

Adams then comes to the ugliest monster of them all, the income tax. He blames it for intruding into the private lives of citizens and chasing some of our most prosperous businessmen out of the country. For Adams, the IRS is an abomination. He reveals, for instance, that it paid agents according to how many foreclosures they caused. How quick the IRS has been to take cars, homes, or money, yet unbearably slow to fix its mistakes or the damage it caused to innocent people's lives! Adams also discusses the high death tax and how it causes the elimination of over 90 percent of family businesses after the founders die.

*Those Dirty Rotten Taxes* makes a strong case for abandoning intrusive direct taxation to the greatest extent possible. Adams, like the Founders before him, prefers indirect taxation, such as a sales tax, and so is no fan of any of the various flat tax proposals.

*Those Dirty Rotten Taxes* is not a rigorously documented book, unlike Adams's previous work, *For Good and Evil: The Impact of Taxes on the Course of Civilization*. It is lighter, and at times prone to hyperbole. But its straightforward view of the ingrained American antipathy to taxation is exhilarating. There are lots of illustrations and political cartoons, and the writing is engaging and easily understood. We highly recommend this book to anyone interested in taxes, history, or government. □

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### **Enterprising Southerners: Black Economic Success in North Carolina, 1865–1915**

by Robert C. Kenzer

University Press of Virginia • 1997  
• xvi + 178 pages • \$30.00

Reviewed by Richard M. Gamble

**I**n this meticulous and tightly argued volume, historian Robert Kenzer corrects what he describes as the prevailing “monolithic”

view of the economic condition of North Carolina blacks in the 50 years between the end of the Civil War and the First World War. By no means dismissing or even minimizing the impact of racism and the legacy of slavery in shaping the black experience in those years, Kenzer presents compelling evidence of “slow but steady progress” in land-ownership and business enterprises. Drawing imaginatively on extensive primary statistical evidence, yet going far beyond mere quantitative history, Kenzer analyzes the range of economic, cultural, and political factors that encouraged economic success among an exceptional group of blacks in the postbellum South, a success that they took pains to pass on to their children through higher education for careers in teaching, the ministry, medicine, and business.

Kenzer found that blacks' success in acquiring land, launching viable businesses, and achieving political and social leadership in their communities was related to several clearly identifiable factors, some economic, some cultural. Land-ownership, for example, was highest both in amount of and value of acreage among blacks who had been free before the war, were mulattos, held non-agricultural occupations, and lived in the more fluid real estate market of the cities. Similar patterns held true for success in business and politics. To be sure, success was not limited to blacks who fit this statistical profile, but urban blacks who had been free before the war experienced the highest degree of success as landowners, businessmen, and political leaders.

From the perspective of free-market economics, two important contributions stand out in Kenzer's work. While not the main point of his study, his observations about blacks' relationship to the market economy and their network of self-help organizations bear noting. Black leaders in North Carolina defended an open market in real estate free from government intervention and special-interest legislation. Faced with proposed legislation in 1915 designed to prevent blacks from buying land in majority-white districts, for example, black leaders argued for a free market for both blacks and whites in which to buy and sell property under the most favorable terms.

Blacks simply wanted the freedom to acquire land and homes in an open market. Under pressure from like-minded white landowners, who did not want their freedom restricted either, the state senate rejected the bill. In business enterprises as well, black entrepreneurs proved their business savvy by their ability to adapt to changing market conditions, even in enterprises and localities formerly dominated by white Southerners. They understood that an open market was their friend, politics their enemy.

More striking is Kenzer's discussion of black leaders' efforts to strengthen their communities' economic and social well-being with a network of effective voluntary organizations. Local chapters of the Masons, for example, provided financial assistance and emotional support in times of sickness, unemployment, and bereavement. Drawing members largely from the black economic and political elite, these voluntary societies encouraged success by providing a framework of moral and ethical accountability and helpful practical experience in managing lodge assets.

To advance their business opportunities further, enterprising blacks also founded banks, building and loan associations, and insurance companies, and joined state and national black industrial organizations. The extent of black economic success that Kenzer recounts is both remarkable and at odds with the prevailing notion that post-Civil War blacks all lived in grinding poverty.

Beyond individual and collective economic success as landowners and businessmen, postbellum black elites in North Carolina also achieved a degree of political success. Beginning as loyal party members, generally in the Republican ranks but later in the Populist movement as well, blacks often held patronage jobs (such as tax collectors) before seeking elective office. They found political success as local, state, and national officeholders and, not immune to the temptations of rent-seeking behavior, used their positions to enhance their business opportunities, disperse patronage jobs, and shape tax policy.

Kenzer's history is intended for the specialist in American economic history, and the

general reader may be put off by its comprehensive detail. Nevertheless, his gift for organization, his sense of narrative flow, and his effective use of telling anecdotes combine to make this an accessible study of the period even for the non-specialist. Overall, Kenzer has provided historians and economists with a convincing account of the diverse world of postbellum black success, a commendable book that is lucid, grounded in extensive archival research, conversant with the secondary literature, and a pleasure to read and learn from. □

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### **The Costs of War: America's Pyrrhic Victories**

edited by John V. Denson

Transaction Publishers • 1997 • 450 pages  
• \$44.95 cloth; \$29.95 paperback

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Reviewed by Doug Bandow

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Advocates of limited government have long known that war and preparation for war are enemies of liberty. War obviously destroys lives and consumes wealth—new technologies have made genocide a simple matter of pushing a button. But war has another, long-lasting consequence: it centralizes power. “War is the health of the state,” observed Randolph Bourne.

Many conservatives were willing to pay this high price during the Cold War because of the threat of hegemonic communism. But now America reigns supreme internationally. Those who believe in individual liberty must work to limit government power internationally as well as domestically.

John V. Denson's *The Costs of War: America's Pyrrhic Victories* provides a desperately needed call to arms. As he explains: “[B]ecause liberty is so fragile, its true defender recognizes that war is its greatest enemy, and therefore the true patriot is often the courageous individual who opposes a particular war because he recognizes that it is unjust—that it would be fought for the wrong