrophe if their demands are not met are another common tactic of group activists. An aboriginal activist in Australia described the aborigines as being of a radically different culture, as “totally frustrated and angry with white society,” so that unless whites get rid of their “inbuilt bias and prejudice,” he predicted “there’s going to be an absolute disaster in Australia.” He concluded: “We’ve got to find alternative principles if humanity is to survive.” By contrast, one of the few aborigines actually *elected* by aborigines depicted his people as sharing many of the values and aspirations of white Australians, offered no such apocalyptic view of the future, and declared that many of the activists’ ideas were foreign to aboriginal culture, though congenial to “the trendy middle classes.”

A key factor in the success of vocal activists around the world is their ability to strike a responsive chord in the “trendy middle classes” in the name of a group which has not elected them and which often has views radically different from theirs. Such activists are not “leaders” of their people in any meaningful sense. That fact can only become more painfully clear if a fundamental change in public policy makes the internal development of the

group the prime focus. In such a situation today's group activists would have little role to play except that of attempting to discredit or sabotage the effort. They may be politically very formidable in that role, however.

V. PRESUMPTIONS VERSUS PEOPLE

Preferential policies are generally intended to favor groups currently "under-represented" in desirable occupations or institutions. Both majorities have equated statistical inequalities with moral inequalities. In extreme cases—not necessarily rare cases—the presumption that groups would be evenly represented in various sectors and levels of society, in the absence of discrimination, has become a belief almost hermetically sealed off from any logical or empirical argument. Criticism is dismissed as malevolently motivated, evidence as culturally biased, criteria as irrelevant.

Evidence that clearly contradicts the vision has often been hidden by redefinition. For example, where the assumption is that the lower economic position of non-whites is due to discrimination by whites, non-white groups who have been successful in the same society are an obvious embarrassment to the proponents of the theory. In Britain, this has led to a redefinition of all non-white groups, including Asians, as "black." Thus Asians disappear as a separate group by verbal sleight-of-hand, as the collective economic, educational, and other performances of "blacks" as a whole are compared to those of whites. In the United States, a similar burying of discordant evidence is achieved by using the ponderous phrase "people of color" to encompass all non-whites, thereby swamping the above-average income statistics of Chinese and Japanese Americans under the larger numbers of below-average income statistics from blacks and other low-income, non-white groups. In Canada, the lumping together phrase is "visible minorities." It too helps conceal the fact that some non-white groups in Canada are more prosperous than some white groups. The particular words used to lump disparate groups together differ from country to country but the tactic is the same.

In short, no matter what the evidence says, the vision is protected from it. Such heads-I-win-and-tails-you-lose arguments have become as commonplace among group activists in Britain as in the United States. Implicit in this vision is the assumption that the respective pools of potential group "representatives" are not substantially different or that the differences are not relevant. This assumption is contradicted by objective evidence from around the world as to the large variations—both qualitative and quantitative—in educa-

tional achievement between groups in the same society, whether India, Israel, Sri Lanka, Nigeria, Malaysia, or the United States.

Non-quantifiable differences are not necessarily any less important factors in statistical disparities, though such differences are often dismissed as “stereotypes.” However, so-called “stereotypes” about group behavior often show a certain consistency between what group members say about themselves and what others say about them, though the connotations may differ. Many backward groups from Burma to Guyana “view themselves as the major obstacle to their own advancement,” as Donald Horowitz’s study showed. Nor can these groups be dismissed as brainwashed minorities, full of “self-hate.” Majorities in charge of their own preferential programs have also confronted their own behavior as a factor inhibiting the progress they wish to make. This was perhaps nowhere more candidly stated than in an official Malaysian government publication which criticized the Malays’ “unwillingness to work and take risks,” their lack of “skills and initiative,” and their “practice of assigning to others for specific remuneration the use of licenses granted to them.”

In the very different setting of Hungary, in 1940, Hungary’s long-time regent, Admiral Miklós Horthy, wrote to the Prime Minister:

As regards the Jewish problem, I have been an anti-Semite through all my life. I have never had contact with Jews. I have considered it intolerable that here in Hungary every factory, bank, large fortune, business, theater, press, commercial enterprise, etc., should be in the hands of Jews, and that Jews should be the image reflected of Hungary, especially abroad. Since, however, one of the most important tasks of the government is to raise the living standards (i.e., we have to acquire wealth), it is impossible, in a year or two, to eliminate the Jews, who have everything in their hands, and to replace them by incompetent, most unworthy big-mouth elements, for we would become bankrupt. This requires a generation at least.

Surely Malays and Hungarian Gentiles are not the only people on this planet whose own behavior patterns have been among the factors inhibiting their progress. Yet any such candid recitation of such patterns among many other groups in other countries would automatically be denounced as “blaming the victim”—not only by political activists but even by scholars. Any suggestion of difficulties in finding qualified members of any group for any job is likely to be dismissed as a lame excuse, even in courts of law. In the United States, the unbridled vilification of the Moynihan Report in 1965 marked virtually the beginning of the end of candid discussions of minority

groups. Ironically, the Moynihan Report was a plea for more government help for blacks, and what it said about social conditions within the black community had already been said by black scholars, including some who joined in the vilification of Moynihan. Moreover, the candor of the Moynihan Report did not begin to approach the painful frankness of *Black Bourgeoisie* by E. Franklin Frazier, the outstanding black sociologist.

Any policy that attempts to advance the interests of any group in any country must begin with the reality of their situation—not with hermetically sealed visions that offer psychic comfort or politically useful illusions benefiting a relative handful of elite or activist individuals. It is far more important to understand what a viable policy must be based on than to narrow arbitrarily the range of such possible policies to one specified “solution.”

Denial of any group’s internal problems can mean denying a history of long and sometimes heroic efforts to overcome those problems. The role of the Catholic Church in socially uplifting the Irish in America is just one of these historic efforts leading to the transformation of a people. Both blacks and whites participated in successful efforts to develop an educated-class among blacks in the first generation after slavery and on into the 20th century. The “Jewish Enlightenment” in Europe and the spectacular rise of the Scots in the 18th century are other examples of a kind of valuable human experience that is often ignored today because to admit that there were internal problems in the first place would shatter the hermetically sealed vision.

One symptom of the determined refusal to examine the characteristics of a group nominated for preferences is the setting of numerical “goals” *without the slightest mention* of the size of the pool of qualified people from whom these goals are to be met. Where the problem of pool size is even obliquely acknowledged, it is often in the context of establishing numerical goals for the pool itself—which simply pushes the same issue back one stage. Ultimately, this logically leads back to childhood and the values of the home and the group. When Maori students, admitted under preferential policies at New Zealand University of Auckland, fail to show up for tutorials as often as other students, their academic failures cannot be attributed automatically to institutional racism or to not having enough “role models”—not if the purpose is to advance Maoris rather than to score ideological points.

VI. POLITICS VERSUS PROGRESS

The ingredients of political success and the ingredients of social progress are not only different but often antithetical. Nothing was more politically suc-

cessful than the preferential policies which led Sri Lanka into race riots, atrocities, and civil war. Even Marxist parties, ideologically opposed to ethno-group preferences, were forced by electoral disasters to advocate such policies as the price of political survival. Preferential policies in Pakistan were politically robust enough to survive and flourish after their initial beneficiary group, the East Bengalis, seceded to form the separate nation of Bangladesh. Preferential policies in Nigeria began before independence and survived in varying forms through changes in constitutions, military coups, and a civil war that took over a million lives. The political success of preferential policies in Guyana, India, and Malaysia has likewise been impressive.

What has been far less impressive is the social record of preferential policies. However beneficial to the elites of preferred groups, such policies have helped raise the masses from poverty to prosperity only in South Africa, where the once urgent “poor-white” problem among the Afrikaners has been solved by the ruthless sacrifice of the interests of the vastly larger non-white population and the relentless suppression of their resistance. Yet it is by no means clear that the long-run costs of this social “success” will prove to be worth it, even for South African whites, many of whom have begun emigrating to other countries in anticipation of trouble in the years ahead.

The reasons for the political success of preferential policies highlight the political difficulties of alternative policies designed to enable genuinely unfortunate people to advance. Preferential policies allow large promises about the future to be made by politicians at small immediate cost to the government. Such policies reward vocal leaders of the preferred groups by creating benefits focused on their class and flatter the group as a whole that its problems are caused by other people, whose wrongdoing or unfair advantages will be suppressed by government. This approach fits in neatly with various “liberation” themes, whose essential message is that other people are to blame for one’s troubles. With the complex difficulties and painful trade-offs involved in social advancement reduced to the simple level of group conflict, the issue can be presented and its goals defined in terms politically comprehensible to all. Conflict has obvious media appeal as well and moralists and intellectuals can choose the side considered to be that of the angels. Politicians benefit by gaining the political support of the beneficiary groups. Where those groups do not constitute a majority, then the preferential policies can nevertheless succeed politically by keeping a low profile, by being

redefined as antidiscrimination efforts, or by being justified by such moral rationale as will mollify the majority.

Consider, by contrast, the political situation facing a program which genuinely intends to aid the advancement of less fortunate people by improving those people's education, skills, and habits. Such a program must take far more time, probably cost far more money, and cannot provide either the group conflict so useful to the media or the sense of moral superiority so much in demand by crusaders or others who want to be on the side of the angels. The scope and pace of genuine advancement for less fortunate masses cannot produce as dramatic results as a doubling or tripling of group members in a few elite positions within a few years under preferential policies. If thousands more minority women who might have become maids become secretaries instead, that is still not as dramatic as having three minority cabinet members instead of one, even though far more people would be benefited by the former, including people far more in need of help. Politically, symbolic representation in visible high-level positions "sells." Preferential policies can deliver that better and faster than any policy of helping less fortunate masses advance. Most important of all, it can deliver before the next election.

Education is widely recognized as a key factor in the advancement of individuals and groups. Whether in India or the United States or in other countries, the tendency is to focus efforts at the visible, high-level end of education—at the colleges and universities, including postgraduate education. Obviously, the genuinely less fortunate seldom reach these levels. If they are to be helped, the help must come much earlier in the educational process and the task will be infinitely more difficult than lowering admissions standards in higher education to achieve statistical representation. Moreover, the struggle will not be the kind of struggle between groups, or between good and evil, that the media can dramatize but instead a harder, slower, and less glamorous struggle between the inherent requirements of quality education and the habits, attitudes, and beliefs of people who have not had to deal with such requirements before. School disrupters will have to be dealt with as problems to be gotten rid of, rather than as victims to be defended by in-group organizations or "public-interest" lawyers from the general society.

Even assuming that all of these educational difficulties can be overcome and high-quality students begin to emerge from the system, they will not emerge from high school for another twelve years, from college for sixteen

years, or from postgraduate education and professional apprenticeship levels for twenty years. Such time spans are simply beyond the horizon of politicians whose focus is the next election. Genuine educational improvement is at a clear disadvantage politically in competing with preferential policies that can offer a “quick fix” before the voters go to the polls. Even if there are early signs that a program is starting to work, rising test scores in Harlem elementary schools will never carry the same political weight as appointing a few more high-level minority officials or even increasing the number of minority students admitted to the city’s colleges and universities without meeting the standards required of others.

Could some judicious blend of preferential programs and programs designed to improve the performances of less educated groups work? Here the problem is that the two kinds of programs create incentives that work at cross-purposes, even if their goals are the same. Forcing students to meet higher standards—a painful process for them and their teachers alike—will be made all the more difficult if the students know that these standards are unnecessary for them to reach whatever educational or employment goals they have, or even to be promoted to the next grade. If group-representation statistics are the standard by which institutions will be judged, other standards will be sacrificed for the sake of body count. This is true not only of educational institutions but of other institutions as well.

Political feasibility is the greatest obstacle to new policies with an overriding goal of advancing the less fortunate because time is the key ingredient in such advancement on a large scale. Even in the extreme case of South Africa, where massive transfers of the nation’s resources were focused on a small minority of its people, in *addition* to preferential policies pursued in utter disregard of the losses and even tragedies suffered by others as a result, it was decades before the Afrikaner “poor whites” became middle-class. Only in terms of political appearances are preferential policies a “quick fix.” The dangers of an actual retrogression among the masses of the beneficiary group cannot be dismissed, either from an analytical or an empirical perspective. Even greater dangers have materialized in countries that have experienced bloodshed in the wake of group polarization brought on by preferential policies.

While current political feasibility may be the touchstone of the professional politician, it cannot be the last word for others. In many countries, what is most politically feasible are policies that further a continued drift in the direction of group polarization and the dangers and disasters this entails.

Specific alternative policies will differ for different groups and different countries. What is crucial is that these alternatives be examined in terms of the *incentives* they create and the results to which such incentives can be expected to lead—regardless of the rationales, aspirations, or symbolism of these policies. Determining in this way what *should* be done is not an exercise in utopianism, for once there is a consensus on what needs to be done, that in itself changes what is politically feasible.

The starting point for rethinking and reform must be a recognition that “affirmative action” has been a failure in the United States and a disaster in other countries that have had such policies longer. Indeed, a growing polarization and increasing numbers of ugly racial incidents (especially on campuses that are strongholds of “affirmative action”) may be early warnings that we too may be moving from the stage of mere failure to the stage of social disaster.