

# IMPRIMIS

Because Ideas Have Consequences

August 1994 Volume 23, No. 8

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## "A Cultural Renaissance"

by Jack Kemp  
Cofounder, Empower America

**J**ack Kemp is cofounder of Empower America, a national public policy organization that focuses on the free market and other issues. A National Football League quarterback for more than a decade, he went on to serve as a member of the U.S. House of Representatives from 1970 to 1989 and as U.S. Secretary of Housing and Urban Development from 1989 to 1992. He has won worldwide recognition for sponsoring the Kemp-Roth tax plan



that inspired a 30 percent tax cut under the Reagan administration and for his introduction of urban enterprise zones to aid the poor, minorities, and small businesses. i

*In this inspiring call to arms during what have become popularly known as America's "culture wars," Jack Kemp argues that capitalism has moral foundations that make it not only the best economic system in the history of the world but the best hope for the future of our children and our nation.*

*His presentation was delivered last February at Hillsdale's Shavano Institute for National Leadership seminar, "Culture Wars: The Battle over Family Values," in Raleigh, North Carolina, for nearly 900 business and community leaders.*

**N**early a decade ago, in a speech at Hillsdale College, I talked about the inseparable connection between economics and strong families. The word economics, I observed, comes from the Greek "*oikos nomos*," which literally means "the law or custom of the home." Economics originally meant the study of the family and the home, not merely the production or distribution of material goods.

A decade ago, this issue was interesting. Today it is critical to the future of our nation.

Aleksandr Solzhenitzyn argues that from time to time in history we come across a "knot"—a moment when trends and issues are neatly tied together; an hour when alternatives are clear; that brief period before decisions harden into fate.

I believe we now face a "knot" of our own. Our fundamental choice comes disguised as a familiar political argument that is growing in intensity. There are those who say that conservatives must make a choice between a message of economic growth and a message of

cultural renewal. Take your side, we are told, and the fight can begin. Make your decision between economics and cultural values.

Moments like this call for clarity. So I want to argue as directly as I can: This choice is false; this conflict is destructive; and this decision, if forced on conservatives, would come at an unacceptable cost to our coalition. It is false in the realm of ideas—because it ignores the full range of human needs. And it is costly in the realm of politics—because it undermines the coalition of conscience that could transform our nation and renew our culture.

### The Realm of Ideas

**J**ust what is the relationship between free market economics and cultural values—between doing well and doing good? To some, capitalism and the prosperity it creates has held the promise of secular salvation, a utopia of affluence. To critics, it is seen as a Darwinian struggle where only the fittest survive.

Neither vision has matched reality. Democratic capitalism has not built a "New Jerusalem," nor has it returned us to the "law of the jungle." It promises, instead, three extraordinary things: liberation from abject poverty, freedom from political tyranny, and release of the individual conscience from oppression. No human system has ever kept its promises more faithfully. Democratic capitalism has been history's sharpest weapon against poverty, oppression, and tyranny.

Free markets have generated unequalled living standards for unrivaled numbers of men and women. As economist Joseph

Schumpeter observed, "Queen Elizabeth owned silk stockings. The capitalists' achievement does not consist in providing silk stockings for queens, but in bringing them within reach of factory girls." Yet capitalism's accomplishments run deeper. Its enduring appeal is not its toasters, televisions, and transistors, but its respect for individual innovation, creativity, and upward mobility.

Capitalism—unlike socialism—has never been a utopian vision. It has never promised to build the Kingdom of God on earth. But it has succeeded in allowing people to stand upright and dignified in the kingdoms of this world.

Yet for all its successes, capitalism cannot stand alone. It depends on a system of values and morality it reinforces but does not create—on moral and cultural habits that determine its appeal, its power, and its success.

President George Roche of Hillsdale College has made the case:

"There is a clear moral sense to economics involving sympathy and trust....

Markets reflect our spiritual values as well as our free economic choices."

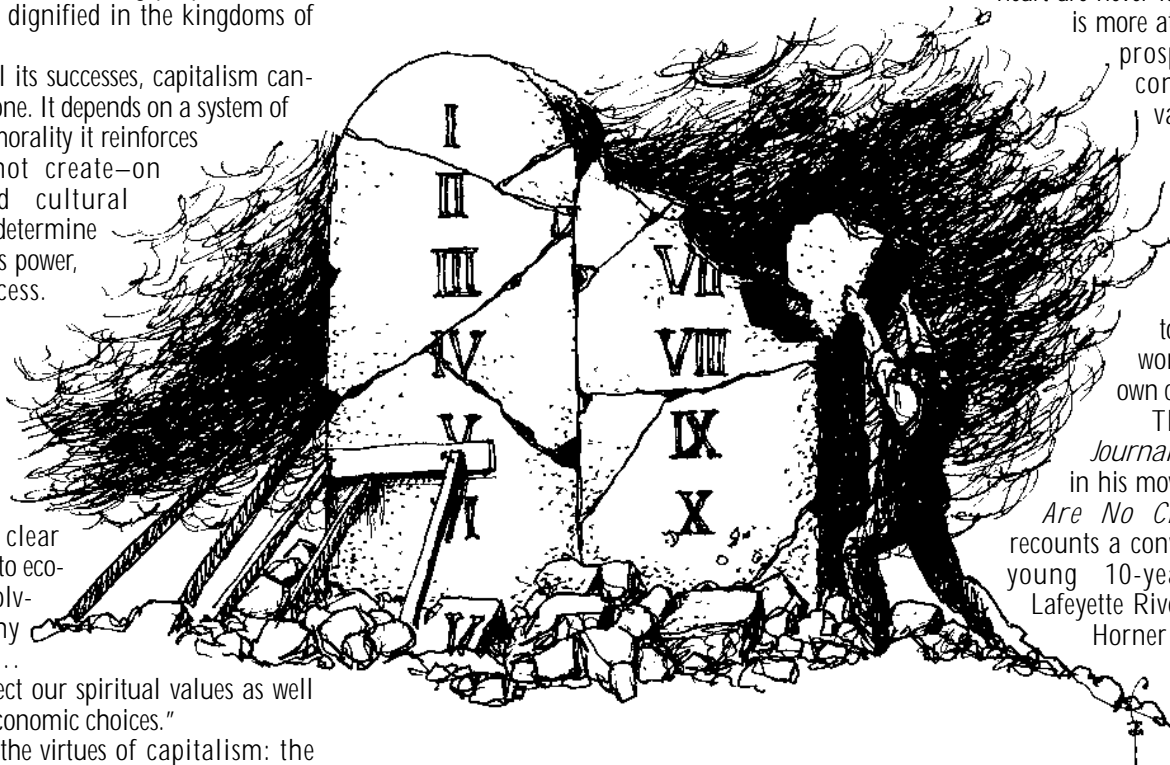
Consider the virtues of capitalism: the ethics of work, savings, and self-reliance; the integrity and honesty essential to contracts, trade, and money; a passion for excellence; the impulse toward charity and philanthropy. All these things depend on values, not on greed. A free market does not insist on perfect virtue, but it does depend on common morality.

In his book, *The Catholic Ethic and the Spirit of Capitalism*, Michael Novak writes, "The moral-cultural system is at once crucial to the health of democratic capitalism and easily overlooked. It is crucial because the primary form of capital is the human spirit... It is too easily taken for granted because the habits of the heart are learned in childhood, supplying reasons that reason has forgotten."

Economics is more than a matter of interest rates and deficits. Morality is more than a matter of stained glass and hymns.

Economic success is built on moral foundations. An economy reflects the moral image of its people. "It is impossible," wrote T.S. Eliot, "to design a system so perfect that no one needs to be good." This is simply a restatement of the first conservative principle: The state of the human soul determines the shape of human society.

Every free society therefore faces an urgent question: How can it encourage the values of its people and still leave them free? Our conservative message must be one of persuasion, not imposition.



A government conceived in liberty has none of the tools of tyranny. It cannot enforce the savage "virtue" of the French Revolution, or shape the socialist "new man." It depends, instead, on other institutions—structures between the individual and the state—that instill character, purpose, and virtue. Churches and synagogues that raise a moral standard. Parents who provide a moral and spiritual example to their children. Schools that teach not only the basics of math and history but the basics of citizenship and character—lessons that come from an understanding of the Decalogue as well as the Declaration of Independence.

Edmund Burke called them the "little platoons" that temper our freedom with internal restraint. They enable us to achieve the ideal of the American founding: liberty constrained, not by law, but by character.

## The Realm of Policy

To some, this is an abstract argument. Yet the implications are as tangible as the violent headlines that fill our newspapers, the poverty that divides our cities, the moral relativism that confuses our young. We cannot isolate economic opportunity from cultural renewal because both are required to confront the problems around us.

Capitalism's noblest hopes and greatest promises are empty when the habits of the heart are never learned. But there is more at stake here than prosperity. We are concerned about values because a growing GNP is not the only measure of our greatness. What would it profit America to gain the whole world and lose our own children?

The *Wall Street Journal's* Alex Kotlowitz, in his moving book, *There Are No Children Here*, recounts a conversation with a young 10-year-old named Lafayette Rivers at the Henry Horner public housing community in Chicago: "I asked Lafayette what he wanted

to be. 'If I grow up, I'd like to be a bus driver,' he told me. *If*, not *when*. At the age of ten, Lafayette wasn't sure he'd even make it to adulthood."

How do we respond when graves are filled with boys not old enough to shave? When girls not yet in their teens are taught how to use condoms, but not the responsibilities of motherhood? When poverty grows rampant among the ruins of families? When despair paralyzes responsibility and initiative? And when unemployment leaves 50-60 percent of males on the streets of some urban ghettos and barrios?

Economic opportunity is important. There are Americans who live each day behind the barbed wire of limited opportunity. And this can feed moral despair. If the future holds no hope, the present holds few reasons to be responsible. *Washington Post* syndicated columnist William Raspberry

observed: "You and I are guided by the belief that good things will happen to us in the future if we take proper care of the present. But without hope for the future, hard work at a low-paying job makes no sense. Avoiding a police record makes no sense. Working hard in school or pleasing a boss or avoiding pregnancy makes no sense." This is not an excuse for irresponsible behavior, it is an explanation of a phenomenon that confounds the left and frustrates the right.

I have often argued that economic prosperity will help solve many of our serious social problems, but I have never argued that it is sufficient. It will not heal a broken home. It will not provide a child with a father's discipline and love or a mother's nurture and comfort. It will not restore honesty and respect for life.

An economy and a government have limits set at the boundaries of the human heart. And the habits of the heart are learned in families—shelters for civilized standards and ethical behavior. Strong families are often stronger than the deepest poverty and the worst disadvantages. Broken families often frustrate all the help we can provide. The primary need of children is not better laws or public programs. It is better childhoods.

We have no right to conclude that most of the poor lack values. The vast majority of the poor are working long hours, obeying the law, taking care of their children, and overcoming great odds. They have the same dreams and aspirations that you and I have for our families. These hopes are universal. They are not confined to one class or one race. It was Adam Smith who taught, "The desire to improve our lot in life comes to us out of the womb of our mothers and never leaves to the day we die."

But we can conclude that America's most urgent question is this enduring question: How do we instill the values of our parents in the lives of our children? The National Commission on Children concluded its 1993 report with sober words: "Today, too many young people seem adrift, without a steady moral compass to direct their daily behavior or to plot [a] responsible course for their lives."

While this remains true, there will never be enough police and prisons to end the lawlessness in our streets if it starts in our hearts. There will never be enough government policies and welfare programs to conquer the poverty of the spirit. And there will never be enough prosperity to bring the

peace for which we long. To me, this is the real meaning of the "culture war." It is not conducted between battling spokesmen from the left and right. It is not won or lost at the end of an election. It is a battle for the souls of our children, for the strength of our families, for the peace of our neighborhoods. Its victories are won in individual lives, but its outcome depends on the strength of cultural standards.

Pope John Paul II in *Veritas Splendor* warns of "the risk of an alliance between democracy and ethical relativism." Too often from our culture's commanding heights—in government, the media, and academia—we hear that all moral judgments are purely personal and finally equal. We are told the choice between Madonna and Mother Teresa is merely a matter of taste; that traditional values are relative to time and place. This is something different and deeper than a crisis of crime, a crisis of the economy or a crisis of welfare. It is a crisis of confidence in our own ideals. It is the strip-mining of our public spirit. It leaves men and women unable to believe in anything, even in their own courage and conscience.

Consider a recent interview by the *New York Times* with a 17-year-old Lakewood, California high school student arrested for rape and sexual harassment. He told a reporter, "They pass out condoms, teach sex education and pregnancy—this and pregnancy—that. . . . But they don't teach us any rules." Ending this moral ambiguity—attempting to reintroduce into our culture the ideas of right and wrong—is the first commitment of meaningful cultural renewal. This is not a matter of self-righteous moralizing. It is a matter of compassion, for it is the vulnerable who suffer most when standards are weakened—children making choices about work, sex, and violence, when the stakes can be despair, prison, or even death.

A society that is indifferent to its moral and spiritual life is indifferent to its future.

Our welfare system is a case study in these ideas. It is an example of how the capital of the human spirit can be squandered in the course of a few generations. Our best intentions were transformed into an assault on human dignity because we ignored the incentives of the market, the urgency of virtue, and the desire of all people to improve their lot in life.

While previous generations of Americans have known poverty, today we are seeing something unprecedented—a kind of poverty

in which children are deprived, not just of resources, but of hope and nurture, of principles and values. It is one of the most dramatic and destructive social transformations in our history. Just twenty-five years ago, one out of every ten children was born to a single parent. Today, that number has tripled to one in three. By the end of the century, it may reach over 40 percent. America now has 1.2 million children being born into single-parent homes each year.

Nearly 20 years ago, George Gilder argued that single males, replaced in families by welfare, would become trapped in a culture of abject poverty and barbaric violence. He argued that civilization itself depends on the civilization of young males by stable families—first by a mother and father, then by a wife. He predicted that a society could commit "sexual suicide" by ignoring human nature and human needs. And that is precisely what we're seeing—a Hobbesian world where life is solitary, poor, brutish, and, all too often, short. Homes headed by one parent have a poverty rate of 55 percent. Among two-parent families it is just 7 percent. Five hundred percent more teenagers from broken homes are suspended or expelled from school than from two-parent homes. Seventy percent of minors who wind up in reform school or prison were raised without a father in the home. Single parents, mostly mothers, so often do heroic work against terrible odds. But broken homes too often leave broken lives. We are gathering the bitter harvest of no-fault fatherhood.

There is one lesson we must draw from this record of failure: Our welfare system must be radically overhauled. I am not talking about marginal reforms to the current system. The type of tinkering that President Clinton proposes will simply prolong a system that produces dependency and perpetual poverty.

We need to start from scratch by changing the fundamental premise of our welfare system. Robert Rector of the Heritage Foundation has demonstrated that our current system sends a simple yet profoundly destructive message. The government will provide a young woman with welfare benefits, but only on the following conditions: She must have a child; she must not work; she must not save; and she must not marry the father of her children. Every attempt at success is met with hostility, if not outright

prohibition, by the rules of the system. When a program is designed like this we must conclude that it's not so much the values of the poor that we should question, it's the values of the welfare system we must challenge and change. We must first remove the incentives to fail. But we must also create the opportunity to succeed.

Michael Sherraden, a professor at Washington University in St. Louis, has written a fascinating book called *Assets and the Poor*, which reveals the problems inherent in our benefits-based welfare system. The whole theory of cash benefits, he argues, weakens personal initiative. We provide enough benefits for day-to-day subsistence. Our goal is merely to anesthetize the poor against daily suffering. For them, the future only reaches as far as the next welfare check. But when men and women have the opportunity for assets and ownership, all this is changed. Mothers and fathers with assets think not only of the next year, but of the next generation. Ownership leads men and women to defend not only their own property, but the property of their neighbors as well. It gives them an equity position in the American Dream.

Benefits breed dependence. Assets build hope. What would an asset-based welfare system look like? Here are a few ideas:

- First, we should eliminate the income and payroll tax up to about 170 percent of the poverty line on any man or woman who takes a job and tries to work his or her way out of poverty. An unemployed welfare recipient who takes a minimum or low wage job earns less by working than by remaining dependent. It is unconscionable that a man or woman on welfare who takes a job faces a higher marginal tax rate than America's wealthiest individuals.
- Second, we should privatize every government-owned piece of housing in this country. Socialism has already failed in housing, just as it would certainly fail in medicine.

Every public housing resident should have the opportunity to own his or her home or apartment. In 1862, President Lincoln's administration gave away 200 million acres of land through his Homestead Act, instantly transforming millions of former slaves, immigrants, and laborers into independent and productive citizens. Today, a new urban homestead act could do the same for low-income people living

in America's 1.5 million units of government-owned housing.

Liberals oppose this idea because they do not believe the poor can ever escape poverty and become rich, or at least richer. But to be rich in America, Lincoln said, means to be

**"It is not capitalism that has failed: It is government that has failed."**

rich in opportunity, not baubles, beads, or bracelets. It is not just material poverty to which our liberal welfare state has consigned the poor, it is a poverty of opportunity.

- Third, we should end the criminalization of saving among the poor. Right now, the most basic act of faith in the future—saving for your children, or for a home, or for your education—is a crime under our AFDC laws.
- Fourth, we should turn every single poor community in America into real enterprise zones, where entrepreneurs and investors would face a zero capital gains tax on the businesses they build, the investments they make, and the jobs they create. Our goal is not to lure big business from the suburbs to the cities, but to unleash the creative spirit of entrepreneurs who, with access to capital and credit, can start the next generation of small businesses that provide jobs, anchor communities, and allow fathers and mothers to provide for their children free of the "welfare plantation," to use National Center for Neighborhood Enterprise President Robert Woodson's phrase.
- Fifth, every parent in America should have the right to send his or her child to the school of their choice, whether public, private, or religious. Wealthy parents and many middle-income families already have this option; low-income families should no longer be denied the opportunity to break free of a public education monopoly that, in too many cases, is failing their children. Assets are more than just material possessions. A child's education—the development of his or her intellectual potential—can be the most important asset of all.

Bill Clinton says he wants to "end welfare as we know it," but he is trapped in the elitist thinking of the past. He has eliminated the only federal program to encourage homeownership for public

housing residents. He wants experimental "empowerment" zones, with only six urban zones, to test whether capitalism will actually work in the inner city.

It is not capitalism that has failed: It is government that has failed. We cannot call it a failure of capitalism in our inner cities when capitalism hardly exists. Sixty percent of East Harlem is owned by the government. Almost one-third of its people are totally dependent on welfare. It is not part of America's mainstream economy. It is an island of Third World socialism amid our sea of democratic capitalism.

But if this is all we have to say, we have not said enough. Yes, we should reform the economic incentives of the welfare system. But there are important limits to what government action can accomplish. Renewing our culture depends on respecting and encouraging the work of voluntary associations. Imagine if we could design a program with these results: 47 percent fewer inner-city youths drop out of school, drug use drops by 54 percent, crime falls by half? Who would not support it?

But we don't need to design it. It already exists. Richard Freeman, an economist at Harvard University, found all these results when young people have strong roots in religious faith. This is the unique contribution of our churches and synagogues. Religious values are not important just because they are useful. They are important because they are true; but they are useful as well. Our society needs more than chains to bind the body. It needs moral standards to bind the conscience. As Burke wrote, "The most important of all revolutions is a revolution in sentiments, manners, and moral opinions."

This revolution must be supported by our culture. It is easy to sneer at "family values" from the comfort of success. But these commitments are a tenuous lifeline for those threatened with hopelessness. They are much easier to criticize than replace. The voice of these values must grow to a crescendo, not echo in a void. And this is the broad responsibility of churches, schools, the media, the government. It violates no one's rights to put voices of higher authority in service of what is right, what is true, and what is lasting.

As HUD secretary, almost every day some new study crossed my desk on the "root cause" of some social crisis. The root cause

of homelessness. Of juvenile delinquency. Of educational failure. Studies like these are important work, but they are not our primary work. We need to ask why most juveniles are not delinquents. Why most poor mothers are good mothers. Why most of the disadvantaged work hard for low pay. We should concentrate not just on the causes of social decay but the causes of virtue. Not just on what leads to poverty but on what leads to wealth. And we are always led back to the alliance between family and freedom.

## The Realm of Politics

**M**any of these issues are beyond politics, but they are not without political implications. The relationship between economics and values is a matter of philosophy. Addressing both is a matter of compassion. But appealing to both is the only way a political movement is built. A political movement that ignores our moral aspirations is not tolerant, it is irrelevant.

Conservatism, in particular, can seem cold and calculating when it ignores our moral life—the passion that can transform an election into a cause. When economic conservatism is separated from moral values, as the late historian Russell Kirk said, both rot separately, in separate tombs. This is a challenge to every economic conservative who believes our nation can live by bread alone. This is a challenge to every cultural conservative who believes that tax rates, jobs, or growth are somehow beside the point.

This is a moment, not just to raise our voices, but to raise our sights. To prove that a broad agenda need not be shallow. To build a consensus that can win victories without sacrificing its principles. Here, we have the guidance of history—at another “knot,” another moment of far-reaching decision. At its founding in the mid-19th century, the Republican Party was supported by two pillars. The first was a moral assertion—that slavery was “a great moral, social, and political wrong.” The second was a progressive economic message—a message of “free labor” that honored social mobility, economic growth, and political democracy.

Almost immediately, a struggle began. Some Republicans claimed that the moral controversy of abolition weakened the Party's economic appeal. One politician argued that principle was expendable, “providing the country is quiet and prosperous.” Radical Republicans responded: “Yielding a principle through fear, the Party disgusts the moralist and dampens the ardor of the young and heroic whose service has been determined by the nature of our boldness and constancy.”

It was Abraham Lincoln who argued that abandoning either economic hope or moral commitment would cause the Republican Party to “go to pieces.” This combination of economic opportunity and moral passion proved unbeatable. It was the real explanation for decades of Republican dominance. When it was abandoned, that dominance abruptly ended. Frederick Douglass wrote, “The life of the Republican Party lay in its devotion to justice, liberty, and humanity.

When it abandoned or slighted those great moral ideas and devoted itself to materialistic measures, it no longer appealed to the heart of the nation. . . .”

That debate from the last century could have been taken from this morning's paper. The feelings are just as strong. And the response must be the same. It should be our goal to create a coalition of conscience that will inspire both moral and economic hope, and build a culture worthy of freedom.

Can we separate economics and values? The choice is not necessary. The achievements of capitalism depend on the achievements of the human spirit, nurtured in families. I am a believer in the power and promise of free markets, free minds, and free nations. I am also a believer in fostering the values that make them possible. And I will admit no conflict between them.

We are seeing attempts to divide us and divert us. If we yield to this temptation, we will squander our substance on endless, fruitless struggles. The culture war must not be a civil war. Its enemies are destructive ideas, not our neighbors. But if we build on the common ground of a broad agenda, these ideals can both unite and inspire. They can unite the conservative movement. They can inspire men and women of every class and race. This is the way debates are won. This is the way movements are built. This is the way nations are changed. i

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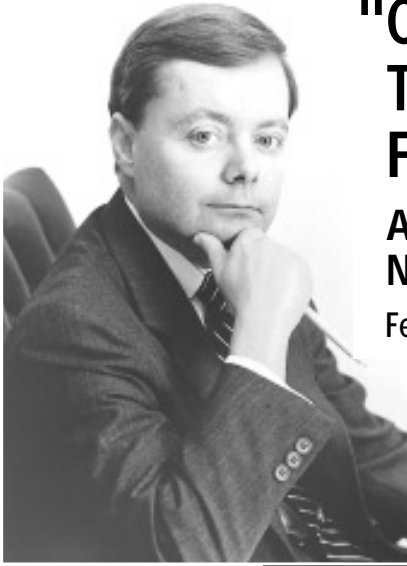
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# "Culture Wars: The Battle over Family Values"

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February 21-22, 1994-Raleigh, North Carolina



*Former Chairman of  
the Joint Chiefs of Staff  
Colin Powell linked  
this generation's  
performance during  
the Gulf War to the  
"culture wars."*



*Former Vice President  
Dan Quayle reaf-  
firmed the need for  
strong families and  
more personal liberty.*

*Family Research  
Council President  
Gary Bauer argued  
that virtue cannot  
be inculcated by  
government.*

IMPRIMIS (im-pri-mis), taking its name from the Latin term, "in the first place," is the publication of Hillsdale College. Executive Editor, Ronald L. Trowbridge; Managing Editor, Lissa Roche; Assistant, Patricia A. DuBois. Illustrations by Tom Curtis. The opinions expressed in IMPRIMIS may be, but are not necessarily, the views of Hillsdale College and its External Programs division. Copyright © 1994. Permission to reprint in whole or part is hereby granted, provided a version of the following credit line is used: "Reprinted by permission from IMPRIMIS, the monthly journal of Hillsdale College." **Subscription free upon request.** ISSN 0277-8432. **Circulation 540,000 worldwide,** established 1972. IMPRIMIS trademark registered in U.S. Patent and Trade Office #1563325.

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VOLUME 23 • NUMBER 8

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