

THE ETHICAL NATURE OF SOCIETY

At the beginning of *Progress and Poverty* Henry George quotes Marcus Aurelius:

For nothing is so productive of elevation of mind as to be able to examine methodically and truly every object which is presented to thee in life, and always to look at things so as to see at the same time what kind of universe this is, and what kind of use everything performs in it, and what value everything has with reference to the whole, and what with reference to man, who is a citizen of the highest city, of which all other cities are like families.

This is a very apt quotation with which to introduce *Progress and Poverty*. It is also highly significant that George should invoke the great Stoic philosopher and exponent of Natural Law. In the *Meditations* of Marcus Aurelius we have a rare record of practical Stoic exercises. This passage gives a description of the Stoic exercise called 'judgement', which is to see things as they are in themselves and in relation to the whole universe, so that any action taken may accord with the truth of things, with the proper purpose of things, and for the good of mankind. For the Stoic philosopher, the final test of any action is whether it is for the good of mankind and therefore in accord with universal providence. In Stoic philosophy only such actions are truly virtuous, free and lead to human happiness.

Progress and Poverty may be seen as a similar intellectual exercise, enabling us to move from right perception to right judgement, and from right judgement to action for the common good or justice, and from justice to the fulfilment of human nature and happiness. This sequence may be called the 'virtuous circle' of economics since it moves from truth to goodness, or from the intellectual to the ethical. Put very simply, it is perception, thought and action ruled by justice, where we understand justice as action in accordance with the truth of things.

Clearly this virtuous circle is for Henry George the most natural thing, the proper use of our human faculties, and in conformity with the true purpose of life. In speaking of the law of human progress he writes:

The law of human progress, what is it but the moral law? Just as social adjustments produce justice, just as they acknowledge the equality of right between man and man, just as they insure to each the perfect liberty which is bounded only by the equal liberty of every other, must civilisation advance (Progress and Poverty, p. 526).

To assert that the law of human progress is a moral law is the same as to say that only a just society can flourish, or that only the just society may rightly be called a society. This clearly suggests that ethics, or "the moral law" as George calls it, lies at the heart of society and civilisation, and that a society is firstly and essentially an ethical body.

This is the view that the ancient philosophers such as Plato and Aristotle held about the nature of society, as well as Cicero, the Roman jurists and the medieval theologians. But it is certainly not the current view, especially when it comes to the understanding of economics. The prevailing way of understanding economics through mathematical models and as mere mechanisms wholly precludes any account of the ethical meaning of the production and exchange of wealth. Many economists claim that the workings of the market are morally neutral, and the modern methods of analysis certainly support this view. With the current crisis there appears to be an inevitable conflict between the model of so-called market forces and ethics, as though the market worked entirely by itself without any human intervention.

This disconnection between the economic model and the ethical sphere is characteristic of the thinking of our times, but its roots go back to the reductive rationalism of the seventeenth century which attempted to view the world and human society as insensible mechanisms, as we see for example in the opening pages of Hobbes' *Leviathan*. A consequence of this mechanistic stance was to relegate ethics to the sphere of the private individual, despite the claims of universal human rights and equality. Indeed, as Hannah Arendt observes in *The Human Condition*, it created the private individual as distinct from the 'citizen' of former times. This in turn has led to the prevailing culture of moral relativism, where all 'values' are generally held to be culturally conditioned and therefore without any basis in objective reality. These views are defended in the name of freedom, on the grounds that nobody or no institution has the right to impose its values on the morally self-determining individual. The modern philosopher Isaiah Berlin, for example, argued that all moral values are subjective and have no universal ground in truth, and are in perpetual conflict with one another simply as part of the human condition. But what use is the claim of universal moral freedom in a world where all moral values cancel each other out as merely relative or private?

This disconnection between economics and ethics is crippling the attempts of economists and governments to remedy the current financial crisis as well as the ever widening gap between rich and poor. The pursuit of wealth and the pursuit of virtue appear to be at odds with one another.

Henry George's claim that the law of progress is a moral law cannot be easily grasped at this time, and we who study George can easily forget that his primary concern is justice understood as the natural order of society. Our modern inability to see the ethical nature of things seems to be related to a fundamental law of civilisation. If we look at the history of the understanding of natural law from Plato to the present, and through all the variations and changes in thinking over this long period of time, one law that emerges clearly into light is that *a society flourishes to the degree that it is able to reflect upon its own real nature*. Whenever there has been a flowering of culture, it was always accompanied by rich insights into the nature of society, into human nature, and the place of these within the cosmos.