

Of Markets and Morals: The Fall of Adam, The Rise of Hayek, and The Return of An Immanuel to Save The Public Good

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The best lack all conviction, while the worst
Are full of passionate intensity. (Yeats, 1950:211)

1. Introduction:

Do the Best Lack Conviction, While the Worst Rule the New Global Order?

If one pays attention only to sound bytes of the media, the corporate moguls who control it, and the powermongers who dominate it, it seems that the worst of the self-promoters and truth-concealers diminish our time in the sun. Those who claim they will drain the swamp merely make it murkier, deeper, and deadlier. In the age of Putin and Trump, young digital revolutionaries sold their freethinking souls to aged adolescent bullies with press pulpits. Political representatives seem more interested in re-election than using democratic dissent to challenge autocratic policies. Perhaps in a postmodern age infected with infotainment and spectacle, and disaffected with truth, humility, and integrity, one can expect no less. Accordingly, it comes as no surprise that more modest voices, and calmer temperaments rarely are heard or continue in the public eye for long. Of course, what this means is that only loud voices from the polarized extremes, both right and left, get a real hearing while centrist views are dismissed or demonized. As Yeats reminds us, “the centre cannot hold.” These tendencies undermine democracy – both denying citizens *real consent* for fully-informed decisions, while privileging wealthy special-interest groups to *manipulate* public opinion. Even more, the dominant Master Narrative narrowcasts patriotism, on hyperflexed knee, so it excludes freedom to dissent, once so central to the American Founders’ vision of a republic free from autocratic colonizing powers. Still, one might expect better from *all citizens*—individuals, interest groups, and leaders, who should cherish equal freedom and the rule of law—in a democratic republic. In fact, American history has been largely one of endeavors towards balance and counter-balance as various voices and groups have had to dissent to be heard, represented, and then finally *learned to share* power in decisions and policies for the good of all. But now we find ourselves buffeted about between polarized extremist views, with plutocrats wielding absolute power over jobs, education, institutions, and ways of life.

If Yeats is right about the passionate intensity of the worst, then how do we recover ways for the best not only to regain, but sustain and ingrain, their convictions for the public good? Further, can we recover a unifying sense of the public good, when we now live in a culture that exalts only individual differences, discrete lives, and private gain? If we still value a public good, then might we not listen to those public servants who respect and practice seeking the *truth*, not

toadying to narcissistic leaders; honest *humility* in service, not *hubristic* self-accolades; and a sense of *integrity*—wholeness of vision for the good of the whole community—not insularism for one’s own special interests?¹

2. Must We Be Self-Interested Individuals, Corporate Marketeers, or Public Good Petitioners?

In the age of Trump, “leaders” invest only so much in relations with others, no more than one can get back, and always in ways that increase one’s own finances, connections, or celebrity status. Consider the Enron, WorldCom, and Trump Tower frauds, and the fact that no real penalties result from such corporate misuses of public trust. Racist, sexist, and anti-humanist agendas tend to dominate current administrative priorities. If another human being stands in one’s way of amassing more wealth, networks, or power, then it is one’s self-elevating duty to defeat, demean, or debilitate one’s rivals. Bullying, name-calling, and social media humiliation are the postmodern polemics of the day. Evangelicals on the right are easily bought off by cheap shots at women in power, while the political right presents candidates who abuse their positions of power over underlings regularly. The Left can do little better, those in the limelight advocating authoritarian or even totalitarian socialism (as if the fall of the Berlin Wall symbolized its victory?), while a few others with conscience are forced to respond to the latest inanities of the private gainers on a daily basis, taking precious time away from working for the Public Good.² And Trumpites demean as “disloyal” any public servant who argues for higher loyalties, such as *public service, truthfulness, tolerance, respect, or justice*, instead of lesser allegiances to petulant insurgency, corporate greed, and divisiveness. After all, that is the way that unrelenting self-promotion drives one to success in the postmodern age.

If one is in a state of shock and awe by witnessing such strategies for success, one should not really be so surprised. This approach has been common in the worlds of education, marketing, and politics for quite a long while. Modern education long ago caved in to corporate “consultants” who charge exorbitant fees for their expertise at “branding”—all carefully couched in de-humanizing phrases, like “students are mere consumers”, or an “efficiency calculus” drives us to offer larger class sizes, while public university chancellor searches are poisoned by corporate

¹ Sadly, James Comey has been demonized by both Right and Left. These are genuine deep democratic values that he espouses in his book on the need for an authentic ethic of leadership, which we find lacking in both major political parties. See (Comey, 2018:ix-xii, and *passim*). But given that both sides dismiss Comey, I would offer up as examples the public servants of the State Department who offered their testimony about the Trump administration’s extortion endeavors with Ukraine against their political opponents in the upcoming election. These civil servants still honored and defended the democratic values of truth-telling, popular consent, humility, and service for the public good.

² Authoritarian or totalitarian socialism clearly failed, as the catastrophe of fascist National socialism in Germany, and the Fall of the Berlin Wall and the end of the reign of communist socialism in the USSR demonstrated. However, neoconservatives and neoliberals alike have interpreted this to mean that capitalism was thereby, and forever after, an unscathed winner in the economic and sociopolitical sphere. I don’t find their argument convincing, since corporate capitalism has also seriously undermined democracy and diminished individual freedoms and a sense of social justice. So by “a few with conscience” I mean on both sides of the spectrum: including not only democratic socialism (as exemplified by Michael Harrington’s and Bhaskar Sunkara’s version in the contemporary USA, and by similar versions in recent or contemporary central and northern Europe and Scandinavia, for example) and the anarcho-socialism of Noam Chomsky, but also the real roots of classical conservatism with a social conscience, like the real Adam Smith (not his emaciated ghost praised by Libertarians) and Adam Ferguson. I thank Robert Hanna for reminding me to make distinctions between various brands of socialism here.

implants who aspire (if not conspire) to privatize public education. STEM disciplines, which extol methods of efficiency, quantification, and precision, are promoted everywhere as needed for victory in this digital age, while the humanities, which raise deeper, harder questions—about morally dubious uses of measurement in some contexts, whether falsehoods count as “facts”, and the inhumane treatment of the disadvantaged—are marginalized and discounted by the professional academy and the market alike. The Three Marketeers—GMC and McD on DISHTV—offer the same bland, monolithic, over-hyped products, goods, and services, assuring us everything is for sale, pretending this constitutes “freedom of choice”. Naturally, American politics sold its soul many decades past in offering up nothing but sensationalist headlines, endless polls, unreliable statistics, and divisive attacks on all others who disagree.

Still, these tactics should not surprise us. After all, there is a long tradition of dotcom-promisers who paved the way for such antics. It is no mere coincidence that there has been vocal support for, or complete silence against, such inhumane strategies by politicians on the right, who have been bought by corporate constituencies. Plutocrats with their insiders ensure that state budgets are stripped of funding for state universities, so they can in turn guarantee that privatization (for their corporate colleagues) is the only option left, while hiding behind euphemistic names like the “Freedom Caucus,” the “John Locke Foundation”, and the “American Enterprise Institute”. The “Free Enterprise” centers sponsored by plutocrats, like the Koch Brothers, are less concerned with real intellectual freedom, and aimed at presenting only works of Ayn Rand, Hayek, and Buchanan, so as to undermine the broader values of a liberal education. All of this is ironic, given that *liberalis* means “open-handed or freedom-enhancing”.³ Seneca, John Locke, and Thomas Jefferson must surely writhe in their graves. No wonder these Big Business types support causes that espouse *unregulated* free markets: the wealth and power elites need absolute freedom to pursue their domineering roles in undermining American democracy while denying freedom to others. Sadly, it seems that a perfect storm of all these forces ensures that we now inhabit a culture wherein democracy is in chains.⁴

From the other side, authoritarian (if not totalitarian) Leftists hide behind pedantic arguments from the Ivory—rather than Trump—Tower, just as certain of their Nietzschean-Marxist narrative as any invisible marketeer ever dreamed possible. Or they sneer in seclusion, or even worse, refuse to debate conservatives, as if the professional academy’s tradition of “hearing the other side” no longer counted for postmoderns. And to top it all off, America, a nation founded on the individual freedom to dissent from the power elites, finds itself restricted from protest by our Fearless Leader, who ineptly responds to school shootings while under the thumb of the NRA. So a narrow reading of the 2nd Amendment takes as its hostage a broad reading of the 1st Amendment, and replaces it with the *diktat* that newspaper editors and other journalists critical of The Fearless Leader’s *diktaten* are “enemies of the American people”.

³ Seneca wrote: “Well, I have no respect for any study whatsoever if its end is the making of money... They are our apprenticeship, not our real work.” Liberal studies are the only ones “worthy of a free human’ because they make a person free through its high ideals; they help to make us better persons; and they inspire us to focus on the proper ends for humans. If we study only for the monetary value of things, then we end up studying geometry only so we can work out the size of our estates, instead of working out ‘how much a human needs in order to have enough’”. For these more comprehensive values of liberal education, see (Seneca, 1969:#88), which sharply contrasts with the exceedingly narrow tunnel vision of profession-oriented studies. If only modern American education could begin to challenge the neoliberal stranglehold of the professions in higher education!

⁴ For the history of the narrow economic philosophy behind the Koch Brothers and other plutocrats, see (MacLean, 2017).

So, we might well ask, “what alternatives are there to this Corporate media smoke and mirrors show, or to the kneejerk skepticism of the Academy?” Are there some other ways of conducting our public affairs that do not resort to crass commercialism, political nihilism, and poisonous public discourse? How did we get to this low level of Twitterism for conducting our national affairs? Is there another, higher road not taken, or perhaps one that we detoured from, for this low road of the present? Can we recover a need for serving the public good in an age that panders only to imagined personality and private gain? And why, especially in the name of the God that the religious right love to tout at every turn, do evangelicals fail to get incensed at the daily immoral practices, inhumane policies of this Administration? Hatred of immigrants and separation of children from parents violate biblical concerns for one’s own offspring and a long-standing “care for the stranger” ethic: yet not a peep from The God Squad!

3. Is Trump’s American Story a Myth?

Locke, Smith, and Hayek on Freedom and Flourishing

There is a certain individualist narrative that Americans love to tell themselves. It goes like this. Anyone who works hard at her job, is prudent in spending, and permits the free market to work on its own, will succeed; one can, through American initiative, invention, and ingenuity, become a success, just as Abraham Lincoln, Henry Ford, and Oprah Winfrey did. Central to their success is hard work, a self-interested competitive drive, and an unregulated free market. Although it sounds promising to Americans, and has drawn many immigrants who aspired to better lives, it is now largely untrue. Only a select few succeed, and even then, the narrative dismisses other key factors—community support, individual persistence, open doors left by earlier risk-takers, and learning from failures. So where did we get this deceptive national narrative? Why do we continue to accept this myth, despite the fact that only a select few, with oft-overlooked communal support, really succeed by this scenario?

First, a few words on the origins of the narrative. In Scotland in 1776, Adam Smith published *The Wealth of Nations*, in which he laid out the standard view of modern economics. Smith starts from an acute observation, which is that there is a certain propensity in human nature to “truck, barter, and exchange one thing for another” (Smith, 2003:I.ii.i). And without that propensity, each of us would have to procure all the necessities of life on our own. Hence there arise both the specialization of labor and also the diversity of trades and crafts. But it is this “trucking” disposition that also enables a diversity of human talents and ingenuity to be developed, whereby one can prosper economically by creating one’s own goods or services for exchange with others for their goods and services. But contrary to Libertarian ideology, there is no Invisible Grand Trucker solely responsible for transactions; the propensity to truck requires a corresponding propensity to barter and exchange. Now, this *inter-social* predisposition fits well with many Scottish commonsense virtues, such as industriousness, frugality in savings (for future needs), the centrality of cooperation in terms of production and exchange, and individual freedom to buy and sell one’s products, goods, and services. It is not hard to see how innovations (in technologies, for example), invention, and ingenuity, play central roles in this part of the narrative, all of them contemporary commonsense virtues that Americans tend to value. Conjoin this with the fact that many Scots came to America and were central leaders in the founding of our universities, for example John Winthrop, who passed along a Scottish commonsense moral philosophy at places such as (what became) Princeton University. Scottish commonsense philosophy would go a long way in a country like the United States, as Americans searched for a worldview that would fit their very practical orientation, arising from much seasoning in agriculture, “mechanic arts”, and other

trades and crafts—and this is why the land grant schools, and teacher’s colleges became so central to American higher education (see Marsden, 1994). So, postmodernists and Libertarians alike get the origins wrong: social dispositions, not subjective preference or individual initiative alone, ensure the flourishing of individuals and societies.

Second, although we can see how this commonsensist narrative is appealing, it is far from being the whole story. Later American Libertarians fabricated, or at least tailored, a narrowly-construed reading of Adam Smith as “guru of selfishness” who advocates a free-market economy as a way of rationalizing their own ethical-egoism-driven goal of denying social services for fellow Americans. Corporate advocates of Ayn Rand gleefully distribute *Atlas Shrugged* in business colleges as part of their mission to convert college students to belief in “the real story about wealth accumulation and the virtue of selfishness that your professors won’t teach you.” In these ways, Libertarians preach their free-market anti-communitarian gospel that “*equality* is just another word for nothing left to lose” (to tweak a bit Kris Kristofferson’s and Fred Foster’s “Me and Bobby McGee”). But a deeper reading reveals that Smith fully recognized the nefarious ways in which some producers (landlords, owners of capital, i.e., corporate overlords) monopolize and gain unfair advantages over others (their muted but exhausted laborers, or renters, for example). Correspondingly, Smith explicitly warned in *Wealth* about the corruptions that would emerge, were not some controls imposed on the unregulated exercise of free enterprise. What this implies is that, contrary to the Randian, Trumped-up divisive nationalist narrative, both Smithian capitalism and democratic socialism have a good bit of mutual agreement on how national/global economies might work better together.

Third, another piece of American economic history has to do with a still-lingering feud between the economic philosophies of F. A. Hayek and J. M. Keynes. Keynes took American intellectuals by storm with his *The General Theory of Employment, Interest and Money* (1936). And then he met with President Franklin Roosevelt, who followed Keynes’s economic advice to spend federal money on public works projects to get us out of the Great Depression. And it worked: the projects of the Civilian Conservation Corps and the Public Works Administration put Americans back to work building bridges, new highways, hydroelectric dams, national parks, and public buildings. But many American conservatives and Libertarians were not happy. So they anointed Hayek as their savior. Hayek published his “pessimistic masterpiece,” *The Road to Serfdom* towards the end of World War II. Although Hayek concedes that prolonged widespread unemployment is a key problem, he vigorously rejects government intervention via public works, *à la* Keynes, since that requires a special kind of planning that seems to replace the free market; and his warning about such interventions as a drift towards a demonized socialism (i.e., authoritarian or totalitarian communist socialism, either Nazi-style or USSR-style) took root in America. *The Road to Serfdom* became a popular success in its time, with an abridged version appearing in *Reader’s Digest*, with some political irony, on the very day that Roosevelt died.

Intellectuals acknowledged Hayek’s main point, namely, that collectivism is not intrinsically egalitarian or rights-respecting, and indeed, concerns for equality and rights reverberate with liberals and progressives of all stripes, including Democrats and Independents. Still, Hayek’s arguments were largely negative, offering no solutions to high unemployment; so it was regarded as the voice of a reactionary aimed at shooting down high ideals. But Hayek’s real failure, from a more impartial perspective, is his strategic neglect of the truth that competitions require that somebody wins them, while Hayek also explicitly denied that “free capitalism necessarily leads to monopoly”, as George Orwell succinctly put it in his review of *The Road to*

Serfdom.⁵ And in practice that is just where advanced capitalism (no longer Smith's society of tradesmen, farmers, and shopowners) has led; correspondingly, most people, especially those out of work, usually prefer some sort of state intervention to ensure employment and avoidance of slumps in the business cycle. Had Libertarians bothered to read Smith and Hayek further, however, they might have noticed their warnings about unconstrained and unmitigated capitalism.

Corporate monopolies, constantly a danger in advanced capitalism, rarely work toward advancing the public good, unless constrained to do so. Indeed, necessarily, large private gains take place only at the expense of the public good. What Libertarians have created in American economics and politics is corporate welfarism or, to be even blunter, socialism for the rich. Consider the Bush taxcuts of 2001—favoring the wealthy and corporations—the corporate bank bailouts of 2008, the Chrysler-General Motors bailout of 2009, and the Trump tax cuts. All of these favored the richest 1% at the cost of increasing inequalities for the lower and middle classes. Conservative economists ever since Reagan focus on “trickle down” theories that only gush upwards, and divert the aquifer owners from questions about fair distribution. In a country like the United States, where the Master Narrative announces proudly that our GDP is growing, leaders ignore the fact that incomes of most Americans have stagnated or declined—hence the inequalities are growing by astounding numbers. As Joseph Stiglitz, Amartya Sen, and others have argued, America is no longer the land of opportunity, since it is controlled by the 1% and for the 1%.⁶ Stiglitz rightly points to the dire results: many individuals feel that the political and economic systems are stacked against them—consider for example the Occupy Wall Street movement by the 99% who are left out of increased wealth—due to unfettered markets, their manipulation by corporate monopolies, and the resistance of the 1% to accepting moral responsibility and sharing prosperity. Is it any wonder then that public trust in the basic institutions of America is lost, since they no longer work to create opportunities for *all* citizens? To tweak the Hayek title a bit, isn't it entirely possible that a different broad highway to wage slavery has actually been created by the 1%ers?

4. Other Roads to Serfdom?

Locke, Ferguson, and Hayek on Rule of Law, Freedom, and Public Good

The real brilliance of Hayek's position is only hinted at in *Road to Serfdom*. As critics noted, it is too negative in its cautions about an inevitable slide into demonized socialism. As Nicholas Wapshott noted, *Road to Serfdom* is “hardly a rebuttal of Keynes' *General Theory*”.⁷ But Hayek's real insight comes out in his later *The Constitution of Liberty* (1960). In that work, his argument for unplanned freedom of individuals and institutions rests on a second Adam's insight. Smith's successor to the Chair of Moral Philosophy at the University of Edinburgh, Adam Ferguson, noted how unplanned results arise from specialization of labor, arguing that such collaborative products are greater than what individual minds could ever foresee. This enables Hayek to come up with an important argument in *Constitution* that is based on previous democratic ideals laid out by John

⁵ For the grand debate between Keynes and Hayek and their loyalists, and a few defectors, see (Wapshott, 2011: ch.10). In that chapter, “Hayek Blinks”, Wapshott describes the reception of Keynes's *General Theory*; Orwell's critique of Hayek's *Road to Serfdom* is on p. 202; and ch. 13, “The Road to Nowhere” provides a succinct history of *Road's* influence.

⁶ See (Stiglitz, 2015).

⁷ (Wapshott, 2011:194).

Locke, who first gave us a defense of the rule of law—consent is required for obeying laws and government, and none is above the law. Hayek’s argument, based on Lockean consent and rule of law, goes like this:⁸

1. Only when everyone is considered equal under the law can a society be regarded as truly free; all are of *equal worth under the law*. [Hayek rejects Locke in not treating “all humans are born equal” as a political truth that government should insure via resources/opportunities; he held onto European aristocratic ideas of political wisdom attained via inheritance/tradition.]
2. Only the existence of the rule of law can insure that a *free market works fairly* for all; in its absence, tyranny and serfdom reign supreme. Both extremists on the left and right assault individual liberties by replacing market forces with comprehensive state planning or monopolistic manipulations. Hayek mistrusts both kinds of extremism.
3. So, in order for individuals to be free of coercion by others, the state must coerce some into not coercing others. Both democracy and capitalism, based on ideas of private property and enforceable contracts that operate within a free market, demand the rule of law.

So far, Hayek’s argument nicely builds on the insights of Locke as well as those of Adam Smith: civic consent, rule of law, individual freedoms, and human spontaneity/initiative as keys to development in a market economy. But notice how it breaks with the premises of American Libertarians, who badmouth socialized solutions, *except* when they benefit the very wealthy. Still, it is not hard to see how this argument of Locke and Hayek will resound well in an American democracy founded by farmers, practical tradesmen, craftsmen, scientific inventors, and engineers. However, Hayek’s argument takes an interesting turn in his elevation of a key premise from Ferguson, the “spontaneous order” thesis (Ferguson, 2007:172-175):

4. Human institutions are, like the artifices of other social animals (beaver, ant, bee), suggested by nature, resulting from a natural social instinct, but directed by varied situations into which we are placed. They are the results of unplanned and unforeseen consequences.
 - 4.a Human establishments arose from successive improvements that were made, without any real sense of their overall effect, and such institutions became complicated far beyond what any human, no matter how wise, could predict.
 - 4.b As societies grew more complex, there arose the need for specialization of tasks; and from that arose prospects of exchanging one commodity for another, and then the need for merchants and manufacturers; and consumers emerged, and commerce progressed.
 - 4.c No human could anticipate the variety of separate professions, tasks, and devices required to make a modern society function.

⁸ See (Wapschott, 2011:218-219) for the nerve of this argument, which I’ve presented in a step-by-step format.

4.d Hence emerged the phenomenon of human ingenuity; so ignorance gives rise to industriousness, and the inventor of a tool/machine becomes the modern symbol of ingenuity.

4.e From this phenomenon of modern complex, industrialized society, we come to recognize that the manufacturer and the statesman, though they have some comprehension of human affairs, utilize as instruments both tools and also humans who unreflectively perform tasks while ignorant of the system in which they all are combined.

4.f Hence, by these complex means, the productions of ingenuity are brought to the market: consumers are willing to pay for whatever will inform or amuse them, and the idle as well as the busy contribute (unknowingly) in forwarding the progress of human crafts.

Hayek was right to remind us of this basic fact of human ignorance, and how it encourages industriousness, technological development, and innovative inventions, while cautioning manufacturers and statesmen in their claims about long-range planning. Still, it is not hard to see how modern Libertarians substitute “entrepreneur” or “CEO” for “statesmen” and then stress the commonsense virtues of ingenuity and industriousness, while disowning the basic fact of human ignorance about long-term results. The truth, however, is that all the real innovation comes from the “mere mechanics”—farmers, machinists, engineers, and shop-owners—who make up Jeffersonian democracy. And once a plutocracy of only a few comes to own the majority of wealth, as Joseph Stiglitz points out—0.01% of America’s people own all of us (Stiglitz, 2003), just as 538 Americans, The Electoral College, can outvote all of the rest of us—then the democratic norms of consent of all and the rule of law, which Hayek hoped would govern modern institutions, are bypassed. Or in other words, welcome to the tyranny of Trump.

5. Ferguson’s Fret:

Can Unregulated Free Markets and Marketeers Corrupt Moral Prosperity?

What Hayek overlooked in his reading of the Smith-Ferguson argument were some warnings about the detriments of free-market mechanisms.⁹ Ferguson rightly points out (i) that as societies grew and became more complex, improvements arose from the need for specialized tasks, and (ii) that spontaneous order emerges from innovative, freely-designed solutions that an enterprising thinker uses to solve complex problems. It is hardly surprising, then, that modern economists highlight the centrality of innovation, initiative, and free inquiry to human creativity, and valorize the entrepreneur as the symbol of these virtues. And the spontaneous order thesis also underscores the dire problems of complexity and foresight that central planning socialist schemes will face. Again, the collapse of the Soviet Union and the fall of the Berlin Wall would have reinforced Hayekian suspicions about planned economies.

However, Ferguson recognized not only the blessings but also the banes of the division of labor. Yes, through the specialization of labor, new wealth, innovation, and collaboration emerge. But Ferguson also notes that a *complete* moral and political vision must also concede the less-rosy

⁹ See (Ferguson, 2007). Hayek tries to construct a tradition of free-market economics based only on the rational egoism or self-interest he finds predominant in Hume, Smith, Edmund Burke, and others, but he does so only by consistently ignoring these thinkers’ focus also on issues of social justice.

aspects of specialized labor: when politicians and soldiers become professionals, rather than statesmen and citizens, this serves “to break the bands of society, to substitute form in place of ingenuity, and to withdraw individuals from the common scene of occupation, on which the sentiments of the heart, and the mind, are most happily employed” (Ferguson, 2011:207).

So, one can challenge the Libertarian myth of the Two Adams, as proponents of a singular motivation, rational egoism or self-interest, and a solitary means of human interaction, the accumulation of market profits. Does it not seem that later Libertarians are simply visiting the sins of the children on their own fathers? Hayek focused only on the premise about the spontaneous order of institutions, found in early parts of Ferguson’s *Essay on the History of Civil Society*. He neglected the latter parts of the *Essay*, which describe the “Decline of Nations” and the human tendency toward “Corruption and Political Slavery”. In the very final section of the book, “Of the Progress and Termination of Despotism”, Ferguson warns us that his earlier statement of the “unforeseen results” thesis has a caveat to heed as well (Ferguson, 2007:part vi, section vi, p. 257).

Of those unforeseen consequences brought on by a society devoted single-mindedly to the commercial arts, Ferguson mentions the following.

First, in a nation where the commercial, lucrative arts prosper, they gain ascendancy at the expense of other pursuits: “[t]he desire of profit stifles the love of perfection...[andSelf-]Interest cools the imagination, and hardens the heart”. Since one recommends only those employments that are lucrative, society drives ingenuity only to fiduciary pursuits. In the “new industrial state”, as John Kenneth Galbraith then called it in the late 1960s (Galbraith, 1967), markets began to serve the needs and convenience of corporations, the very organizations that were meant to serve the people. Clearly, General Motors, the Rand Corporation, and the Pentagon control the products and processes of the market: the Invisible Hand was made highly visible in the ways that corporations fix prices, and accommodate the consumer to *their* conveniences and needs. What this meant was that, as Ferguson and Galbraith predicted, the needs of corporate-controlled markets deferred human goods like community, perfection, and moral imagination to profits, vaunted ambition, and image-building. Corporations left behind community concerns and the public good long ago.

Second, Ferguson remarks that when mere riches or court favor (read: corporate interests) are central to social rank, the mind is dissuaded from valuing social virtues, such as magnanimity, moral courage, and a love of humankind. When the individual considers community only insofar as it can be rendered useful to one’s personal advancement or profits, people become either rapacious, deceitful, and violent, ready to trespass on the equality and rights of others, or else they become servile, mercenary, and base, ready to relinquish their own equality and rights. One need not go further than recent American elections to notice both uncivil and undemocratic results.

Third, Ferguson cautions us about an unforeseen result that should worry even those in the Libertarian camp, the loss of freedom. The passions for wealth and dominion have produced such scenes of oppression and servility in human history that we should be wary of such vicious consequences:

The parent supplies the market for slaves by the sale of his own children; the cottage ceases to be a sanctuary for the weak and defenseless stranger; and rites of hospitality come to be violated, like every other tie of humanity, without fear or remorse. (Ferguson, 2007:part vi, section I, pp. 224-230)

The freedom of the oppressors requires the unfreedom of the oppressed. One need only consider recent administrative policies and postures of tax cuts for the wealthy, cutting social services to

the disadvantaged, and denying sanctuary for refugees and immigrants to see how freedom is granted to the oppressors (“to those who have much, more is given”) and denied to the oppressed.

So, we can add a fifth step to Hayek’s four-step argument, that includes Ferguson’s feasible frets:

5. Given human history, there are some consequences of the profit motive we can foresee—excessive greed, domineering of the populace by wealth and power elites, and manipulation of public policy in favor of narrow pecuniary interests. So, we should guide our institutions and policies in directions that (i) require the consent of *all* the governed, (ii) highlight social virtues like benevolence and cooperation, and (iii) practice hospitality to the weak and defenseless strangers in our midst, since with prosperity and privilege also comes responsibility for those under one’s care. As Plato and the great religious traditions remind us, the true leader is one who cares for all the people, not just a few or his own self-advantage. And as even an occasionally authoritarian and ruthless defender of empire like Winston Churchill reminds us: “The price of greatness is responsibility”.¹⁰

Curiously, American libertarians leave out a crucial piece of Hayek’s fuller argument, a point the fallen Adams both note: one should be concerned for those left out of the competition due to unfair uses of the market. Towards the end of *Road to Serfdom* (curiously, this was edited out of the *Reader’s Digest* condensation), Hayek explicitly recognized a central need to disempower the manipulators of the free market. And, despite his doomsday warning about authoritarian and totalitarian socialisms (National socialism in Germany, and Russian communist socialism in the USSR being the great offenders), he actually noted some overlap in mutual interests in freedom and equality between capitalism and non-demonized socialism. Socialism actually has some respectable high ideals: social justice, greater equality, and security. But what concerned Hayek was the means by which authoritarian or totalitarian socialists hoped to attain those ideal ends, such as abolition of private property, eliminating private enterprise for production and exchange, and the creation of a system of central planning that would replace the entrepreneur. Planning in one sense, Hayek concedes, is harmless enough, since everyone desires that we handle our common problems as reasonably and foresightfully as possible—that is merely the talent of practical reason that all societies value. The great mistake of authoritarian and totalitarian socialism lies in demanding a central, single plan for deciding how resources should be allocated. “Economic liberalism,” as Hayek called his political philosophy, dispenses with the need for “conscious social control” via a central plan, and accepts the strong argument for competition that allows individuals freedom to decide for themselves what risks to take and which professions to pursue based on their individual talents.

What Libertarians leave out of Hayek’s full scheme is his recognition of how a dogmatic *laissez-faire* capitalist posture merely leaves things as they are. Hayek argues that instead we must make the best use of the forces of competition as means for coordinating human efforts. This implies that a carefully reasoned and revisable legal framework is needed, and that other methods

¹⁰ Plato argued against Thrasymachus that the true craftsman of state is one who looks out for the greater good of the people, not simply his own self-advantage. For Plato’s version of this responsible leadership ethic, see (Plato, 1963:book I, 576-605); and for a Christian version of this ethic, see a similar conclusion by Jesus about the faithful, wise steward: “to whom much is given, from him much is required” (*Luke*12:48). The Jewish version of the same ethic is even more demanding: since God gives rulers their positions, severe judgment falls on those in high places according to how well they execute their offices (*Wisdom of Solomon* 6:1-25). My point is that even imperialists like Churchill argue for a responsible leadership ethic.

of guiding economic activity might be needed to insure that competition works fairly and beneficially for all in a democracy. So, while competition requires that any party be free to buy and sell a diversity of commodities in the marketplace at any price for which they can find a transactional partner, it also concedes that trades should be open to all on equal terms, and that an extensive system of social services, limits on working hours, implementation of safety standards, and banning of toxic substances is also compatible with such free competition. In other words, Hayek is, by his own admission in his writings defending liberal individualism, not hyper-individualism, as American Libertarians pretend. In fact, in “The Abandoned Road” chapter of *The Road to Serfdom* (ch. 1), Hayek sees himself in the grand tradition of political liberalism and individuality, which includes Thucydides and Cicero from the ancients, and Milton, Locke, Adam Smith, and J.S. Mill from the modern age. That grand tradition, Hayek argues, has been abandoned by modern experiments with socialist state planning. But he also notes how extremists on both right and left, which would include American conservative Libertarians, also take us down “the road to serfdom,” especially, I might add, modern autocratic plutocrats: the road to trumpdom.

We should also recall, by the way, that Hayek is not alone in recommending these safeguards for capitalism’s pitfalls. Here, he follows in the footsteps of his mentors, the two Adams, Smith and Ferguson. Smith, even in *Wealth of Nations*, worried that “prodigals and projectors” would waste capital and keep it from others who might contribute more good to society; defended public services, such as free education and poverty relief; and was generally concerned about the inequality and poverty that might remain in an otherwise successful market economy. Moreover, in *A Theory of Moral Sentiments*, an earlier work that he revised continuously, Smith defended his view that sympathy, humanity, justice, generosity, and *public-spiritedness* are central to flourishing human lives and societies. As Amartya Sen puts it in a recent Introduction to *Sentiments*,

Smith was both a proponent of a plural institutional structure and a champion of social values that transcend the profit motive in principle as well as in actual reach. (Sen, in Smith, 2010:xiv)

Similarly, Adam Ferguson agreed in stressing the virtues of social justice, humanity, and sympathy with others.

6. Is a Respect for Property, or for Persons, a Key to Moral and Political Progress and Recovery?

From this closer examination of Smith’s, Ferguson’s, and Hayek’s writings, we sense a more compelling vision behind their arguments for liberal individuality, one that includes a regard for others in our fuller conception of the good life. Clearly, if we need to include social values that transcend the profit motive, and embrace virtues of social justice, then we need a better and richer, and morally and metaphysically more robust notion of human beings than that which says that they are nothing but egoistic or self-interested rational calculators. And in fact, we find just such a conception in the Critical philosophy of Immanuel Kant. Kant’s view on moral personhood extends significantly beyond Locke’s and Hayek’s insights. Respect for the rule of law is an important step in moving individuals (and society) beyond brute rule by autocrats, with no checks on their ruling powers; so, plutocrats, with no end to their domineering of others via their wealth, and oligarchs, who conspire to own all the means of production and all social institutions, aspire to enslave all others. When they are freed from the rule of law, they work against morally right and socially just norms and institutions. Individuals committed to morally right and socially just

norms and institutions, on the other hand, realize that each can decide for oneself, on the basis of morally right and socially just laws and rights under the law, how to live, and what professions or trades to pursue. *Individual free choice*, as guaranteed in a liberal constitution via the Locke-Kant-Hayek tradition, is invaluable. Liberal individuality is likewise a progressive notion: through it, we become aware of our own importance in transactions with others, and we are alerted to the fact that each is *equally valuable* in a liberal-democratic, open society. Kant's radically original contribution to this tradition is threefold.

First, he proposes the "Copernican principle" of human personhood: instead of assuming that human animals are nothing but mere means or mere things in the causally-determined, mechanistic natural world, we postulate that the natural world is morally made for rational human animals, i.e., for human *persons*. In Kant's *Metaphysics of Morals* and *Lectures on Anthropology*, references abound to Locke, Smith, and Rousseau. As an autonomous and transcendently free rational moral agent, one is self-determining, self-governing, self-developing, and an end-in-itself: a moral person with absolute intrinsic moral value or *dignity*, not a mere means or mere thing. As Kant often says, precisely by virtue of our being persons with dignity, we are subject to no other laws than those we give to ourselves, and those that unite us in our fellow humanity with others. However, this freedom entails moral responsibility also. We are accountable for how we comport ourselves with our fellow humans and citizens.

Second, as natural beings, we have need of a doctrine of *virtue*. For God and the angels, there is no need of virtue, or of constraint by the moral law. But given our human, finite powers, and inclinations to violate the call of duty, we must master our inclinations when they tempt us to rebel against the moral law.

Third, Kant begins his moral philosophy with *duties to oneself*, rather than to God, as earlier moral perfectionists (for example, Leibniz) had done. However, Kant's ethics is not a naturalist moral philosophy like that of Hume: we are natural beings, but also socially embedded *persons*. We can envisage our obligations *as if* they were a set of moral commands from God, but these self-imposed obligations are to self, others, and one's work.

Already, we can see how far Kant has progressed beyond Locke: the human being is no longer a creature who merely exhibits respect for law; rather, now, human beings can set, or freely choose, for themselves an end that is also a duty. Q: What are these ends that are also duties? A: One's own perfection and the happiness of others, both of which treat the human being as a person, not a mere means or mere thing. To treat another *as a person*—that is, to treat another in a way that is sufficiently respectful of their dignity—is to allow each other persons the spontaneous capacity to set one's own end according to one's own concept of duty. In this way, Kant moved beyond the narrow theological perfectionism of older traditions: humans are rational, free beings but also natural beings, with corresponding natural inclinations, not finite holy agents of a divine will. We are imperfect but capable of radical betterment. A large part of our nature is social: "just as one cannot give oneself away for any price, so neither can one act contrary to the equally necessary self-esteem of others"; otherwise, we violate the dignity of humanity in them (MS, 6:462). In Kant's holding this, one might see here a basic conflict with his own earlier neo-Hobbesian view of humans as mostly self-interested and unsociable, in view of his earlier comments about the "unsocial sociability" of humans in "Idea for a Universal History with a Cosmopolitan Aim" (Idee, 8:15-31). However, a closer reading, even of that earlier work, shows Kant's careful reasoning. The Third Proposition in "Idea" gives us a socio-political version of the Copernican principle:

Nature has willed that the human being should produce everything that goes beyond the mechanical arrangement of his animal existence entirely out of himself. (Idee, 8:19)

But as he presents the argument for this position, he cautiously repeats the phrase that “it seems to have pleased nature to have exercised its greatest frugality,” and “as if” nature intended humankind should owe all to itself, or “as if” nature was more concerned with humankind’s own rational self-esteem. This certainly sounds like Hobbesian individualism. But as Kant proceeds further into the Fourth Principle, he notes that there is a dialectical tension in human nature: we possess both a propensity to enter into society, but also a tendency to resist it. It is the sociability disposition, though, that impels us to overcome our individualist, isolationist tendencies. “Culture ... really consists in the social worth of the human being”, and in our leaving behind the barbarism of our egoistic or self-interested “ambition, tyranny, and greed” (Idee, 8:21).¹¹ He concludes this section with the conclusion that it is our complete development of as a class of reasonable beings, making it clear that the “as if” language earlier was a nod to Hobbes while going substantially beyond the latter’s view, and, as we might say, accepting the corrections of Rousseau.

From this Kantian argument, one that corrects some of the narrow individuality of earlier Enlightenment thought, we find this additional step:

6. Humans never act alone as individuals; rather they are *persons*, who formulate ends/goals for themselves, and are obligated to help others to attain their ends. We are free to act toward our own and others’ ends in a liberal democratic society so as to earn our own income in our own individually gifted ways; but with freedom comes responsibility. And as members of a more comprehensive moral community (State, nation, world), we are accountable for using resources in ways that waste less capital and resources; magnify social virtues like cooperation, compassion, generosity, and global peace; and foster *public-spiritedness*, contributing to the public good. In these ways, we move beyond narrow motives of self-interested profiteering, developing ourselves fully as inter-social persons and prodding our societies to flourish.

From the Lutheran and Pietist traditions, Kant learned a respect for the crafts, and the strong sense of honor (*Ehre*) in performing one’s profession well, in ways that honor human dignity. Yet in his freeing himself from the restrictions of the religious pietist institutions of his youth, Kant felt some resentment about the narrowness of his early schooling. So he became entranced by the promise of the natural sciences, and became a quick learner in them, publishing an early cosmological work, *Universal Natural History and Theory of the Heavens*. Had he stuck with that tradition of Enlightenment science, he could have been a highly-regarded late 18th century natural scientist. But, what Kant learned from Rousseau was that all individuals have equal rights, as well as the fact that true learning does not entail a higher regard for life in the professional academy than in the crafts. Kant also tells us from some marginal comments in an early work that he used to see the scientific investigator as the height of human knowledge, and that he regarded the common people as having no cognition worth respecting; but then Kant says “Rousseau set me straight.” In other words, he learned to respect the equal rights and goods of all rational human animals.

Nevertheless,, there is still something missing. All Kant attained in his university training was how to become an academic “superstar,” whether as a scientist or a philosopher. From his

¹¹ Thanks to Robert Hanna for reminding me of this apparent tension in the text.

upbringing as son of craftsman and the Pietist sense of honor in a community, he recognized the need for more humanized sociality. This emerges in his middle-period writings on history and his later writings on anthropology, where he defends the use of the *hands*. Since pain (much more so than pleasure) incites us to become active to eliminate a discomfort or uneasiness (Kant calls pain a *Stachel*, a sting or spur), we can use the discomfort of work to overcome our dissatisfactions in life. Thus, work becomes central to all human lives for our livelihoods, and constructing real meanings to our lives, and this insight leads to another step in the argument I have been developing:

7. So, (the pain or discomfort of) work is the best way of enjoying one's life. Through work, we develop our natural/sensible, as well as our rational talents more completely. We become engaged with others socially, and interact to accomplish overlapping ends or goals. Practical reason (more than theoretical, or scientific reason), especially in the form of "healthy human understanding" is that which all humans use to solve common problems.

In the history essays and anthropology lectures, Kant more specifically invokes the power of the Hands to show how we progress from merely self-interested beings to inter-social moral agents:

7.a In our use of our Hands, we display firstly a *technical* predisposition. Unlike other animals, Nature did not provide us with claws, fangs, armor, or poisons to protect ourselves. But our *Hands*, in particular, Nature's very structure of the whole forearm—*hand*, *fingers*, and *fingertips*—provide us with a bodily set of functions with sensitive feeling for manipulating objects for a variety of ends.¹²

7.b We display a *pragmatic* predisposition. Through various cultural arts, especially education, in the broad sense—think of the capacity to write and express oneself—we become more well-mannered, more open to cooperation with others, to share our hands in working together to accomplish both common purposes or conjoining diverse tactile talents to work mutually for individual ends.

7.c Finally, we develop a *moral* predisposition by learning to act on the basis of principles, and refine a moral feeling that senses when justice or injustice is done to oneself and/or others.¹³

From these traditions, Kant derived his strong sense of respect for all. In his *Lectures on Ethics*, we learn that Kant saw his role as teacher to be that of preparing the majority of his students to become self-reflective apprentices to a craft or civil servants in Prussian society. So we find an

¹² The three predispositions of the sensible part of humans comes from Kant's defense of Sensibility as a pivotal, irreducible aspect of our human nature. See (Anth, 7:part ii, section iii.e).

¹³ See (Idee, 8:19-20), where Kant argues that Nature gave us hands, along with reason and free will, so that we might produce everything by ourselves that transcends a mere mechanical view of life. We have to use our hands to secure food, shelter, safety, and defense; so the intention of nature, Kant argues, was that we should bring everything out of our own resources: hands, head (practical reason), and goodness of heart (the will).

indirect argument here for the knowledge and wisdom of the crafts, as well as respect for the dignity of teaching, Kant's craft.

Perhaps what *we* can learn from Kant is to recover the value of respect for all trades and crafts, as well as the professions. In American education, in light of sending virtually all the young to college and university training, we abandoned the dignity of the crafts—carpentry, plumbing, auto mechanics, agricultural and related arts, etc.—by trying to make them into sciences. In that connection, Matthew Crawford, in *Shop Class as Soulcraft*, has argued compellingly for a recovery of the crafts in American education: we have sacrificed the crafts at the Temple of Certification (Crawford, 2010).

Once we become cognizant of the need to respect others as persons, we also recognize the dignity of humanity in other persons as a maxim to limit our own individual self-esteem but to bolster our own socio-reasonable esteem or respect. So we have a duty to make others' *ends* our own, provided they are not immoral ones. This implies that I not use myself or others as slaves for menial or self-serving purposes, such as selling my bodily organs, or that I should help the poor attain their ends, though in ways that do not humiliate them. Accordingly, the *respect* that I thereby generate for others, or that another can require from me is the recognition of a *dignitas* in other rational human animals, one that is of a "worth that has no price, no equivalent for which the object evaluated (*aestimi*) could be exchanged" (MS, 6:462). A person has a duty to increase one's moral perfection, i.e. improve and cultivate our natural powers as means to all sorts of ends, i.e. we must strive toward completion of one's moral aspirations by developing more of our intellectual talents, so as to improve both our own prospects and those of others. Accordingly, we have an imperfect duty to be perfect, but strive for shared prosperity, which leads to the concluding step in the argument I have been spelling out:

8. Hence, we should employ our hands, with their dexterities, but also our practical reason (head) for solving problems, so as to work together in a spirit of cooperation, more than individualist competition, and thereby recover a sense of the public good. From Locke, Hayek, the Two Adams—Smith and Ferguson—as well as Kant, we have learned to hope for a recovery from current dispiriting events and poor leadership.

A later Kantian, Onora O'Neill, worried rightly about corruptions of trust in our society. Trust in institutions, she notes, has disintegrated over time, despite all the "expert" consultants' advice that we make all decisions accountable and transparent. Too much information is not necessarily significant information. And trust in social institutions turns on trustworthy persons who lead and interact respectfully with others in those institutions.¹⁴ Let us be honest: finding trustworthy leaders is much harder to find in the age of Putin and Trump than ever before, since both have capitalized on lying, deception, bullying, and irresponsibility as the new norms for political and business behaviors. Can we find trustworthy leaders who capture the concerns of all, but still show us models of *shared conviction* for a public, more than private, good? Could it be that character, not coin, determines our destiny?¹⁵ Can we, in Yeats's vision, hope for better leaders

¹⁴ (O'Neill, 2002).

¹⁵ Here I would echo Franklin D. Roosevelt: "The Presidency is not merely an administrative office... It is pre-eminently a place of moral leadership." In his stellar (2018), Jon Meacham argues for the centrality of character in leadership. Meacham's book also provides excellent examples of past Presidents who rose above their personal demons to battle for the better angels of the American ethos. It's notable and perhaps unsurprising that Meacham, an eminent Presidential historian, sees no such inclination in Trump.

than plutocrats, perhaps some humble *Publius*-ocrats, to help us “slouch towards Bethlehem” and restore a republic rife with rancor?

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