

An Underpraised and Undervalued System

Michael Novak

Socialism, it appears, is like the Volvo: the thinking person's ideology. It is, according to Irving Howe in *World of Our Fathers*, the vital inheritance of Jewish immigrants. It attracts many dissidents of Catholic origin, like Michael Harrington, Garry Wills, Rosemary Ruether, and the busy workers at the Center for Concern. According to Henry Ford II, it has come to dominate in the bosom of the Ford Foundation. On television shows corporate tycoons and small businessmen are invariably corrupt, and on the television news—that lucrative portion of one of the most profitable of all industries—profits in other industries are reported on with faint whiffs of moral disapproval.

The attraction of socialism, there is no doubt, arises from its humanistic vision. "We are united in the affirmation of a positive belief," announced the first issue of *Dissent*, the Democratic Socialist journal edited by Irving Howe and Lewis Coser, in 1954, "...the faith in humanity that for more than one hundred years [has] made men 'socialists.'" And a little later in that first issue: "*Socialism is the name of our desire. And not merely in the sense that it is a vision which, for many people throughout the world, provides some sustenance, but also in the sense that it is a vision which objectifies and gives urgency to the criticism of the human condition in our time.*" It is a lovely desire, a delicate vision, this socialism. It is an ethic and a vision more fundamental than the economic or political theorems it from time to time enunciates, tries, discards.

How I would like to march in when the Socialist saints come marching in! How noble they are, unswayed by the "tepid liberalism" of the rest of us. So true to brotherhood, sisterhood, compassion, egalitarianism, justice. Even in their reluctant commitment to the flawed Democratic party, made on the grounds of grudging realism, our Socialists trail clouds of moral glory.

Yet each time I look lustfully at the argument for socialism (God knows I do, and forgives me for it) actual

people, faces, and experiences leap from memory. I could live in a dream of ideology if hard experience did not awaken me. But economic systems require humble scrutiny. To judge them one must examine plumbing, sanitation, heat, power, light, water, fuel, paper, pen, typewriter, telephone, copier. One must examine things, things, things. Things so humble one may easily use them and never notice, purchase them and never feel the pain of choosing *not* to have some other. Amid abundance one forgets mean scarcity. Freed by affluence, one soars above materialism.

God knows I have tried to soar. Government planning, government spending, government responsibility—and distrust of freedom, distrust of individuals, distrust of free markets, contempt for profits—all these I have favored.

When the government puts buzzers on my seat belts, however, flesh rebels. When I stop to make my ideology concrete—when I ask, "Who *is* this government?"—I squirm. Those who make decisions far away from me constitute no eternal form of truthfulness, decency, and justice. When I have met them—decent folks at HEW, well-meaning missionaries of the Civil Rights Commission, poverty lawyers, publicists for government departments, aides to famous senators and congressmen, organizers from the Peace Corps, and the rest—their uplift leaves me in depression. Ideologues—kindhearted, decent, soft-spoken, sensitive, compassionate propagandists: What else can one say? They have a mission. They wish to make us better.

At first, agreeing with their liberal values, I'm glad *we're* in the government. But then I find *us* a little too missionary, holding out, as it were, brassieres to natives, making the world to fit our image. It is so depressing to be told (and to tell others) to be good. I haven't the discipline to be a Socialist. I want to take my chances with the liberties of others and with my own.

When I read learned articles on "planning," my inner eye immediately begins to imagine the faces of the planners. Who will appoint them? Which constituencies will they represent? What types of individuals will find fulfillment in such jobs? It strains credulity to believe

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that "planners" will be more representative than the Congress is, or than the market is. The class of people most likely to be recruited as planners is not precisely the class to put most trust in. Neither do I see very clearly the checks and balances to be placed against these planners. What standing will they have in our Constitution? Will control surrendered to them in any way come back into possession?

I am not a Platonist about planners. They will be men and women of flesh and blood, like you and me, with interests and positions to protect. They will be insulated from electoral control. They will impose unpopular commands. Planners, one thinks suspiciously: philosopher-kings! No more to be trusted than in Plato's time.

And so the thought has recently become insistent in my doubting mind: If I no longer believe in democratic socialism, is there a form of democratic capitalism I must trust in more? Is there a theory of democratic capitalism not invented yet, beyond the manifestoes of socialism or the classic texts of capitalism?

There are three items in the creed of democratic capitalism I must devoutly believe in: (a) individual freedom and the methods of trial-and-error; (b) the innate selfishness and corruptibility of every human being; and (c) the capacity of a system of checks and balances to transform selfishness and corruptibility into a modicum of creativity, virtue, efficiency, and decency. These, as I uncover them, are the essential inner form of democratic capitalism. Their indispensable core is contained in (b), which may be stated thus: "Do not trust anybody." On this humanistic pessimism is our Constitution founded. For popular consumption, and put in the more optimistic mode of Anglo-Saxon hopefulness, the maxim is more clearly put: "In God we trust." That is, in no one else.

We trust no president, no court, no senator, no congressman, no governor, no sheriff, not public sentiment, no popular mandate—on every source of power that has been the wit of humankind to invent our Constitution commands us to place checks and balances. It so commands us, not from resentment, but from a long-experienced, wise, and irreformable pessimism about the human race. No human being, whether in solitude or in mass assembled, should be entirely trusted. No lesson of experience speaks more clearly, more credibly, to me. It is *unfair* to human beings to place full trust in them; none can bear such weight. Everyone sometimes fails. Inerrancy, infallibility, impeccability—no proper human aspirations, these. *Er-rare humanum est*: Such wisdom is not new. Even in so intimate a relation as marriage, forgiveness is a necessary grace; no one sustains a total trust. *A fortiori* in the governance of states.

Democratic capitalism is not a system to be trusted; so it announces. This is its intellectual advantage. It does not demand to be acclaimed as the best, most perfect system. In addition to providing the basic goods of life in abundance, cheaply and efficiently, it alone of all the

world's known systems generates an entire industry of well-rewarded critics. So eager is it to breed reform and change—and make a buck on it—that no system is in fact more radical. Pell-mell it overturns the habits, traditions, and cultures of the past. Under its tutelage and leadership world process has been accelerated as never before. Conservative? Inertial? Which capitalist of your acquaintance lives in a world like that of a generation ago? Democratic capitalism undermines all historical traditions and institutions (even itself).

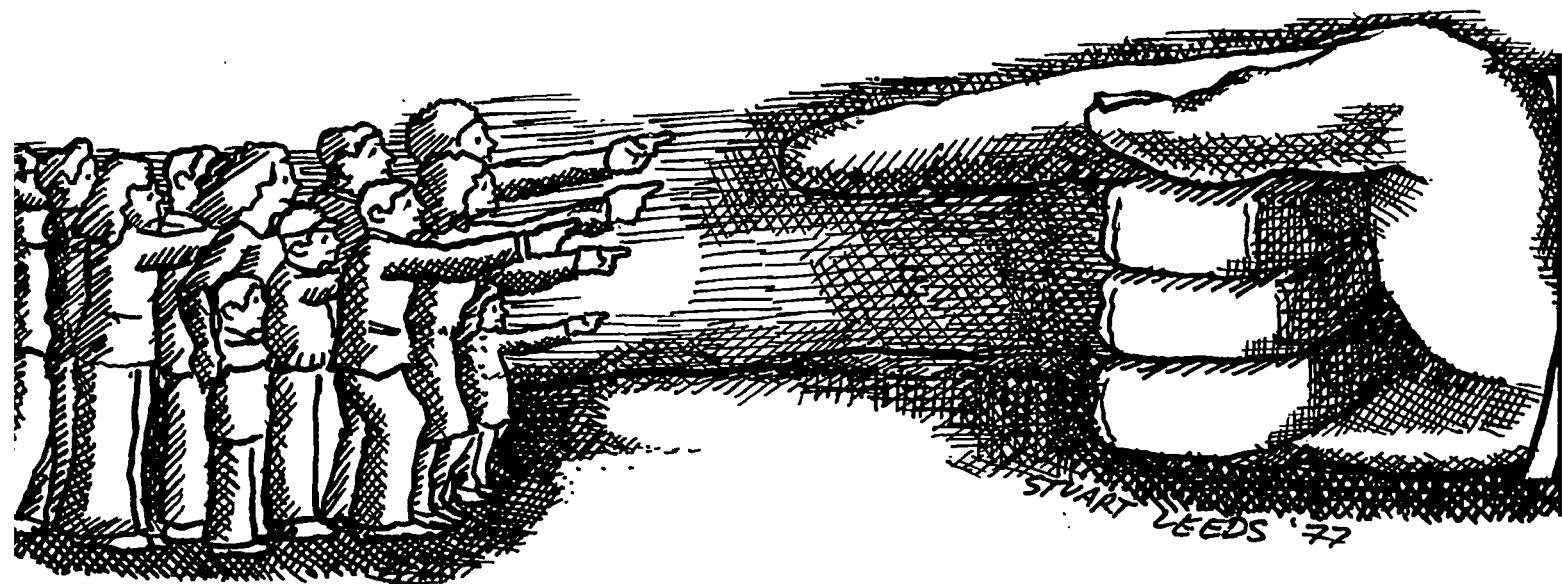
To announce support of democratic capitalism it is not necessary to hold that paradise has thereby, or will someday, be reached. It is not necessary to assert that democratic capitalism is a *good* system. It is certainly not a Christian system, nor a highly humanistic one. It is in some ways an evil, corrupt, inefficient, wasteful, and ugly system. One need only assert that it is better than any known alternative.

Socialism, meanwhile, no longer has the status of a dream or an ideal. It has been realized in something like fourscore regimes. Comparing like to like—actualities to actualities, dreams to dreams—it is not clear to me that democratic capitalism is inferior in performance or in dream to socialism. The defense, "Democratic socialism has never yet been fully tried," sounds like a classical apologetic for Christianity. Mind grasps it, doubt remains. Socialism is inherently authoritarian. Its emphasis upon democracy is inconsistent with its impulse to plan and to restrict.

Compared to the democratic capitalist the Socialist is twice born: born first into faith that the individual can be liberated from the present institutions of society; born again into the faith that the individual, so liberated, will be no slave to self but only to the common good. Socialism believes in the saintliness of human individuals under better social forms; democratic capitalism believes in their flawed self-interest under all.

The problem for a person weak in socialistic faith, like myself, is that he finds few allies in present dialogues. I cannot assent to the authoritarianism explicitly in the work of Robert Heilbroner and implicit in the work of John Kenneth Galbraith, Robert Lekachman, Michael Harrington, George Lichtheim, and Irving Howe. Many other defenders of "socialism," of course, are not serious; for them "socialism" functions merely as an expression of resentment about their own role in the scheme of world events. It expresses their hostilities toward themselves and toward the system on which they blame their own deficiencies. They do not truly intend to support the system they would put in its place.

I see few allies either among those who speak for capitalism. Those who publicly defend it often make it worse. Corporate executives and Rotarians use a vocabulary so hoary, so culturally limited, that not even they, one must assume, can believe it, save on ritual occasions. They celebrate themselves, so to speak, in obsolete English—in that classic, dry and dated style of Locke, Smith, Ricardo, and Mill, enlivened by Ayn Rand, stiffened yet again by Milton Friedman. Not very



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heady stuff. Relics in a cathedral dusted off; rubbings off old tombs.

In ideological warfare democratic capitalism is hopelessly outclassed. Those ads paid for by Mobil Oil on the Op-Ed pages of the *Times* (and other papers) are more deadly in their prose than the editorials surrounding them. I look to them for light, find disappointment. The reason probably is that capitalists have not been trained to think—have, indeed, been tutored *not* to think, *not* to theorize, *not* to dream—rather, to be practical. The radical impulse of capitalism is to set schemes and speculation to one side in order to detect some practical detail that might modify the technology of mouse traps. Socialism’s dreams are the soul’s response to capitalism’s practicality.

Democratic capitalism seems willing to lose any number of ideological battles, provided only that it win the franchise for producing, delivering, and getting paid for goods or services. It will build cars in Kiev, deliver Pepsi to Leningrad, teach computer technology to engineers in Moscow—anything for dollars, no ideology attached. The self-confidence of capitalists is, however, shallow. They believe that what the world wants is goods. They leave the Good beyond their caring—leave it to priests, poets, propagandists. That is why they are losing everywhere. Lenin predicted that capitalists would sell socialism everything necessary for the latter’s triumph—socialism could never hope to equal capitalism, but capitalism would destroy itself.

The point is not that democratic capitalism carries no ideology, depends on none. Most certainly it does. Democratic capitalism depends upon a disciplined triumph of the human spirit. Yet it resists reflection upon its own presuppositions. Democratic capitalism can function successfully only in certain types of cultures, in

which high values of individual responsibility, social cooperation, and the voluntary spirit have for centuries been nourished. Its severe disinclination toward philosophy allows poisonous effects: (a) the spiritual life of its own citizens is slowly starved; and (b) it cannot compete with socialism on the plain of ideological warfare—it cannot explain itself. It is one of the choicer ironies of history that the economic system most dependent upon, and most supportive of, liberty of spirit should present itself to the world as brute and inarticulate, mute in the language of the spirit.

To be sure, democratic capitalists display an openness and practicality far beyond those of Socialists. They find it easier to borrow shamelessly from Socialist systems—“creeping socialism,” the more resistant capitalists call this process—than Socialists from them. Faced with a choice between an elegant theory and successful practicality, democratic capitalists prefer the latter. They prefer what works to what inspires. In the ideological struggle to inspire those millions on this planet who are neither Socialist nor capitalist, this preference, too, is damaging.

Disdainful of their own intellectual task—and disdainful of the intellectuals, symbol-makers, and publicists who might execute it—corporate leaders show no respect for words, images, or critical ideas. Texaco and trust? Paper mills and conservation? Americanism and automobiles? The corporate sector, one comes to believe with despair, is philistine, its leaders not worthy of the system their creativity makes possible.

For generations corporate leaders seemed to think they did not need a theory or an ideology, that all they had to do to prove their case was to produce. They are learning now, perhaps too late, that

the realm of ideas has power and attraction of its own. Traditional religion, on which they implicitly relied, has been undercut by Oldsmobiles, expressways, TV sets, suburban barbecues. Whoever says "capital" says dollars; while Socialists seem to feed humanistic, even religious, aspirations. Capitalists seem so materialist. Sensitive souls, repelled, flock elsewhere. "Not by bread alone" is a harsh word for producers.

Here Daniel Bell's much neglected thesis in *The Cultural Contradictions of Capitalism* requires meditation: Democratic capitalism depends upon the life of the spirit, which its practice undercuts. Bell pleads (with some despair) that democratic capitalism must tap again its religious and humanistic sources. It is ironic that capitalism should turn out to be more "godless" than socialism; that its narrow empiricism should undermine the religious spirit more deeply than socialism does. Socialism offers a holistic vision of the self in society, gives history a point, and establishes before the human heart the image of a nonalienated and brotherly way of being. It opposes religion, but on the terrain of religion. Capitalism, indifferent to the spirit, seems acquisitive and shallow.

In a word, democratic capitalism suffers from a lamentable intellectual failure. It does not grasp its own identity. It carries with it, and depends upon, a vision of the responsible individual; moral autonomy; social cooperation and fellow feeling; intellectual and artistic freedom; creativity beyond alienation; religious liberty; many-faceted pluralism; inalienable human rights. In its dreams it is at least the equal of the dreams of socialism. Not by accident do great artists and unfettered intellects, saints and "constituencies of conscience," voluntary associations of many sorts, and initiatives, inventions, and creativities of all kinds multiply in democratic capitalist societies. Why, then, do the proponents of "the free enterprise system" blather about the economic system merely? Why, alarmed by threats to their "free markets," do they invoke an obsolete rhetoric, mainly defensive, narrowly construed, which must repel even those who might in the main agree with them?

For democratic capitalism is not only an economic system; it is also a political system. Indeed, apart from a

long institutional history under capitalist tutelage, it is very difficult for a people to be democratic. Without certain economic freedoms, political freedoms lack institutional support. Without a free economy, the idea of the independent individual does not emerge. As Socialist planners acquire political clout, becoming commissars, so, inversely, the trial-and-error of the free market inspires citizens to individual initiative, risk, and self-realization. A Ralph Nader opposing General Motors is conceivable under democratic capitalism. Were the auto industry "democratically" controlled by the state, a Ralph Nader would be a "counterrevolutionary," "reactionary" agent, a "traitor against the people." In "popular democracy" totalitarianism lurks.

The religio-humanistic revival pointed to by Daniel Bell requires no return to Jimmy Carter pietism. It calls for an intellectual deepening. In an earlier book, *An End to Ideology*, Professor Bell seemed to praise intense commitment to the practical and the expedient. These, in his latest book, he has diagnosed as a fatal limitation in our system. But there is another sense in that expression, "an end to ideology"—an end to *merely* ideological thinking, to sloganizing, to mindlessly taking sides. Many today hunger for something better than socialism, better than capitalism, something we have not yet articulated for ourselves.

For ours is not a system of "free enterprise" merely, nor a "free market system" only, nor a "nonideological" system. Our system is a political system, a democratic system, based upon both a Constitution and practicing institutions that incarnate a "bill of rights." It is, moreover, a philosophical and spiritual system, nourishing and shaping and developing a specific human type, divergent from other human types. It is a moral and cultural system.

There are, indeed, three ways to destroy our system. (1) One can destroy its economic genius. (2) One can destroy its political genius. (3) One can destroy its cultural genius. To attack any one of these is to attack the other two. Too foolishly do some believe that changes at any one of these will leave the others sound.