

FIRST PRINCIPLES

IN MORALITY AND ECONOMICS

on which depend personal well-being and social health and harmony

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"Religion And Culture" — AND ECONOMICS

In 1959 a book containing "Essays in Honor of Paul Tillich" was published under the title, *Religion and Culture*; it was edited by Walter Leibrecht, and the publishers are Harper & Brothers, New York.

One of the essays in this book, by Reinhold Niebuhr, entitled "Biblical Faith and Socialism: A Critical Appraisal," is the occasion for the endeavor in this issue to show in perspective the position of present-day Protestant thought.

Niebuhr is maybe the most-brilliant, living Protestant theologian, and what he writes obtains an international hearing, because of his prominence in thought leadership in the World Council of Churches.

In contrast to the title of the book selected by Leibrecht, the title of this introductory article in this issue is: "Religion and Culture" — AND ECONOMICS. Our addition, "And Economics," is deliberately selected to reveal our specially selected "viewpoint," our perspective, the starting point of our critique of the thinking not only of Tillich, but also of Niebuhr and the other most prominent theologians who are the spokesmen and leaders of Protestantism today. We seek to promote the idea of adding and relating economics to religion and culture. However prominent Protestant theologians may be in the fields of

religion and culture, they occupy positions of small consequence in the field of economics.

* * *

Economics may be viewed as a *technical* science pertaining to money, markets, labor, production, distribution, foreign exchange, natural resources, that is, *material* things and external objects. Protestant theologians have not demonstrated that they are vitally concerned with technical economic subjects. There is some reasonableness in theologians not being technical experts in the field of economics in that sense.

But economics may be viewed in a broader way, namely, as pertaining to the *relationships* of men to things, and consequently as pertaining to the relationships of men to men in so far as this latter relationship is affected by the relationship of men to things.

Further, *things* here do not refer to material things only, but all that men seek for, and for which they put forth effort — things of an intellectual, religious, artistic, charitable, or entertaining, as well as physical, character.

Men do not live in a vacuum; they live in an environment, a cosmological structure of which they are a part. It is not to be denied that that environment, or grand aggregate of circumstances which makes up the cosmological structure of life, is important when appraising the conduct of men within that cosmology.

We might define economics then as the science of the *relationship of men to goods* — with *goods* including everything that men *value* (physical or spiritual).

And what do men *value*? Whatever they believe they need, but which is *scarcer than their needs*. Nobody feels a need for fresh air out in the great outdoors. Wherever supply exceeds the demand, that thing of which the supply is greater than the demand is a mere *thing* in economics, not a *good*. In economics, then, a *good* is something regarding which *by definition* there is *scarcity* as well as *need*.

Immediately, that fact of scarcity relates economics to ethics. If there is a *scarcity*, there will be a problem of *justice*, a method

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being needed to decide who is going to participate in the limited supply which is inadequate for the aggregate demand. When economics concentrates on questions pertaining to "goods," it works on questions which must involve throwing light on problems which theologians and moralists undertake to appraise as right or wrong.

Is it not a significant omission for theologians to neglect to learn what a *science* alleges it has to say as description of the character of the relations of men to goods, and on how to *maximize* the satisfaction that men may obtain from goods?

The title to this article, "Religion and Culture" — AND ECONOMICS was selected not only to reveal the viewpoint of the critique which follows, but also to register an earnest plea that theologians should undertake the study of economics. A theological faculty can hardly consider its curriculum to be complete without courses which will offer its students a mastery of economics. To teach ethics without economics is to teach what men owe to each other *in abstracto*, without adequately considering men's environment, the cosmology, in which they live.

When Einstein "reconstructed" physics, he directed attention to the "frame of reference" in which an event takes place. An event is not understandable nor accurately describable except when the "frame of reference" is clearly designated; for example, a man sitting motionless in a moving train is not moving *relative* to the train, but he is moving *relative* to the countryside; the countryside in turn is moving *relative* to the center of the earth; further, the earth is moving *relative* to the sun; and the sun is moving *relative* to something else. What then is the movement of the man in the moving train *except in relation to a specified "frame of reference"?* And so *relationships* — relativity — become determinative. In economics the frame of reference for the relationship of men to men is the relationship of men to things.

The editor of *Religion and Culture*, Prof. Walter Leibrecht, selected as his partial "frame of reference," *Culture*, but that is not a wholly comprehensive frame of reference. He might have chosen for his title *Religion and Culture — And Justice*, but *justice* would hardly have been an adequate term, because for men as Niebuhr and John C. Bennett justice would really mean *charity* or even more accurately, *alms*, because the "justice" of their systems is wholly dependent on what is, in essence regardless

of what it is called, alms. An endeavor to select an adequate ethical frame of reference based on *charity* is doomed to giving such a distorted understanding of human life that the consequences will be damaging rather than helpful.

* *

In what follows, we look at Religion not only in the framework of culture, but also in the framework of economics — the framework of the relationship of *men to things*, operating in a *free* market. Any frame of reference pertaining to the relationship of men to things which is really a frame of alms, rather than of mutual benefit from exchange, is not an adequate framework.

Consideration is given in the next article to the four Protestant theologians who may be appraised as being the most influential at this time.

The Four Most-Influential Living Protestant Theologians

The four men here being nominated as being the world's most-influential, living Protestant theologians are (1) Reinhold Niebuhr of the United States; (2) Karl Barth of Switzerland, (3) Paul Tillich, formerly of Germany but now in the United States, and (4) Anders Nygren of Sweden. There may be a better list; but this is a list for the special purposes of this issue.

These are the theologians whose books are most widely read; who are the leaders of the "intellectuals" in the religious world; who are the spokesmen; who are the men who have been most influential in recent years in coloring the thought of those who (allegedly) speak for the Protestant public on questions of ethics, politics and economics.

There are, of course, other distinguished Protestant theologians, who are without peer in fields of theology which are outside the fields here being considered, namely, ethics, politics and economics.

* * *

Reinhold Niebuhr was named first. By his writing, his speaking, and by his influence on men in positions of leadership in the World Council of Churches, Niebuhr probably outranks other living Protestant theologians in his influence in the fields of social action, politics, and economics.

Niebuhr is a *this*-worldly theologian. Whatever the Kingdom of God may be in a *future life*, Niebuhr appears to be primarily interested in a comfortable Kingdom of God in *this life*; that explains his concentration on ethical, political, social and economical questions.

No other theologian has manifested equal ability in caustic criticism of the naivete of others, whether orthodox or modernist.

Niebuhr is an independent thinker, who has continued in his full maturity to give evidence of capability of re-reviewing the evidence, and changing his mind.

* * *

Karl Barth is second on the list. In various respects his influence exceeds Niebuhr's. In Europe, Barth *dominates* Protestant *theological* thought.

Niebuhr is hardly appreciative of one aspect of Barth's thought. In Niebuhr's essay in *Religion and Culture*, which will be considered later, he has this to say of Barth (referring to Barth's interest in eschatological problems, that is, problems pertaining to a *future life*) (our italics):

. . . Barthianism, initiated by an ex-socialist and *pretending* to have achieved a sublime transcendence over the vicissitudes of history and a *ludicrous irresponsibility* toward the ordinary tasks of the political community . . . [has fallen] off one side . . . of the tight rope of eschatological tension which is at the heart of the relation of the Christian faith to the social scene.

Apparently in Niebuhr's view Barthianism is devoting too much attention to utopianism in regard to a *future life*, the *future* Kingdom of God, and to other subjects.

Niebuhr seems to have become only secondarily interested in utopianism concerning a future life, that is, the salvation that Christians expect after death. He has confessed the error of some utopianism of his own (utopianism for *this* life), but in order to differentiate his own view from that of the most-famous, European Protestant theologian (Karl Barth) Niebuhr reveals what he thinks by the ear-piercing words, "pretending to have achieved" and "ludicrous irresponsibility." We concur with Niebuhr as far as he goes.

Rejection of Barthianism should go further. Not only is its irresponsibility somewhat ludicrous, its essential structure of thought is unacceptable in a modern world. Intellectually it is a retreat to medieval times. Barthianism is unhinged from modern

science. It concerns itself with long discussions about the unknowable; it is hardly rational speculation; it is fantasy in the name of religion and neo-orthodoxy.

Barthianism is in a sense a throwback to medieval scholasticism. The scheme of thought which Barth presents is not different in kind from that which prevailed *before* William of Occam (or Ockham). Occam, (1270-1349), an English Franciscan friar, struck the death blow to the "thought" of the Middle Ages. He basically attacked its logomachy ("disputes about words, controversies turning on mere verbal points") and by doing that he destroyed scholasticism's prestige, its fun and its existence.

To usher in the modern age two things were necessary, the logomachy of scholasticism and philosophy needed to be discredited; Occam did that. In addition, a substitute method for enlarging thought needed to be provided; Francis Bacon did that, by his empirical, inductive approach.

Barth belongs in the centuries between 900 and 1300. His proper title might be, Professor of Modern Logomachy.

* * *

Nygren, least known (outside of theological circles) of the four most-influential Protestant theologians living today, has concentrated his efforts on an exegetical problem, namely, what are the Biblical teachings regarding each man's duty toward his neighbor.

When Nygren answered that question he probably intended to do Christianity a service, but he did it a disservice. In an argument — if you wish to win it by foul means as well as fair — you endeavor to "extend" your opponent's position; you first restate his case by *exaggerating* his proposition. Then you argue against the exaggeration which you have perpetrated. The ancient Romans had a name for this fallacy, or this deliberate trick to over-bear an opponent in an argument, viz., *ignoratio elenchi*.

As everybody knows, the "broader" on allegation is, the harder it is to defend; contrarily, the "narrower" a proposition is, the easier it is to defend. Nygren, not to hurt Christianity but to help it, has blundered into "extending" the Biblical doctrine of neighborly love into the most extreme requirement yet advanced with any seriousness in the history of mankind. We must, he says if we are to heed Scripture, "love" our neighbor "without motiva-

tion," that is, without giving any consideration to his merit or demerit — we must love the bad man as well as the good — *equally*. Only then is our love, our *agape* (one of the Greek words for *love*) adequate and Biblical.

Socialism demands *egalitarianism* in remuneration. That is almost a trifle compared with Nygren's requirement (in the name of the Christian religion) to be egalitarian in our love for an evil man so that it matches our love for a good man.

Nygren is the man who has the distinction of "discovering" a definition for love (*agape*), which provides an ethical base for the famous principle of communism, From each according to his ability to each according to his need; and further, that discrimination according to merit departs intrinsically from Christian ethics, because discrimination itself violates the requirements of true *agape*, genuine brotherly love.

* * *

Paul Tillich, the fourth theologian on the list, is not a Christian theologian in a historical sense. His "field" is not what the specific words of Scripture teach. He works primarily on what might be called the philosophical front of theology. He does not pore over Biblical texts in a traditional manner.

The framework of thought, existing at the times that the various authors of the parts of Scripture wrote, has been made irrelevant for modern man by the findings of science. Bare Scripture is no longer relevant unless it is interpreted in wholly modern fashion. And what might religion be? It is an "ultimate concern" regarding the origin, nature and destiny of man and his environment. Who does not have "ultimate concern" about such questions lacks a religious character. But if we have "ultimate concern," more or less, regardless what our conclusion may be, then we are responding to our religious capabilities.

Tillich, in effect, defines religion as an awareness of the existence of problems rather than specific answers to problems. He is an existentialist, endeavoring to find the outlines of a *modern* religion, rather than a believer proclaiming the traditional answer to the problem which an orthodox Christian gives.

Tillich, too, has looked to socialism to save the present world. After World War I he was one of the organizers in Germany of so-called "Religious Socialism."

* * *

All these men have characteristics in common.

In the first place, they give evidence of being inadequately informed on economics; their writings give evidence of lack of real understanding of the cosmology in which men find themselves.

Secondly, they all have, or have had, an over-simplified, "almsy" solution to the problems of this life, namely, the solution of socialism, that is, extensive redistribution of income and property in the name of "justice" or "brotherly love."

Niebuhr describes Barth as an "ex-socialist" and Barth's unwillingness to be severely critical of Communism is well-known. Tillich was the real founder of the Religious Socialists. Niebuhr himself reveals his own partial disillusionment (in the essay to be reviewed) with Christian socialism; he admits that his former hope for a Kingdom of God in this life rested on the premises of what he considered to be *Christian* socialism. Nygren, wittingly or unwittingly, has "established" the essential link between (alleged) Christian ethics and the main thesis of socialism; beyond that his political and economic persuasion is not known to the writer.

These most-influential leaders, then, of modern Protestantism more or less identify Christian ethics with the program of Marxian socialism. These Protestant leaders in the world today think — or have thought — in a framework that equates practical Christianity in this life, their Kingdom of God, with some form or other of socialism.

Niebuhr, making observations with intellectual honesty, has noted that the socialist solution has defects, and so, several years ago, he wrote that he was not to be held accountable for what he had written in the past on social questions. That is probably why he used the word *critical*, in his current essay, "Biblical Faith and Socialism: a *Critical* Appraisal" (our italics).

* * *

1. In what follows, it is proposed first to approach the problem of religion in the philosophical way in which Tillich approaches it. The first following article is in Tillichian vein — but Tillich is not to be held accountable for it in the remotest sense. It is entitled: "That Inchoate Proposition of the Pantheists — Dust is God."

2. Next, it is proposed to make an approach *a la* Niebuhr to the Creation Narrative. Niebuhr rejects the historicity of the Crea-

tion Narrative, but accepts what he believes it symbolizes. (It is not unusual for Niebuhr to disparage the form in which Scripture presents its teachings, but he is a doughty, *indirect* defender of Scripture in the form of strongly promoting what he declares to be the essential teaching of the scriptural incident.) The interpretation here given of the Garden of Eden narrative will be Niebuhr-ian in style, but Niebuhr will not in any sense be responsible for it, nor will this interpretation have sympathetic relationship to the content of Niebuhr's ideas on the subject. The title is: "A View of the Cosmology of the Garden of Eden."

3. Next, there will be comment on Niebuhr's Essay, "Biblical Faith and Socialism: A Critical Appraisal," under the title, "Niebuhr's Disillusionment with Socialism, and His New Solution to Social Problems." The essence of Niebuhr's position now seems to be: (1) he knows that he has been somewhat in error about Marxian socialism (unduly utopian in his confidence in the Marxian proposals); and (2) he has no new *principle* for solving public ethical problems, but he is relying on compromise and empiricism. What he really needs is a genuinely new principle, which, we believe, he has not yet found.

4. Finally, it is intended to outline a course which, if followed, will revolutionize — for good — the thinking of Protestant theologians on social, political and economic questions. They will then not only withdraw from the wrong track on which they have been floundering; and they will not stagnate in the pools of compromise and empiricism; but they will find a better road, and recover a simple and genuine understanding of Hebrew-Christian thought. There will be a brief article on this subject under the title, "Finding One's Way in the Labyrinth of Economics."

That Inchoate Proposition Of The Pantheists, "Dust Is God"

Faith is the acceptance of a nondemonstrable solution of a problem, for which the capabilities of the human mind apparently are insufficient to supply a truly explanatory analysis.

The origin, character and destiny of the phenomena of the world are not *surely* known by any human being. The choice therefore, when trying to find an answer, is either (1) to select one of the several answers given by faith, or (2) to reject or ignore the

problem. To ignore the problem is to down-grade the self to the level of animals. Cattle do not concern themselves about their origin, nature or destiny. A man who does not is in that respect not wholly different from a cow.

The men whom the rest of mankind think have lived and thought most admirably include those who have really endeavored to answer as well as they could the riddle of the origin, nature and destiny of men and of the world. These wise men have, in a broad way, held to one of three faiths: pantheism, agnosticism, or theism.

The *pantheist's* solution is that there is no *transcendent* god, that there is nothing behind or superior to the phenomena of the world. According to this view, there is nothing outside of what we can observe to explain what we observe. The explanation must be in the thing itself.

The *agnostic's* solution is that there is no explanation to the mystery of the universe that is really acceptable. This attitude does not differ *in principle* from a bovine indifference to the problem. The agnostic deliberately and consciously rejects attempted affirmative solutions to the problem. Whereas cattle *ignore* the existence of the problem, the agnostic *abandons attempts to solve* it.

The *theist* rejects the pantheist's proposition that the world is its own explanation and that there is nothing outside of it; he also rejects the negativism of agnosticism as a form of irrationality; instead he proposes the answer that a supreme Intelligence, transcendent, but in, above and around the world, is the real explanation. That *transcendent* being the theist calls God. God made all things, controls all things, and will determine the destiny of the world.

The pantheist's ideas cannot be proved; pantheism is a faith. The agnostic's ideas cannot be proved; agnosticism is a faith. The theist's ideas cannot be proved; theism is a faith.

When the theists attempt to define or describe their God, they become disunited and fly off in different tangents all along an arc of 360°.

The theists who have developed the most-complete, the most-accepted, and most-acceptable system are the Christians. They believe in a Supreme Being who is all powerful, all wise, all merciful and the "overflowing fountain of good." They declare that they possess that concept of God by *special revelation*, and not by human logic.

Because of the assertiveness and confidence of the adherents of the Christian faith, and because of their claim that any other hypothesis of the unknown origin and destiny of the world is false and foolish, the word, *faith*, has become attached, almost exclusively, to the Christian religion. The reality is, however, that those who differ from the Christian religion have their own faiths, whether that is another brand of theism, or is agnosticism, or is pantheism.

IN FIRST PRINCIPLES OF MORALITY AND ECONOMICS we are theists of the Christian persuasion.

* * *

The real antonym to theism is pantheism. Pantheism holds that the explanation of the world lies in itself, its materials, its laws, its phenomenology; god, in this case, is not transcendent but is no more than chemicals and life — a combination or something of dust, stones, plants, men. If there is a "god", he is immanent in the world, not transcendent. Because in this view of reality god is not transcendent, there is an irreconcilability with theism whose essential tenet is the transcendence of God.

Let us approach pantheism sympathetically. Its proposition is that the world explains itself. It has no transcendent cause. Its marvels in natural and social law are *within itself*.

The two great features of the world as we know it are its (1) material (dust and stones), and (2) life (living beings).

The relation between (1) the physical material of life and (2) life itself is that the latter apparently is dependent on the former. There is no earthly, observable *evidence* of life except in connection with some *material* base.

The glorious part of the world is the *living* part — plants, animals and men. The crown of all is *man*. He feels; he thinks; he has purpose; he can change his environment. He is at the apex of anything that the universe has produced. The "glory" of this pantheistic conception of the world is *man* himself.

Let us take the greatest among men. What happens to him? He dies. Let us visit the crematorium and look at the urn in which his ashes are. They give no sound; do not move; do not hear; see; smell; feel; taste. There is no purpose any more. And these inert particles of dust are all that is left of the genius; he was at the very top among men; and men are at the very top of all manifes-

tations of life; if pantheism is the "explanation" of the world, then it has let this best that it produces change to dust.

In a pantheistic system, if reality is more than dust, then that extra beyond mere dust is the phenomenon of *life*, that something which changes matter into something more than that which lacks life.

If the claim is that the dust in the cremator's urn is not the man that once was, then the difference must lie in the fact that *life* is no longer there. But what then is *life*? *That probably is the most fundamental problem for man to endeavor to solve.*

Is *life* just a process? And why is it so "wasteful"? Each generation begins helpless and ignorant. Strength and knowledge are hardly obtained before physical strength begins to fail.

Until the pantheist has explained what *life* is, and how it differs from the dust in the cremator's urn, it is reasonable to ask him, *is Dust your god?*

And what about the "natural laws," the observed regularity of events? Did Dust generate those natural laws? Did mere dust determine the laws that generate life and determine death?

The phenomenal world may appear to be a wonderful *unity*, but it is not. Today the genius is with us — alive, thinking and acting marvelously. But tomorrow he is dead. A quick and ghastly change takes place. The brainiest part of the universe has suddenly ceased to think. The fairest flower of the "material world" has suddenly become putrid and ugly.

* * *

In a sense it is paradoxical to think that *life* is the best of the material world. To be alive involves to want — lack — something. To be alive means to have purpose. To have purpose means that what you do not have appears better to you than what you do have. To be alive is synonymous with not being satisfied. The dead have rest. The alive are restless. Why should we not all hunger for death in order to be at rest? If we are material which has life, would we not be better off as material without life?

Unless and until the pantheist has explained *life* — an explanation which appears not yet to have been given — he has presented no coherent picture of the universe. Until he has done that, his pantheism is equivalent to the proposition, DUST is GOD.

* * *

The theist (Christian) solves his problem his way by declaring that there is a transcendent being, God, with a capital G.

The outstanding characteristic of that God, according to the Hebrew-Christian view, is His insistence on men living by certain rules, but this insistence is accompanied by an overshadowing mercifulness. The might and wisdom of God are paralleled — or overwhelmed — by his love.

Further, He will never be seen, because He is invisible. Not even in the life to come will God *himself*, according to the Christian religion, ever be seen by any man. Not ever expecting to see God himself, in his essence, the proof of God (even in a future life) will not be ascertainable. This must be the only correct view despite the expectation of seeing the second *person* in the Trinity in his *human nature*. In his *divine* nature the second person of the Trinity will continue as invisible and noncorporeal as are the other two persons in it. There is no "risk" about God in the Christian religion: neither its adherents nor any other creature will ever see the Invisible God. So the Christian religion teaches.

But in regard to the materialistic proposition, that Dust has the attributes of a god, it appears as difficult to accept as is the negativism of agnosticism, and it is certainly no better than the optimism of theism.

* * *

Faith being the art of believing things for which there is inadequate evidence, therefore, everybody has a faith, except those who do not seek any solution to the origin, nature and destiny of their existence.

In a sense we are all either pantheists, or agnostics, or theists.

A View Of The Cosmology Of The Garden Of Eden

In the Hebrew-Christian Scriptures everything pertaining to the origin, and all of the history, of the world up to four thousand years ago is covered in about 7,500 words, or twelve pages in a typical Bible. This early Biblical history is obviously radically abbreviated. The report of a small obscure association, for only one year of its existence, may be longer than the Biblical narrative of the origin of the world, and of man, and his early history.

The features of the story are worth pointing out: (1) a Supreme Being created the universe; (2) the lower forms of life came first; man is the peerless crown of creation; (3) his intelligence and his capacity for "good and evil" constituted the foundation of his superiority; (4) nevertheless, man was worse off at first than beasts because he had no fur to keep him warm; nor claws to tear animals apart; nor did he have tools of any kind; he was not even a stone-age man; (5) although he had the capacity to take the right road to boundless well-being in this life, he chose the wrong road, and his descendants after him follow in the same wrong road; (6) the consequence of taking the wrong road was to incur distress and the necessity of harder work, and consequently man has since suffered material privation as well as spiritual impoverishment (spiritual death).

Niebuhr takes this creation narrative symbolically. The events reported, he holds, did not happen that way, but certain truths about the nature of man are correctly symbolized by the story. We go further. We accept the cosmology presented: (1) a creator; (2) man at the apex of creation; (3) with an intelligence capable of knowing "good and evil"; (4) man's initially sorry economic plight; (5) that Adam adopted the wrong course and that his descendants do the same; (6) that the consequences were inexorable, spiritual destitution (death) and damaged temporal welfare.

For the present purpose, the following subjects will be discussed: (1) a difference between man and the lower orders of creation; (2) the wrong course which Adam took; (3) the essential nature of his sin—not a sin against altruism but against a law requiring cooperation; and (4) the inescapable consequences. (We have indicated earlier in this issue our acceptance of theism, and so the role of the creator does not need discussion; man's indubitable sorry economic plight before his fall is so clearly indicated in Scripture that it is not disputable; see Volume III, pages 266-297.)

A Difference Between Man And The Lower Orders Of Creation

Whatever has life seeks its own welfare. It is not inert, nor passive when unfavorable conditions arise. And what every living thing does for survival, it also does to attain joy of living,

pleasure, comfort, opportunity. This is true of plants, bugs, birds, rodents, insects, animals, men.

But the lower orders beneath man do not struggle to survive and to enjoy life *by means of cooperation*. Trees growing densely show no compassion to each other. Each tree is for itself *only* and it is either/or. *Either* the individual tree will survive *or* its fellows will. It is every tree for itself.

Animals will fight for their dependent young, but eventually every beast is "on his own." Animals do run in packs for defense purposes, and bees and other species live together in colonies; there is some division of labor in such communities. But the idea of *cooperation*, as man has the ability to understand it, is not known in the lower orders.

After man was created with his endowment of intelligence, there was a crucial decision for him to reach: would he act differently toward other human beings than other living beings act toward their own kind? Or would men, because they were rational, adopt a noteworthy system of genuine cooperation? The alternative would be that men would live as uncooperatively as cattle, wolves, rabbits, eagles, cats and dogs.

If a system of cooperation among human beings was to be attained, what specifications would it be obliged to have?

One solution of the problem might be that men would have a different (loftier) motivation than living beings of lower orders. Instead of *self-preservation* and *individual* welfare, men might instead have been constructed differently, namely, they might be *altruistic* rather than *selfish* (in the sense that they strove for self-preservation and personal welfare, not in the sense of nasty self-seeking *at the expense of others*). Then the chief concern of each man would have been the welfare of others rather than his own.

But men were not constructed that way. Their "construction," as far as being selfish versus altruistic is concerned, is identical to that of the lower orders. Men, beasts and plants are *primarily* motivated by self-preservation, personal welfare, individual happiness and subjective satisfactions. There is nothing really to be expected from the altruism of men. It is contrary to their *created* nature, before their Fall as well as after.

Altruism is not only unrealistic, it is also a *too high*—an

unnecessarily high—solution of the problem of how to obtain *cooperation* among human beings. A more modest requirement—if observed by men—would accomplish the desired result—and far better.

That more-modest requirement (or better, list of requirements) to obtain *cooperation* among men—rather than to have the strife—or at least lack of cooperation—common within the lower orders—consists of the following:

- (1) *no coercion* of one man by another.
- (2) *no deception* of one man by another.
- (3) *no theft* from one man by another of what the former has as his possession, not having gained it by violation of (1) and (2).

When mankind set out on its course (with Adam as its first exemplar) he had, shall we say, three choices:

- (1) Uninhibited *self-seeking*, as by plants and beasts below him; or
- (2) Lofty altruism, seeking the welfare of others rather than himself; or
- (3) Self-seeking, but firmly keeping it in bounds by rules against violence, deception and theft.

But there were, really, no three available choices for Adam. The first choice, uninhibited self-seeking, by definition, would have kept man in the class of the beasts and plants. The second choice is contrary to the nature of living things, and involves an absurdity—that the purpose of existence is not the self but other beings. (Altruism sounds lofty; but it is slavery to others.) The only real “choice” was the third, that is, to be self-seeking, but to avoid coercion by violence, by fraud, by deprivation of goods legitimately acquired.

The requirement for man was that although he remained self-seeking (by the law of life) he must put bounds to that self-seeking by avoiding coercion of his fellows. He would then, in principle, substitute a *contract* society for a *coercive* society. By a *contract* society is meant a society in which matters between men are settled by agreement, by compromise, by contract, rather than by force in the form of open violence, or “force” by deception, or “force” by deprivation of legitimate possessions. See

what Mises has written about a contractual society, in *Human Action*, pp. 196-199.

The Wrong Course Which Adam Took

Any test in the Garden of Eden, if man was to have a supra-bestial society, would have to establish not whether Adam was to be an altruist, but whether he would deal with his fellows by contract, that is, by cooperation, rather than by coercion. The test would have to discover whether he would abstain from violence (murder or maiming) or deception (trickery, falsehood) or deprivation of property (theft).

Violence was for Adam in the Garden of Eden an improbable and, in fact, a self-defeating test. There were only two people present. A murder would have ended the race, and anyway they were mates. Adam undoubtedly found his wife so delightful to look at and to have around that he would not think of murdering nor maiming her under the circumstances.

Falsehood might have been the subject of the test in the Garden of Eden. It is indeed made part of the narrative of the Fall of Adam, but although not to be minimized, it is not the major item in the test.

According to the Genesis story the real test that was applied was one pertaining to *theft*. And the test was an easy one for Adam. He was told he might eat from *all* the trees of the Garden *except one*. According to the report, God retained his own claim on the fruit of that one tree. If Adam had observed the requirement God set in this case, he would have demonstrated that he was prepared not to trespass on the rights of another owner, but to respect them. He would have demonstrated that he was prepared to operate in a *contract society* rather than a *corecive society*. On test, Adam failed, as his descendants have systematically done after him.

Some have thought that the test had a sexual aspect. But a test of infidelity between Adam and Eve was hardly possible, there being only one man and one woman. (Adultery can be looked upon by an innocent mate as *theft* by a stranger of his or her mate. The law recognizes that aspect—that adultery is *theft* of a mate—when it permits collecting damages for alienation of affection.)

**The Essential Nature Of Adam's Sin —
Not A Sin Against Altruism But
Against Laws Requisite To Cooperation**

There is no hint in the test in the Garden of Eden that Adam was to demonstrate by the way he responded that he was expected to be an altruist. All that was required was that he honor the property rights claimed by God on the fruit of the Tree of the Knowledge of Good and Evil.

The tree could have had no magical characteristics in itself. It was instead a symbol of the good of knowing that the property rights of others needed to be respected; and it was a symbol of the evil of willfully violating the property rights possessed by others.

The test did not require that Adam sacrifice himself for another, which the test, if it were altruistic, would have required. The "sacrifice" by Adam of not eating from the particular tree was almost certainly a mere bagatelle, in the sense that Adam's position was not measurably worsened by not being authorized to eat the fruit of that *one* tree.

If Adam did not see fit to recognize the title to ownership that God reserved to Himself in regard to the Tree of the Knowledge of Good and Evil, he would have no sound reason for claiming any property rights for himself. If *A* does not recognize that *B* has property rights, then *B* is not likely to recognize property rights which *A* claims. Where will men then be? (1) They will be acting like beasts who know no property rights in any real sense; or (2) there will be property rights, but they will rest only on strength and coercion; the strong will seize what is valuable; the weak will be exploited; society will be founded on *coercion* by the strong, and not on *contract* rights and obligations binding all men.

Why was abstaining from eating of the Tree of the Knowledge of Good and Evil, under the circumstances described in the Garden of Eden, an excellent test and symbol of what God was requiring of men, having endowed them with reason? It was such a test because: (1) it allowed unrestricted latitude to Adam to utilize every resource available to obtain food except that to which someone had a prior title; (2) his incentives were not restricted; he could work wholly for himself; self-interest was not sin, and, because personal incentive was left untrammelled,

great achievement was fostered; the prospects were that, under the spur of a natural incentive, he (Adam) would try to improve his circumstances; but (3) the restraint on his incentive consisted only in not letting him exploit another by seizing what belonged to another.

Self-interest plus the restraints of the Law of God—that combination—is superior to altruism. The advantage of the combination is that it stimulates great effort, without damage to others. Altruism contrarily lacks (under the law of creation) any real spur of incentive. The combination, self-interest plus the Law of God, constitutes the equivalent of a powerful engine and good brakes. Altruism lacks a good engine. Because it lacks a good engine, brakes are rather superfluous.

The Inescapable Consequences

When put on test, Adam failed. What were the consequences?

In the first place, he impaired his lot in life in a physical sense. Life was going to be harder on him and his descendants when they failed to recognize property rights, or more broadly, when they elected to rely on coercing neighbors rather than by living by contract—by mutual agreement. Remember Ricardo's Law of Association.

In the second place, Adam betrayed his own superior human nature, destined for a contract society, and consequently he incurred a terrible spiritual impoverishment—or in the language of Scripture—his soul underwent spiritual death. He missed his mark; he sinned; what happened to him was what he had been warned against—"the *day* thou eatest thereof *thou shalt surely die.*"

That expression has been generally understood to mean physical death, or else physical death as well as spiritual death. But the text cannot refer to *physical* death, because, according to the record, Adam did *not* die physically that day. But that was exactly the warning; "the *day* thou eatest . . ."

Death should be considered a *normal* phenomena in the universe; in other words, *physical* death, when a being is in full maturity of its years, is not essentially a punishment for sin.

The cosmology of the world is based on one order of life serving another order. Cows eat grass, killing it by eating it. Birds survive by eating bugs or seed, killing life in either. Cats

in turn eat birds. Death is an obvious part of the cosmology of the sub-human world.

The plan of creation depends on generation after generation—birth, growth, maturity, decline, death—at best. The full sequence often fails. Is it not absurd to believe that there is a relationship between the death of an old, worn-out cow and the sins of men? An old cow dies because she was so created that she would in due time die.

The same thing holds true of mankind. It is normal, *creational* phenomena that men grow old and die. Such physical death is not the consequence of sin, although sin will have hastened it. Ultimately, the physical death of man is based on the biological laws which God established.

That is not the popular doctrine. But even in orthodox churches, as in the obscure and obscurantist denomination to which the writer belongs, doctrines have been approved which represent that view. For example, in this denomination, a view is tolerated which is known by the unusual word, *supralapsarianism*. In simplest language, *supralapsarianism* stands for a sequence of events, awkwardly expressed as follows: (1) first, God decided that man should fall; and (2) then He decided that He would create man. This is a clumsy way of saying that the cosmology of the world, as created, would have death in it as a normal phenomena; or in other words, that the universal physical phenomena of death in the world was not the result of sin but of the earlier decisions of God in regard to creation. This *supralapsarian* view (as distinguished from the primitive *infralapsarian* view) permits a sensible view to be taken of the cosmology of creation and of the world around us.

Distinguished *supralapsarians* in orthodox Protestant churches include the late Abraham Kuyper of the Netherlands; the late Gerhardus Vos, professor at Princeton Theological Seminary; and Herman Hoeksema of the Protestant Reformed Church.

Supralapsarianism permits common sense acknowledgement of physical phenomena. It permits a reconciliation of Scripture with indubitable findings of science—which everybody accepts.

In the process, it is desirable to get rid of the idea—as if it were a vestigial organ—that *physical* death as a phenomena in the world at large stems from Adam's Fall.

But *spiritual* death, that is something quite different — that *did* stem from Adam's fall.

Thousands of years after Adam's fall the Apostle Paul worked (in his Epistle to the Romans) on a parallelism between Adam and Christ. He almost over-strained himself, for the parallelism *obviously* is not perfect; orthodox churches acknowledge that. It is not justified, therefore, on the basis of that *partial* parallelism to infer that Adam died *physically*, only *because* he ate from the Tree of the Knowledge of Good and Evil.

Adam's physical death was predestined, earlier, before his creation, as the supralapsarians indirectly and obscurely teach; but his spiritual death was initiated by his rebelling against the obligation established by his being created as he was created — with adequate knowledge to understand the necessity of living according to the terms of a *contract* society rather than a *coercive* society.

Niebuhr, Barth, Tillich And Nygren On Property Rights

If the test which God applied to Adam in regard to not eating from the Tree of the Knowledge of Good and Evil was designed to designate the "right of private property" — what have the world's most-influential, living Protestant theologians said directly, or by implication, about that? Can they be expected to be prepared to accept the particular interpretation of the symbolism of the Tree of the Knowledge of Good and Evil which has just been presented? Probably not, for how could they accept it, considering that they are socialists, or are ex-socialists, or that they have accepted an ethical proposition underlying the formula, From each according to his ability to each according to his need.

The essence of socialist teaching about property and income is that nobody may reserve property to himself in preference to the rest and remain moral. Everything belongs to everybody. In that premise, the Tree of the Knowledge of Good and Evil could not validly be reserved by God for Himself. Adam on that basis had as good a title to the Tree as God had. The "symbolism" of *ownership* of the Tree of the Knowledge of Good and Evil must be meaningless to a socialist.

The socialist doctrine, From each according to his ability to

each according to his need, in practice has a corollary to it, namely, that every man is his own judge of his *need*. What *he* thinks *he* needs is, in practice, the criterion. (This, incidentally, is a negation of the Tenth Commandment which forbids coveting.) In the Garden of Eden story Eve played the role of deciding what she needed, or wanted in pure caprice, and consequently what she would eat, that is, she operated on the socialist principle of claiming and seizing according to her own subjective appraisal of need or want.

Adam and Eve were "doomed" by God to penalties for their sin. But the penalty was not an arbitrary one. The penalty was causally related to the sin which had been committed, and to the principle underlying the sin which had been accepted. The sinners forthwith became perverted and impoverished.

The same "cause and effect" is evident today in the world around us. Rejection of the right of private property has NOT enriched the nations. The peoples in Poland, Czecho-Slovakia and Jugo-Slavia have in welfare fallen far behind their fellow men on this side of the Iron Curtain. These are people who once enjoyed some degree of freedom of property ownership, that is, freedom of capitalism. Now they may not really *own* property. Their *incentive* to work, save and enjoy is sufficiently reduced so that capital is neither created nor conserved as formerly.

It is probably because he cannot ignore that fact, plus the undeniable evidence of ruthless oppression in communist countries, that Niebuhr has moved away from socialism.

Two of the other men in the list have also experienced frustration with socialism. Tillich's Religious Socialism turned out to be a fiasco, feckless and ludicrous. Barth is an *ex-socialist* (according to Niebuhr) with two additional characteristics, softness toward communism and escapism into theological logomachy.

The "symbolism" of the Garden of Eden narrative is applicable further. Adam and Eve acted *jointly* in eating from the Tree of the Knowledge of Good and Evil, although Eve took the initiative (the testimony appearing to be that she was the more forceful personality). Niebuhr wrote a book years ago, *Moral Man and Immoral Society*, which had the theme that society collectively should be permitted to do what would be immoral for an individual man to do. This was a most dangerous propo-

sition. In the symbolism of the Garden of Eden, that, in effect, says that when Adam and Eve *agreed* collectively to take — seize — the fruit of the Tree of Knowledge, then the act was moral, merely because there was *joint* action. Robbing others of property by collectively-made laws is legitimate, if that formula is accepted.

It should also be noted that the consequences of destroying property rights in the Eden story is experienced today without fail. What people do not have the right to enjoy personally, they waste. They do not exercise thrift, then laboriously fabricate something, and then conserve it carefully — when it is not for themselves. The Garden of Eden was “wasted,” too; Adam and Eve were, in obvious symbolism, obliged to move elsewhere. God, by driving them out, symbolized that if they would not recognize His property right (reserved to only one tree in the whole Garden), they should move out of the Garden and be wholly on their own. The way for them to learn was not to have capital given to them, but to be obliged to create it themselves first. In a sense, God decided to let the Garden go to waste, if nobody was to have *ownership* in it.

One of the aggressive teachings of “Christian” socialists is that property should be “given” to the underdeveloped nations. These gifts are largely socialistic in origin (by progressive taxation) and they are socialistic in character for the recipients. The United States does not give capital to *private individuals* in foreign countries, but to the governments of those states. These socialistically received gifts are subject to a strong tendency to waste, because the recipients often do not really believe in capitalism, and because the United States has exported “socialistic ideas” simultaneously with the “physical capital” that it exported. The former (socialistic ideas) is doing more damage than the latter (physical capital) is doing good.

Niebuhr's Disillusionment With Socialism, And His New Solution To Social Problems

Eschatological Utopianism

The *doctrine* that has dominated every other in the Protestant churches in the United States in the latest quarter century is the *Social Gospel*.

That, of course, is not “the gospel,” because if it were, then

it would not be necessary to prefix the word *social* in the term. But the prefix is added, and that is conclusive evidence that it is different from the historic gospel of salvation in a life to come.

Wonderful bliss in a future life can be called the Kingdom of God, or it can be designated, as it is by Niebuhr, as *eschatological utopianism*.

Eschatology is defined as "the branch of theology that treats of death, resurrection, immortality, the end of the world, final judgment, and the future state." *Utopian* is defined as something "excellent, but existing only in fancy or theory." There is an undertone of ridicule regularly associated with the word, utopian.

The critique of Niebuhr is that the pietists—the old-fashioned orthodox Christians—in the church concern themselves too much with eschatological utopianism and that they do not concern themselves enough with the practical affairs of this life, that is, that they do not work hard enough on the problems of human welfare (or more exactly, *comfort*) in this life. The old-fashioned gospel is, then, a not-too-admirable eschatological utopianism.

The old gospel did however yield certain fruits, which are, in reality, some of the best evidences for its intrinsic merit. The old gospel yielded fruits in the form of alms, hospitals, schools, missions. No other group of people has done so much *voluntarily* in these fields as those people who have been influenced by their semi-derided "eschatological utopianism."

Ideology And The Sociology Of Knowledge

But more was wanted than eschatological utopianism, and to designate what that "more" was, the term *social gospel* was coined. The social gospel is not eschatological utopianism plus voluntary alms, hospitals, schools, and the like. The social gospel is the doctrine that eschatological utopianism plus voluntary charity and uplift is inadequate, and that it is founded on a rotten base, namely, that those who have the means to exercise *voluntary charity* did not acquire those means under an equitable, or just, or Biblical, or Christian system for ordering society. The system which enabled some to engage in this *voluntary* charity is alleged, or implied, to be honeycombed with iniquity in the form of "power" exercised by those people who possess ownership of property. Free markets, individual effort, personal thrift, pursuit of

own welfare — and the consequences of those factors — are inadequate to secure justice, according to the social gospel.

This bad factual situation is alleged to be aggravated by an *ideological taint*. That ideological taint consists in having a warped view, depending on each man's circumstances, unless he is a proletarian laborer in which case he is free from ideological taint. If a man has property and if he has a better than unskilled laborer's income, then he is unable to see economic reality clearly, and only in a skewed, unfair light.

That doctrine is a fundamental one. It says that there is really no objective truth in regard to economic and political matters; a man's ideas are responses to his circumstances; his circumstances control his principles; in order to know what he will think it is necessary to know his circumstances; his ideas are effects and not causes. How good or bad a man is does not depend on *him* but on his environment.

This fundamental attack on the potential unity of knowledge, on a man's mind being free, is known today as the *Sociology of Knowledge*. The term probably was coined by some sociologist who had in mind that his description of a man's environment would provide an understanding of what the man would think, and would permit the sociologist to forecast the man's reaction to events. In short, men are not really *free* in their thinking; instead their environment controls their thinking. Men are irresponsible for their thoughts, because their thoughts are controlled by natural law. Human thought is only one dependent link in a causal chain, as a chemical reaction is a dependent link in the same chain.

The *sociology of knowledge* is the so-called "scientific" explanation of *ideology*. Ideology is your subjective, *biased* slant on life, particularly on economic matters. If a man is a *bourgeois* (that is, somebody other than a proletarian) his ideology is a product of his favored economic position. Anything and everything he thinks is supposed to be prejudiced in his own favor because of that. You can, therefore, have no real sense of *justice* to your fellows; your ideology has made you irrational despite any effort you make at honesty.

The social gospel has espoused this interesting irrationalism.

That there is a not-to-be-doubted existence of "ideology" is a prominent part of Niebuhr's thinking.

These ideas on ideology and sociology of knowledge stem from Karl Marx. Probably the single doctrine of Marx which has registered on Niebuhr's mind more than any other is this positivistic doctrine of ideology and sociology of knowledge.

If the doctrine, *as Marx propounded it*, is true, then religion is a hallucination, because then that which we think is not an *independent* activity in our life, but is determined by irresistible causes antecedent to any act of our presumed will. If the *sociology of knowledge* is a correct hypothesis, then there is no real freedom of the mind, and consequently there can be no soul, and if there is no soul, religion is a grand hoax.

The Social Gospel

The essence of the social gospel is that instead of *eschatological utopianism*, a future Kingdom of God, we really need a present-day utopianism, an earthly Kingdom of God, a utopia here and now. Further, the social gospel does not wish to depend on persuasion in order to establish that present-day utopia, but it is so sure of itself that it is prepared to rely on coercion and violence to put the program into effect. The means to that end are to be *state laws* which coerce recalcitrants. These public laws do not have to be reconcilable with moral laws governing individuals; they can do what the moral law positively forbids individuals. This, it appears obvious, is a fatal dualism and inconsistency.

Niebuhr clearly saw that fact several years ago when he wrote his *Moral Man and Immoral Society*. Probably few or no others saw that their social program was based on actions which an individual (according to principles of morality, and certainly according to the Christian religion) might not do. With clarity and honesty Niebuhr proclaimed that moral inconsistency in his book. But the very awareness of the dualism and inconsistency was certain eventually to create a problem for him which he could never escape. Like yeast in dough, that *inconsistency* would eventually change the character of his thinking.

And so the social gospel is not a system promoting voluntary good will or alms. It is a coercive system intending to change the economics of the organization of society. The customary name which designates that coercive economic system, which Protestant

theologians advanced as their this-worldly utopia, as their Kingdom of God here and now, is the name, *socialism*. The *social gospel* is merely an alternative label, adopted by Protestant theologians, for *utopian socialism*, an economic system based on collective coercion.

Niebuhr's Disillusionment

A man of Niebuhr's critical temperament is always vulnerable to a new disillusionment. In his youth he was probably disillusioned by eschatological utopianism. Now, well on his way to the evening of his life, he has suffered a disillusionment regarding socialist, this-worldly utopianism.

That is the gist of what he writes in his article, "Biblical Faith and Socialism: A Critical Appraisal," which is the fourth article in *Religion and Culture*. In this article: (1) he repeatedly admits that he and his fellow social gossellers suffered from this-worldly utopianism, just as secular Marxian socialism does; (2) that they misinterpreted history in a too-simple and naive manner; and (3) that the social gospel program is a reasoning in a circle; if circumstances are amended as proposed, the poor and weak become rich and/or powerful; roles are reversed; and the same problem exists anew in a different form.

In his review of events Niebuhr makes some statements which are difficult to accept except with reservations, such as, "There were a few Christian "fellow travellers" but no one with any influence in the Christian church espoused the communist cause" (page 54). Really, so few? To disassociate the social gospel from communism, he writes of Sidney and Beatrice Webb, who have been darlings of the social gossellers, as follows: "In Britain the Liberal Socialist party of MacDonald was too impotent to overcome unemployment, so that the situation prompted those two devoted disciples of parliamentary socialism, Beatrice and Sidney Webb, to flirt with communism and to publish a ridiculous book, in which the Societ claims were taken at their face value: *Soviet Civilization*." Niebuhr has never been a man to spare even his old friends! Further, the most-uncomfortable phase of Niebuhr's earlier book, *Moral Man and Immoral Society*, is its gentleness — almost sympathy — for Communism. There is in it not one unqualified critique of the monstrous immorality that goes by the name of communism. (Of course, Niebuhr has disavowed his earlier writings.)

The crucial fact is that Niebuhr has abandoned socialism as his hope for accomplishing the purpose of the social gospel. That is an event of major significance in the religious and cultural world in the United States — and maybe in the world. In a metaphor, Niebuhr has pulled his car off the wrong road. The next crucial question is: Is Niebuhr now on the right road?

Unfortunately, he is not. He has espoused no new principles. He has turned pragmatist. This is his new interpretation: (1) much of the socialist program is already accomplished under the welfare state (the interventionist program of the New Deal); (2) events have turned out much more complex than the social gossellers realized; their solutions were over-simplified; (3) it is necessary to be more cautious in reaching conclusions, and events have not turned out so catastrophically as the social gossellers pictured them (especially in the Great Depression); by compromise and gradual adjustment much progress has been made; and so (4) let us be less radical and "trim" cautiously between doctrinaire ideas, such as utopian socialism on the one hand and self-satisfied conservatism on the other.

Maybe this is the mellowness of age; maybe the old warrior has become weary. Almost certainly some events have occurred which have forced Niebuhr to change his mind, events such as (1) the spectacular recovery of West Germany *under free enterprise*; (2) the woodenish follies of the socialist government of England and the trend of British thought away from stifling, socialistic bureaucracy. But Niebuhr is not explicit about *how* he has come to amend his thinking. Candor on that subject might have revealed too much. We all stand, inescapably, before the bar of history. Maybe it was time to touch up the social gospel record so that historical judgment will not be too harsh on it.

But there is no evidence in the essay under discussion that Niebuhr has found the right road. What indications there are in the essay point to the conclusion that Niebuhr understands no more of economics than formerly. He has merely reached a conclusion that his old ideas were defective. He has not reached a conclusion which indicates that his future thinking will be right; merely that it will be different.

Finding One's Way Through The Labyrinth Of Economics

The Social Gospel, if it is an erroneous program, can be discredited by calling attention to its fallacies, or by waiting to let consequences demonstrate that it is harmful. By the first method, the critique pertains to causes and the conclusion is predictive. By the second method, a conclusion is obtained from the effect, and the findings are merely history; it is too late to do anything about it. Niebuhr is not reasoning from *causes*, but from territorial *effects*, in certain geographical areas, as the United States, in Iron Curtain countries, and probably in non-socialist West Germany. He does not reason from causes. It is not possible to do so unless one has knowledge of economics.

* * *

Adam Smith and David Ricardo are two of the most illustrious names in economics. But they came early in the history of the science. They worked marvelously, but (from the viewpoint today) defectively. Their position on several vital economic questions was Janus-faced — contradictory. This was not deliberate error nor hypocrisy, but they had not “thought through” the problems. Of two contradictory positions one would naturally be better and the other worse. Karl Marx came along later and rather systematically and slavishly accepted the worse. Then the Social Gospel came along and adopted the bad economics of Marx (derived from the worse of the contradictory positions of Smith and Ricardo), and then united Marxian economics with bad ethics by misunderstanding the teachings of the Hebrew-Christian religion. Bad economics is the father and bad ethics is the mother of the Social Gospel.

Seventy-five years ago a “revolution” took place in economics. This was the Neo-classical movement. This movement was also based on Smith and Ricardo, but in this instance their more-correct ideas were utilized, and a great additional development occurred. The principal names in this situation were Carl Menger, Eugen von Böhm-Bawerk, Friedrich von Wieser, Ludwig von Mises. If the leaders of the Social Gospel would read the works of these men, they would be shook loose from the bad economics of Marx and would be induced to improve their ethical doctrines.

It is futile to expect an intrinsic improvement in the ethico-economic ideas of the Social Gospellers unless they improve their economics. And there appears to be no way for them to improve their economics unless they read the works of the Neo-classicists.

* * *

One of the difficult ideas genuinely to grasp is that the relationship of men to things is antecedent to, or at least a vital part of, problems which derive from the relationship of men to men. The inclination of a theologian is to begin with and stay with the relationships of men to men. But the relationship of men to men must be seen in the relationship of men to things.

Böhm-Bawerk years ago wrote ("The Austrian Economists," *Annals of the American Academy of Political and Social Science*, January 1891) on that subject as follows (our italics):

What they [the Neo-classicists] are striving for is a sort of "renaissance" of economic theory. The old classical theory, admirable as it was for its time, had the character of a collection of fragmentary acquisitions which had been brought into orderly relations neither with one another nor with the fundamental principles of human science. Our knowledge is only patchwork at best, and must always remain so. But of the classical theory this characterization was particularly and emphatically true. With the insight of genius it had discovered a mass of regularities in the whirlpool of economic phenomena, and with no less genius, though hindered by the difficulties that beset beginnings, it commenced the interpretation of these regularities. It usually succeeded, also, in following the thread of explanation to a greater or less distance from the surface toward the depths. But beyond a certain depth it always, without exception, lost the clue. To be sure, the classical economists well knew to what point all their explanations must be traced — to the care of mankind for its own well-being, which, undisturbed by the incursion of altruistic motives, is the ultimate motive-force of all economic action. But owing to a certain circumstance the middle term of the explanation, by means of which the actual conduct of men, in the establishment of prices of goods, of wages, rent, etc., ought to have been joined to the fundamental motive of regard for utility — this middle term was always wrong. That circumstance was the following: A Crusoe has to do *only with goods*; in modern economic life we have to do (1) with goods and (2) with human beings from whom we obtain the goods we use — by means of exchange, cooperation and the like. The economy of a Crusoe is explained when we succeed in showing what relation exists between our well-being and material commodities, and what attitude the care for our well-being requires us to take toward such material commodities. [But] To explain the modern economic order there is, apparently, need of two processes: 1st, just as in Crusoe's economy, we must understand the relation of our interests to *external goods*;

2nd, we must seek to understand the laws, according to which we pursue our interests when they are *entangled with the interests of others*.

No one has ever been deluded into thinking that this second process [the relation of men to men] is not difficult and involved—not even the classical economists. But, on the other hand, they fatally under-rated the difficulties of the first process [namely, the relation of men to things]. They believed that as regards the relation of men to external goods, there was nothing at all to be explained, or, speaking more exactly, determined. Men need goods to supply their wants; men desire them and assign to them in respect of their utility a value in use. That is all the classical economists knew or taught in regard to the relation of men to goods. While value in exchange was discussed and explained in extensive chapters, from the time of Adam Smith to that of Mr. Macvane, value in use was commonly dismissed in two lines, and often with the added statement that value in use had nothing to do with value in exchange.

It is a fact, however, that the relation of men to goods is by no means so simple and uniform. The modern theory of final [or marginal] utility in its application to cost of production, complementary goods, etc., shows that the relation between our well-being and goods is capable of countless degrees, and all these degrees exert a force in our efforts to obtain goods by exchange with others. Here yawns the great and fatal chasm in the classical theory; it attempts to show how we pursue our interests in relation to goods in [relation] to other men *without thoroughly understanding the interest* [which we have in those goods themselves]. Naturally the attempts at explanation are incoherent. The two processes of explanation must fit together like the two cogwheels of a machine. But as the classical economists had no idea what the shape and cogging of the first wheel should be, of course they could not give to the second wheel a proper constitution. Thus, beyond a certain depth, all their explanations degenerate into a few general commonplaces, and these are fallacious in their generalization.

This is the point at which the renaissance of theory must begin, and thanks to the efforts of Jevons and his followers, as well as to the Austrian school, it has already begun. In that most general and elementary part of economic theory through which every complicated economic explanation must eventually lead, we must give up “dilettante” phrases for real scientific inquiry. We must not weary of studying the microcosm if we wish rightly to understand the macrocosm of a developed economic order. This is the turning-point which is reached at one time or another in all sciences. We universally begin by taking account of the great and striking phenomena, passing unobservant over the world of little everyday phenomena. But there always comes a time when we discover with astonishment that the complications and riddles of the macrocosm occur in still more remarkable manner in the smallest, apparently simplest elements—when we apprehend that we must seek the key to an understanding of the phenomena of great things in the study of the world of small things. The physicists began with the motions and laws of the great heavenly bodies; to-

day they are studying nothing more busily than the theory of the molecule and the atom, and from no part of natural science do we expect more important developments for the eventual understanding of the whole than from the minutiae of chemistry. In the organic world the most highly-developed and mightiest organisms once roused the greatest interest. Today that interest is given to the simples micro-organisms. We study the structure of cells and amoebae, and look everywhere for bacilli. I am convinced that it will not be otherwise in economic theory. The significance of the theory of final utility does not lie in the fact that it is a more correct theory of value than a dozen other older theories, but in the fact that it marks the approach of that characteristic crisis in the science of economic phenomena. It shows for once that in an apparently simple thing, *the relation of man to external goods*, there is room for endless complications; that underneath these complications lie fixed laws, the discovery of which demands all the acumen of the investigator; *but that in the discovery of those laws is accomplished the greater part of the investigation of the conduct of men in economic intercourse with one another.* The candle lighted within sheds its light outside the house.

* * *

In his article on "Carl Menger" (1840-1921) in his *Ten Great Economists*, Joseph A. Schumpeter wrote:

Menger belongs to those who have demolished the existing structure of a science and put it on entirely new foundations.

Evidence is lacking that any of the Social Gospellers has read Menger's writings.

* * *

Schumpeter in the same book, in his article on "Eugen von Böhm-Bawerk," (1851-1914) wrote:

. . . [Böhm-Bawerk] became one of the five or six great economists of all time.

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