

Economics and the Eirenic Mind

William F. Campbell

William F. Campbell, for many years a professor of economics at Louisiana State University, is now Secretary of the Philadelphia Society. His essay on "The Spirit of the Founding Fathers" (Summer 1979) marked his first appearance in *Modern Age*. The failure of modern economics, Campbell writes in this latest contribution to the pages of this journal, to make distinctions between good and evil, and between the "permanent things" and the "indifferent things," is especially pertinent in a relativistic age. Indeed, the separation of economics from moral verities invites the kinds of problems that afflict twentieth-century life. Here Campbell provides not only a diagnosis of some of our deeper social and economic problems, but also a protest against habits and attitudes of indifference that diminish human meaning. "This indifference toward the true, the good, and the beautiful," Campbell maintains, "is one of the follies of the modern enterprise of economics."

A SLIGHTLY MORE PLAYFUL title for this essay might have been, "Why Economists Should Read More and Erasmus." An economist cannot hope to match the wit of these two great men of the Renaissance, but I hope that their influence will permeate what I have to say. We should never forget that the Latin title for Erasmus's great book was *Encomium Moriae*. Although usually translated as *The Praise of Folly*, it also could be translated as *The Praise of More*. Erasmus embroiders on this in the dedication of his book to Thomas More.

In fact, I would even ask the economists to take foolishness seriously. Justice Antonin Scalia last year got himself in trouble for referring to the idea of

being a "fool for Christ." But he had good precedents from both the Scriptures and Erasmus himself. Erasmus states, "He will find in that foolishness of God (if it's permitted to speak so), which at first glance seemed lowly and despicable, what far surpasses all human prudence, however lofty and admirable."¹ Very few journalists noted that although Scalia did not refer to Erasmus in this context, he did refer to Erasmus's close intellectual companion, Thomas More.

What Erasmus and More thought of the Feast of Fools, that strange and temporary inversion of establishment order and values, I do not know. I suspect that, just like the Christian establishment, they were dubious of the Dionysian excesses;²

they certainly gave top billing to Apollo and the Muses. The passions needed to be controlled by reason.

Economists might be more comfortable with the feast of reason than the feast of fools—but only as long as reason is understood only in its instrumental sense. Economists find it very hard to take fools seriously because of their grounding in subjective preferences and the relativism that too many of them would associate with that foundation. Frank Knight once observed that economists have an “irrational passion for dispassionate rationality.”

If, for example, you spend forty hours a week balancing your checkbook on a computerized program, that is not foolishness but simply maximizing utility in a way different from someone else. Who is to say in modern economics that any action is foolish? All one is doing is imposing one’s subjective tastes on someone else. If you can do that to them, they can do that to you! Relativism and tolerance toward diversity of tastes is one of the hallmarks of the modern economist.

This indifference toward the true, the good, and the beautiful is one of the follies of the modern enterprise of economics. To be charitable in the spirit of Erasmus, the inability of modern economists to realize their own folly stems from a wrong turn made for a good reason. The wrong turn was the embrace of moral relativism; the good reason, which Erasmus especially would have approved, was the pursuit of peace and the hatred of war. The love of peace is what is meant by the unfamiliar word in my title “eirenic.”³ The love of war is the more familiar term, “bellicose.”

I wish to sketch here a contrast between modern economics which followed the legitimate purpose of maintaining peace to an illogical conclusion and the original impetus of peace and toleration in the thinking of Erasmus and his fellow Christian Humanists. Also sug-

gested is the possibility that modern economics and social science might retrace their steps back to the great Christian humanism of Erasmus and his contemporaries which avoids the pitfalls of relativism without surrendering the irenic spirit.

A contemporary scholar, Lisa Jardine, in her important critical book on Erasmus has captured the essential difference between modern thinkers and the Christian humanists: “...we have lost Erasmus’s conviction that true learning is the originator of all good and virtuous action—that right thought produces right government. In fact, of course, we try not to use words like *true*, *good*, *virtuous*, and *right* at all, if we can help it. They embarrass us. We are too deeply mired in the relativity of all things to risk truth claims. And on the whole we believe that in all of this, our age is one of loss—that we have lost something which the age of Erasmus possessed.”⁴

Fundamentally my position is that economics has become so broad that it is flat.⁵ It has lost the ability to distinguish between good and evil. In its attempt to become a natural science, it has received all tastes with equal hospitality. It shares this relativism with the other social sciences; furthermore, relativism is no longer the preserve of the methodologically conscious social scientist, but has become the operating assumption of a decadent culture which nourishes and sustains the barbarians already within the gates. We have created our own barbarians who can murder, rape, and plunder with no compunction of conscience; we did not have to build a Trojan horse.

The task for modern economists is to free themselves from the mire and once again risk truth claims. We need to regain that devotion to truth in the spirit of humility which the age of Erasmus possessed. We need to repossess the balanced view of the ancients which can

understand both the claims of Fortune and of Virtue. There is a good deal of relativity and chance (at least from the human perspective) in the workings of the world. Fortuna does have her way occasionally. But, in the final analysis, virtue and reason can shape how we respond to the slings and arrows of outrageous fortune, or the more seductive, the warm caresses of *bona fortuna*.

The love of peace is the irenic disposition and it permeates the very essence of modern economics. Modern welfare economics with its technical terminology of Pareto optimality and indifference curves is essentially based on the gains from voluntary trade. Most of economics is simply a development from the basic idea that if two children *voluntarily* exchange marbles for jackknives in the playground, that both sides are made better off. We do not have to ask any substantive questions about morality, no divisive questions about income distribution, and no embarrassing questions about whose side we are taking. For that matter, in the playground of modern economics there are no schoolyard bullies.

For most welfare economists, social betterment or improvement has no other meaning than the results of voluntary exchange possibilities. The process guarantees these results because the individual always holds the trump card of refusing the terms of a transaction. The reduction of everything to individual subjective utility or its more positivist variant, indifference curves, has a great appeal because of its seeming tolerance and broad-mindedness, or as Leonard Read of the Foundation for Economic Education used to put it, "anything that's peaceful." This appeals to our irenic or peace-loving disposition. Economists do not like exploitation, violence, or war. In these kinds of conflicts, coercion or force has to be used to improve one person's or one nation's situation.

On the contrary economists have always loved positive sum games rather than zero sum games. A positive sum game is where all parties are made better off and no one worse off; a zero sum game is one where one party is made better off at the expense of another party. Voluntary trade ensures that the game is a positive sum game by definition.

Peace is, therefore, a very desirable commodity. But it is not the only commodity and it can certainly be bought at too high a price. It is also a very elusive concept as we are reminded by Christ's admonition that he brings peace but not as the world knows it.

The beginning of wisdom is to distinguish between the essential things, what T.S. Eliot has called the "permanent things," and the indifferent things. The "permanent things" are those objects of moral and religious truth which are the real good of the soul. The "indifferent things" are those other goods which may give comfort and convenience but which can be jettisoned off a ship when it is in mortal danger of sinking in a tempest.

The same idea was emphasized by the Puritan preacher Richard Baxter, who claimed that the concern about external goods should lie on the shoulders of the "saint like a light cloak, which can be thrown aside at any moment." Although the cloak can be jettisoned, Max Weber gloomily observed that "Fate decreed that the cloak should become an iron cage."⁶

The most ringing of the light cloak interpretations of Erasmus is the statement he wrote as a Foreword to his 1516 edition of the Latin New Testament: "In my opinion he is truly a theologian who teaches, not by contorted syllogisms, but by his very demeanor and facial expression, by his eyes and the tenor of his whole life, that riches are to be despised, that the Christian should not rely on the protections of this world, but put his entire trust in heaven....He should

believe that those who are stripped of their goods, spoiled of their belongings, and acquainted with grief are truly blessed, and not at all to be pitied; he should even think that death itself will be welcomed by the truly devout, since it is nothing but a passage to immortality."⁷

The ultimate source of the concept of "indifferent things" was the concept of the *adiaphora* in Stoic philosophy. In the eternal battle between the goddess Fortuna and Virtue in ancient Greek and Roman times, the goods which the goddess Fortuna randomly gave and took away were considered the indifferent things; virtue was concerned with the good of the human soul and the integrity of the person, which ought not to be disturbed by bad fortune.

But we can easily see why Erasmus and More were attracted to the Stoicism of a Seneca. In his *De Vita Beata* he argues, "So he will possess wealth, but treat it as something light and likely to disappear, and he will not allow it to weigh heavily upon himself or anyone else." This may be the "moderate" Stoic as compared to the perfect *sapiens*, but it shows how easily Stoic philosophy could be Christianized.⁸ This concept was then adapted during the time of the Reformation to distinguish between the essential things on which Christians must agree and the non-essential things on which there could be tolerance and legitimate differences of custom and opinions.

Roland Bainton, one of the great scholars of the Reformation, put it this way:

"The distinction is thus made between the *fundamenta*, the essential dogmas, and the *adiaphora*, the non-essentials. Erasmus was the first to use this distinction extensively in the interests of religious liberty. He magnified the non-essentials in order to enlarge the area of beliefs immune to persecution. This is not an adequate and ultimate theory of

religious liberty because with regard to the essentials persecution still remains possible. Yet to reduce their number to the beliefs at that time almost universally held was a tremendous gain. The distinction is important also for church unity, since, if the points of doctrinal division are seen to be non-essential, the dogmatic barrier to union disappears."⁹

This idea of ordering and ranking things is essential to all properly run enterprises, whether a household or a ship or a ship of state. When we reflect that economics originally meant household management, then the order of the household, the proper management of the utensils of everyday living, brings to mind the familiar expression, "a place for everything and everything in its place." My father-in-law used to have a replica of a sea captain's box on top of which this slogan was inscribed.

The order of a ship that a sea captain must have is a very important analogy for us as we begin to navigate these treacherous intellectual waters, hoping to avoid shipwreck. If there are shipwrecks, then to find the essential things we must be able to navigate between the jetsam and the flotsam. The jetsam are those items which must be discarded from a ship when it is in peril of sinking; the flotsam are those items found floating after a shipwreck. The wise sea captain throws off the jetsam, just as wise persons can cast off the indifferent things when they threaten to become the iron cloak.

Erasmus had his own treacherous waters. When he was being tossed and buffeted by the extremists both from the Catholic and from the Protestant wings, he wisely said, "I bear with this Church until I shall see a better and it cannot help bearing with me until I shall myself be better. And he does not sail badly who steers a middle course between two several evils."¹⁰ Erasmus implores both the rulers of this world and the rulers of

the next world to take peace seriously.

Let the princes and above all the ecclesiastical authorities so arrange their thoughts and counsels that with sincere minds they may strive for just one thing: that through faith, charity, piety, concord, contempt of earthly values and love of heavenly things, Christ may reign, flourish, and rule as widely as possible. Then at last princes will be truly great if their authority serves the glory of the Eternal Prince and the salvation of the Christian flock. Then the people will be happy if ruled by such princes, as the princes themselves will be ruled by Christ.

Erasmus goes on to add, prophetically:

But if, on the contrary, we allow our strength to be sapped by civil strife, there is danger that God, offended by our misdeeds, may send upon us a Nebuchadnezzar, who will use harsher measures to make us think more correctly. If we agree together, God will protect us with his concord; if we divide ourselves by our contentions, our enemies will despise us. Never, however, will we obtain concord if each man tries to hold stubbornly to his own opinion; nor will there ever be a firm, long-lasting peace if it is not sealed with true and solid reasoning. Nothing will last which is patched up with terror and threats, nor can anything endure which is woven of human tricks and devious counsels. If Christ be not summoned to our gatherings, if only to consider our troubles, the result can only be to bring even worse calamities on the world.

Notice the emphasis Erasmus puts on potential economic vices—ambition, hedonism, and avarice. The corruptions of luxury and comfort can truly bring on the worst calamities of the world. The large extended monarchies got their Nebuchadnezzar's in the form of despotic monarchs, tyrannical rulers, and Machiavellian princes. Erasmus's *Mirror of Princes* turned into "Mirror, Mirror on the wall, who is the ugliest of them

all."

As Charles V was succeeded by Phillip II and the Duke of Alba, the princes of centralization conquered and plundered. The men of system with fire and sword came to the Lowlands. The Erasmian understanding of Catholicism which would allow both loyalty to the monarchy and religious toleration was put to the test by Phillip II, who, according to Christopher Dawson, "sent out the Duke of Alba to the Netherlands with a strong force of Spanish troops with instructions to establish order at all costs and to exterminate heresy without mercy...a systematic reign of terror."¹¹

Erasmus himself knew that he was steering between the overly calm sea and deadly complacency of the Catholic Church, effectively satirized by Erasmus in his *Praise of Folly*. The second of the evils was the tempestuous sea of the Lutheran reforms. These themes of the calm sea in Erasmus are also seen in the brilliant manner in which Holbein painted the portraits of Erasmus and his circle of Christian humanists. Tranquillity in physical nature is mirrored by tranquillity in the soul. The painter Hans Holbein was a contemporary and friend of Erasmus, Thomas More, John Fisher, and William Warham. In his paintings of his friends, he captured forever the dignity of the Christian humanist.¹²

Even assuming that I am correct in believing in the essential unity between the spirit of Erasmus, Holbein, and More, where do we go from here? The Christian Humanism of Erasmus and More was not politically dominant. That does not mean that the traditions they transmitted were lost. Much of their spirit was transmitted politically to the Dutch and Flemish scholars and political leaders of the later sixteenth and seventeenth centuries.

The struggles against the Spanish brought out the aristocratic localism of Catholics and Protestants alike. Egmont, after all, was a strong Catholic. The irenic

traditions of Erasmus were transmitted to William the Silent, Grotius, Barneveldt, the de Witt brothers, Pieter de la Court, and the patrician city leaders of the Dutch.

Erasmus's and More's teachings on economics were also preserved. In Antwerp we are told that "a great deal of money was spent in formal, ceremonial attacks on wealth." These *ommegangs*, or festivals and processions, were elaborately staged and intellectually directed by the Chambers of Rhetoric. Print versions of these processions were done by Heemskerck: "Cycle of Worldly Fortune" (1561) and "Unhappy Lot of the Rich" (1563).¹³

The rhetoricians were the educated bourgeoisie who knew both their classics and their Scriptures. They arranged for the festivities when there were entries of monarchs into the cities, religious occasions and social occasions such as weddings. Triumph and entry themes had been very important devices in the interpretation of art from Durer to Holbein. This theme was continued by Peter Paul Rubens, who in this as in so many other ways was heir to the Christian humanism of Erasmus.

Rubens was closely associated with the ideas of Christian Stoicism which were continued in the seventeenth century through the circle of Justus Lipsius (1547-1606). Lipsius's interest in Stoicism is captured in the famous painting by Peter Paul Rubens of the "Four Philosophers." Lipsius and his students Philip Rubens and Wouverius are shown with Peter Paul Rubens standing to one side and a bust of Seneca in the background.¹⁴

In the frontispiece for Lipsius's translation of Seneca, one finds Seneca and Tacitus, Philosophia, Politica, Prudence, and Wise Government. Lipsius was attracted to Tacitus for many reasons. But among them was "the impression created by the execution of Egmont and Horn and the cruelty of Alva's

regime...Alva was likened to Tiberius, *furiosis tyrannus*, and the burning of Cremutius Cordus' books was related to Alva's suppression of free speech...."¹⁵

Another Antwerp connection was the veritable *vade mecum* for business ethics found in a Swiss printmaker, Jost Amman (1539-1591). He made an extensive *Allegory of Commerce* in 1585. Amman was born in Zurich but spent most of his life at Nuremberg. Printed from six wood blocks, the work can be stitched together into one large woodblock filled with cartouches and panels.¹⁶ But it is interesting to note that the city chosen as the center of commerce was Antwerp.

In the river Scheldt some ships are being unloaded, some are being fired upon, some are being stolen from, and others look very prosperous. The very busy print is filled with Fortuna, Occasio, Mercury, scales, account books, and the complete interior of a business establishment with moral maxims scattered all around. The weights and scales of the balances are the model for the balanced books which lie at the heart of business probity.

The ambivalent attitude toward wealth characterized Holland as much as it did Belgium. Simon Schama's book, *The Embarrassment of Riches*, gives chapter and verse. The historian Charles Wilson has consistently referred to the importance of Erasmus in the formation of the intellectual tenor of the Dutch Republic.¹⁷

The Erasmian attacks on folly continued in the eighteenth century with the *Great Mirror of Folly* (*Het Groote Tafereel Der Dwaasheid*). The tulip craze of the seventeenth century was followed by the excessive speculation of the Mississippi Bubble.

Modern economics has detached itself from moral truths. As a result it does not recognize the untold riches in art and literature which deal with economic

and business themes in a more realistic manner than the amoral, quasi-scientific language of modern economics. It is time to reclaim our heritage. If economists are rightly accused of an "irrational passion for dispassionate rationality," then

the corrective is not a rational passion for impassioned rationality as the post-modernists would have it, but a moderating reason that would listen to the passions but not be governed by them.

1. Erasmus, "Foreword to the Third Edition (1522) of the Latin New Testament," in *The Praise of Folly and Other Writings*, ed. Robert M. Adams (New York, 1989), 233. 2. For excellent musical examples, see *Satires, Desires, & Excesses*, songs from the original *Carmina Burana*, Centaur CD, CRC 2145, and *Feast of Fools*, a recent recording by Philip Pickett conducting the New London Consort (L'Oiseau-Lyre, D101737), which brings out the cacophony, the irreverence, the hymns to Bacchus, profligate spending, gambling, and the Feast of the Ass. Also, of course, listen to Carl Orff's modern rendition in his forceful *Carmina Burana*. 3. *Eirenic* is the older version of *irenic* which points to the original Greek. In an amusing review of William Buckley's book *Buckley: The Right Word*, Jay Nordlinger discusses Buckley's use of "appropriate" words; his criterion is ear or taste, "so that if Buckley writes 'irenic' instead of 'peaceful,' it is not because he wants to show off but because he 'desire[s] the extra syllable.'" *The Weekly Standard*, February 24, 1997, 37. 4. Lisa Jardine, *Erasmus, Man of Letters* (Princeton, 1995), 5. 5. Richard Weaver once wisely observed, "...the man of frank and strong prejudices, far from being a political and social menace and an obstacle to the path of progress, is often a benign character and a helpful citizen. The chance is far greater, furthermore, that he will be more creative than the man who can never come to more than a few gingerly held conclusions, or who thinks that all ideas should be received with equal hospitality. There is such a thing as being so broad that you are flat." 6. Max Weber, *Protestant Ethic and the Spirit of*

Capitalism (New York, 1958), 181. 7. Erasmus, *The Praise of Folly and Other Writings*, ed. Robert M. Adams (New York, 1989). 8. A really careful study needs to be made of the role that Seneca played in the philosophy of the sixteenth and seventeenth centuries. Probably the most complex portrayal can be found in Monteverdi's opera, *L'Incoronazione della Poppaea*. Speculation on the meaning of this very rich and confusing libretto must await a further article on the death of philosophers. 9. Roland H. Bainton, *Erasmus of Christendom* (New York, 1969), 185. He also adds, "Erasmus gave more attention to listing the non-essentials than the essentials." 10. Quoted in Charles Wilson, *The Dutch Republic* (New York, 1968), 16-17. 11. Christopher Dawson, *The Dividing of Christendom* (New York, 1965), 136-137. 12. Those who wish to explore the richness of Holbein's drawings should examine Jane Roberts's *Holbein and The Court of Henry VIII* (National Galleries of Scotland, 1993). 13. For excellent reproductions with good narrative from the written descriptions cf. Ilya M. Veldman, *Maarten van Heemskerck and Dutch Humanism in the Sixteenth Century* (Maarssen, 1977). 14. An excellent book on Rubens and Stoicism is Mark Morford, *Stoics and Neostoics: Rubens and The Circle of Lipsius* (Princeton, 1991). 15. *Ibid.*, 149. 16. The best reproduction and analysis of the print is provided in the remarkable book by Basil S. Yamey, *Art & Accounting* (New Haven, 1989), 115-121. 17. Charles Wilson, *The Dutch Republic and the Civilisation of the Seventeenth Century* (New York, 1968), *passim*.