

Ignorance, Apathy, and Greed / By Fred Foldvary, Ph.D.

The causes of social problems exist on many levels. When we ask why social problems such as poverty, unemployment, crime, and war exist, each time we determine a cause, we can ask "why" again, as children often do until they are hushed. Poverty exists because some folks can't find jobs or the jobs pay poorly. But then why is the wage level so low? Because of the tax and land-tenure systems. Why do we have those systems? Because special interests pay to legislate it. Why do special interests get away with it? The voting structure lets them. Why does that structure exist? The voters don't demand to change it. Why not?

When we dig down through all the layers to the roots of the causes, we find three fundamental causes of social problems: ignorance, apathy, and greed. The ultimate remedy for social problems therefore must confront all three root causes. It does little good to just run down the street shouting "share the rent!" or "stop war!". Uttering a slogan does no good unless it arouses sympathy.

As an example of the interplay between ignorance, apathy, and greed, consider the problem of pollution. Suppose the most efficient preventative is a pollution charge based on the damage caused by each pollutant. However, the government regulates pollution instead, a policy failure that needlessly reduces employment and economic growth. One possible cause is ignorance.

But suppose the best policy is known. The owners of the polluting industries seek to influence legislation to prevent the best policy. Because of their campaign contributions and other favors, the government adopts the poorer policy. The cause in this case is greed, both by the influence seeker and by corrupted politicians.

Greed is wanting and taking more than one morally deserves. The mere desire for wealth is avarice, rather than greed. By itself, avarice does no harm, and may even do social good as a motivator to produce wealth. The desire of the owners and managers of polluting industries to avoid the social cost of their pollution is greed, a morally undeserved portion of income. Greed can take the form of seeking undeserved subsidies or privileges, or protection from competition. Greed also motivates dictators, politicians, and government officials to seek and maintain their power.

Greed alone is not sufficient for policy failure, since the question then is why the people do not organize to counter the influence of the greedy interests and power seekers. The answer is the apathy of the voters. With the benefits concentrated among a few interests, and the costs spread among the whole population, the incentives of the greedy dominate the incentives of the masses. For the average voter, the cost of organizing and lobbying is greater than his own benefit, since the benefit goes to everybody.

But these benefits and costs are still not sufficient to cause the policy failure. Voters could overcome their financial and time

cost of getting informed and organizing an opposition if they were sufficiently interested and aroused to contribute resources to defeat the minority interests. Besides their low financial incentive, there is a low sympathetic incentive. Apathy combined with low commercial returns is sufficient to prevent social action.

Apathy, greed, and ignorance are mutually reinforcing. Some folks take more than they morally deserve, but in ignorance. Many people are apathetic about a social problem because they are not informed. People can be aroused to action with a well-formulated presentation of some problem that evokes their sympathy, as is done with appeals to charity. The reduction of ignorance is also related to greed, since sympathy can replace greed with giving. The desire of a person for the goods of others or goods that harm others can be reduced by any sympathy he has for the well-being of others. A greedy person might steal from strangers but not from a friend.

So, greed, apathy, and ignorance are all related. Greed depends on the absence of sympathy, and it benefits from ignorance about a social problem. Apathy can be reduced if there is less ignorance and less greed. Ignorance is reinforced by apathy, since apathetic folks don't care to obtain the knowledge which would reduce their apathy. Greed exploits the ignorance of the majority who do not have sufficient sympathy to counter the greedy faction. What can a social reformer do about these root causes? Henry George pointed to the answer, that sympathy is potentially a much stronger motivating force than self-interest:

"Shortsighted is the philosophy which counts on selfishness as the master motive of human action... If you would move men to action, to what shall you appeal? Not to their pockets, but to their patriotism; not to selfishness, but to sympathy."

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