Draft for David Burton, ed., Free Markets: The Ethical Economic Choice, Washington, D.C.: Heritage Foundation, forthcoming 2019

## "Socialism Is Ethical at Age 16, Not at 26, or 76"

Deirdre Nansen McCloskey

<u>deirdre2@uic.edu</u>

deirdremccloskey.org

The old joke is that anyone who is not a socialist at age 16 has no heart — but anyone who is still a socialist at age 26 has no brain. Ha, ha.

I just made it. As a child in a loving and prosperous American home in the 1950s I realized at age 15 or so there were poor people in the world. A little child is not class conscious, unless growing up in an aristocratic society of servants or slaves. My natural impulse therefore was to propose treating the poor like family. Pull up a chair and eat. Share in Daddy's wallet. Of course. If your experience of the world is limited to the family, you will think like a socialist, because a family is a little socialist community, or should be. Your mother did not charge you money for lunch, I hope. She did the central planning, and the money used to buy lunch showered down like manna from some remote place called The Office.

Socialism is anyway deeply entrenched in the human past in hunter-gatherer families. Humans are cooperators, much more than other great apes. Therefore they do not naturally, without either instruction or maturity, realize that market societies are massively cooperative. They fall for the claim what "capitalism" (that misleading locution) is all about harsh competition.

At age 16 I discovered in the Carnegie-financed library in Wakefield, Massachusetts the socialist classics. Or some of them—I was a bookish kid in a bookish household, but at 16 and a long time afterwards was not much of a systematic scholar. I have friends on the left who at that age were seriously into *Capital* or Lenin. Not me. All I managed was dipping into Prince Peter Kropotkin's book of 1902, *Mutual Aid*, which is sweetly anarcho-socialist. For the rest I absorbed the bleeding-heart atmosphere of a household still nostalgic for the New Deal and America's on-going experiment with socialism.

So I was a leftie. My first vote was for Lyndon Johnson in 1964, for his program of finishing the New Deal. Never Goldwater, who after all might get us further into Vietnam. It was the age of folk singing, and in late high school and in college in those early 1960s I became an incompetent guitarist singing the labor songs—Woody Guthrie,

Pete Seeger, and all the lovely, leftish gang of the 1950s and 1960s. A song appeals, of course, to the heart. It's the reason short poems are called "lyric," evoking emotion to the accompaniment of the lyre. Joan Baez's heart-wrenching soprano captivated me. I dreamed I saw Joe Hill. "From San Diego up to Maine / In every mine and mill / Where workers strike and organize, / That's where you'll find Joe Hill." I can still recite the socialist songs more fluently than socialist friends who spent their adolescence studying Trotsky rather than singing about him. You gotta go down and join the union. They say in Harlan County / There are no neutrals there. Arise, you prisoners of starvation. The people's flag is deepest red. They still stir me: I wish there were as good free-market lyrics.

But if you grow up on a farm, or in a small business in which you as a child are involved, such as the little butcher shop below the walk-up apartment, it's different. You learn early where meat comes from and how market prices matter in putting it on the table. It's the same if you at age 12 delivered newspapers for pay in the neighborhood or had a serious baby-sitting business at age 16. In the conservative cliché, you "learned the value of money." In 1800 over 4 in 5 Americans lived on farms, and still a third of British people did. Socialism had no grip. Still in 1960 many kids were allowed to work at little jobs. (I'm not here in praise, though, of child labor in the mill.)

The hypothesis of a haut bourgeois origin of socialist convictions is testable. It implies that being raised where you do *not* see the economy in action except at the store where comic books are on sale, or to be stolen, yields a socialist heart. And it implies that an economy in which more and more children come up in prosperous homes not near a father's farm or shop, and not witnessing their mother's home production on the scale usual in, say, 1900 (44 hours a week on food preparation alone, in a middle class home without servants), will keep breeding ardent adolescent socialists.

Or it will sustain old socialists who never get over it. The British writer Nick Hornby's comic novel *How to Be Good* (2001) shows the difficulties of To Each According to His Need, Regardless of His Property Acquired by Effort, Outside the Family. The husband of the narrator in Hornby's novel goes mad and starts giving away his and his wife's money and his children's extra toys. He and his guru are going to write a book:

"'How to Be Good', we're going to call it. It's about how we should all live our lives. You know, suggestions. Like taking in the homeless, and giving away your money, and what to do about things like property ownership and, I don't know, the Third World and so on."

"So" [replies his annoyed wife, a hard-working doctor in the British National Health Service] "this book's aimed at high-ranking employees of the International Monetary Fund?" <sup>1</sup>

<sup>1</sup> Hornby, How to Be Good, 2001, p. 210.

A generosity that works just fine within a family works exceptionally poorly within a large group of adult strangers, the "great society" of Adam Smith's and Friedrich Hayek's terminology. The generosity sounds like the Sermon on the Mount, on the basis of which many people have concluded that Jesus was of course a socialist. "The love-gospel," wrote the fiercely anti-religious but otherwise great economist Frank Knight, "condemning all self-assertion as sin. . . would destroy all values." <sup>2</sup> Knight's is a pretty silly argument against Christianity. Knight and Merriam were only correct if they mean, as they appear to, that Love without other and balancing virtues is a sin. Knight's understanding of Christianity came from his childhood experience in a frontier Protestant sect, the Campbellites (evolved now into the Church of Christ and the Disciples of Christ). Theirs is what he took to be the core teaching of Christianity: "No creed but the Bible. No ethic but love."

But Love without Prudence, Justice, Temperance, and the rest is *not* Christian orthodoxy – for example it is not the orthodoxy of Aquinas or of Pope Leo XIII. Leo was a close student of Aquinas, and in 1889 elevated him to dogma within the Church. And, yes, such a single-virtue ethics would *not* be ethical in a fallen world. Economists would call the true orthodoxy a "second-best" argument, as against the first best of "if any man will sue thee at the law, and take away thy coat, let him have thy cloak also." Given that people are imperfect, the Christian, or indeed any economist would say, we need to make allowances, and hire lawyers. Otherwise everyone will live by stealing each other's coats, or comic books, with a resulting failure to produce coats or comic books in the first place, and a descent into poverty for everyone but the powerful. Money for work is the most anti-power system possible, and the most egalitarian.

St. Paul himself said so, in his earliest extant letter (1 Tim. 3: 8-11):

Neither did we eat any man's bread for naught; but wrought with labor and travail night and day, that we might not be chargeable to any of you ... to make ourselves an example unto you to follow us.... We commanded you that if any would not work, neither should he eat. For we hear that there are some ... among you disorderly, working not at all.

Or to put it more positively, as the late Michael Novak does, "one must think clearly about what actually does work—in a sinful world—to achieve the liberation of peoples and persons." "In the right of property," wrote the blessed Pope John XXIII in 1961, "the exercise of liberty finds both a safeguard and a stimulus." Frank Knight couldn't have put it better.

Ş

In truth, it's hard to get over the appeal to your heart once it starts to freeze, usually in the 20s. You begin looking around for brain-stuff to confirm your heart's desire. We exaggerate how much our political opinions depend on the brain, as

<sup>2</sup> Knight and Merriam, Economic Order and Religion, p. 50.

<sup>3</sup> Novak, Catholic Social Thought, 1984, p. xvi.

<sup>4</sup> From the encyclical Mater et Magistra, 1961, quoted in Novak, Catholic Social Thought, 1984, p. xxii.

Jonathan Haidt among others has noted—just in case all the world's literature didn't persuade you of it already. Our proffered "reasons" for being enthusiasts for socialism or for the market are commonly, in a word, tendentious, and immune to evidence. The novelist Saul Bellow said of his early Trotskyism, "like everyone else who invests in doctrines at a young age, I couldn't give them up." People come as young people to hate the bourgeoisie or to love capitalism or to detest free markets or to believe passionately in the welfare and regulatory state. It becomes part of a cherished identity, a faith. I have an old and very intelligent socialist friend, in some ways a great scholar, who says, "I hate the market." "But, Jack," I say, "you love buying antique furniture in the market for your home in Worcester, Massachusetts." "I don't care. I hate the market!"

But surely we would want our political convictions to combine heart with brain. The sin of socialism is to leave out the brain part after age 26. Take, for example, the numerous sophisticated socialists who rely on marxoid analyses. They will not listen to the numerous reasons that Marx was wrong. In a cartoon cover of the *National Review* by Thomas Reis in August 2014, a supercool little Karl Marx, with a Starbucks coffee in his hand and an MP3 player in his ear and a jaunty hat on his head, sports a T-shirt inscribed, "Still Wrong." Right.

Since the 1930s especially I reckon that the left has not been willing listen to scientific correction. Karl Polanyi argued in 1944 that markets are new, but he and his followers down to the present have been unwilling to listen to evidence that markets are ancient. The Polanyists simply sneer ignorantly at the obviously bad people on the right who do not agree with Polanyi's conviction that market-tested betterment has been a terrible interlude.<sup>7</sup>

Left and right have agreed that capital accumulation is the heart of capitalism — doesn't the very word prove it? Yet the right, but not the left, has been willing at least to listen to people such as William Easterly showing that it is not. 9

Ownership of property, the left says, is the problem, and the solution is to eliminate it, despite the contrary evidence from trying out the program.<sup>10</sup>

The left has supposed that "wage slavery" is a sensible locution, despite the logic and evidence that it is not, the putative slaves having been enriched by a factor of 30 or 100, and anyway not slaves by the definition of people who do *not* get anything like their marginal product, low though it might be in a poor economy.

<sup>5</sup> Bellow, It All Adds Up, 1994, p. 308.

<sup>6</sup> National Review, May 19, 2014.

<sup>7</sup> See Blyth 2004 and McCloskey and Hejeebu 1999, 2004.

<sup>8</sup> Wallerstein 1983, p. 13.

<sup>9</sup> Easterly 2001.

<sup>10</sup> Kołakowski 2004, pp. 14, 25-26.

Left feminists have supposed that trade-tested betterment damages women, when it has in fact liberated and enriched them.<sup>11</sup>

The left has continued to believe that socialism is a natural and indeed the final stage of history and that capitalism is doomed by contradictions, evident in every business crisis from 1857 to the present. The delight among my friends on the left about 2008, *finally* the Last Crisis, was palpable, evident for example in Bernie Sanders' charming revival of the deep thoughts he and I shared in 1960. Yet market-tested betterment persists and capitalism has not been doomed, spreading instead to China and India.

The natural stages of history, says the left, need to be hurried along by (unnatural) assistance by the Party, because workers have false consciousness. But the workers accept a bourgeois deal and then themselves rise into the bourgeoisie.

The left has said in sequence, 1848 to the present, that capitalism results in impoverishment (it has not), in alienation (not), exploitation of the Third World (not), spiritual corruption (not), inequality (not), and, recently, environmental decay (correctable, socialism having done much worse).<sup>12</sup>

Above all, the left has believed that economic liberty and social dignity, which were in fact the drivers of the Great Enrichment after 1800, expressed by the Blessed Adam Smith as "allowing every man to pursue his own interest his own way, upon the liberal plan of equality, liberty and justice," have hurt ordinary people. <sup>13</sup> They have not. They have saved them.

§

All these facts are scientific findings open to inspection. Yet our friends the socialists reject them out of hand, not because the scientific findings are wrong but because they do not fit with the heart of a 16-year old. The rejection of the evidence is on a par with Donald Trump denying climate change, and Orbán claiming that Syrian refugees want to settle in Hungary and learn Hungarian. The historian Eric Hobsbawm (1917–2012), whom I knew slightly, describes in his engaging autobiography of 2002 how he wanted to become a Communist at age fourteen, and became one at sixteen—though, come to think of it, who would *not* in Germany in 1931 become something like a Communist?<sup>14</sup> Not anyone with a heart. (By 2002, true, one might inquire about the brain.)

Hobsbawm pauses in his book from time to time to explain why, in the face of Stalin's crimes and the Hungarian uprising and the rest, he only ceased being a duespaying if unorthodox member of the Communist Party of Great Britain a few months

<sup>11</sup> McCloskey 2000.

<sup>12</sup> You will find much more enlightenment on such points in McCloskey 2006, 2010, and 2016.

<sup>13</sup> Smith 1776, 4.9, p. 664.

<sup>14</sup> Hobsbawm 2002. I knew Hobsbawm a little while a visiting fellow at the Department of History at Birkbeck College, London in 1975–76.

before it dissolved itself, in 1991. His explanation, a strange one in such an intelligent man, is that he didn't want to give satisfaction to anti-Communist McCarthyites (whose British version had, to be sure, blocked him from many well-deserved academic appointments). He was faithful to the end—as people often are once their identities are formed, becoming uninterested in contrary facts that might be acquired after age sixteen. It is rather like the atheism at age sixteen that bright boys and some bright girls espouse, never to be reconsidered, which then spills out of the mouths of fifty-year old people who have meanwhile not cracked a serious book on theology. Likewise, most of the Marxists and many of the Marxians and marxoids have not cracked a serious book on economics published after 1867, and no book of economic history after Karl Polanyi in 1944.

S

The late first-century BCE Jewish sage Hillel of Babylon put it negatively: "Do *not* do unto other what you would *not* want done unto yourself." It's masculine, a guyliberalism, a gospel of justice, roughly the so-called Non-Aggression Axiom as articulated by libertarians since the word "libertarian" was coined, in 1958. On the other hand, the early first-century CE Jewish sage Jesus of Nazareth put it positively: "Do unto others as you would have them do unto you." It's gal-liberalism, a gospel of love, placing upon us an ethical responsibility to do more than pass by on the other side. Be a good Samaritan. Be nice.

I think we need both, because each corrects the excesses of the other. A humane libertarianism or conservativism or anyway not socialism would attend to both formulations of the Golden Rule. The one corrects a busybody pushing around. The other corrects an inhumane selfishness.

Politics should have both heart and brain, if it is to be ethical.