

Essay on how is the ku klux klan like a group of real estate agents

[Sociology](#), [Community](#)



Introduction

The job of a real-estate agent is usually to convince a home owner to sell for a figure that is less than he would prefer, while informing potential buyers that a property or house may be purchased for a price less than that listed with. Agents convey information via for-sale advertisements in which they use enticing words such as “ well maintained.” This may be a code name for something entirely different. This is the same kind of tactic that was employed by the Ku Klux Klan, which used words such as “ Mr. Ayak” to signify that someone was a member of their Klan. This means that “ well maintained” could mean that the house is in bad shape. To the desperate seller of the house, “ well maintained” may look like a form of praise for the state his house is in. This is of benefit to the real estate agent. This essay examines the idea that the Ku Klux Klan is like a group of real estate agents by examining the economics involved in their dealings and the concept of incentive.

In chapter 2 of Freakonomics Dubner and Levitt examine the Ku Klux Klan’s hidden methods of operation and asserts that they are like a group of real-estate agents. He begins this chapter by showing that the Klan was formed by six men, who were establishing themselves as lawyers at the time. Just like real-estate agents, they were brought together by their like-mindedness. Their incentive for coming together was that they shared similar ideals on life. Incentive is the factor that motivates someone to do something. This Klan evolved into something more of a terror organization which frightened and killed free blacks. They used their powers to influence political action and to suppress any political moves that went contrary to their objectives. In

this regard, they may be seen to act in a similar manner to that of real estate agents because real estate agents also use their power to influence important political and economic decisions. This is evidenced by their influence in establishment of Jim Crow laws and the support of President Woodrow Wilson. The denial of education black people was meant to suppress their ability to obtain information, which is also applied, albeit in milder forms, by real-estate agents.

Another reason why the Klan operated as real-estate agents is because of their use of secret jargon and their status as a secret society (Dubner and Levitt 51). They reveled in passwords as well as cloak-and-dagger ploys. Stetson Kennedy, a young man from Atlanta, helped to unmask these secret ploys. He was able to do this because of his seep family connections with the Ku Klux Klan. The Klan used their own cryptic language, which mainly consisted of adding " Kl" to words, making words such as " Klansmen," " Kloversation" and " Klavern." They would also use the words " Mr. Ayak" to locate fellow members of the Klan. The clan lynched blacks in different states and used their power to propagate hatred for black. The Klan also had various means of making money. For example, all its members had to pay annuities. In addition, people in business hired members of the Klan to scare away unions and to protect their businesses. Klan rallies also generated a lot of cash donations.

Just like a real estate agency, the Klan was broad-based and wide-spread. The Klan had many chapters throughout the country to an extent that Kennedy could not cause much damage to it if he attacked its operations in Atlanta. Kennedy knew that the Klan was directly linked to business, political

and law-enforcement leaders. This fact also contributes to the Klan's similarity to real estate agents because the public felt powerless against them. However, Kennedy revealed the Klan's secret information, secret language and its leadership to the public.

The Klan was similar to real-estate agents because it hoarded information. Kennedy knew that information has raw power. Much like stockbrokers or real estate agents, this information had to be protected because it could be used to the Klan's advantage or disadvantage. The Klan used information to create fear (Dubner and Levitt 61). Dubner and Levitt's claims on the power of information may be illustrated by examining how the price of life insurance had fallen dramatically and mysteriously in the late 1990s while other kinds of insurance did not. The authors show how Quotesmith.com, a company that shared the price of insurance on the internet, had contributed to the lowering of insurance costs simply by sharing information. This illustrates how the Klan's hoarding of information was useful to them and detrimental to those who did not have it. Dubner and Levitt (60) compare Kennedy to the internet in the manner in which he revealed information which had previously been hoarded by the Ku Klux Klan.

I agree with Dubner and Levitt that the Ku Klux Klan may be compared to real estate agents. This is primarily because of the manner in which they controlled information and used it to their advantage in the creation of fear and ultimately for their financial benefit. Information is power (Levitt and Syverson 2). Their widespread influence made the public feel powerless against them just like real estate agencies do today (Carillo 3). These claims are further evidenced by the fact that the internet has reduced information

asymmetry. This has helped unearth the corporate scandals such as those by Enron on manipulation of energy prices, hidden partnerships and disguised debts. Like it was for the Klan, these were sins of information. A real estate agent does not view the customer as an ally but as a mark. An agent lets his house remain in the market for a longer period of time hoping that he will get a better offer.

Conclusion

Dubner and Levitt in chapter 2 of Freakonomics, argue that the Ku Klux Klan operated as real estate agents. This is because the Klan was formed by a group of like-minded men who sought to meet their objectives as a group. This was their incentive. Although the Klan soon evolved into something more of a terror organization which lynched and frightened to kill blacks and those who aided them, their tactics resembled the milder ones employed by real estate agents. First, they used their powers to influence political action and to suppress any political moves that went contrary to their objectives. They also hoarded information. Information has the key to unlock advantages and great power. This is evidenced by an example of how real estate agents work in pricing property. The use of secret jargon in advertising can be compared to that which was used to create fear by the Ku Klux Klan. In addition, the strength of the clan due to its widespread nature made people feel powerless against them, just like what is done by real estate agents. I agree with the authors claim that the Klan was similar to real estate agents.

Work cited

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