

The Political Forum

*A review of social and political trends and events
impacting the world's financial markets*

Mark L. Melcher
Publisher
melcher@thepoliticalforum.com

Stephen R. Soukup
Senior Editor
soukup@thepoliticalforum.com

Friday, August 29, 2003

A REPRINT FROM A PIECE PUBLISHED JULY 22, 1992

A RETURN TO THE THEME THAT CULTURAL WAR WILL REPLACE COLD WAR IN THE 1990s

Mark L. Melcher

Conventional wisdom holds that the Ross Perot phenomenon was based on widespread public revulsion with both political parties and everyone involved in them. The orthodox explanation for this displeasure invariably centers on such words as corruption, greed, crooks, sleaze, gridlock and entrenched special interests.

I agree with this theory, so far as it goes. It is true that there is a dearth of effective political leaders today. It is also true that the political system is corrupted. In my opinion, however, these are not the principal problems. They are, like the Perot phenomena itself, symptoms and consequences of a more complex situation that I believe will dominate the national debate and affect financial markets throughout the 1990s.

As I said in three recent articles, the United States is in the midst of a complex cultural war. This conflict has made it difficult for politicians to implement an effective strategy for governance, not only because of the special interest activity generated by the battle, but because the public is confused and frightened about the future of American society.

The broad points of conflict in this war are ancient. They involve all the factors that have engaged politicians since the beginning of time. The GOP is right when it contends that "values," both religious and secular, are a dominant issue in this war. Democrats are equally correct when they assert that the conflict is about fairness and justice. Money is crucial to the conflict also. How much and from whom should the government collect, but more importantly, how should these funds be spent?

The difference today is that the parameters of the debate have broadened significantly. Past debates over these issues have taken place largely on the margin. Unlike Europe, America has never had a significant socialist, communist or fascist party. U.S. political parties typically fight over which one best represents the center. Certain truths have been held to be self evident by virtually all political factions.

Subscriptions to The Political Forum are available by contacting:
The Political Forum

8563 Senedo Rd., Mt. Jackson, Virginia 22842
Tel 540-477-9762, Fax 540-477-3359, Email melcher@thepoliticalforum.com,
or visit us at www.thepoliticalforum.com

These include the fact that Judean-Christian doctrine provides the foundation for America's moral beliefs, that rights are accompanied by obligations, that individual initiative is justly honored and rewarded, that sloth is reprehensible and that individuals are responsible for their own actions. Today, a small but significant minority strenuously argues via the political process that a good many of these "truths" are not at all self evident; that many in fact are not only irrelevant to American society today, but that they are actually "immoral."

Until quite recently, political debates that involved moral questions almost always concerned character issues, such as honesty and fidelity. Today, both direct and strongly implied charges of moral turpitude fill the air around political debates over such conventional, secular issues as fiscal and monetary policy, entitlement spending and the regulation of business.

Capitol Hill resounds, for example, with Democratic charges that Republicans who fail to agree with their views on the spending levels for income transfer programs are somehow morally deficient. These mix with GOP counter charges that Democrats bear the true moral guilt for the problems of the poor today, due to the fact that programs designed to help poor people actually make matters worse by destroying their incentive to work.

Complicating this situation is the fact that the word "morality," as used in these debates, often bears no relationship to Judean-Christian teaching. Morality means whatever the speaker chooses. At the heart of this individually defined "new morality," is the charge by a growing minority of citizens that Christianity itself, as taught by many denominations at least, is "immoral," because of doctrine regarding issues such as homosexuality, the role of woman in society, sexual relations out of wedlock, contraception and abortion.

The purpose here is not to make a value judgment regarding this conflict, or to sound an apocalyptic alarm about the decline of Western civilization. It is simply to call attention to the fact that the low level cultural war that has been going on in America since the mid-1960s has shifted into high gear with the end of the cold war.

As I said earlier, one consequence of this cultural war will be to continue to make it difficult for any president, of either party, to form a working consensus. Nothing is more divisive to politics than to have virtually all issues argued on the basis of "morality," thus making compromise difficult. Also, constant denigration of society's traditional beliefs, by a significant and influential portion of that society, is disruptive.

From the standpoint of the business community, this cultural warfare calls directly into question the moral basis for the most important single factor in the phenomenal success of American enterprise since the first settlers landed in the New World. I am speaking here of what has become known as the Protestant work ethic. The importance of this to the U.S. business community cannot be exaggerated. So let me dwell on it for just a minute.

The seminal work on this subject is a book called *The Protestant Ethic and the Spirit of Capitalism* by Max Weber. The thesis of this wonderful book, published in 1904, is that the United States has a distinctly different cultural attitude toward work and achievement than other countries because the nation was settled and its early culture developed by European protestants.

I could never do justice to Weber's sublime thesis in so short an article. But in a nutshell, here's the idea. According to Weber, Luther was the first person to identify in the Bible the concept of a "calling," a belief that the "fulfillment of worldly duties is under all circumstances the only way to live acceptably to God." Weber claims this "moral justification of worldly activity was one of the most important results of the Reformation." He notes that it contrasts starkly with the Catholic view that such activity was a natural condition of life, and thus morally neutral, like eating and drinking.

According to Weber, Luther did not put too fine a point on this theory. That was left to Calvin, who made it one of the central themes of his religious teachings. Calvinism, of course, was the foundation for Puritanism, which lies at the heart of American culture. For a discussion of Puritanism, I'll rely entirely on Weber, who in turn relies on Richard Baxter, a foremost authority on Puritan ethics. The following are direct from Weber's book.

"Waste of time is thus the first and in principle the deadliest of sins. The span of human life is infinitely short and precious to make sure of one's own election. Loss of time through sociability, idle talk, luxury, even more sleep than is necessary for health . . . is worthy of absolute moral condemnation . . . (time) is infinitely valuable because every hour lost is lost to labour for the glory of God. Thus inactive contemplation is also valueless, or even directly reprehensible if it is at the expense of one's daily work. For it is less pleasing to God than the active performance of His will in a calling. Besides, Sunday is provided for that."

". . . labour came to be considered in itself the end of life, ordained as such by God. St. Paul's 'He who will not work shall not eat' holds unconditionally for everyone. Unwillingness to work is symptomatic of the lack of grace . . . even the wealthy shall not eat without working, for even though they do not need to labour to support their own needs, there is God's commandment which they, like the poor, must obey."

"Here the difference from the medieval view-point becomes quite evident. Thomas Aquinas also gave an interpretation of that statement of St. Paul. But for him labour is only necessary . . . for the maintenance of individual and community. Where this end is achieved, the precept ceases to have any meaning."

As to the concept of greed, the protestant ethic, according to Weber, held that "if God show you a way in which you may lawfully get more than in another way (without wrong to your soul or to any other), if you refuse this, and choose the less gainful way, you cross one of the ends of your calling, and you refuse to be God's steward, and to accept His gifts and use them for Him when He requireth it: you may labour to be rich for God, though not for the flesh and sin . . . To wish to be poor was . . . the same as wishing to be unhealthy; it is objectionable as a glorification of works and derogatory to the glory of God. Especially begging, on the part of one able to work, is not only the sin of slothfulness, but a violation of the duty of brotherly love according to the Apostle's own word."

Weber notes that strict religious adherence to this dogma did not last long. But he points out that the concept was quickly secularized and became the foundation for an expansion of capitalism the likes of which the world had never seen.

Interestingly, it was Ben Franklin, an indifferent Christian, who was most responsible for secularizing the protestant ethic in the United States. Via his Poor Richard's Almanac, Franklin developed and proselytized a unique philosophy that became so much a part of American life that for almost two centuries its tenets were hardly questioned.

“Early to bed early to rise, etc. . . . time is money . . . After industry and frugality, nothing contributes more to the raising of a young man in the world than punctuality and justice in all his dealings . . . the sound of your hammer at five in the morning, or eight at night, heard by a creditor, makes him easy six months longer . . . he that wastes idly a groat's worth of his time per day, one day with another, wastes the privilege of using one hundreds pounds each day” . . . etc., etc. etc.

Weber notes that this “peculiar idea” that virtue and morality relate to one's duty in a calling is “the most characteristic aspect of the social ethic of capitalistic culture, and is in a sense the fundamental basis of it.”

While reading Weber, I was struck by the thought that many people today attribute Japan's great success in business to that country's cultural homogeneity. Usually this thought is coupled with the observation that the United States, as a melting pot of so many different peoples and cultures, is the opposite, and that this contrast shows how business success can be achieved via two entirely different avenues.

A close study of Weber calls this thesis into question. It raises the idea that, due to the strong influence of the protestant ethic, the U.S. culture has been for most of its history as homogeneous as Japan's, at least in those areas that count most in the business world.

I want to stress here, as I said earlier, that I am not predicting an apocalypse in American society. I think the fact that the Democratic platform at least pays lip service to being “pro-business” and supports the idea that welfare should be accompanied by a work requirement provides food for optimism. But I would argue against complacency. It is instructive that the Clinton/Gore ticket was greeted with considerable antipathy by a very large number of Democratic delegates and party factions due to its perceived lack of commitment to the liberal cause.

I believe a glimpse of the social and cultural battlefield of the 1990s was provided by New York Governor Mario Cuomo's speech to the convention, in which he strongly implied that Reagan and Bush were morally lapse because they did not “find the wealth” to address a whole litany of social ills. Also, the strong moral overtones in the language Cuomo used to draw a linkage between executive salaries and such problems as school dropouts, prostitution, drugs and violence was illustrative.

The reception Paul Tsongas' speech received was also revealing. Tsongas received great applause when he spoke of the need to help the less fortunate. But his suggestion that the America's corporations needed to be kept strong met with lukewarm applause at best. This, despite the fact that his support for corporate America was based solely on the “golden goose” premise, that corporations needed to be kept viable in order to provide the funds for more noble pursuits in areas of social welfare.

How all this will play out is anyone's guess. The idea that work and wealth accumulation is socially as well as morally good has been attacked from secular and religious quarters since it was first posited. Marx, of course, launched the most sustained secular effort. And while many of his ideas are in disrepute today, his hatred for capitalism survives in many quarters.

Weber points out that "a state of mind such as that expressed in the passages we have quoted from Franklin . . . would both in ancient times and in the Middle Ages have been proscribed as the lowest sort of avarice and as an attitude entirely lacking in self-respect." And he notes that it is today "regularly thus looked upon by all those social groups which are least involved in or adapted to modern capitalistic conditions."

I am optimistic that the fundamental precepts of the work ethic, as well as the religious principles that underlie it, will remain an important part of American culture for a very long time. But I think one must acknowledge that a difficult period lies ahead in any society when its fundamental principles, both religious and secular, are under sustained assault by an influential group that claims that higher moral authority is on their side.

I'll close with a quote from John Wesley, Methodism's founder. This is somewhat bi-partisan. Those who think that Christianity and capitalism as practiced today are "immoral," can find in it a forecast of the greed and avarice they see being produced in our society. Conservatives can find an exhortation to prosper. As always, for all of us, Wesley provides strong food for thought as the clouds of cultural war darken over the nation.

"I fear, wherever riches have increased, the essence of religion has decreased in the same proportion. Therefore I do not see how it is possible, in the nature of things, for any revival of true religion to continue long. For religion must necessarily produce both industry and frugality, and these cannot but produce riches. But as riches increase, so will pride, anger and love of the world in all its branches.

"How then is it possible that Methodism, that is, a religion of the heart, though it flourishes now as a green bay tree, should continue in this state? For the Methodists in every place grow diligent and frugal; consequently they increase in goods. Hence they proportionately increase in pride, in anger, in the desire of the flesh, the desire of the eyes, and the pride of life. So, although the form of religion remains, the spirit is swiftly vanishing away.

"Is there no way to prevent this--this continual decay of pure religion? We ought not to prevent people from being diligent and frugal; we must exhort all Christians to gain all they can, and to save all they can; that is, in effect to grow rich."

THE POLITICAL FORUM

Copyright 2003. The Political Forum. 8563 Senedo Road, Mt. Jackson, Virginia 22842, tel. 540-477-9762, fax 540-477-3359. All rights reserved. Information contained herein is based on data obtained from recognized services, issuer reports or communications, or other sources believed to be reliable. However, such information has not been verified by us, and we do not make any representations as to its accuracy or completeness, and we are not responsible for typographical errors. Any statements nonfactual in nature constitute only current opinions which are subject to change without notice.