

Landsburg, Steven E. 2007. More Sex is Safer Sex: The Unconventional Wisdom of Economics. New York, NY: Free Press, pp. 208-210.

The New Racism

Not long ago in American history, political platforms contained phrases like: "Federal contracts, whenever possible, should be performed by white workers." Politicians demanded tax incentives to reward firms for hiring whites instead of blacks. Those same politicians endorsed "Right-to-Know" legislation to alert consumers when products were produced by the "wrong" kind of workers. They embraced slogans like "Buy white!"

When I say this kind of thing was commonplace "not long ago," I really *mean* not long ago. Except for one morally insignificant difference, I got all of the above from John Kerry's Website. The only change I made is this: where Kerry said "American," I substituted "white."

But I don't mean to single out either Senator Kerry or Democrats in general. Both major parties (and most of the minor ones) are infested with protectionist fellow travelers, who would discriminate on the basis of national origin no less virulently than David Duke or any other overt racist would discriminate on the basis of skin color. But if racism is morally repugnant—and it is—then so is xenophobia, and for exactly the same reasons.

Now hold on a minute, you might say. Isn't the U.S. government elected by Americans to serve Americans? Indeed, don't governments exist in the first place for the express purpose of favoring their own citizens? The U.S. Army discriminates by defending American soil more vigorously than the soil of, say, Peru. We discriminate against Icelanders by locating our interstate highways in North America for our own convenience, rather than in Reykjavik for theirs. So why shouldn't American government policies favor American workers at the expense of foreigners?

Well, sure, the U.S. government is elected by Americans to serve Americans. There was a time when a lot of Southern sheriffs could have said they'd been elected by white citizens to roughshod over the rights of everyone else.

As for defense and interstate highways, these are great collective undertakings. We pay for them through our taxes. It makes sense that those who pay the costs should reap the benefits. It is no more inappropriate for the U.S. Army to defend Americans instead of Peruvians than it is for Burger King to provide food for Burger King customers instead of McDonald's customers.

But the labor market isn't like that at all. When General Motors hires an American in Detroit or a Mexican in Ciudad Juárez, the rest of us are not footing the bill. And that makes it none of our business. Nor should we want it to be.

I hold this truth to be self-evident: it is just plain ugly to care more about total strangers in Detroit than about total strangers in Juárez. Of course we care most about the people closest to us—our families more than our friends, and our friends more than our acquaintances. But once you start talking about total strangers, they all ought to be on pretty much the same footing. I sometimes hear Americans say, "I care more about Americans than Mexicans because I have more in common with Americans." If you happen to be white, you could just as well say you care more about white strangers than black strangers because you've got more in common with whites. Does that make it okay to punish firms for hiring blacks?

Anyway, protectionism doesn't work; laws intended to "protect" Americans might raise wages, but they raise the prices of the goods we buy even more, leaving us worse off. The proof of this fact (and it is indeed a fact, not an opinion—one which is as well established among economists as Darwinian evolution is

among biologists) can be found in any intermediate textbook on microeconomics. The key insight is that finding a new trading partner is exactly like finding a new technology; there is no fundamental difference between having your MRI data analyzed by an Indian over the Internet and having your MRI data analyzed by clever new software that runs directly on your laptop. If technology makes us richer, then so must trade.

But that observation is quite tangential to my main point here, which is that even if protectionism *did* work—even if Kerry-style (or Nader-style or Buchanan-style) protectionism *could* improve Americans' well-being at the expense of foreigners—it would still be wrong.

If you support protectionism because you think it's good for *you*, you've probably just got your economics wrong. But if you support protectionism because you think it's good for your fellow Americans, at the expense of foreigners, then it seems to me you've got your morals wrong too.

Granted, this book is supposed to be about economics, not morality, and your moral standards might be very different from mine. But indulge me for a moment: if it's okay to enrich ourselves by denying foreigners the right to earn a living, why shouldn't we enrich ourselves by invading peaceful countries and seizing their assets? Most of us don't think that's a good idea, and not just because it might backfire. We don't think it's a good idea because we believe human beings have human rights, whatever their color and wherever they live. Stealing assets is wrong, and so is stealing the right to earn a living, no matter where the victim was born.