

## AMERICA'S CRISIS OF SUCCESS AND THE POLITICAL ECONOMY OF GRATITUDE

by William F. Campbell

*Dr. William F. Campbell received his Ph.D. from the University of Virginia and his B.A. from DePauw University. He did graduate work at the University of Minnesota and the University of Pavia, Italy. He has taught at the University of Virginia and Louisiana State University, where he is now a professor of economics. He is a trustee of The Philadelphia Society and a member of The Mont Pelerin Society.*

*Dr. Campbell delivered this presentation on the Hillsdale College campus in the seminar of the Center for Constructive Alternatives titled "What's Right With America?"*

Undoubtedly this title sounds strange coming from a practitioner of economics, a science which historically has been accused of being dismal, but which more deservedly could be characterized as the ungrateful science. Modern political economy from the time of John Locke has carried undertones and occasional fortissimo overtones of man's self-sufficiency in a fundamentally hostile universe. Everything that man has he owes to himself. There is no reason for gratitude in such a universe.

I wish to suggest, somewhat paradoxically, that twentieth century Americans should be extraordinarily grateful for two things: first, the incredible bounty and wealth that our economic system has generated; and second, the teachings of an older political economy which denigrates the importance of that wealth and puts it into perspective.

Americans are indeed at the crossroads. This was a crossroads which our Founding Fathers clearly foresaw and about which they gave us no clear directions. Examine, for instance, what John Adams wrote to Thomas Jefferson in December 18, 1819: "Will you tell me how to prevent riches from becoming the effects of temperance and industry? Will you tell me how to prevent riches from producing luxury? Will you tell me how to prevent luxury from producing effeminacy, intoxication, extravagance, vice and folly?" It is often thought that America, like Her-

cules, is confronted with only two choices. One is a continuation down the easy road of seductive pleasure and vice which Adams so clearly foresaw. The other road is the more difficult path of virtue which would be interpreted in the economic context as hard work, thrift, self-reliance, and savings, as opposed to consumption, welfare, and sloth.

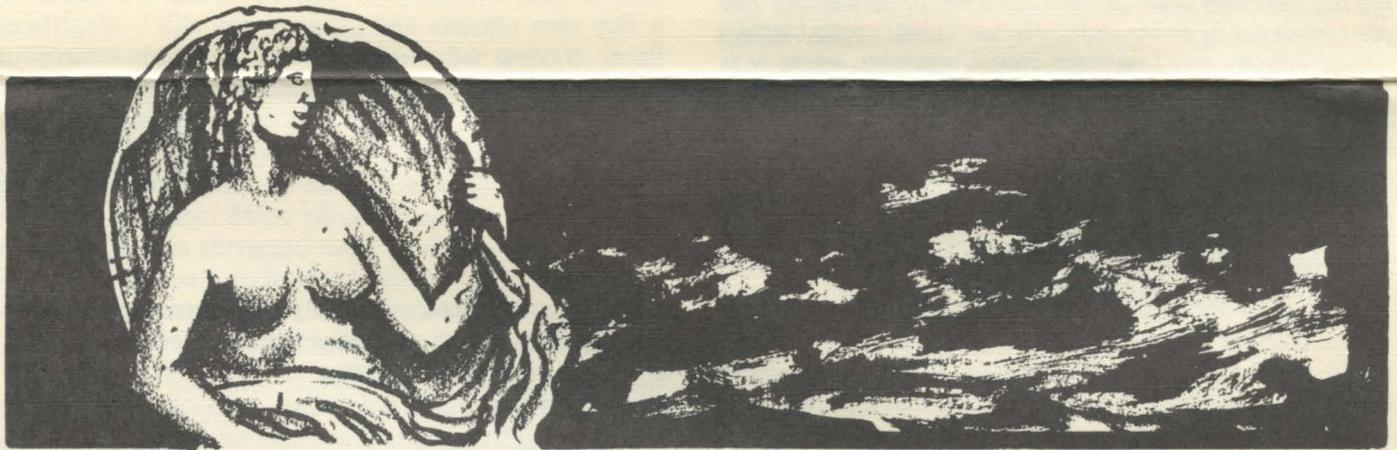
Let us illustrate this with the original story of Hercules at the crossroads, a story related by Socrates in Xenophon's *Memoirs of Socrates*. The story is very appropriate to both your personal situations and to that of the United States. As individuals and as a nation we are all Hercules at the crossroads, choosing the path between virtue and pleasure. First of all the story relates that Hercules had attained that stage of life "when man being left to the government of himself, seldom fails to give certain indications whether he will walk in the paths of virtue or wander through all the intricacies of vice." This is precisely your situation. Presumably your education is to provide you with the ability to govern yourselves. The western ideas of limited government and a liberal economic order presuppose great amounts of self-control and self-government. Notice also that even in the fourth century B.C. the ways of vice are intricate. One does not have to walk into a water bed store or worse to discover that the twentieth century has very little that is new in this regard.

Since Hercules was “perplexed and undetermined” what course to pursue, he “retired into a place where silence and solitude might bestow on him that tranquility and leisure so necessary for deliberation.” Although the modern college is certainly not a monastic type of existence, the theory was that the halls of ivy would provide you the leisure and materials so that one could think, meditate and deliberate on the eternal questions confronting mankind.

At this point Hercules is confronted by two women. One is elegant, dignified, modest and decent; the other is “comely, but bloated, as from too high living.” She, of course, was too made-up and her dress displayed her beauties a little too openly. But

nothing excellent, shall be obtained without care and labour. They give no real good, no true happiness, on other terms. If, therefore, you would secure the favour of these gods, adore them. If you would conciliate to yourself the affection of your friends, be of use to them. If to be honoured and respected of the republic be your aim, show your fellow-citizens how effectually you can serve them. But if it be your ambition that all Greece esteem you, let all Greece share the benefits arising from your labours. If you wish for the fruits of the earth, cultivate it. If for the increase of your flocks or your herds, let your flocks and your herds have your attendance and care.”

Virtue paints an accurate picture of the transient



what is very interesting as we shall see later is that “She would look round to see if any observed her; and not only so, but she would frequently stand still to admire her own shadow.”

Pleasure promises to lead Hercules through “paths which are smooth and flowery, where every delight shall court your enjoyment, and pain and sorrow shall not once appear. Absolved from all the fatigue of business and the hardships of war, your employment shall be to share in the social pleasures of the table, or repose on beds of down . . . neither be afraid lest time should exhaust your stock of joys, and reduce you to the necessity of purchasing new, either by the labour of body or mind: it is to the toil of others that you alone shall owe them!” This is surely a world without effort, no painful labor is required, no savings and investment. The emphasis is clearly on the consumption function. Although there is no military-industrial complex in this vision, there is clearly exploitation at the base of it. Why and how the toil of others is exploited is not made clear in the text.

Virtue, on the other hand, promises to plainly set before Hercules “things as they really are,” and show him in what “manner the gods think proper to dispose them.” Virtue promises a longer and more laborious road. She tells him that “nothing great,

nature of the life of pleasure, based on stimulation of wants, artifice, and excess. Only the laborious road leads to true happiness and excellence.

One is reminded of Herodotus’ *The Histories*. In the final page of that book Cyrus’ adviser, Artembares, suggests that the Persians after their conquest “leave this small and barren country of ours and take possession of a better.” Cyrus did not think much of this suggestion and warned that “if they did so, they must prepare themselves to rule no longer, but be ruled by others. ‘Soft countries,’ he said, ‘breed soft men. It is not the property of any one soil to produce fine fruits and good soldiers too.’ The Persians had to admit that this was true and that Cyrus was wiser than they; so they left him, and chose rather to live in a rugged land and rule than to cultivate rich plains and be slaves.”

If we pay close attention to the political economy of the ancients, we may find that there are not just the two roads, the Road to Serfdom and the Road to Liberty. We will also find that even the path to virtue is fraught with ideological temptations. Because there are real solid virtues connected with private property, self-reliance, and hard work, it is very tempting to absolutize these instrumental virtues into closed philosophies and ideologies.

We can only be grateful that America is still open to the wisdom of the West, that wisdom which incorporates both classical political philosophy and Christianity. By means of such teachings we can avoid the softness of seductive vice and the hardness of a brittle self-reliance. There is a middle way, a *via media*, which resembles both vice and virtue in the story but which transcends them through temperance. Although most of my examples will come from Greek myths, the middle way between freedom and serfdom is best suggested in the words of Christ, Matthew 11:28-30, "Come to me, all who labor and are heavy-laden, and I will give you rest. Take my yoke upon you, and learn from me; for I am gentle and lowly in heart, and you will find rest for your souls. For my yoke is easy, and my burden is light."

In many ways the example of yoking is not simply a useful metaphor, but gets to the essence of the matter. In the Beatitudes, for example, Christ states "Blessed are the meek; for they shall inherit the earth." (Matthew 5:5) The meek here are not the listless, the soft and the weak; the Greek word *praos* has the connotation of wild animals which have been tamed, horses that are able to work with men. But men as well as animals must be broken in. This process of taming and domestication was called by the Greeks *paideia*. Before the trivialization of education in the name of practicality, this what was originally meant in the West by education and culture. It is not by accident that Socrates is referred to in the *Republic* as the ruler of a tamed city.

Let us explore this metaphor and use it to illustrate some of the ideologies to which America is subject.

The historian Forrest McDonald has written a fascinating book which deals with the phenomenal success of America and demonstrates the dangers to continued American achievement emanating from consumerists, environmentalists, and politicians. The book is entitled *The Phaeton Ride: The Crisis of American Success*. Yet there is a deeper meaning in the Phaeton story to which McDonald does not even hint. The sputtering out of the great American experiment which he foresees is merely a sad ending to the "last best hope" which was McDonald's title for his book on the history of the United States. But in the myth of Phaeton as related by Ovid in his *Metamorphoses* Phaeton is zapped by Zeus and his thunderbolts for his presumption. Phaeton demands a proof of his noble birth so that he may be allowed his place in heaven. His father, Apollo, grants him whatever he wishes and Phaeton demands his father's chariot for one day so that he can drive the wing-footed steeds through the stars. Apollo immediately realizes the dangers of his gift and tries to talk Phaeton out of it.

Phaeton is a foolish mortal boy, and Apollo tells him that in his ignorance he aims at more than can be granted even to the gods. He pleads with him and

even explicitly tells him: "Look round, then, at all the rich world contains, and ask for anything from among all the good things in earth or air or sea. You will not be refused. This one thing only I am reluctant to grant you, and in fact it would be a punishment, not an honour. It is a punishment, Phaethon, not a boon, which you are seeking . . . show more wisdom in the request you make." But Phaeton, "full of confidence in himself," "on fire with eagerness" rebelled against this advice in the "pride of his youth and strength."

To fully understand the implications of the story it is perhaps worth reminding ourselves of the Platonic image of the soul as the charioteer controlling both the passions or appetites, and the spirited or honor loving part of the soul. The charioteer is reason or wisdom. Ovid tells us that Apollo advises his son to "Use the goad sparingly, and hold in the reins with all your strength. The horses set a fast pace of their own accord: the difficulty is to check their keenness . . . if you drive too high, you will set the dome of heaven on fire, and if you are too low you will scorch the earth. The middle way is safest."

As you may guess, Phaeton first goes too high and freezes the earth, then he goes too low and scorches the earth and sets it afire. Zeus is finally forced to send forth a thunderclap and "with his own cruel flames, he quenched the other's fire."

Why should such a myth be helpful to an economist and a contemporary American trying to understand the strengths of the American tradition? The moral of the story can be perhaps summarized in the observation of Heraclitus: "For men to gain whatever they desire is not good." In economics as it is presently constituted such an observation stands almost self-condemned as an evident heresy.

Modern economists tend to view man as a bundle of wants and desires. Sometimes it is gratuitously added that man has infinite wants and desires, whatever that means. Reason at best is the handmaid to the passions in a sort of utilitarian calculus, an axle grease to the chariot's wheels, but it is never the master of the passions, a substantive principle capable of acting as a charioteer. Ovid reminds us to strive for wisdom, a term not in the economists' lexicon. In this story he reminds us that the middle way is safest. This is not mere compromise or lukewarmness, but the Aristotelian doctrine of the Golden Mean.

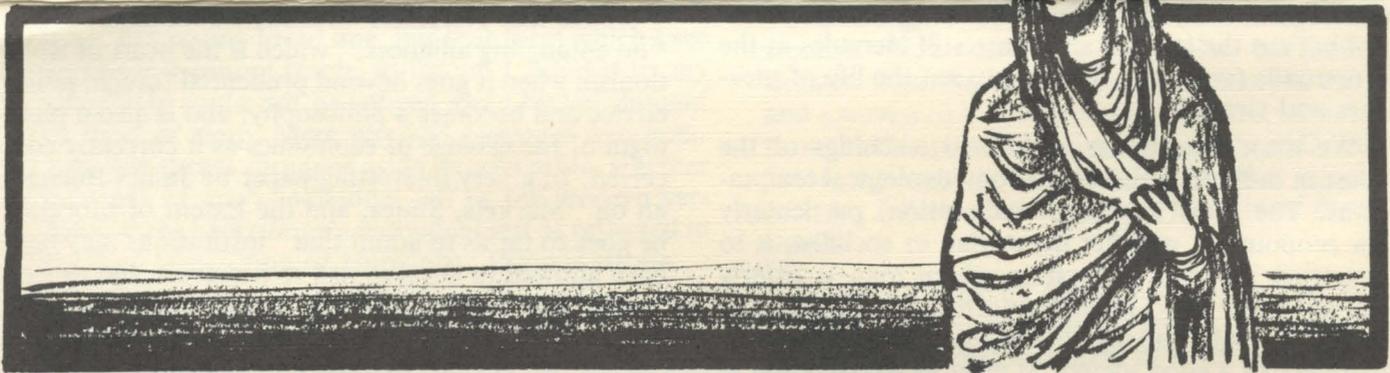
In another story of Ovid's which is perhaps more familiar to economists, the Midas story, we can see the reasons for contrasting the Golden Mean with the Golden Touch. Midas, the legendary king of Phrygia, had restored Silenus to Bacchus, and the latter in turn "gave Midas the right to choose himself a gift—a privilege which Midas welcomes, but one which did him little good, for he was fated to make poor use of the

opportunity he was given." He wished, of course, to have everything he touched turn to gold. Bacchus was sorry that Midas had not asked for something better, but granted him his request. "He dreamed of everything turned to gold, and his hopes soared beyond the limits of his imagination," Ovid writes.

Midas quickly realizes the error of his ways. He was tortured, says Ovid, as he deserved, and begging father Bacchus' forgiveness he confessed his fault. The gods are kind; they took away the gift and he took his bath in the river Pactolus, near Sardis in Lydia. But this is not the end of the story of Midas. According to Ovid, he has no golden mean. Instead of having desires for gold which would be character-

gods lead to happiness requires wisdom and restraint. Man is to be educated. We must learn from our experiences. The realities of this world are such that men, more often than not, are dealt bad fortune rather than good fortune. It matters not. Both are meant to be educative.

We need to preserve the older traditional teaching of the ancients that the goods of this world are subject to fortune and chance. Aristotle summarizes his discussion of the problem quite simply: "And therefore we can only say: May our state be constituted in such a manner as to be blessed with the goods of which fortune disposes (for we acknowledge her power): whereas virtue and goodness in the state are



ized by a moralist as greed, by a value-free economist as an excess demand for cash balances, he falls into the opposite extreme of the hippie reaction, so well known to us in the modern world. According to Ovid: "Midas, hating riches, made his home in the country, in the woods, and worshipped Pan, the god who always dwells in mountain caves; but he remained a foolish person, and his own stupidity was to injure its owner again, as it had done before." This time poor Midas judges a musical contest between Pan and Apollo in favor of the pipe player Pan, and for this Apollo turns his ears into asses' ears.

One element that is common to both these stories is that the things of this world are good. Phaeton is told to look around at all the right world contains, and ask for anything from among all the good things in earth or air or sea. It is not the created world and materiality that is evil, but man's excessive desire for more. *Hubris*, the overweening pride that leads to excess, and *pleonexia*, the Greek word meaning desire for more, are vices precisely because they go beyond a reasonable sufficiency. Midas' punishment for his greed is peculiarly appropriate since he is incapable of enjoying the satisfaction of his natural appetites.

The second element in common is that to get what you want is not always good. To make the gifts of the

not a matter of chance but the result of knowledge and purpose." Earlier he had said: "let us acknowledge then that each one has just so much of happiness as he has of virtue and wisdom, and of virtuous and wise action. God is a witness to us of this truth, for he is happy and blessed, not by reason of any external good, but in himself and by reason of his own nature. And herein of necessity lies the difference between good fortune and happiness; for external goods come of themselves, and chance is the author of them, but no one is just or temperate by or through chance."

Fortune, or the goods of the external world, are indeed both a bait and a snare. If anything is to be a bait, it must be good. When the mouse examines the cheese, it is certainly a good in and of itself. It has the objective capacity to satisfy a hunger. But the goods of this world can also be a trap or snare if we permit them to preoccupy us either individually or as a nation, to the neglect of those surer foundations of happiness, restraint and moderation. This tendency to absolutize a limited good into the final good is the secret core of all ideological constructs. Using the moral of the Midas myth, it is the mouse upon noticing that cheese is a good thing wishes that the whole earth be made of cheese.

This temptation to preoccupy ourselves with the goods of this world or the desires of this world leads to ideological constructs. Nihilism and despair are the ultimate results when the carefully constructed ideological superstructures meet the test of reality and do not provide the happiness or bliss originally promised.

I made the point earlier that America should be grateful for her many material blessings. Then followed a curious string of ancient myths or stories. This was not accidental. The major point that I would wish to make is that America should not only be grateful for its material bounty, but that it should also be grateful for the political economy of the ancients which show us how properly to use and assess that bounty. America has been the inheritor of the tradition of western civilization which includes that of Athens, Rome and Jerusalem. Modern social science has in general rejected this tradition, but America has not yet cut the last links. We are still Hercules at the crossroads facing the choice between the life of pleasure and virtue.

We must absorb the traditional teachings of the West in order to preserve us from ideological temptations. The most important temptation, particularly for economists, whether libertarian or socialist, is to construct an ironclad system where man is utterly self-sufficient. Self-reliance, normally a virtue, may be thrown out of all proportion and becomes the only hallmark of a good society. It must be stressed that at the heart of every ideology is a virtue. The virtue is never wisdom or moderation; it is usually an instrumental virtue which is in opposition to the currents of the day. One has only to think of Ayn Rand's book on the virtue of selfishness. The ravages of sentimentalism almost demand a spunky defiance. Spurious altruism needs the tonic of self-love. But is a carefully moderated view of self-love the same thing as selfishness? Selfishness as it is understood by the man on the street is quite clear and is distinctly not a virtue.

What is the experiential root of the passionate desire for self-sufficiency and the religion of self-reliance? At bottom I believe it is a refusal to accept the gifts of the gods. It is the desire to be the Creator rather than a lowly creature. One emphasizes the self because of a fundamental distrust of others. As soon as love, human or divine, enters the picture in human affairs, a perfectly controlled universe or existence becomes very difficult. Things get out of hand.

Let us illustrate these ideologies by looking at another story by Ovid which captures the essence of the experiences to which men must respond. The first is Ovid's story of Narcissus in the *Metamorphoses*. Tiresias has predicted that Narcissus would live to a ripe old age if "he does not come to know himself." There is a very deep spiritual truth included in this seeming inversion of the Delphic and Socratic injunction

that I will mention at the end of the story. He was obviously a beautiful young man and by the age of sixteen, Ovid relates, "Many lads and many girls fell in love with him, but his soft young body housed a pride so unyielding that none of those boys or girls dared to touch him." Notice that the body may be soft, the mind obsessed with beauty, but the soul is icy hard.

Narcissus like any good romantic hero of the nineteenth century is "wandering through the lonely countryside" when the talkative nymph Echo sees him and falls in love with him. She cannot initiate speech and can only echo his words, but finally sees her opening and "to make good her words she came out of the wood, and made to throw her arms round the neck she loved: but he fled from her, crying as he did so, 'Away with these embraces! I would die before I would have you touch me!'"

Notice that Narcissus' attitude can be expressed as "no entangling alliances," which is the heart of isolationism when it goes beyond prudential foreign policy advice and becomes a philosophy, and is also a paradigm of the essence of economics as it currently conceived. In a very interesting paper by James Buchanan on "Markets, States, and the Extent of Morals" he goes so far as to admit that "institutions may have been allowed to develop and to persevere that exacerbate rather than mitigate man's ever-present temptation to act as if he is an island, with others treated as a part of his natural environment. In a properly qualified sense, this pattern of behavior is the economist's 'ideal,' but the costs have not been adequately recognized." As the absolutely clear sighted economist that Buchanan is you can be sure that he has no intention of breaking out of the charmed circle. He is willing to take persons more or less as he finds them, and is not preaching a new morality, but only institutional reforms.

In the case of Narcissus this would amount to a proposal that every time he allows a fair young lady to kiss him that he be rewarded with a \$100 prize. Robinson Crusoe economics not only permits a required simplification of complex reality to get economic categories straight, but is also a picture of the nature of man which economics wants to preserve: Every man is an island.

Narcissus proceeds to find such an island untouched by human society or human complications. According to Ovid: "There was a clear pool with shining silvery waters, where shepherds had never made their way; no goats that pasture on the mountains, no cattle had ever come there. Its peace was undisturbed by bird or beast or falling branches. Around it was a grassy sward, kept ever green by the nearby waters; encircling woods sheltered the spot from the fierce sun, and made it always cool." Here in myth form is pictured the cold self-sufficiency of Stoic apathy,

Epicurean self-love, and a world with neither the fatherhood of God nor the brotherhood of man. How sharp is the contrast to the 23rd Psalm: "The Lord is my shepherd, I shall not want; He makes me lie down in green pastures. He leads me beside still waters; He restores my soul. He leads me in paths of righteousness for His name's sake."

Attracted by the beauty of the place, Narcissus takes a drink to quench his thirst and is enchanted by his own reflection with which he falls in love. "Spell-bound by his own self, he remained there motionless, with fixed gaze, like a statue carved from Parian marble." Again notice the emphasis on beauty and coldness. He then proceeds to the cries of romantic love, the pining and lamenting that we associate with the Troubadors, the Provençal civilization, and Italian madrigals. "Oh you woods, has anyone ever felt a love more cruel?", "Do you remember anyone, in all your long years, who has pined away as I do? I am in love, and see my loved one, but that form which I see and love, I cannot reach: so far am I deluded by my love." He could not be enticed away by the thought of food or sleep. Mere physical pleasures and comforts are always shrugged aside by cold pride, whether it is love of one's individual self or the modern versions of the love of one's individual self as reflected in the cool abstraction of Humanity. Pride is strong.

Gradually, however, a full realization of his situation finally reaches him. He has one more chance. Narcissus exclaims: "Alas! I am myself the boy I see. I know it: my own reflection does not deceive me. I am on fire with love for my own self. It is I who kindle the flames which I must endure. What should I do?" At this point there can be no mistake about his situation. He knows himself. Whatever extenuating circumstances of intellectual error, mistake, or confusion might be used to excuse his folly is crystallized away. He knowingly persists in his folly. He knows himself to be the proud, beautiful thing that he is, and cannot do anything about it even though he also knows it means his own destruction and death. It is the mystery of Satan who must be portrayed as a splendid creature. It is the mystery of human freedom. We can also add that like Midas he learned nothing from his suffering and laments. Ovid reports that after his death when "he was received into the abode of the dead, he kept looking at himself in the waters of the Styx."

The myth of Narcissus not only symbolizes the temptations of methodology in the social sciences, the desire to understand the nature of man as a series of unconnected atoms, floating islands only connected through the ligaments of contract and voluntary exchange, but also in understanding many of the perversions that we encounter in modern society: unrestrained aestheticism, preoccupation with autoerotism, and homosexuality.

Let me close by reminding you that America's characteristic holiday is Thanksgiving. This practice was begun in the Plymouth Colony by William Bradford in the autumn of 1621 as an expression of gratitude for the bounty of the season. It is, however, ironical to note that the first Thanksgiving was instituted during the period when the colony was still operating under communism. In that same fall of 1621 the Deacon Cushman even went so far as to sermonize on "The Dangers of Self-Love." He asked, "Why wouldst thou have thy particular portion? . . . Because thou thinkest to live better than thy neighbor and scornest to live as meanly as he? But who, I pray, brought this particularizing into the world? Did not Satan, who was not content to keep that equal state with his fellows, but would set his throne above the stars?"

Economists are by disposition inclined to gloat at the fact that the communism which was supposed to last until 1627 was scrapped in favor of private property by 1623. It is a fact that the experiment was not conducted under the zanies of Robert Owen's fiasco at New Harmony, but what Governor Bradford described as "godly and sober men." Governor Bradford summarized the experience in a way comforting to the cynical side of the economist. He said that it showed the "vanity of that conceit of Plato's . . . that the taking away of property and bringing community into a commonwealth would make them happy and flourishing."

In spite of all this Americans at the crossroads must realize that there is still a grain of truth in Deacon Cushman's sermon. There are dangers in self-love. We can take the grains of truth in prudential matters and falsely absolutize them into a philosophy. We should be grateful not only for the goods which we have, but also for the teachings of the ancients which can instruct us as to the proper uses of goods.





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