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Author(s): Bruce B. Suttle

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The Passion of Self-Interest:

The Development of the Idea and Its Changing Status

By BRUCE B. SUTTLE*

ABSTRACT. Contemporaries who evoke the *passion of self-interest* and cite *Adam Smith* as its most prominent defender have exhibited little appreciation for the speckled *history of this passion*. Moreover, they have demonstrated little awareness of how Smith did not view this passion as a *virtue*. Some of the major reasons are explained for the changes in our *attitude* toward self-interest. A philosophical refutation of the thesis that self-interest is our only motive for acting as we do is offered and the record is set straight on how Smith viewed the *State's* role in imposing limits on, and giving direction to, self-interest as a testimony to man's failure at *self-legislation*. Today the contenders for power—the special interests—are pitted against the guardians of public order.

I

AS THE FATHER of the free enterprise economy, Adam Smith is often taken as not only holding that the passion of individual pursuit is respectable, but also insisting that self-interest is absolutely essential to the collective well-being of society. That is, Smith is interpreted as maintaining that social utility is maximized by each individual maximizing his/her own benefit. The most frequently cited evidence for this interpretation is the following:

As every individual . . . endeavours as much as he can both to employ his capital in the support of domestic industry, and so to direct that industry that its produce may be of the greatest value; every individual necessarily labours to render the annual revenue of the society as great as he can. He generally, indeed, neither intends to promote the public interest, nor knows how much he is promoting it . . . he intends only his own gain, and he is in this, as in many other cases, led by an invisible hand to promote an end which was no part of his intention. Nor is it always the worse for the society that it was no part of it. By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it.¹

But it was not always the case that the passion of self-interest was so favorably considered. Before the time of Smith, such passions were often condemned.² Furthermore, in the latter half of the 20th century there is—with the exception of some conservatives and almost all extremists of the right—a widely-held belief that free enterprise is synonymous with greed, profiteering, hoarding,

* [Bruce B. Suttle, Ph.D., is a member of the department of philosophy and social science, Parkland College, 2400 West Bradley Avenue, Champaign, IL 61821-1899.]

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and price gouging.³ Nowhere is this attitude more clear than in the current debate over the need for economic growth versus the need to protect the environment.

The purpose of this paper is to trace selectively the philosophical changes in society's attitudes toward the passions in general, and in particular, the passion of self-interest. The central question is how activities that were considered vicious, or at best were tolerated, were turned into honorable and near virtuous activities and now appear to be returning to their former position of scorn. Specifically, how did trade, banking, and similar money-making pursuits become respectable at some point in the modern age after having stood condemned or despised as greed for centuries past, and why is there currently a tendency to reverse (or seriously doubt) this respectability?⁴

II

THE IDEA THAT GREED is a vice initially came from the Greeks and the Hebrews. For the Greeks, greed was an irrational and harmful indulgence.⁵ For the Hebrews, greed was explicitly prohibited by Yahweh.⁶ In the early Christian era St. Augustine denounced lust for money and possession as one of the three principal sins of fallen man; lust for power and sexual lust being the other two. Yet, Augustine believed that one vice may check another. As such, Augustine prepared the way for the later developed notion that "love of glory, in contrast with the purely private pursuit of riches, can have 'redeeming social values.'"⁷ Or, as Montesquieu said later: each person's pursuit of honor and glory "contributes to the general welfare while thinking that he works for his own interest."⁸

This change in our attitude toward greed, from being absolutely vicious to having social utility, came about during the Renaissance.⁹ Yet, this change was not due to the development of a new ethics. Rather, it was new insights into human nature that prompted and directed this reappraisal of man's desire for personal gain; Machiavelli's attack on philosophers who conceive men not as they are but as they would like them to be¹⁰ set the stage for the correspondingly realistic theory of the State. This emphasis on how man actually behaves was continued by Hobbes¹¹ and finally reiterated, with vehemence, by Spinoza:

All men certainly seek their advantage, but seldom as sound reason dictates; in most cases appetite is their only guide, and in their desires and judgments of what is beneficial they are carried away by their passions, which takes no account of the future or of anything else.¹²

It is this realistic account of man that best characterizes the modern age, the age that recognizes that neither moralizing philosophy nor religious precepts can be trusted to restrain the destructive passions of man. Prior to the 17th century, few thinkers (despite appearances to the contrary) ever seriously

doubted that the passions in general, and in particular, the passion of self-interest, were destructive forces, at least potentially. What was disputed was the means that would most effectively contain these (potentially) destructive forces. While there were intellectuals prior to the modern age who recommended ways to control the passions, it is in terms of the Machiavellian realism of the modern age that we can understand best, not only the suggested alternative controls, but the changes in the status of the passion of self-interest itself.¹³

Generally, there were three alternative means thought to be more efficacious in controlling the passions than were moralizing philosophy and religious precepts. The first alternative was social and political coercion and repression. The task of holding back, by force if necessary, the worst manifestations and the most dangerous consequences of the passions, was to be entrusted to the State. St. Augustine¹⁴ and Calvin,¹⁵ as well as some modern political leaders, favored this approach. Yet, as Hirschman remarks, this repressive solution has

the same order of probability as the prospect that men will restrain their passions because of the exhortations of moralizing philosophers or churchmen. As the latter prospect is held to be nil, the repressive solution turns out to be in contradiction with its own premises. To imagine an authority *ex machina* that would somehow suppress the misery and havoc men inflicted on each other as a result of their passions means in effect to wish away, rather than to solve, the very difficulties that have been discovered.¹⁶

Stated another way, this alternative assumes profound wisdom and virtue on the part of those who run the State. Furthermore, this alternative assumes that without becoming tyrannical, State administrators could, with a stroke of their pens, eliminate conflicting passions between greedy citizens.

Rather than trying to repress the passions, the next alternative was that of harnessing them. Again the State or society was to perform this feat. This time, however, rather than operating as a repressive bulwark, its role was to be that of a transformer, a civilizing medium. As Vico claimed:

Out of ferocity, avarice, and ambition, the three vices which lead all mankind astray, [society] makes national defense, commerce, and politics, and thereby causes the strength, the wealth, and the wisdom of the republics.¹⁷

Other supporters of this view were Pascal, Mandeville, Freud, Hegel, and, most noted, Adam Smith. Goethe's thought best characterizes the final stage of this alternative: man's passions are those forces that "always will evil and always bring forth good."¹⁸ The major fault with the harnessing solution to man's unbridled passions was that no one formulated exactly how it would be done, no one specifically prescribed what the State was to do and when the State was to do it. Rather, at best, the alleged march of history was taken as self-evident proof that somehow the passions of individuals conspire to the general progress of mankind.¹⁹ As such, the role of the State was less one of harnessing man's

passions and more one of not interfering with the assumed inevitable progress of mankind.²⁰ As a solution to the problem of man's propensity to exercise his destructive passions, this alternative displayed more of the characteristics of relying on magic than of trusting the scientific enthusiasm so characteristic of the age.

The third solution was counterbalancing the passions. The recommendation was to utilize one set of comparatively innocuous passions to countervail another more dangerous and destructive set, or, perhaps, to weaken and tame the passions by such internecine fights in a divide and conquer fashion. However, this project had to contend with the idea that the major passions were interdependent and indissoluble. (The major passions were either Dante's version²¹: pride, envy, and greed, or Kant's version²²: ambition, lust for power, and greed. Both versions—much like the three scourges of mankind: war, famine, and pestilence—consist of passions believed to feed on each other.) Supporters of this counterbalancing alternative were Bacon,²³ Spinoza, and Hume. Hume was quite clear in his position: "reason is, and ought only to be the slave of the passions . . . nothing can oppose or retard the impulse of passion but a contrary impulse;"²⁴ . . . "very often man can only cure one vice by another, and in that case man ought to prefer what is least pernicious to society."²⁵ Furthermore, there was Helvetius' claim that "one becomes stupid as soon as one ceases to be passionate."²⁶ This was refined by d'Holback to: "reason is nothing but the act of choosing those passions which we must follow for the sake of our happiness."²⁷ Clearly, the passions were no longer being considered as inherently vicious. Rather, some passions were judged either as good in themselves, or, as passions the satisfaction of which were a necessary condition for individual happiness and/or social benefit.

Such a view was the preamble to the major change of equating or identifying those passions that were assigned the countervailing function with what was in our "best interest." Specifically, all the ingredients were available to change greed from a vice to a respectable, if not virtuous, passion.²⁸ Of course, it would no longer be called greed, nor would it be classified as a passion: greed would be renamed to reflect its elevated status.²⁹ This setting was created by the failure of the three alternative curbing solutions to those of traditional moralizing philosophy and religious precepts.

III

AT THIS POINT it seems appropriate to add a short philosophical commentary. Those who are eager to defend the dictum that man's sole motive for doing anything is that of self-interest invariably respond to offered counter-examples

by subsuming them under their universal category of self-interest. Yet, such a move is guilty either of begging the question or of equivocation. As for the former, the offered counter-examples are reduced or translated to being instances of self-interest. This is achieved usually by invoking some move toward the analysis of subconscious motives, arguing that despite what was thought to be one's motive for acting, the *real* motive was that of self-interest. Such a ploy, of course, makes it impossible to discredit the self-interest dictum and, therefore, it becomes irrefutable in principle. As for the latter fault (that of equivocation), if the offered counter-examples are accepted as possible alternative explanations and descriptions of an agent's motive (for example, he acted out of a sense of duty or he acted out of benevolence), then in order to preserve the alleged truth of the self-interest dictum, a distinction is introduced between self-interest as the immediate motive and self-interest as the ultimate motive. Given this strategy, then, it can be conceded that one often has as an immediate motive some principle or value other than self-interest. Yet, it is then added that the ultimate motive is that of self-interest. In other words, one would not have acted, for example, out of benevolence, if it were not in the actor's self-interest (or at least thought by the actor to be in his/her self-interest). Once again, then, the dictum becomes irrefutable in principle.

Unfortunately, even those who should know better have allowed for this misuse of the distinction between immediate and ultimate good (which in this context seems no different from the means/end distinction). Witness Frankena in his discussion of psychological egoism concluding that the altruist has nothing to fear, "for what he means by saying that there is altruism in human nature is merely that we sometimes want to do something for others and that we are so constituted as to get satisfaction out of doing so."³⁰ Yet, this gives too much to the psychological egoist and ignores Bishop Butler's distinction between the *object* of one's desire or the motive for acting a specific way, and the possible *results* of having the desire satisfied or motive realized.³¹ Butler's point is that while we very well might get satisfaction out of doing certain things, we do not want to do them in order to get satisfaction from doing them, but rather get satisfaction out of doing them because we wanted to do them. In other words, what the egoist and defenders of the self-interest dictum must do, but cannot, is to show how the motive common to all acts is that of seeking satisfaction or that of self-interest.³²

There is yet another philosophical criticism that applies to the selfish motive position. The issue here involves the possibility of being mistaken as to what is in one's self-interest. According to one version of the self-interest dictum, while a person can be mistaken as to what his/her non-selfish motive is, a person

cannot be mistaken as to the motive for acting when it is that of self-interest. Yet no explanation or justification is offered for this claim—that is, other than making it a matter of definitional fiat. Furthermore, if the selfish motive thesis is correct, then the moral issue of why ought a person act a certain way (that is, what is the ethically proper reason for acting a certain way in a given circumstance) must be discarded as a senseless question, for we allegedly have no choice over our motives for acting. Consequently, we are stripped of any means by which we can distinguish a virtuous person from a base opportunist who happens to do what is beneficial to others. Both not only do the same thing but, ultimately do it for the same reason: self-interest. Given this scheme, morality is bankrupt.

IV

WITH THIS CRITICISM ESTABLISHED, let us return to the central theme of this inquiry. Developing out of the view that certain passions are to be fought by other “passions,” a new stage of thinking began. Unlike the earlier three alternatives which were concerned with controlling all or some of the passions, the new view proclaimed that certain “passions” were necessary for man’s and thus society’s well-being. Such “passions” were judged as being in man’s self-interest. Of course, to be able to make this move required that prudence be promoted to the rank of high virtue; that is, self-regard and the management of one’s passions became the primary considerations for anyone who truly sought happiness.³³ As such, self-interest stood in opposition to, and independent from, the traditional moral prescriptions and rules. Often prudence was justified in terms of what actually was best for a person or State, as distinct from what was prescribed as what ought to be. To illustrate the range of this new view, it was endorsed by thinkers as radically different as Machiavelli³⁴ on the one hand and Bishop Butler³⁵ on the other. Yet this wide acceptance brought with it the problem of trying to define clearly and characterize the concepts of “self-interest” and “public interest.” The most popular definition equated the two and took the form of “economic advantage,” thus giving rise to the belief that individual happiness and social good were intertwined with material wealth.³⁶ Furthermore, as noted earlier, this required or resulted in a reinterpretation of the traditional vices: greed, for example, which was once treated as a passion and therefore judged potentially, if not actually, a vice, now was called “advantage” or “interest” and thereby lost its vicious reputation. “The rational, self-interested individual had emerged as Economic Man and, as such, was conceived as living most naturally in the conditions of a competitive market in which trade and exchange would replace traditional ranks and loyalties as the coordinating mechanism of social life.”³⁷

Given this rendering, it is essential to realize that the notion of the unity of the vices—which was the traditional view—had been replaced either by a dividing of the passions into good and bad, or by evaluating the passions in terms of their consequences, rather than acknowledging their inherent badness. The point common to both alternatives was that of denying an interdependence among the vices; and as a corollary, the unity of the virtues was brought into question.³⁸

In the traditional dichotomy of destructive passions and ineffectual reason, the seed of self-interest was planted. The resulting harvest was considered exempt from both traditional faults, for self-interest was seen to partake of the better nature of each, as the passion of self-love is upgraded and contained by reason, and as reason is given direction and force by that passion.

Social advantage was seen to follow from man's pursuit of his self-interest, that is, the exercising and fulfillment of certain of his passions. On the one hand, if a man were to pursue his interests, he himself would do well, since by definition "interest will not lie to him or deceive him." On the other hand, there would be an advantage for others in a man pursuing his interest, for his course of action would become thereby transparent and predictable almost as though he were a wholly virtuous person. In this fashion the possibility of a mutual gain would emerge from the expected working of individual pursuits of interest. Once again Adam Smith is most frequently cited in support of this view:

It is not from the benevolence of the butcher, the brewer, or the baker that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity, but to their own interest; . . . People of the same trade seldom meet together, even for merriment and diversion, but the conversation ends in a conspiracy against the public, or in some contrivance to raise prices.³⁹

Smith, however, in *The Wealth of Nations*, did not fully address the issue of how to resolve conflicts of pursuits⁴⁰—the problem of two or more individuals clashing in their respective pursuits of their own interests.⁴¹ However, James Madison in the *Federalist Papers* agreed with Smith that men are by nature self-interested and have little respect for the freedom of others. Yet Madison adds that to eradicate self-interest would be a remedy far more severe than the trait itself. The alternative is to impose certain limits on man's rights: to allow people to act in a self-interested way within a system that prevents any of them from dominating or taking advantage of others.

Ambition must be made to counteract ambition. The interest of the man must be connected with the constitutional rights of the place. It may be a reflection on human nature, that such devices should be necessary to control the abuses of government. But what is government itself, but the greatest of all reflections on human nature? If men were angels, no government would be necessary. If angels were to govern men, neither external nor internal controls on

government would be necessary. In framing a government which is to be administered by men over men, the great difficulty lies in this: you must first enable the government to control the governed; and in the next place oblige it to control itself.⁴²

Support for this alternative produced the economic theory of the State, whose function it was to set the rules of commerce by legislating acceptable economic conduct. This limited role of the State gradually began to change following the great depression of the thirties. This change was clearly voiced by Franklin D. Roosevelt: "We have always known that heedless self-interest was bad morals; we know now that it is bad economics."⁴³ Accordingly, the pursuit of self-interest once again was viewed with distaste, and the notion emerged that those who run the State should operate not in their self-interest, but in the public interest.⁴⁴ This belief obviously requires that "self-interest" and "public interest" must often be considered independent elements, and at the extreme, be considered antithetical. Thus, we appear to have returned to the first of the three alternative controls of the passions, those controls that were meant to replace the moralizing philosophies and religious precepts judged ineffectual by the 17th century intellectuals.

Specifically, we seem to have returned to the point of appreciating that not only is the unbridled passion of self-interest harmful to self and society,⁴⁵ but that even in a free enterprise system the selfish motive must be repressed, or at least checked. The responsibility for achieving this end falls upon the State.⁴⁶ This is tantamount to acknowledging that despite all the intellectual efforts directed toward trying to make self-interest a virtue, the pragmatic facts ultimately determine the contrary: while the passion of self-interest is a cardinal vice only in its extreme form of greed, it is equally not a virtue even when practiced in moderation.⁴⁷ Accordingly, once philosophical moralizing and religious precepts become either impotent in preventing the passion of self-interest from turning into greed, or cannot stay the attempts to transform the vicious nature of greed, then only the State remains to impose limits on and give direction to this passion.⁴⁸ As such, it is no longer a question of whether the State ought to place certain controls on man's selfish desires, but rather, how best to do so, for to leave the passions unchecked is to readily invite discord among groups and/or individuals, and that can never be in the public interest. In essence, it seems to fall upon the State to help man become virtuous, to become as Adam Smith, in his *The Theory of Moral Sentiments*, clearly described him, one "who joins to the most perfect command of his own original and sympathetic feelings the most exquisite sensibility both to the original and sympathetic feelings of others."⁴⁹

RECENTLY KARL BRUNNER SAID of Adam Smith: "the wisdom of his analysis has hardly been absorbed or understood by the educated middle classes of Western society and even less by the professional articulators."⁵⁰ Perhaps one cause of this is that too many contemporary thinkers (especially those who write economics texts) either have not read Smith's *The Theory of Moral Sentiments* or ignore the basic distinction between descriptive and prescriptive ethics. No serious reader of Smith would conclude that Smith judged man's unbridled quest for economic advantage, for maximizing profit, a virtue. MacIntyre is quite clear on this when he observes:

For Smith the virtues fall into two classes. There are on the one hand those three virtues which, if they are perfectly possessed, enable a man to exhibit perfectly virtuous behavior. "The man who acts according to the rules of perfect prudence, of strict justice, and of proper benevolence, may be said to be perfectly virtuous" (*Theory of Moral Sentiments* VI. iii. 1). Notice of course that once again to be virtuous had been equated with rule following. When Smith comes to deal with justice, he makes it a charge against "ancient moralists" that we do not find "any attempt towards a particular enumeration of the rules of justice." But on Smith's view knowledge of what the rules are, whether the rules of justice or of prudence or of benevolence, is not sufficient to enable us to follow them; to do so we need another virtue of a very different kind, the stoic virtue of self-command which enables us to control our passions when they distract us from what virtue requires.⁵¹

With no discredit of MacIntyre, it should be mentioned that he is but one of the recent scholars who has addressed and dissolved "the Adam Smith Problem." The so-called problem took the form of claiming an inconsistency between *The Theory of Moral Sentiments* (with its emphasis on a benevolence derived from an innate conscience) and *The Wealth of Nations* (with its emphasis on the bourgeois individual as a self-interested and self-seeking creature).⁵²

D. D. Raphael's new study on Smith offers convincing final words on this subject.

We think of the author of the *Wealth of Nations* as emphasizing the role of economic man, everyone pursuing his own interest as a separate individual. We tend to forget, however, that Smith does this in the context of the need for cooperation. When Smith says that we expect the butcher, brewer, and baker to provide our dinner from self-interest, not from benevolence, he is talking about the importance of exchange. We all need the help of other people. To get it, we do not rely on their benevolence; we think of ways in which we can help them in return and we expect them to respond to that. Although Smith emphasizes the motive of self-interest, his purpose is to show us the character, and also the extent, of mutual dependence in society. The same thing comes out in his metaphor of the invisible hand. The workings of the market bring it about that the self-interested actions of individuals contribute to the benefit of all, or at any rate to the benefit of most. It is the social consequences that matter, not the individualistic cause.

The social bond created by sympathy and imagination, which plays so important a part in the *Moral Sentiments*, is quite different from the social bonds of mutual dependence described in the *Wealth of Nations* as resulting both from the division of labour and from the workings of the market. It is different but it is not inconsistent with them. The social bond of sympathy and imagination leads to our code of ethics and to a good part of our code of law. Economic behaviour, on the other hand, has to be explained in terms of self-interest. This does not imply that a person engaged in economic transactions has no regard to what other people will think of him. Apart from anything else, economic exchange depends on contract, and the legal notions about the duties and rights of contract are as much tied up with ethics as they are with economics. But in economic life the thought of social approval and disapproval takes second place to the idea of doing the best for oneself. Nevertheless, the economic motive of doing the best for oneself does in fact result in a different form of social solidarity, mutual dependence.⁵³

If Smith is the father of the free enterprise economy, we as his children have not learned well from him. At best, intellectuals have been trying to curb man's destructive passions by employing the different alternatives to that of moralizing philosophy and religious precepts. Yet, Smith never had any doubts about human nature nor about man's need for self-control: the most efficient way to restrain the passions is by self-legislation. To look to the State for the regulating of the passions is to admit failure. Those who selectively quote Smith to defend or characterize free enterprise would do well to remember that Smith's insights into how humans behave were never separated from his moralizing as to how humans ought to behave.

In *The Theory of Moral Sentiments* Smith argues how man ought to behave, how, through self-legislation, man can behave. Recognizing that most men fail to act as they ought, Smith in *The Wealth of Nations* proposes institutional mechanisms which will compel men to act as they ought.⁵⁴ Yet two of the most common misinterpretations of Smith either take him as advocating that the fewer laws there are, the better is the society, or take him as identifying being moral with obeying the laws. Yet, even today when lobbyists for special interests are asked only to identify themselves and their clients, and when the public is invited to comment or be heard on proposed laws and regulations—a process which at least is a start toward participative democracy—there is the problem Walter Lippmann pointed out:

There is a radical difference between being a contender for power, a rival among rivals, and being a guardian of the order which intends to regulate all the rivalries. In the one, the technique of the balance of power is used as an instrument of aggression and defense. In the other, it is used as the structural principle of public order in the good society.⁵⁵

While the advocates of minimal law and regulation totally ignore the qualitative differences of the laws and regulations, the advocates of obedience to the law carry with their position the potential of making "virtuous" what is vicious, by

pure fiat. The irony of this is that those who insist on operating as if they had Smith's approval would ultimately offer a defense based on evoking the notion of self-interest.

Notes

1. Adam Smith, *The Wealth of Nations*, Book IV, Ch. 2.
2. Stanford M. Lyman, *The Seven Deadly Sins: Society and Evil* (New York: St. Martin's Press, 1978), Ch. 7. Also see Joseph A. Schumpeter, *History of Economic Analysis* (New York: Oxford Univ. Press, 1954), pp. 122–34; Morton Bloomfield, *The Seven Deadly Sins* (East Lansing: Michigan State College Press, 1954).
3. Irving Kristol, *Reflections of a Neoconservative: Looking Back, Looking Forward* (New York: Basic Books, 1983).
4. Max Weber, *The Protestant Ethics and the Spirit of Capitalism*, trans. by Talcott Parsons (New York: Scribner's, 1958). Also see Schumpeter, *op. cit.*, Part II, Chapter 2.
5. Henry Sidgwick, *Outlines of the History of Ethics* (Boston: Beacon Press, 1960), pp. 12–94; Vernon J. Bourke, *History of Ethics*, 2 vols. (Garden City, N.Y.: Doubleday, 1970), pp. 15–45.
6. Georgia Harkness, *The Sources of Western Morality* (New York: Charles Scribner's Sons, 1954), pp. 86–150; Erich Kahler, *Man the Measure* (New York: George Braziller, 1943) pp. 301–5.
7. Albert O. Hirschman, *The Passions and the Interests* (Princeton, N.J.: Princeton Univ. Press, 1977), p. 10.
8. Montesquieu, *The Spirit of the Laws*, Book III, Ch. 7.
9. Eugenio Garin, *Italian Humanism: Philosophy and Civic Life in the Renaissance*, trans. by Peter Munz (Oxford: Basil Blackwell, 1965); Bourke, *op. cit.*, pp. 161–89.
10. Machiavelli, *The Prince*, Ch. 17.
11. Thomas Hobbes, *Leviathan*, Chs. 1–10. Also see Leo Strauss, *The Political Philosophy of Hobbes* (Oxford: Clarendon Press, 1936); Milton L. Myers, *The Soul of Modern Economic Man* (Chicago: Univ. of Chicago Press, 1983), pp. 28–34.
12. Benedict Spinoza, *The Political Works*, ed. by A. G. Wernham (Oxford: Clarendon Press, 1958), p. 93.
13. Hirschman, *The Passions and the Interests*, pp. 9–31.
14. Herbert A. Deane, *Political and Social Ideas of St. Augustine* (New York: Columbia Univ. Press, 1963), Ch. IV.
15. Michael Walzer, "The State as an Order of Repression," in *The Revolution of the Saints* (Cambridge, Mass.: Harvard Univ. Press, 1982).
16. Hirschman, *op. cit.*, p. 16.
17. Giambattista Vico, *The New Science*, Section 132.
18. Cited by Hirschman, *op. cit.*, p. 19.
19. Herder, in his *Ideas Toward a Philosophy of the History of Man* captures this notion: "Mankind as a whole . . . progresses not by men's setting before themselves as their objective the progress of mankind but by their perfecting a particular human potentiality," John Passmore, *The Perfectibility of Man* (New York: Charles Scribner's Sons, 1970), pp. 222–3.
20. For a history of the idea of progress, see—in addition to Passmore's *The Perfectibility of Man*—Martin Foss, *The Idea of Perfection in the Western World* (Lincoln: Univ. of Nebraska Press, 1967); John B. Bury, *The Idea of Progress* (New York: Dover, 1932); Charles Van Doren,

The Idea of Progress (New York: Praeger, 1967); Morris Ginsberg, *The Idea of Progress: A Revaluation* (Westport, CT.: Greenwood, 1972); W. Warren Wager, ed., *The Idea of Progress Since the Renaissance* (New York: John Wiley & Sons, 1969).

21. Dante Alighieri, *Inferno*, Canto VI, lines 74–75. Also see Etienne Gilson, *Dante and Philosophy*, trans. by David Moore (New York: Harper & Row, 1963), pp. 99–112. It should be noted that Dante's version is a condensation of Aquinas' seven cardinal sins of pride, covetousness, lust, anger, gluttony, envy and sloth. For greater detail on this, see Lyman's *The Seven Deadly Sins: Society and Evil* and Bloomfield's *The Seven Deadly Sins*.

22. Immanuel Kant, *On History*, ed. by Lewis White Beck (Indianapolis: Bobbs-Merrill, 1963).

23. Specifically, Bacon recommends that "affection be set against affection and to master one by another: even as we use to hunt beast with beast and fly bird with bird . . . for as in the government of States it is sometimes necessary to bridle one faction with another, so it is in the government within." *Works*, ed. by Spedding, Ellis, Heath (New York: Houghton Mifflin, 1870), Vol. III, p. 438.

24. David Hume, *Treatise of Human Nature*, Book II, Part II, Section 2.

25. *Writings on Economics*, ed. by E. Rotwein (Madison, WI: Univ. Wisconsin Press, 1970), pp. 31–2.

26. Cited by Hirschman, *The Passions and the Interests*, p. 27.

27. Cited by Hirschman, *op. cit.*, p. 27.

28. For various changes in the meaning of virtue and self-interest, see Georg Henrik von Wright, *The Varieties of Goodness* (New York: Humanities Press, 1963), pp. 136–54; Alasdair MacIntyre, *After Virtue* (Notre Dame, IN.: Univ. of Notre Dame Press, 1984), pp. 169–89; Howard Margolis, *Selfishness, Altruism, and Rationality* (Cambridge: Cambridge Univ. Press, 1982), pp. 65–8, 73–5.

29. Karl Menninger reports, while lust, gluttony, and sloth remain recognizable in their pristine form as vices of the body, and pride, anger, envy are still less than virtuous characterizations of the self, greed has lost much of its vicious quality. *Whatever Became of Sin?* (New York: Hawthorn, 1973).

30. William K. Frankena, *Ethics* (Englewood Cliffs, N.J.: Prentice-Hall, 1963), p. 20.

31. Joseph Butler, *Five Sermons* (New York: Liberal Arts Press, 1950). Also see Thomas Nagel, *The Possibility of Altruism* (Oxford: Clarendon Press, 1970), pp. 79–81; Amartya K. Sen, "Rational Fools: A Critique of the Behavioral Foundations of Economic Theory," *Philosophy & Public Affairs*, 6 (1976/77), especially pp. 322–4, 327–9, 337–41.

32. For a relevant criticism of how this fault shows itself in economics, see Charles Gide and Charles Rist, *A History of Economic Doctrines*, trans. by R. Richards (Boston: D. C. Heath, 1949), pp. 392–401. For an interesting, and ultimately convincing, argument in support of how self-interest (properly understood) allows for the possibility of speaking coherently about self-sacrifice, see Mark Carl Overvold, "Morality, Self-Interest, and Reasons for Being Moral," *Philosophy and Phenomenological Research*, Vol. 44, no. 4 (June 1984), pp. 493–507. Also see André Ryerson, "Capitalism and Selfishness," *Commentary*, Vol. 82, No. 6 (December, 1986), pp. 37–40. Compare these with Robert G. Olson, *The Morality of Self-Interest* (New York: Harcourt, Brace & World, 1965).

33. Myers, *The Soul of Modern Economic Man*, pp. 11–27. Also see M. Hollis and E. J. Nell, *Rational Economic Man* (Cambridge: Cambridge Univ. Press, 1975); Barry Schwartz, *The Battle For Human Nature: Science, Morality and Modern Life* (New York: W. W. Norton, 1986), Ch. 3.

34. Leo Strauss, *Thoughts on Machiavelli* (Seattle: Univ. of Washington Press, 1969).

35. Sidgwick, *op. cit.*, pp. 191–200; Myers, *op. cit.*, pp. 58–60.

36. Hirschman, *op. cit.*, pp. 31–66.
37. Robert M. Bellah, *et al.*, *Habits of the Heart* (Berkeley: Univ. of California Press, 1985), pp. 35–6. Also see David Gauthier, *Morals By Agreement* (Oxford: Clarendon Press, 1986), Ch. 10.
38. The traditional view claims a unity of the virtues: see Iris Murdoch, *The Sovereignty of Good* (London: Routledge & Kegan Paul, 1970), pp. 56 ff.; John Passmore, *op. cit.*, pp. 56–57, 59, 71. The revised view claims the possibility of independent virtues: see Peter T. Geach, *The Virtues* (Cambridge: Cambridge Univ. Press, 1977), pp. 160 ff. For a general (albeit, Aristotelian) discussion of this issue, see James D. Wallace, *Virtues and Vices* (Ithaca, N.Y.: Cornell Univ. Press, 1978).
39. Adam Smith, *The Wealth of Nations*, Book I, Chapter 2; Chapter 10, part 2.
40. However, D. D. Raphael argues Smith “thinks that rational self-interest (prudence) is a virtue from the moral as well as the economic point of view, though not one of the highest moral virtues except when it is infused with self-command, sacrificing immediate pleasure for long-term happiness.” *Adam Smith* (Oxford: Oxford Univ. Press, 1985), p. 90. Compare this with Myers’ conclusion that “the soul of modern economic man was not to find an easy and safe refuge in the mind of Adam Smith.” *The Soul of Modern Economic Man*, p. 125. This controversy will be addressed shortly.
41. For detailed account of this problem, see Manuel G. Velasquez, *Business Ethics* (Englewood Cliffs, N.J.: Prentice-Hall, 1982) pp. 123–9.
42. James Madison, “The Federalist No. 51,” *The Federalist*, ed. by Jacob E. Cooke (Middletown, CT: Wesleyan Univ. Press, 1961), p. 349. Also, for an account of how the Federalists did not confuse motivation with causation—as the Renaissance political philosophers did—and therefore refused to accept the idea of a virtue as a sufficient cause for action, see John P. Diggins, *The Lost Soul of American Politics: Virtue, Self-Interest, and the Foundations of Liberalism* (New York: Basic Books, 1984), pp. 48–99.
43. Cited by Lyman, *op. cit.*, p. 268.
44. James M. Buchanan and Gordon Tullock, *The Calculus of Consent: Logical Foundations of Constitutional Democracy* (Ann Arbor: Univ. of Michigan Press, 1962), p. 147.
45. Bruce B. Suttle, “The Americanization of the Seven Dwarfs,” *Insights* (December 1974), Vol. 11, nos. 1 and 2. Also see “Envy” in Robert Nisbet’s *Prejudices* (Cambridge: Harvard Univ. Press, 1982); Marlo Lewis Jr., “The Achilles Heel of F. A. Hayek,” *National Review*, May 17, 1985, pp. 32–6.
46. George F. Will, *Statecraft as Soulcraft: What Government Does* (New York: Simon and Schuster, 1983), pp. 30–46, 132–39, 159–60. Also see Nathan Rosenberg, “Some Institutional Aspects of *The Wealth of Nations*,” *Journal of Political Economy*, Vol. 68, no. 6 (1960).
47. As Erich Fromm observes: “Greed is one of the strongest noninstinctive passions in man, and it is clearly a symptom of psychical dysfunctioning, of inner emptiness and a lack of a center within oneself.” *The Anatomy of Human Destructiveness* (New York: Holt, Rinehart and Winston, 1973), p. 208. For a criticism of Fromm see Lewis S. Feuer, “Some Irrational Sources of Opposition to the Market System,” in *Capitalism: Sources of Hostility*, ed. by Ernest van den Haag (New Rochelle, N.Y.: Epoch Books, 1979), pp. 103–52.
48. I am using the term “State” in its widest sense. As such, it includes all the social/political aspects and factors that are external to individuals and yet can affect individuals. If, however, a distinction is made between the political and social conditions of the State, then clearly it would follow that society can also impose limits on and give direction to the passion of self-interest. H. C. Brearley characterizes social control as “a collective term for those processes, planned or unplanned, by which individuals are taught, persuaded, or compelled to conform to the usages

and life-values of groups. Social control occurs when one group determines the behavior of another group, when the group controls the conduct of its members, or when individuals influence the responses of others . . . In other words, social control takes place when a person is induced or forced to act according to the wishes of others, whether or not in accordance with his own individual interests." "The Nature of Social Control," in *Social Control* (2nd edition), ed. by Joseph S. Roucek *et al.* (Westport CT: Greenwood Press, 1970), p. 3. For a more detailed definition, see Roucek, ed., *Social Control for the 1980s* (Westport, CT: Greenwood Press, 1978), pp. 11–14. Also see F. Hirsch, *Social Limits to Growth* (Cambridge, Mass: Harvard Univ. Press, 1976).

49. Adam Smith, *The Theory of Moral Sentiments*, Part II, Section III, Ch. 3. Also see Jacob Viner, "Adam Smith and Laissez Faire," *Journal of Political Economy*, Vol. 35, No. 2 (1927). Furthermore, according to Irving Kristol, "*The Theory of Moral Sentiments*, despite its immense and radical revision of the classical-Christian tradition, was still linked to this tradition by its inability or unwillingness to 'think economically,' to regard the economic sphere of men's activity as autonomous." *Reflections of a Neoconservative: Looking Back, Looking Forward*, p. 160.

50. Cited by Lindley H. Clark, Jr. "Speaking of Business," *Wall Street Journal*, October 23, 1984. Equally, Irving Kristol maintains that "Smith never succumbs to the paradox of 'private vices, public benefits,' even though isolated sentences in *The Wealth of Nations*, quoted out of context, can make it seem as if he did." *Op. cit.*, p. 161.

51. Alasdair MacIntyre, *op. cit.*, pp. 234–35.

52. For a discussion of this topic, see Adam Smith, *The Theory of Moral Sentiments*, ed. by D. D. Raphael and A. L. Macfie (Oxford: Oxford Univ. Press, 1976), pp. 20–5. Also, compare this with Joseph Cropsey, *Polity and Economy: An Interpretation of the Principles of Adam Smith* (The Hague: Martin Nijhoff, 1957).

53. D. D. Raphael, *Adam Smith*, pp. 93–4. Irving Kristol offers a similar insight: "Smith did not think it possible to talk about the best economy without reference to the character of the people who were the end result of the economic process." *Op. cit.*, p. 174. Kenneth Boulding, from another context, seems to make the same point when he refers to the integrative system, "involving such things as status, respect, love, honor, community, identity, legitimacy, and so on. I would argue indeed that without an integrative framework, exchange itself cannot develop, because exchange, even in its most primitive form, involves trust and credibility; and this demands at least elementary forms of the integrative system. If therefore there is a contrast between economic values and human values, it is precisely at this point." "The Basis of Value Judgments in Economics," in Sidney Hook, ed., *Human Values and Economic Policy* (New York: New York Univ. Press, 1967), p. 68. Also see note 48, above.

54. Nathan Rosenber, "Some Institutional Aspects of *The Wealth of Nations*."

55. Walter Lippmann, *Essays in the Public Philosophy* (New York: New American Library, Mentor Book, 1955), p. 122. Also see Schwartz, *The Battle For Human Nature: Science, Morality and Modern Life*, pp. 260–80.

The Education of Women

IF THE OBJECTIONS against the better education of women could be overruled, one of the great advantages that would ensue would be the extinction of innumerable follies.

SYDNEY SMITH (1771–1845)