

THE ECONOMICS OF MORALITY

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THE title is not a blunder—produced by transposing the two nouns. This is not an argument that any system of economics is moral. That, of course, is not a statement to be made by a student of economics. It would presuppose a definition of morality, and, while the student of economics is not necessarily debarred from holding views as to what constitutes morality, and, indeed, as a human being—if a student of economics will be admitted to have title to that status—he is bound to have some theory of what is right and wrong, that is not his concern as an economist.

On the whole, the student of economics will be wise to leave the definition of morality to the authorities in that field. He will probably wish that teachers and preachers of morals would show a similar respect for union jurisdiction, and not try to interpret their moral principles in economic policies, which too often show the hand of the amateur.

This study is a brief and therefore hopelessly inadequate venture in the opposite sense. It scratches the surface of the neglected question of the economic value of moral principles—a subject which has received some attention from moral teachers in early days—notably from Jesus and His Disciples, but which was laid aside later, in favour of more tempting investigations of the morality of various systems of economics—apparently because the preachers of moral systems became convinced that it would be easier for them to force men to be moral in economic action than to teach them to be moral as a desirable end in itself, with faith that virtue would be, in a real and not a cynical sense, its own reward.

A few students, such as R. H. Tawney, in *Christianity and the Rise of Capitalism* have explored this question of the relation between moral systems and economics, but only in very limited areas, and not with any clear purpose of indicating the economic effects of morality.

Many great religious or moral movements have deeply affected the minds of human beings, on such a scale as to direct the course of human history. It would be fascinating to engage in the study of the economic effect of Egyptian, Greek, pre-Christian Roman, Buddhist, and Moslem moralities, and perhaps someone will essay the task. For the moment, let us confine our consideration to the three great moral systems

which have most directly affected the conduct of large masses of human beings during the last century—the Christian system, the Marxian system, and—far more effective in that period than either of the others—the very well defined post-Christian moral system best known as modern humanism.

Of the three, the Christian system stands alone in its insistence on the derivation of moral principles from the will of God, Who has a purpose—man existing solely to implement that purpose.

Marxism has a purpose, but it is a purpose admittedly chosen by man, so that the Marxian morality does not claim to possess any sanctity beyond that which comes from human reason.

Post-Christian morality is, of course, Christian morality which has forgotten its Christian origin. The Christian idea of the Divine purpose is that it is that man may find salvation for his immortal soul. That may be accompanied by physical misery in any degree, or by intellectual distress—even in extreme forms. Even the most devoted Christians no longer accept the early heresy that man must suffer to be saved. The Christian theory—if an economist may venture to express an opinion on it—is that the end is salvation of the soul, and that misadventures of the body or the intellect may, but do not necessarily, make that salvation easier to attain. In some forms, these misadventures may hamper the individual in the journey to salvation.

Christian morality—which is not coextensive with Christianity, but is merely a set of rules to guide Christians in their progress to salvation—can be defined and accepted by human beings who entirely fail to accept the necessity of salvation, and the post-Christian-humanists accept Christian morality in full, as a complete guide to conduct—although they refuse to admit that they are under any compulsion to follow these rules. Drifting away from God, they take with them the whole system of relations between human beings which Christianity has evolved. They argue that they know right from wrong—but only because of their cultural inheritance from earlier Christian society.

Now, the rules of Christian morality are quite the most clearly defined of these ethical systems, for the reason that the Founder of Christianity—a historic personage—laid them down very clearly. To Christians this is the natural result of His Divine nature, but even non-Christians, regarding Him

as man, not God, readily read and understand His precepts. Except where they are active anti-Christians, as are Marxists, or the believers in some god or gods whose ordinances are specifically contrary to those of Christianity, few educated human beings will pretend not to understand the Christian system of ethics.

It can be summed up as teaching the sanctity of the personality of the human being, and the complete brotherhood of all human beings.

It must again be noted that this is no attempt to describe Christianity, either as a religion or as a philosophy. It is merely a short, but accurate definition of the teaching of Christianity in the narrow field of the conduct of men toward each other. Obedience to these ethical principles will be asserted, by every professing Christian, to be totally inadequate as a rule of conduct. Every professing Christian will agree that, in purely human relations, these are what may be described as a minimum code of human conduct toward other human beings.

Detailed interpretations of these principles have been provided in vast numbers by individuals and religious bodies. It is somewhat difficult for members of Western society in 1951 to grasp the intricate reasoning of professed Christians which held that slavery was a proper part of the preservation of the dignity of the human person, which led to the theory that the Pope had the power to divide a New World, of which he had the vaguest knowledge between Spain and Portugal, or induced the saintly William Temple to assert that it was in accordance with the will of God that any form of corporation security on which 100 per cent had been paid in dividends should be extinguished, to the great advantage of the owners of the remaining securities of the corporation. These are detailed expressions of opinion concerning the practical application of the two basic principles of Christian morality. Those who attempted these interpretations, and countless others, if they were sincere in their faith, were merely trying to apply the basic principles. Great reforms of human society, great misfortunes for human beings have undoubtedly resulted from correct and incorrect applications of Christian moral principles. Those principles still remain accepted by Christians.

Marxism does not possess a simple and precise moral code. Followers of Marx have been—in their century of existence—proportionately even more generous in laying down detailed rules for human conduct than the Christians. Marx

himself laid down no moral principles—no rule of conduct for men in their relations with other men—beyond some rather excited advice to the oppressed to throw off their chains, and rise in a revolution which was, of course, entirely contradictory of his basic theory that human history must follow some pre-determined course.

Assuming that it is now not Marx, but the Communist Party which has the right and duty of enunciating Marxist morality, it becomes evident that the whole Marxist code of human behaviour can be summed up in the simple statement that human beings must obey the orders of the Communist Party.

Marx did suggest that it was right that each should give to society all that he could, and draw from society what he needed—but his followers, baffled by a system which, starting with a definition of required consumption, contains no definition of the production required to maintain that consumption, long ago threw up their hands, and took refuge in the far simpler idea that the Communist Party should define what each must produce and each consume—which at least has the advantage of permitting the two sides of the equation to balance. Marx preached Communism as a road to a vast simplification of life, ending in the complete disappearance of the state. His religion has become one of state worship, with more than adequate penalties for the infidel, and no salvation, here or hereafter, for the faithful.

The Marxian system provides plenty of detailed rules of conduct but no basic principles on which they are founded.

The post-Christian humanist morality is a peculiar compromise between Christianity and Marxism. Since it commands the allegiance of a very large percentage of the intellectuals of the day—including great numbers of professing Christians, many of them quite sincere in their belief that they are Christians—it, and not Christianity, has the immediate task of confronting and confounding Marxism, which it attempts to carry out by an effort to create a synthesis of these two very different moral systems.

The post-Christian humanists accept the entire Christian morality, while denying the existence of a God with a purpose which He intends to accomplish through men, and expressing grave doubt of the power of such a God, did He exist, to fulfil His purpose. They conceive themselves to be competent to decide what is good for humanity, and what machinery is

needed to obtain this. They hope to be able to carry out these duties without infringing on the dignity of the individual human being or impairing the brotherhood of man. If either of these concepts should interfere with the rapid bringing of human society to perfection, they readily agree to dispense with either or both of them—quite regardless of the rather important fact that the elaborate code of pseudo-Christian conduct which they wish, in all earnestness to follow, is erected on these twin foundations, and will crumble into ruins if the foundations be destroyed or abandoned.

They substitute for God a concept known as the good of the community, or social purpose. They propose to make men happy as a society, at any needed cost of misery as individuals.

So much for a contrast between the three moral systems under examination, as far as it is necessary to identify them in order to consider their economic effects.

It is slightly more difficult to provide a definition of the word "economic", but—for the purpose of this study—let it be assumed that it describes all those human activities which are directed to the end of providing men with what they desire in the way of material happiness here on earth. That, of course, covers far more than material goods and services. The grossest materialism recognizes—in increasing degree—the necessity, for full enjoyment of goods and services, of intellectual ease, and psychical effort. Sceptics as to the existence of a *psyche* as distinguished from the mind, may charge that the very word "psychical" involves an unproved assumption, but I pass that by, with the simple defence that I use it as describing those non-material areas of human satisfaction which are not generally agreed to be intellectual. They exist—and if anyone insists that they are really intellectual, he is welcome to his belief. It does not invalidate this argument—even if it be wholly correct.

There now remains to consider the economic effects—under this definition—of the three moral systems under examination. It will probably be best to examine what would occur in a society in which each of these moral codes was held by all, and then pass on to some study of the effect of each of them on a society in which it has a marked effect on the conduct of the community, because it has become a part of the accepted *mores* of at least the rulers of the society.

Christianity, founded less than two thousand years ago, at the moment when the Graeco-Roman world was just attain-

ing economic and sociological maturity, had its most rapid period of expansion during the chaos which followed the collapse of that world. Its formal development as a moral system, and the great spread of acceptance, of its discipline, were during the long period of the reconstruction of civilized society. It scarcely affected human conduct to the extent which would permit its economic effects to be studied until the latter mediaeval and early modern periods of Occidental society, but—at least by the time when law and order had become typical of Western European society—it did come to dominate moral thought, and thus to direct economic activity to an appreciable extent.

If this process had continued to the point where all Western Europe had become Christian in fact as well as in name, that society would have been one in which the entire economic activity would have been directed to dignifying the individual and establishing the brotherhood of man. In such a society, each would consider how best to contribute to the improvement of the status of others. The stimulus to productive effort would be endless, and unlimited except by proper respect for the physical and intellectual development of each worker. It is possible to say, with complete certainty, that production would be maximized to the ultimate limit—from a long term aspect.

Distribution—the other problem of economics—would be directed by a spirit of boundless generosity of each to his fellow men. Assuming intellectual skill in keeping with this desire, it seems certain that distribution would assume an optimum pattern.

In a partly Christian society, these ideal conditions could not be attained, but it must be evident that, to the limited extent to which Christian moral principles have affected human conduct, they must have produced a trend to the increase of production, and the improvement of distribution.

In a wholly Christian society, respect for the dignity of the individual and the brotherhood of man might eventuate in a definite code of conduct—accepted by all as the expression of the will of God. In a partly Christian society, this would be impossible, since the effort to enforce such a code would require its imposition on men against their will.

Various Christian ecclesiastical authorities have endeavoured to do exactly this. Whether they were thus fulfilling their duty, or stepping beyond its bounds is a matter for theologians to discuss. The economist can only note that these attempts have always failed, and, indeed, seem to have checked, not

increased, production, while they have never shown much success in improving distribution.

Failing such imposition of a code not freely accepted by all, it would be expected that a society which gave partial acceptance to the two concepts of individual dignity and the brotherhood of man would show a marked trend to personal liberty of action—in the economic as well as other fields—and a lack of the uniformity of the sociological and economic structure which characterized pre-Christian societies, accompanied by a steady increase in goodwill between classes, and in particular on the part of the more successful—economically speaking—toward the less successful. All the historic and statistical evidence available indicates that these effects became more and more evident as Christianity won a greater measure of control over the ruling classes of Western society.

It has already been noted that Marxism started with the theory that there is moral obligation to see that each contributes according to his ability and receives according to his need. It is highly probable that Marx enunciated this economically impossible formula in a sincere reaction against the failure of Christianity to perfect its code of conduct and obtain its universal acceptance, and that, in frustration over his failure to obtain immediate obedience to his ideas, he later developed the entirely different theory that there must be a revolution of the proletariat. Even after the marvellous improvement in the status of the masses of the population in the century since Marx preached, there is still plenty of poverty and misery to stimulate far wiser men than Marx to indignation, and to set them feverishly at work making plans and designing machinery to speed up the millennium.

As with Marx, who appears to have been first affected by the highly practical teachings of Jesus, and only later by the mysticism of Hegel, so it is with many men of goodwill to-day—except that they usually turn to the very highly complicated Hegelianism of Marx, rather than to the original and simpler brand. That may be the result of the steady deterioration of educational standards—the replacement of training in thought by training in technique.

Certainly, Marx's followers have never paid to his original formula even the lip service which has been given to the precepts of Jesus. Important as has been and is the Marxian system, its effect on society has been entirely in the political field. Its original quality as a moral code has wholly vanished, and

it teaches now, and has ever taught to any effective purpose, nothing but the secondary Marxian doctrine of revolution leading to the totalitarian state, in place of Marx's first thought of exactly that evolution of society to a classless and stateless condition which is precisely what complete Christianization of a society seems certain to produce.

Such a philosophy has nothing to do with economics—defined as the study of the production and distribution of what men want to make them materially happy on earth. A Marxian Five-Year Plan—one of these perfect manifestations of Marxism—is not related to satisfying the needs or aspirations of the people. It is merely an exercise in egoism. If the egoists happen to plan so as to give the people what they want, so much the better for the people. The egoists would not be concerned. They propose to give the people what the egoists think they should have.

Marxism, therefore, cannot produce any economic effect at all, beyond the negative one of thwarting the production and distribution of wealth, to the extent to which the egoists fail to plan what the people want. It can produce plenty of political effect—that is all.

There is no need, as in the case of Christianity, to consider the alternatives of partial or complete conversion of a society to Marxism. A society is not Marxist unless it be ruled by a Marxist Government. It is completely Marxist once it becomes so ruled—whether the true Marxists constitute one or one hundred per cent of the population. Once a society is subjected to rule based on the assumption that all means of production belong to the state, and that the state is to decide the production and consumption of the citizen; once that rule becomes really effective—Marxism is in force. Until that state is reached Marxism is not in force.

Just as Marx almost certainly drew his original inspiration from Christianity, so do the post-Christian humanists draw theirs from Christianity and Marxism, so that Marxism can influence the economic life of a non-Marxist state—for the post-Christian humanist state may, like the Christian one, be incomplete and still exist.

It is impossible to draw a line and say that those who are one side of this are Christians, and those on the other humanists, if only because Christianity is not an economic theory, but a religion of salvation. The economist cannot decide the right of anyone to claim the title Christian. Jesus, however, made it plain that He came to reform society on earth, so that men so

reformed might have a right to enter Heaven. Those self-styled Christians whose religion is wholly other-worldly incline to stress individual salvation. Those who lean in the other direction frequently go to surprising extremes in their attempt to apply the basic moral principles of Christianity to detailed social, political and economic problems. The question of the extent to which men may go in preaching politics or economic theory under the plea that they are under Divine compulsion is something for theologians to discuss.

The student of economic history only knows that, from the Early Fathers to the Amsterdam Council of 1948, the religious have struggled with this problem.

At some stage, this tendency to use the authority of the Church to solve price equations, strike problems, rates of old age pensions, seems to move completely away from Christianity and into humanism.

There would seem to be a reasonable test. Whatever the theological differences of opinion over the meaning of Christianity, it will be admitted that it teaches duty rather than benefits. It does not argue that men must receive, but that they must give. It does not demand that poverty should be relieved for the sake of the poor, but because only by giving to the poor could the rich young man be saved.

The tendency to reverse this teaching has unquestionably influenced the historic development of Christianity. It came to its logical conclusion in Marx's original insistence on each contributing according to his ability—which was obviously pure Christian doctrine—and each receiving according to his needs—which is not anywhere suggested by Jesus, or by his more immediate followers. With much timidity, the economist may risk the suggestion that this is the line between Christianity and post-Christian humanism. That is a theological question.

Certainly, the post-Christian humanists of the past century—at least those who boast of having eliminated God as a sociological or economic force—clearly accept the original Marxian formula. It is surprising, because they include so many highly trained individuals. Perhaps it is because of the already noted tendency of modern education to neglect training in thought in favour of training in technique that such students fail to note the total absurdity of the Marxian suggestion—which Marxians have been forced to abandon after even mild tests of it.

There is no method by which human needs can be estab-

lished. The irreducible economic need is of enough facilities to maintain life—but at what level? With care, a human being can be kept alive on far less than the amount of nutrition available for the underfed masses of China or India. North American Indians survive the severest winter with less in the way of housing, clothing and fuel than is available to the poorest members of Western society.

Thus, the post-Christian humanists, having no predetermined standard of needs, resort to the establishment of such standards out of their own wisdom. They then propose that there be created a system of production and distribution which will make these standards effective. In simple language, they make consumption, not production, the primary economic objective.

Nor is it necessarily consumption adapted to produce happiness of human beings, although, by sheer accident, their definition of needs may match the desires of human beings. It is consumption as planned to meet the standards which the humanists have chosen—out of their own wisdom.

In short, the post-Christian humanists—unquestionably starting out with a firm belief in the Christian moral principles of the dignity of the individual and the brotherhood of man, but without confidence that the conversion of human beings to Christianity would automatically cause these principles to become effective in our society—decide to adopt the egoistic Marxian theory that they can, by some process of reasoning, arrive at the total volume and the detailed composition of the production which must be made available, so that these principles may be considered to be satisfied.

The welfare state is their political machine to carry out their purposes. It is to be a tidy society. There is to be no poverty. There is to be no wealth—in the comparative sense. It is to be a society in which there is no need of giving—because everyone gets.

There is already ample evidence that such a society will tend to stimulate consumption and reduce production—as it must inevitably do. Just as previous slave societies broke down, for the simple reason that the slaveowners lost their willingness to use physical punishment for laziness, so the welfare state, with the rewards of the citizen as great whether he produces or not, shows every evidence of being certain to break down—because it is the welfare state. Just as slave societies proved economically unworkable because the rewards which can be

offered slaves for extra effort are those which the master chooses, not those which the slave desires, so the welfare state appears certain to fail, for the reason that it offers welfare, and not wealth, as a reward.

Above all, unless the welfare state is founded on a very skillful calculation of the welfare to be distributed, so that it is equal to, or, at least, not more than the total production of goods and services, the welfare state will create more—not less—discontent than even that which grew up in the partly Christian state, in which growing production was inadequately accompanied by distribution which would satisfy the desires of the masses.

Faced by this inevitable tendency of the welfare state to reduce the stimulus to production, while it increases consumptive appetites, its creators—exactly as did Marx himself, and his followers in the case of Russia—find themselves tempted to use force to maintain production. In the end, the welfare state must become a slave plantation, or a sort of universal workhouse. Starting out under the deep influence of the Christian moral principle of the brotherhood of man, it ends in the realistic Marxian theory that this brotherhood—unless it be created by the general will of the community—will have to be enforced by regimentation.

It seems probable that the degree to which the welfare state moves towards Marxism will be in inverse ratio to the extent to which a community is genuinely affected by post-Christian humanism. As with a fully Christian society, so with a fully humanist one. If everyone contributes as most he can, production is no longer a problem. If everyone adjusts his consumption by the need of fulfilling the brotherhood of men, distribution problems are solved.

The practical weakness of the humanist system is that, since it concentrates its attention on fulfilling a predetermined standard of individual consumption, as a right of each individual it is extremely improbable that any considerable proportion of the citizens of the humanist welfare state will ever be convinced of their duty to maximize their contribution to society. In the end, force will have to be employed in the production field.

In short, the post-Christian humanist system of morality seems bound to produce an unstable economic and political structure. Its breakdown will probably be followed by a return to the Christian morality—fully accepted, or by an equally full acceptance of the Marxian morality of state worship.

It may be left to theologians to argue the merits of these various moral systems, as a means to other-worldly salvation. As far as the prevailing moral code controls the economic development of a society, there appears to be good reason for the economist to expect better results from even the partial acceptance of the Christian moral code than from either of the two most widely accepted alternatives.