

The Lesson of Ebenezer Scrooge

BY DAVID R. HENDERSON



In 2003 I co-lead a successful fight against Measure Q, which would have increased the Monterey County, Calif., sales tax to fund a failing government hospital. One proponent of the tax labeled me a Scrooge. She was referring, of course, to Ebenezer Scrooge, the protagonist of Charles Dickens's famous novel *A Christmas Carol*—and of the film by the same name.

She wasn't alone in this usage. Many people use the word "Scrooge" to refer to someone who opposes government programs. That usage puzzles me. I wonder if these people and I watched the same movie. Because, at least the way I understood the story, it was about opening your heart and being generous to those in need, and it had little to do with government. In fact, to the extent that government welfare programs were mentioned, the "good guys" in the film put them down. Yet many people today talk as if they think *A Christmas Carol* advocates higher taxes to fund more government programs. Who's right? To figure it out, we need to consider what happens in the novel and movie. The quotes below are taken from the novel, and the scenes I describe are from the 1951 movie starring Alastair Sim.

The movie opens with Scrooge as a wealthy but lonely man who is stingy with everyone, including himself. His narrow selfishness has made him bereft of love and friends. When two portly gentlemen approach him on Christmas Eve to make a contribution to help "the Poor and Destitute," the following dialogue ensues.

"Are there no prisons?" asked Scrooge.

"Plenty of prisons," said the gentleman, laying down the pen again.

"And the Union workhouses?" demanded Scrooge. "Are they still in operation?"

"They are. Still," returned the gentleman, "I wish I could say they were not."

"The Treadmill and the Poor Law are in full vigour, then?" said Scrooge.

"Both very busy, sir."

"Oh! I was afraid, from what you said at first, that something had occurred to stop them in their useful course," said Scrooge. "I'm very glad to hear it."



The treadmill, poor law, and union workhouses to which Scrooge refers were all punitive government ways of either helping the poor or of giving the poor an incentive not to be poor. So, for example, anyone finding himself in poverty could enter a workhouse where he would work hard and receive some small amount of food in return. The two men who ask Scrooge for aid are not asking for higher amounts of food to be handed out by government agencies. Instead, they are asking

for private, voluntary charity to those they deem worthy.

After turning them down, Scrooge goes home and to bed. In the middle of the night he sees, in turn, the ghosts of Christmas past, present, and future. He sees how he has turned gradually from a loving brother

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into a bitter, stingy old man. He also sees how unmourned he will be in death if he fails to be generous, with himself and others, in life. When Scrooge wakes up, he realizes that indeed he can change. In my favorite scene in the movie, Scrooge dances around in his nightshirt like a kid in a candy store, celebrating his power to change. And what is the change? Does he say, “Oh, boy, now I’ll support a politician who will tax me, as well as other people less rich than me, to help poor people?” Of course not. An author or a movie producer who tried to set up such a scene would have produced a much less compelling novel or movie. Scrooge is excited because now *he* can change, now *he* can get pleasure from helping others who are worse off. In other words, the lesson of *A Christmas Carol* is the importance of being generous, not the importance of supporting higher taxes on oneself and others.

Indeed, the modern Scrooge, instead of asking, “Are there no prisons?” would ask, “Is there no Medicaid? Are there no food stamps?” The modern Scrooges, in short, are those who advocate government programs for the poor rather than charity for the poor.

But aren’t government programs for the poor a form of charity? That issue came up in the sales-tax controversy. The short answer is no. But the longer answer is worth stating also. During the campaign over the measure to increase the sales tax, my co-leader, Lawrence Samuels, and I were in a debate with two doctors from Natividad Hospital, which was to receive the large subsidy if the sales tax measure passed. The 200-person audience was composed almost entirely of Natividad workers and their families and friends. As you might expect, they were fairly hostile to Lawrence and me. At one point Melissa Larsen, one of the doctors on the other side, said that increasing the tax and giving the money to the hospital was “the compassionate thing to do.” I ignored her gall in calling “compassionate” a tax that would clearly have benefited her personally. Instead I responded, “No, it’s not. It has nothing to do with compassion. If you gave your own money to the hospital, that would be compassion-

ate. But taking other people’s money without their consent is not compassion; it’s coercion.”

When I said that, there was a one- or two-second silence rather than the usual jeering. I think the silence happened for two reasons. First, probably 90 percent of the audience thought the tax increase was compassionate, and I had given them something new to think about. Second, probably 90 percent of the audience thought their pro-tax side had the moral high ground and I had just cut it out from under them. My pointing out the distinction between compassion and coercion, in short, had a powerful effect.

The failure to distinguish between compassion and coercion is all around us. It’s a failure that people on many parts of the political spectrum exhibit. Take, for example, the recent controversy about the difficulty

subprime mortgagors are having. One can certainly feel compassion for them, especially for those who were lied to or misled by mortgage brokers. But what are we to make of the following? Andrew Samwick, a Dartmouth University economics professor and former chief economist of President Bush’s Council of Economic Advisers, said he felt more than a “pang of sympathy” for people

who were misled. Did he then go on to say that he would send some of his own high income to help them? Not at all. Instead, Samwick supported a proposal to change the bankruptcy laws so that owners of houses who lost their homes could stay in the homes by paying a “fair-market” rent. In other words, Samwick’s “pangs of sympathy” led him to support retroactive law-making to undercut the property rights of the lenders—even if those lenders had not misled the borrowers at all. What does this violation of property rights have to do with sympathy?

So here’s my modest suggestion. Next time you hear someone advocating a coercively financed government program to help those in need, call him a “Scrooge.” I guarantee that you’ll catch him off guard. Moreover, he’ll likely ask why you called him that. Then you can tell him the truth about Ebenezer Scrooge and *A Christmas Carol*.

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