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The True Shape of a Society of Friends

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As a work of philosophy, of political economy, of institutional analysis, Raphael Sassower's *The Quest for Prosperity* has only one shortcoming. It makes for a tantalizing setup for his next work, and gives a reader the distinct impression that we are in store for a stunning sequel. Its title would be something like *The Nature of Prosperity*, or *Remaking Prosperity*. To the detriment of the actually existing book, reading *The Quest for Prosperity* makes you want desperately to read *Remaking Prosperity*, which unfortunately does not exist.

*The Quest for Prosperity* itself is a brilliant book, synthesizing many different concepts and images from several disciplines and traditions in the history of Western thought. It is a thoroughly researched and beautifully composed groundwork for a groundbreaking new philosophical approach to political economy.

The book drags a little in part three, which catalogues several hilariously inadequate new visions of prosperity that are unfortunately popular today. It would be news to someone who has only heard the hype of Silicon Valley and other ideologies similarly twisted to make working people desire their own slavery. But the average *Washington Post*, *Manchester Guardian*, or even *Bloomberg News* reader or fan of HBO's *Silicon Valley* should already understand the toxic lifestyle PR of these moneyed industries.

As for that groundwork for the groundbreaking, the final two chapters offer a tantalizing glimpse of a work that explores the existence and revolutionary potential of the communitarian values underlying several disparate existing institutions. Unfortunately, it remains only a glimpse.

### **Economies of Scale**

Sassower's book revolves around an important ethical critique of contemporary capitalism and the culture of business and entrepreneurship that has grown so popular this century. In uncritically capitalist ways of thinking, there is only one set of terms in which people, social networks, technology, building and city architecture, institutions, organizations, ecologies, territories, and ideas are valued: their monetary potential. Such a morality of valuation reduces all that exists, including human identity itself, to a single dimension of ethical worth, and a petty-minded one at that.

The typical narratives to validate and venerate the contemporary economic order often appeal to images and concepts from Adam Smith's *The Wealth of Nations*. Smith is a touchstone for Sassower as well, but he is wise not to linger on the image of the "invisible hand" that haunts the populist imagery of harmony through competition. Sassower instead focusses on how Smith describes the molecular connections of market exchanges – vendors and tradespeople buying and selling from each other in a town marketplace.

In the marketplaces where capitalist exchange begins, the individuals making money from each other are not themselves competitors. Their relationships are collegial friendships among professionals, and Smith describes their interaction as "the propensity to truck, barter, and exchange one thing for another." So when a community's prosperity flows from

its markets and commercial exchanges, that prosperity is not a product of competition, but of friendliness. (Sassower 60-61)

In such a social atmosphere, a community of people constitutes itself easily from the everyday interactions of the marketplace, where people develop feelings of love at a low intensity for the neighbours who sustain their lives. Relationships of everyday economic exchange occur at such a personal level that the mutual benefit of such exchange is a straightforward fact, discovered through quotidian observation. They are, as Sassower describes them, “sympathetic neighbours.” (Sassower 90-91)

The rapaciousness and greed typical of contemporary business cultures could not arise from such relationship networks of friendly truck and barter. The network’s members connect by dynamics of mutual sympathy. Such a network would not be able to sustain business practices characterized by the greed and hostility into which many young professionals are socialized in the 21st century’s most intense economic hubs. Greed and cheating would result in your immediate expulsion from the marketplace, having betrayed the friendships of the others in the network.

Such sympathetic neighbourliness could most easily be overcome with an outside disturbance. For our case, that disturbance was the flow of massive economic income to those small marketplaces. This was the income of industrialization and colonialism. Speaking more descriptively, it was the income of exponential energy growth in domestic manufacturing, and a huge influx of many kinds of wealth from distant continents (raw materials, currency metals like gold and silver, agricultural goods, slaves).

These enormous flows of capital are too large for truck and barter, too massive to engage instinctual human sympathy. As the stakes of economic activity grow hugely higher, this depersonalization of economic activity leaves a person adrift in commercial exchange. Unable to form the same intimate connections as in the far less intense marketplace exchange, the alienated, angry approach to business as a zero-sum game. No longer sympathy and friendliness, but fear and aggression characterize the psychology of someone engaging with this sort of economic system in daily life. (Sassower 105)

### **What Would a Virtuous Oligarch Be?**

In an economic system where capital flows massively overpower the capacity for everyday personal relationship networks to manage them, business life tends to condition people psychologically and morally into sociopaths. This problem of the depersonalized economy remains a wall in *The Quest for Prosperity* that, on its own terms, is insoluble. On its own terms, it likely is impossible to restore the virtue of sympathy to the psychological tendencies of people growing up in a high-intensity industrial capitalist economy. Sassower therefore forges an alternative image of the economic leader.

If capitalism can only express justice when the mega-rich are generally benevolent, community-minded people who care about their neighbours regardless of wealth, breeding, or class, then Sassower can at least describe how an oligarch could become kind. He identifies one economic principle, the recognition of which begins to transform an oligarch

from a greedy sociopath to a personal ethic of rationally-justified sympathy. That principle is demand-centric economics.

This is a simple economic principle, fairly well-known in popular culture. If too many people in a society are in poverty, then the economy will stagnate from cratering demand; too few people will have enough money to spend, even for basic necessities. When a very wealthy person accepts this principle, he consents to submit a healthy portion of his income to taxation so that government services can close these poverty gaps. A business owner who accepts the principle of demand-centric economics will pay the workers in his business more, so that their spending can continue to drive economic development (Sassower 123-124).

Demand-centric thinking in economics has not been a major principle in how government policy on incomes and wealth inequality has developed over the last 40 years. The Reagan-Thatcher era of Western governance took the opposite principle, supply-side or trickle-down economics, as gospel. This is the notion that as the wealthy's tax burden becomes lower and lower, they will spend more of that money in capital investment, backing new business ventures, and expanding private-sector employment.

Although the policy was widely mocked in popular culture from its first emergence, it has become the foundation of tax policy for all the largest political parties in the United States, United Kingdom, Canada, and among almost all conservative or centrist parties in Europe. Despite its success as legislature, the material consequences have been disastrous, as supply-side tax policies have decimated social democratic institutions throughout the West, intensifying economic precarity for millions across Europe and the Americas.

Why supply-side economics succeeded in becoming, until recently, uncontested common sense in popular culture and state-level politics is its intuitiveness in particular contexts. If an ordinary person's annual income rises from \$40,000 to \$50,000, she will spend more money. The supply-side propagandist then derives a universal principle: If you have more money, you will spend more money. With that generality in hand, a principle that applies at middle-class incomes will be taken to hold at oligarchical incomes.

This is, of course, false, for three reasons that Sassower describes. One, personal consumption cannot proceed at an intensity of millions or billions of dollars each year. Two, most of that massive personal income never returns to their domestic economies anyway, and is instead burrowed in tax havens. Three, the capital investment industry no longer focusses on supplying startup funding for businesses. (Sassower 116)

Instead, global finance investment concentrates on the day-to-day trading of stocks in already existing companies, securities bundles, and speculation on the future value of stocks, securities, and currencies. High-frequency trading is a blatant sign that these investments are not for reinvestment into the productive economy. In this practice, a firm's single algorithm will make millions of trades each day, based on its analyses of minute-to-minute market fluctuations. (Sassower 117)

Turning these massive fortunes away from the communities of non-rich people in their surroundings and around the world is a subtle but harrowing moral failure, considering the many hundreds of billions of dollars are wrapped entirely in these trading concerns.

### **A Fantastic Book That Falls Short of Its Potential**

An economy of oligarchial inequality produces an elite for whom the purpose of living is cartoonishly grotesque personal self-enrichment. Such an economy as the one we live in today on Earth also deranges those who have virtually no wealth at all compared to these titans of mass ownership and securities gambling.

Anxiety over a precarious life of low pay and debt maintenance consumes all personal energy to help others. That anxiety encourages hatred of others as desperation and stress pervert any reflective capacity for long-term judgment into a paranoid social reflexivity. Reduced to egotistic, short-term thinking and habituated into distrust and hostility toward others, the poor become easy prey for financial fraud. The payday loan industry is built on this principle. Poverty does not breed virtue, but fear and rage.

This ties to what I think is the only notable flaw in *The Quest for Prosperity*. Stylistically, the book suffers from a common issue for many new research books in the humanities and social sciences. Its argument loses some momentum as it approaches the conclusion, and ends up in a more modest, self-restrained place than its opening chapters promised. How he does so reveals the far more profound shortcoming of Sassower's book.

Sassower is admirable and innovative in his call to regenerate communitarian philosophy as a politically engaged popular intervention. His method is a philosophical examination of how four quite disparate civic institutions express effective communitarian ethics in their habitual structure and behavioural norms. The Catholic and some other Christian Churches socialize its dedicated members as "of one heart and soul" (Acts 4:32), whose primary economic concern is safeguarding people from the indignity of poverty. (Sassower 242-247)

The Israeli kibbutz movement governs distribution of goods and the financial results of their community's work literally according to Marx's principle of "from each according to his ability, to each according to his need." Countercultural communes in North America operated according to similar rules of management as kibbutzim, but with quite different moral orientation. Kibbutz political philosophy is a secularized agrarian marxism organized around a utopian purpose of building a communal Zion where all oppressed people of the world can live in a Jewish homeland.

American counterculture communes sought to create a living alternative to the immanent political problem of rapacious capitalism's continuation of genocidal imperialism. Sassower also offers a phenomenological exploration of how military training builds strong interpersonal bonds of solidarity, a communitarianism among soldiers.

All these templates for communitarian alternatives to the increasingly brutal culture of contemporary capitalism share an important common feature that is very dangerous for Sassower's project. They are each rooted in civic institutions, material social structures for

education and socialization. Contrary to how Sassower speaks of these four inspirations, civil rights and civic institutions alone are not enough to build and sustain a community each member of whom holds a communitarian ethical philosophy and moral sense deep in her heart.

### **The Impotence of Civil Rights**

You may consider it a bit excessive that a book review would include a brief argument that civic institutions are not on their own adequate to ensure and maintain the freedom and dignity of the people who live in their domain. Nonetheless, Sassower wrote *The Quest for Prosperity* with an ambition of a similar scope, critiquing fundamental concepts of contemporary ideology and economic morality as part of an argument for communitarian alternatives. So I will maintain my own intensity of ambition with his.

There are two reasons why civic institutions alone, while needed, are not sufficient to overcome with communitarian values the ambitions of people to become oligarchs. Each of the two reasons is a different philosophical approach to the same empirical fact about human social capacities and institutions.

I first want to mention a logical reason. This is the simple fact that, conceptually speaking, law is not itself a material power. There is nothing about the law, as law, that compels your conformity to itself. There may be a moral motive to obey the law, whether that moral reason is a universal imperative or the injunction of social pressure. There may be a coercive motive to obey the law, as when you are under threat of police violence such as arrest, imprisonment, torture, or summary execution. Most often, people obey the law for practical reasons, as when a government's legislation and regulations structure institutions we need to manage our techno-industrial society. But law alone is not justice, and so compels no obedience.

Law having no power to compel obedience, the existence of laws prohibiting violence against human rights does nothing to prevent such violence. If recognition of the law were all that was needed for obedience, then laws would never be violated. Only some material power, existing in addition to those laws, can ensure their application in managing the actions of a population.

The ultimate material power in the application of the law are state institutions, and any related institutions they support. Raising money through taxation, investment in industrial developments, and central bank mechanisms, states fund law enforcement institutions like courts, rehabilitation centres, prosecutors, and police. But even in institutions whose laws promise equal and fair treatment, individuals operating within those institutions can still use material power to give themselves unfair advantage over the less powerful.

Consider a civil suit whose defendant must make do with the cheapest legal representation in Albuquerque, but whose plaintiff walks into court with Alan Dershowitz at his side.

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Consider also the many instances where the power of institutions and institutionally-reinforced morality of solidarity encourages police abuse of citizens.

An individual officer may coerce sex from women under threat of arrest, or shoot a civilian with little or no cause; fellow officers or police unions will cover for him. An entire police department will prey on citizens as a matter of policy, as in many cities in the United States whose municipal police departments require a minimum (and growing) number of misdemeanor and bylaw violation fines for budgetary purposes. One of those such cities, incidentally, is Ferguson, Missouri.

### **The Impossibility of Prosperity?**

I give these illustrations to emphasize the ethical importance of the fundamental purpose driving *The Quest for Prosperity*. Most of the book is taken up by Sassower's clear and insightful argument for why contemporary capitalism is a moral and ethical disaster. *The Quest for Prosperity* is a stellar addition to this tradition of critical thought that has accompanied industrial development since its beginning.

Sassower takes a more noble stand than a critique, however, in proposing an alternative to capitalist practice for the domain most essential to resisting and overcoming industrial and economic injustice: public morality and personal ethics. His analysis of existing institutions and societies that foster communitarian moralities and ethics is detailed enough to show promise, but unfortunately so brief as to leave us without guidance or strategy to fulfill that promise.

My illustrations – deep pockets undermining a court's fairness, police predation and corruption – describe real injustices rooted in the greed and hatred facilitated through capitalism and the racism that turns the exploited against each other. They are here to remind thinkers who are likewise against such injustice of the urgency of our challenges.

Sassower has offered communitarian approaches to morality and ethics as solutions to those challenges of injustice. I think his direction is very promising. But *The Quest for Prosperity* offers only a sign. If his next book is to fulfill the promise of this one, he must explore the possibilities opened up by the following questions.

Can communitarian values overcome the allure of greed? What kind of social, political, and economic structures would we need to achieve that utopian goal?

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