

**THE THEORY OF SELF-INTEREST IN MODERN ECONOMIC DISCOURSE:  
A CRITICAL STUDY IN THE LIGHT OF AFRICAN HUMANISM AND  
PROCESS PHILOSOPHICAL ANTHROPOLOGY**

**By**

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### DECLARATION

I declare that **THE THEORY OF SELF-INTEREST IN MODERN ECONOMIC DISCOURSE: A CRITICAL STUDY IN LIGHT OF AFRICAN HUMANISM AND THE PROCESS PHILOSOPHICAL ANTHROPOLOGY** is my own work and that all the sources that I have used or quoted have been indicated and acknowledged by means of complete references.

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DATE

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## SUMMARY

Modern economic theory of self-interest alleges that in their economic relations people always behave in a way that maximises their utility. The idea whether human beings were solely self-interested has a long history as it can be seen from the writings of Greek philosophers and the Church fathers. Among Greek philosophers there were those who argued that human beings were naturally self-interested (Aristotle) and those who maintained that human beings were communal by nature (Plato, Stoics and the Pythagoreans). The later position was adopted by the Church fathers as they condemned self-interest as the sin of avarice and greed.

The justification of self-interest in human and political activities was part and parcel of the economic and political early modernists, as it can be seen in the works of Mandeville, Hobbes, Hume and Adam Smith. In the writings of these thinkers, the flourishing of wealth depended on individual freedom to pursue their self-interests. In this regard, self-interest became the sole source of motivation in the behaviour of *homo economicus*. A persistent motif in late modern economic discourse on self-interest is based on the idea that people think and act on the basis of that which is to their self-interest. It is mainly for this reason that late modern economic thinkers maintain that society would prosper when people are left alone to pursue their self-interests. Late modern economic theory of utility maximisation alleges that individuals act only after calculating costs and benefits.

The argument of this thesis, based on the commonalities between African humanism and process philosophical anthropology, is that self-interest is antithetical to communal life as advocated in the ethic of *Ubuntu*. One who acts solely on the basis of maximising his or her utility would inevitably deprive others of a humane existence. A holistic metaphysical outlook based on the relatedness and interrelatedness of everything that exists as we find it in African humanism and process philosophical anthropology implies that the individual exists in internal relations with everything else. We should go beyond self-interest by giving primacy to a holistic ethic.

### **Key Terms**

Capitalism; Community; *Homo Economicus*; Ethics; African Humanism; Modernity; Process thought; Utility maximisation; Self-interest; *Ubuntu*.

**ABBREVIATIONS**

AI	Adventures of Ideas
CN	Concept of Nature
SMW	Science and the Modern World
RM	Religion in the Making
PR	Process and Reality
MT	Modes of Thought
ESP	Essays in Science and Philosophy

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## **CHAPTER ONE: INTRODUCTION**

### **1.1 Statement of the Problem**

#### 1.1.1 Summary

The theory of self-interest in modern economics, which amounts largely to the glorification of self-interest, has not been sufficiently interrogated and critiqued by social scientists, especially from the ethical perspective. Studies such as those of Max Weber and R H Tawney have been mostly accepted uncritically by Christian ethicists, obviously because they sing welcome praises of what Weber termed the Protestant ethic. This ethic is credited with promoting hard work, thrift, and investment of wealth, thus providing some of the key bases for the emergence of Western capitalism.

The relative lack of critique of the theory of self-interest and other theories which support it is the problem confronting this thesis. The purpose of the thesis, therefore, is partly to provide such a critique, and precisely from the perspective of ethics. In doing so, it will not dwell much on the reasons for this apparent omission in modern economic theory. This thesis thus has a four-fold purpose.

First, it is to consider the grounds, as well as their plausibility, on which modern economic theory considers self-interest to be the basic motive behind all human existence and behaviour. The second purpose is to engage with this assumption by critically interrogating it with a view to exploding it. Third, the thesis will try to show indirectly, through the argument it pursues, that the thesis of “church sociologists” such as Weber and his associates is not necessarily without its problems nor beyond reproach. It would not be an exaggeration to say that it may be guilty of making generalisations from a few, carefully selected facts – facts which, nevertheless, do not represent the “whole truth”. Finally, through the use of critical tools derived from African Humanism and Process Philosophical Anthropology, the thesis will continue to critique the theory of self-interest, on the one hand, while, on the other, recommending an alternative ethic based on the

premise of our common belonging and our relatedness as human beings. Such an alternative ethic is, at basis, an ethic of the common good.

### **1.1.2 Origins of the Problem**

Modern economic theory of self-interest is based on the presumption that human economic relations are solely motivated by self-interest. Related to this presumption is the idea that individuals would promote the welfare of society through the pursuit of their self-interests rather than when they deliberately try to enter into economic relations that are based on altruistic sentiments. It is also alleged that self-interest or individual vices, rather than virtues, are the reason for the flourishing of wealth.

Self-interest in modern economics derived from Adam Smith's *Wealth of Nations* in which he argued that economic relations are about appealing to each other's self-interest or greed. By appealing to each other's self-interest we end up attaining that which we want rather than when we appeal to each other's generosity. The implication of Smith's observation was that self-interested actions of individuals lead to social, economic and political equilibrium, which is more desirable than when we consciously decide to give shape to these realities through regulations (Smith 1976: 423). The problem with this Smithian theory of economic relations that are based on unregulated pursuit of self-interest suggests an anarchic view of society in the sense that there is a lack of concern for what self-interest would do to the whole social order.

Self-interest has been seen by economists such as Robert Heilbroner (1972a: 120) as an economic advocacy of an anarchic theory of society because it presumes a social existence that is based on unregulated competitiveness in pursuit of economic gains. In this regard, solidarity through a sense of belonging to the community and to society at large becomes external to the modern economic discipline and its implied economic relations. If individuals are only self-interested, it logically follows that they cannot be interested in the welfare of others or those of society as a collectivity of the common good. Contemporary neo-liberal economists say that society is just an abstract – what is

real are individuals and their self-interests. It is mainly for this reason that governmental efforts to promote welfare through progressive taxation are seen as an infringement on individual rights and freedoms (Rand 1963a 92-101; 1964: 92-93; Nozick 1974: 33; Brittan 1988: 37; Heyne 1983: 272-284).

Another claim that is made by late modern economic theorists is that self-interest serves as a human motive that helps us to maximise our utilities. An economic relation that does not lead to the maximisation of utility can hardly be considered as economical. The late modern economic rule of utility maximisation implies that human beings are greedy because they can only be satisfied after a maximum consumption of whatever they consume (Tullock and Mackenzie 1985: 7; Hamlin 1986: 17-36). This reduction of human economic motivations to utility maximisation does away with any other motivations in human economic behaviour. In this utility maximisation view of self-interest a human being is dehumanised as his or her other motives are reduced to greed (Sen 1987: 15-20; Fisk 1980: 17; Handy 1998: 132-133). If human economic motivations are reduced to utility maximisation, however, the problem is that the pursuit of self-interest will inevitably lead to social inequalities, rampant pollution and depletion of resources upon which the future generations depend.

The problem of abstracting the individual from social and environmental relationships brings us also to the problem of the compatibility of self-interest with environmental well-being. If human beings are only self-interested, it becomes difficult to argue for the need to have an all-inclusive moral outlook that has a concern for the natural environment. The contemporary neo-liberal ideal of endless accumulation of wealth through the individual pursuit of self-interest discounts the needs of future generations and the well-being of the natural environment (Daly and Cobb 1989: 36; Ikerd 1999: 2).

The argument of this thesis is that self-interest as it has been championed by early modern economists, and is still being adhered to by late modern economists, tends to do away with morality in economic relations as well as within the realm of our social and political existence as human beings. Secondly it will be argued that self-interest within

late modern economic discourses ultimately militates against the well-being of future generations. If one can exist solely according to the dictates of self-interest, there is nothing that can stop that individual from polluting and depleting the environment and its natural resources (Lux 1990: 165; O'Neil 1998: 162; Ikerd 1999: 3).

My critique of the modern economic theory of self-interest will be based on a relational ethic that engenders the idea that the individuals' well-being is intrinsic to their belonging to society and the natural environment, and that there are no realities that can exist meaningfully outside these internal relations with everything that exists. For this purpose, two critical tools which are employed in this thesis are African humanism and process philosophical anthropology. These tools present us with a relational ethical paradigm that emphasises the interconnectedness of everything that exists. Under such a paradigm self-interest becomes illusory, if not pathological (Kasenene 1994: 141-142; Bujo 1997: 162; Hartshorne 1950: 38; 1974: 202-206). As we shall see in chapters 6 and 7, the commonalities between these two critical tools offer us a holistic ethical paradigm based on the notion that everything that exists can only attain a meaningful existence in symbiosis with, and for, others. Thus in applying the commonalities between these two critical tools as we shall see in chapter 8, we shall come up with a holistic ethic that can help us to go beyond self-interest.

## **1.2 The Limitations of the Study**

The topic of this study is too wide for a thorough treatment within the limitations of a doctoral dissertation. This implies that certain issues will not be given the detailed analysis they deserve. While this study is an investigation of self-interest in modern economic discourses, it is mainly concerned with ethical issues rather than with issues of economics as a discipline. The study does not intend to cover all discussions on self-interest unless there is some direct relation with self-interest in economic ethics. As a student of ethics, my investigation will not be that of a neutral academic observer, but it consists of an advocacy of an ethical point of view that renders the modern economic

theory of self-interest unacceptable. My critique of self-interest is limited to African humanism and process thought.

### **1.3 Significance of the Study**

The idea of employing African humanism and process philosophical anthropology in critiquing the theory of self-interest in modern economic discourse has never been done anywhere to my knowledge. For this reason, this thesis will have a unique contribution to make in this aspect of economic ethics. In most of our universities, economics is usually treated like disciplines such as physics, biology and chemistry. The underlying assumption amongst modern economists is that economics is not a humanistic discipline that has a direct bearing on people's lives.

Here I am insisting that economics should be treated as a humanistic discipline that should be pursued within the parameters of a relational ethic. From this relational ethical paradigm, economic activities have to be pursued with the aim of promoting the well-being of all human beings as well as that of the natural environment. Consequently, the relational ethic that is espoused in this thesis goes beyond anthropocentrism as it embraces everything in existence. Another element of novelty in my approach is that it is multidisciplinary because it investigates other disciplines with the aim of tapping their contributions to the main subject of the study. This multidisciplinary approach widens one's perspective on the subject matter in question.

### **1.4 Method of Investigation**

From what has been said so far, it should be clear by now that this study is historical, critical and constructive. The historical approach to this thesis implies that attention will be given to the historical discourses on self-interest in so far as these discourses shed light on the theory of self-interest in modern economic discourse. The origins of the discourses on self-interest will be traced from the Greek philosophical tradition, the Church fathers, early modernity up to late modernity. This historical approach is evolutionary because self-interest in economic relations is shown as integral to the evolution of modern capitalism.



This thesis is critical of the theory of self-interest on the grounds that it falsifies human nature and human economic relations by reducing their economic motivations to utility maximisation. While arguments will be raised against self-interest throughout the discussion, the critical tools that have been chosen, as we shall see in chapters 6 and 7, are African humanism and process philosophical anthropology.

The investigation that is done in this study is also constructive as its last part presents us with an alternative ethical paradigm of a holistic ethic. At this point, I would like it to be known that this investigation should be seen as a creative venture into constructive criticism. As far as the research method is concerned, all the information that is used in this study comes from books, journals, newspaper articles, periodicals and the internet, depending on their relevance to the subject under discussion. This means that all my sources are written materials.

### **1.5 Plan of the Study**

This thesis is comprised of three parts. The *first part* (chapters 2, 3, 4 and 5) situates the problem identified in this study (the theory of self-interest) within the historical context of Greek philosophers and the Judeo Christian religion. It also gives an analysis of the economic discourses on self-interest during the era of early modernity up to late modernism or contemporary times.

The *second part* of this study (Chapters 6 and 7) consists of theoretical tools (African humanism and process philosophical anthropology) that are applied as critical tools against the theory of self-interest. These tools are applied as criticism of self-interest at the same time in these chapters.

Chapter 8, which is a synthesis of this study, draws from the commonalities between African humanism and process philosophical anthropology. This chapter consists of two

sections. The first section has recommendations that can enable us to go beyond self-interest by constructing a holistic ethic. The second section is a conclusion of the study.

## **PART I: THEORY OF SELF-INTEREST AND MODERN ECONOMIC DISCOURSES**

The aim of this part of the thesis is to engage in a systematic and philosophical discussion on the theory of self-interest in early modern and late modern economic discourses. An effort is made to give a systematic exposition of the historical economic discourses on the theory of self-interest, such as the ancient Greek philosophers and the Church fathers. Within these sources, it is shown that the economic idea of self-interest was implicitly discussed in relation to the ideal of *panta koina* (community of property). Community of property was an antithesis to private property or self-interested behaviour. Self-interest in this sense was also equated to greed (Plato, Stoics and the Pythagoreans). Aristotle, on the other hand, supported self-interest in economic affairs on the grounds that human beings are self-interested by nature.

From the time of the Church Fathers, self-interest was also condemned as the sin of avarice, greed or selfishness. Their critique of self-interest was also influenced by the Greek ideal of *panta koina*. Later within the history of Christianity, the reformed Protestant leaders such Martin Luther John Calvin were mostly influenced by economic ethic of the Church fathers. With the rise of reformed Protestantism or the Puritans, there is strong unanimous evidence among scholars the teaching of the Puritans helped the rise of modern capitalism.

However, early economic and political modernists argued that self-interest was the natural order of the liberal economy as well as statecraft. Bernard de Mandeville said that it was human vices and not virtues that were the main causes for the flourishing of wealth. The most significant figure in this era was Adam Smith who took a radical position from medieval traditional economic morality and argued that it was upon the pursuit of self-interest that the liberal economy could flourish and nourish everybody. The proverbial understanding of a human being as solely self-interested came to be known as *homo economicus*. Smith's argument was that *homo economicus* was solely motivated by self-interest. From this argument, Smith went on to build an economic

theory that has popularly come to be known as *laissez faire* economic theory or economic liberalism. It is by coining self-interest as the central motivating force in economics that Adam Smith exiled morality from economics.

An argument that was raised by the critics of the liberal economy during the era of classical modernity was that self-interest was not inborn but part and parcel of the evolution of capitalism. This evolution, as Karl Polanyi argues, was actually necessitated by politicians, legislators and philosophers through their writings. In other words, human beings were not naturally self-interested. Another humanistic argument that came from John Ruskin, Karl Marx and Thorstein Veblen said that self-interest was integral to the evolution of modern capitalism as a distinct economic system that differed from medieval economic practices, which were more communally orientated. In the era of early modernity, the belief was that the pursuit of self-interest frees individuals from communal constraints, and that it is mainly the reason for capitalistic prosperity.

The latter view has been pivotal to late modern economic discourses on self-interest. Late modern economic discourses on self-interest affirm the position of early modernists. This affirmation can be discerned from the fact that it is argued from both philosophical and economic points of view that society would do well when individuals are left on their own to pursue their self-interest. Government interference with the economy is seen as a dangerous act that can only result in the suffering of those who are supposed to be helped. In late modern economic discourses, self-interest is characterised as indispensable to utility maximisation. This way of thinking disregards the reality of the plurality of motivations in human economic behaviour.

Late modern economic discourses on self-interest militate against the economic well-being of future generations because self-interest lacks a sense of concern for our solidaristic existence. This inherent lack of concern for the future can be discerned from the argument that self-interest can only dictate that the individual should pursue his or her self-interest at present without taking into consideration the economic well-being of

future generations. Also, issues of pollution and depletion of natural resources can hardly be taken into consideration when the individual is solely self-interested.

## CHAPTER TWO: EARLY GREEK AND JUDEO-CHRISTIAN DISCOURSES ON SELF-INTEREST

For that which is common to the greatest number has the least care bestowed upon it. Every one thinks chiefly of his own, hardly at all of the common interest; and only when he is himself concerned as an individual [sic]. For besides other considerations, everybody is more inclined to neglect the duty which he expects another to fulfil (Aristotle, *Politics*, 1261).

### 2.1 Introduction

This chapter situates the discussion of the theory of self-interest in a broader historical context. The theory of self-interest is a doctrine that aroused much intellectual curiosity among ancient philosophers and theologians. Among Greek philosophers such as Plato, Aristotle and the Pythagoreans, the socio-economic theory of self-interest was debated in relation to the ideal of common ownership of property as a pre-requisite to socio-political tranquillity. Thus for some of these thinkers self-interest, which led to private ownership of property, was seen as the cause of socio-economic and political discord. As we shall see in the course of this chapter, there was no agreement among the influential Greek philosophers such as Plato and Aristotle on the role of self-interest in the acquisition and distribution of material possessions.

In Judeo-Christian antiquity, the debate was somehow very close to that of the Greeks in the sense that the main thrust of the discussion was on common ownership of property as opposed to private ownership of property. Self-interest, as we shall see in the writings of Church fathers such as St. Ambrose of Milan, Gregory Nazianzen and St. Augustine, was described as ‘the sin of avarice’. This sin of avarice was typical of a human being in his or her fallen state. The ideal eschatological community became that which owned its material possessions in common, a practice that came to be equated to the common good as opposed to self-interest (Schumpeter 1986: 130-136). Both Greek antiquity (especially Plato) and Judeo-Christian antiquity seem to have had an idea of a future community that is characterized by common ownership of property.

In the first section of this chapter I will start by situating the discourse on self-interest in the context of the Greek philosophical tradition. Attention will be given to those

influential figures whose thoughts on the subject had a great bearing on the future of economic discourse. The second section will go on to consider the Judeo-Christian view on self-interest. Finally I will summarise this chapter by drawing on those points which I see as significant to the early modern economic discourse on theory of self-interest. As a prelude to the following discussion on self-interest, it will be necessary for us to explain what we mean or understand by the term ‘self-interest’.

## **2.2 Self-Interest Defined**

According to *The Shorter Oxford English Dictionary* (1973: 1934), the term self-interest means being solely concerned with “one’s personal profit, benefit, or advantage”, secondly, it means “regard to, or pursuit of, one’s own advantage or welfare, to the exclusion of regard for others”. Hence the term self-interested means the individual is “actuated solely by regard for one’s personal advantage or welfare”. This dictionary goes on to define “selfish” – the root word for self-interest as meaning being “devoted to or concerned with one’s own advantage or welfare to the exclusion of regard for others”. Within this definition it is evidently clear that self-interest and selfishness can be used interchangeably on the premise that they imply being concerned with one’s personal advantage to the exclusion of the others.

The world renowned developmental economist, Albert Hirschman (1977: 9-30) said that the word ‘interest’ had its origins from the Latin word “*interesse*”, a concept that “stood for the fundamental forces, based on the drive for self-preservation and self-aggrandizement, that motivate or should motivate” actions of everybody. Hirschman went on to say that the term interest was originally used in relationship to economics in the late Middle Ages as a euphemism against taking interest on a loan which was condemned “as a sin of usury”, even though there were multiple meanings to it. But Hirschman also stated that, “An inquiry into these multiple meanings and appreciations is in effect an exploration of much of economic history and in particular of the history of economic and political doctrine in the West over the past four centuries”.

A survey on the economic teachings of the Church Fathers shows that self-interest was equated with terms such as; usurpation, covetousness, interested in one's economic well-being whilst excluding those of the others, avarice, concern for one's own private interests, self-love, pursuit for one's own personal advantage, malignant covetousness (cf. Rhys 1906: 26; McKeon 1941; 1155a-1772a; Viner 1978: 16; Troeltsch 1931: 116; Hengel 1986; 150-156; Shewring 1948: 6-12; Gonzalez 1990: 216-219). Other scholars have drawn from these characterizations of self-interested behaviour and came to the conclusion that in economics, self-interest meant greed. Alexander Robertson suggested that the term self-interest is a nicer meaning for greed because it is "self-interest which is the enfeebled metaphor, not greed". According to Robertson, "Translating 'greed' into a forgiving notions of 'self-interest' or 'rational choice' is not just a technicality, it's a moral deed" (Robertson 2001: 8-9). He went on to say that the acceptability of self-interest into economics was the result of scholarly attempts by early modern economists to emancipate economics from morality whereby the "idea of sympathy as social logic" was "hardened into a theory of self-interest" (Robertson 2001: 52-53).

In the era of early modernity, Hirschman said that two elements were developed by economists to characterize self-interested driven action. Firstly, self-interest meant that individuals give predominant attention to the consequences of contemplated action for themselves. Secondly, in their economic relations, individuals will always be rationally calculative – a systematic attempt at evaluating costs benefits and satisfactions (cf. Smith 1872: 330; 1976: 56; Wicksteed 1946: 166). In late modern economic theory, self-interest is postulated as the sole source of human economic motivation that helps individuals to maximise their utilities. As a mechanism that helps individuals to maximise their utilities, late modern economists define self-interest as implying that human economic relations are value-neutral or that they are not concerned with the well-being of others. Neither are they concerned with the moral disposition of the economic agent (cf. McConnell 1972: 40; Tullock and McKenzie 1985: 7; Brittan 1988: 212; Heyne 1983: 272; Shand 1990: 79). In this thesis I will use the term "self-interest" in the light of the modern economic presumption that in their economic relations people are solely motivated by self-interest.



## 2.3 Self-Interest and Greek Philosophical Discourses

### 2.3.1 Plato and the Pythagoreans

Plato and the Pythagoreans discussed the idea of self-interest under the political theory of the community of property, whereby the ideal political community was that which owned everything in common. However, one should take note of the fact that Plato's main focus was neither self-interest nor the community of property, but the ideal state. It was in this context that community of property for the guardians<sup>1</sup> was discussed. But the ideal of community of property was well known among the Greeks. It seems to go back to the time of the philosopher Pythagoras (6<sup>th</sup> century B.C.E). Pythagoras founded a community of disciples based on the principle that friends should have everything in common. In this community, men and women were admitted on equal terms. Members of this community surrendered their possessions to the community in pursuit of a common way of life. Even scientific and mathematical discoveries were seen as collective (Russell 1991: 49-56; Gorman 1979: 113-116).

The community of property of the Pythagoreans was facilitated by the fact that Pythagoras's followers believed in his divinity. As Peter Gorman (1979: 117) observed, this belief in the divinity of Pythagoras "promoted the ideal of *harmonia* or the unity of all minds in the society whereby no disputes arose concerning the laws and philosophical ideas taught. The fact that the members of the society shared all their belongings also contributed to this ideal" (see Gorman 1979: 121). Part of the ideal of community of property was to overcome the problem of multiplicity which was mostly attributed to private ownership of property. Iamblichus reported that genuine Pythagoreans were expected to express their unity by having property in common: "He ordained that the genuine Pythagoreans should have their goods in common and lead a communist life for

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<sup>1</sup> In the *Republic*, Plato divided citizens into three classes – namely, "the common people, the soldiers, and the guardians". The later class alone was to wield political power so that they would "carry out the intentions of the legislator". In our modern language the guardians are politicians or rulers. These guardians were supposed "to have small houses and simple food". They were supposed to live as in camp, dining together in companies, and they were to have no private property beyond what is absolutely necessary. These guardians were expected to thrive for the good of the whole. In their thriving for the good of the whole, they were supposed to have common houses and common meals. Even their children were supposed to be raised by the state without any knowledge who their parents were. In so doing, the guardians were expected to fuel the spirit of public common belonging (Russell 1991: 125-129).

all time...” (Gorman 1979: 121). Obviously within such a community, the pursuit of self-interest in economic affairs would have been seen as abhorrent.

Plato (427-347 B.C.E) discussed the possibility of community of property among the leading classes of the ideal state in his *Republic* (462 B.C.E). He quoted the well-known saying: “friends have all things in common” and one category among these things was women and children (see Rhys 1906: 155-160). For the Platonists, as for the Pythagoreans, the reason for the community of property was not just to abolish poverty or to help the poor. There was a metaphysical reason which was based on the assumption that multiplicity is evil, hence, it must be overcome by unity:

Can there be any greater evil than discord and distraction and plurality where unity ought to reign? Or any greater good than the bond of unity? ...and where there is no common but only private feeling a State is disorganised – when you have one half of the world triumphing and the other plunged in grief at the same events happening to the city or the citizens. Such differences commonly originated in the disagreement about the use of the terms ‘mine’ and ‘not mine’, ‘his’ and ‘not his’...And is not that the best ordered State in which the greatest number of persons apply the terms ‘mine’ and ‘not mine’ in the same way to the same thing? (see Rhys 1906: 159).

In support of his political theory of social unity as an overriding ethical value for harmonious social existence, Plato uses the example of the human body in order to illustrate the kind of solidarity he has in mind: “Then when one of the citizens experiences any good or evil, the whole State will make his case their own, and will either rejoice or sorrow with him” (see Rhys 1906: 160). For Plato the ideal is unity.<sup>2</sup> Self-interested individuals were part of the evil of multiplicity. It was also central to Plato’s political theory that when forming a state, focus must be given to the collective interest rather than to the individual interest. The individual or the citizen was supposed to work for “the preservation and perfection of the whole...” (see Rhys 1906: 162). Thus

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<sup>2</sup> Plato’s cosmology as set forth in the *Timaeus* is based on the idea that there is only one world, not many, as various pre-Socratic philosophers had taught. The world was a created copy designed to accord as closely as possible with the eternal plan. The world in its entirety was a visible animal, comprehending within itself all other animals. Thus according to Plato, everything existed on the principle of unity. In such a cosmology, the doctrine of individualism had no metaphysical basis (see Russell 1991: 122-127).

Plato would put it emphatically that the goal and purpose of human existence was primarily that of promoting harmony within the whole:

Your own being also, fond man, is one such fragment, and so, for all its littleness, all its striving is ever directed toward the whole, but you have forgotten in the business that the purpose of all that happens is what we have said, to win bliss for the life of the whole; it is not made for you, but you for it. ...what is best for the whole proves best also for yourself in virtue of our common origin. ...whereas a man who means to be great must care neither for the self nor for its belongings, but for justice, whether exhibited in his own conduct, or rather in that of another (see Rhys 1906: 175-180).

The individual was supposed to see his or her wellbeing as intrinsically tied up with that of the community within a fellowship ownership of property. Social discord or unrest was a result of the private ownership of property. This private ownership of property was evil because it was achieved at the expense of the whole. For Plato, even rulers were supposed to be concerned first and foremost with the well-being of their subjects as their first priority. Plato had this to say to them: "... [N]o physician, so far as he is a physician, considers what is advantageous for the physician, nor enjoins it, but what is advantageous for the sick; for it hath been agreed that the accurate physician is one who taketh care of sick bodies, and not an amasser of wealth" (see Rhys 1906: 20). In the above example, Plato wanted to drive home the point that a ruler was not supposed to be self-interested in his or her office; rather, s/he was supposed to be more concerned about the interests of her subjects than those of her own.

According to Plato, it was necessary that "every government, in as far as it is government, considers what is best for nothing else but for the governed and those under its charge, both in political and private government". But this was not a matter of technical requirement for rulers; rather the ruler's ability to sacrifice his or her interest for the good of the governed was a chief characteristic of a good person: "good men are not willing to govern, neither for money nor for honour; for they are neither willing to be called mercenary, in openly receiving a reward for governing, nor to be called thieves, in taking clandestinely from those under their government; as little are they willing to govern for honour, for they are not ambitious" (see Rhys 1906: 24-26). In other words,

those who govern are not supposed to do so for their own personal interests, but purely for the well-being of the governed. Hence, “he who is indeed the true governor doth not aim at his own advantage, but at that of the governed; so that every understanding man would rather choose not to be served than to have trouble in serving another” (see Rhys 1906: 26).

### 2.3.2 Aristotle

Aristotle did not agree with Plato’s theory of the ideal state. Aristotle (384-322 B.C.E) has a long discourse on friendship in his *Nicomachean Ethics* (*Basic Works of Aristotle* 1155a-1172a). In dealing with the question of “friendship” and “self-love”, he quotes a series of proverbs about friendship: “one soul, what friends have is common, equality is friendship...Hence he [a friend] should also love himself most of all”. What Aristotle is saying is that for one to be able to have a sense of love for others, s/he should love herself or himself first. As he put it, “Therefore the good man should be a lover of self (for he will both himself profit by doing noble acts, and will benefit his fellows), but the wicked man should not; for he will hurt both himself and his neighbours, following as he does evil passions” (see McKeon 1946: 1155a-1172a).

One’s self-interest has to be neutralised by caring for the well-being of others. But when it comes to the question of common ownership of property, Aristotle does not agree with Plato. Among his criticisms of Plato he has the following to say:

Property should in a certain sense be common, but, as a general rule, private; for, when every one has a *distinct interest*, men will not complain of one another, and they will make more progress, because every one will be attending to his own business...Again, how immeasurably greater is the pleasure, when a man feels a thing to be his own; for surely the *love of self* is a feeling *implanted by nature* [my emphasis] and not given in vain...(see McKeon 1941: 1127).

Thus for Aristotle, common ownership of property was optional because by nature, human beings are self-interested. In other words, economic success was only possible when people behaved self-interestedly. Consequently, it would be impossible to have economic advancement without self-interest.

While Plato had argued that immeasurable pleasure, to use Aristotle's words, was only attainable when everything was owned in common, when there was no self-interest, Aristotle saw it as that which was enjoyed when society had self-interested individuals. This implies that a self-interested person was also a benefactor of society since s/he was able to share his or her economic exploits with other members of society:

And further, there is the greatest pleasure in doing a kindness or service to friends or guests or companions, which can only be rendered when a man has private property. These advantages are lost by excessive unification of the state. ...No one, when men have all things in common, will any longer set an example of liberality or do any liberal action; for liberality consists in the use which is made of property (see McKeon 1941: 1151-1152).

Pivotal to Aristotle's advocacy of self-interest and its resultant private ownership of property was the idea that the individual can only be generous when s/he owns property privately. Freedom to own property was in congruence with liberality. One needed to own something for them to be able to give or to share.

While Plato saw social discord or strife as a result of private ownership of property, Aristotle argued for the opposite. According to Aristotle, human beings are naturally self-interested, therefore economic activities should take this nature of our being into consideration. Aristotle's understanding of self-interest as 'a feeling implanted by nature' was a resultant picture of his own metaphysics.<sup>3</sup> Aristotle's metaphysics was partly based on an attempt to account for (what he saw as) the reality that things remain the same, but they can change without losing what they were before. In other words, there was an underlying law which made everything that exists to behave in the way it does. The underlying economic law within human nature was self-interest. Without private

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<sup>3</sup> In his metaphysics, Aristotle introduced the doctrine of 'Essence'. According to this doctrine, things existed distinctly according to their essence. One's essence is what one is by his or her very nature. It is those properties which one cannot lose without ceasing to be oneself or losing one's identity. This doctrine implied that there are certain things whose nature is unchangeable. In this kind of metaphysics, it is also implied that 'love of self' was part of the essence of human beings (Benn 1933: 285; Russell 1991: 177).

ownership of property, Aristotle argued that some members of society can easily resort to idleness.

Aristotle went as far as saying that “a man must have so much property as will enable him to live not only temperately but liberally; if the two are parted, liberality will combine with luxury; temperance will be associated with toil. For liberality and temperance are the only eligible qualities which have to do with the use of property” (see McKeon 1941: 1156). The implication of Aristotle’s insight as quoted above was that ownership of private property was inseparable from liberality because one must own something in order to be in the position to share with others. Ownership without liberality would only result in luxuriouness. Hence, ownership of property was inseparable from liberality. It is partly for this reason that Aristotle refuted Plato’s economic presumption that private ownership of property was the cause of misery and inequality. Instead, he argued that one has to take into consideration the population factor:

One would have thought that it was even more necessary to limit population than property; and that the limit should be fixed by calculating the chances of mortality in the children, and of sterility in married persons. ...The neglect of this subject, ...is a never-failing cause of poverty among the citizens; and poverty is the parent of revolution and crime (see McKeon 1941: 1156).

The economic principle which is being advocated by Aristotle here is that the idea is not to own everything in common as was suggested by Plato and the Pythagoreans, but to be on guard that human mouths do not outstrip the available resources. Another argument is that liberality is only possible when the individual has something to give. In other words, individuals can only give or be altruistic when they have something to give or to be altruistic about.

From the Pythagoreans to Plato, the theme of *panta koina* (community of property) was actually based on the political presupposition of social harmony through unity rather than multiplicity, which is characteristic of a society of self-interested individuals. In the *Nicomachean Ethics*, Aristotle saw the relevance of *panta koina* in the realm of friendship instead of society in general.

The ideal of *panta koina* was also debated within Judeo-Christian antiquity in relation to the idea of the ideal eschatological community. Such a community was characterised by the sharing of material possessions. The pursuit of self-interest was deplored as a sin of avarice. The Judeo-Christian tradition, with some exceptions, shared to a great extent the ideals of Greek philosophers such as Plato and the Pythagoreans with reference to the ideal of community of property.

#### **2.4 Self-Interest and the Judeo-Christian Tradition**

The Judeo-Christian tradition on economic matters does not give us an explicit and detailed discussion on self-interest. Its predominant economic outlook was on community of property, as opposed to private ownership of property representing self-interest. As we shall see later on in the discussion, the Church fathers were mostly of the opinion that riches that were owned in private were the source of social deprivation for the poor. As Jacob Viner puts it, “The Fathers denied that there was a natural right to private property. ...They advised all Christians to avoid seeking riches, to avoid attaching value to them other than as reserve for almsgiving, and to beware of the propensity of the possession of riches to foster luxurious living, pride, and arrogance...” (Viner 1978: 16).

In the same vein, Ernst Troeltsch observed that “[p]ossessions and earthly goods” according to the Church Fathers, “were originally destined for all, and it is only due to sin and greed that there are such glaring differences between those who have and those who have not” (Troeltsch 1931: 116). Privately owned riches were seen as a manifestation of the sin of avarice, greed and usurpation. All these terms, came to imply self-interested economic behaviour, as we shall see in the economic writings of modernists in chapter 3. However, the ideal of community of property went against the institution of private property. Community of property was also an antithesis to economically self-interested behaviour.

### 2.4.1 The Essenes of Qumran

In the Jewish world the idea of *panta koina* in the sense of community of property was practiced only among the Essenes of Qumran.<sup>4</sup> Judaism as a whole was not much interested in the ideal of oneness, surely not in the way it was portrayed by Plato. The Jewish interest was in a land without poverty. Before the rise of Christianity, Judaism had developed a system to help the poor which was unique. The legal basis for this system was the second tithe, the so-called tithe for the poor, commanded in Deuteronomy 14: 29, 26, 21. It seems the ideal of *panta koina* was something typically Greek, not Jewish. However, it appears within Jewish literature that the idea of common ownership of property carried the imaginations of many people to the extent that it was seen as typical of an eschatological community or an ideal community of the future. This vision of a future based on common ownership of property gave rise to communities such as the Essenes of Qumran.

The Essenes of Qumran saw themselves as the eschatological community of Israel. They believed they already shared in the heavenly life. For that reason they observed strict rules of ritual purity. They had their possessions in common and at least one of the reasons for their community of property had to do with this purity: “As for the property of the men of holiness who walk in perfection, it shall not be merged with that of the men of falsehood who have not purified their life by separating themselves from iniquity and walking in the way of perfection” (see Hengel 1986: 167). Other reasons for their practice of community of property may have been their criticism of the greed of the priests of Jerusalem and an expression of their sense of unity, a form of unity that was expressed in the common ownership of property.

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<sup>4</sup> Qumran community was a sectarian movement which the historian Josephus called the Essenes. This group of hermits was formed of men who were recruited “from the large number of people who resort to their mode of existence because they are wearied of life’s struggle with the waves of adversity”. They believed that they were the chosen eschatological community of Israel who were destined to belong to the sons of light. While they despised war and violence, they also believed in an eschatological war between the sons of darkness and the sons of light. By virtue of their righteousness, they were chosen to be the eschatological army on the last days. Their belief in the ‘end of days’ shaped their economic outlook. All those who joined this community had to surrender their material possessions to the community for common use. Private ownership of property was strictly forbidden (Leaney 1966: 32-50).



Philo pays attention to the theme of equality when he describes the Essenes as men of high moral excellence:

No single slave is to be found among them, but all are free exchanging services with each other, and they denounce owners of slaves, nor merely for their injustice in annulling the state of Nature, who mother-like has born and reared all men alike, and created them genuine brothers, not in mere name, but in every reality, though this kinship has been put to confusion by the triumph of malignant covetousness, which has wrought estrangement instead of affinity and enmity of friendship (see Hengel 1986: 150).

Evidently common ownership of property was highly valued as an expression of high moral excellence. In the Greek context, particularly that of Plato, the ideal of *panta koina* was an attempt to return to an assumed original unity. For the Qumran community, it was part of a strategy to remain ritually pure and an expression of unity. The Church Fathers, as we shall see in the following sections, were somehow influenced by Plato in their critique of self-interest.

#### 2.4.2 St Ambrose of Milan

St Ambrose of Milan (died A.C.E. 397), who was apparently well versed in Greek philosophy, argued philosophically that *panta koina* was God's original plan, which had been upset by original sin. He agreed with the Stoic<sup>5</sup> teaching when he said:

Nature has poured fourth all things for men for common use. God ordered all things to be produced, so that there should be food in common for all, and that the earth should be a common possession for all. Nature, therefore, has produced a common right for all, but greed [*usurpation*] has made it a right for a few (see Hengel 1986: 151-152).

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<sup>5</sup> Stoicism was a mixture of Greek and Roman philosophy. The worldview of stoicism saw nature as ordained by a Lawgiver who was also beneficent Providence. Everything was fashioned to secure certain ends by natural means. Everything had a purpose connected with human beings. God was not separate from the world. S/he was the soul of the world, and each person contained a part of the Divine Fire. All things were parts of one single system, which is called nature; the individual life was good when it was in harmony with Nature. Virtue was to be found in a will that was in agreement with Nature. Within such a philosophical outlook authentic existence could only be that which was premised on social and environmental harmony. To be self-interested, that one would see his or her well-being apart from the whole, was to deviate from the ultimate truth about the nature of reality (Murray 1915: 25).

St Ambrose of Millan saw the ideal of the common ownership of property as a state characteristic of the ‘golden era’. Private ownership of property was a result of human greed in the sense that whenever someone had amassed wealth to himself or herself, such a person was seen as depriving others of the necessities of life. Ideal social existence was that everybody should have access to the necessities of life. This greed was interpreted as implying the condition of humanity in its fallen state. In the childhood of humanity, all property was held in common. The downfall from this blissful state came about with the introduction of private property in human society.

Thus in line with Stoic teaching, Ambrose argued against private property on the grounds that it was against natural law. In the golden era which was dominated by natural law, the first human beings lived without external laws, but according to the dictates of nature. The institution of private ownership of property was a precipitation of selfishness as it condoned the individual’s accumulation of wealth at the expense of the common good. Private ownership of property heralded an era of greed in human society – thus giving rise to human estrangement from the blissful state. As we shall see in the following section, this was part of Gregory Nazianzen’s argument against private ownership of property.

#### 2.4.3 Gregory of Nazianzen

The Church Father Gregory of Nazianzen (A.C.E 329-389) also echoed Stoic philosophy in his *Lucilium Epistulae* when he said:

Philosophy has taught us to worship that which is divine, to love that which is human; she has told us that with the gods lies dominion, and among men, fellowship. This fellowship remained unspoiled for a long time, until avarice<sup>6</sup> tore the community asunder and became the cause of poverty even in the case of those whom she herself had most enriched. For men cease to possess all things the

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<sup>6</sup> Avarice was understood by the Church fathers as well as in the Middle Ages as belonging to such abominable passions as “greed, love of domination and love of glory”. Self-interest was condemned in the sense that it was understood to be part and parcel of those abominable passions. The Church fathers’ teaching was based on the idea that one could avoid being trapped in those passions by developing a charitable outlook towards life. For St. Augustine, the solution lied precisely in the Pythagorean and Platonic ideal of having material possessions in common (Katzenellenbogen 1964: 9-30).

moment they desire all things for their own. But the first men and those who sprang from them, still unspoiled followed nature...But avarice broke in upon a condition so happily ordained, and, by its eagerness to play something away and to turn it to its own private use, made all things the property of others, and reduced itself from boundless wealth to straitened need. It was avarice that introduced poverty, and, by craving much, lost all (see Hengel 1986: 154-156).

Gregory saw the history of the evolution of economics as marked by two crucial transitional phases. The first phase was characterised by harmonious existence between humanity and nature, whereby humanity was under the tutelage of nature. In this primordial state, nature was seen as a relative to live with instead of subduing.

The second phase in the history of this evolution became that of avarice-driven private ownership of property. This phase was a precipitation of social and environmental discord and humanity's ultimate vulnerability. Self-interest was condemned as a sin precisely because it was going against human nature, which was a nature predisposed with the inclination to belong, and to work for the common good.

#### 2.4.4 St. Basil the Great

In the same vein, St. Basil the Great (A.C.E. 330-379) preached against those who made exorbitant profits while having an indifferent attitude to charity. According to Basil, the root of this problem lay in the individual who hordes material possessions for himself or herself at the expense of the poor:

Who is the covetous man? One for whom plenty is not enough. Who is the defrauder? One who takes away what belongs to everyone. And are not you covetous, are not you defrauder, when you keep for private use what you were given for distribution? When someone strips a man of his clothes we call him a thief. And one who might clothe the naked and does not – should not he be given the same name? The bread in your hoard belongs to the hungry; the cloak in your wardrobe belongs to the naked; the shoes you let rot belong to the barefoot; the money in your vaults belong to the destitute (see Shewring 1948: 6).

What is implied in the above citation is that someone who is insatiable when it comes to accumulation of wealth is a covetous person because that person's greed is the source of

deprivation for the poor. The rich owe to the poor all that they accumulate in excess. Basil saw this redistribution as an expression of love towards one's neighbour:

So whoever loves his neighbour as himself owns no more than his neighbour does. But you have a great fortune. How can this be, unless you have put your own interests before those of others?...I know many people who fast, pray, groan, and do any kind of pious work that doesn't affect their pockets, but at the same time they give nothing to the needy (see Shewring 1948: 10-12).

The Christian ideal of loving one's neighbour like oneself became Basil's argument against self-interest. One who amassed wealth for his or her own self-interest at the expense of the poor would logically have failed to love one's neighbour as oneself. A concern with the interests of others, especially the poor was seen by the Church Fathers as an expression of Christian charity or love of one's neighbour.

The pursuit of self-interest without love for one's neighbour became deplorable because it was contrary to the law of love. But Basil was not only against those who were rich, he equally rebuked those who did not want to work while they were capable of doing so: "It is much better to meet your needs through your own work than to be lifted up suddenly..." (see Shewring 1948: 80). In other words, those who were capable of working were supposed to work, and those who were incapable of working were supposed to be given from the superfluity of the rich. Basil's insight about work seems to have anticipated the notion of welfare economics and the problem of free-riders. As we shall see in chapter 5, one of the salient arguments of neo-liberal economists is that if people are to rely on others for their wellbeing, some people will refuse to work. Hence, self-interest is supposed to guard against such tendencies.

#### 2.4.5 St. Augustine

The condemnation of self-interest as synonymous with greed, fraud and avarice, was also given a thorough treatment by St. Augustine of Hippo (A.C.E 354-430). In the Middle Ages, St. Augustine gave basic guidelines to the medieval outlook by denouncing individual lust for money and material possessions as one of the three principal sins of a fallen person, lust for power – *libido dominandi* – and sexual lust being the other two

(Hirschman 1977: 9). While there is no explicit reference to the condemnation of self-interest, Augustine discussed it as one of those vicious passions that inhabited a human being.

Augustine's teaching on wealth was based on his theory that wealth in itself was not bad, but avarice that goes hand in hand with wealth. One finds him arguing that: "Avarice is not a fault inherent in gold, but in the man who inherently loves gold, to the detriment of justice, which ought to be held in incomparably higher regard than gold" (see Gonzalez 1990: 215). In other words, one who would love gold more than the well-being of fellow human beings was actually evil. Also, someone who would use God or fellow human beings as means to acquiring material things was actually practising evil. Thus Augustine characterised such people as "those perverse creatures who would enjoy money and use God, not spending money for God's sake, but worshipping God for money's sake" (see Gonzalez 1990: 216).

According to Augustine, all economic activities were supposed to aim at the glorification or enjoyment of God. Whatever was surplus from one's economic transactions was supposed to be shared with those who were destitute. This implies that profits accrued from one's economic activities were supposed to be shared with the poor. Profits that were accrued with the aim to accumulate more wealth were prohibited for two reasons. Firstly, making a profit from trade or money given on credit was regarded as usury.<sup>7</sup> Secondly, there was to be a distinction between what was necessary and what was superfluous. Basic things such as food and clothing were necessary, but those other things which one did not make immediate use of were superfluous. Augustine stated it

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<sup>7</sup> Rejection of usury was part of Church doctrine pertaining to economic matters. The economic assumption of this doctrine was that there should not be interest on loans. The rationale behind this doctrine was that those who borrow money were poor, hence to charge an interest on their borrowing was to exert an extra burden on their shoulders. The Middle Ages is replete with stories of business people who thrived on making gains by exploiting public necessities. There are also stories that were told in churches about how such people had misfortunes falling upon them as a result of God's anger against usury. Usury meant charging a price that was excessively higher than what the product cost for its production. Also, while borrowing and lending was common in the Middle Ages, credit transactions were prohibited among Christians. Equally, a monopolist who controlled all people's economic activities in order to take advantage of their necessities was committing a sin of usury (Tawney 1926: 48-50; Viner 1978: 85-90).

explicitly that "...not to give to the needy what is superfluous is akin to fraud...From those that God gave you, take that which you need, but the rest, which to you are superfluous, are necessary to others. The superfluous goods of the rich are necessary to the poor, and when you possess the superfluous you possess what is not yours"<sup>8</sup> (see Gonzalez 1990: 216).

The implication of Augustine's teaching here is that while profits can be made from one's business activities, if those profits give rise to superfluous goods, those superfluous goods were supposed to be given back to the poor. It is obviously clear that Augustine wanted wealth to be distributed equitably to the extent that he characterised someone who amassed more wealth than what they needed as actually stealing from the poor. Augustine's economic presumption was that all material goods belonged to God, and that when one gives what was superfluous to the poor this was not an act of liberality, but an act of restitution.

The ideal was that wealth should be shared or enjoyed in common rather than being privately owned by an individual. When wealth is privately owned, it means that the poor have been deprived of a livelihood. The one who deprives them of their livelihood was actually committing a sin of avarice. Having equated the individual's pursuit of economic gain or self-interest to a sin of avarice, Augustine taught: "Anyone who wishes to serve the Lord must not rejoice in private, but in common. The earliest Christians made common property of their goods. Did they loose what was theirs? ...It is because of our private possessions that there are disagreements, enmity, dissension, wars..." (see Gonzalez 1990: 219).

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<sup>8</sup> Jacob Viner argued that apart from insisting that the rich should abstain from methods of acquiring wealth which involved the impoverishment of others, Augustine proposed no remedy for the alleviation of poverty except almsgiving to the needy poor. According to Viner, this alms giving was a precept that was enjoined by the Christian Scriptures. Hence, "Almsgiving was recommended to the rich, however, not only as a religious duty but, within limits, as sin-redeeming. It was a means of 'building up treasure in Heaven', and, when carried far enough, a remedy against the moral dangers of the possessing of great riches and luxurious living". Viner goes on to say that, "Some of the Fathers, however, also condemned frugality unless what was consequently unspent was given as alms". For example, "St. Basil declared that after one had dissipated much of one's riches in foolish expenditure, one should not hide the remainder in the ground: 'It was the extreme of folly to dig to the center of the earth for gold, and then to rebury in the ground what had been extracted from it'" (Viner 1978: 20-21).

Like Plato, Augustine believed that common ownership of wealth rather than private ownership of property would bring about peace and tranquillity in human society. In the place where Plato had suggested a republic under the watchful eye of the guardians who lived under community of property, Augustine suggested a society of monks as an ideal community of those who shared property. Thus Augustine's solution to counteracting the passion of self-interest was partly based on Plato's ideal state, spiced a bit with Aristotle's principle of 'nothing in excess'. His advice to those who had opted for a monastic life was that

...all things may be done with a greater care and more thorough cheerfulness than if each one were for his own selfish interests. For when we find it written of charity, that "she seeks not her own", we should thus interpret the words, namely, that *the common good* is to be preferred to our own *selfish interests*, and not our own interests to the common good. Judge, therefore, your progress by this rule: whether or not you more and more prefer the *welfare of the community* to your *own private interests*, so that in all the needs of this life which pass away that charity may reign which abides forever [my emphasis] (Dominican Order, in LCO – *Liber Constitutionum et Ordinationum* 1984: xxiii).

For Augustine, therefore, self-interest was the cause of strife and restlessness in human society. The solution lied in opting for the common good through charity. The common good and the pursuit of self-interest are simply incompatible. Self-interest was an antithesis of charity. For this reason, the passion of self-interest was to be counteracted by charity, which is the telos of all existence. Augustine and the other Church fathers thus seemed to have critiqued self-interest from the religious eschatological conviction that the future human existence will be based on the pursuit of the common good through living in community of property. Self-interest did not have a future because it was based on the immediate satisfaction of individual selfish needs.

Here the ideal was that individual self-interest should be sacrificed to the common good, which implied the good of the whole community. In Augustinian terms, in short, the main reasons why self-interest should be rejected is that it was a manifestation of the sin of avarice, secondly, all wealth originated from God for common use, hence someone who

amassed more than what was necessary would inevitably deprive the poor. Lastly, the pursuit of self-interest caused untold suffering to the poor. For all these reasons, it is evidently clear that self-interest was understood as greed that led to accumulating more wealth at the expense of other members of society.

#### 2.4.6 Thomas Aquinas

Thomas Aquinas (A.C.E 1225-1274) was partly influenced by Augustine on the aspect of equating self-interest to avarice, but he was more of an Aristotelian. On the issue of *panta koina* he adopted the economic maxim of Aristotle, whom we have seen previously declaring that ‘property should be in a certain sense common, but as a general rule private’. Where Aristotle had argued that the love of self was something implanted by nature, Aquinas saw this underlying law as the Natural Law.<sup>9</sup> Aquinas stated this law as follows:

It is evident that all things partake somewhat of the eternal law, in so far as, namely, from its being imprinted on them, they derive their respective inclinations to their proper acts and ends. Now among all other, the rational creature is subject to Divine providence in the most excellent way, in so far as it partakes of a share of providence... Wherefore it has a share of the Eternal Reason, whereby it has a natural inclination to its proper act and end: and this participation of the eternal law in the rational creature is called natural law (Aquinas 1948: 618).

Aquinas had adopted the concept of natural law with the intention of showing that human nature shares or participates in the life of God through reason or rationality. The concept of natural law had implications for both political and economic liberalism. The main implication, as we shall see in chapter 3, was that it gave impetus to the idea that human reason was the source of the individual’s autonomy from traditions and other social

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<sup>9</sup> The doctrine of Natural Law was not of Aquinas’ invention. In *Nicomachean Ethics* Aristotle discussed ‘virtue in a way which showed the importance of applying one’s reason in such a way that this reason ends up concurring with the nature of things or reality’. Throughout *Nicomachean Ethics* one gets the impression that to be ethical one has to be cautiously calculative in order to ensure that there is ‘nothing in excess’ in whatever one does. Aristotle puts emphasis on a meticulous application of reason. In this manner, Aquinas saw Natural Law as the law which came directly from God, and inscribed in each individual’s heart. The problem with natural law is that it overemphasizes the application of rationality as if all people are philosophers, also, it upholds individualism through rationality – an aspect which undergirds the socio-economic theory of self-interest (Copleston 1976: 199-207).



collectivities. The emphasis on reason or rationality became part of the early modern economic dogma that *homo economicus* was rational and calculative in pursuit of his or her economic interest. Aquinas insisted, however, that “[c]ommunity of goods is....part of the natural law” in the sense that God created wealth to be enjoyed in common (Aquinas 1948: 115).

Aquinas used this natural law as a springboard for his further discussions on property and the sin of avarice. According to his theory of property, “The distribution of property is a matter not of natural law but, rather, human agreement...The individual holding of possessions is not, therefore, contrary to the natural law; it is what rational beings conclude as an addition to the natural law” (Aquinas 1975: 69). Aquinas came up with three arguments to support why there should be individual ownership of property instead of having a community of property:

*First* because each person takes more trouble to care for something that is his sole responsibility than what is held in common or by many...*Second*, because human affairs are more efficiently organised if each person has his own responsibility to discharge; there would be chaos if everybody cared for everything. *Third* ...We do, in fact, notice that quarrels often break out amongst men who hold things in common without distinction (Aquinas 1948: 169).

Here Aquinas’s argument for private ownership of property was simply a reiteration of Aristotle’s position which was that private ownership and the love of self were part of human nature. According to Aquinas, it was part and parcel of natural law that since wealth was given to humanity through providence, it also followed that wealth that is held in superabundance should be made accessible to the poor.

The dictates of human law cannot derogate from natural law or divine law. The natural order established by God in his providence is, however, such that lower things are meant to enable man to supply his needs. A man’s needs must therefore still be met out of the world’s goods, even though a certain division and apportionment of them is determined by law. And this is why according to natural law goods that are held in superabundance by some people should be used for the maintenance of the poor (Aquinas 1975: 83).

To a certain extent it can be deduced that Aquinas had conceded to the fact that the way in which wealth is distributed under human laws is different from what it ought to be under natural law. To correct this discrepancy, it was important that the ruler should take it upon himself or herself to ensure that there is an equitable distribution of wealth in society:

For according to the teaching of the saints, the riches that are superfluous do not belong to the rich man [as his own] but rather to the one appointed by God as dispenser, so that he can have the merit of a good dispensation. And therefore an injury is done to the poor in not dispensing the superfluous. And this injury is something that the prince, who is the guardian of the right, should set to rights by the power of his office (Aquinas 1975: 229).

Not only did Aquinas not dispute the fact that there should be private property in society, his economic position was that superfluous possessions were supposed to be redistributed to those poor members of society. In other words, there was to be some moral norm or authority to which economic activities were supposed to be subordinated. According to Aquinas, this authority was the government. Of most significance is the fact that Aquinas had somehow provided some systematic philosophical analysis of economic behaviour during his times. Joseph Schumpeter observed that for Aquinas, economics was about “household management” in the Aristotlean understanding of *oeconomia* (Schumpeter 1986: 91-93; cf. Bigongiari 1973: 154). The aim of human actions in relationship to their economic activities was supposed to be the common good. As we shall see in the following section, this traditional religious economic ethics was rejected by reformed Protestantism.

## **2.5 Self-Interest and the Reformation Era**

As shown in the preceding discussion, from the Church Fathers up to the medieval times, self-interest was condemned on the basis that it was part and parcel of avarice. During the Reformation era, Martin Luther continued with this condemnation almost along the same lines. In his work on “Trade and Usury”, for example, he said that he was writing about “financial evils” so that some “people – however few they are – may be delivered from the gaping jaws of avarice” (Luther 1962: 245). Luther was very much steeped in the

economic ethics of the Church Fathers with regards to self-interest. His main criticism of self-interest can be discerned from those of his writings which were directed against business people or merchants who had a tendency of taking advantage of poor people's needs. He writes,

When once the rogue's eye and greedy belly of a merchant find that people must have his wares, or that the buyer is poor and needs them, he takes advantage of him and raises the price. He considers not the value of the goods, or what his own efforts and risk have deserved, but only the other man's want and need. He notes it not that he may relieve it but that he may use it to his own advantage by raising the price of his goods, which he would not have raised if it had not been for his neighbour's needs. Because of his avarice, therefore, the goods must be priced as much higher as the greater need of other fellows will allow, so that the neighbour's need becomes as it were the measure of the goods' worth and value (Luther 1962: 248).

As shown in the above quotation, Luther rendered a direct attack on self-interest when he described merchants or business people as 'greedy' people who 'take advantage' of poor people's needs by raising prices when goods are in short supply. Ernst Troeltsch (1931: 556) observed that in Luther's economic ethics, "the continuation of the patristic and medieval prohibition of usury is taken for granted" as profits accrued in one's business activities were supposed to be "paid back" to the community. Luther strongly endorsed the Christian ethic of love of one's neighbour as the guiding principle in the individual's economic activities. In the same vein, John Calvin had a direct concern for the poor. Whilst Calvin was not against the charging of interest on loans, however, he was against the charging of interest on loans to the poor. Calvin's economic ethics was based on the idea that the business person was

...a steward of the gifts of God, whose duty is to increase his capital and utilise it for the good of Society as a whole, retaining for himself only that amount which is necessary to provide for his own needs. All surplus wealth should be used for works of public utility, and especially for purposes of ecclesiastical philanthropy. Only productive credit for business purposes is allowed, not usury credit, which is simply used for living on interest. From poor men, [sic] or people who have been otherwise harassed by misfortune, no interest is to be taken; loans also were not to be refused for lack of securities (see Troeltsch 1931: 648).

It can be deduced from the above quotation that Calvin accepted the “spirit of capitalism”, but he also tempered it with concern for the needy. Calvin’s economic ethics was partly influenced by the teachings of the Church Fathers as he taught that that which was superfluous was supposed to be given to the poor in order to alleviate their suffering (see Troeltsch 1931: 648). A thorough reading of Calvin’s economic ethics does not show any direct nor indirect support for the pursuit of self-interest *without* concern for the wellbeing of the community.

Another important figure in the Reformation era was John Wesley. His economic ethics was based on three rules – “Gain all you can; save all you can; give all you can” (see Marquardt 1992: 35). These rules are seen by many scholars as a summation of Wesley’s economic ethics. What these rules implied was that in their economic activities, individuals were expected to make profits, save those profits and be charitable to others. It is also important to note that in these three rules, the making of profit and its saving were curtailed by social obligations imposed by the Christian ethic of love for one’s neighbour. It was also central to Wesley’s economic teaching that money-making was not evil in itself, but what individuals did with their money determined the goodness or badness of their action. Wesley made a distinction between material possessions that were superfluous and those that were necessary. Those material possessions that were superfluous were given by God primarily for their management and administration: “The true owner of all things in heaven and on earth is God. As our Creator and Sustainer, God has provided instructions for [their] proper use and has promised eternal reward to us as stewards for obedience to them” (see Marquardt 1992: 37).

In the light of the above citation, the implication of Wesley’s economic teaching was that human beings were supposed to see their economic activities in terms of being God’s stewards. Manfred observed that according to Wesley’s economic ethics, “The Christian should strive for neither poverty nor wealth in itself; Wesley neither praised nor commended poverty, and he explicitly and frequently warned against wealth. ...Since everything one legitimately earned is regarded as a good entrusted by God, Wesley perceived economic success as God’s gift” (Marquardt 1992: 42; cf. Troeltsch 1931:

813). Here it is also important to take cognisance of the fact that the idea of seeing economic success as a gift from God, as we shall see in the course of this discussion, was later on construed by the Puritans as justification for overaccumulation. But when this justification of overaccumulation is seen in the light of Wesley's third rule – give all you can - we find a situation whereby modern capitalistic overaccumulation is inevitably tempered with a concern for the well-being of others in the community (Troelsch 1931: 813).

As our discussion shows thus far, it is evidently clear that the founders of the Reformation era did not condone self-interest in the sense of selfishness or greed. They actually condemned it through their condemnation of economic practices that were based on avarice, greed and usury. However, Church historians and sociologists argue that reformed Protestantism or the Puritans created some economic teachings that were based on some of the doctrines of the early reformers such as hard work, seeing one's economic activities as obedient service in the calling, frugality, thrift, discipline and hard work. Scholars argue that these teachings fuelled the expansion of early modern capitalism in a way that might not have been anticipated or intended by the early reformers (Troelsch 1931: 557; Hill 1958: 226; McGrath 1988: 222; Olson 2004: 165-166). The main proponent of this argument was the German sociologist Max Weber, who advanced the thesis that the Puritans, in particular, had a causal influence on the emergence of modern capitalism through their propagation of the above doctrines.

Weber's main thesis was that the Protestant ethic of hard work as a calling introduced a revolution that fuelled the rise of modern capitalism. In the seventeenth century onwards, the rise of Puritanism, brought about an ethic which, according to Weber and Richard Tawney,<sup>1</sup> gave some religious ethical justification for usury. This religio-economic

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<sup>1</sup> Tawney argues partly against the thesis that the Reformation era inaugurated a period of unscrupulous commercialism which had been previously held in check by the teaching of the Church. His argument is that the Catholic Church before the Reformation was participating in usury in the selling of indulgences and undertaking colonial economic expeditions of Spain and Portugal. "[The] Reformation released forces which were to act as a solvent of the traditional attitude of religious thought to social economic issues, it did so without design, and against the intention of most reformers". As far as the first generation of reformers was concerned, there was no intention, among Lutherans, or Calvinists, or Anglicans, of relaxing the rules on avarice (Tawney 1926: 94).

development, according to Weber, gave rise to the ‘spirit –*Geist*’ of capitalism or capitalistic motives and objectives (Weber 1958: 47-48; Tawney 1926: 75-88; Viner 1978: 151).

It is important, however, to note that both Tawney and Weber are not saying that Puritanism was responsible for the origin of capitalism; rather, the argument is that reformed Protestantism or the Puritans taught an ethic of individualism, thrift and frugality that apparently became conducive to the evolution of modern capitalism.<sup>2</sup> Since modern capitalism is based on an individualistic conceptualisation of a human being, it is also integral to Tawney’s and Weber’s argument that the teaching of reformed Protestantism about the individual as solely accountable to God helped to free the individual from the traditional communal sense of accountability. The implication here is that in economic matters the individual was free to pursue his or her own self-interest. As Heilbroner puts it, “Acquisitiveness became a recognised virtue – not immediately for one’s private enjoyment, but for the greater glory of God” (Heilbroner 1972: 33). It is this religious justification of capitalistic acquisitiveness that removed the medieval religious sanction against self-interest. Another argument that shows that reformed Protestantism justified self-interest in economic affairs is that the border between avarice and frugality is not always clear “because saving money, for instance, could be taken as an excuse for refusing to offer necessary assistance to others” (Bujo 1997: 163).

Weber argued that the ascetic form of reformed Protestantism generated the spirit of modern capitalism that came to be characterised by endless accumulation of wealth combined with strict discipline. As he put it, “In fact, the *summum bonum* of this ethic, the earning of more and more money, combined with the strict avoidance of all

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<sup>2</sup> Max Weber’s analysis of the origins of capitalism was based on contrasting “medieval ethical principles with the moral and social attitudes which developed in connection with the great religious movements of Reformation”. One finds that among the chief characteristics of this Reformation, he “emphasized the role played by the spread of Calvinism in introducing a new conception of economic life”. Weber argued that through this conception of economic life, “labour was transformed into a ‘calling’, that rectitude, severity, and diligence were elevated to the rank of primary virtues, that worldly success was considered a symptom of divine blessing, and that thriftiness combined with gainful use of one’s means was a duty prescribed by Christian morality” (Pribram 1983: 38-39).

spontaneous enjoyment of life, is above all completely devoid of any eudaemonistic, not to say hedonistic, admixture...Man [sic] is dominated by the making of money, by acquisition as the ultimate purpose of life” (Weber 1958-53).

According to Weber, therefore, the Puritans emphasised the accumulation of wealth as the main purpose of one’s economic activities. It can be discerned from the above quotation that such an economic outlook went against medieval religious economic ethics as it encouraged the importance of not spending what was superfluous. This religious economic justification of overaccumulation was seen as an indispensable rationale to the ascendancy of modern capitalism. The rules which came to be indispensable to the evolution of modern capitalism, as Weber puts it, were those of

...rigid limitation of expenditures on personal consumption or charity, concentration of time and attention on the pursuit of one’s business affairs, avoidance of distraction through intimate friendship with others, systematic and pitiless exploitation of labour, and strict observance of honesty in one’s relations with others within the limits set by ‘formal legality’” (Weber 1958: 48-49).

The adoption of these strict character qualities in business activities became integral to the selection of successful business people “through a process of economic survival of the fittest” (Weber 1958: 55; cf. Viner 1978: 151; Heilbroner 1962: 54-56).

Business activities, especially in Reformed Calvinism, came to be understood as a calling. As Weber puts it, “The only way of living acceptably to God was not to surpass worldly morality in monastic asceticism, but solely through the fulfilment of the obligations imposed upon the individual by his position in the world. This was his calling” (Weber 1958: 239). Weber also observed that, according to Luther’s teaching, “The monastic life is not only quite devoid of value as a means of justification before God, but he also looks upon its renunciation of the duties of this world as the product of selfishness, withdrawing from temporary obligations” (Weber 1958: 244). In short, Weber’s argument was that the ethic of work as a calling was a religious moral justification that facilitated the expansion of modern capitalism.

Weber and Tawney seem to go as far as to say that among the Puritans, all those economic qualities that were condemned by medieval religious economic ethic were actually indispensable to the working of modern capitalism. Someone who worked solely for his or her self-interest came to be understood as responding to God's calling. To illustrate this, Weber refers to a sermon once preached by a Puritan to the effect that, "If God shows you a way in which you may lawfully get more than in another way, 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 require it..." (see Weber 1958: 162). Tawney observed that this calling was not understood as a condition in which the individual was born "but a strenuous and exacting enterprise, to be undertaken, indeed, under the guidance of Providence, but to be chosen by each man[sic] for himself, with a deep sense of his solemn responsibilities" (Tawney 1926: 239-244).

With this notion of 'calling', Reformed Puritans managed to embrace self-interest and profit-making in business activities as a sign of God's favour. A Reformed Calvinist minister of Boston once gave a sermon on economic matters in which he said that profit and loss incurred in business should be understood as part and parcel of "Providence", and that "...where there is scarcity of the commodity, there men may raise their price; for now it is a hand of God upon the commodity, and not the person" (see Tawney 1926: 155). In this type of reasoning, someone who withholds the supply of a product on the market with the aim of creating a higher demand that will result in higher prices for the product was simply following the will of God.

That the laws of business were basically in accordance with the laws of God was thus the predominant understanding among the Puritans. Hence one finds Heinrich Gossen tracing the origins of self-interest in business activities to the original plan of God in this way:

Organise your actions for your own benefit. God implanted self-interest in the human breast as the motive force for progress. By following self-interest we follow God's will. Going against self-interest only inhibits God's plan ...How can



a creature be so arrogant as to want to frustrate totally or partially the purpose of his creator (see Daly and Cobb 1989: 89)

Working for one's self-interest was thus similar to complying with God's plan because such a motive, according to the above quotation, had its origins in God. Thus self-interest, which was previously condemned as a sin of usury and avarice, came to be interpreted as having its natural basis in the evolutionary plan of God.

By embracing the pursuit of self-interest as a calling in economic activities, therefore, it seems to follow that Puritanism had a causal influence on the evolution of modern capitalism. Further, with an emphasis of individual sovereignty on matters of faith and economic affairs, Puritanism laid the seeds for individualism as a social ethic suitable for *laissez faire* capitalism. If the individual was accountable to God alone for his or her actions, it also followed that in economic matters, the individual was only accountable to herself or himself (Viner 1978: 184-189; Hollinger 1983: 41; Canterbury 1987: 94-96).

Some scholars argue, consequently, that the evolution of capitalism, particularly in America, was largely contributed to by the 'Protestant ethic', which promoted a type of individualism that denied any meaningful communal relations. With the rise of Reformed Protestantism, especially the Puritans, the ethic of capitalism that emphasised the nobility of the individual pursuit of self-interest was embraced as part of the divine plan for *homo economicus*. Robert Heilbroner (1962: 56) observed that this religious economic outlook "undoubtedly provided a highly favourable stimulus for the evolution of the market society".

## **2.6 Conclusion and Observations**

This chapter discussed the economic theory of self-interest from the philosophical and religious perspectives. The philosophical perspective was that of Greek philosophers such as Plato, the Pythagoreans, the Stoics and Aristotle. The first three seem to have discussed self-interest under the theme of *panta koina* or community of property. Their argument was that in order for society to counteract self-interest, property should be

owned in common. Common ownership of property was argued for as a pre-requisite to social harmony (Russell, 1991: 49-46; Gorman 1979: 113-116; Rhys 1906: 155-162).

Aristotle held a different view from his predecessors. His argument was that being self-interested was central to human nature because people are supposed to love themselves first before they can love others. After submitting that self-interest was central to human nature, Aristotle went on to argue against the Platonic idea of community of property on the premise that if people owned everything in common, then no one will be responsible for anything. Subjecting the individual's economic possessions to the common pool would be a recipe for economic anarchy. For Aristotle, people were not solely self-interested, on the contrary, they are also endowed with the nature of liberality. Hence, it logically followed that for individuals to exercise liberality they had to own something which they could give (McKeon 1941: 1127-1152; Benn 1933: 285; Russell 1991: 177).

From the religious perspective, I discussed self-interest within the context of the Judeo-Christian religion, the Church fathers, the Medieval era up to the Reformation era. In the context of the Judeo-Christian religion, it seems that self-interest in the form of private ownership of property was opposed on the basis that property should be owned in common. The discourses of the Early Church on self-interest seemed to have been a reiteration of what Plato had taught. The Church fathers critiqued self-interest from the premise that God gave the goods of the world for common use, hence self-interest led to a sin of avarice. Thomas Aquinas, on the other hand, agreed with the idea of private property on the grounds that such an economic arrangement would help to avoid quarrels (Viner 1978: 16; Troeltsch 1931: 116; Leaney 1966: 32-50; Hengel 1986: 151-155; Schewring 1948: 6-80; Gonzalez 1990: 216-219; Aquinas 1948a: 618; 1975b: 69-257; Bigongiari 1953: 149-154; Schumpeter 1986: 91-93).

The Reformation era – or at least part of it - rebelled against the traditional religious economic ethic of the Church's medieval morality and actually gave some religious justification to the pursuit of self-interest in economic activities. Marx Weber and Richard Tawney argued that this Puritan economic outlook gave rise to the evolution of

the spirit of modern capitalism. Some of the Puritans did put it explicitly that working for one's self-interest in economic affairs was part of the divine plan. In other words, Puritan Protestantism freed the individual from ecclesiastical traditional constraints and allowed him or her to pursue self-interest in economic activities (Weber 1958: 47-244; Viner 1978: 151; Heilbroner 1962: 54-56; Doberstein and Lehmann eds. 1959: 292-293; Tawney 1926: 155-244).

The reformed Protestant economic evolution was not just a religious outlook, however. The Protestant economic outlook was influenced by the rise of rationalism and developments in modern science. This era, which is popularly known as the age of modernity, meant a sharp break with the medieval economic outlook. Religiously, it meant a rejection of traditional authority and an insistence upon the role of reason in making ethical choices.

Modernity in philosophy, as in economics, taught that the individual was rational, calculative and self-interested. The Puritan sentiment that the individual pursuit of self-interest was in accordance with the law of God was actually a religious reiteration of what was already a popular economic sentiment in society during the era of early modernity. It is to this era of early modernity that we turn in the next chapter, within which context the economic theory of self interest will now be discussed. (Canterbery 1987: 94-114; Daly and Cobb 1989: 89; Viner 1978: 184-189; Hollinger 1983: 41; Heilbroner 1962: 46).

## **CHAPTER THREE: EARLY MODERNITY AND THE ECONOMIC THEORY OF SELF-INTEREST**

All systems of preference or of restraint, therefore, being taken away, the obvious and simple system of natural liberty establishes itself of its own accord...By pursuing his own interest he [the individual] frequently promotes that of the society more effectually than when he really intends to promote it...The natural effort of every individual is to better his own condition....(Smith 1976: 423-508).

### **3.1 Introduction**

The era of early modernity is an era that has been popularly described by many scholars as the era of reason, science and individualism. Medieval teaching on economic morality, which was primarily based on the condemnation of avarice, was rejected on the grounds that it was ignorant about the real nature of human beings in relationship to their economic activities. In the scientific sphere, what scholastics had condemned as avarice was championed in the biology of Darwin and the social biology of Herbert Spencer as actually the underlying principle of survival among species. The Newtonian physics supported the reality of self-interest as it advanced the idea that objects have been predetermined to operate according to certain rules. Economic theorists after the scientific discoveries of Isaac Newton did not find it difficult to assign self-interest the role of predetermining human economic activities.

Within the political sphere, early modern political liberalism taught that individuals should be ruled on the assumption that they are solely self-interested, and that the liberal constitution should reflect this reality. Politics was not based on the pursuit of the common good as it was taught by scholasticism. Rather the ruler himself was also seen by some as only self-interested. Adam Smith weaved his economic theory on the premise that the individual was rational and self-interested, hence self-interested individuals are actually benefactors of society. Obviously this early modernist economic outlook was a radical shift from or the opposite of the traditional economic outlook of medieval times.

This chapter will start by giving a definition of modernity, after which a distinction between early modernity and late modernity will be made. Secondly, I will discuss the theory of self-interest within the context of political liberalism during the era of early modernity or the enlightenment, with special attention to the political writings of Machiavelli, Hobbes and Hume. Thirdly, special attention will be given to economic liberalism with reference to Bernard de Mandeville and Adam Smith. It will be argued that Adam Smith's concept of 'the invisible hand' had a tremendous contribution to the economic idea that the economy works well without government efforts to regulate it. Rather, the common good is promoted when individuals are left to pursue their own self-interests.

### **3.2 Definition of Modernity**

According to *The Shorter English Dictionary*, the word "modern", is derived from the Latin word, "*modo*" which means "just now". It also means, "pertaining to the present and recent times; originating in the current age or period. Belonging to a comparatively recent period in the life-history of the world" (Onions *et al.*, 1973: 1342). The term modernity was theologically and philosophically applied to imply an historical intellectual epoch in Western history that went against the medieval traditional ways of thinking which came from the Church. For the sake of convenience, I will divide the period of modernity into early modernity, which refers to the period between 1485 and 1800, and later modernity which will cover the period from 1801 until the present.

During the rise of early modernity, ideas were accepted on the basis that they concurred with the modern thought. Klaus Nürnberger observes that

...the evolution of this new way of thinking began to unfold very slowly and gradually picked up speed. For a long time its potential seems to have been arrested by legal and hierarchical institutions, a static metaphysics and a superstitious religion. Beginning with the 'Renaissance' and culminating in the 'Enlightenment', it progressively discarded these shackles (Nürnberger 1999: 187)

The implication of Nürnberger's observation is that modernity was a way of thinking that occurred gradually as a distinct pattern of thought that differed sharply with traditionalism. Nürnberger goes on to say that modernity is a process that is still occurring even today. According to him, "The spiritual content of this mentality diversified into various ideological movements. *Liberalism*, the philosophy of freedom, justified the pursuit of individual self-interest. ...The belief in *progress* justified the pursuit of the self-interest of humankind as a whole at the expense of the rest of creation" [his emphasis] (Nürnberger 1999: 187). Nürnberger characterised modernity as an era of individualism that put emphasis on "rationalism", "empiricism" and "free enterprise" (1999: 194). It is mainly for this reason that modernity constituted a radical revolt against traditionalism (Giddens 1991: 2).

The revolt of early modernity against traditionalism is more nuanced in the writings of Niccolo Machiavelli, Thomas Hobbes, David Hume, Bernard de Mandeville and Adam Smith, just to mention a few. In their writings, these thinkers of early modernity argued in their various ways that self-interest was indispensable in the government of society as well as in the running of the political economy (Nürnberger 1999: 203-204). For Karl Marx, early modernity was a transition from traditional feudal societies to capitalism. Since early modernity meant "the liberation of individuals from primary ties to family and local community into a lonely crowd of consumers", on Marxist conceptualisation it also meant dehumanisation (Madsen *et al* 2002: xiv; Marx 1973: 83; Ritzer 1996: 565).

As we shall see in chapter 5, some of the themes of early modernity such as liberalism, individualism, anti-traditionalism and rationalism are integral to modernism. Economic ideas of early modernity such as those of Adam Smith and Bernard de Mandeville provide the foundational basis for conceptualising late modern or contemporary neo-liberal economic discourses and practices. Michael Perelman observes that "[Smith's] importance appears to emanate from the vigour of his ideological project of advocating laissez-faire and obfuscating all information that might cast doubt on his ideology" (Perelman 2000: 8). Late modernism in economics is captured by terms such as

contemporary economics, neo-liberal economics and modern economics. All these phrases suggest a continuation of thought between early modernity and later modernity.

### 3.3 Self-Interest and Political Theories of Early Modernity

The era of early modernity, which is sometimes referred to as the era of Enlightenment,<sup>10</sup> provided a sharp turn in the history of western social thought. There was a rejection of the holistic conception of the individual in relation to society. As Hollinger (1983: 22) puts it, “The Enlightenment thinkers viewed reality atomistically and heralded values of freedom, privacy, self-sufficiency, dignity, and self-determination” as more important than communal belongingness. Political thinkers such as Machiavelli, Hobbes and Hume emphasised the contractarian nature of social existence on the assumption that society was basically a composition of individuals. The individual was only concerned with his or her own self-interest. Since the individual was only concerned with his or her self-interest, rulers were supposed to take cognisance of this political truism. Political pluralism became a system that was to check and coordinate individual self-interests (Tocqueville 1946: 99-123).

#### 3. 3.1 Machiavelli and Political Liberalism

In the 16<sup>th</sup> and 17<sup>th</sup> centuries behaviour motivated by self-interest played a significant role in the making of liberal politics. Niccolo Machiavelli (1467-1527) came up with a book entitled *The Prince*, in which he argued that it was within the prerogative of the ruler to indulge in acts of cruelty and mendacity without resort to guilt feelings because the Prince was presumed to be rational and calculating. In chapter XVIII of *The Prince* the

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<sup>10</sup> According to the *Shorter Oxford English Dictionary*, the word enlightenment comes from the verb to enlighten, which means the action of enlightening, “to give light, to impart knowledge, wisdom”. When it is used sarcastically, enlightenment means “shallow and pretentious intellectualism, unreasonable contempt for authority and tradition...the individualistic tendencies of the age of enlightenment” (Onions *et al.* 1973). While the term enlightenment is used to refer to social, economic, political and religious developments in western society beginning with the eighteenth century, this term is imbued in many difficulties because it has meant different things to different disciplines. From a religious perspective, it is argued that the enlightenment gave rise to the Protestant reformation that emphasized individual sovereignty above the community and received traditions. From an economic perspective, the enlightenment heralded a new era where communal relations were economically translated into contractual relations. Economic and political writings of the enlightenment commercialized all the spheres of human life (Heilbroner 1972: 16-30; Daly and Cobb 1989: 390-391).

sub-title is: “How Princes should honour their Word”. Machiavelli said that a ruler will perish if s/he is always good; s/he must be as cunning as a fox and as fierce as a lion. As he put it:

[A] prudent ruler cannot, and must not, honour his word when it places him at a disadvantage and when the reasons for which he made his promise no longer exist. If all men were good, this precept would not be good; but because men are wretched creatures who would not keep their word to you, you need not keep your word to them” (Machiavelli 1961:100).

In other words, the prince was supposed to be ruthlessly calculative in his actions. S/he was to make decisions and act on them primarily on the basis of advantages to his or her self-interest. The prince was expected to be solely concerned with his self-interest by all means. Machiavelli’s position was that human nature was naturally evil.<sup>11</sup> Since human nature was evil, it also implied that ‘a prudent ruler’ was supposed to imitate this evil nature by acting in terms of protecting his interests by whatever means deemed necessary. In this regard, the question of means was to be treated in a purely scientific manner, without regard to the goodness or badness of the ends.

In order for the prince to expand and maintain power, Machiavelli made a distinction between “the effective truth of things” and “imaginary republics and monarchies that have never been seen nor have been known to exist” (Machiavelli 1961: 100). The latter was utopian while the former was realistic in so far as it started from the state of human

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<sup>11</sup> Machiavelli held a sceptical outlook on human nature in the sense that he started from the premise that human nature was basically evil. Such an approach to human nature is philosophically known as sceptical realism. According to sceptical realists, we should understand human beings as they are, rather than what we might wish them to be. The advice of Machiavelli to the ruler is that s/he would rule well when s/he acts according to human nature which is evil. The same approach to human nature could also be found in the writings of Confucians. For example, in ancient China the Confucian Xun Zi argued against Mencius who had said that people can do that which is good by returning to their original nature – a nature that was based on harmonious existence between humanity and nature. Xun Zi argued that Mencius’ aspirations were impossible because: “The nature of man is evil; his goodness is the result of his activity. Now, man’s inborn nature is to seek for gain. If this tendency is followed, strife and rapacity result and deference and compliance disappear. By inborn nature one is envious and hates others. Therefore the sages of antiquity, knowing that man’s nature is evil, that it is unbalanced and incorrect, ...established the authority of rulers to govern the people, ...” (cited in Chan 1963: 128-131). Surely there is nothing respectable about human nature, hence the reason we have rulers is primarily to restrain self-interested human nature from ushering society into a nihilistic war. If human nature was aggressive, self-interested and anti-social, a prudent ruler was supposed to take these elements of human nature as the building blocks of his or her rule.



nature or a human being as s/he really is. A realistic theory of the state had to be based on a thorough knowledge of human nature. The knowledge which was advanced by Machiavelli as characteristic of human nature was that a human being was basically self-interested, hence the ruler was expected to be extremely self-interested if s/he was to be in tune with human nature (Machiavelli 1961: 100-105).

Thus the legacy of Machiavelli to political liberalism is that he attributed self-interest to every person in society, including the ruler. The traditional understanding of a ruler as we have seen in the previous chapter was that s/he was there for the common good. The modernist understanding of the role of the ruler as articulated by Machiavelli was that s/he does not represent the interests of people, but his or her own personal interest. It would be a mistake if the ruler was to rule with the view of promoting his or her subjects' wellbeing. Machiavelli emphasised those instances where the prince was well advised or even duty bound to practice cruelty, mendacity, treason and other sorts of cruel assortments (Machiavelli 1961: 95). Within liberal society, people are attracted to the ruler under the illusion that s/he represents their interests, without knowing that the prince is only self-interested in as much as they are also self-interested. To a certain extent Machiavelli's theory of state-craft was echoed by Thomas Hobbes who shared a sceptical outlook towards human nature.

### 3. 3.2 Self-Interest in Hobbes' Theory of Social Contract

In the 16<sup>th</sup> century Thomas Hobbes (1962: 21-32), who came to be popularly known as the father of the contractarian theory of morality, came up with the theory that by nature, humanity was amoral, that we are like wolves to each other – hence a harmonious social existence was only possible when we entered a contract under the guardianship of a government. For him a human being was supposed to be understood in a mechanistic way. The only reality was the natural body or material thing. All bodies were composed of matter in motion. Thought was a form of motion in matter and ideas were vibrations in the matter of the individual's brains and nerves. The pressure of external objects upon our organs of sense produces delight or aversion, and causes our actions (Hobbes 1962: 21-

32). Obviously Hobbes was attempting to describe a human being in terms of the scientific paradigm of mechanistic physics.

Part of his philosophical efforts was to explain the origins of morality in human society. To start with, Hobbes argued that a human being was not a social animal. In *Leviathan*, he constructed a theory according to which human beings are by nature not inclined to work for the common good due to the fact that they are evil. This evil had three principle causes: “competition, difference and glory” and during the era when human beings existed in a state of nature,<sup>12</sup> “they are in that state which is called war, and such a war is of every man against every man...and the life of man solitary, poor, nasty, brutish and short” (Hobbes 1962: 98-100). Human nature, which Hobbes saw as severely self-centred, became the reason for the existence of laws under the guardianship of some all-controlling power. Without laws under the guardianship of a ‘leviathan’, human pursuit of self-interest could easily place people in a condition of a universal war:

...the laws of nature – [such] as justice, equality, modesty, mercy, and, in sum, doing to others as we would be done to – of themselves, without the terror of some power [<sup>13</sup>] to cause them to be observed, are contrary to our natural passions, that carry us to partiality, pride, revenge, and the like. And covenants without the sword are words, and of no strength to secure man at all. Therefore, notwithstanding the laws of nature..., if there be no power erected or not great

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<sup>12</sup> Hobbes’ (1962: 100-112) theory of nature differed remarkably from that of Plato, the Pythagoreans and the Church fathers in the sense that he premised the original state of human existence on the principle of strife and conflict for the sake of glory and honour. He stated that: “All societies therefore are either for gain or for glory, not so much of love of our fellows, as for love of ourselves...We must therefore resolve that the original of all great, and lasting societies, consisted not in the mutual good will men had towards each other, but in the mutual fear they had of each other”. By nature, a human being was not a social animal who would like to belong to social collectivities. To develop sociality, human beings had to submit themselves under that most awesome power – Leviathan. The will of ‘Leviathan’ was the only road to sociality. Morality and civil laws were themselves artifices that have nothing to do with human nature (see also Kropotkin 1924: 149-153).

<sup>13</sup> In *Leviathan*, Hobbes (1962: 72) gave power prominence in the enabling of social harmony for the reason that it enabled the individual to have protection against the acts of aggression from others. Material wealth and honor are power because they give protection against the aggressive acts of others. Hobbes would put it strongly that: “...Riches joined with liberality, is power; because it procureth friends, and servants: without liberality, not so; because in this case they defend not; but expose men to Envy, as a prey. Reputation of power is power; because it draweth with it the adherence of those that need protection. ...”. All these forms of power are based on the assumption that human existence is based on perpetual strife. In this regard, there is no room for seeing human existence on terms of solidarity and mutual aid, but on viciousness (Macpherson 1970: 36-37).

enough for our security, every man will – and lawfully – rely on his own strength and art for caution for all other men (Hobbes 1962: 99).

According to Hobbes, therefore, humans are basically, originally and naturally evil. The reason why people chose to submit themselves under a sovereign authority was in itself to guarantee self-preservation from the universal war that could result from love of liberty for themselves and dominion over others. Human existence was primarily about competing interests instead of shared interests. In the state of nature, humanity existed without any sense of fellow feeling or mutual aid, hence life was ‘solitary, poor, nasty, brutish and short’. For Hobbes there simply was no mutual aid within the *status naturalis*, as Plato, the Stoics, and the Church fathers had taught. In order to account for social harmony, Hobbes (1962: 100) argued that individual self-interest and the need to procure it by putting into consideration one’s greater advantage, caused individuals to enter into a contract in *status civilis* under the guardian of the Sovereign.

The idea that humanity was extremely self-interested was articulated by Hobbes (1962: 99-104) as follows: “Whereas the agreement of irrational creatures is natural, that of men, is by Covenant only, which is Artificial: and therefore it is no wonder if there be somewhat else required (besides Covenant) to make their Agreement constant and lasting; which is a Common Power, to keep them in awe, and direct their actions to the Common benefit”. The duty of the Sovereign was to ensure that each self-interested party to the agreement was to honour the agreement. Already here the role of the state or the government was reduced to the protection of individuals’ self-interests. Human beings did not have any inclination to work for the common good unless they were forced to do so physically – ‘covenants, without sword, are nothing but words’!. The implication of Hobbes’s contractarian theory of social existence is that human beings do not observe agreements without the use of external force. Thus the need to enforce contracts justified the existence of government in human society. Hobbes’s main presumption is that human beings are amoral and asocial by nature, hence society and its institutions are just artifices.

### 3.3.3 David Hume and Self-Interest in Politics

In the same vein with the political theory of Hobbes, David Hume saw the society of his day as populated by egoists. To rule such egoists, Hume argued that the liberal constitution has to appeal to people's self-interests. He puts it pragmatically in his essay, "On Independency of Parliament", that

...in contriving any system of government, and fixing the several checks and controls of the constitution, every man [sic] ought to be supposed a *knave*, and to have no other end, in all his actions, than private interest. By this interest we must govern him, notwithstanding his insatiable avarice and ambition, co-operate to the public good. Without this, ...we shall find, in the end, that we have no security for our liberties or possessions, except the good-will of our rulers; that is, we have no security at all. It is therefore, a just *political* maxim, *that every man must be supposed a knave* [his emphasis] (Hume 1882: 117-118).

As this quotation shows, according to Hume, the constitution of political liberalism was to be based on an understanding of human beings as knaves. The word 'knave', according to *Webster's New Dictionary of Synonyms* (1978: 861), suggests "sly trickery and deceit". This word belongs to the family of words such as "villain, scoundrel, blackguard, rascal, rogue, scamp, rascalion and miscreant", words which mean "a reprehensible person utterly lacking in principles..., blended worthlessness, meanness and unscrupulousness". Here self-interest is synonymous with knavishness and insatiable avarice or greed. After ascribing all these deplorable qualities to human nature, Hume argued that social harmony can only be attained by appealing to people's self-interests. Political liberalism, according to Hume, was only possible within a context of self-interested individuals.

The doctrine of political liberalism within early modernity was thus based on the idea that people are self-interested, consequently the goal of the liberal constitution is to safeguard these diverse interests. People rallied behind political arrangements in order to protect their self-interests. This was also part of Hume's argument when he said that in government,

...where the power is distributed among several courts, and several orders of men, we should always consider the separate interest of each court, and each order;

and, if we find that, by the skilful division of power, this interest must necessarily, in its operation, concur with public, we may pronounce that government to be wise and happy. If, on the contrary, separate interest be not checked, and be not directed to the public, we ought to look for nothing but faction, disorder, and tyranny from such government (Hume 1882: 119).

Hume's argument in the above passage is that government institutions within political liberalism should be a reflection of the fact that society is comprised of a multiplicity of interests. The duty of the government is to co-ordinate these potentially conflictual interests. Failure to do so can only result in anarchy. We can justifiably say that within political liberalism, the role of the government was not primarily one of advancing the common good, but rather of co-ordinating self-interest among its members. This, indeed, was a sceptical understanding of human nature. What political liberalism said about self-interest was also seen as applicable to the nature of the workings of the liberal economy.

### **3.4 Self Interest and Early Modern Economic Liberalism**

During the era of early modernity, economic liberalism shared the same sentiments with political liberalism on the belief that society was populated by individuals who were primarily self-interested. Some of the shared characteristics between economic liberalism and political liberalism were based on the metaphysical understanding of an individual as atomistic and unconstrained by society, a self-sufficient individual whose social existence was based on contracts. These characteristics formed an epistemological symbiosis between political liberalism and economic liberalism. The assumption that *homo economicus* was solely self-interested became the major premise for the economic theory of early modernity. Self-interest became indispensable for understanding the creation of wealth and its distribution within a particular society as well as in international trade. A Dutch physician by the name of Bernard de Mandeville argued that the economy itself was a manifestation of self-interest, which was ironically causing the flourishing of wealth.

### 3.4.1 Mandeville's Parody of Egoism that benefits the Common Good

Mandeville (1924: 18-36) wrote a little parody called *The Fable of Bees*,<sup>14</sup> in which he argued that vices were actually the cause of economic enterprise and development:

Vast numbers thronged the fruitful Hive;  
 Yet those vast Numbers made 'em thrive;  
 Millions endeavouring to supply  
 Each others' Lust and Vanity;  
 ... Thus every part was full of Vice,  
 Yet the whole Mass a Paradise;  
 To enjoy the world's conveniences,  
 Be famed in war, yet live in ease,  
 Without great vices, is a vain  
 Utopia seated in the brain.

In this poem, self-interest is equated to vice, lust and vanity. According to Mandeville, all these abominable qualities of self-interested behaviour are the real cause of the flourishing of wealth in society. His main thesis was that public benefits are the outcomes of private vices and not of private virtues. Mandeville was wholly convinced that a successful social order should be one where public benefits are based on private vices. Socially desirable consequences would come from the individual's pursuit of self-interest. It was a crucial part of Mandeville's argument that a viable social order can emerge out of the spontaneous actions of purely egoistic impulses without the regulation of government or altruistic individual behaviour (Goldsmith 1985: 62-63).

Mandeville's vision of the liberal economy was that the unregulated market characterised by the interactions of free individuals will produce results that will promote the public

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<sup>14</sup> Although Mandeville was not an economist, his writings were influential in shaping the direction of economic thinking in the 18<sup>th</sup> century. In 1705 he published a pamphlet under the title, *The Grumbling Hive: Or Knaves tur'd Honest*, which was republished under the title, *The Fables of Bees: Or Private Vices, Public Benefits*. The grumbling hive, according to this parody, was originally a thriving and powerful community. However, when its inhabitants were miraculously converted to a virtuous moral condition, the community was reduced to an impoverished and depopulated state. Mandeville concluded that a successful social order must be that where public benefits are built upon a foundation of private vices, not on economic morality of Medieval times. Mandeville advocated a vision of an economy that organizes itself and that allocates resources through the market place. While he does not make an analysis of the workings of the market mechanism, there is a clear conviction that the unregulated market provides a system operated by purely egoistic people who will, on the long run, advance the public good (Kaye 1988, Vol. 2; Viner 1953).

good. The assumption that private vices would bring about the common good renders political organisational efforts meaningless. To put it in strong terms, political interference with the running of the economy will be an unnecessary constraint.

While Christian morality had taught that virtue was to be found in the subjugation of vices, Mandeville did not agree with this teaching.<sup>15</sup> In line with the spirit of early modernity which put emphasis on individual freedom, he argued that the affairs of the world were not based on obedience to such a utopian type of morality. Hence he protested that if all actions were to cease except those that arise from unselfishness, trade would end, the arts would be unnecessary, and the crafts would be abandoned:

As Pride and Luxury decrease,  
So by degrees they leave the Seas.  
Not Merchants now, but Companies  
Remove whole Manufactories.  
All Arts and Crafts neglected lie;  
...So few in the vast Hive remain,  
The hundredth Party they can't maintain (Mandeville 1924: 34-35).

According to Mandeville, the introduction of virtue in a society that was striving on vices leads to the ruining of a prosperous hive or the economy. His argument against the morality of virtue was that if vices, luxury and corruption are connected with economic prosperity, then virtue would only lead to economic decay and the resultant poverty. Vices of individuals may be private but they are public virtues in the sense that they do benefit society in the long-run. The understanding was that something can only be virtuous when it is beneficial or that no action is virtuous unless it is beneficial to society (Goldsmith 1985: 34-35; Radcliffe 1994: 762-763).

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<sup>15</sup> In Mandeville's poem the antagonists were the moralists who were always complaining about the lack of virtue in the liberal economy. His argument against these moralists was that if ever virtue was to be introduced in the economy, then that would do away with the motivation and the means by which the flourishing of wealth came about. Since virtue was not the cause of the flourishing of wealth, the main cause was "pride, vanity, and self-love". If these qualities were to be denied, then society would be reduced to a state of deplorable misery and poverty. Mandeville was even opposed to charity schools that were set up to educate children from poor families on the grounds that such a practice would inevitably deprive industries of cheap labour (Mandeville 1924: 267-271; Lux 1990: 116-119).

The argument that individual private vices were for public benefit was well articulated in his second poem titled, “The Moral”. Moralists, argued Mandeville, did not understand that,

Fraud, Luxury and Pride must live  
 While we the Benefits receive  
 Do we not owe the Growth of Wine  
 To the dry shabby crooked Vine?  
 ...So vice is beneficial found,  
 Bare Virtue can't make Nations live  
 In Splendour; they, that would receive  
 A Golden Age, must be as free,  
 For Acorns, as for Honesty (Mandeville 1924: 36-37).

In the above stanzas the argument is that the mistake which was made by moralists was to give primacy to charity and self-denial. For him, people were not motivated by consideration for others, but by self-interest. Mandeville satirised the medieval moral doctrine that said that no action was virtuous unless it involved self-denial. If that is true, he argued, then virtue does not exist, since all actions aim at some gratification, at an increase in self-esteem (Mandeville 1924: 41). Civilisation did not come about through self-denial, but through what moralists regard as moral weaknesses: avarice, vanity, luxuriousness, ambition and the rest. Social existence was predominantly characterised by ‘private vices’ or the luxuriousness of the rich which were in turn benefiting the poor. Mandeville made a distinction between virtue and goodness. Virtue, in the sense of complete self-denial, was an illusion because all actions came from self-interest. On the other hand, no action is completely virtuous, but it may be good when it is useful to others (Mandeville 1924: 357-358).

The result of his deductive reasoning led him to the conclusion that all moral conduct has a selfish basis. Someone who might try to help a person in a dangerous situation should be understood as selfish because s/he would be doing so with the hidden intention of satisfying his or her own need for compassion in the sense that the one who helps gets personal satisfaction from helping. Even those people who performed acts of self-



sacrifice and self-denial were only doing so because they loved to be praised or they were afraid of being blamed. He expressed it pragmatically that:

The Greediness we have after the Esteem of others, and the Raptures we enjoy in the Thoughts of being liked, and perhaps admired, are Equivalents that overpay the Conquest of the strongest Passions...[A]ll Human Creatures, before they are yet polish'd, receive an extraordinary Pleasure in hearing themselves prais'd: this we are all conscious of, and therefore when we see a Man openly enjoy and feast on this Delight, in which we have no share, it rouses our Selfishness, and immediately we begin to Envy and Hate him. For this reason the well-bred Man conceals his Joy, and utterly denies that he feels any, and by this means consulting and soothing our Selfishness, he averts that Envy and Hatred...(Mandeville 1924: 68-78).

Thus Mandeville reduced all human emotions and actions to selfishness. The human tendency of being generous to others was in itself some form of disguised selfishness. Even altruistic acts were acts that originated from concealed selfishness. Hence a virtuous person was someone who was capable of concealing his or her selfishness – thus averting the wrath of the selfishness of others. Social relations, economic, political and religious, were in themselves a manifestation of selfishness. A human being was purely an egoist whose appetites were simply insatiable. From the premise that a human being was an egoist, Mandeville developed an economic creed that exonerated the pursuit of self-interest for luxurious purposes.

Mandeville's parody had far reaching implications for the evolution of economic liberalism. Firstly, he introduced an element of philosophical realism in economic activities in the sense that his argument was that we should admit that economic activities are not based on the ethic of virtue nor are they concerned with virtue, but with vices.<sup>16</sup> In

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<sup>16</sup> Mandeville's realism can be discerned from his *An Enquiry Into the Origin of Moral Virtue* in which he introduced his work as follows: "One of the greatest Reasons why so few People understand themselves, is, that most Writers are always teaching Men what they should be, and hardly ever trouble their Heads with telling them what they really are. ...As for my Part...I believe Man to be a compound of various Passions, that all of them, as they are provoked and come uppermost, govern him by turns, whether he will or no. To show that these qualifications, which we all pretend to be ashamed of, are the great Support of a flourishing Society, has been the Subject of the foregoing Poem" (Mandeville 1924: 39-40). In other words, Mandeville is arguing that in economic matters, what we wish people to be is different from what they are by nature. Human nature is not that virtuous, rather it is only viciously self-interested. Human economic actions have nothing to do with morality, or they are not concerned with virtue.

the *Fable of the Bees*, Mandeville spelt out the theory that came to be popularly known as *Laissez Faire*. According to this theory, economic affairs should not be interfered with by government. The main assumption is that things by themselves tend to find their own equilibrium, and that unregulated pursuit of self-interest on the part of the individual will be for the benefit of the community. In other words, interference on the part of the government through regulations would disturb that delicate balance (cf. Mises 1966: 674; Hayek 1982: 96).

Mandeville's parody found its economic theoretical synthesis in the economic theory of Adam Smith.<sup>17</sup> Smith took this rudimentary Mandevilian modernist economic discourse into the economic sphere in a way that established irrefutable harmony between self-interest and economic liberalism. The Mandevilian thesis that all private economic vices were actually the main reason for the flourishing of wealth became the basis for Smith's argument that economic relations are about appealing to each other's self-interest. Jacob Viner observed that, "Many scholars, including economists who should know better, regard Mandeville as a pioneer expounder of laissez-faire individualism in the economic field and as such an anticipator of Adam Smith" (Viner 1958: 339-340). To support this claim, Viner came up with themes that are found in the *Fable of the Bees* which are also common in Smith's *Wealth of Nations*. These themes are, (i) the importance of self-interest as the driving force of socially useful economic activity, (ii) a better allocation of labour among different occupations would result if left to individual determination than if regulated or guided and (iii) a rejection of governmental legislation (Viner 1958: 340). Viner argues that the theme of 'the individual self-interest that benefits the poor' was already flourishing during the times of mercantilism before Mandeville. However, scholarly opinion on this matter seems to weigh against Viner.

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<sup>17</sup> While Mandeville had interpreted self-interest as a 'private vice', in his *Wealth of Nations* Adam Smith substituted Mandeville's 'private vice' with precise terms such as "advantage" or "interest". These terms became central to the construction of both modernist liberal and neo-liberal economic theory. It was Adam Smith who put it bluntly that economic theory has to be constructed around the idea that the individual was self-interested, and that society should see him or her as only interested in his or her own gain or advantage. People should be allowed to follow their own self-interests in the market. While their self-interests do not come from a sense of concern for the common good, Smith argued that they somehow end up promoting it without intending to. In this way, Smith managed to maintain Mandeville's insight that 'private vices' were actually 'public benefits' (Brittan 1985: 9-12).

Maurice Goldsmith argued that Mandeville might not have been an economic theorist but his justification of capitalism can be discerned from the fact that he examined “men’s [sic] private vices – human motives and passions – and on their link to the public benefits of prosperity and wealth, but he was more a theorist of the spirit of capitalism than of its economic structure” (Goldsmith 1985: 124). It is also part of Goldsmith’s argument that the spirit of capitalism was not something peculiar to Mandeville’s western society, rather, “Eastern potentates, feudal lords, magnates of the church, humble peasants, noble Romans, cultured Greeks and many others have been infected with the love of gold. The desire for wealth is not confined to capitalism; wealth for high living, conspicuous display or hoarding are all non-capitalist” (Goldsmith 1985: 124).

However, the argument that private vices rather than public virtues were the cause for the flourishing of wealth has been seen by many economic scholars as the crucial insight to modernist evolution of capitalism (cf. Schumpeter 1986: 184; Polanyi 1968: 109-110; Lux 1990: 123-124). As we shall see in the following section, the Mandevilian thesis that ‘private vices were public benefits’ became part and parcel of Adam Smith’s understanding of human economic relations and motives. Like Mandeville, Smith argued that self-interest was a private vice that was beneficial to the whole of society because it was primarily a private vice that was responsible for economic prosperity.

### 3.4.2 Self-Interest in Adam Smith’s Liberal Economic Theory

Adam Smith<sup>18</sup> echoed Mandeville’s *Fable of Bees* when he argued in his *Wealth of Nations* that the real nature of human beings in relationship to their economic dealings is

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<sup>18</sup> Adam Smith was a moral philosopher at the University of Glasgow – Scotland. As a moral philosopher, he taught subjects such as “Natural Theology, Ethics, Jurisprudence, and Political Economy”. The university of Glasgow was the leading centre for what has come to be known as the Scottish Enlightenment. Smith’s first book was entitled *The Theory of Moral Sentiments* in which he made an inquiry into the origin of moral approbation and disapproval. His main concern was to investigate how human beings can be so self-interested and at the same time being sympathetic to others. Smith’s answer to this ethical puzzle was that as human beings we are endowed with the ability to sympathise with others (Heilbroner 1972: 45; Smith 1976: 5). Smith’s famous work is *The Wealth of Nations* which was published in 1776. In this work he made a detailed analysis of human economic behaviour in a way that gave rise to the development of economics as a distinct discipline. In *The Wealth of Nations* Smith investigates how it was possible for people who are only concerned with their self-interest to promote the well-being of everybody without any governmental interference. An important concept that was coined by Smith to

that they are solely self-interested, and that the private and competitive pursuit of self-interest was the source of the common good. In his most quoted passage Smith puts it succinctly that:

It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their self-interest. We address ourselves not to their humanity but to their self-love, and never talk to them of our own necessities, but of their advantages. Nobody but a beggar chooses to depend chiefly upon the benevolence of his fellow citizens. Even a beggar does not depend upon it entirely (Smith 1976: 26-27).

The gist of Smith's argument above is that in economic relations, human beings are solely motivated by self-interest, and that we ought only to appeal to each other's self-interest if we are to get what we want. We do not gain our necessities from the benevolence of the business person, but from his or her self-love. This self-love was the main motive behind all economic relations. In his or her state of self-love, *homo economicus* cannot be approached in terms of our shared humanity, but only by soothing his or her self-interest.

Though Smith was a moral philosopher, as we shall see in the course of the discussion, his utterances in the above citation are amoral ones. Who could have influenced him to take such an amoral position? In answering this question, scholars such as Kenneth Lux and Robert Heilbroner have come up with two answers. The first is that the era of early modernity which saw the rise to social prominence of Isaac Newton's physics and empiricist philosophers, especially Hobbes, Locke and Hume, played a crucial role in moulding Smith's economic theory. Smith marvelled at Isaac Newton's scientific ideas, especially his principles of physics according to which gravitation and motion cause things to follow regular laws. For Smith the law of gravity was the same as the law of self-interest in economics. There was social harmony between individual self-interest and social welfare which was closely analogous to the harmony and predictability of the

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describe the working of the liberal market is called 'the invisible hand'. Smith used this concept as a metaphor that "explains how each individual's pursuit of private gain can nevertheless add up to the good of society" (Smith 1976: 12-13; Lux 1990: 25; Heilbroner 1972b: 52-54).

movement of planets (Heilbroner 1972a: 64; Lux 1990: 138-143; Arrow and Hahn 1971:1).

In this regard, the *Wealth of Nations* was an economic synthesis of the Newtonian mechanistic universe. Just like the Newtonian mechanistic universe, the economic world was seen to work under mechanistic rules. Economic exchange led to the division of labour with unintended results that led to enormous production of wealth, more so than if there were no exchange. The creation of wealth did not depend on conscious government planning, but on individuals pursuing their self-love. Self-love, which was previously characterised as the sin of avarice, was the only reason why there are economic activities in society. Smith saw self-interest as having implications for the common good in the sense that while the individual was only self-interested, s/he was able to promote the welfare of society without intending to do so (Smith 1976: 26-27; Lux 1990: 139).

Smith actually believed that self-interested economic activities were not supposed to be regulated by government:

All systems of preference or of restraint, therefore, being taken away, the obvious and simple system of natural liberty establishes itself of its own accord...By directing [his] industry in such a manner as its produce may be of the greatest value, he [*homo economicus*] intends only his own gain, and he is in this, as in many other cases, *led by an invisible hand to promote an end which was not part of his intention*...By pursuing his own interest he frequently promotes that of the society more effectually than when he really intends to promote it [my emphasis] (Smith 1976: 413).

In other words, government should not regulate the economic sphere because self-interest does benefit society. Those members of society who were weak were supposed to benefit from the self-interest of those who were strong. Smith's assumption was that business people do benefit society by providing job opportunities to those in need as well as giving considerable taxes to government which will in turn promote the common good through welfare. However, it seems that Smith was aware of the dilemma that his theory of self-interest could not be equated with the common good nor could it lead to the egalitarian distribution of wealth.

As a way out, Smith postulated the idea that in pursuit of his or her self-interest, the individual is ‘led by an invisible hand to promote an end which was not part of their intention’.<sup>19</sup> The invisible hand appeared in Smith’s earlier book called *The Theory of Moral Sentiments* in which he stated that the rich

...consume little more than the poor, and in spite of their *natural selfishness* and rapacity, though they mean only their own convenience, though the sole end which they propose from the labours of all the thousands whom they employ be the gratification of their own vain and insatiable desires, they divide with the poor the produces of all their improvements. They are *led by an invisible hand* to make nearly the same distribution of the necessaries of life which would have been made had the earth been divided into equal portions among all its inhabitants; and thus, *without intending it*, without making it, advance the interest of society [my emphasis] (Smith 1872: 304-305).

Since on Smithian terms self-interest meant selfishness, it also followed that selfishness could not bring about the common good, consequently he came up with the concept of ‘the invisible hand’ as a natural mechanism that was to be responsible for the welfare of society. The concept of the invisible hand seems to have been adopted by Smith on the grounds that it was a distributive mechanism. While he does not explicitly tell us what this ‘invisible hand’ stands for, the following sections are concerned with some of the interpretations that have been given to this concept by other scholars.

### 3.4.3 Self-Interest and the Invisible Hand

Commenting on the concept of the invisible hand, Kenneth Lux (1990: 89) said that “in the pursuit of self-interest the individual is ‘led by an invisible hand’ to promote the social good, although that is no part of his intention”. Here the implication is that the

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<sup>19</sup> The Smithian concept of the ‘Invisible Hand’ is based on the assumption that in matters of buying and selling, or choosing what and how to produce, we will do others more good if we behave as if we are following our self-interest rather than by pursuing explicit altruistic purposes. This concept removes guilt feelings about what the individual does in her economic activities. It removes guilt feelings because it gives the impression that ‘people should be allowed to follow their self-interest in the market and should not feel guilty in doing so’. As a maxim of ‘natural liberty’, it exhorts people to maximise their own self-interest without bothering about the welfare of society. They should not bother about the welfare of society because the ‘invisible hand’ will take care of that without their own conscious efforts to do so. In the final analysis everyone ends up contributing to the general welfare while thinking that s/he is working for her self-interest (Hirschman 1977: 10; Brittan 1985: 11-12).

individual's economic actions are solely aimed at self-interest, but those same actions end up promoting good ends that were not intended. For example, in 1877, an American Lawyer by the name of Samuel Tilden is said to have given a speech at a testimonial dinner of an American business tycoon by the name of Junius Morgan. He remarked:

You are, doubtless in some degree, clinging to the illusion that you are working for yourselves, but it is my pleasure to claim that you are working for the public. While you are scheming for your own selfish ends, there is an overruling and wise Providence directing that the most of all you do should inure to the benefit of the people. Men of colossal fortunes are in effect, if not in fact, trustees for the public (cited in Canterbury 1987: 114).

This seems to be a reiteration of Mandeville's thesis that 'private vices' were actually 'public benefits'. The understanding in the above citation is that the public does benefit from the selfishness of a business person. A business person might not be aware of this truism. The above testimony augments the belief that business people are indeed benefactors of society. That a business person who is solely self-interested is the benefactor of society, is something we should understand as the ordinance of 'Providence'. However, the concept of 'the invisible hand' has other two complementary implications. The second implication is religious and the third one is sociological.

#### 3.4.3.1 The Religious Significance of the Invisible Hand

Religiously, Adam Smith's context of early modernity was also flourishing with debates on whether God was a Cosmic moralist or not. Deists within modernity advocated a form of natural religion with a Supreme Being whose will was enshrined in the principles of morality. They believed "in a world ordered by natural law, and in the inference of knowledge concerning this world by observation of its workings" (Kaye 1988: x1). Deists "had faith in a cosmology and an ethics of divine origin and of eternal and universal truth and applicability". For them there was always an "inevitable agreement of the will of God with the results of human actions" (Ibid.). The philosophical foundation of Deism lay primarily in the conception of natural law. The understanding was that "every law framed by human beings bears the character of a law exactly to that extent to which it is derived from the law of nature". It is most likely that Smith saw the invisible hand "as a natural law of the universe, a force that possessed the awesome power to bring good out of private greed" (Tawney 1926: 51; Cort 1988: 11).

From the perspective of the Deists, the promotion of human happiness was entirely dependent on God's providence. This belief in God's providence was premised on the grounds that "God, being infinitely good, provides all his creatures the means of attaining that happiness, whereof their natures are capable" (Byrne 1989: 53). In this way of reasoning, a link is made "between God's perfect goodness and his uniform and unwavering concern to make human beings happy" (Byrne 1989: 54). Since God was understood as existing in a state of perfect happiness s/he could not be interested in his or her own happiness but only in the happiness of God's creatures (Byrne 1989: 59-60).

It was part of the argument of the Deists that the universe and the social order were planned by God in such a way that they operate under certain laws that concur with the designer's intentions. This way of reasoning can be discerned from James Corey's argument that, "It is the mind of God that is ultimately responsible for the many unifying themes that are found throughout the living world. God directly created all the various species on earth *ex nihilo* according to a common plan" (Corey 1994: 108). Such an argument is *a posteriori* rather than *a priori*. All arguments of this nature focus on the orderliness of the world around us, and argue from this to the existence of the creator or a benevolent deity. In a way, the moral implication of such an argument is that whatever is happening in the world, good or bad, is in accordance with God's plan. On our part we do not have to worry about the self-interested behaviour of *homo economicus* because God's benevolence will turn their self-interested actions into our own good (Murove 1999: 101-102).

The philosophical assumption of the Deists was also influenced by the religious doctrine of Providence. Both Smith's *Theory of Moral Sentiments* and *Wealth of Nations* bear testimony to this influence. The influence of the doctrine of Providence on Smith's economic outlook was captured by Jacob Viner as follows,

Smith develops the doctrine of a beneficent order in nature, manifesting itself through the operation of forces external to nature and the innate propensities implanted in man [sic] by nature. The moral sentiments, self-interest, regulated by natural justice and tempered by sympathy and benevolence, operate in conjunction with the physical forces of nature to achieve the beneficent purposes of Nature (Viner 1958: 216-217).



In line with the doctrine of Providence, Smith's presumption was that, as there is some orderliness in nature, this orderliness can also be found in human activities in a way that reflects the attainment of purposes that are in congruence with nature. In the *Theory of Moral Sentiments*, Smith expressed this doctrine of Providence as follows, "When by natural principles we are led to advance those ends which a refined and enlightened reason would recommend to us, we are very apt to impute to that reason, as to their efficient cause, the sentiments and actions by which we advance those ends, and to imagine that to be the wisdom of man, which in reality is the wisdom of God" (Smith 1872: 80). The implication here, as Viner observed, is that "Providence has so fashioned the constitution of external nature as to make its processes favourable to man [sic], and has implanted *ab initio* in human nature such sentiments as would bring about, through their ordinary working, the happiness and welfare of mankind" (Viner 1958: 217).

Smith's providential deism implies that human economic actions give rise to consequences or outcomes that were not intended. Since the outcomes of self-interested human economic actions have been pre-ordained, it also follows that there was no need for additional influence to a social order that is so fine tuned. As Smith puts it,

The idea of that divine Being, whose benevolence and wisdom have, from all eternity, contrived and conducted the immense machine of the universe, so as at all times to produce the greatest possible quantity of happiness, is certainly of all the objects of human contemplation by far the most sublime....The administration of the great system of the universe, however, the care of the universal happiness of all rational and sensible beings, is the business of God and not of man (Smith 1872: 210).

The argument of the above quotation is that we must understand human society as primarily subsisting under the providential influence of God. For this reason, there is no need for any further interference with the way the economy works because such an economic system depends on providence. Smith's advocacy of divine Providence in the socio-economic order was an implicit articulation of the liberal economic belief that society and the economy work well without interference from government. Because of his belief in the presence of Providence in economic activities, it was part of Smith's argument that even those who were poor would be assisted by this Providence which he apparently postulated as synonymous with 'the invisible hand'.

While the rich might have been solely self-interested, their selfishness, according to Smith has been divinely mandated. They have been chosen or selected as indirect benefactors of society because their greed is directed to beneficial ends by the invisible hand. It is Smith's religious belief that God used the greediness of the rich for the benefit of the poor. The self-interest of the rich will not endanger the wellbeing of the poor because, "When Providence divided the earth among a few lordly masters, it neither forgot nor abandoned those who seemed to have been left out in the partition. These last, too, enjoy their share of all that it produces" (Smith 1872: 163).

Smith's theological position was in congruence with economic liberalism's understanding of the economy as a self-correcting mechanism based on the principle of "natural liberty" (Viner 1958: 220-221; Lux 1990: 89). The Smithian concept of 'the invisible hand' presupposed a natural harmony between the liberal economy as a self-regulating mechanism and human necessities. While economic activities were motivated by self-interest, Smith saw harmony between the individual's self-interest and the common good. As we shall see in chapter 5, this idea is pivotal to neo-liberal economists' claim that the economy does work well when there is no government intervention or government spending on welfare through taxation. Their usual argument is that the economy, relying on individuals competing for the fulfilment of their self-interests, will automatically fulfil the general welfare of society better than when they are motivated by reasons of the welfare of others. In this type of reasoning it logically follows that selfish passions are desirable in the creation and distribution of resources. Also, it implies that there is harmony between individual self-interest and the interest of society as a whole (Polanyi 1968: 135-148; Heilbroner 1962: 40-72).

#### 3.4.3.2 Smith's concept of the Invisible Hand and the Sociological Theory of Spontaneous Orders

The second implication of the invisible hand is sociological. The invisible hand implies that a beneficial order emerges as a result of the unintended consequences of individual actions.<sup>20</sup> As we have seen previously, Mandeville argued that while human self-

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<sup>20</sup> Sociologists have sometimes argued that sometimes human actions can lead to consequences beyond their control. Karl Marx, Max Weber and Emile Durkheim all argued that people create social structures

interested actions are directed to egotistical ends, they give rise to a particular beneficial social order, an order that would do good for the well-being of society. Economic liberalism of early modernity engendered the idea of a free market system as a self-regulatory system which organises itself without any outside help. The presumption was that the free market, being populated by egotistical individuals, does in the long run give rise to a spontaneous order which is to the advantage of everybody in society (cf. Dahrendorf 1989: 183-187).

Kenneth Arrow and Frank Hahn (1971: 1) expressed their fascination with the Smithian concept of ‘the invisible hand’ as follows: “[T]he notion that a social system moved by independent actions in pursuit of different values is consistent with a final coherent state of balance,...is surely the most important intellectual contribution that economic thought has made to the general understanding of social processes” In other words, there was some congruence between self-interested actions of individuals and the common good of society (cf. Polanyi 1968: 68-70).

For Smith, self-interest was analogous to the principle of motion in social theory in the same way that attraction was in Newton’s principle of motion. His most famous contribution to modernist economics was that government should not make laws to regulate the economy because laws and regulations were contrary to human nature. The wealth of nations did not depend on the government’s ability to legislate and constitutionalise, but on the freedom of individuals to pursue their self-interests. The idea of restraining self-interest through constitutional legislation was a mistaken one because self-interest brings its own social harmony that is more desirable than that which is consciously planned for by government. Thus Smith disentangled society into political and economic spheres (Polanyi 1968: 71). The former was not supposed to stretch its unprofessional fingers to the latter because the economic sphere had a life of its own.

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but those structures soon take on a life of their own, over which the creators have little or no control. Because people lack control over them, structures are free to develop in a variety of totally unanticipated directions. Their argument has been that the liberal capitalist economy, being driven by self-interest, does not guarantee any social structure. Karl Polanyi, however, is of the view that the *laissez-faire* economic system was not a creation of unintended consequences of human acts, and that its origins came about as a result of deliberate legislation by the liberal government. Polanyi argued that in the 1790s up to 1825 economic liberal principles were embraced by politicians and business people as the route which the liberal market economic system was to take (Polanyi 1968: 135-159).

The conviction that the political sphere should not encroach on the economic sphere is well elaborated in *Moral Sentiments*, where Smith admonished that the liberal economy had a life of its own that does not need interference from government:

The man of system seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess-board; he does not consider that the different pieces upon a chess board have other principles of motion besides that which the hand impresses upon them; but that, in the great chess-board of human society, every single piece has a principle of motion of its own, altogether from that which the legislator might choose to impress upon it (Smith 1872: 330-381).

In the above quotation the idea is that government should not attempt to regulate the market since everyone on the market is self-interested in such a way that all who transact in the market are rational enough to know what they want. Being driven by self-interest, society will find its own equilibrium or harmony which is analogous to the Newtonian objects which find their respective places due to laws of gravity and motion. The world of Adam Smith was a Newtonian one, and like his contemporary thinkers, he saw the social order of his day as a naturally self-equilibrating one (Macpherson 1970: 185-189; Milgate 1991: 105-112).

To give an example, in his price theory Smith shows in an unadulterated form the Newtonian scheme of thought turned to the analysis of social phenomena. Thus Smith puts it pragmatically in his *Wealth of Nations* that: “There is in every society or neighbourhood an ordinary or average rate of wages and profit”, and that: “This rate is naturally regulated” (Smith 1976: 55). The price at which a commodity actually sells is known as the market price. This market price, according to Smith, has “a tendency to gravitate around the natural price, but it is always being turned back toward the natural price by the force of interest as manifested in supply and demand. Effective demand is made up of all those who are willing to pay the natural price of the commodity”. In cases when the quantity brought to the market is less than effective demand, “the self-interest of some would lead them to bid a little more than the natural price of the commodity” (Smith 1976: 56).

In a manner that echoes Newtonian physics, Smith described the price of a commodity as follows:

The natural price is, therefore, as it were, the central price, to which the prices of all commodities are continually gravitating. Different accidents may sometimes keep them suspended a good deal above it, and sometimes force them down even somewhat below it. But whatever may be the obstacles which hinder them from setting in the centre of repose and continuance, they are constantly tending towards it (Smith 1976: 58).

Thus prices are seen as ‘gravitating’ about the norm or natural point, always repelled from this point, but also being forced back toward it by the ‘pull’ of self-interest. In other words, while the Newtonian force of gravity made things to remain in their respective positions, self-interest gave natural order to the pricing system without any external intervention through governmental regulations.

On the distribution of resources, also, Smith maintained that there was no need for government intervention: “Without any intervention of law, therefore, the private interests and passions of men naturally lead them to divide and distribute the stock of every society, among all the different employments carried on in it, as nearly as possible in the proportion which is most agreeable to the interest of the whole society” (Smith 1976: 630). For this reason, Smith saw society and its resources as actually governed by self-interest without the assistance of government or governmental intervention. It was self-interest which had assumed the role of the invisible hand.

Other scholars have argued that while each person is motivated by self-interest, the concept of the invisible hand entails an understanding of society and its institutions as a result of spontaneous orders. This is the theory that one finds in Hayek’s book, *Law, Legislation and Liberty*. Hayek’s argument is that human actions usually lead to consequences which are unintended by the actors.<sup>21</sup> Thus he argued that those who

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<sup>21</sup> The meaning of Hayek’s concept of spontaneous orders is that while individual actions may be solely self-interested, they give rise to a particular social or economic order that they may not have anticipated. Such an order is endogenous rather than exogenous. It is endogenous in the sense that it is not an order that is influenced by convention, customs and traditions. Geoffrey Hodgson chided Hayek on the grounds that

complained about Adam Smith's concept of the invisible hand were ignorant due to the fact that "they cannot conceive of an order which is not deliberately made, and partly because to them an order means something aiming at concrete purposes which is... what a spontaneous order cannot do" (Hayek 1982: 37-38). According to Hayek, the sum of unintended individual actions over a period of time results in an order which is comprehensible to the human mind as if it were a product of an intelligent planner (Hayek 1982: 41-42).

Hayek deduced from this that the outcomes of human actions bring about a more beneficial order to the participants than what was intended. The implication of a spontaneous order is that the individual pursuit of self-interest gives rise to a more harmonious social system than what would be the case under a consciously planned social system. In other words, self-interest should be seen as the self-organisation of society. It organises society without any conscious human effort. It is this ability to self-organise that gives rise to social contentment (Hayek 1982: 43-54). However, Hayek was more concerned with presenting us with a sociological theory that would suit the Smithian concept of 'the invisible hand' as commensurate with *laissez faire* capitalism. In line with this aim he submitted that, "In society, reliance on spontaneous order both extends and limits our power of control" (Hayek 1982: 41). As we shall see in the following section, Hayek's vision of a society that creates order without external interference was actually a restatement of Adam Smith's advocacy of *laissez faire*.

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within such an understanding of a spontaneous order, "Individuals are regarded as if they are born with a fixed personality; they are not constituted through social processes. The analysis has then to proceed from these given individuals to examine the spontaneous order that may emerge; it does not consider the kind of individual that may emerge from a social order of a given type, and contribute further to the evolution of the social order in the future" (Hodgson 1988: 138). Hodgson's argument is that we should not see individuals in their subjectivity as giving rise to spontaneous orders, but that we need to take into consideration the contributions that are made by social influence. As he puts it, "There can be a virtuous circle where civilized behaviour is both built up by, and contributes to, cohesive social norms. But also the circle can be virtuous, in that a shortage of solidarity and trust may accelerate a propensity for individuals to diminish further their tolerance or altruism, thus advancing the process of decay" (Hodgson 1988: 138).

Smith's economic theory in the *Wealth of Nations* was based on the idea that money, prices, and profit and loss<sup>22</sup> give the signals that lead to amendments in resource misallocations, and thus promoting economic growth. Economic institutions such as the market, and industrial division of labour, arise in an evolutionary process. Thus the idea of a spontaneous order, of a self-ordering system, continued to give the basis of the economic discipline itself. One of the arguments that was put forward by Hayek in his *Individualism and Economic Order* was that the individualism that arises from the theory of spontaneous order is the only genuine individualism that makes economic sense: "The true individualism which I shall try to defend began its development with John Locke, and particularly with Bernard Mandeville and David Hume, ...and Adam Smith" (Hayek 1948: 4).

Hayek's thesis in this work was that actions of individuals do create a social order that was never intended: "...[T]hat the spontaneous collaboration of free men often creates things which are greater than their individual minds ever fully comprehend...is the great discovery of classical and political economy which has become the basis of our understanding not only of economic life but of most truly social phenomena". From this assertion, he argued that true individualism sees most of the order we find in human economic activities "as unforeseen result of individual actions" (Hayek 1948: 8). According to him, the individualism that arises from an understanding of the economy as a spontaneous order leads to advocating "an individualism of antirationalism" (Hayek 1948: 8-9).

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<sup>22</sup> Smith's philosophy of money was based on the idea that the value of money depends on "when its supply may be increased at the pleasure of the individuals, and when its supply is placed under limitation and restraint". In other words, the acts of self-interested individuals gave rise to the value of money through controlled supply which in turn created scarcity. George Simmel argued that people create value by making objects, separating themselves from those objects, and then seeking to overcome the "distance, obstacles, difficulties" they encounter in trying to get hold of those objects. The greater the difficulty of obtaining an object, the greater its value. The general principle is that the value of things comes from the ability of people to distance themselves properly from objects. Among the factors involved in the distance of an object from an actor are the time it takes to obtain it, its scarcity, the difficulties involved in acquiring it, and the need to give up other things in order to acquire it. In the economic realm, money serves both to create distance from objects and to provide the means to overcome it. In the process of creating value, money provides the basis for the development of the market and the capitalist society. Money provides the means whereby these entities acquire a life of their own that is external to, and coercive of the actor. The need for money gives rise to calculative and self-interested relationships (Simmel 1978: 66-125).

Hayek (1948: 13-14) tells us that individualism is not bad at all, but the problem lies in “the belief that individualism approves and encourages human selfishness”. This belief, according to him, is a problem of moral evaluations of human economic activities. As he puts it, “There can be no doubt, of course, that in the language of the great writers of the eighteenth century it was man’s ‘self-love’, or even his ‘selfish interest’, which they represented as the ‘universal mover’, and that by these terms they were referring primarily to a moral attitude...” . For Hayek, the idea that the individual is solely self-interested does not have much significance because the individual cannot care for society in general besides “a narrow circle of which he is the centre”.

According to Hayek (1948: 15), it is a given natural economic process through the market that the individual ends up contributing “to ends which were no part of his purpose”. What we need to take into consideration is the fact that this human behaviour is not a glorification of selfishness as it is mistakenly understood:

If we put it concisely by saying that people are and ought to be guided in their actions by *their* interests and desires, this will at once be misunderstood or distorted into the false contention that they are or ought to be exclusively guided by their personal needs or selfish interests, while what we mean is that they ought to be allowed to strive for whatever *they* think desirable [his emphasis] (Hayek 1948: 15).

Part of Hayek’s argument of spontaneous orders is his refutation of the theory of rational *homo economicus*. In a society where there is a plurality of choices and capacities, one cannot know what would be known by “other members of society taken together” (Hayek 1948: 15). It is because of this universal ignorance that Hayek was against what he called “rationalistic individualism” on the grounds that this type of individualism does not realise that individuals are often required to submit themselves to irrational forces of society. We have to bear in mind that “the understandable craving for intelligibility produces illusory demands which no system can satisfy” (Hayek 1948: 20-24).

Hayek’s economic antirationalism complements well the Smithian notion that in pursuit of his or her self-interest, the individual promotes the good of society without knowing it.



It is this universal ignorance that led Hayek to advocate his theory of spontaneous orders - or a society that ends up with structures that were not intended by its citizens. In this regard, individuals do not have to be rational to pursue their self-interests. Hayek's advocacy of antirationalism is based on his avowed optimism in the market as a self-correcting organism.

In support of Hayek's 'economic antirationalism', Alexander Shand argued that at the market place no one knows best, and that we cannot establish with certainty what the business person would do with his or her wealth. Equally, those who benefit from the business person's wealth do not even know how the funds were accrued, and for what purpose. Those who advocate rational economic individualism forget that the successful entrepreneur "is led by the invisible hand to bring the succour of modern conveniences to the poorest homes he does not even know" (Shand 1990: 74-75; Hayek 1982: 154). But this is not all. According to Shand, "...the market is the best way by which the individual may serve the needs of hundreds of people whom he does not know of and of whose desires he is also ignorant; but this is achieved through, not through altruism, but through self-interest" (Shand 1990: 78).

Hayek's and Shand's argument of economic antirationalism or economic universal ignorance, as we shall see in chapter 4 is actually contradicted by neo-liberal economists who argue that the individual is self-interested due to the fact that s/he is calculative in his or her economic activities. For the time being, the argument of economic antirationalism as we shall see in the following subsection is further undermined by the argument that early modern economic liberalism was a result of a process that involved a conscious rational deliberation on *homo economicus*. In other words, a self-interested *homo economicus* was an eighteenth century rational construction who might not have existed in other epochs of western economic history. Karl Polanyi advanced a thesis that emphasised the prevalence of choice in economic and social organisation. In other words, the modern liberal economy was not a product of the pursuit of self-interest through universal ignorance.

### 3.4.4 Polanyi's Critique of Smith's Economic Liberalism

Karl Polanyi<sup>23</sup> (1968: 71-85) came up with two arguments to show that the economic idea of a self-regulating market which brings about a spontaneous order is illusory. He argued that “no society can exist without a system of some kind which ensures order in the production and distribution of goods. ...[N]ormally, the economic order is merely a function of the social, in which it is contained”. To support this insight, Polanyi made a historical analysis of the market since early modernity, in which he demonstrated that the idea of a self-regulating market was only a nineteenth century development in Western civilisation which was non-existent in the previous epochs. Through legislation and the writings of liberal economic and philosophical thinkers, it came to be believed that “[h]armony was inherent in economy...the interests of the individual and the community were identical – but such harmonious self-regulation required that the individual respect economic law even if it happened to destroy him” (Polanyi 1968: 85).

Polanyi's second argument was a comparative anthropological argument in which he demonstrated that an economic system that evolved around self-interest was relative to Western civilisation. As he puts it, “the individual in primitive society is not threatened by starvation unless the community as a whole is in a like predicament. Under the *kraal*-land system of the Kaffirs, for instance, ‘destitution is impossible: whosoever needs assistance receives it unquestioningly’” (Polanyi 1968: 163). His argument here is that in non western societies, the idea of greed or selfishness as characteristic of economic relations was virtually unknown.

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<sup>23</sup> Karl Polanyi was an economic historian and anthropologist. In his work, *The Great Transformation*, Polanyi argued that “the motive of individual profit associated with market exchange was never till the modern age the dominant principle of economic life”. He said that earlier societies before the advent of modern economic relations and practices were based on “non-economic relations such as kinship, communal, religious and political relationships”. These economic relations were devoid of the profit motive and material gain. Modernist academic writings on the economy gave rise to the idea of the economy as primarily an interaction of individuals at the market. Markets became institutions that functioned without the economy. As Polanyi puts it, “Orthodox economic history, in effect, was based on an immensely exaggerated view of the significance of markets as such a ‘certain isolation’, or , perhaps, a ‘tendency to seclusion’”. The idea of a market that existed as an independent institution from the economy was closely related to an understanding of society as a spontaneous order that was self-regulating (Polanyi 1968: 56-67; Wood 2000: 21-26).

Polanyi's argument can be supported by some of the pre-colonial Portuguese traders who were trading in cloth and beads in the Zambezi valley in the 14<sup>th</sup> century. Portuguese traders such as Diego and de Couto recorded in their diaries that the Africans "are so lazy that they will stop work as soon as they find enough gold to buy two pieces of cloth to dress themselves...[They] have neither eagerness nor greed...as they always rest content with but little" (cited in Mudenge 1988: 171). The above example authenticates Polanyi's argument that self-interest or greed did not have a universal applicability in all economic relations, rather, it was an evolutionary antecedent of early modernity in western society. Polanyi went a step further to argue that in many non western societies, selfishness was rather externally induced, especially during the era of colonialism. As he put it,

It is the absence of the threat of individual starvation which makes primitive society, in a sense, more human than market economy, and at the same time less economic. Ironically, the white man's initial contribution to the black man's [sic] world mainly consisted in introducing him to the uses of the scourge of hunger. Thus the colonists may decide to cut the breadfruit trees down in order to create an artificial food scarcity or may impose a hut tax on the native to force him to barter away his labour (Polanyi 1968: 164).

What the above quotation implies is that in a society where people have an inherent tendency to care for each other, economic relations based on competitive greed could not have existed. It follows that economic relations that were based on greed or selfishness were actually invented in the same way that they were invented in the western societies during the era of early modernity. Nicholas Xenos (1989: 7-38) developed Polanyi's evolutionary argument further when he argued that the economic concept of scarcity came about as a result of the failure of Enlightenment scholars to differentiate needs from desires. The rich became the object of emulation while those who were poor did not have any significant attention from society. Xenos went on to observe that the motif of abundance was also invented with an understanding that there should be continuous economic progress, and that each individual was capable of amassing as much wealth as they can lay their hands on. The motif of abundance implies greed when seen from the perspective of scarcity.

Since greed was an evolutionary antecedent of early modernity, Polanyi argued that we should equally see the free market idea as an historical social creation, or a phenomenon that was consciously brought into existence by philosophers and economists. To give an example, Adam Smith was optimistic that self-interest propels humanity to do that which will ultimately benefit others. His economic treatise was based on the premise that the laws governing the universe were congruent with humanity's economic activities and their ends. While Smith saw the harmonious as the result of 'chance interaction', Polanyi saw deliberate human choices at play (Polanyi 1968: 112-115; cf. Canterbury 1987: 203-204). As we shall see in chapter 4, Spencer and his social biology and Malthus's 'Population law' were all based on the conviction that government was not supposed to interfere with economic activities because nature was capable of establishing its own balance by decimating the undesirable elements of the economic society, such as the poor. The laws of economics were the laws of nature and consequently seen as the laws of God. As Polanyi puts it: "To the politician and administrator *laissez-faire* was simply a principle of the ensurance of law and order, with the minimum cost and effort. Let the market be given charge of the poor, and things will look after themselves" (Polanyi 1968: 117).

That the unregulated liberal economy would take charge of the needs of the poor in the long run was an economic doctrine that was also shared by other early modern economists besides Adam Smith. While the individual pursuit of self-interest gave rise to social misery and inequality, early modern liberal thinkers saw the free market economy as a natural order or a spontaneous order which should not be interfered with by government. This was a natural working of the law of nature. Put in religious terms, whatever was happening on the economic scene was part of divine providence.

### **3.5 Conclusion and Observations**

In this chapter I have tried to show that early modernity brought about a paradigm shift in the understanding of self-interest. Political and philosophical liberals of modernity such as Machiavelli, Hobbes and Hume argued in their various ways that rulers were supposed

to rule their subjects on the premise that those subjects were also self-interested. Among these liberal thinkers, the underlying philosophical assumption was that a human being was naturally self-interested, hence a viable political and economic system was supposed to reflect this reality. The belief that human beings were egoists seems to have provided some symbiosis between economic liberalism and political liberalism in early modernity (Machiavelli 1961: 100-105; Hobbes 1962: 21-104; Hume 1882: 117-119).

In economics, Bernard de Mandeville (1924: 18-78; cf. Goldsmith 1985: 34-50) argued that all those vices which were condemned by moralists were actually the cause of the flourishing of wealth. Mandeville's thesis was that private vices were public benefits. From this presumption, Mandeville argued that virtue can only breed poverty and deprivation. Mandeville's parody was a rudimentary expression of the economic theory of *laissez faire*.

The doctrine of *laissez faire* says that society would benefit and make significant progress when individuals are left to pursue their self-interests at the market place without interference from government. It was also shown that Adam Smith weaved Mandeville's insight into an economic theory in which he argued that *homo economicus* was only self-interested, and that it was upon the pursuit of self-interest that the liberal economy was able to flourish and nourish everybody. Smith coined the term 'the invisible hand' as that which was enabling the poor to benefit from the greed of the rich (Smith 1976: 26-27; 1872: 304-305).

As an attempt to unpack the implications of the Smithian concept of 'the invisible hand' I came up with three possible implications of this concept. The first implication was based on the liberal economic assumption that self-interested individuals are social benefactors. The second implication was that the concept of the invisible hand originated from the doctrines of deism and providence. During the era of modernity, deists believed that God was capable of using human vices to promote the common good (Viner 1958: 85; Tawney 1926: 51; Byrne 1989: 53-60).

It was also argued that the Smithian concept of ‘the invisible hand’ concurs with the religious doctrine of providence in the sense that it implies the minimisation of government distributive economic intervention as a crucial economic principle. The main presumption was that, while human beings might be solely self-interested, their self-interests were bringing about a desirable economic order that was benefiting the poor. According to Smith, this would not be the case if self-interested individuals were deliberately trying to be altruistic (Viner 1958: 85; Canterbury 1987: 114; Tawney 1926: 51; Cort 1988: 11; Byrne 1989: 54-60).

The third implication was sociological. The argument which was put forward by Hayek was that sometimes human actions tend to give rise to spontaneous social orders rather than what was intended by the actors. From these three implications, it followed that human selfishness was taken by Adam Smith to be an unalterable reality of nature. It was something natural that human beings should always work in pursuit of their self-interests. Karl Polanyi argued that self-interest in economics came about as a result of economic evolutions of early modernity that were triggered by political legislatures, economists, philosophers, politicians and scientists (Hayek 1948: 4-24; 1982: 37-54; Shand 1990: 74-78).

Another argument that was advanced by Polanyi against early modernity’s advocacy of self-interest was that there were other societies whose economic relations were not driven by self-interest. It was also shown that the naturalisation of self-interest in economics within the era of early modernity was partly influenced by developments in sciences, especially the Newtonian and Darwinian scientific revolutions. Newton’s physics postulated the theory that objects existed as self enclosed entities that obeyed rules of gravity and motion. In the Smithian liberal economics self-interest played a role that was analogous to the Newtonian rules of gravity and motion. However, as we shall see in the following chapter, early modernity gave rise to an understanding of economics as integral to evolution (Polanyi 1968: 163-164; Milgate 1991: 105-112; Smith 1976: 55-58).

## CHAPTER FOUR: OTHER CONTRIBUTIONS TO AND DEBATES ON THE THEORY OF SELF-INTEREST IN EARLY MODERN ECONOMIC DISCOURSE

With the advent of the predatory stage of life there comes a change in the requirements of the successful human character. Men's habits of life are required to adapt themselves to new exigencies under a new scheme of human relations. ...Under the competitive regime, the conditions of success for the individual are not necessarily the same as those of a class. The success of a class or party presumes a strong element of clannishness, or loyalty to a chief, or adherence to a tenet; whereas the competitive individual can best achieve his ends if he combines the barbarian's energy, initiative, self-seeking and disingenuousness with the savage's lack of loyalty or clannishness (Veblen 1931: 225-226)

### 4.1 Introduction

Early modern capitalism, as we have seen in the preceding chapter, can rightfully be regarded as a phase among phases in the evolution of capitalism as a fully fledged and organised economic system. The liberal economy evolved from one presumption about *homo economicus* to another. As it was argued by Polanyi in chapter 3, the idea that a free market economy, populated by individuals who are solely self-interested, would promote prosperity for the majority of its citizens was consciously formed by early modern philosophers and economists. It is institutions that give rise to the form and content of individual economic behaviour (Hodgson 1988: 124).

The economic conviction of early modernity was that the individual's economic behaviour was solely self-interested. It also followed that government was supposed to promote the individual's pursuit of self-interest through legislation. Thomas Malthus, Charles Darwin and Herbert Spencer saw self-interest as not only typical of human society. Rather, self-interest was also the working of the laws of nature. Human pursuit of self-interest and the scarcity of natural resources were part and parcel of the evolutionary process of human society and its political economy. An increase in human population that was not matched by an increase in resources implied that in the scramble for such scarce resources the fittest would survive.

It was Thorstein Veblen who came up with an argument of evolution about economic institutions. Whereas Malthus, Darwin and Spencer had advocated natural selection

through the survival of the fittest, Veblen came with a theory that institutions also evolve (cf. Canterbury 1987: 200; Hodgson 1988: 124-125). Instead of studying the economic behaviour of the individual as a unit of rational choice, Veblen puts focus on economic behaviour of the rich as a class that had its particular economic way of behaving or habits. The same approach was to a great extent employed by other evolutionary humanists such as John Ruskin and Karl Marx.

This chapter is comprised of four sections. The first section deals with self-interest in Malthus' theory of population geography, Darwin's concept of natural selection and Herbert Spencer's social biology. While these thinkers employed a naturalistic interpretation of self-interest that resonated very well with that of early modern economists, their theory of evolution, it will be argued, concurred very well with the capitalistic thinking of early modernity. The second section will attempt to give the meaning of self-interest in economics as given by Philip Wicksteed. Thirdly, it will be shown in the third section, drawing from the works of Thorstein Veblen, John Ruskin and Karl Marx that self-interest dehumanises. The fourth section is a conclusion.

## **4.2 Economic Significance of Self-Interest and the Theory of Evolution**

### **4.2.1 Malthus's Justification of Selfishness through Demographic Theory**

Thomas Malthus, who is popularly known as the patron of population geography, expressed a resentful attitude towards economic liberalism. Malthus came up with a book entitled *An Essay on Population* in which he advanced a theory that there was an unbridgeable chasm between human society as it is, and that which economic liberalism saw as fine tuned by divine providence. His thesis was that there was a tendency in nature whereby, if the population is left unchecked, it outstrips all the available means of subsistence. Humanity was caught up in a relentless trap in which its reproductive zeal tends to drive it to a situation of struggle between many mouths and the perpetually insufficient resources. As he puts it, "[Since] population can never actually increase beyond the lowest nourishment capable of supporting it, a strong check on population,



from the difficulty of acquiring food, must be constantly in operation” (Malthus 1958: 6; cf. Heilbroner 1972a: 73-83).

Malthus’s position was simply a logical one in the sense that the main problem of the world arises from the fact that there were too many people in it. Hence, there was an early connection between population and poverty. An increase in the sum of humanity entailed an increase in poverty because many human mouths have a tendency of overrunning the resources. This demographic insight led him to the argument that the poor were not supposed to be helped. A poor person for whom “at nature’s mighty feast there is no cover” might be kept alive by charity; but since s/he would then propagate his or her own kind, such charity can only be cruelty in disguise. Malthus explained this insight by postulating that since land could not multiply itself without human labour, it inevitably followed that the number of people would sooner or later overrun the amount of food. Thus the divergence between human mouths and food could only lead to a conclusion that a larger number of humanity would be condemned to one type of misery or another (Malthus 1958: 12-15; Heilbroner 1972a: 83).

Since population could not exist without food, Malthus argued, some premature death in the form of famine or disease must always pay a visit to the human race! If the vices of humanity cannot bring about an effective ‘preventive check’<sup>24</sup> that can facilitate depopulation, then some ‘positive check’ in the form of sickly seasons, epidemics and plagues can be a vital mechanism that can equilibrate between nature’s providence and human mouths (Malthus 1958: 14-15). Definitely, Malthus did not have any hope in the

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<sup>24</sup> Malthus advanced two types of checks on population – that is, “preventive and positive checks”. The preventive check had a natural existence within a person’s rationality, that is, a human being’s ability to use reason so as to weigh the pros and cons of his or her actions into a distant future. This involves moral values such as those of restraining from sexual activities or postponing the age of marriage. On the other hand, positive checks appear in the form of “common diseases and epidemics,, wars, plagues, and famine”. According to Malthus, the total “of all these preventive and positive checks, taken together, forms the immediate check to population” (Malthus 1958: 12-15). Unlike Malthus, Adam Smith had an optimistic view about human reason and the liberal economy’s ability to defy Malthus’ scepticism about human existence. According to Smith, there was no need to worry about population because human beings are not “like the lower animals, actuated by instinct only”. The fact that they are endowed with reason enables them “to perceive and appreciate, with more or less accuracy, the consequences of their actions, and to shape their conduct accordingly”. It was by virtue of reason that Smith argued that humanity “cannot increase beyond the means of subsistence available for support”, and that if that happens, “moral restraint” will help as a mechanism for population check (Smith 1976: 454-455).

future of the poor because their economic station made them prone to being nature's suitable candidates for depopulation. In his eyes, the poor had an undesirable existence in the laws of nature – hence they were always the first to pay the debt of nature (Malthus 1958: 35; Heilbroner 1972a: 81). This became the basis for his critique of charity or welfarism.

Malthus critiqued what was then called 'Poor Laws' in his English society on the grounds that though these laws may have "alleviated a little the intensity of individual misfortune, they have spread the evil over a much larger surface" (Malthus 1958: 35-40). He advocated for the abolition of parish allowances as well as governmental allowances to the poor on the grounds that if the poor were finding assistance through charity and welfarism the result would be the "obvious tendency to increase population without increasing the food for its support. A poor man may marry with little or no prospect of being able to support a family in independence. They may be said therefore in some measure to create the poor which they maintain" (Malthus 1958: 45-50). His argument was that the poor were not supposed to propagate their own kind. If they were to propagate their own kind, that in itself would be a recipe for the creation of a vicious circle of poverty. It was only those who were rich who were supposed to survive. According to Malthus, their selfishness was part of a positive check on the population (Malthus 1958: 50).

Malthus' demographic doctrine was also echoed by Charles Darwin in his theory of evolution, in which he argued that those species that survive are those that are always strong. Whereas Malthus was resentful towards government's welfare programmes to improve the lot of the poor, Darwin saw the principle of struggle for survival, where those who could not keep up with the struggle were destined for extinction as part of the sanction of nature.

#### 4.2.2 Economics of Self-Interest in Charles Darwin's Theory of Evolution

In Darwin's *On the Origins of Species*<sup>25</sup> self-interest became a mechanism of natural selection. The theory that has gone concurrently with the socio-economic theory of self-interest is the theory that those who are poor are those species that could not adapt. These less adapted (the poor) would be overrun by the rich, who in this case are the well adapted. Sometimes the less adapted will be naturally exterminated. Kenneth Lux (1990: 147) caricatured this reasoning as follows:

The poor generally represented an inferior variety. By being driven into undesirable and non-life-supporting environments, they would naturally tend to die off, and thus the species of *Homo sapiens* would strengthen, evolve, and progress. Social welfare legislation was bad because it interfered with this natural process and thus retarded social evolution.

Darwin saw the process of natural selection as something which was not only confined to nature, but also to economics and social welfare. Since competition for survival was part of the law of nature among species, it also followed that those that fail to adapt (the poor) will naturally perish. Those who pursue their self-interest stand a better chance of survival than those who sacrifice their self-interest to the common good. Darwin argued that successful organisms in life's battle will tend to differ from unsuccessful ones. That being the case, the fittest will be naturally selected for survival (Lux 1990: 147).

The fittest were selected as opposed to the weak who were destined for extinction from life's race for survival. The strong, he argued, who from their advantaged existential position as "individuals thus characterised will have the best chance of being preserved in the struggle for life; and from the strong principle of inheritance they will tend to produce offspring similarly characterised" (Darwin 1859: 127). Darwin named the above principle

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<sup>25</sup> Darwin's theory of evolution has two parts. The first part maintains that the different forms of life have developed gradually from a common ancestry. The second part of Darwin's theory was the struggle for the survival of the fittest. All animals and plants multiply faster than nature can provide for them; therefore in each generation many will perish before the age of reproducing themselves. In a given environment, members of the same species compete for survival, and those best adapted to the environment have the best chance of surviving. This theory when applied to economics gave impetus to the idea that the motive force of evolution is a kind of biological economics in a world of free competition. In economics the Darwinian concept has come to imply that the individual's pursuit of self-interest should be seen as part of the working of the law of nature (Schmookler 1984: 150-158).

‘Natural Selection’, implying that those who are strong or successful in life were selected for survival by the law of nature.

According to Darwin, this principle was operative among all creatures. He made a comparative analysis between ‘savage’ and ‘civilised’ societies in which he saw the process of natural selection as something which savage societies were putting in practice as they let their weak die:

With savages, the weak in body are soon eliminated; and those that survive commonly exhibited a vigorous state of health. We civilised men, on the other hand, do our utmost to check the process of elimination; we build asylums for the imbecile, the maimed, and the sick; we institute poor laws; our medical men exert their utmost skill to save the life of every one to the last moment...thus the weak members of civilised societies propagate their kind. No one who has attended to the breeding of domestic animals will doubt that this must be highly injurious to the race of man (Darwin 1859: 185).

On Darwinian terms, advancing welfare to the disadvantaged members of society such as the aged and the poor would only be an interruption of the process of natural selection. Such people are undesirable to society; hence the ideal would be that they should be left alone so that nature can take its course. Humanitarian efforts should be seen as unnecessary interference with the process of natural selection because it was part of the law of nature that those who happened to be poor are only destined for extinction.

Karl Marx saw Darwin’s theory as a projection of the capitalist society into nature. In his letter to Engels he protested that “Darwin was applying the Malthusian theory also to plants and animals...It is remarkable how Darwin recognises among beasts and plants his English society with its division of labour, competition, opening up of new markets, inventions and the Malthusian struggle for existence” (cited in Knight 1991: 51). Engels, in his *The Dialectics of Nature*, agreed with Marx and added that: “Darwin did not know what a bitter satire he wrote on mankind, and especially on his countrymen, when he showed that free competition, the struggle for existence, which the economists celebrate as the highest historical achievement, is the normal state of the animal kingdom” (cited in Knight 1991: 51-52).

Marx and Engels were not denying the reality of evolution, but they were denying the idea that species exist in a state of competition as characteristic of their nature. A social existence that is based on competitiveness with the intention to eliminate the other can only boil down to saying that human beings are amoral by nature. However, social biologists within early modernity argued that self-interest was a survival mechanism within the life struggle for existence. The liberal economy was part and parcel of the evolutionary process. Just as it was the case in the struggle of species for their own survival, the liberal economy was interpreted by social biologists as a reflection of this evolutionary principle. The main argument of the social biologists (social Darwinists) was that self-interest had a survival value within a group.

#### 4.2.3 Self-Interest and the Social Biology of Herbert Spencer

The father of social biology, Herbert Spencer, characterised life as “the struggle for existence among the same species and between members of different species”. In this struggle for existence, Spencer argued, “a successful adjustment made by one creature involves an unsuccessful adjustment made by another creature, either of the same kind or of a different kind” (Spencer 1907: 13). The idea here is that any creature that succeeds presupposes the existence of an unsuccessful one.

Competition among species of the same kind has often resulted in a situation whereby “the stronger often carries off by force the prey which the weaker has caught” (Spencer 1907: 13). Those who are strong stand the chance of greater survival than the weak. The implication of Spencer’s observation to economics was that those who succeed in business or in any field of life have been naturally selected. Ray Canterbury interpreted Spencer’s social biology as implying that, “to aid the poor, either by private or public aid, interfered irreparably with the progress of the race” (Canterbury 1987: 92; cf. Lux 1990: 146-148; Schumpeter 1986: 788-791).

Canterbury’s interpretation of Spencer’s social biology as implying the undesirable existence of the poor was further supported by Spencer when he argued, “Ethics has to recognise the truth recognised in unethical thought that egoism comes before altruism.

...Unless each duly cares for himself, his care for all others is ended by death; and if each thus dies, there remain no others to be cared for” (Spencer 1907: 161). Spencer went on to say, “This permanent supremacy of egoism over altruism, made manifest by contemplating existing life, is further made manifest by contemplating life in course of evolution” (Ibid.). Spencer’s main thesis was that egoism rather than altruism will be favoured by evolution

To support the superiority of egoism over altruism in the evolutionary process, Spencer argued that the evolution of life on earth, as well as its complexity, was subordinated

to the law that every individual shall gain by whatever aptitude it has for fulfilling the conditions to its existence. The uniform principle has been that better adaptation shall bring greater benefit; which greater benefit, while increasing the prosperity of the better adapted, shall increase also its ability to leave offspring inheriting more or less its better adaptation. And by implication, the uniform principle has been that the ill-adapted, disadvantaged in the struggle for existence, shall bear the consequent evils: either disappearing when its imperfections are extreme, or else rearing fewer offspring, which inheriting its imperfections, tend to dwindle away in posterity (Spencer 1907: 162).

According to Spencer, the fact that those species that are less adapted (the inferior) were consigned to extinction while those that are adapted (the superior) were naturally selected, was the law of nature or the natural law, which was not supposed to be interfered with by external arrangements: “Any arrangements which in a considerable degree prevent superiority from profiting by the rewards of superiority, or shield inferiority from the evils it entails – are arrangements diametrically opposed to the progress of organisation and the reaching of a higher life” (Spencer 1907: 162).

From the above evolutionary law, Spencer deduced that “The necessary implication is that blessings are provided for offspring by due self-regard, while disregard of self carried too far provides curses” (Spencer 1907: 163). In other words, if ‘disregard of self’ provides curses, it logically follows that egoists or those who are self-interested have a better future than altruists because, since these egoists are mostly concerned for their own selves, it also follows that they do actions that better their life conditions – thus

increasing their posterity. This argument is supported by Spencer's example in which he observed that, "Though a man's body is not a property that can be inherited, yet his constitution may fitly be compared to an entailed estate; and if he rightly understands his duty to posterity, he will see that he is bound to pass on that estate uninjured if not improved" (Spencer 1907: 165). To explain the meaning of the above example, Spencer stated, "To say this is to say that he must be egoistic to the extent of satisfying all those desires associated with the due performance of functions" (Ibid.).

While the individual might not be solely accentuated by egoistic or selfish motives, Spencer argued that egoism should always take precedence over altruism because, "The adequately egoistic individual retains those powers which make altruistic activities possible. The individual who is inadequately egoistic, loses more or less of his ability to be altruistic" (Spencer 1907: 167). As a way of illustrating this insight, Spencer gave an example that a mother who feeds the infant at the expense of her health will end up dead. Similarly, a father who is "misled" by "the notion of self-denial" and becomes a workaholic to the extent of ignoring his bodily pains stands a greater chance of dying (Spencer 1907: 167-168). Egoism ensures one's survival as well as the survival of one's offsprings. Spencer's biological and social evolutionary conviction was that

[s]entient beings have progressed from low to high types, under the law that the superior shall profit by their superiority and the inferior shall suffer from their inferiority. Conformity to this law has been, and is still, needful, not only for the continuance of life but for the increase of happiness; since the superior are those having faculties better adjusted to the requirements – faculties, therefore, which bring in their exercise greater pleasure and less pain (Spencer 1907: 170).

In the eyes of Spencer, the unregulated liberal economy, relying on individuals pursuing their self-interests, was an utmost expression of "natural progress". This natural process of evolution "would end in 'equilibrium' of peace and happiness" (Spencer 1907: 171-172; cf. Canterbury 1987: 92). Spencer's social biology thus far was based on the belief that egoism or self-interested actions are the cause of natural selection. Conversely, altruism can easily lead to the extinction of the individual and his or her offsprings. Here

Spencer severed altruism from natural selection – thus implying that egoists rather than altruists will be naturally selected.

Spencer did not only argue for egoism against altruism. He went on to advocate the dominance of self-interest in all economic relations. His argument in this regard was that the labourer who is mostly “looking for wages for work done” was not different from the merchant “who sells goods at a profit”. Equally, a doctor who charges a consultation fee was not different from “the priest who calls the scene of his ministrations ‘a living’”. According to Spencer, this shows “the truth that selfishness...is not only legitimate but essential” (Spencer 1907: 171). Without selfishness all these services and economic undertakings would cease. Selfishness or egoism was the main cause of natural selection, not altruism. Spencer is known for coining the phrase “survival of the fittest” as central to the law of natural selection (Lux 1990: 147; Conniff 2003: 15). To some greater extent Spencer refuted altruism in human economic behaviour as well as among other species. It is also clear that self-interest was a life mechanism that helps the survival of species, and that it had nothing to do with morality. The idea that the pursuit of self-interest has nothing to do with morality constituted one of the schools of thought on self-interest in early modernity.

#### 4.2.4 Philip Wicksteed and the Moral Neutrality of Self-Interest

Wicksteed for his part, saw compatibility between self-interest and cooperation. He developed the argument that people can only work or cooperate with each other on the basis of their self-interests: “Why, then, do they co-operate with me at all? Not primarily, or not solely, because they are interested in my purposes, but because they have certain purposes of their own; ...Our relations with others enter into a system of mutual adjustment by which we further each other’s purposes simply as an indirect way of furthering our own” (Wicksteed 1946: 166). Wicksteed went on to suggest that besides the role of self-interest in effecting cooperation, we have to take into consideration the role that is played by ‘economic force’.<sup>26</sup> As he puts it,

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<sup>26</sup> Economic force means manipulating people’s way of life with the aim of forcing them to enter into economic relations which otherwise they would not enter without this external influence. For example, in late eighteenth’s century colonial Africa, Henry Keigwin advised that, “The native nature is conservative,



And by economic forces I shall mean anything and everything which tends to bring men [sic] into economic relations [because] the attraction which draws me towards the accomplishment of my purposes becomes an economic force whenever the state of knowledge and the organisation of life suggest my entering into an economic relation with someone else as the best means of realising my aims (Wicksteed 1946: 168).

What the above quotation implies is that people enter into economic relations because of the forces that are exerted upon them by economic factors. Within these economic relations, other people are only means to the realisation of one's goals because "the economic relation is entered into at the prompting of the whole range of human purposes and impulses, and rests in no exclusive or specific way on an egoistic or self-regarding basis". It is for this reason that "the economic forces and relations have no inherent tendency to redress social wrongs or ally themselves with any ideal system of distributive justice" (Wicksteed 1946: 169-170).

In economic relations that are mostly driven by economic forces, ethical considerations should be seen as irrelevant. The irrelevance of ethical considerations can be discerned from the fact that "[t]he economic relation, then, or business nexus, is necessarily alike for carrying on the life of the peasant and the prince, the saint and the sinner, of the apostle and the shepherd, of the most altruistic and the most egoistic of men" (Wicksteed 1946: 171). In other words, economic relations are ethically neutral or they have nothing to do with ethical evaluations or considerations. If that is the case, it also implies that the debate of self-interest versus altruism is not relevant. The argument of moral neutrality<sup>27</sup>

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averse to innovations, ignorant of any such thing as the force of economic pressure. Left to themselves, they will not think of any danger till it is on them" (Keigwin 1923: 12). From this colonial observation what followed in many societies that were colonized was the imposition of various forms of taxes so that the native people would end up seeking employment in the newly established colonial industries and mines. In the evolution of capitalism, a person's choice not to work has carried with it a penalty of starvation. All these observations imply that the so-called 'economic force' was not something natural, but a manipulation of economic relations with the aim of advancing the aspirations and ideals of capitalism.

<sup>27</sup> Wicksteed's argument is that economics as a natural science has nothing to do with value judgments. For us to see how this is the case it is necessary that we should have a condensed view of how the whole discipline is structured. After applying mathematics and graphs to economics, modern economists divided economics into three areas: (i) positive (economic theory), normative (welfare economics) and (iii) practical (economic policy). Within this division, the first deals with 'what is', the second with 'what ought to be' and the third concerns the practical steps which need to be taken to achieve a particular goal (Robinson 1964: 29-62; Schumpeter 1986: 575-605; Samuelson and Nordhaus 1992: 2-11; Anderson 1993:

in economic relations is further substantiated by Wicksteed when he says that in carrying out business transactions, it is not an economic consideration whether the other person is “selfish or unselfish” (Wicksteed 1946: 171).

Wicksteed’s argument is, therefore, that business activities are not concerned with the moral motives behind human economic actions. What is important is to understand that each person involved in a business transaction is not involved out of sympathy for the other. One might be a saint or a radical altruist, but when it comes to business, that does not count as an economic value. He reminds us,

In principle the study of business relations is the study of the machinery by which men are liberated, over a large area of life, from the limitations which a failure of correspondence between their faculties and their purposes would otherwise impose upon them. The things they have and can are not the things they want and would; but by the machinery of exchange they can be transmuted into them (Wicksteed 1946: 173).

What Wicksteed is saying in the above quotation is that business relations are mechanistic relations. In these mechanistic relations, certain ends are attained without any human effort. Just as a machine that functions according to its predetermined laws, he argued that business relations should be seen in this light. These relations produce results which no one has ever anticipated. This observation led Wicksteed to the principle that in business activities, “Each party to an economic relation enters it in the furtherance of his own purposes, not those of the other”. Thus he submitted,

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1-38). While the last two areas imply the existence of value judgements, the first area – the scientific core of economic theory does not purport to uphold any value judgement. Wicksteed’s argument of value neutrality lies in the salient assumption that economics, like other natural sciences, should make a distinction that fact (what is) must be separated from value (what ought to be). What ought to be (value) cannot be made a subject of a true scientific investigation. Value judgements should not be allowed into a true scientific analysis because they will prejudice the objectivity of the economic phenomena. As Wicksteed puts it, “Economic *relations* constitute a complex machine by which we seek to accomplish our purposes, whatever they may be. They do not in any direct or conclusive sense either dictate our *purposes* or supply our *motives*. We shall therefore have to consider what constitutes an economic relation rather than what constitutes an economic motive” (Wicksteed 1946: 4). An argument that has been levelled against the idea of value-neutrality is that economic theory of early modernity was based on the subjective theory of value in the sense that human economic relations were understood as the expression of preferences on the part of the individual subject, of the satisfaction which the individual was expected to derive from the incremental use of goods. Consequently, the human action was perceived in purely individualistic terms (Sen 1987: 45-47; Schumpeter 1986: 659-681).

In his attitude towards himself and ‘others’ at large, a man may be either selfish or unselfish without affecting the economic nature of any given relation, such as that of Paul<sup>28</sup>] to his customers; but as soon as he is moved by a direct and interested desire to further the purposes or consult the interests of those particular ‘others’ for whom he is working at the moment, then in proportion as this desire becomes an ultimate object to him...the transaction on his side ceases to be purely economic (Wicksteed 1946: 174).

Economic relations, according to Wicksteed, have nothing to do with our human motives and attitudes. When transacting with others at the market place, our aim is solely to pursue our self-interests, not the interests of those we transact with. The economic outlook of indifference to the concerns of others was further demonstrated by Wicksteed as follows: “We enter into business relations with others, not because our purposes are selfish, but because those with whom we deal are relatively indifferent to them, but are (like us) keenly interested in purposes of their own, to which we in our turn are relatively indifferent”. For this reason, Wicksteed argued, “There is no taint or presumption of selfishness in the matter at all” (Wicksteed 1946: 179).

In order to emphasise the value-neutrality of self-interest, Wicksteed further argued, “The specific characteristic of an economic relation is not its ‘egoism’, but its ‘non-tuism’”.<sup>29</sup> (Wicksteed 1946: 180). In other words, in economic relations the selfishness of the individual does not count. Equally, altruism does not count in business because *homo economicus* is single minded in the pursuit of his or her self-interest. To call a person who is only pursuing his or her business purposes selfish is to misuse the word selfish. Wicksteed insisted that the proper understanding of a business person is that:

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<sup>28</sup> Wicksteed gave an example of St. Paul and his business of tent-making. From this example he deduced that, “although Paul was certainly not thinking of himself or of his own advantage when he was making tents in Corinth, yet neither was he necessarily or even probably thinking, in any disinterested or enthusiastic manner, of the advantage of those for whom he was working and whose wants he was immediately supplying” (Wicksteed 1946: 173). According to Wicksteed, this example was an illustration of the economic truism that in all economic relations, our aim is to further our own self-interest, and not of the others.

<sup>29</sup> *Tu* is a French and Latin word for ‘you’. According to Wicksteed, if we are to make sense of economic theory we do not need to postulate the existence of selfishness in economic activities “but merely to assume the principle of nontuism in economic exchange” (Wicksteed 1946: 180; Lux 1990: 156-157). The selfishness and unselfishness of an individual does not count when doing business.

He [sic] is exactly in the position of a man who is playing a game of chess or cricket. He is considering nothing except his game [<sup>30</sup>]. It would be absurd to call a man selfish for protecting his king in a game of chess, or to say that he was actuated by purely egoistic motives in so doing. It would be equally absurd to call a cricketer selfish for protecting his wicket, or to say that in making runs he was actuated by egoistic motives qualified by a secondary concern for his eleven. The fact is that he has no conscious motive whatever, and is wholly intent on the complex feat of taking the ball (Wicksteed 1946: 180).

Wicksteed's analogy of business activities as similar to a game of chess or cricket is meant to illustrate the fact that selfishness is a motive that is not applicable to business activities. In this analogy, if one's intent is simply the game at hand, or the pursuit of one's self-interest, the problem will be that of reducing the plurality of human motivations to a single motivation, that is, self-interest (Lux 1990: 158-159). This self-interest is given to us as morally neutral in the sense that to be self-interested has nothing to do with one's moral outlook.

To say self-interest is morally neutral means that the individual's business actions cannot be subjected to moral evaluations. Moral sentiments such as generosity, pity, sympathy and magnanimity are inapplicable when put in the context of business relations as a game. However, the problem that confronts us here is that even in games like cricket, chess or football there are values and rules such as fair play, honesty and mutuality. A game that does not observe these values will definitely cease to be called a game. Our argument here is that if business is a game, the notion of fair play carries with it some moral or ethical requirements that impose constraints on our economic relations.

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<sup>30</sup> The idea of equating economic relations to a game is not just an analogy. Classical liberal economists have often alluded to it as a way of understanding the actions of *homo economicus*. The argument which was put forward by classical liberal economists was that people do cooperate after calculating the advantages that can be accrued from such cooperation. Jean-Jacques Rousseau is on record as saying: "If a group of hunters set out to take a stag, they are fully aware that they would have to remain faithfully at their posts in order to succeed; but if a hare happens to pass near one of them, there can be no doubt that he pursued it without qualm, and that once he had caught his prey, he cared very little whether or not he had made his companions miss theirs" (cited in Dimand 1996: 15). In this understanding of economic relations as a game, the idea is that the individual acts in a calculative way concerning what possible action to take so as to maximise one's self-interest, and not that of the group. Ludwig von Mises observed that, "The immediate aim in playing a game is to defeat the partner according to the rules of the game. This is a peculiar and special case of acting. Most actions do not aim at anybody's defeat or loss" (Mises 1966: 116). In other words, in a game, the individual's actions are morally neutral. Players are only interested in their interests, not the interests of their opponents.

Wicksteed held an ambivalent position in which he denies morality in economic relations while at the same time affirming it: “There is no actual or conceivable community in which the economic relations are not habitually subject to the control of moral principles” (Wicksteed 1946: 182). To support this claim, he gives us an example of an employer who gives low wages to his employees while he makes fortunes in his business activities. Wicksteed points out that our attitude towards such an employer would be: “We think it brutal callousness on his part to be in such close relations with persons whose human claims are so entirely ignored, without being stirred to active sympathy with them” (Wicksteed 1946: 182). For Wicksteed, however, such moral sentiments are misplaced in the context of business relations because we are not supposed to be sympathetic towards employees in business relations.

The reason why we cannot be sympathetic to those employees who are being paid poor wages comes from the fact that we are mostly interested in our own self-interest instead of those of the others. Even these poorly paid employees are only concerned with their own self-interests instead of that of their employer:

That a man should be in constant relations with such pitiable people, and yet not pity them, we may rightly think that his heart is hardened. But we forget that the relation is quite as completely economic on the side of the employees as it is on the side of the employer. They too are getting their living out of a man without any direct consideration of his interests, or desire to further his purposes. And we do not blame them. ...the economic motive, like the animal appetites, for example, in itself neither makes us moral nor excuses us for not being so. In other words, the economic relation is unmoral only in the same sense in which family affection is unmoral. The economic relation has no inherently moralising power (Wicksteed 1946: 183).

What Wicksteed is saying is that, while we are mostly moved by moral considerations in our dealings with others, we should bear in mind that it is a mistake for someone to expect just dealing in business activities on the grounds of moral considerations. Thus Wicksteed reprimanded those moralists who were accustomed to complaining about the lack of morality in business activities: “It is idle to assume that ethically desirable results

will necessarily be produced by an ethically different instrument, and it is as foolish to make the economic relation an idol as it is to make it a bogey” (Wicksteed 1946: 184).

What moralists have to bear in mind is that, “The catholicity of the economic relation extends far enough in either direction to embrace both heaven and hell, and to suggest to each that its own ends may be best served by an *ad interim* devotion to those of the other [would be misleading]” (Wicksteed 1946: 185). Moralists were supposed to come to terms with the fundamental economic truism that “the economic organisation of society in itself does not in any way discriminate between worthy and unworthy ends, and lends its machinery to all who have any purposes of their own and any power of furthering the purposes of others” (Wicksteed 1946: 186).

If ‘the catholicity of economic relations’ can ‘embrace both heaven and hell’, however, as Wicksteed alleged, it can be argued that someone who steals from pensioners’ funds with the aim of furthering his or her own self-interest cannot be seen as having acted unethically because those pensioners are equally as self-interested as s/he is. Yet someone who steals from the needy so as to further his or her own self-interest is usually said to have acted selfishly and thus immorally. This is the argument that was made by Lux when he said that self-interest is not morally neutral, but that self-interest means selfishness or acting in such a way that one’s economic actions will deprive others of a humane livelihood (Lux 1990: 158-159).

If self-interest often means selfishness, the argument that has been levelled against it in the early modern economic discourse is that it is dehumanising because it presents us with an individual who is unscrupulously greedy as the ideal *homo economicus*. John Ruskin and Karl Marx, as we shall see in the following section, argued that the liberal economy of early modernity, constructed around the idea of a self-interested human being, was actually dehumanising. In other words, the liberal economic theory and practice presupposed an amoral human being as the ideal *homo economicus*. Self-interest was not morally neutral, however; rather it meant selfishness and greed as the main motivating force in economic relations.

### 4.3 Self-Interest as the Dehumanising aspect of the Liberal Economy

#### 4.3.1 John Ruskin

John Ruskin advanced a vehement critique of the early modernist economic understanding of a human being in his book, *Unto This Last*. In it he cynically argued:

The social affections, say economists, are accidental and disturbing elements in human nature; but *avarice* and desire for progress are constant elements. Let us eliminate the inconstants, and considering the human being merely as a covetous machine, examine by what laws of labour, purchase and sale, the greatest accumulative result in wealth is attainable. Those laws at once determined, it will be for each individual afterwards to introduce as much of the disturbing affectionate elements as he chooses, and to determine for himself the result on the new conditions supposed (Ruskin 1862: 2).

The modernist economic interpretation of economic relations, as already implied, did not take into account humanistic values such as mutual aid or altruistic behaviour. Rather, it eliminated them as inconstants and replaced them with a self-interested individual. That which remained as the ideal image of *homo economicus* became a human being in the form of a machine – one that is acting without any other motives besides self-interest.

Ruskin critiqued the dehumanising nature of the early modern liberal economic system on the basis that it was constructed around the notion of maximisation of self-interest. The pursuit of self-interest, according to him, was not something natural as early modern economic liberalism had espoused. On the contrary: “Men [sic] of business do indeed know how they themselves made their money, or how, on occasion, they lost it. Playing a long-practised game, they are familiar with the chances of its cards, and can rightly explain their losses and gain” (Ruskin 1862: 39). Economic activities in the liberal economy are similar to a game in which one has to know the rules in order to be able to maximise one’s self-interest. In playing this game, Ruskin pointed out: “What is really desired, under the name of riches, is, essentially, power over men; in its simplest sense, the power of obtaining for our own advantage the labour of a servant, ...the authority of directing large masses of the nation to various ends (good, trivial, or hurtful, according to the mind of the rich person)” (Ruskin 1862: 44-45).

According to Ruskin, self-interest implies selfishness or greed. The ultimate realisation of this self-centredness is attained when the individual has reached the stage where they have large numbers of people working for them because of scarcity and necessity. Thus Ruskin sarcastically chided liberal economists when he said that "...the art of becoming 'rich', in the common sense, is not absolutely nor finally the art of accumulating much money for ourselves, but also of contriving that our neighbours shall have less. In accurate terms, it is "the art of establishing the maximum inequality in our favour". He contended that such an "absurd assumption that such inequalities are necessarily advantageous, lies at the root of most of the popular fallacies on the subject of political economy" (Ruskin 1862: 46).

Evidently Ruskin was also arguing against the liberal economic assumptions that inequalities were indispensable in the liberal economy because self-interested individuals would do much good to society when they pursue their own self-interests than when they deliberately try to promote the common good of society. The early modern liberal economic theory and practices that saw a human being as solely motivated by self-interest became the subject of Karl Marx's critique of capitalism as dehumanising.

#### 4.3.2 Karl Marx's Humanistic Argument

Karl Marx was a thorough and pragmatic humanist. He emphatically rejected the capitalistic economic theory and practices of early modernity<sup>31</sup> on the grounds that capitalism was dehumanising or alienating. I do not intend to go into a detailed analysis of Marxist economics. My main focus here is on Marx's understanding of human relations under the capitalist economic system. Marx argued that the modernist economy, as it evolved from feudalism, "...has pitilessly torn asunder the motley feudal ties that bound man [sic] to his 'natural superiors', and has left remaining no other access between

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<sup>31</sup> In Marx's writings, capitalism is modernity in the same way that modernity is capitalism. Capitalism was the grand narrative of human existence: Capitalism "is the general light tingeing all other colours and modifying them in its specific quality", "a special ether determining the specific gravity of everything found in it, "the economic power that dominates everything in modern society" (Marx 1973: 83-88; Sayer 1991: 11-12). Capitalism, according to Marx, brought about a social revolution that severed relations between modern society and traditional society. Since modernity implied radical change with traditional institutions, capitalism was the main energizing force for this change.



man and man than naked self-interest, than callous ‘cash payment’” (see Marx and Engels 1975: 315). Marx, with his dialectical theory of history, saw modernist liberal capitalism as one of those passing historical epochs in humanity’s evolution to a collectivist society or communism. In *Grundrisse*, Marx puts it succinctly that the idea of “social connectedness” as “a mere means towards individual private purposes” was a development of the eighteenth century history of western capitalism (Marx 1973: 83-84).

Ray Canterbury summarised Marx’s evolutionist understanding of early modern capitalism as follows:

Capitalism was an extension of Man’s self-interest that he would grow to dislike, a stage of history’s progress that was alien to Man [sic] and not the culmination of civilisation. ...When Man arrives at a true perception of reality, he will at the same time experience the economic system that is best for him. This view is contrary to neoclassical economics, in which the market system is first, last, and always (Canterbery 1987: 190-191).

Capitalism according to Marx was just a passing stage in the evolution of humanity. As a stage chiefly characterised by self-interest, humanity will abandon it when humanity has reached a higher stage where private property would cease to exist. The end of capitalism, according to Marx, will be brought about by its own internal contradictions. Among these contradictions is that capitalism divided society into “two classes – the *property owners* and the propertyless *workers*”. Moreover, capitalism presumes the interests of the property owner or capitalist as the ultimate cause of its existence. It is mainly for this reason that “[t]he only wheels which political economy sets in motion are *greed* and the *war amongst the greedy – competition*” [his emphasis] (Marx and Engels 1975: 270-271). Since capitalism puts much emphasis on the wellbeing of the owners of capital or property, it obviously neglects the interests of the workers (Marx and Engels 1975: 271).

Another crucial observation that was made by Marx was that under the capitalistic economic relations, those who work in the economy do not own their products. For this reason, “the worker is related to the *product of his labour* as to an *alien* object. For on

this premise it is clear that the more the worker spends himself, the more powerful becomes the alien world of objects which he creates over and against himself, the poorer he himself – his inner world – becomes, the less it belongs to him as his own” [his emphasis] (Marx and Engels 1975: 272). It is partly for this reason that he critiqued capitalism as actually dehumanising and alienating to the workers. According to Marx, those who have laboured in the production of a particular commodity must be its owners.

He suggested that alienation and dehumanisation were going to be overcome at that point in time, in the future, when the workers would unleash a revolution that would result in their ownership of the means of production. This ownership of the means of production will also result in the end of the institution of private property and the establishment of a communist society. Marx’s advocacy for a communist society came partly from the observation that, under capitalism and its institution of private property, we have “a state of universal prostitution with the community” whereby individuals relate to each other solely in terms of personal gains and satisfactions. On the other hand, under communism,

The community is only a community of *labour*, and equality of *wages* paid out by communal capital – by the *community* as the universal capitalist. Both sides of the relationship are raised to an *imagined* universality – *labour* as the category in which every person is placed, and *capital* as the acknowledged universality and power of community [his emphasis] (Marx and Engels 1975: 294-295).

Marx also argued that under communism, human beings will come to grips with their real nature, which is a nature to belong to society or to the community. For him, “communism, as fully developed naturalism, equals humanism, and as fully developed humanism equals naturalism; it is the *genuine* resolution of the conflict between man and nature and between man and man [sic]...” (Marx and Engels 1975: 296). He was convinced that human beings were naturally born with an innate nature to belong to the community: “The individual *is the social being*. His manifestations of life – even if they may not appear in the direct form of *communal* manifestations of life carried out in association with others – *are* therefore an expression and confirmation of *social life*” [his emphasis] (Marx 1975: 299; 1973: 483-486). This belief in the sociality of human nature led Marx to the presumption that communism was an affirmation of the sociality of

human beings inherent in their nature. It is partly for this reason that he and Engels refuted capitalism in *The Communist Manifesto*, on the grounds that it was primarily based on the “selfish” motives of the bourgeoisie or owners of capital (Marx and Engels 1988: 71).

According to Marx, it was not humanity in general that was self-interested, rather it was that small group of society that owned capital or the bourgeois that was self-interested. With the evolution of the bourgeois social class, dehumanisation was carried to heights of magnanimous proportions:

All fixed, fast-frozen relations, with their train of ancient and venerable prejudices and opinions, are swept away, all new-formed ones become antiquated before they can ossify. All that is solid melts into air, all that is holy is profaned, and man is at last compelled to face with sober senses, his real conditions of life, and his relations with his kind (Marx and Engels 1988: 58).

For Marx, it was the bourgeois class that brought about change to the old traditional ethos that emphasised a morality of common belonging and common interest. The bourgeois class had no other motive besides that of maximising personal gain. The need for maximising personal profits compels the bourgeoisie not to be committed to any place, tradition and custom: “The need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connexions everywhere” (Marx and Engels 1988: 58). The expansive nature of capitalism was the result of the bourgeoisie’s relentless pursuit of wealth. Marx observed that this relentless pursuit of personal gain was creating a global culture of interdependence.

This bourgeois global culture of interdependence, Marx noted, meant that, “In place of the old and national seclusion and self-sufficiency, we have intercourse every direction, universal inter-dependence of nations. And as in material, so also in intellectual production” (Marx and Engels 1988: 59). But this universal capitalist intercourse was not based on mutual concern among nations in their territories. Rather, it was based on the imposition of the bourgeoisie’s modes of production: “It compels all nations, on pain of

extinction, to adopt the bourgeois mode of production; it compels them to introduce what it calls civilisation into their midst, *i.e.*, to become bourgeois themselves. In one word, it creates a world after its own image” (Marx and Engels 1988: 59).

Marx’s argument was that with the evolution of capitalism during the era of classical modernity, the expansion of capitalism all over the globe carried with it the imposition of capitalist values to other peoples and cultures who did not share its economic values of selfishness. His critique of capitalism, as seen throughout this section, was largely based on his observation that it dehumanised human beings in its production and distribution processes because it was an economic system that was based on the selfishness of that class of society that owned capital and the means of production. Self-interest, on Marxist terms, was not something inherent in human nature; instead, it was an ideological tool that reflected the greed of those who owned private property. To a certain extent, Karl Marx’s arguments were also echoed by Thorstein Veblen in his *The Theory of the Leisure Class*.

#### 4.3.3 Self-Interest and Veblen’s Institutional Evolutionary Economics

Veblen (1931: 1-22) started his book by classifying those who own private property as belonging to the institution of the leisure class. This institution of the leisure class had its origins in the history of archaic societies. In such societies, “The upper classes are by custom exempt or excluded from industrial occupations, and are reserved for certain employments to which a degree of honour attaches”. Within the historical development of this leisure class, “Manual labour, industry, whatever has to do directly with the everyday work of getting a livelihood, is the exclusive occupation of the inferior class”. Veblen went on to observe that, “In the sequence of cultural evolution the emergence of a leisure class coincides with the beginning of ownership” whereby prowess and exploit were the highest popular esteem that could be conferred upon the individual.

Veblen went on to observe that the idea of praising prowess and exploit in ancient societies was the main reason that gave rise to modernist predatory capitalist economic practices:

The predatory instinct and the consequent approbation of predatory efficiency are deeply ingrained in the habits of thought of those people who have passed under the discipline of a protracted predatory culture. ...In order to stand well in the eyes of the community, it is necessary to come up to a certain, somewhat indefinite, conventional standard of wealth... (Veblen 1931: 30).

The implication here is that the greed of the leisure class or those who have lots of wealth should be seen as a consequence of the predatory habit that is subconsciously archaic. But this predatory habit has no proper explanation besides the seeking of power and honour through endless accumulation and acquisition of wealth. The appetite for acquisition and accumulation of wealth among the leisure class is insatiable.

Veblen contended that this insatiability among the leisure class can be seen from the fact that this class is never satisfied with the material possessions it has. The need to acquire more becomes too addictive, to such an extent that it leads to compulsive greed:

But as fast as a person makes new acquisitions, and becomes accustomed to the resulting new standard of wealth, the new standard forthwith ceases to afford appreciably greater satisfaction than the earlier standard did. The tendency in any case is constantly to make the present pecuniary standard the point of departure for a fresh increase of wealth; and this in turn gives rise to a new standard of sufficiency and a new pecuniary classification of one's self as compared with one's neighbours. So far as concerns the present question, the end sought by accumulation is to rank high in comparison with the rest of the community in point of pecuniary strength (Veblen 1931: 31).

The implication of the above quotation is that those who own private property or the leisure class are mostly motivated by insatiable greed for wealth. This insatiable greed for wealth among the leisure class was further captured by Veblen as follows, “[T]he normal average individual [among the leisure class] will live in chronic dissatisfaction with his present lot...” because “when he has reached what may be called the normal pecuniary standard of the community, ...this chronic dissatisfaction will give place to a restless straining to place a wider and ever-widening pecuniary interval between himself and this average standard” (Veblen 1931: 31). The main psychological reason behind this insatiability comes from the fact that in the leisure class, individuals are driven by the

habit of emulating the wealth of those who belong to their class – thus setting a path to an endless economic state of competitive accumulation without stipulating standards for sufficiency.

In this process of endless accumulation, the individual severs himself from communal belonging. According to Veblen, “When he enters upon the predatory stage, where self-seeking in the narrower sense becomes the dominant note, this propensity goes with him still, as the pervasive trait that shapes his scheme of life” (Veblen 1931: 33). In other words, the individual in the leisure class enters a predatory stage in his or her economic relations as he or she uses the community for his or her own economic purposes without taking into consideration the interests of the community. The result of this behaviour is that, “as the self-regarding antithesis between man and man reaches fuller consciousness, the propensity for achievement – the instinct of workmanship – tends more and more to shape itself into a straining to excel others in pecuniary achievement” (Veblen 1931: 33).

According to Veblen, the leisure class is endowed with conspicuous consumption<sup>32</sup> patterns that can only be appeased by extraordinary lifestyles. As he puts it,

The quasi-peaceable gentleman of leisure, then, not only consumes of the staff of life beyond the minimum required for subsistence and physical efficiency, but his consumption also undergoes a specialisation as regards the quality of the goods consumed. He consumes freely and of the best, in food, drink, narcotics, shelter, services, ornaments... (Veblen 1931: 73).

Veblen said that such consumption is vicarious in the sense that it is done in order to express one’s economic status within the leisure class. But this conspicuous consumption is something which the individual is expected to maintain if s/he is to remain honourable within the circles of the leisure class: “The conspicuous consumption, and the consequent increased expense, required in the reputable maintenance of a child is very considerable

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<sup>32</sup> According to *The Shorter Oxford English Dictionary*, the word conspicuous comes from the Latin word *conspicere*, a word that means something that is “clearly visible, obvious or striking to the eye” (Onions *et al* ed., 1973: 407). The phrase conspicuous consumption was coined by Veblen to describe the consumption habits of the rich whom he constantly referred to as the leisure class. The theory of Veblen was that this conspicuous consumption incites social emulation in the sense that others would also want to emulate the consumption habits of the leisure class.

and acts as a powerful deterrent. It is probably the most effectual of the Malthusian prudential checks” (Veblen 1931: 113). In other words, those who belonged to the leisure class were most likely to refrain from having many children with the aim of insuring that their consumption patterns would not be compromised by their own offspring.

Another crucial observation that is made by Veblen was that “the wealthy class is by nature conservative” in the sense that this class “opposes innovation”. Its opposition to innovation is not only caused by the factor of vested interest, but this conservatism has “a certain honorific or decorative value”. As he puts it, “Conservatism, being an upper-class characteristic, is decorous; and conversely, innovation, being a lower-class phenomenon, is vulgar” (Veblen 1931: 198-200). This conservatism

makes it incumbent upon all reputable people to follow their lead [i.e., the wealthy class]. So that, by virtue of its high position as the avatar of good form, the wealthier class comes to exert a retarding influence upon social development far in excess of that which the simple numerical strength of the class would assign it. Its prescriptive example acts to greatly stiffen the resistance of all other classes against any innovation, and to fix men’s affections upon the good institutions handed down from an earlier generation (Veblen 1931: 200).

But Veblen argued equally that the poor class becomes conservative from the point of view that it lacks the power or energy that can bring about social change by virtue of its pitiable economic base. It follows that “the institution of the leisure class acts to make the lower classes conservative by withdrawing from them [the poor] as much as it may of the means of sustenance, and so reducing their consumption...to such a point as to make them incapable of the effort required for the learning and adoption of new habits of thought” (Veblen 1931: 203-204). In other words, the conservatism of the leisure class is inevitable because it is parasitic or predatory on the poor class. This conservatism of the leisure class becomes a mechanism that safeguards its own class-interests. Consequently, the leisure class has an understanding of evolution as implying that, “Whatever is, is right”; whereas the law of natural selection, as applied to human institutions, gives the axiom: “Whatever is, is wrong”. Veblen went on to observe that such a type of class-

interested conservatism perpetuates the existence of unjust or inhumane institutional practices (Veblen 1931: 207).

The conservatism of the leisure class is not so much concerned with perpetuating the received moral values or religious sentiments. Moral values can only be conserved when they help to support the long entrenched economic interests of the leisure class. The economic relations of the leisure class, as Veblen bravely pointed out, are ‘acquisitive, exploitative, and not of serviceability’. Thus he characterised the industrial processes and the economic institutions of this leisure class as follows:

Their office is of a parasitic character, and their interest is to divert what substance they may to their own use, and to retain whatever is under their hand. The conventions of the business world have grown up under the selective surveillance of this principle of predation or parasitism. They are conventions of ownership; derivatives, more or less remote, of the ancient predatory culture (Veblen 1931: 209).

In other words, the business world of the leisure class is simply predatory and parasitic in as far as it feeds on the labour of others whom it denies access to the tastes of its class. Such a business practice was archaic; hence it could not be applied in the present context. The continual survival of such business practices owes its indebtedness to the past economic outlooks that cannot be applied to today’s social conditions.

There are two arguments that have been put forward by advocates of liberal capitalism against Marx’s humanism and Veblen’s institutional economic evolutionism. The first argument is that the liberal economic theory is based on the empirical observation that it is the individuals who act, and not the collective. Ludwig von Mises (von Mises 1966: 42) argued, “The life of a collective is lived in the actions of the individuals constituting its body. There is no social collective conceivable which is not operative in the actions of the individuals constituting its body”.

von Mises’s argument was that society itself is an abstract. What is real is the individual who makes choices and acts on those choices “at a definite date and a definite place”. On



the other hand, “Universalism, collectivism, and conceptual realism see only wholes and universals disregarding the particularity of the individual action as the subject of rational choice” (von Mises 1966: 45). In this way of reasoning, if we are to abolish the institution of private property and replace it with communism, we will be doing away with the idea that the individual is the subject of rational choice. For this reason, it is further argued that an economic system that is based on communism or collectivism can only lead to a repression of individual freedoms. Such a system would be repressive because it would not allow individuals to pursue their self-interests.

The second argument is that an economic system that is based solely on the pursuit of self-interest encourages individual creativity and prosperity. A French ethnologist by the name of Alexis de Tocqueville argued that the individual pursuit of self-interest was the main reason behind the economic prosperity that has been attained by the United States of America. From his observation of the Americans in the 19<sup>th</sup> century, Tocqueville had the following to say: “They owe nothing to any man [sic], they expect nothing from any man; they acquire the habit of always considering themselves as standing alone, and they are apt to imagine that their whole destiny is in their own hands” (Tocqueville 1946: 99). From this observation he praised self-interest as follows:

The principle of self-interest rightly understood is not a lofty one, but it is clear and sure. It does not aim at mighty objects, but it attains without excessive exertion all those at which it aims. As it lies within the reach of all capacities, everyone can without difficulty learn and retain it. By its admirable conformity to human weaknesses it easily obtains great dominion; nor is that dominion precarious, since the principle checks one personal interest by another, and uses, to direct the passions, the very same instrument that excites them (Tocqueville 1946: 123).

Tocqueville’s insight was that economic flamboyancy and individual creativity that was then the common scene in America should be seen as the result of the free reign of the principle of self-interest. Self-interest was something which every person could apply in their business endeavours if ever they wanted to succeed. When left unregulated from without, self-interest directs human passions to noble ends. Self-interest and its truncated

propensity to horde is advanced as an indispensable reality of human nature that motivates people into undertaking economic activities.

#### **4.4 Conclusion and Observations**

This chapter was an investigation of self-interest in evolutionary institutional economics during the era of early modernity. The main argument of this chapter was that self-interest was an economic, institutional and evolutionary development. Thomas Malthus, the father and founder of population geography saw nature as participating in the setting of equilibrium between human consumption and the available resources. From this insight, he advised that government should not interfere with the economy by introducing laws that were aimed at alleviating the lot of the poor. The implication of this demographic reasoning was that the elimination of the poor through starvation was in itself a positive check. This was an academic way of inciting government to enact laws that would institutionalise selfishness (Malthus 1958: 6-15; Heilbroner 1972: 73-83; Hodgson 1988: 124); Canterbury 1987: 200).

On the other hand, Darwin's theory came to the support of the competitive pursuit of self-interest as actually part of the rule of natural selection among species. The implication of Darwin's theory of natural selection was that those who succeed in pursuing their self-interest in economic affairs are naturally selected while those who are poor are destined for extinction. Herbert Spencer, the father of social biology, was very explicit on this point when he argued that it was natural or according to the law of nature that those who succeed in business are naturally selected while those who are poor are destined for extinction. Self-interest, according to Spencer, was part and parcel of the law of nature that ensures the survival of the fittest. He derided altruism on the grounds that it could only lead to the extinction of its practitioners (Darwin 1859: 127; Lux 1990: 147; (1907: 13-172; Schmookler 1984: 150-158)).

Philip Wicksteed, on the other hand, argued that the pursuit of self-interest was something which was natural in business practices. It was Wicksteed's argument that

self-interest within the liberal economic affairs was morally neutral in the sense that the way self-interest works in the liberal economy has nothing to do with moral evaluations. This neutrality of self-interest could be discerned from the fact that those who transact with the market could be murderers, fraudsters, saints, prostitutes and workers, yet their ethical or unethical predispositions are irrelevant to the economic transactions. It was for this reason that self-interest was actually severed from selfishness in such a way that it remained as a morally neutral concept (Wicksteed 1946: 157-186).

In the last section of this chapter, two humanistic arguments were given, namely, that of John Ruskin and Karl Marx. Ruskin argued that the pursuit of self-interest in economic activities was not something that was morally neutral. Those who are solely self-interested are greedy because in real practice they end up depriving economic necessities to other human beings. According to Ruskin, self-interest in economic theory and praxis was actually dehumanising. On the other hand, Karl Marx's argument was also that the whole economic system that emphasised individual self-interest was economically and socially dehumanising, hence it was inevitably destined to breaking down. For Marx, the future economic system would be based on communism instead of capitalism. Marx maintained that the primacy that has been given to self-interest in economic affairs was part and parcel of the 18<sup>th</sup> century economic evolution. By nature, however, human beings are endowed with the propensity to belong to society. Thorstein Veblen saw people as existing in a state of classes comprised of the leisure class and the labouring class. The former class indulged in conspicuous consumption for the sake of honour and power. The consumption patterns of the leisure class were thus characterised by Veblen as predatory and parasitic greed. The consumption habits of the leisure class are the main reason for social inequality (Ruskin 1862: 2-46; Marx and Engels 1975: 270-299; 1988: 58-59; Veblen 1931: 31-101).

While this chapter was a descriptive analysis of self-interest in early modernity, the following chapter discusses self-interest in late modern economic thought. Contemporary economic thought on self-interest is heavily indebted to the economic thought of early modernity in its understanding of *homo economicus* because the individual is postulated

as solely self-interested and the modern economic discipline itself presumes that the individual maximises utility through the pursuit of self-interest.

## CHAPTER FIVE: SELF-INTEREST AND LATE MODERN ECONOMIC THOUGHT

The world crisis of today is a *moral* crisis – and nothing less than a moral revolution can resolve it ...The New intellectual must fight for capitalism, not as a ‘practical issue’, not as an economic issue, but, with the most righteous pride, as a *moral* issue. That is what capitalism deserves, and nothing less will save it. ...Capitalism is not the system of the past; it is the system of the future – if mankind is to have a future (Rand 1967: 201).

### 5.1 Introduction

Chapters 3 and 4 were concerned with self-interest during the era of early modernity. The main presumption concerning self-interest was that in their economic relations, *homo economicus* was solely self-interested. Economic relations that were based on the pursuit of self-interest were actually beneficial to the whole of society. It followed that there was no need for government intervention with the aim of promoting welfare. Adam Smith’s concept of the invisible hand implied that there should not be governmental interference with the economy, and that the free market economic system helps society to organise itself without external interference. Because of the influence of early modern economic thinking, capitalism, with its unregulated market system, came to be seen as the only economic system that promotes individual freedom.

The entire neo-liberal economic thinking and the modern economic discipline itself rests on the premise that human beings are self-interested creatures. Those who advocate or appreciate the economic writings of Bernard de Mandeville, Adam Smith and Philip Wicksteed are known as neo-liberals because they are usually against the intervention of government in the economy. Neo-liberal economists believe in the primacy of a free market economy where individuals pursue their self-interests in order to maximise their utilities. Thus Francis Fukuyama cannot be bettered when he says that “[t]he entire imposing edifice of contemporary neoclassical economic theory rests on a relatively simple model of human nature: that human beings are ‘rational utility-maximising individuals’” (Fukuyama 1995: 18). In this regard, all human motivations are reduced to selfishness.

Since this chapter is heavily indebted to the economic thought of early modernity, I will only select those topics on self-interest in neo-liberal economic thought that have some bearing on contemporary ethical concerns. The first section of this chapter will situate the discourse on self-interest in the modern economic discipline. It will continue to be shown in this section that the modern economic discipline presumes that the individual is solely self-interested, and this self-interested *homo economicus* is the subject of economic analysis. The second section investigates the consequences of such a model of a human being in the light of the modern utility maximisation theory of rationality. It will thus be argued in the third section that this utility maximisation theory of rationality militates against welfarism. The fourth section will come up with arguments that militate against the contemporary theory of self-interest.

## **5.2 Self-Interest As Motivation in Late Modern Economic Discipline**

The reduction of human economic relations to selfishness or self-interest is a type of reasoning that is well entrenched in contemporary economic textbooks. These textbooks presume the pre-existence of a self-interested individual as the subject of economic analysis. Thus one finds Campbell McConnell's textbook, *Economics*, stating,

Since capitalism is individualistic, it is not surprising to find that the primary driving force of such an economy is the promotion of one's self-interest; each economic unit attempts to do what is best for itself. ...In short, capitalism presumes self-interest as the fundamental *modus operandi* for the various economic units as they express their free choices. The motive of self-interest gives direction and consistency to what might otherwise be an extremely chaotic economy (McConnell 1972: 40).

The implication of the above quotation is that there are no individuals who interact with the economy without being primarily motivated by self-interest. The role of self-interest is that it enables orderliness and consistency of behaviour. In this regard, the presumption that the individual is solely self-interested also implies that s/he will always choose to act according to that which is to her or his self-interest. In other words, self-interest enables the individual's behaviour to be predictable. In late modern economic discipline,

individuals are expected to make choices and act on those choices according to costs and benefits analysis.

The idea that the individual will always act in a way that favours her or his self-interest is also entrenched in the modern economic application of game theory.<sup>33</sup> The rationality of game theory implies that individual actions are instrumentally rational in the sense that they “have preferences over various things”, to such an extent that “it does not matter what ends a person pursues: they can be selfish, weird, altruistic or whatever; so long as they consistently motivate then people can still act so as to satisfy them best” (Heap and Varoufakis 1995: 5). Game theory puts emphasis on how agreements among self-interested individuals or egoists are made. It is thus expected that agreements should always make those who enter them better off than they were before. Obviously this implies that one can only be better off than what they were before by pursuing one’s self-interest.

Modern economists further justify the use of self-interest as the *modus operandi* of human economic behaviour on the grounds that it is value neutral in the same sense that it was envisaged by Philip Wicksteed as we have seen in chapter 4. Thus it is alleged by neo-liberal economists that economics has nothing to do with values. Tullock and McKenzie would put it explicitly that

[e]conomics is not so much concerned with what should be or how individuals should behave, as it is with understanding why people behave the way they do. Accordingly, our analysis is devoid (as much as possible) of our own personal values. We treat each topic as something that is to be analysed and understood,

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<sup>33</sup> Neo-classical economists by the names of von Neumann and Oskar Morgenstern wrote a book entitled *Theory of Games and Economic Behaviour* in which they demonstrated mathematically the theory of cooperation using the theory of utility maximization. The relationship between economics and game theory is based on the idea that the individual maximises her or his utility by virtue of rationality. The individual’s choices in this regard are assumed to be strategic on the basis that the moves or choices s/he makes must lead to utility maximization. Individual strategies are also presumed to depend on the strategies that are made by other individuals (cf. Neuman and Morgenstern 1947). Robert Axelrod (1984: 6-20) advanced a game theory of cooperation in which he argued that it is possible for there to be cooperation among egoists “who pursue their own self-interest without the aid of a central authority to force them to cooperate with each other”. As he puts it, “self-interest...allows an examination of the difficult case in which cooperation is not completely based upon a concern for others or upon the welfare of the group as a whole” but on “TIT FOR TAT”.

and in order to do that, we must avoid the temptation to judge a given form of behaviour as contemptuous, immoral, good, or bad. Therefore, in the context of our analysis the services of a prostitute are treated no differently than the services of the butcher; they are neither good nor bad – they exist and are subject to analysis. Criminal activity is considered in a manner similar to that of legitimate enterprise, and religion is treated as a ‘good’ (for some) that is sought and procured (Tullock and McKenzie 1985: 7).

In the light of the above quotation, the implication is that economic analysis is value neutral because the main concern of such an analysis is not the moral predisposition of the individual. The way individuals treat each other during their economic relations falls outside the purposes of economic analysis. Here the salient presumption is that each individual is rational, hence choices that are made during business transactions are choices that reflect a consistent application of rationality in pursuit of one’s self-interest. The modern economic belief in the primacy of rationality led Tullock and McKenzie to the argument that “the rational individual, in search of a spouse, will attempt to maximise utility as in all other endeavours. ...This means that he will seek to minimise the cost incurred through marriage and family. If he marries someone who agrees with him, the cost associated with arriving at marriage is less than otherwise” (Tullock and McKenzie 1985: 79).

In the light of Tullock and McKenzie’s argument, economic analysis presumes that the individual will always use reason in a way that gives payoffs than otherwise. If that is the only role of reason, one would anticipate that one can even abandon children if one has established through calculations that they are an impediment to one’s utility maximisation. The idea here is that human beings will always calculate costs and benefits in order to establish that which is to one’s self-interest. Since it is argued by neo-liberal economists that human beings will always act in a way that maximises their own utilities, the only admissible type of reasoning is instrumental reason or ends-oriented rationality.



### 5.3 Utility Maximising Rationality and Human Economic Behaviour

Tullock and McKenzie claimed that costs and benefits analysis determine all human actions when scrutinised from the economic perspective. Even criminal activities do reflect rational behaviour that aims at utility maximisation.<sup>34</sup> They write,

To a degree that crime involves benefits and costs, crime can be a rational act, and the amount of crime actually committed can be determined in the same manner as in the amount of any other activity. The only difference may be that crime involves behaviour that is against the law. The criminal can weigh-off the benefits and costs and can choose that combination that maximises his own utility, and will maximise his utility if he commits those crimes for which the additional benefits exceed the additional costs (Tullock and McKenzie 1985: 122).

The implication of the above quotation is that it would be irrational for someone not to steal if after calculating costs and benefits they know they could get away with it. Crime is not different from any other human economic action except that it is against the law. Though it is against the law, a criminal, as typical of *homo economicus*, can only apply the principle of calculating costs and benefits before s/he acts, without recourse to moral considerations. The criminal's action becomes economical once s/he has managed to maximise her utility. If an action does not lead to the maximisation of one's utility, then that action is judged irrational because it sidelines the fact that everybody makes choices and acts on them on the premise of wanting to maximise their own utilities. In this way of reasoning, there are simply no moral constraints with regards to the means used in maximising one's utility.

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<sup>34</sup> The modern economic theory of utility maximization states that "households [and individuals] try to make themselves as well off as they possibly can in the circumstance in which they find themselves" (Lipsey 1989: 141). An indispensable way of maximizing one's utility is to pursue one's self-interest. The interests of others can only count in so far as they contribute to the individual's utility maximization. The implication of the theory of utility maximization to human economic behaviour is that the individual is greedy because s/he will always want to have more and more. Critiques of the modern economic theory of utility maximization argue that utility maximization is not the natural state of human economic behaviour, but that it is induced through advertising. This argument was made by Daly and Cobb when they said that, "If nosatiety were the natural state of human nature then aggressive want-stimulating advertising would not be necessary, nor would the barrage of novelty aimed at promoting dissatisfaction with last year's model. The system attempts to remake people fit its own presuppositions. If people's wants are not naturally insatiable we must make them so, in order to keep the system going" (Daly and Cobb 1989: 85-86).

Alan Hamlin (1986: 16-17) characterised modern economic rationality as “ends rationality” because it is based on the assumption that the individual acts solely with the aim of maximising utility. This utility maximisation is an overall conscious aim for everybody. As he puts it, “utility maximisation is a special case of the more general self-interest [in the sense that]...utility maximisation must assume that all ‘interests’ are commensurable into a single dimension – utility – so that in choosing among actions the individual will need only to compare utility content of alternative”. The implication of Hamlin’s observation is that this theory of utility maximisation presumes that everybody is self-interested, and that all make choices with the aim of maximising utility. Hamlin went on to say that “it is sufficient to note that egoism, or self-interest, and commensurability are both required components of utility maximisation in its interpretation as a form of ends-rationality”.

According to Hamlin (1986: 17-36), amongst some of the characteristics of the ends-rational view of utility maximisation is that “it is *personal* in the sense that the utility to be maximised is my own. Other individuals do not enter into the evaluation process except possibly as intermediate products...I am concerned about you only to the extent that my utility is involved”. Secondly, “It is consequentialist in the sense that actions are judged solely and completely by reference to their consequences. In the case of utility maximisation, relevant consequences are those which carry some implication for the individuals’s own utility”. The implication here is that in this ends-rational view of utility maximisation, one relates to other people simply as means to the maximisation of one’s utility. It also follows that one should always calculate the consequences of one’s actions in the light of their ability to bring about the realisation of one’s utility.

In this ends-rational view of utility maximisation, it is also alleged that even “the act of giving itself produces utility”. As Hamlin writes (1986: 36-37), “Behaving altruistically can build a favourable reputation only if others are unaware of the underlying self-interest”. This implies that “whilst altruism may appear to be un-self-interested in the short-run, its long-term benefits – including the benefits of living in a society of altruists – may dominate these short-run costs even in the egoist’s private calculus”. Within such a

situation, Hamlin maintained that “the best position for each individual is that of an egoist in an altruistic group”. Surely someone who lives in a group of altruists whilst s/he is only an egoist will be cheating these altruists. But from the point of view of ends-rational utility-maximisation cheating itself would be rational as long as the cheat is able to maximise his or her utility afterwards.

The theory of utility maximisation implies that individuals are solely motivated by greed or selfishness. It is mainly for this reason that it will be argued in the following section that utility maximisation theory of ends-rationality militates against welfarism. As we have seen in chapter 3, Adam Smith had said that whilst individuals were solely self-interested in their economic relations, these self-interested individuals were indirectly benefactors of society. Contemporary neo-liberal economists argue against welfare on the grounds that in pursuing his or her self-interest, the aim of *homo economicus* has never been that of promoting welfare, but solely his or her self-interest. Among neo-liberal economists there are those who reject welfarism out-rightly and those who see the pursuit of self-interest as a better guide to the promotion of welfarism.

## **5.4 Self-Interest and Welfarism in Neo-Liberal Economics**

### 5.4.1 The Selfishness of Ayn Rand

Ayn Rand is one of the distinguished scholars who wrote about self-interest metaphysically as well as from an economic point of view. From an economic point of view, she argued explicitly that selfishness makes better economic sense than altruism or generosity. In her article, “What is Capitalism?”, Rand said that individuals do not have an ethical obligation to the common good because the very concept of the common good is just an abstract:

‘The common good’ (or the public interest) is an undefined and undefinable concept: there is no such entity as ‘the tribe’ or ‘the public’; the tribe (or the public or society) is only a number of individual men. Nothing can be good for the tribe as such; ‘good’ and ‘value’ pertain *only* to a living organism – to an individual living organism – not to a disembodied aggregate of relationships [her emphasis] (Rand 1967c: 20).

According to Rand, capitalism presumes that there is nothing which people can enjoy in common. Consequently, she critiqued the idea of the common good as actually based on some fallacious conceptualisation of human nature. Rand contended that the proper understanding of human beings is well grounded in capitalism because it accords individuals with distinct self-interests. It is for this reason that capitalism has been the most efficient and prolific economic system that has ever existed on earth. In her other article, “Theory and Practice”, Rand expressed her admiration of modern capitalism as follows:

Capitalism has created the highest standard of living ever known on earth...The under-developed nations are an alleged problem to the world. Most of them are destitute. ...All of them scream for foreign help, for technicians and money. It is only the indecency of altruistic doctrines that permits them to hope to get away with it (Rand 1967b: 136).

Rand’s position was that those who are poor should rather be taught the values of capitalism such as the institutionalisation of private property instead of being given direct economic assistance. Equally, government attempts to promote welfare through taxation are flawed because the only way to create greater wealth is not to interfere with the economy: “Government ‘help’ to business is just as disastrous as government persecution, and ...the only way a government can be of service to national prosperity is by keeping its hands off” (Rand 1967b: 141). While this principle of *laissez-nous faire* (let us alone) had its origins in Adam Smith’s theory of the invisible hand as we have seen in chapter 3, Rand argued that it was a relevant economic maxim even today.

For Rand, the modern plea to *laissez-nous faire* comes from rich people who are being persecuted by government as they are being charged high taxes and forced to pay high salaries to workers. In her article, “America’s Persecuted Minority”, Rand complained that government applies double standards in its persecution of business people: “If workers struggle for their wages, this is hailed as ‘social gains’; if business struggles for higher profits, this is damned as ‘selfish greed’” (Rand 1967d: 44-45). But Rand is of the view that the very idea of progressive taxation for the promotion of welfarism implies

that the time of pure *laissez nous faire* capitalism had not yet come: “A system of pure, unregulated laissez-faire capitalism has never yet existed anywhere. ...The intellectuals – the ideologists, the interpreters, the assessors of public events...denounce the free businessmen as exponents of ‘selfish greed’ and glorified bureaucrats as ‘public servants’” (Rand 1967d: 48).

Rand (1963a: 18) went on to say that those who are economically fortunate have no moral obligation to help the less fortunate because such help can only be injurious to those who are being helped. It follows that “altruism erodes men’s capacity to grasp the concept of *rights* or the value of an individual life; it reveals a mind from which the reality of a human being has been wiped out”. In this way of reasoning, altruism is seen as some mechanism that is employed by its advocates to cover up for their mental deficiencies. Rand’s conviction was that individuals are self-sufficient, hence they do not need help and sympathy from other members of society. A mistake that was made by Rand, however, is that, she failed to see whether a society that is populated by egoists is viable. For argument’s sake, let us assume that such a society exists. Surely it will be irrational for someone to donate blood or life saving organs to other people. Equally, we are bound to see those people who sacrifice their happiness for the happiness of others as irrational.

Rand refuted the existence of society as a collectivity of the common good. She stated categorically that, “If one wishes to advocate a free society – that is, capitalism – one must realise that its indispensable foundation is the principle of individual rights. Since there is no such entity as ‘society’, society is only a number of individual men...” (Rand 1964: 92). For Rand, it follows that the good is that which is good for the individual. Also, since society is just an abstract,

[t]he principle of man’s individual rights [represents] the extension of morality into the society system – a limitation on the power of the state, and man’s protection against the brutal force of the collective...[A] right is the property of an individual, society as such has no rights...the only purpose of government is the protection of individual rights (Rand 1963b: 93).

On the basis of Rand's argument, since there is no such thing as society, and what we see as society is just a sum of individuals, those who act as guardians of the common good such as governments and other welfare institutions do not have rights over the individual's wealth. Here the justification for the existence of government is thus restricted to the protection of individual property and individual rights. In the same vein with Rand, Robert Nozick came up with a well-nuanced argument that the well-being of society should come about in the absence of governmental interventions that deliberately try to promote welfare. The role of the state was to protect individual freedoms to pursue their self-interests.

#### 5.4.2 Nozick's Theory of Minimal State Interference

According to Nozick (1974: 33), society is made up of "distinct individuals" who have "inviolable rights", especially rights to property. He deduced from this premise that taking into consideration the fact of our separate existence, "there is no justified sacrifice of some of us for others. This root idea, namely that there are different individuals with separate lives and so no one may be sacrificed for others, underlies the existence of moral side constraints...". Nozick maintained that government should not tax those who have plenty with the aim of alleviating the suffering of those who are less fortunate.

Nozick's argument implies strict limitation on the authority of government. Any governmental efforts to promote welfare through distributive taxation would only violate the rights of those whose income is taken for the benefit of others. From this observation he deduced, "For this, one must focus upon the fact that there are distinct individuals, each with his own life *to lead*" [his emphasis] (Nozick 1974: 34). Put in other words, the only role of government is to maintain steadfastly the protection of individual properties. Government does not have any meaningful role besides this. The implication here is that the state is supposed to be removed from economic life as an agent of welfare. Nozick's minimal state theory presumes that all individuals are self-sufficient in terms of their potentialities and that society can easily function without assistance from government.

Commenting on Nozick's minimal state theory, Bird (1999: 142) said, "This implies coercing agency is asserting a property-right in the coerced's actions. Such coercive interventions are thus incompatible with individuals' self-ownership". The state can only redistribute the individual's earnings by a certain percentage if it owns that percentage. Bird however feels that this is only plausible when individuals are understood as absolute owners of themselves: "According to this view, there is no part or aspect of self's own activity over which others are entitled to make authoritative decisions. It is for this reason that individuals have the inviolable right to decide just as they please how their personal assets and resources should be used". Bird went on to say that self-ownership implies a particular political commitment to neutrality: "If a public agent is to take individual self-ownership seriously, it has no reason to take any particular view of how personal assets and resources ought to be used, since any effort to enforce such a view would violate individuals' rights" (Bird 1999: 183).

Neo-liberal economists put emphasis on the importance of individual freedom to pursue their self-interest without government interference. In this regard, the free market is the only mechanism that is deemed capable to fulfil the requirements for individual freedom. Any form of governmental economic directive stands accused of violating the individual's personal decisions on how they want to spend their incomes, thus violating self-ownership. For this reason, the role of the state is strictly restricted to the policing of the market. It is mainly due to the need to protect individual freedoms that it is argued by neo-liberal economists that government should not interfere with the economy under the guise of promoting welfare.

#### 5.4.3 Samuel Brittan on Individual Freedom in Economic Matters

Brittan (1988: 37), a prominent neo-liberal economist, said that economic liberalism puts emphasis on the importance of freedom in the economic sphere: "A commitment to freedom and personal choice also involves freedom to spend one's money in the way one chooses and to select one's own occupation". It follows that "a conception of society as an organism can be a recipe for unlimited political intervention and for interminable strife. Where expectations are high and values diverse, some kind of market economy,

however imperfect, is a way of enabling people to live peacefully together". Brittan's observation is a restatement of early modern economic teaching that the free market was a more trustworthy mechanism for advancing individual freedom and equitable distribution of wealth than governments.

To advance individual freedom, Brittan proposed that economic policy should be based on the following presumptions:

Individuals should be regarded *as if* they are the best judges of their own interests, and policy should be designed to satisfy the desires that individuals happen to have...Policy should be governed by a preference for *impersonal general rules* with a minimum of discretionary power by publicly appointed officials or private bodies engaged in the backstage pressure – over their fellow men [sic]. We should try to *limit the domain of political activity* even though we cannot mark out exact boundary lines in advance...It is safer to rely on people's private interests rather than their professed public goals [his emphasis] (Brittan 1988: 109).

The implications of the above thought are that the market should not be interfered with because people know their own interests. Since they know their interests, there is no need to make policies that are aimed at promoting welfarism. The political sphere should not interfere with the economic sphere because self-interest is far more trustworthy than public interest. This means that the pursuit of self-interest brings prosperity and harmony to society rather than when government deliberately tries to regulate the economy.

Another argument that is made by Brittan against the promotion of welfarism is that such actions are a recipe for a breeding ground for free riders.<sup>35</sup> Consequently, all collectivities such as charitable organisations are susceptible to this free rider problem. Thus Brittan expressed his abhorrence towards collectivities on the following grounds, "Collectivities do not think, feel, exult, triumph, or despair, and to plan for their benefit is the wrong sort

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<sup>35</sup> Neo-liberal economists argue for self-interest as opposed to the common good mainly on the premise that the existence of goods that are available for charity contributes to the rise of a society that is mainly populated by people who are only interested in benefiting from the economy without contributing anything to it. To counter this free-rider problem, it is the rationale of neo-liberal economists that self-interest in economic relations dictates that one should be interested in one's own well-being whilst remaining neutral to the interest of others. Self-interest is also believed to have the propensity to identify and punish free-riders as they are deprived of the enjoyments that accrue in participating in the working of the economy (Lux 1990: 159; Poole 1991: 11-14).



of high-mindedness” (Brittan 1988: 212). The implication here is that to plan for the well-being of the community is to make a reckless mistake of substituting the individual with the community. Individuals are the subjects of experience, not the community. If individuals are the subjects of experiences, it also follows that it would be prudent for government to leave these individuals alone to cooperate on the basis of pursuing their self-interests. In other words, it is only individual self-interest that is real instead of collectivities.

#### 5.4.4 Paul Heyne on the Predominance of Self-Interest in the Public Sphere

In the same vein with Rand, Nozick and Brittan, Heyne argued that the usual debate that is always based on public versus private is a misguided one. As he put it, “We should be well advised to discount all the rhetoric about public versus private interests, and to look for the incentives that actually shape the decisions that people take” (Heyne 1983: 272). According to Heyne, people are solely motivated by self-interest after calculating costs and benefits. It is mainly for this reason that Heyne went to the extent of refuting the idea that government was there to foster society’s welfare. His argument was that it is a misunderstanding for us to construe government as being there for the common good and the individual for private interest. For Heyne, the correct understanding should be that “Government is people interacting, paying attention to the expected costs and benefits of the alternatives that they perceive” (Heyne 1983: 283). Heyne claimed that this interpretation of people’s actions is an obvious fact that is based on the core of economic theory itself: “Economic theory assumes that people act in their own interest, not that they act in the public interest” (Heyne 1983: 284). Here the converse is also true that if people were to act in the public interest, modern economic theory would simply have nothing to do with their actions. In fact actions that are aimed at promoting the common good would logically be judged as uneconomical.

Heyne went further to assert that even those people who appear to profess some commitment to the promotion of welfare are in actual fact doing so for the sake of advancing their own personal interests: “Sometimes it will be in a legislator’s interest to pursue the public interest” (Heyne 1983: 284). In other words, the legislator cannot

pursue the public interest if it is not to his or her benefit to do so. It is economically expected that the public official must be rational and calculative about costs and benefits to his or her interests. But Heyne's interpretation of the private and the public as equally dominated by self-interest presupposes a society that is populated by individuals who are all rational and self-sufficient. The illusion behind this doctrine of self-sufficiency can be discerned from the fact that in reality, as we shall see in chapters 6 and 7, there are no individuals who are self-sufficient.

There are other neo-liberal economists who admit the importance of welfarism but argue that welfare subsists in the pursuit of self-interest. The argument here is that economic activities based on a self-interested individual would benefit social welfare rather than individual actions that are done directly with the intention of promoting welfare. Here self-interest is not defended for its own sake, but on the basis that it helps to advance welfarism. It also implies that we cannot have welfare without individuals who are dedicated to the pursuit of self-interest.

#### 5.4.5 Alexander Shand and Frank Field on Welfare as Subsisting in Self-Interest

Shand (1990: 69), who is a prominent advocate of early modern economics in the Austrian economic school of thought, argued that the economic results of the pursuit of self-interest give rise to the promotion of welfare. He writes, "The doctrine that the pursuit of self-interest will, through the operations of 'the invisible hand' work to produce the greatest amount of welfare can be justified on utilitarian grounds; it is a consequentialist social theory". Shand goes on to say that "Adam Smith espoused the theory of our interdependence when he argued that for someone to gain the help and cooperation of others, they should rather appeal to their self-love". Appealing to each other's self-love implies that we cannot get what we want by appealing to each other's sense of generosity. This implies that those who champion the promotion of welfare whilst at the same time frowning at self-interest are economically misguided. Thus Shand rebuked those who condemn self-interest whilst advocating welfare, such as the Church, as follows:

But for the most part Churches have always chosen to refuse to face up to the full implications of the (to them) unpleasant reality that it is largely free market competitive self-interest that has also generated the wealth that is the essential prerequisite for the supply of medical care, adequate nutrition, and housing, without which no amount of Christian good would do the slightest bit of good (Shand 1990: 77).

What is implied in the above quotation is that instead of rebuking self-interest on grounds of moral or religious prejudices, we should be grateful because the pursuit of self-interest by individuals results in the generation of wealth that gives rise to vibrant healthcare systems and plenty of food on our tables. The pursuit of self-interest is thus justifiable on the grounds that it was the reason for the flourishing of wealth and the resultant promotion of welfare. According to Shand, the promotion of welfare is best achieved through the pursuit of self-interest at the free market place: “[T]he market is the best way by which the individual may serve the needs of hundreds of people whom he does not know of and of whose desires he is also ignorant; but this is achieved through; not through altruism, but through selfishness” (Shand 1990: 79). The implication here is that through the free market, the individual’s selfishness produces unintended benefits for all without even governmental intervention.

Poole put his finger on the right spot when he stated the above rationale on welfarism as follows:

The individual is concerned solely with his own well-being; nevertheless, the result of what he does is to further the well-being of others with whom he is not concerned. Indeed, he will secure this result much more surely than if he had taken the well-being of others as the direct object of his behaviour. It is part of the logic of the market to sever the conceptual continuity between the intentional content of an individual’s action and its overall social meaning. ...Self-interest is validated not in its own terms, but because it is conducive to social well-being (Poole 1991: 8).

This position on welfarism is a reiteration of the Mandevilian parody of vicious passions or vices that transform themselves into public benefits as well as the Smithian concept of ‘the invisible hand’ when understood in the light of Hayek’s theory of spontaneous orders as we have seen in chapter 3.

Shand's position on welfarism was also echoed by Frank Field in his article, "Altruism, Self-Interest and Sustainability of Welfare", when he said that it is only within an economic system that is based on self-interest that altruism and welfare can be sustained in the long-run. He avers,

I suggest that while altruism plays a part in all human activity, and public welfare is no exception, the oxygen feeding this sentiment in the main comes from self-interest...Moreso, self-interest and altruism need to be held in balance, with self-interest being the dominant value. If this balance is overturned by altruism being given too prominent a role, the likelihood is of a political backlash which endangers the very operation of altruism itself within public welfare (Field 1999: 461).

Field's insight as stated above is that there has to be self-interested individuals for there to be welfare. The existence of charity or welfare presupposes the prior existence of self-interested individuals. The flourishing of wealth is not the result of altruism, but self-interest. If we start by teaching people to be altruistic, we end up endangering the very existence of welfare and altruism. The reality of an altruistic sentiment that is prone to promote welfare is the result of the pursuit of self-interest. Field exhorted that we should not rush to the condemnation of self-interest without making a distinction between self-interest and selfishness. As he put it, "self-interest should be distinguished from selfishness [because] selfishness was itself a separate motive force from greed..." (Field 1999: 462).

Whilst Field tries to make a distinction between self-interest and greed, I think scholarly opinion among neo-liberal economists as we have seen so far does not support him. In the preceding sections the argument that came from neo-liberal economists was that in economics self-interest was synonymous with selfishness and that there was nothing wrong about that either from an economic point of view or from an ethical point of view. From an economic point of view, it was argued however, that modern economics assumes that individuals are self-interested or selfish in a way that implies value-neutrality. From an ethical point of view, it was argued that altruism, collectivism and

societies are simply manifestations of self-interest because self-interested activities of individuals lead to the promotion of altruism. Kenneth Lux argued, however, that self-interest cannot promote the altruistic cause. As he put it, “But the problem is that these motives are mutually exclusive, or incompatible. You can’t be going both directions at the same time. When you fulfil one you defeat the other. An altruist is an altruist precisely because he is not an egoist; an ascetic becomes an ascetic by renouncing sensualism” (Lux 1990: 158). Lux’s argument is that self-interest means selfishness, and selfishness cannot promote the altruistic cause or welfarism.

However, there are modern scholars who argue that the theory of self-interest in late modern economic discourses falsifies human nature. Sociologically, it is argued that the theory of self-interest is nothing else but a summation of the anarchic theory of society. From an economic point of view, it is argued that human beings are endowed with a plurality of motivations; therefore self-interest is not the only motivating factor in human economic relations. Another argument is that the pursuit of self-interest militates against the economic livelihood of future generations.

## **5.5 Modern Arguments against Self-Interest**

### **5.5.1 The Sociological Argument**

Francis Fukuyama (1995: 20-21), a world renowned political scientist, contended that “to assert that people prefer their selfish material interests over other kinds of interest is to make a strong statement about human nature. It should also be quite evident that people do not always pursue utility, however defined...”. Fukuyama went on to say that there are other societies which have a distinct trait of ethics that puts emphasis on certain social values, such as family solidarity, adoption of nonkin and “intimate face-to-face relationships”. According to Fukuyama, all these cultural qualities “come about as the result not of rational calculation but from inherited ethical habit”. Consequently, he argued that “[i]t is not rational for people to be rational about every single choice they make in life; if this were true, their lives would be consumed in decision over the smallest matters” (Fukuyama 1995: 20). In other words, people do not always act after calculating

costs and benefits as it has been claimed by neo-liberal economists. Fukuyama reminds us: “The obligations one feels toward one’s family do not arise out of a simple cost-benefit calculation, even if that family is running a business; rather, it is the character of the business that is shaped by pre-existing family relationships” (Fukuyama 1995: 21).

Whilst Fukuyama says that self-interest of utility maximisation is indispensable in laws of economics as a guide to making predictions and formulation of public policy, he emphasises the fact that “human beings act for nonutilitarian ends in irrational, group-oriented ways sufficiently often that the neoclassical model presents us with an incomplete picture of human nature” (Fukuyama 1995: 21). According to Fukuyama, economic behaviour and success depend on social trust that has been cultivated in a particular society. In other words, it is not utility maximising self-interest that leads to economic success, but the ethic of trust that is shown in a particular society. Thus he writes, “Social capital and the proclivity for spontaneous sociability have important economic consequences. ...Social capital, the crucible of trust and critical to the health of an economy, rests on cultural roots” (Fukuyama 1995: 23-39).

Instead of analysing the actions of the economic agent on the premise of the pursuit of self-interest, Fukuyama argued that we should put our focus on the economic behaviour of societies. To a certain extent Fukuyama’s argument was echoed by Grinker and Steiner when they said that certain societies do not enter into economic relations that are based on the pursuit of self-interest. In other words, what might be seen as a formal economic behaviour in one particular society will not necessarily be an economic behaviour in another (Grinker and Steiner 1997: 89). Marcel Mauss is more nuanced on this point when he says that “[i]t is our western societies who have recently made man an ‘economic animal’. But we are not yet all creatures of this genus. Among the masses and the elites in our society purely irrational expenditure is commonly practiced” (Mauss 1990: 76). In other words, culture plays a pivotal role in determining human economic relations. Apart from the sociological argument, another argument by critics of neo-liberal economics is that to claim that human beings are solely self-interested implies an outright rejection of the plurality of motivations in human economic behaviour.

### 5.5.2 The Economic Argument of the Plurality of Motivations

Amartya Sen (1987: 15-20) said that “the self-interest view of rationality involves *inter alia* a firm rejection of the ‘ethics’ view of motivation”. This rejection of ethics comes across with the neo-liberal economic presumption that self-interest is value neutral because genuine economic relations are not concerned with the individual’s moral predisposition. Sen’s argument against such a claim is that people act in ways that “include the promotion of non-self-interested goals which we may value and wish to aim at”. He contended that if we are to see “departure from self-interest maximisation as evidence of irrationality” such a departure would “imply a rejection of the role of ethics in actual decision making” (Sen 1987: 16). But Sen admitted that while self-interest plays a crucial role in economic relations, we should also acknowledge the fact that there is a plurality of motivations in human actions. He sums up his argument by saying that a “mixture of selfish and selfless behaviour is one of the important characteristics of group loyalty, and this mixture can be seen in a wide variety of group associations varying from kinship relations and communities, trade unions and economic pressure groups” (Sen 1987: 20).

The implication of Sen’s argument as stated above is that human beings are endowed with selfish and selfless behaviour. Such a mixture presupposes the existence of a plurality of motivations in human economic behaviour. It follows that self-interest as the sole determinant of human economic behaviour cannot be defended because such defence implies a distortion of human nature. Economic relations depend on individuals who are also predisposed with virtues such as sincerity, honesty, faithfulness, tolerance, compassion, loyalty and unselfish service (Hubber 1984: 3; cf. Daly and Cobb 1989: 50). In other words, virtues play a crucial role in economic relations. If we realise that the individual we are doing business with is viciously self-interested we would try by all means to avoid doing business with such an individual. To claim that in human economic relations the individual is only self-interested amounts to falsifying human nature because such a claim ignores the role that is played by virtuous motives in economic relations.

The argument of plurality of motivations was also made by Daly and Cobb when they said that in life it is possible to find people who do actions that are entirely contrary to utility maximising purposes. According to these two authors, the theory of utility maximising through the pursuit of self-interest is based on the subjective understanding of value because in the final analysis one can easily come to the conclusion that whatever the individual finds as maximising utility should be pursued without taking into consideration the consequences of such behaviour on the well-being of the community (Daly and Cobb 1989: 94-95). Such an inevitable conclusion shows that utility maximisation through the pursuit of self-interest dehumanises human beings. Daly and Cobb made reference to this dehumanisation when they said that there are remarkable differences between *homo economicus* of contemporary economic theory and real people. The modern economic presumptions about human beings as solely self-interested are made for methodological purposes. As they put it,

Much in [modern economic theory] requires the model and cannot be formulated without it. It requires the assumption of independent utility functions, which means that the satisfaction of each individual is derived from goods acquired by that individual in the market. Without this assumption it would become a tangle of mathematical intractability, and in particular it would not be shown that pure competition leads to an optimal allocation of resources (Daly and Cobb 1989: 86-89).

The above observation implies that the self-interested utility maximising individual (*homo economicus*) does not exist in real life. Rather, such an individual is a model that is applied by modern economists in order to make sense of their presumed economic behaviour. To a certain extent the same argument was made by the world renowned mathematician and economist, Nicholas Georgescu-Roegen, when he said,

No science has been criticised by its own servants as openly and constantly as economics. The motives of dissatisfaction are many, but the most important pertains to the fiction of *homo oeconomicus*. The complaint is that this fiction strips man's [sic] behaviour of every cultural propensity, which is tantamount to saying that in his economic life man acts mechanically (Georgescu-Roegen 1971: 1).



Georgescu-Roegen's argument was that a self-interested utility maximising individual was based on the paradigm of mechanistic thinking as espoused in some natural sciences. In this mechanistic thinking, a human being is modelled on the image of a machine whose rules of motion can be subjected to quantitative analysis. In this way, quantitative analysis is attained through measuring utility. In the same vein, Harvey Sindima said that the "key concept in understanding relations in society is utility; feelings and emotional needs are not important. Therefore, concern and care do not enter everyday living. Moral conduct in a mechanistic society is guided by self-interest" (Sindima: 1995: 28; cf. Heilbroner 1972b: 120). Within such a mechanistic understanding of persons, Robert Heilbroner said that individuals "are imagined as isolated personages existing without any social ties – self-supporting yet mutually dependent hermits, coexisting in a state of latent hostility and suspicion" (Heilbroner 1972b: 120). The implication of Heilbroner's observation is that such a view of human beings is equally fictitious and dehumanising because in real life people do not exist within such a state.

Apart from the argument of plurality of motivations, a third argument against contemporary neo-liberal economic theory of self-interest is that the pursuit of self-interest would inevitably fail to take into consideration the well-being of future generations. Since the rationale behind self-interested reasoning is that the appetites of the individual for wealth are insatiable, and that the resources of the earth are inexhaustible, such a rationale leads to depletion and exhaustion of natural resources. In actual fact the natural environment upon which human economic activities depend is considered as an externality (cf. Gauthier 1986: 88; Daly and Cobb 1989: 51-53; Heyne 1983: 249; O'Neil 1998: 162). This severing of our relationality with the natural environment deprives future generations of their economic well-being.

### 5.5.3 Modern Self-Interest as a Danger to the Well-being of the Future Generations

Taking into consideration the fact that the resources of the earth are exhaustible, it also follows that the pursuit of self-interest at present will inevitably fail to take into account the needs of future generations. John Ikerd (1999: 2-3) said that "contemporary

economics is fundamentally incapable of dealing with relationships among people, or between people and their environment”. Ikerd argued that this type of thinking militates against the existence of future generations for two reasons. Firstly, “it’s economically irrational to want to leave as much and as good as we have today for the benefit of the future generations”. Secondly, “contemporary economics is concerned totally and completely with the pursuit of short run, self-interest”.

The same argument was made by James Handy when he said that a society that is populated by individuals who are only self-interested will compromise the needs of future generations. He writes, “A proper selfishness would see the sense in investing in others in order to create a better world for our descendants. Setting limits to our own needs, defining what is enough, leaves more room to attend to the needs of others...” (Handy 1998: 113). Handy went on to say that self-interest can be condoned when it is oriented towards the future, and not for its self, but for the well-being of the future generations. Hence it is “a moral imperative that there has to be some sense of responsibility towards the well-being of the future generations” (Handy 1998: 147).

However, Herman Daly argued that attempts to argue against the modern economic theory of self-interest are sometimes rebutted by arguments that

we have no obligations to the future because future people do not exist, and rights cannot inhere in nonexistent people, without rights there can be no obligations. Therefore we have no obligations to future people. And even if we did, it is sometimes added, the best way to serve the future is to maximise present riches. The invisible hand, it is argued, not only converts personal greed into social benevolence, it also transforms generational selfishness into intergenerational generosity (Daly 1996: 221).

In the above quotation, Daly gave a superb summation of the rationale of modern economic theory of self-interest with regards to the well-being of future generations. Daly is arguing against the popular neo-liberal economic argument that those who maximise their utilities and become richer leave benefits for future generations in the

form of scholarship grants and welfare grants. His argument against this type of reasoning is that

...the value of a sawmill is zero without forests; the value of fishing is zero without fish; the value of refineries is zero without remaining deposits of petroleum; the value of dams is zero without rivers and catchment areas with sufficient forests to prevent erosion and siltation of the lake behind the dam. Empty verbiage about the intergenerational invisible hand and the near-perfect sustainability of man-made natural capital is just the usual confused attempt to give a technical nonanswer to a moral question (Daly 1996: 221).

What is implied in the above argument is that the pursuit of self-interest at present is depleting natural resources or natural capital upon which the future generations are supposed to rely for their own economic activities. Within this type of futuristic reasoning, it is also implied that future scholarships in mining are valueless when there are no mineral deposits that are left by the present generation to be mined in the future.

## **5.6 Conclusion and Observations**

In this chapter, my analysis of the modern economic theory of self-interest started with the modern economic discipline itself. It was discovered that the modern economic discipline presumes that a human being is solely self-interested. Related to this presumption about human beings was that they always act after calculating costs and benefits. In the modern economic discipline self-interest is rendered value neutral in the sense that it has nothing to do with the individual's moral predisposition. Since self-interest is regarded as synonymous with selfishness, it does not carry with it any moral evaluations. It follows that even criminal activity is justifiable when subjected to modern economic theory of utility maximisation (Tullock and McKenzie 1985: 7-122).

We have also seen other neo-liberal economists and philosophers who argued that self-interest was a better guide to social living than altruism. Since what is real is individual self-interest rather than collectivities such as societies and communities, it also followed that there was no need to help others through welfare. This type of reasoning implied a total rejection of welfare on the grounds that collectivities have no rights, therefore it was

the right of individuals to spend their fortunes in a way they deem suitable. Another argument from neo-liberal economists justified self-interest on the grounds that it gives rise to the flourishing of wealth, therefore enabling welfarism. Self-interested individuals were actually benefactors of society, therefore welfarism subsists in self-interest (Shand 1990: 69-79; Field 1999: 461-462; Rand 1967c: 136-141; Nozick 1974: 33-34; Heyne 1983: 272-283).

After stating the arguments of the proponents of self-interest in modern economic discourses, I also referred to some of the arguments that are raised by the critics of self-interest. From a sociological perspective it was argued that self-interest spells an anarchic view of society. People's economic behaviour, on the contrary, is socially conditioned in the sense that they behave according to socially inherited ethical habits. Another argument was that people do not always relate to each on the basis of calculating costs and benefits. In other societies, economic relations are not propelled by the motive of self-interest. Equally, it is an unwarranted exaggeration to claim that people always act with the sole aim of maximising their utilities (Fukuyama 1995: 21-39; Grinker and Steiner 1997: 89; Mauss 1990: 76).

From an economic point of view, the argument against self-interest was that such a claim ignores the fact that there is a plurality of motivations in human economic actions in the sense that selfish and selfless motivations exist side by side. People can enter into economic relations for other motives that might not be necessarily economic when seen from the theory of utility maximisation. The implication of this argument was that people are not always self-interested, as modern economic theory alleges. It was also argued that the modern economic failure to take into account the reality of plurality of motivations is mainly because the modern economic discipline is based on a mechanistic model of a human being. Such a model was *homo economicus* who is conceptualised in a mechanistic way so as to enable quantitative analysis. If that was the main reason for coining *homo economicus* as solely self-interested, it also followed that such conceptualisation of a person is entirely fictitious (Daly and Cobb 1989: 50-95; Georgescu-Roegen 1971: 1; Heilbroner 1972b: 120; Sen 1987: 15-20; Huber 1984: 3).

The last argument was that since self-interest severs our relationality with the natural environment, it also implies that it deprives future generations of their economic well-being. Taking into consideration the finitude of our earthly resources, the pursuit of self-interest at present will compromise the needs of future generations. It was argued that the present generation has a moral responsibility for the well-being of the future generations. A sense of concern for one's community at present and a concern for future generations implies that we need an ethical paradigm that puts emphasis on relationality. Such an ethic should espouse the idea that self-interest is not a universal motive in all people (Ikerd 1999: 2-3; Handy 1998: 138-147; Daly 1996: 221).

The following chapter, which is about African humanism, offers us such an ethical paradigm as it espouses relationality as the overriding reality of what it means to be human.

## **PART II: A CRITIQUE OF SELF-INTEREST FROM THE PERSPECTIVES OF AFRICAN HUMANISM AND PROCESS PHILOSOPHICAL ANTHROPOLOGY**

The aim of this part is to give a critique of the theory of self-interest in modern economic discourses by applying the critical tools of African humanism and process philosophical anthropology. This discussion will consider the cosmological and ontological implications of African humanism and process philosophical anthropology.

To start with, the African world-view or cosmology does not separate humanity from the rest of things that constitute existence. In this conceptualisation, a human being is seen as internally related to the natural environment, ancestors, God and other people in society. The idea of seeing human beings as existing in symbiosis with everything else in existence will be expounded as the foundation of African humanism. A persistent motif that filters through African humanism is the idea that to be fully human is to belong to the community of existence rather than seeing oneself as solely self-interested.

The concept of common belonging will find its fullest expression in the African ontology of the individual which says *Umuntu ngomuntu ngabantu* – a human being is a human being through other human beings. This ontology of the individual makes it nonsensical to uphold the modern economic theory of self-interest. The practical implications of this ontology will filter through the African argument of communalism which says that wealth should be there for the common good of the whole community rather than seen solely in terms of the fulfilment of the individuals' self-interests. Our actions that are aimed at promoting the common good will also safeguard the common good of future generations.

Process philosophical anthropology shares the insights of African humanism in its critique of the socio-economic theory of self-interest. What is implied in Alfred North Whitehead's cosmological theory is also implied in his ontology of the individual. At the basis of his cosmological theory is a conviction that reality is an interconnected whole,

and human existence and experience are constituted in this connectedness of all reality. Humanity exists in internal relations with all that shares this existence with it.

To champion the cause of self-interest, therefore, is to abstract human experience from general existence. All that exists at present has been contributed to by other entities in the past, and those that exist in the present will also contribute to the existence of other entities in the future. For this reason our actions can only be moral when they promote harmony between the present and the future generations. The ethic that is aspired by African humanism and process philosophical anthropology, consequently, is that of sympathy, solidarity, mutuality and communion with all that exists.

## CHAPTER SIX: AFRICAN HUMANISM AND ITS IMPLICATIONS FOR THE THEORY OF SELF-INTEREST

It is as if the apparent breakdown and decay in Africa today is a result of the curse of the ancestors. Or is it not a curse but a warning, a sign from the ancestors calling on [Africans] to turn again to their traditions and reshape their society anew, to create a modern and a future Africa that incorporates the best of its own culture? (Mazrui 1986: 12).

### 6.1 Introduction

In chapters 3, 4 and 5 we encountered arguments that claim that human economic relations are solely motivated by self-interest. The whole modern economic discipline seems to have evolved around the idea of a self-interested *homo economicus*. It was also established that self-interest in economics meant selfishness and greed. The individual in this context is understood as endowed with an inherent tendency not to have interest in the welfare of others. The main presumption was that the liberal economic system works well to the benefit of everybody when individuals are left alone to pursue their self-interest rather than when governments deliberately try to work for welfare. Self-interest was natural to human reason, which is basically instrumental to utility maximisation. It was not only human reason that made *homo economicus* to be solely self-interested; modern economics went as far as saying that by nature all human beings were motivated by self-interest.

The implications of African humanism to the theory of self-interest will show us the falsity behind the claim that all human beings are self-interest. African humanism is part of the world-tradition of modernity that holds that we can go beyond self-interest by advocating the primacy of relatedness and interrelatedness amongst all that exists. Relationships within reality involve God, ancestors, the natural environment and human beings. The ultimate well-being of humanity is premised on the existence of harmonious relationships among all realities that constitute existence. It is from the paradigm of relationality as espoused in African humanism that self-interest will be rendered implausible.



This chapter is structured as follows: The first section will give a definition of African humanism, drawing mainly from the writings of African scholars. In the second section, it is shown that human relatedness in African humanism is cosmologically constituted through the concept of relatedness. If human beings are intrinsically related to the natural environment, their relatedness to each other is far more intense than what has been presented as the case with the self-interested *homo economicus*. In section three, focus is given to the African ethic of *Ubuntu* with the aim of showing the unintelligibility of modern economic theory of self-interest when subjected to the ethical discourse of African humanism. The fourth section argues that African humanism rejects self-interest and emphasises economic values such as communalism and collectivism. It is also argued that it is mainly African humanistic values that inspired the economic ethic of communal collectivism which was interpreted by African politicians as African socialism.

## 6.2 Defining African Humanism

African humanism means the African understanding of a human being or what it means to be human.<sup>36</sup> All human cultures have an understanding of the main elements that are central to a human being. In mainstream economic theory as it developed in the western world up to the present day, the predominant understanding is that a human being is a self-interested being. African humanism advocates an understanding of a human being as relationally constituted both cosmologically and ontologically (Moquet 1977: 49-50; Mazrui *et al* 1999: 559). The implication here is that a human being derives his or her humanness within the context of relationality with all that exists.

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<sup>36</sup> A philosophy that attempted to articulate the socio-economic, political and religious vision of African humanism was popularly known as the philosophy of negritude. The philosophy of negritude was a reflection of French speaking African scholars such as Leopold Senghor and Aime Cesaire on what it means to be a black person in a world that was dominated by western value systems. In its orientation, the philosophy of negritude aimed at reconstructing African values through the rediscovering or celebration of Africa's primal values. For Senghor, negritude was an articulation of the recovery of an African collective identity as well as the new world-view deriving from the African primal values and experiences (Senghor 1964: 49-50; Irele 1965: 68-69). For Cesaire, African humanism was an antithesis of the western capitalistic civilisation and an affirmation of the African traditional values. Cesaire's philosophy of negritude aimed at critiquing the modernist humanism that divided human beings into categories of races as well as treating them differently. Cesaire called this tendency "pseudo humanism" because of its narrow and fragmentary attitude towards the rights of humanity. In other words, true humanism was supposed to be all-embracing (cf. Eze 1998: 222-223).

In African humanism, an individual is thus understood first and foremost as a communal being. This understanding of an individual as a communal being is explicitly articulated in the African ethical maxim that *Umuntu ngomuntu ngabantu* – a human being is a human being because of other human beings (Ramose 1999; Samkange and Samkange 1980; Shutte 2001). In the ethic of *Ubuntu*, the idea is that the individual's identity and well-being is mediated through the community. African humanism sees human beings as relational by nature – they are endowed with an inherent nature to belong to each other in society. This human belongingness stretches from the past, to the present and into the future. Human behaviour and its authenticity is thus based more on relationality than exclusively on rationality. A human being is related to the ancestors, those who exist with him or her in the present society and those who will exist in the future.

Some African scholars have defined African humanism as an inherent optimistic outlook of Africans towards human nature. Within this aspect of African humanism, the idea is that Africans place enormous emphasis on the importance of human life. The importance of human life is sometimes expressed in people's behaviour towards one another. A trait of caring for human life or the value of another person is expressed through greeting, talking and sharing one's material possessions with others in society. People are not valued according to what they own or possess, but by virtue of being persons. African humanism spells an attitude that is all-embracing towards life in general (Senghor 1964: 26; Kaunda 1967: 31-38).

African humanism has also been defined as based on the African spirit of collectivism. Within the economic sphere, the idea is that a real human being is someone who is willing to share his or her material possessions with others in society. African humanism ascribed full humanness to someone who was generous to his or her fellow human beings than to someone who was selfish (Nkrumah 1968: 73; Toure 1979: 108; Nyerere 1968: 198). Thus a selfish person becomes an antithesis of all those qualities that are seen as the most cherished character traits of African humanism. Kwame Gyekye, a Ghanaian philosopher, defined African humanism as an African traditional ethic that emphasises concern for human welfare (Gyekye 1997: 158-159).

### 6.3 The World-View of African Humanism

Every theory about human beings arises from a particular world-view. What is assumed as a characteristic of a human being has some metaphysical underpinnings that purport to support its claims. As it was shown in chapter 3, the mechanistic Newtonian world-view that saw the universe as comprised of self-enclosed entities which only respond to the rules of gravity and motion, was analogous to the economic idea of self-interest as the attracting force in economic relations. A persistent theme that came up throughout chapters 3, 4 and 5 was that self-interest was the main driving force in human nature. In this world-view, all social relations were only artificial, and the natural environment was seen as external to human economic interests. We have also seen that the very concept of society as a collectivity was considered to be an abstract.

African scholars reject this world-view and argue that there is a reality of interconnectedness between a human being and everything that exists. This is the argument that was advanced by Ali Mazrui in his article, “From Sun Worship to Time Worship”, when he said:

African civilisations were characterised by the following attributes: no great distinction between the past, the present and the future; no great distinction between the kingdom of God, the animal kingdom and the human kingdom; the crocodile would be a god; no sharp divide between the living and the dead. The pyramids were new residences of pharaohs. Refineries in the tomb were to be enjoyed by the dead. To die was to change your address (Mazrui 1994: 175).

This construction of the African world-view is based on the conviction that the ethic of an all-embracing relatedness had a natural basis among Africans. It is also a way of refuting modernity’s idea of categorising reality in terms of types. Contrary to the mechanistic world-view of modernity, the African world-view insists that all that exists has to be understood in terms of symbiosis with others.

Mazrui’s argument is that the idea of seeing things in terms of their separateness presupposed a sceptical outlook towards common existence between humanity and the

natural world. He made the same argument when he alleged that the western mind was primarily oriented towards ecological curiosity rather than ecological concern:<sup>37</sup>

Ecological concern goes beyond mere fascination. It implies commitment to converse and enrich. Ecological concern also often requires a capacity in man [sic] to empathise with nature. It requires a readiness on the part of man to see a little of himself, and a little of his God, in his surroundings. Ecological concern requires a totemic frame of reference. To that extent it is much more deeply interlinked with fundamental aspects of African belief systems than it is to European ones. Ecological curiosity is an aspect of science in its quest for explanation and comprehension. Ecological concern is an aspect of morality in its quest for empathy (Mazrui 1977: 262).

Mazrui's argument is that a mind that does not see itself as part of the natural environment is most likely to exploit the natural environment for its own selfish ends. Contrary to such a mindset, the African mind can be characterised as a mind predisposed to ecological concern due to its "totemic frame of reference". He went on to say that totemism has led people to identify with other species, thereby establishing a sense of continuity between humanity and nature. This attitude blurs the distinction between humanity and nature, the living and the dead, the divine and the human. In African humanism, human identity is sometimes predicated on totemism to such an extent that we can say that human identity is also continuous with that of the natural world.

To give an example of this African totemic frame of reference, Philippe Junod was reprimanded by his servant, Office Muhlanga, whose totem was a zebra, for having killed a zebra. In the conversation that ensued, Muhlanga had this to teach Junod:

The totem cannot be killed. In the olden times if this happened by accident...the man who killed it would have been led to the border of the country and banished, without any possibility of his returning. ...We resemble our totem in spirit (*mweya*). The zebra has got our manners, we have the same way of living. ...If on my way I am threatened with an accident, or likely to be in danger, for example, if

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<sup>37</sup> Mazrui made a distinction between ecological curiosity and ecological concern. He defined ecological curiosity as the framework of intellectual agitation which seeks to explore and discover new factors about nature. The driving force behind ecological curiosity is the excitement of thirst for knowledge. On the other hand, ecological concern was actually based on an attitude whereby a human being comes to see his or her well-being as integral to the well-being of nature (Mazrui 1977: 262).

there is a chance of meeting lions, I am stopped by my *Mutupo* [<sup>38</sup>] (Junod 1938: 106-110).

The implication of the above quotation is that a totemic animal was treated just like any other human relative. A person's identity was predicated on the totemic species. The significance of the totemic frame of mind is that the relationship between humanity and the natural environment was not an imaginative construction, but integral to life experiences. In African culture, the totemic system was the bedrock of an ethic of environmental conservation in the sense that everybody did not eat every animal. The totem is not, of course, one animal among others. It is limitless in the sense that no matter how many persons are born in the family, its potentialities are never exhausted due to the fact that one's totem is inherited from the infinite past, hence the present generation will pass on this shared identity to the future generations, thereby inculcating the sense of our common belonging.

The totemic ethical value of infinite common belonging was expressed well by a Jesuit priest, Seed, when he made the following observation concerning the origins of the Shona people:

Mambiro, the ancestor from whom the *Mutupo* (totem) system originated, looking out into the future, saw innumerable lives of his descendants through his sons, and their sons' sons. All are his *ropa* (blood); passed on weakened through the ages. But he knows that as the lines stretch further and further away, and people multiply, memory will be quite incapable of retracing the steps or of uniting all of one generation; yet all of one generation will be *vakomana* (elder brothers) and *vanin'ina* (younger siblings) just as his sons are; and those of different generations will all be *ropa rimwechete* (all of one blood). Whatever his reasons for making the line he chose for himself a name which is not the same of men, but the name of something in his everyday life – of an animal *tsoko* (monkey) (cited in Mutsvairo *et al* 1996: 17).

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<sup>38</sup> In Shona, the word *Mutupo* means a totem. Usually the totem or *Mutupo* is an animal or plant which a particular family identifies itself with as its ancestor. Such an animal is not supposed to be eaten. One is not supposed to marry a person who has the same totem as him or her. The idea is that a person must extend relationships beyond one's blood relations. Thus people would always know the type of relationship that exists between them by invoking each other's totemic names. In so doing, they establish the type of relationship that should typify their relationship.

The ethical significance of the totemic system lied in instilling a consciousness of belonging into the past as well as into the future. Thus the totemic species serves as a reminder of one's indebtedness to these relationships. Within the totemic system, relationships are not abstract, but rather, they are concrete. Philip Junod observed that: "All baPedi greet each other with their totemic name: 'Good-day, Duiker ! Good-day Crocodile'" (Junod 1938: 108). In such relationships, when one avoids eating a certain kind of animal or plant, it is avoidance to eating one's own flesh. One can even say that totemism is a principle that links the identity of a person or community with the natural world (Knight 1991: 107-108; Murove 1999: 30).

Junod (1938: 112) went on to say that within the African totemic systems, "there are feelings of affection and interdependence, of participation in one way of life, which in many ways are quite inspiring". Thus he observed, "Totemism shows well one characteristic of the Bantu mind: the strong tendency to give a human soul to animals, to plants, to nature as such, a tendency which is at the very root of the most beautiful blossoms of poetry, a feeling that there is a community of substance between the various forms of life". In other words, totemism engendered the idea of solidarity among all forms of life.

Related to the above observation is the totemic intuition that nobody is self-sufficient, or that there are no entities that are self-sufficient, everything that exists has a plausible explanation of its existence in the context of relatedness and interrelatedness. Within the African culture, moral teaching was not concerned with abstract philosophical discussion; rather, we find the folklore genre as integral to moral teaching. In these stories, nature played a central role in such a way that it is rare to find a story with human beings only as actors. In this genre, the world of nature was a stage upon which people translated and retranslated their life experiences in language and metaphor of their social ethos. The physical appearance and behaviour of an animal was language enough to make it play an equivalent character in human society (cf. Aschwanden 1989: 115-116).

African folktales constantly drive home the theme that there has to be sympathy and mutuality in everything that exists. In most of these stories, a human character in a helpless state, without relatives and sympathy from human society but only being assisted by animals, culminated in the theme that nature naturally intervenes in times of difficulties. In African folktales, as George Fortune puts it,

...the barrier between man and beast is abolished in favour of a convention that animals, especially small animals, are wiser than humans and hold the key to their predicaments if they are humble enough to ask for it and accept it. Small animals befriend the persecuted and can transmit the magical means to salvation. The familiar world is in constant communication with the unfamiliar world. The frontiers of the visible are also crossed in folklore (Fortune 1974: 16).

In African folktales a human being is also understood as part and parcel of nature – hence s/he should learn from nature. Within such a frame of mind, the individual sees his or her well-being as inseparable from that of fellow creatures. African folktales aimed at instilling a consciousness of humility and sympathy in society as well as with the natural environment.

Apart from the views expressed above, there are other scholars who argue that the African world-view of relationality is incompatible with the self-interested *homo economicus* of liberal capitalism. Vernon Dixon (1976: 54-58) argued that the capitalist doctrine of liberal individualism was incompatible with the African world-view. An economic system that is based on the pursuit of self-interest is incompatible with the African world-view. This incompatibility can be discerned from the fact that the European world-view is based on “Men-to-Object” relationship while the African world-view is “Man-to-Person” relationship, whereby the relationship between the “I” or the self includes the phenomena as well as the noumena. In a mechanistic world-view such as that of capitalism, there is a separation of the self and the phenomenal world. In this process of separation, the phenomenal world becomes an object, an ‘it’. The phenomenal world is seen as an entity which is totally independent of the self. In this world-view, there is a distance between the observer and the phenomena, a distance which “is

sufficiently great” to enable the observer to manipulate the observed without being affected by it.

Dixon (1976: 58-59) argued that this separation of the self from nature and other people has resulted in the objectification of nature and people. The idea of “empty perceptual space” surrounding the self and separating it from everything else removes the self from its natural and social surroundings and locates all entities in the universe in terms of advancing the “self’s interests within the circle of empty perceptual space, that is the self itself”. Outside the self, there are only objects that can be measured and manipulated. Consequently, nature is seen as an “external, impersonal system which does not have the self’s interest at heart”, hence it has to be subdued to the self’s ambitions and goals. As such, “the individual becomes the centre of social space” in such a way that “there is no perception of the group as a whole except as a collection of individuals”. This individualistic conception of the self as basically an individual, tends to limit the individual’s obligations and responsibilities because “the individual only participates in a group; s/he does not feel [as part] *of* the group” (Dixon 1976: 59).

The individual does not feel as one of the group because in the individualistic world of modern capitalism, society is primarily a composition of self-interested individuals who are not concerned with the well-being of others. As we have seen in chapters 3, 4 and 5, the rationality of modern capitalism thrives on a mechanistic world-view that presumes everything to be self-enclosed with intrinsic properties that cannot be subsumed under general existence. Contrary to such a world-view, the African world-view advocates that there is no gap between the self and the phenomenal world because one is simply an extension of the other. Dixon went as far as saying that Africans see a human being as intrinsically related to nature, whereby a meaningful existence is that which is lived in harmony with nature:

Their [i.e Africans] aim is to maintain balance or harmony among the various aspects of the universe. Disequilibrium may result in troubles such as human illness, drought, and social disruption. ...According to this orientation, magic, voodoo, mysticism are not efforts to overcome a separation of man and nature,



but rather the use of forces in nature to restore harmonious relationships between man [sic] and the universe. The universe is not static or ‘dead’, it is a dynamic, animate, living and powerful universe (Dixon 1976: 62-63).

What is implied in the above quotation is that there is no distinction between humanity and nature because being human entails being part of nature and the self’s well-being depends on the well-being of nature.<sup>39</sup> Dixon argued that due to the fact that the individual is in a symbiotic relationship with nature, the desire to subdue nature as an impersonal object is substituted by the need to participate in nature’s processes. Comparatively, Dixon said that the western world-view postulates the self as individualistic, autonomous, self-interested, and fundamentally isolated from nature and other people. From the perspective of the African world-view, “communities are relational complexes that are contrary to the European individuals” who are primarily defined as self-contained units that constitute the community (Dixon 1976: 65-70).

The world-view of African humanism thus engenders the reality of dependence and interdependence among all that exists. This world-view has a bearing on the African understanding of a person from the perspective of life in general. Harvey Sindima observed that:

The African concept of person is grounded in the concept of life, which is the basis for understanding all creation and is a central, all-embracing and overarching notion informing a manner of living in the world. This sense of being connected, bounded in one common life, informs human relationships and defines behavioural patterns. The African concept of community also arises from this understanding of bondedness to natural life or the feeling of being in the network of life. From this it follows that the ethical imperative is not to treat the other or nature as a means, since the other is also part of the self. People belong to each other, being bonded in one common life. Therefore consciousness is not consciousness of self but always consciousness of the flow of life in the community world (Sindima 1995: 127).

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<sup>39</sup> As we have seen in chapter 3, early modernity engendered a conception of morality as primarily a contract or an artifice that is entered in terms of agreements between rational, self-sufficient and autonomous individuals. Such a conception of morality tends to do away with the idea of the natural basis of morality. Hobbes’ *Leviathan* characterized the natural world as hostile to the idea of natural cohabitation among human beings on the grounds that human beings were postulated as viciously self-interested. The whole doctrine of self-interest in economics is based on the assumption that we are naturally selfish, therefore capitalism takes this conception of human nature into consideration in theory and practice.

The implication of Sindima's observation is that this African understanding of life implies that human existence has to be understood within the context of the generality of existence whereby life is the basis of this togetherness. Having postulated life as central to the African world-view, Sindima argued that life is the basis of all ethical living and reasoning. The individual's way of life has to express this element of bondedness in life as it embraces all that exists.

Since life is based on the principle of interconnectedness, human well-being is wholly immersed in the processes of life. As Sindima (1995: 151) writes: "The African world talks about life, not being. Furthermore, when participation is used to express bondedness, it brings to Western mind a picture of individuals coming together to form collectivities. This is not the case in Africa; people are already within the texture of life – they do not have to come together". In other words, the African understanding of life as an interconnected whole presupposes the idea that the individual is intrinsically connected to the fabric of life. Within such a world-view, a human being exists meaningfully in a state of communication rather than participation: "Participation not only fails to express the African idea of living in the fabric of life, but also defines persons in terms of agency". Defining persons in terms of agency entails a utilitarian mentality whereby the individual's worth "is dependent on function, ability or capacity. This mindset entails serious ethical problems, especially in terms of care: Are people to be cared for because of what they can do for society or by the mere fact that they are humans? Functionalism is not the way Africans understand living in bondedness in life". In this type of reasoning, instrumental reasoning that facilitates utility maximisation falls apart.

While the argument here has been that the modern economic theory of self-interest is incompatible with the African world-view, the other side of this argument is that an individual ontology arising from such a world-view is based on the idea that the individual can only be recognised as a person by virtue of belonging to the community. Traditional African thought espoused the idea that the individual exists by virtue of belonging to the community. The understanding is that the individual is what s/he is

because of the existence of other people or the community. This belongingness is popularly known as the ethic of *Ubuntu*.

#### 6.4 Centrality of Ubuntu in African Humanism

Augustine Shutte (1993: 46-47) has argued that the Western notion of a human being was deficient because “the self is always envisaged as something inside a person, or at least as a kind of a container of mental properties and powers”. Consequently, there is a dichotomy between “the self and the world, a self that controls and changes the world and is in some sense above it...”. Shutte goes on to say that in some Western patterns of thought, “it is community which forms individuals”. The idea that the individual is formed by the community also finds its expression in the “Zulu/Xhosa proverb that says: *Umuntu ngomuntu ngabantu*” [my italics] (Shutte 1993: 47). What this entails is that a person is a person because of other persons. In other words, the individual’s personhood and identity are socially mediated.

Stanlake Samkange and Marie Samkange (1980: 38-39) proceed to define *Ubuntu/Unhu* as follows:

The attention one human being gives to another: the kindness, courtesy, consideration and friendliness in the relationships between people; a code of behaviour, an attitude to other people and to life; is embodied in *unhu or Ubuntu*. *Hunhuism* [sic] is, therefore, something more than humanness, deriving from the fact that one is a human being.

Here Stanlake and Marie Samkange define *Ubuntu* in relationship to those qualities that are socially appreciated. Another meaning of *Ubuntu* that can be deciphered from this definition is that *Ubuntu* implies being human. Someone who has those described virtues in her or his character is thus considered to have *Ubuntu/Botho/Unhu*. Behavioural qualities such as those that arise from selfishness are thus considered to lack humanness. Equally, one can infer from the ethic of *Ubuntu* that economic relations that are based solely on the pursuit of self-interest would be incompatible with *Ubuntu* because such actions imply that one only sees others as means to the attainment of one’s self-interest (cf. Samkange and Samkange 1980: 38).

Mogobe Ramose, offering a philosophical analysis of *Ubuntu*, states that *Ubuntu* can be understood best when it is hyphenated as follows, *ubu-ntu*. This makes the word *Ubuntu* to be understood as comprised of two words in one. As he puts it:

It consists of the prefix *ubu-* and the stem *ntu-*. *Ubu-* evokes the idea of be-ing in general. It is enfolded be-ing before it manifests itself in the concrete form or mode of existence of a particular entity. *Ubu-* as enfolded be-ing is always oriented towards enfoldment, that is, incessant continual concrete manifestation through particular forms and modes of being. In this sense *ubu-* is always oriented towards *-ntu*. At the ontological level, there is no strict and literal separation and division between *ubu-* and *-ntu* (Ramose 1999: 50).

Ramose (1999: 51-53) goes on to say that *Ubu-* implies a general conceptualisation of being while *-ntu* means “the nodal point at which be-ing assumes concrete form of being in the process of continual unfoldment...”. This unfoldment means “the indivisible oneness and whole-ness” and this implies that “*Ubuntu* is a verb noun”. From this definition of *Ubuntu* as being and becoming, Ramose deduced that “*Umuntu* understood as be-ing human (humanness); a humane, respectful and polite attitude towards others constitutes the core meaning of this aphorism” because “*Ubu-ntu* then not only describes a condition of be-ing, insofar as it is indissolubly linked to *umuntu*, but it is also the recognition of be-ing becoming...”. Hence, “the imperative, *ngabantu*” reinforces the idea that being human is not enough, one has to act in a way that shows “the embodiment of *ubu-untu* (*bo-tho*)” because “human conduct is based upon *ubu-ntu*”.

The novelty behind Ramose’s (1999: 80) definition of *Ubuntu* is that it has both ontological and cosmological dimensions in a way that shows their inseparability. Ontologically, Ramose observed that “African traditional thought emphasises the primacy of the greater environing wholeness over that of human individuality. This means that there is a mutual bondedness between the greater environing wholeness and human individuality” The cosmological implication is that “[t]he human individual is inextricably linked to the all-encompassing universe”. In other words, the individual exists within a state of symbiosis with everything that exists.

Mvume Dandala, in turn, characterised *Ubuntu* as the nature of what it means to be human. Within such a characterisation, *Ubuntu* is what the individual thrives to achieve in their day to day living. As he puts it:

The concept of *Ubuntu* can never be reduced to a methodology of doing something. It is a statement about being, about fundamental things that qualify a person to be a person. ...Being human is *achieved* as a person shows characteristics that qualify him or her to be so regarded. Hence it is quite possible to refer to a person as a ‘non-person’ or ‘*asingomuntu lowu*’...The way one relates to other people and the surroundings becomes a critical factor in determining one’s beingness. Greeting or not greeting people, and how this is done, becomes a critical factor – not merely to demonstrate how sociable one is, but rather how human one is (Dandala 1996: 70).

In other words, *Ubuntu* finds its expression in the way one relates to other people. In these relationships, one displays his or her humanness by acknowledging the presence of others through greeting. However, if *Ubuntu* is expressed through doing, it becomes contradictory to see it as a state of being.<sup>40</sup> However, Dandala went on to say that, “The saying ‘*umuntu ngomuntu ngabantu*’ becomes a statement that levels all people. It essentially states that no one can be self-sufficient and that interdependence is a reality of all” (Dandala 1996: 70). In *Ubuntu*, we articulate our interdependence on each other as human beings as well as our need for each other. This comes through the realisation that as individuals no one is self-sufficient, hence we cannot afford to be neutral to the interests of others because a sense of what is morally praiseworthy is what the individual is socialised into.

Peter Kasenene (1994: 141-142) observes that the Venda people express *Ubuntu* more radically when they say that “*Muthu u bebelwa munwe*, ‘A person is born for the other’.

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<sup>40</sup> Ramose (1999: 51-53) argued that *Ubuntu* should be understood as a process instead of being understood as static. As he puts it: “*Umuntu* is the specific entity which continues to conduct an inquiry into be-ing, experience, knowledge and truth. This is an activity rather than an act. It is an ongoing process impossible to stop unless motion itself is stopped. On this reasoning, *ubu-* may be regarded as be-ing becoming and this evidently implies the idea of motion. ...Because motion is the principle of be-ing, for *ubuntu* do-ing takes precedence over the do-er without at the same time imputing either radical separation or irreconcilable opposition between the two”. In other words, *Ubuntu* is about and becoming within the matrix of relationships with other human beings. It is more about activity than being. This becoming aspect of *Ubuntu* was captured well by Ramose when he said, “In other words, be-ing human is not enough. One is enjoined, yes, commanded as it were, to actually become a human being. What is decisive then is to prove oneself to be the embodiment of *ubu-untu* (*bo-tho*) because the fundamental ethical, social and legal judgement of human worth and human conduct is based upon *ubu-ntu*. The judgement, pronounced with approval or disapproval respectively, is invariably expressed in these terms: *ke motho* or *gase motho*”.

This shows that ... a person is a person through, with and for the community". What this saying implies is that a human being comes into existence for others. An individual's life is a gift for others. It is partly for the reason that the individual is a gift for others that Kasenene goes on to say: "An individual who disregards the family or the community and pursues personal interests is viewed as anti-social, and excessive individualism is regarded as being a denial of one's corporate existence. African societies emphasise interdependence and an individual's obligations to the community" (Kasenene 1994: 142). It is the idea of interdependence within the community that becomes a negation of self-interest as a lack of *Ubuntu/Botho*.

Speaking of the origins of *Ubuntu*, Michael Gelfand (1973: 57-121) argued that in African societies, *Unhu* "is derived from parents, from tribal practices from the distant past. The parents teach their children *unhu*. The good man [sic] has *unhu*. He welcomes visitors to his home where he receives them in the correct way due to the particular visitor". The idea that *unhu* is derived from the past instils a sense of responsibility on the present generation for the furtherance of *unhu* into the future. According to Gelfand, "Ultimately a person owes everything to his *mudzimu* [ancestor]; there is no doubt that a person owes his *unhu* (his personality) to his *vadzimu* [ancestors]. His behaviour, his consideration for others and his honesty are derived from his *mudzimu*" (Gelfand 1973: 121). What this implies is that the present generation owes its existence to the past, hence it is its responsibility to sustain *Unhu/Ubuntu/Botho* into the future generations by living virtuously at present.

In African culture, the greatest treasure which a parent can leave behind as *lefa* (inheritance) to his or her descendants is *botho*. As Gelfand observed,

If a child lacks *unhu* his parents are blamed. *Unhu* is the correct way of living according to the teachings of the [African] elders. A person with *unhu* behaves in a good way, respects his parents and sets a good example. He shows respect to a stranger, particularly one older than himself. A man possessed of *unhu* can adapt himself to any environment; he will also be particularly careful not to damage the reputation of another person, and careful to admit any wrong (Gelfand 1973: 139).

What is implied in the above quotation is that the responsibility of a parent is to socialise his or her children into *unhu*. This socialisation into *Unhu* will enable the individual to

live well with others in society and in different social circumstances in which the individual might find themselves. A person is socialised into *Unhu* through the elders who have more experience of what it means to be human than oneself. *Unhu/Botho* is the foundation of moral reasoning. In this type of reasoning, one thinks with others by virtue of sharing the same life with others in society and inheriting *unhu* from the past, hence the individual will impart *unhu* into the future when they become an ancestor. The idea that all generations are bonded in *unhu* is also integral to African proverbial wisdom.

#### 6.4.1 Proverbial Wisdom on *Ubuntu*

In some of the African proverbs, moral advice is given on the basis that human actions should be concerned with the present together with the future. To give an example, a Sotho proverb says that: *O se ka oa nyella nokeng ho bane tsatsi le leng o tla batla ho nwa metsi teng* – do not pollute the well because tomorrow you will want to come back and drink water from it. A moral lesson in this proverb is that one should not upset the present relationships because present relationships are a pledge for the future. Also, another implication is that one should not despise the past because of the present. The past has a contribution to make to the present in as much as the present will have a contribution to make into the future. The above proverb finds its equivalent in the Shona proverb that says: *Kwaunobva kanda huyo, kwaunoenda kanda huyo* – place a grinding stone where you come from and where you go to. This means that one should live and behave in such a way that the present does not compromise the future (Hamutyinei and Plangger 1994: 376).

In the ethic of *Ubuntu*, the individual does not only exist in terms of fulfilling his or her present needs, one has to take into account the needs of the future coming generations. In other words, *Ubuntu* inculcates an awareness that the present harmonious relationships are indispensable for future harmonious relationships. An ethical behaviour at present that takes into consideration the concerns of the future generations is an investment for the future because, as Gelfand observed, “the present is the whole of the past looking into the future” (Gelfand 1981: 73). The implication of this observation is that future existence is basically an extension of the present because that which will happen in future

is partly occurring in the present. A Zulu proverb puts it well when it admonishes a short-sighted person that, *Musa ukuqeda ubudlelwano manje ngoba kusasa uzofuna ukubuyela* – Do not disrupt mutual relations at present because tomorrow you might want to come back. Such a futuristic orientedness is an admonishment on the imperative of doing good beyond one's immediate existence, even beyond the grave. This entails that to be concerned with one's self-interest is not only to sever oneself from relationships within the present, but it also means to sever oneself from the well-being of future generations. As we have seen in chapter 5, modern economics which puts emphasis on short-run self-interest cannot fulfil this dictum. In *Ubuntu*, the past is also celebrated as a way of expressing solidarity between the past and the present.

#### 6.4.2 *Ubuntu* and Solidarity of the Past and the Present

*Ubuntu* implies the integration of the past into the present through the celebration of the lives of the ancestors. Those who are still living re-enact their relatedness with the past through a process of remembering. In this act of remembering, the living enter into communion with the ancestors. John Mbiti discerned this communion, whereby the living give beer, water, milk, snuff or meat to the ancestors as an expression of fellowship remembrance (Mbiti 1969: 26). Benezet Bujo (1997: 30) described the fellowship of the living and their ancestors as anamnestic solidarity. In other words, anamnestic solidarity implies keeping the memory of those who existed in the past. This anamnestic solidarity is based on the African human urge to remain in symbiosis with the past in the present.

In brewing and slaughtering for the ancestors – *Ukuhlabela amadlozi* (Zulu) or *Go phahla badimo* (Sotho) – the present community shares its life experiences with the past. Whatever is happening now at present has to be acknowledged as happening because of its relatedness to the past – it has been partly contributed to by the past. Credo Mutwa observed that thoughts of the living do sustain souls of the ancestors through remembering. In this process of remembering, communication between the ancestors and the living is established (Mutwa 1996: 19-20). In the same vein, Bujo stated that this anamnestic solidarity



...has to include the gratitude towards all forefathers, [sic] who worked tirelessly to ensure the human future of later generations. Their collective lifetime experiences are passed on as wisdom to their offspring so that these will be able to find their own identity, which again can lead to self-realisation and group realisation only in anamnestic solidarity with the invisible community (Bujo 1997: 30-31)

In anamnestic solidarity with the ancestors, *Ubuntu* is expressed in the form of *isintu* (African traditional ethico-religious practices) whereby the communal life of the living and that of the ancestors is re-enacted as a gift to be shared and passed on. This sharing of life is the primary link that unites members of the community of the living and their ancestors. The conceptualisation of life as endless provides a symbiotic link between the ancestors and their progenitors. In this symbiotic relationship, the ethical challenge comes in the form of a realisation that the present generation is accountable to the well-being of the future generations (Mazrui 1986: 11; Maier 1998: 52). Someone who exists at present with the sole intention of pursuing one's self-interest regardless of the consequences of this self-interest to the well-being of the future generations would be actually ignoring the contributions that have been made by those who have existed in the past.

In *Ubuntu*, morality is not only for the individual's well-being at present, rather, one finds that a life lived virtuously at present promotes the well-being of the future generations. A person who lives unethically at present assumes a future existence of *idlozi elibi* – a vengeful ancestor whose previous anti-social behaviour can easily influence the behaviour of his or her progenitors (Samkange and Samkange 1980: 51-52; Gelfand 1973: 60-61).

*Ubuntu* is also expressed in the Shona concept of *Ukama*.<sup>41</sup> *Ukama* means being related and interrelated, whereby human well-being and the well-being of everything that exists is understood in terms of interrelatedness. Relationality is seen as indispensable to the well-being of everything. Hamutyinei and Plangger (1994: 218-220) have the following proverbs about *Ukama* that illustrate the centrality of relationality: *Ukama hausukwi nemvura hukabva* (Relationships cannot be washed with water and get removed). *Ukama urimbo kudambura haubvi* (Relationships are like bird lime; even after breaking it does not vanish). *Ukama makore hunopfekana* (Relationships are like clouds; they interpenetrate each other). In all these proverbs, the common motif is that relationality is a given reality of our existence that cannot be disentangled. Nothing can have any meaningful existence outside relatedness and interrelatedness.

#### 6.4.3 *Ubuntu* and *Ukama*

In *Ukama*, human identity is not only restricted to fellow human beings. Rather it is also traced to the natural environment through totemism. What it means to be human is not only restricted to human society but also to the natural world. An ethic of *Ukama* is an ethic of holism. It is holistic in the sense that my well-being as an individual has its ontological meaning in relationship to my fellow human beings, those that are still alive, ancestors, God and the environment. From this point of view, one can argue that while the ethic of *Ukama* is a communal ethic, the ecological dimension enshrined in it surpasses anthropological communalism. In *Ukama*, “a person can only be a person in, with and through not just other people but *in, with and through* the natural environment” (Murove 1999: 1; Prozesky 2003: 4).

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<sup>41</sup> The word *Ukama* means relationships or an understanding of reality in terms of relatedness. Grammatically, *Ukama* is an adjective. As an adjective, its grammatical construction is *U- Kama*. *U-* is an adjectival prefix and *-kama* is an adjectival stem. Taken as a stem, *-kama* becomes a word which means ‘to milk a cow or a goat’. The idea of milking in Shona categories of thought suggests closeness and affection. The noun for *Ukama* is *Hama*, meaning relative by blood or by marriage. When it is *Ukama* it becomes an adjective which means being related or belonging to the same family. However, in Shona and other African cultures, there is also a sense whereby *Ukama* is understood as not simply restricted to immediate family ties or blood ties. People without blood ties can adopt terms like grandfather, grandmother, mother, father, sister, brother, cousin and uncle towards each other as a way of expressing friendly relationships (Dale 1994: 127; Gelfand 1981: 7-10; Bourdillon 1976: 34).

Someone who observes *Ukama* or acts in a way that expresses their indebted to relatedness and interrelatedness is commended as *munhu chaiye* (s/he is the epitome of humanness). *Ukama* implies our human belongingness and the need to actualise this belongingness with acts of generosity. To give an example, instead of telling someone that they must share their food or material possessions with others, one can always put it in a proverb that says: *Ukama igasva hunozadziswa nokudya* (Relatedness is a half measure, it finds fulfilment in sharing). In this proverb a selfish person is admonished with a proverbial reminder that *Ukama* is not a theoretical concept, but an existential reality that should be enacted through sharing of food and possessions with others (Murove 1999: 13).

Someone who shares what they have with those who do not have are actually promoting *Ubuntu* or *Ukama* into the future. Equally someone who is obsessed with his or her self-interest becomes susceptible to being anti-social. The reality of interdependence between people as espoused in *Ukama/Ubuntu* is cultivated as indispensable to the African personality because from childhood an African child is taught to share with those around him or her. It is in sharing that *Ukama* is concretised. By virtue of *Ukama*, a person owes his or her personality and character to his or her ancestors such that a child's life is understood as a prolongation of that of the ancestors. Hence the maxim *Umntu ngomuntu ngabantu* is an affirmation of this relatedness or *Ukama*. Taking into consideration all that has been said about *Ubuntu/Ukama*, a crucial element that characterises African humanism is relationality in human existence as well as among all that exist.

### **6.5 Relationality and African Humanism**

Leopold Senghor (1964: 72-74) advanced the argument that “negro-African reasoning is intuitive by participation”. According to Senghor, this participation is inherited from ancestors in whom a consciousness of the world according to which the subject and object of observation, the natural and supernatural, the mundane and the divine, the material and the spiritual, are united in an inseparable oneness. Senghor saw an African as endowed with a sense of receptiveness or welcoming which was different from that

type of thinking which was obsessed with differences. Contrary to this mechanistic thinking, Senghor maintained that Africans do not draw a line between themselves and the object: “[An African] does not hold it at a distance, nor does he merely look at it and analyse it. After holding it at a distance, after scanning it without analysing it, he takes it vibrant in his hands, careful not to kill or fix it”. What Senghor saw as typical of African reason is that it was an embracing reasoning or a reasoning that sees threads of interconnectedness among all that exist.

Senghor emphasised emotion and warmth as that which characterises African reason and the resultant general attitude towards life in order to reject inhuman rationalism that disentangles reality. Thus he defined *negritude* as

...the whole of the values of civilisation – cultural, economic, social, political – which characterise the black peoples, more exactly the Negro-African world. It is essentially instinctive reason, which pervades all these values, because it is reason of the impressions, reason that it ‘seized’. It is expressed in the emotions, through an abandonment of self in an identification with the object; through the myth, I mean by images – archetypes of the collective soul, especially by the myth primordially accorded to those of the cosmos. In other terms, the sense of communion, the gift of imagination, the gift of rhythm – these are the traits of *negritude*... (Senghor 1964: 50).

Senghor’s argument as stated in the above quotation is that African reasoning is relational reasoning that is based on feeling all that exists as integral to one’s being. In this reasoning, the individual’s perception of his or her surroundings is premised on the principle of being in harmony with others or in communion with everything in existence to the extent that the individual’s well-being depends on his or her predisposition to move in rhythm with all that exists. Feelings imply acknowledging the presence of others rather than one’s own subjectivity. Feelings give rise to a rationality that emphasises togetherness with everything in life. Africans do not only feel the presence of those who are sharing the present life with them, but they also feel the presence of those (ancestors) who have existed in the past as participants in the well-being of those who live in the present (Mazrui *et al* 1999: 635).

By postulating African rationality as primarily relational through participation, Senghor advanced the idea that the individual finds his or her identity in relationships with others. If individuals are seen as only self-interested, and their existence in society as only a contract as we have seen in chapters 3, 4 and 5, their participation becomes that which is based on mutual deception. Thus the idea of seeing the individual in terms of communion and participation is indispensable in understanding the African identity as espoused in this relational rationality:

...the Negro-African sympathises, abandons his [sic] personality to become identified with the Other. He dies to be reborn in the Other. He does not assimilate, he is assimilated. He lives in common life with the Other; he lives in symbiosis... 'I think therefore I am', Descartes writes... The negro-African would say: 'I feel, I dance the Other; I am...' (Senghor 1964: 72-73).

Contrary to the Cartesian rationality that premised the individual's identity on rationality as the paramount characteristic that accords uniqueness to the individual, Senghor argued that the individual's identity that is inspired by African rationality derives from relationships with others. On the basis of the African relational rationality that is espoused by Senghor, the individual's identity is something communal or is an identity that ceases to be meaningful outside the realm of communion with others in society as well as with all realities that constitute existence.

John Mbiti echoed Senghor when he argued that in the African context the individual's identity is understood as communally constituted:

The individual does not and cannot exist alone except corporately. Only in terms of other people does the individual become conscious of his own being, his own duties, his privileges and responsibilities towards himself and other people. When he suffers he does not suffer alone but with the corporate group, his neighbours and his relatives whether dead or living... The individual can only say: I am because we are, and since we are, therefore I am (Mbiti 1969: 108).<sup>42</sup>

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<sup>42</sup> Mbiti's last assertion about the human being is a sharp contradiction to Descartes whose philosophical pilgrimage of doubt led him to a conclusion that: "I think, therefore I am" – *Cogito ergo sum*. Descartes came to this conclusion after doubting everything in existence as possibly deceptive; hence the 'I am' makes mind more certain than matter and the minds of other people. Other things that exist become known only by inference from what is known of the mind (Russell 1991: 547-551). The individual's mind does not

What Mbiti's is implying in the above quotation is that the individual's existence and identity are caused by the community. The community existed prior to the 'I' of the individual. Here the individual sees himself and his well-being in terms of the well-being of the community. The other implication that we can deduce from the above thought is that the individual's identity is not something instantaneous or self-determined, but it is derivative from relationships within the community at present, in the past as well as with the natural species. One becomes what one is because of these relationships.

Kenneth Kaunda argued that the African is immersed in experience, and is moulded by experience. Kaunda went on to enumerate those characteristics within African society which he saw as typical of African humanism. The first characteristic is that Africans enjoy the presence of other people:

We do not regard it as impertinence or an invasion of our privacy for someone to ask us personal questions, nor have we any compunction about questioning others in like manner. ...Our curiosity...is an expression of our belief that we are all wrapped up together in this bundle of life and therefore a bond already exists between myself and a stranger before we open our mouths to speak (Kaunda 1966: 32).

In this characteristic, Africans are endowed with a welcoming attitude towards other people. Such an attitude implies openness and communicability. This communicability is possible because life is basically lived in togetherness. The whole life is a celebration of togetherness. The idea of a celebratory attitude towards life becomes an antithesis to the individualistic notion of privacy which presupposes that the community is external to the individual's well-being. Thus Kaunda emphasised the idea of communal bondedness as follows:

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enter into communion with the minds of other people. The Cartesian rationality has been seen as representative of modern western individualism which emphasizes the individual's incommunicability and singularity as indispensable to what it means to be a person. Elochukwu Uzukwu argued that there is a sharp difference between the African and the western understanding of a person: "While the African definition of a person displays the human person as subsistent relationship – in other words, the person as fundamentally 'being-with', 'belonging to' – Western philosophy lays emphasis on the absolute originality and concreteness of the human person, 'being-for-itself'...However, Western systems wish to guard against the dissolution of the person in relationship, the 'I' is already constituted before it chooses to be related. The autonomy and the incommunicability of the 'I' are fundamental (Uzukwu 1995: 42-45).

Our whole life is togetherness and to be cut off from our fellow human beings is to die in the soul. ... We are known of our laughter, music and dancing. Rhythm is the very expression of the life force within us; it is symbolic both for our relationship with other people and with all created things. ... Every important event in the life of the village and all the major milestones of our personal lives are commemorated by ceremonials which include music and dancing. And it is at such times that the barrier between the natural and the supernatural crashes down. We are conscious of only one world – living generations sway in rhythm with gods and ancestral spirits (Kaunda 1966: 35-36).

What is implied by Kaunda in the above quotation is that in African humanism, life is enjoyed in the context of togetherness. This togetherness is an expression of human relatedness and interrelatedness of all realities that share life with human beings. It is within such a context of relatedness and interrelatedness that the individual's life has its ultimate meaning. Whatever event occurred in the life of the individual is shared with the whole community as an occasion for celebration. This celebration connects the living and the ancestors into a world of oneness. A persistent motif in African humanism is that of celebrating human nature. This is partly because there is an inherent existential life outlook that sees human beings as inevitably belonging to each other and to the web of life. Kaunda went as far as saying: "Our optimism springs from our faith in people" (Kaunda 1966: 36). Having faith in people implies that human nature is endowed with a nature to belong to the community, and that the individual is originally a communal being.

## **6.6 African Humanism and the Primacy of Community**

From what has been said in the preceding sections of this chapter, it is clear that African humanism is communitarian in the sense that much emphasis in the conceptualisation of the individual is placed on the role of the community or that the community exists prior to the individual. However, such a claim is also found among western scholars.<sup>43</sup> The

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<sup>43</sup> Western communitarians such as Charles Taylor (1996: 191-197) are much known for their communitarian approach to ethics. Charles Taylor's most famous defence of communitarianism is that human beings "develop their characteristically human capacities in society". According to Taylor, "Living in society is a necessary condition of the development of rationality, or of becoming a moral agent...[O]utside society, or in some variants outside certain kinds of society, distinctively human capacities could not develop". Taylor's communitarian argument puts emphasis on the fact that even the tradition of individual rights that is emphasised so much by libertarians or individualists presupposes a

notion of community in African humanism goes far beyond the usual anthropocentric communitarianism in the sense that the community that is espoused in African humanism embraces the natural world, the realm of the ancestors and human society as one and the same reality of community. Hence one cannot talk of either of these dimensions of community without implicating the other.

Ifeanyi Menkiti made a comparative analysis between the western and the African understanding of community, after which he had the following to say:

Western writers have generally interpreted the “community” in such a way that it signifies nothing more than a mere collection of self-interested persons, each with his private set of preferences, but all of whom get together nonetheless because they realise, each to each, that in association they can accomplish things which they are not able to accomplish otherwise. In this primarily additive approach, whenever the term ‘community’ is used, we are meant to think of the aggregated sum of individuals comprising it (Menkiti 1984: 179).

Menkiti’s observation here is that in western societies community is basically understood as a contract in which individuals come together as a way of protecting their self-interests. Within this contractarian conceptualisation of community, community is simply an association of individuals who happen to come together for their individual purposes. Menkiti (1984: 197) argued that this understanding of community is not just “an ontological claim, but a methodological recommendation to the various social or humanistic disciplines interested in the investigation of the phenomenon of individuals in groups; hence the term ‘methodological individualism’...”. According to Menkiti, such an understanding of community is “at odds with the African view of community” because in the African understanding of community, the individual is thoroughly fused in the “collective we”.

Menkiti (1984: 180) went on to argue that the community was indispensable to the formation of the individual’s character because it was an organic whole. In western society, community is a random collection of individuals or “a non-organic bringing

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social context. At this juncture, Taylor’s communitarian argument echoes African humanistic claims that the individual is an individual because of other individuals.



together of atomic individuals into a unit more akin to an association than to community”. The argument here is that society is an organic whole in the sense that it exists before the individual. It follows that the individual can only attain his or her individuality within a social context. Menkiti concluded that when community is understood as a random collection of atomic individuals, social existence becomes plausible when “organised around the postulation of individual rights”.<sup>44</sup> Contrary to the idea of the primacy of individual rights, Menkiti said that “[i]n the African understanding, priority is given to the duties which individuals owe to the collectivity, and their rights, whatever these may be, are seen as secondary to their exercise of their duties”. African humanism puts emphasis on communal well-being as a pre-requisite to individual well-being.

In the same vein, Edison Zvobgo refuted the *Universal Declaration of Human Rights* of 1948 on the grounds that it was a declaration of atomic individualism. His argument against this declaration was that it expressed the western view of human rights whereby a person is seen as a “separate, isolated, autonomous and self-determining individual, who, apart from any social context, is a bearer of human rights” (Zvobgo 1979: 93). The declaration of human rights hinged on the presumption that individuals are atomic and self-interested, hence social existence was viable when understood as a contract rather than a communion. Within the African individual ontology, on the other hand, such presumptions are inconceivable because the idea of community is based on communion in the sharing of communal values. As it was argued in the previous sections, African humanism maintains that the individual cannot be abstracted from relationships. Obinna Okere echoed Zvobgo when he said that “[I]iving in Africa means abandoning the right to

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<sup>44</sup> The language of individual rights has been seen by many scholars as incompatible with the African understanding of a person and community because in *Ubuntu*, the emphasis is on respect for other human beings as an expression of what it means to be human. The language of rights is based on atomic individualism. This is the argument that was made by Charles Taylor when he said that a society that puts too much emphasis on individual rights would tend to forget that “an assertion of the primacy of rights is impossible because to assert the rights in question is to affirm the capacities, and granted that the social thesis is true concerning capacities, this commits us to an obligation to belong” (Taylor 1996: 189). A cultural situation that emphasizes the primacy of individual rights gives the impression that the individual is owed by society. As we have seen in chapter 5, advocates of self-interest accuse community of oppressing the individual. Thus individual rights were emphasized as the foundation of modern capitalism with almost no mentioning of community rights.

be an individual, particular, selfish, aggressive...in order to be with others” (Okere 1984: 149).

The assumption is that the individual’s well-being depends entirely on his or her belonging to the community and not the other way round. Individuals are not seen as autonomous and in competition against each other, but rather in communion with each other. Eboussi Boulaga (1984: 181-188) observed that “the human being is a being of relationship, and is fulfilled only by visible reticulation with the other, by this complex of relationships with the other”. Thus he refuted individualism on the grounds that: “Human being-together is the enigmatic form of the unity of human beings, which is asserted by the fact that different manners of this being-together mutually limit each other, cause mutual problems, and have meaning only by their mutual relationship. Each taken by itself is contradictory, destructive”. What is implied by Boulaga here is that the individual cannot have a meaningful existence outside the reality of communal relatedness. It is within the communal context that the individual can assert her or his humanness.

Without communal embeddedness, human life degenerates into unintelligibility. The starting point for understanding a human being and his or her ultimate well-being is based on the context of relationality in the community of the living, ancestors, the natural environment and God. Jomo Kenyata alluded to this insight when he observed that:

The selfish or self-regarding man [sic] has no name or reputation in the Gikuyu community. An individualist is looked upon with suspicion and is given a nickname of *mwebongia*, one who works only for himself and is likely to end up as a wizard. He cannot expect that everything he does will prosper, for the weight of opinion makes him feel his crime against society. Religious sanction works against him, too, for Gikuyu religion is always on the side of solidarity. The aged and weak are under the special protection of the ancestral spirits, and they are never far away from home (Kenyata 1953: 199).

The implication of Kenyata’s observation is that an individual who is selfish is regarded as a source of potential evil. Such an individual lives antagonistically to the reality of communal solidarity. It is this denial of communal solidaristic existence that makes a self-interested individual to be judged as a potential evil. Such a self-interested person

cannot be expected to build community; rather s/he would be a destroyer of the community. Someone who is nurtured by the community and then decides to exist in pursuit of his or her self-interest would inevitably diminish the well-being of that community. African humanism premises individual success or prosperity on communal harmony or *Kunzwanana* (Shona) *Ukuzwana* (Zulu) – mutual understanding (Gelfand 1981: 9).

The argument that the individual can only attain his or her human potential in the communal context was also made by Kwame Gyekye (1997: 38) when he said that a human being was “a communal being by nature”. According to him, “[t]his communitarian conception of the person implies that, since the human being does not voluntarily choose to enter into a human community, community life is not optional for the individual”. The implication of this argument is that human beings are communal beings by nature, and this can be observed in that they have no choice on issues of entrance into the human community. The prior existence of the community carries with it the possibilities for the flourishing of the individual’s well-being.

Benezet Bujo on this matter said that the primacy of community constitutes what African ethics is all about. It is within the context of the community that the individual is able to attain her full individual potentials because the African community has an ethic of caring that helps to support the well-being of the individual:

African ethics is not concerned about respect for one’s self: the community occupies centre stage in such a way that the individual members must always bear in mind and aim at a growth in quality of life for all members...No one lives for himself alone, no one dies alone. No one feels alone and abandoned, for everyone is our brother or sister. If this relatedness to the ‘we’ is not to crumble and decompose into a plurality of ‘I’, a primal harmony in the community and a primal trust in each other are necessary (Bujo 2001: 60-61).

Bujo’s observation is that the individual subsists within the community, hence the individual’s actions are aimed at advancing the interests of the community. It is in promoting the interests of the community that the individual is only able to come to the

realisation that s/he belongs to the community or to others. An emphasis on the autonomy of the individual at the expense of the community can only promote the illusion that individuals have an independent existence outside the community. It is the community that shares itself in the making of the individual's identity. We would not be far from the truth if we were to say that the individual's sense of an 'I' is an 'I' that is evoked in relatedness or solidarity with others. The prior existence of community as the bedrock of human relationality and individual well-being spells out the idea that the individual cannot be understood as self-sufficient, but that s/he exists in a state where s/he continuously needs others.

#### 6.6.1 Arguments against the Communitarianism of African Humanism

The idea that the individual needs the community for her ontological well-being is sometimes critiqued as a recipe for individual oppression and lack of economic progress. Augustine Shutte argues that the idea that the individual is free, and yet belongs to the community, is contradictory because:

Freedom is self-determination, community means dependence on others...African thought fails to do full justice to the idea of freedom, to the fact that persons are self-determining. Individual freedom seems incompatible with full dependence on community, and, as community is the necessary means for personal growth and fulfilment, individual freedom has to go. There is an inbuilt tendency for the group to dominate, making its own existence an end in itself rather than existing for individuals who compose it (Shutte 2001: 12-13).

There are two issues that are raised by Shutte as problematic to the African notion of community. The first issue has to do with the problem of freedom within the context of community. Shutte's understanding of community as implying absolute dependence on others does not do justice to the African understanding of community. The African understanding of community as illustrated by African scholars such as Menkiti, Mbiti, Zvobgo, to mention just a few, is that the community forms individuals in the context of interdependence rather than dependence. In this African conception of community, individuals are free for each other rather than free from each other. Individual freedom is a freedom that is enjoyed in togetherness rather than in solitude. The second problem is that Shutte sees society as actually a composition of individuals – thus reiterating the

doctrine of atomic individualism. To say that the community ‘exists for the individuals who compose it’ is tantamount to making the community subservient to the wishes and whims of the individual. Such a claim is exactly the opposite of the African understanding of community.

African communal relationalism advocates that the individual exists in such a way that his or her well-being is wholly determined by the relations that are established in all the realms of existence. The individual is determined and partly determines the course of these relationships. Placid Tempels expressed it well when he said that the individual is necessarily an individual within the community, and that the individual exists within a state of “real ontological dependence” (Tempels 1959: 109). The notion of ontological dependence implies that the relations between the individual and community cannot be abstracted or that they are not based on contracts that are entered to safeguard individual self-interests. In other words, these relations cannot be disentangled because they are not artificially constructed, but simply given within the community of existence. Gyekye made a crucial observation when he said that in African communalism “the individual inevitably requires the succour and the relationships of others in order to realise or satisfy basic needs” (Gyekye 1987: 155).

Another argument that is given against the communitarianism of African humanism is that there is a symbiosis between individualism and capitalistic development; therefore too much community can only lead to underdevelopment. Paul Kennedy (1988: 140) attributed what he saw as the absence of the entrepreneurial spirit in Africa to the fact that African communitarianism was inherently inhibitive to the spirit of capitalism: “Thus, entrepreneurs who wish to operate within kinship or community situation, where the social pressures against individual acquisitiveness and mobility are still and ‘big men’ are expected to redistribute wealth, must find some way to resolve a central contradiction [sic]”. Kennedy’s assumption is that African communities are closed systems that are not welcoming to economically innovative ideas. It is partly for this reason that he saw Christianity in Africa as actually promoting the spirit of entrepreneurship. According to Kennedy, those who were converted to Christianity were able to cut ties with the

traditional community and put their business innovative ideas into practice under the pretext of religion: “Church membership provided religious justification, spiritual protection and practical assistance for the converts in their struggle to disentangle themselves from the demands of their matrikin and concentrate instead on building up business and nuclear family interests” (Kennedy 1988: 140).

Apart from the influence which the Christian religion is believed to have had on the evolution of the ethic of individualism and capitalism in Africa, Kennedy (1988: 142) argues that Islam played a similar role. According to Kennedy, Islamic conversion provided “the same ‘release’ both from the demands of kin and community in time and capital and from the fear of group hostility towards those who are perceived to be self-seeking”. Once released from these traditional communal relations, Kennedy claimed that individuals were able to enter into economic relations without any fear from traditional communal sanctions:

...the Islamic ban on the consumption of alcohol and certain foods, as well as the need to follow a partly separate ritual and social life, all provided the opportunity for entrepreneurs to reduce their level of involvement in traditional society. Yet this behaviour no longer incurred community displeasure since it was now judged to be religiously determined rather than the result of selfish individualism (Kennedy 1988: 142).

Kennedy’s argument as stated in the above paragraph is that the presence of capitalism in Africa was facilitated by an element of individualism that is embedded in the Christian and Moslem religions. The ethic of individualism that is indispensable to the development of modern capitalism was to a greater extent facilitated by Christianity when it disentangled individuals from communal relationships and emphasised the fact that individuals were accountable for their own actions instead of communities. Christianity and Islam became a way of escaping traditional communalism.

The same type of argument was also made by John Iliffe (1983: 48) when he said that a Christian Evangelical by the name of Albert Atcho, of Ivory Coast, preached a peculiar type of Christianity that emphasised the importance of entrepreneurship. Iliffe alleged

that while Atcho was a healer, his healing activities were aimed at individuals instead of communities: “Atcho healed individuals; he did not stress the restoration of harmony to group...And it was entirely in keeping with the association of spiritual force with material prosperity that he should have been an ascetic but [also] a wealth entrepreneur”.

This type of reasoning seems to echo Max Weber’s thesis which we saw in chapter 3, alleging that there was some early connection between the rise of modern capitalism and the Protestant ethic of individualism in the western world. The argument that capitalism does not need communities arises from an academic view that sees modern capitalism as synonymous with an autonomous individual. Thus economic problems that beset Africa are mostly traced to Africa’s communitarian ethic. One finds Stephen Theron rebuking Shutte for advocating the ethic of *Ubuntu* on the grounds that,

As for the ethical implications, the proverb [*Umuntu ngomuntu ngabantu*] simply side-steps the slow Western development of the idea of personal responsibility, charted in the Bible and elsewhere, and now known to Africans. Without this consciousness the fruit of technology cannot be enjoyed. One cannot even drive a car safely unless the driver realises that it depends on him and him alone whether the car stays on the road. The proverb teaches Africans to evade responsibility, rather, to hide behind the collective decision of the tribe (Theron 1995: 35).

According to Theron, the problem of economic development in Africa should be traced to the fact that Africans understand themselves in terms of communal belonging with too much emphasis on collective responsibility. Capitalistic economic success or development is only possible on condition that Africans come to see themselves as individuals who are solely responsible for their actions. The success of modern capitalistic development depends on Africa’s readiness to embrace the ethic of individualism instead of the traditional communal ethic.

Theron’s argument against *Ubuntu* and the resultant communalistic ethic it aspires to has two fallacies which make him contradict himself to the point of extreme unreasonableness. The first fallacy arises from his understanding of responsibility. His understanding of responsibility is based on the idea that it is individuals on their own who

should take responsibility for their actions. This understanding of responsibility is based on the presumption that individuals are responsible for their actions because they are autonomous beings. Thus the postulation of individuals as autonomous beings corresponds very well with his analogy of a car that stays on the road because of the individual's realisation that 'it depends on him and him alone that the car stays on the road'. Needless to say that such an analogy militates against his individualistic notion of a human being. If we are to employ his analogy of a car as our counter argument, we have to say that the car can only stay on the road in relationship with other factors such as weather visibility, attentiveness of other drivers, just to mention a few. If any of these factors can be found wanting, the car will not stay on the road simply because of the individual's sense of responsibility. All these arguments still reinforce communal embeddedness of responsibility as espoused in *Ubuntu* (Murove 1999: 39).

The arguments of the critics of African humanism have a common salient economic assumption which is that its world-view and ontology are incompatible with the machinations of modern capitalism that Africa has inherited from the western world.<sup>45</sup> The post-colonial argument that was made by African politicians was that the self-interested *homo economicus* inherited from colonial capitalism was incompatible with the economic relations that are espoused in African humanism. As we shall see in the following section, African humanism refutes an economic system such as capitalism on the grounds that it is contrary to African humanistic values. These African humanistic values can only lead us to the idea that wealth should be owned in common, or that wealth is there for the whole community rather than for the benefit of a few.

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<sup>45</sup> World-renowned African scholar, Ali Mazrui (1990: 5; 1999: 429-494) traced the failure of capitalism in post-colonial Africa to the problem of juxtaposing western capitalistic values to African ones. He traced the litany of Africa's poor economic performance to the fact that "Africa borrowed wrong things from the West – even the wrong components of capitalism. We borrowed the profit motive but not the entrepreneurial spirit. We borrowed the acquisitive appetites of capitalism but not the creative risk taking". Mazrui's other argument is that the introduction of western capitalism through colonialism violated the Weberian thesis of the Protestant ethic of capitalist development through hard work and frugality. This twisting of values resulted in post-colonial economic relations that encouraged "ostentatious consumption" without production.



### 6.7 African Humanism as the basis of African Socialism

Post-colonial African scholars and politicians argued that the humanistic values of African society, such as *Ubuntu/Ukama*, and their resultant communalistic vision of society are evidence enough that traditional African society was a collective and caring society; hence an economic system that is compatible with African humanistic values is socialism.<sup>46</sup> This is the argument that was adopted by Julius Nyerere (1968: 198) when he said: “Traditionally we lived as families, with individuals supporting each other and helping each other on terms of equality”. Nyerere went on to say that the foundation of socialism is “a belief in the oneness of man [sic] and the common historical destiny of mankind. Its basis, in other words, is human equality. ...The purpose of socialism is the service of man, regardless of colour, size, shape, skill, ability, or anything else. ...Without the acceptance of human equality there can be no socialism” (Nyerere 1968: 258).

The commensurability of African values and socialism was based on Nyerere’s (1968: 170-175) conviction that socialist values are justice, respect for a human being, and a social development where one cares for people. Thus he argued that these values were part and parcel of African traditional values: “We in Africa, have no more need for being ‘converted’ to socialism than we have of being ‘taught democracy’. Both are rooted in our past – in the traditional life which produced us”. Here the argument is that socialism is part of African culture, therefore Africans are socialistic by nature. His claim that

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<sup>46</sup> Other post-colonial African scholars such as Valentin Mudimbe (1994: 42) argue that in post-colonial African political discourse, Marxism was appealed to because it “appeared to be the inspiration for the renewal of the continent. A remarkable apotheosis, to the extent that the promises implied were, from the onset, given as concrete expressions of the life of real people and as a negation of the exile which had held them captive, Marxism seemed to be the exemplary weapon and idea with which to go beyond what colonialism incarnated and ordained in the name of capital”. Mudimbe goes on to say that the whole liberation project was conceived as a Marxist revolution: “...political men[sic] of action in Africa, sensitive to this power of conversion of Marxist thought and seduced by the metaphors of an egalitarian society organized on the basis of economic registers in the service of the betterment of people, of all people, conceived the political liberation of new African countries in terms of Marxist revolution” Richard Bell echoed Mudimbe when he said that “[b]oth African humanism and socialism were used to underscore the values of common African heritage and the inherent struggle left to a people who were exploited by colonial powers. It became to many African leaders after World War II that sustaining Western colonialism was seriously undermining, if not destroying, the African social infrastructure based on traditional humanistic values” (Bell 2002: 37). In other words, the socialist discourse was employed by African politicians as a way of negating the impact of colonialism in the post-colonial African condition.

Africans are socialistic by nature is partly based on his observation that socialism is only possible within a caring society where “people care for each other’s welfare”.

Nyerere applied African humanistic values for his further analysis of how wealth should be created and distributed in society. His argument against capitalism was that the modern capitalistic accumulation of wealth without any sense of limits was at odds with the African attitude towards wealth. Thus he rebuked the capitalistic tendency of purposeless accumulation of wealth at the expense of other human beings as follows: “The creation of wealth is a good thing and something which we shall have to increase. But it will cease to be good the moment wealth ceases to serve human beings and begins to be served by human beings” (Nyerere 1968: 319). In other words, the production and distribution of wealth must have human needs as its main goal. Hence, the means and ends of acquiring wealth should nourish human well-being instead of dehumanising them.

Nyerere’s (1968: 320-321) quest for a humanistic economic practice led him equally to the idea that African economic practices and outlook must be subjected to the African context: As he put it, “we have to think in terms of what is available, or can be made available, at comparatively small cost, and which can be operated by people. By moving into the future along this path, we can avoid massive social disruption and human suffering”. The ideal of pursuing economic activities whilst being sensitive to human well-being led Nyerere to the argument that all technology applied in economic activities should be that type of technology that embraces wider social participation: “We have to consider whether some older equipment which demands more labour, but labour which is less highly skilled, is not better suited to our needs, as well as being more within our capacity to build and use”. What he is saying here is that the application of technology in economic activities should not exclude the participation of people in the production process. The ideal is that technology that is applied should be adaptable to people’s contexts, thus enhancing greater human participation. Nyerere’s argument is that African traditional values give rise to an economic system that puts emphasis on caring for the well-being of other human beings before profits.

Nyerere also argues that African traditional values put emphasis on economic relations that were based on solidarity that was aimed at attaining the well-being of the whole community. As Nyerere puts it:

Both the ‘rich’ and the ‘poor’ individuals were completely secure in African society. Natural causes brought famine, but they brought famine to everybody – ‘poor’ or ‘rich’. No one starved, either for food or for human dignity, because he lacked personal wealth; he could depend on the wealth possessed by the community of which he was a member (Nyerere 1968: 3-4).

The implication of Nyerere’s insight is that economic relations in African traditional society were primarily aimed at fostering the well-being of everybody. Those who were rich and those who were poor experienced the same human social affection because of communal solidarity. Within such a conceptualisation of human economic relations, the modern capitalist ideal that the greed of the rich would benefit the poor, as we have seen in chapters 3 and 5, falls apart. In traditional African economic relations no one existed in a way that was parasitic to the community. Rather, the individual worked with the community for the common good. This fact is expressed in the Swahili proverb which says: “*Mgeni siku mbili; siku tatu jembe* – One is a guest for two days, on the third day give him a hoe” (Nyerere 1968: 6). The implication of this proverb is that each person should participate in the acquiring and distribution of wealth. In this economic practice, the creation of wealth through collective work led to an egalitarian distribution of the created good through *Ujamaa* (collectivism).

Nyerere (1968: 12-319) saw *Ujamaa* as resting “on the assumption of the equality of man [sic]”, based on the belief that “all people were created by God”, and that “it is the only basis on which life in society can be organised without injustice”. For Nyerere, *Ujamaa* could be premised on two foundations, namely the Godly origins of all life and the existential fact that people are fellow creatures within the common universe. On the second foundation, it is thus deduced that from a general experience of life with others in society, when other members of the community or society are denied the enjoyment of

wealth because of the greed of others, it inevitably follows that they are being dehumanised.

The idea of economic relations through *Ujamaa* was also echoed by Jomo Kenyatta (1953: 119; cf. Bujo 1997: 164) in his socio-economic policy which he described in kiSwahili as *Harambee*. The term *Harambe* means “to pull together, or to work together or to pull the same rope together at the same time”. The presumption here was that when people pool their talents for a common economic cause such as poverty alleviation, they are able to promote the flourishing of the common good more effectively than when each one is concerned with his or her own self-interest (Bujo 1997: 164). Kenyatta’s economic justification of *Harambe* was partly based on the moral conviction that “there is no really individual affair, for everything has a moral and social reference. The habit of corporate effort is but the other side of corporate ownership; and corporate responsibility is illustrated in corporate work no less than in corporate sacrifice and prayer” (Kenyatta 1953: 119).

Kwame Nkrumah (1968: 73-74) also argued for African socialism from the point of view that African traditional society was communal. While communalism prevailed in African traditional society, it was also prevalent in the modern African society: “In socialism, the principles underlying communalism are given in modern circumstance...Socialism, therefore, can be and is the defence of the principles of communalism in the modern setting”. In other words, the role of socialism was to defend and perpetuate African communalism, which is mostly characterised by the lack of social classes in traditional African societies. Nkrumah went on to say: “The African social system is communistic. In the African social system the foundation of a pauper class is unknown, nor is there antagonism of class against class”. In this way of reasoning, African socialism was synonymous with talking about African traditional communalism. The term socialism only denotes the modern discourse on communalism. African socialism was communistic because of the absence of economic classes.

Another African political leader, Tom Mboya, argued that socialism already existed in Africa because some of the traditional African values were compatible with socialism:

...those proved codes of conduct in the African societies which have, over the ages, conferred dignity on our people and afforded them security regardless of their station in life. I refer to a universal charity which characterises our societies...thought processes and cosmological ideas which regard all humankind, not as a social means but as an end and entity in society (Mboya 1963: 6-7).

The implication of the above thought is that African socialism arises from the African ontology and cosmology as opposed to mere philosophical speculation. Those Africans who saw African socialism as similar to Western socialism were actually victims of western “intellectual imperialism” in the sense that “they are so blindly steeped into foreign thought mechanics that in their actions they adopt standards which do violence to the concept of African brotherhood” (Mboya 1963: 7). In other words, African socialism was different from western socialism because African socialism did not need to be thought out as an ideology to counter the modern capitalistic system. African socialism was the African economic outlook that arises from traditional African values.

In the same vein, Leopold Senghor writes that “[n]egro African society is collectivist, or, more exactly, communal because it is rather a communion of souls than an aggregate of individuals...[Africa] had already realised socialism before the coming of Europeans...but we must renew it by helping it to regain a spiritual dimension” (Senghor 1964: 29). According to Senghor, the African individual ontology of negritude and its world-view of symbiosis provide a fertile ground for an ethical presumption that wealth should be shared equitably by all people in society. In traditional African society, the spirit of collectivism was strengthened by the African belief in ancestors. What one does with his or her wealth had some direct implications for his or her relationship with the ancestors. Africans would even go to the extent of sharing their material possessions with them. It is partly for this reason that Senghor’s inference could be seen as valid that socialism as it developed in the west was deficient because it lacked the spiritual dimension of a human person. Equally, it is also arguable that modern capitalism lacks a

spiritual dimension about a human person because it has a mechanistic *homo economicus* who is simply propelled into economic relations by self-interest.

Unlike Senghor, Mboya and Nyerere, who argued that the African humanistic values were commensurable with African socialism, on the other hand, Sekou Toure argued that the term socialism be dropped and replaced by the term *communaucracy* as a term that captures African experiences under communal rule. Thus he said:

Africa is essentially 'communaucratic'. Collective life and solidarity give Africa a humanistic foundation which many people may envy. It is also because these qualities that an African cannot imagine organising his life outside of his social group – family, village or clan – are indispensable to *communaucracy*. The voice of African people is not individualistic [his italics] (Toure 1979: 108).

Sekou Toure's observation as stated above is that African values are more appropriately commensurate with communalism rather than socialism. His use of the word communaucratic instead of socialism was intended to distance African collectivism from the inevitable western dualistic cast of materialism versus spiritualism. As he puts it:

We use the expression communaucratic precisely in order to avoid all equivocation and all false analogies...Our solidarity, better known under its aspect of social fraternity, the pre-eminence of group interests over personal interests, the sense of common responsibilities, the practice of a formal democracy which rules and governs our village – all of which constitute the basis of our society – this is what forms what we call communaucratic realities (Toure 1979: 141-151).

Sekou Toure differentiated communaucracy from socialism also on the basis of African humanistic values such as communal belonging within the cultural context of shared interests. Communaucracy was also an antithesis of individualism. In the final analysis, this meant that these traditional African values as espoused in communaucracy were simply incompatible with modern capitalism because of its individualistic base.

The idea of communalism means a communally orientated way of life whereby the individual shares his or her material possessions with others. This sharing of one's

material possessions with others arises from the humane convictions entrenched in African humanism that the other person is one's brother or sister, and that to be human is to belong. It is to belong to society, to the land, as well as to the realm of the ancestors. It is a kind of communalism that arises from the African existential feeling that makes the individual to see herself as related and interrelated to such an extent that whatever one owns is owned for common use, and is shared with others. Gelfand writes on the African economic practice of communalism as follows:

All clansmen [sic] are materially equal in their Tribal Trust Land, since no land can be bought or sold and each man receives just sufficient on which to grow enough food for his family. As all the men in the clan claim to be brothers, it is important in order to avoid jealousies that no one is wealthier than the rest. If any man finds himself in strained circumstances, one of his brothers will help him without expecting payment. One is struck by the uniformity of their lives and possessions in their traditional surroundings. A feeling of peace, brotherhood and equality emanates from them (Gelfand 1981: 15).

Within African communalism, people share their material possessions with the conviction that the other person is one's brother or sister. The reason behind this spirit of generosity is that in traditional African society, everybody belonged, whether poor or rich, people related to each other without prioritising one's self-interest before the needs of others. Ambrose Moyo (1999: 53) echoed Gelfand when he said that even "a complete stranger can become a part of the family and in that respect would even be given land to plough and be allowed to get married within the family. Traditional societies do not primarily think in terms of nuclear families as this would be considered selfish and individualistic".

Though African traditional communalism acknowledges that there are individuals, these individuals are socialised into generosity. As Moyo puts it:

[W]hat emerges from all this is that in traditional societies there was a common *use* of property and not common *ownership* of property. The individual owned his or her field, cattle, donkeys, goats and domestic equipment but could share them with the needy. ...However, because of this common *use* of property, the people

in a particular village often *felt* they owned the thing together (Moyo 1999: 55-56).

Moyo's argument is that traditional African communalism tacitly recognised private property in the sense that there was no common ownership of property. While there was private ownership of property, individuals could voluntarily put their properties at the disposal of their neighbours to use. Thus the idea of common use mutes the distinction between private and common ownership. In modern capitalism, the institution of private property carried with it the idea that the individual has the exclusive right to use her property.

Mamaduo Dia Thiam argued that there should not be a dichotomy between socialism and individualism. Thus he writes: "A synthesis will be possible between individualistic and social values, harmony between them being achieved in the complete human personality. This synthesis is of a true socialism and a true humanism, which will rest on African reality and African values, while not rejecting the enriching contributions of other cultures, will be genuinely African...[sic]" (see Friedland and Rosberg 1964: 75). While it is not clear as to the type of synthesis which Dia had in mind between individualism and socialism, the point he is making is that African traditional values cannot allow us to postulate the individual as existing prior to the community.

While there is recognition of individuals in African communalism, individuals attain their individual worth or moral character within the community. Since the individual is communally constituted, his or her well-being is relative to that of the community. It is mainly for the reason that the individual is communally embedded that Dia Thiam was led to observe that:

[In Africa the] individual is not defined apart from the group, one is defined in and with the group to which he [sic] belongs. The group and the individual are not two distinct realities, but one and the same reality. ...Negro-African socialism rests on a cosmology, an explanation of the universe according to which being is not divided, not reducible reality, but constitutes elements of a whole in which it inserts itself and which gives its force and its life (See Friedland and Rosberg 1964: 85).



Thiam's observation as stated above is that African socialism arises from the African individual ontology in which there is no dichotomy between the individual and the community in as much as there is no dichotomy between a human being and the world-view of wholeness. In this regard, African socialism is an economic articulation of the African individual ontology and its world-view of symbiosis.

Other African philosophers, such as Kwame Gyekye, however, argue that this African discourse on African socialism was properly about African humanism. Thus he writes:

In reference to the supposed traditional matrix of the ideology of African socialism, the language of the African political leaders and thinkers seems to indicate, pretty clearly on close examination, that it is the humanist strand of the traditional social and moral thought and practice that they really had in mind in their discourse on 'socialism' (Gyekye 1997: 159).

Gyekye's argument in this quotation is that all this discourse on African socialism is mainly about African humanism since appeal was made to African traditional moral values rather than to an elaborate socialist economic system. Gyekye (1997: 159-160) went on to argue, "It would be correct to say, however, that traditional society, animated by its humanist ethic, would be a caring society, concerned about the well-being of its members. A caring society, however, is not necessarily an egalitarian society" (Gyekye 1997: 159). The argument here is that while a humanistic ethic of African traditional society might have given rise to a caring society, that should not be construed as evidence of the existence of a society where people were regarded as equals in all respects. Being a caring society also does not mean common ownership. "The individual's dependence on the wealth of the community derives from – and is an aspect of – the practice of social and humanist morality, from the fulfilment of the moral obligations of people to their fellow human beings" (Gyekye 1997: 159).

When people shared their material possessions with their fellow human beings they were doing so out of humanistic moral considerations rather than ideological persuasion. Thus Gyekye summed up his argument as follows: "I conclude that the use of the term

‘socialism in reference to understanding the nature of the society envisaged by the African political leaders and thinkers under the inspiration of the African tradition is a misnomer. The term was undoubtedly used as a surrogate for ‘humanism’” (Gyekye 1997: 162). The implication of Gyekye’s observation is that African traditional values would be commensurate with economic relations that are based on humanistic moral consideration rather than on socialism as an economic ideology.

### **6.8 Conclusion and Observations**

In this chapter, I started by giving a definition of African humanism and went on to show that African humanism advocates a holistic ethic as it puts emphasis on relatedness and interrelatedness among all that exists. The individual ontology of African humanism shows that a human being belongs to the natural environment as well as to the community, with fellow human beings. Within African humanism, the idea of human solidarity encompasses the past, the present and the future (Moquet 1977: 49-50; Mazrui *et al* 1999: 559; Mazrui 1994: 173; Senghor 1964; Kaunda 1967; Gyekye 1997; Ramose 1999).

I also tried to show that African humanism comes across as a relational ethic. The relational ethical dimension of African humanism was demonstrated by investigating some of the African ethical concepts such as *Ubuntu/Botho*, *Ukama* and *Ujamaa*. All these concepts seem to support the idea that to be fully human is to belong to society, and that individual identities cannot be abstracted from their common belonging. For this reason, it was argued that the socio-economic theory of self-interest is incompatible with the ethical outlook of African humanism (Shutte 1993: 46-47; Samkange and Samkange 1980: 38-39; Dandala 1996: 70; Kasenene 1994: 141-142; Gelfand 1973: 57-139; Murove 1999).

In the last section we saw that the ethical implications of African humanism were interpreted by some African scholars and politicians to imply that an ethical system that engenders a world-view of interconnectedness and human communal belonging was

compatible with socialism or collective ownership of wealth. The argument of collective ownership of wealth came across in two forms. Firstly, there were those African scholars who argued that the ethical values of African humanism within the African traditional setting are compatible with socialism. Secondly, there was an argument that socialism should not be seen as an end in itself, but that its importance should be premised on the African need to advance the traditional ethos of communalism, a communalism that does not draw a wedge between materiality and spirituality. However, another argument was put forward against the socialist argument and this was that African traditional society was thoroughly humanistic (Nyerere 1968; Kenyatta 1953: 119; Nkrumah 1968; Mboya 1963; Senghor 1964; Toure 1979; Moyo 1992: 55-56; Gyekye 1997: 159-162).

It is clear in our discussion of African humanism that, according to African humanism, the modern economic theory of self-interest is morally implausible and wholly unintelligible. Another implication of African humanism to the modern economic theory of self-interest is that it is dehumanising because people who can only relate to other people on the basis of self-interest would be a danger to community life. It is also dehumanising because if the individual is presumed to act with the aim of maximising his or her utility, it follows that they will deprive others of a decent economic livelihood because greed cannot benefit the community. Another implication which we can deduce from our discussion on African humanism is that if modern capitalism presumes self-interest as the determinant of an economic action, then the rationale of modern capitalism is incompatible with African humanism. I would like to demonstrate that the ethical implications of African humanism also find an echo in process philosophical anthropology.

## **CHAPTER SEVEN: THE IMPLICATIONS OF PROCESS PHILOSOPHICAL ANTHROPOLOGY FOR THE THEORY SELF-INTEREST**

In the process view, when we lose the sense of connection with the Other, we sin. To me the ethical message is clear: I should treat all beings in our world, not only humans, with loving kindness and compassion – and myself as well. The process view is fundamentally one of connection and nurturing of community (Jungerman 2000:197-198).

### **7.1 Introduction**

In chapter 6, it was established that the implausibility of the modern economic theory of self-interest can be discerned from the fact that African humanism is based on a relational understanding of human existence and reality in general. Obviously when human well-being is presented as intertwined with the well-being of everything else in existence, it logically follows that the individual's well-being depends on the well-being of the whole to the extent that our human interests become entangled with the interests of everything that exists. Human well-being was seen as inseparable from that of the natural environment, communal solidarity among the living, the past and the future.

Process thought concurs with the presumptions of African humanism in the sense that it is a philosophy of holism. As we shall see in the course of this chapter, most of the doctrines that were developed by Alfred North Whitehead in his process thought were aimed at building a holistic vision of reality in such a way that what Whitehead advocates as the nature of reality applies equally to human existence. The first section of this chapter will start by giving a brief background to process thought and ethics. The second section is concerned with the process world-view and its relationship to the new sciences. In the third section our concern will be on the ethical implications of process philosophical anthropology on the modern economic theory of self-interest. Our last section will be a conclusion and observations.

## 7.2 Background to Process Thought and Ethics

Alfred North Whitehead, an Anglo-American mathematician and philosopher, did not write about ethics specifically, nor did he give attention to the modern economic theory of self-interest. His specific interest was in giving a metaphysical synthesis in light of the developments in the new sciences such as the theory of relativity, quantum physics and ecology. Apart from the doctrines that he developed throughout his philosophy, Whitehead put it clearly that his process philosophy was a “philosophy of organism”, a metaphor that suggests a holistic philosophical outlook towards life and reality in general (Whitehead 1929: vii). A salient feature that runs throughout Whitehead’s process philosophy is that an authentic understanding of human existence has to start with a general understanding of reality (Jungerman 2000:1-14; Prozesky 1995: 54-59).

Whitehead’s process philosophical presupposition was based on the premise that all reality exists authentically in terms of relatedness and interrelatedness. Human existence was only possible within this web of relationships. This implies that judged from the perspective of Whitehead’s implied philosophical anthropology, the modern economic theory of self-interest, can only be seen as a serious mitigation against reality in the sense that to exist self-interestedly would ultimately imply abstracting oneself from the community of existence. The community of existence is chiefly characterised by a process of giving and receiving within the complexity of relationships. That being the case, the ethical implications of atomic individualism, self-sufficiency, liberalism of neutrality and utility maximisation, which are integral to the theory of self-interest, are abstractions from our common existence with everything else that shares this life with us.

## 7.3 The World-view of Process Philosophy

As we have seen in chapters 3, 4 and 5, the modern economic theory of self-interest arose from a mechanistic world-view, especially that of Isaac Newton, that taught that things existed as self-enclosed entities that can only respond to rules of gravity and motion. It was shown in these chapters that in early modernity, self-interest played a role of the rule of motion in human economic behaviour. Another influence of mechanistic science on neo-liberal economics, as we have seen in chapter 5, was the *homo economicus* model of

a human being who was presumed to be calculative in a way that resonates a calculating machine. It was alleged that the individual will maximise his or her utility by pursuing self-interest. Mechanistic scientific thinking is the foundation of atomic individualism because the individual is postulated as an isolated entity that is self-sufficient, devoid of essential relatedness. As we shall see in the following sub-section, process thought rejected this mechanistic scientific paradigm on the grounds that it was not a true reflection of reality.

### 7.3.1 The Influence of the New Scientific Discoveries

Whitehead's (*SMW* 1925: 1-24) process thought was a philosophical synthesis of new scientific discoveries such as Albert Einstein's theory of relativity and quantum physics. This was done within a social background that was then dominated by Aristotelian metaphysics and Newtonian mechanistic physics. In as much as the Newtonian mechanic science had tremendous influence on social theory, Whitehead saw the theory of relativity and quantum physics as having some implications to human existence as well. Hence a thorough understanding of process cosmology and the resultant philosophical anthropology is inseparable from some of the principles of relativity and quantum physics.

From this new science, he deduced that all entities exist in a state of dependence and interdependence. Thus he would state it in his *Adventures of Ideas* that, "The universe achieves its value by reason of its co-ordination into societies of societies, and into societies of societies of societies" (*AI* 1933: 264; *PR* 1929: 113). What this means is that each actual entity cannot be isolated from its togetherness with other actual entities. In other words, those things which were described by mechanistic science as individuals that endure through space and time were actually societies in the sense that they are what they are due to the principle of relationality with other entities in the process of becoming. Whitehead's process thought should be understood as a way of constructing a world-view that has for so long been dominated by mechanistic thinking into one based on relationality.

The same efforts are also made by modern scientists who are arguing that the paradigm of mechanistic science can no longer answer the questions of modern humanity that has become so interconnected. For example, Donah Zohar (1990: 8-80) says that quantum theory is summed up in the “Principle of Complementarity” which says that “each way of describing being, as a wave or as a particle, complements the other and that a whole picture emerges only from the package deal”. Zohar goes on to say that in the quantum field, “even those particles which manifest themselves as individual beings do so only briefly. They exist for a short time, and then dissolve into other particles or return into a sea of energy”. From this scientific observation, Zohar stated that her purpose of relating quantum physics to social theory was primarily based on arguing that “quantum physics, and more particularly a quantum mechanical model of consciousness, allows us to see ourselves as full partners in the process of nature” (cf. Prigogine and Stengers 1984: 223-224).

According to Zohar (1990: 80-114), the experience which is offered humanity by quantum physics is that in any quantum system of two or more particles, each particle has both ‘thing-ness and relating-ness’, the first due to its particle aspect and the second to its wave aspect. This kind of relationship is called “relational holism”. It is called relational holism from the perspective that “the self stops to be an isolated self, but overlaps with other selves in society”. The reason why the self overlaps with other selves in society is due to the fact that the wave aspect of entities gives rise to relationships and the consequent birth of new realities through the entanglement of their wave functions. Because waves can overlap and become entangled with each other, quantum systems can form internal relationships which would not be possible if entities are seen as closed systems. Without these internal relationships, the cosmos would be non-creative. Hence the social implication of quantum physics for human existence is that there has to be a holistic understanding of nature as well as a solidaristic social existence.

The world renowned physicist, Fritjof Capra, expressed the same insight when he said that a careful observation and analysis in atomic physics has shown that the subatomic

particles have no meaning as isolated entities, but can only be understood meaningfully as interconnections:

Quantum theory reveals a basic oneness of the universe. It shows that we cannot decompose the world into independently existing smallest units; ...nature appears as a complicated web of relations between the various parts of the whole. ...The human observer constitutes the final link in the chain of observational processes, and the properties of any atomic object can only be understood in terms of the object's interaction with the observer (Capra 1983: 78).

The universe in this regard is experienced as a dynamic inseparable totality in which the observer is essentially related. In other words, a human being enters into interconnectedness with the natural world, thus constituting a totality or a whole. In the same vein, David Bohm (1988: 64) says that a new feature of quantum physics is that “the whole organises the parts” as it is the case with living organisms”. Bohm goes on to state, “An invisible connection between elements also exists which cannot be further analysed. All of that adds up to the notion that the world is one unbroken whole”. The implication of Bohm's observation is that physical reality presents itself in terms of connectedness and interconnectedness.

Ecological biology<sup>47</sup> shares the insights of quantum physics on the reality of connectedness and interconnectedness. A paradigm shift that is currently being championed by ecological biologists is that all living organisms are open systems that are open to influence from other living systems to the extent that they form a totality within the community of existence. James Lovelock captured this new ecological biology as

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<sup>47</sup> The word ‘ecology’ is derived from the Greek word, *oikos* which means ‘household’. This word implies that there is connectedness among all living things – all living organisms exist in a state of symbiosis with each other. The word ‘ecology’ was first used by a German biologist Ernest Haeckel as “the science of relations between the organism and the surrounding outer world”. In the early 20<sup>th</sup> century, biologists came to the realization that the relationships between all living systems could be understood best as communities or networks in the sense that all life systems depend on each other for their survival. An organism does not have a life of its own independent of the natural environment. The environment was part of the organism. Classical biology had taught that organisms exist with their own natures or types. For example, Charles Darwin had theorized that organisms exist in a state of competition for survival, whereby the fittest were able to survive after conquering the odds of the natural environment. The ecological paradigm contradicted this theory by insisting that organisms do not exist in a state of competition against the environment, rather, the correct account of the matter is that they exist in symbiosis or communion with the natural environment – that they depend on each other for existence (Martin 1970: 120-123; Margulis 1993: 2).



follows: “So closely coupled is the evolution of living organisms with the evolution of their environment that together they constitute a single evolutionary process” (Lovelock 1979: 99). Instead of seeing evolution as implying the realisation of life through competition against the environment, Lovelock argued that we should rather speak of co-evolution as characterised by mutual adaptation of the environment and the organism.

Lovelock’s ecological biological idea of interconnectedness was also expressed by Margulis and Sagan when they said that evolution occurs through trading DNA information:

[S]cientists have observed that [bacteria] routinely and rapidly transfer different bits of genetic materials to other individuals. Each bacterium at any given time has the use of accessory genes, visiting from sometimes very different strains, which perform functions that its own DNA many not cover. Some of the genetic bits are recombined with the cell’s native genes; others are passed on again...As a result of this ability, all the world’s bacteria essentially have access to a single gene pool and hence to the adaptive mechanisms of the entire bacterial kingdom (Margulis and Sagan 1986: 223-224).

The trading of genetic information among the bacterial community has been integral to evolution since the beginnings of life on earth, to the extent that we should see “global communication network” as having been occurring since the embryonic stages of life (Capra 1983: 224). This trading of genetic information contributes to the resistance of drugs among bacterial communities. Margulis and Sagan (1986: 127-236) characterised this trading of genetic information as also the major reason why there are always new forms of life within the community of existence. Trading of genetic information is not something that is distinctively bacterial, but is a characteristic that is shared by all living organisms. The theory of the interconnectedness of all living organisms came to be known as symbiogenesis. According to Margulis and Sagan, symbiogenesis implies that the evolution of nature is characterised by convergence, which is the tendency of species to evolve similar forms for meeting challenges, regardless of different ancestral histories. The theme of the relationality of all that exists is the foundation of Whitehead’s metaphysics.

Whitehead (1948: 89-90) stated it in his *Essays in Science and Philosophy* that the metaphysics which he espoused in his *Process and Reality* was that “the world as it passes perishes, and that in perishing it yet remains an element in the future beyond itself”.<sup>48</sup> He stated it succinctly that the main focus of process thought lies in “an attempt to analyse perishing on the same level as Aristotle’s analysis of becoming”. In the place where Aristotelian metaphysics was more concerned with being, process thought puts emphasis on becoming. Whitehead’s presumption was that everything is in a state of process. While Whitehead saw perishing as constitutive of process, he also stated that, “Freshness provides the supreme intimacy of contrast, the new with the old. A new type of order arises, develops its variety of possibilities, culminates, and passes into the decay of repletion without freshness. That type of order decays; not into disorder, but by passing into a new type of order”. In other words, the perishing of things is accompanied by the reality of freshness, which is the coming into process of new realities that are also related to those that existed in the past. But Whitehead did not hold a view of reality that is based on the endless becoming of things: “I certainly think that the universe is running down”.

The idea that the universe was running down was meant to illustrate the fact that the contemporary physical order of reality was also in process:

We can see the universe passing on to a triviality. All the effects to be derived from our existing type or order are passing away into trivialities. That does not mean that there are not some other types of order of which you and I have not the faintest notion... The universe is laying the foundation of a new type, where your present theories of order will appear as trivial. If remembered, they would be remembered or discerned in future as trivialities, gradually fading into

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<sup>48</sup> Whitehead’s coining of the term perishing to imply the processual nature of all that exists gives an impression of a sceptical view of reality. However, he stated that he is using this term to imply the becoming of things. As he puts it, “The notion of the prehension of the past means that the past is an element which perishes and thereby remains an element in the state beyond, and thus is objectified. That is the whole notion. If you get a general notion of what is meant by perishing, you will have accomplished an apprehension of what you mean by memory and causality, what you mean when you feel that what we are is of infinite importance, because as we perish we are immortal. That is the one key thought in which the whole development of *Process and Reality* is woven...” (*ESP* 1948: 89). What is implied here is that it is through a process perishing that we can account for the becoming of things. This implies that everything is in process.

nothingness. This is the only possible doctrine of a universe always driving on to novelty (*ESP* 1948: 90).

The passing away of the universe is meant to emphasise the idea that what might be seen as constitutive of reality or what we might conceptualise as the laws that undergird the nature of the universe today might not necessarily be construed as valid laws by the future generations. The passing away of a universe of a particular epoch is thus always superseded by the universe of a new generation. It is within the reality of the passing away of the universe that Whitehead accounts for novelty as central to process or change.

Cobb and Griffin (1977: 14-15) also observed that process thought asserts that everything is in a state of process or change,<sup>49</sup> and that “to be *actual* is to be a process. Anything which is not process is an abstraction from process, not a full-fledged actuality” (Cobb and Griffin 1977: 14). All reality, including God, is subject to change or becoming, that is a transition from one actual entity to another. Entities are temporary events which perish immediately upon coming into being. Hence, it is the perishing which “marks the transition to succeeding events”. In this way, “time is not single smooth flow, but comes into being in little droplets”. A vivid image that comes out of such an account of reality is that of a continuous flow of events.

If things are in a state of a continuous flow, it follows that those things which are attributed individuality are not real individuals. In his metaphysical work, *Process and Reality*, Whitehead (1929: 50-51) called them “a society whose social order has taken the

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<sup>49</sup> The doctrine that reality was in a state of process is an ancient one which can be traced back to the Greek philosopher Heraclitus who said that everything flows. He was chiefly famous in antiquity for his doctrine that everything was in a state of flux. Heraclitus regarded fire as the fundamental substance; everything, like flame in fire, is born by the death of something else. As he put it: “Mortals are immortal, and immortals are mortals, the one living the other’s death and dying and other’s life”. Further, “All things come out of the one, and the one out of all things; but the many have less reality than the one, which is God”. The doctrine of perpetual flux was also emphasized most by his disciples, as shown in Plato’s *Thaetetus*. This very doctrine from an ancient philosopher could not be refuted even by modern science. In science, especially chemistry, it used to be believed that the atom was an element which could not be destroyed, but with the invention of radioactivity, it became common knowledge that the atom could disintegrate when exposed to radioactivity. Physicists came up with new smaller particles such as protons and electrons which formed atoms, but it was also discovered that when these particles meet they explode and cease to be matter but a wave of energy. In a way, energy had to replace matter as that which is permanent. Whitehead gave this doctrine of perpetual flux a systematic and extensive philosophical schema in his *Process and Reality* (Bevan 1913: 121).

special form of ‘personal order’’. According to Whitehead, these individuals come to be what they are by reason of the conditions imposed upon them through their prehensions of some other members of the nexus<sup>50</sup> from the past. In other words, the past provided the occasion for experience. As Cobb and Griffin observed:

The past is composed of those events that have occurred; the future is radically different, since it contains no occasions; and the present is the occasion that is now occurring. The present is influenced by the past and it will influence the future. Time flows asymmetrically from the past through the present into the future. There can be no denial of the reality of time, nor can there be any doctrine of its circularity. Every moment is new and none can be repeated. ...In the moment of concrescence, each unit of process ‘enjoys’ ‘subjective immediacy’. Only when its process of concrescence is completed and hence is past does that unit of process become datum of object of new processes to take into account (Cobb and Griffin 1977: 16).

The implication of the above quotation is that all that exists has been contributed to by the past, and that it will also contribute towards other entities that come into existence in the future. In other words, nothing can exist meaningfully outside togetherness with the past in the present. The present will also influence the future when it becomes the past. While the existence of new entities is contributed to by other entities that existed in the past, the term concrescence implies that through experience, the new entity develops an aim that shows a unity of experience. When this new entity occurs, it implies that novelty has also occurred in the process (Hartshorne and Peden 1981: 34).

Whitehead stated that an identity of any entity can only be understood fully in relationship to what has transpired in the past. However, it must be mentioned that what has transpired in the past is brought into a new synthesis by each experiencing thing. Thus Whitehead put it that: “All relatedness has its foundation in the relatedness of actualities; and such relatedness is wholly concerned with the appropriation of the dead

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<sup>50</sup> Whitehead used this word so as to denote the idea that entities can only be understood meaningfully in their togetherness. Outside their togetherness, all else become “derivative abstraction”. It is in this togetherness that creativity is achieved by entities. There cannot be any creativity without togetherness of entities.

by the living – that is to say, with ‘objective immortality’<sup>51</sup> whereby what is divested of its own living immediacy becomes a real component in other living immediacies of becoming” (*PR* 1929: ix). What Whitehead is saying here is that all things contribute to the existence of others. What has been enjoyed previously by others in the past has a bearing on the present or it influences the present reality. Putting it in anthropocentric terms, our present actions have been influenced by the past, and the synthesis between the present and the past will also influence the future, thereby bringing about novelty or creativity.

The relationship between the past and the present is captured in Whitehead’s doctrine of prehension. According to this doctrine, everything that exists feels the existence of others. Any entity that does not feel the existence of other entities would be a “vacuous actuality”. A vacuous actuality means something that cannot feel or experience the existence of other entities (*PR* 1929: 43). In Whiteheadian terms, there cannot be creativity or becoming without internal relations among entities in the cosmic evolution. As we have seen previously, Whitehead stated that those things which we are accustomed to seeing as individuals are actually societies, a term he used to imply the derivative nature of cosmological and social order. As he puts it: “The members of the society are alike because, by reason of their common character, they impose on other members of the society the conditions which lead to that likeness”. Also, “the life of man is a historic route of actual occasions which in a marked degree...inherit from each other” (*PR* 1929: 136-137).

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<sup>51</sup> The term ‘objective immortality’ refers to the fact that after an entity has reached its satisfaction, it perishes. In this state of perishing, the entity enters in the nature of God, which is a state of objective immortality. Within this state of being, the entity “becomes an object of possible prehension for the process of becoming for other actual entities, including God. It belongs to the nature of being that it is a potential for every becoming” (Hartshorne and Peden 1981: 34). Cobb and Griffin stated that this term implies the incorporation of innumerable possibilities within a person’s life in two basic ways. These possibilities can either be part of the objective content of what is felt, or they can qualify the subjective form depending on how it is felt. For example, if one remembers apprehending something or someone with the subjective form of anger or love, one can now objectify anger or love as part of the content of one’s present experience. In other words a possibility which previously showed up in a subjective reaction is now in the objective content of an experience (Cobb and Griffin 1977: 27-28).

What is implied is that an individual or an actual occasion is not constituted by an instantaneous identity. Rather, the individual identity is derivative from the past as well as the present. It is chiefly on this derivative nature of existence that Whitehead built his concept of society. However, this society is not an isolated entity that has its own mores:

...there is no society in isolation. Every society must be considered with its background of a wider environment of actual entities, which also contribute their objectifications to which the members of the society must conform. ...the environment, together with the society in question, must form a larger society in respect to some more general characters (*PR* 1929: 138).

Whitehead's insight as shown in the above quotation is that what we are accustomed to see as distinct individuals or things are actually an embodiment of various realities in existence. In this way of reasoning, it becomes illusory to postulate realities without a sense of realisation of their togetherness. In his essay on "Immortality", Whitehead argued that, "The misconception which has haunted philosophic literature throughout the centuries is the notion of 'independent existence'. There is no such mode of existence; every entity is only to be understood in terms of the way it is interwoven with the rest of the Universe" (*ESP* 1948: 64). What is implied here is that all entities are relationally constituted. For us to understand the derivative nature of existence we have to go through Whitehead's doctrine of prehension and experience.

### 7.3.2 The Process Concept of Prehension

For a better understanding of Whitehead's concept of prehension, it is important that we should start with his understanding of experience. Previously, it was emphasised that things derive their identities through a process of prehension of the past, and that a new experience occurs as a result of a synthesis of the past and the present. In this way, the emphasis is on the dependence of things on one another rather than on their autonomy. Each actual occasion<sup>52</sup> of experience starts as a reception of a multitude of influences

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<sup>52</sup> Actual occasions are also referred to as actual entities. An actual occasion is the real and final thing which the world is made of. According to Hartshorne and Peden, "An actual entity is a drop of experience which in itself constitutes its internal right-to-be. On the basis that actual entities are the only real things, the ontological principle is asserted. On the basis of this principle, all things are positively somewhere in

from the past. This relatedness to the past belongs to the nature of the present actual occasion. The actual occasion must take account of its past, and this past sets boundaries determining what is possible for the present experience (Leclerc 1958: 144-146; Prozesky 1995: 55).

According to Whitehead, an actual occasion or an actual entity must be seen as nothing else but prehensions of various kinds of complex entities. Each entity finds its contribution in the activity of prehending. When the prehending process is completed, it exists objectively as an actual occasion that participated in the process of becoming with other actual occasions. Thus each entity is partially self-creative, and it finally creates itself from the material that is given to it by immortalised actual occasions (Hartshorne and Peden 1981: 32-33; Prozesky 1995: 55). For Whitehead, actual occasions are able to prehend the existence of other actual occasions because an actual occasion “is exhibited as appropriating various elements of the universe out of which it arises. Each process of appropriation of a particular element is termed a prehension. The ultimate elements of the universe, thus appropriated, are the already constituted actual entities, and the eternal object” (*PR* 1929: 65). What enables actual occasions to prehend the existence of others lies in the ability for each actual occasion to feel the existence of others.

By employing the term ‘feeling’ Whitehead wanted to emphasise the fact that the foundation of experience is emotional. In so doing, he parted company with empiricist philosophers such as Hume who advanced the thesis that morality has only do with belief and desire, elements which have nothing to do with the way the world goes (Hume 1882). This theory came to be known as a sensationalist theory of perception. Empiricists who are advocates of the sensationalist theory of perception would argue that our emotional experience is derived form sensory perception.<sup>53</sup> Thus our experience is purely

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actuality and relatively potential everywhere for the process of another actual entity (Hartshorne and Peden 1981: 32). Human experience is not different from the rest of the natural world in the sense that it reflects the way that the world actually is. An actual occasion has no existence outside its own becoming. Consequently, actual occasions come to be in the process of the perishing of the other actual occasions. The process actual occasion actually feels or prehends those other actual occasions that perished (Palmer 1998: 2-4).

<sup>53</sup> Empiricism is a philosophical theory that says that our knowledge, with the exception of logic and mathematics, comes from two sources, namely, sensation and perception through the operation of our

subjective. As a way of rejecting the empiricist sensationalist theory, Whitehead said that “the primitive experience is emotional feeling, felt in its relevance to a world beyond”; therefore “perception in this primary sense, is perception of the settled world in the past as constituted by its feeling-tones, and as efficacious by reason of those feeling-tones” (*PR* 1929: 69). Evidently Whitehead is attributing feelings throughout the cosmos as the general nature of all entities.

For Whitehead, an actual entity “is a process of feeling the many data, so as to absorb them into the unity of one individual satisfaction”. Here the term satisfaction is similar to the term feeling as it implies the result of the feeling or prehension in so far as “an actual entity is a process of feeling” whereby an entity “discloses operations transforming entities which are individually alien, into components of a complex which is concretely one” (*PR* 1929: 55-56). The term feeling is used inseparably with the term prehension, which also entails being emotional. Hartshorne and Peden (1981: 33) observed that, “Feeling is essential to the process of becoming because on the basis of feeling, prehensions are made and direction is given to the becoming of the actual occasion”. This process is chiefly characterised by the following factors: “(i) the subject which feels, (ii) the ‘initial data’ which are to be felt, (iii) the elimination in virtue of negative prehensions, (iv) the ‘objective datum’ which is felt, (v) ‘subjective form’ which is how that subject feels that datum”.

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mind, which may be called internal sense. Since we can only think through ideas, and since all ideas come from experience, it is evident enough that none of our knowledge precedes experience. This was the epistemology which was at the heart of the thought of Hobbes, Locke, Barkley and Hume. Obviously, the division of the universe into subject and object posed a problem for empiricism. The problem was one of how we have knowledge of other things than ourselves and the operations of our own mind. As a solution to this problem, John Locke in his *An Essay Concerning Human Understanding*, said that “since the mind, in all its thoughts and reasoning, has no other immediate object but its own ideas, which it alone does or can contemplate, it is evident that our knowledge is only conversant about them. Knowledge is the perception of the agreement or disagreement of two ideas”. In this kind of epistemology, the mind is postulated as a self-contained entity without any relationships with the outside reality. All we know about the world is what the world cares to tell us; we must observe it neutrally and dispassionately, and any attempt on our part to interfere with the process of perceiving this information can only lead to distortion and arbitrary imagining. It also follows that we cannot know the existence of other people (s), or the physical world. In its extremity, empiricism would deny any claim to know the outside world at all; thereby insisting that what we call the outer world is only a construction of our minds (Russell 1991: 625).



Whitehead saw this process of prehension as characteristic of the primitive form of physical experience which is “emotional – blind – perceived as felt elsewhere in another occasion and conformally appropriated as subjective passion. In the language appropriate to the higher stages of experience, the primitive element is *sympathy*, that is, feeling the feeling *in* another and feeling conformally *with* another” (*PR* 1929: 227). In this process account of prehension, being able to feel the existence of others implies that there is no line of demarcation that can be drawn between all entities that exist. Martin Prozesky expressed the idea of the interconnectedness of all that exists succinctly when he said: “For Whitehead reality is a single continuum admitting of no fundamental ontological divisions. ...It follows that reality must then be viewed as an interconnected totality, with nothing actual being capable of existing in detachment or isolation from everything else” (Prozesky 1995: 55; cf. Cobb and Griffin 1977: 25-26). Obviously the processual perception of reality shows that no entities exist without the need for other entities.

The cosmological implication of the Whiteheadian concept of prehension is the idea of creativity and novelty. In the process of becoming entities are influenced by what has transpired in the past. In turn, they take this data from the past and translate them into their own existence, thereby enabling a synthesis that ensues into a new reality. If we take prehension to imply that all actual occasions have been contributed to by the past, we are also bound to say that creativity is not wholly determined by the past, and that there is no absolute chasm between ‘living’ and non-living entities. According to Whitehead, every actual occasion entails the actualisation of innumerable possibilities. A present occasion of experience arises out of previous occasions. This actualisation of novel possibilities generally increases the enjoyment of experience, thereby giving rise to the intensity of enjoyment (*PR* 1929: 156; *ESP* 1948: 64; Hartshorne and Peden 1981: 34).

For Whitehead (*PR* 1929: 220) all actual occasions or entities prehend other entities in the process of becoming. In line with this doctrine of prehension, he defined experience as “self-enjoyment of being one among many, and of being one arising out of the composition of many”. Experience presupposes enjoyment in as much as consciousness presupposes experience, and not “experience consciousness”. The reason behind this

understanding of experience is that Whitehead understood all things in existence as capable of prehending (feeling/prehending) due to their openness to relationships with what transpired in the past as well as what goes on in the present. Thus Whitehead would insist that the human mind is essentially related to the object it prehends (*PR* 1929: 83; Jordan 1968: 17-18; Cobb and Griffin 1977: 17).

The fact that things experience the existence of others led Whitehead to reject the idea of “a vacuous actuality” or a void of subjective experience. As such, his understanding of experience went against Descartes’ dualistic philosophy that was built upon experiencing and non-experiencing entities. When reality is postulated as comprised of experiencing and non-experiencing entities, the resultant picture is that of categorising life in terms of conscious and non-conscious things. Such a world-view ultimately led to the idea of seeing humanity as different in kind from the rest of other things in existence. Whitehead rejected this kind of philosophy and instead came up with the notion that everything that exists is held together by a thread of kinship with everything else (Jordan 1968: 20-25; Leclerc 1958: 174).

In other words, human well-being should be understood within the context of communion with other realities that share this existence with humanity. Whitehead’s implied philosophical anthropology, as we shall see in the following section, means that we also embrace the natural environment as co-extensive with what it means to be human.

#### **7.4 Process Thought and the Co-existence of Humanity and the Environment**

The implication of process philosophical anthropology is that human existence cannot be demarcated from that of the natural environment. Whitehead (*CN* 1920: 31-33) developed his philosophy of nature from the premise that mechanistic science and its attendant philosophy of empiricism bifurcates nature, thus creating a dichotomy between nature as “apprehended in awareness and the nature which is the cause of awareness”. In this bifurcation of nature, Whitehead observed that “[o]nly one mode of the occupancy of space is allowed for – namely, this bit of matter occupying this region at this durationless

instant. This occupation of space is the final fact, without reference to any other instant, or to any other pieces of matter, or to any other region of space". Whitehead's argument against such perception of nature was mainly based on the premise that if there is relationality among all that exists then such a division of nature cannot be sustained because such a division of nature was a failure to see relationships from one thing to another in the sense that each bit of matter ends up having its own place that could not be inferred from another.

Whitehead went against the logic of the bifurcation of nature as follows: "If in the location of configurations of matter throughout a stretch of time there is no inherent reference to any other times, past or future, it immediately follows that nature within any period does not refer to nature at any other period" (*CN* 1920: 33). Thus according to Whitehead, the separation of nature into separate enduring entities was an absurdity because a simply located entity cannot persist through time. If nature cannot endure through time, it means that there are no relationships between the past and the present. Hence the significance of the Whiteheadian theory of nature is that it insists that humanity is part of nature in as much as nature is part of humanity. If it is the case that humanity is internally related to nature, it also follows that the economic and the mechanistic scientific idea of seeing humanity as having an autonomous existence from nature can equally be described as an abstraction.

In other words, it is an abstraction of human experience, the experience of the totality of togetherness with the natural environment. Cobb and Griffin (1977: 77) wrote that if human well-being is tied up with the natural environment as process thought implies, we have to bear in mind that "ingredients which are harmful to other living things are also harmful to human bodies, on the one hand, and that the health of our psychic life is intimately bound up with the health of our bodily life on the other". Also, it follows that no line can be drawn "explicitly or implicitly between human beings and other creatures" because process thought "attributes the enjoyment of experience to every level of actuality". In the same vein, Prozesky writes,

From the holistic cast of Whitehead's primary ontology we can infer some significant idea about the nature of humanity. To start with, if reality is at base a single, seamless fabric, then there can be no valid separation of humankind from the rest of things. People are thus continuous with the rest of nature...Whitehead's view of the interconnectedness of all that is actual means, *inter alia*, that for Whitehead humankind is co-extensive with its environment, both physical and social (Prozesky 1995: 56).

Prozesky's observation is that if all that exists is internally related with everything else, it would not be consistent with the concept of interconnectedness to see human existence as external from the environment, be it social or natural. All these environments are simply inseparable. Process thought is a philosophy that inherently espouses "the deep sense of the interconnectedness, even interpenetrating of all things" (Birch and Cobb 1981: 144; Cf. Eckersley 1992: 49). Process thought says that we do not exist as separate entities and then enter into relationships, but that from birth we are constituted and coevolve within a web of relationships. It is within these relationships that we attain our ultimate well-being. Though we have the freedom to become what we want to be, we have this freedom within the bounds of relatedness and interrelatedness (Birch and Cobb 1981: 95). Michael Zimmerman expressed it in the same manner when he said that "the paradigm of internal relations lets us view ourselves as manifestations of a complex universe; we are not part but are moments in the open-ended, novelty-producing process of cosmic evolution (Zimmerman 1994: 17).

Zimmerman's observation that humanity is internally related to the cosmic evolution demands a further examination on the would-be role of humanity in these relations. If human existence has been simply a mundane pursuit of self-interest as the self-interest theory of economics alleges, then the human contribution to the cosmic evolution can only be a tragic one to our common belonging with the natural environment. For Birch and Cobb an ethical concern for the well-being of the natural environment is possible from the process perspective on the basis that we come to see each living thing as endowed with autopoietic intrinsic value.

Autopoietic intrinsic value means that all things that show self-production and self-renewal have value in themselves. The word autopoietic comes from the Greek word *autopoiesis* (*autos* – “self” and *poiein* “to produce”). Autopoietic entities are those entities that are “primarily and continuously concerned with the regeneration of their own organisational activity and structure”. This idea of autopoietic intrinsic value was also expressed by Whitehead when he said that all entities experience intrinsic value which can be measured according to richness of experience which is proportioned to its capacity for openness to novelty. Thus according to this approach, the realisation that other things have value in themselves is reason enough that we should not use them for our own selfish ends (Birch and Cobb 1981: 151). However, a qualification must be made here that from the process theory of internal relations, moral consideration is only possible from the point of view that all autopoietic entities contribute to cosmic evolution.

On their own, autopoietic entities do not have any value. Their value is a kind of value that is attained in interconnectedness with other entities. While Whitehead maintained that each entity is self-determining, he also stated that this self-determination is within the bounds of relatedness. Whitehead would even put it pragmatically that “there is no such a fact as absolute freedom; every actual entity possesses only such freedom as is inherent in the primary phase ‘given’ by its standpoint of relativity to its actual universe. Freedom, givenness, potentiality, are notions which presuppose each other and limit each other” (*PR* 1929: 135; cf. Birch and Cobb 1981: 141-162). In other words, freedom as implying absolute independent existence and absolute self-determination would be a misconception of reality and existence in general.

From the preceding discussion it is abundantly clear that Whitehead’s process thought and its implied philosophical anthropology puts emphasis on relationality of all that exists. Human existence is inseparably co-extensive with that of everything else that exists and that has ever existed. If everything is relationally bounded, a theory of motivation such as that of the socio-economic theory of self-interest can only be seen as pathological and an outright abstraction of human nature. Equally, one cannot with logical impunity externalise the existence of society and the natural environment in one’s

existence. The social and the physical are related and interrelated. However, the argument that is levelled by critics of process thought against this position is that such a conceptualisation of reality can lead to an oppressive totalitarian vision of human existence – thus ignoring the importance of individual persons and their rights.

### **7.5 Arguments against Process Relationalism**

There are two arguments that have been advanced by David Stackhouse (1981: 103) against the process doctrine of internal relatedness. The first argument is that the process idea that an entity is the creative synthesis of its relations and not an enduring substance does away with the idea of the individual personhood. Secondly, internal relatedness of all that exists would fail “to provide guidance relative to the quality of relationships” because it becomes difficult to speak of individual rights in the society where the individual belongs. He writes, “there is a ‘thingness’ about life that does not easily dissolve into its relationships; there is a reality about a self – a Socrates or Jesus, a John Smith or Jane Doe – that is not easily accounted for by appealing to a ‘synthesis of a multiplicity of relata’” (Stackhouse 1981: 108).

The implication of the above arguments is that for the individual to be a moral agent whom society can accord rights, s/he has to be given autonomous existence. The idea of individual autonomy becomes a precondition to the notion of individual rights as the starting point for the setting of moral standards. Stackhouse went on to argue that not all relationships are good. As he put it:

Relatedness can take the form of paternalism, manipulation, oppression and persecution as often as respectfulness, liberation, love or just treatment. Relatedness in fact becomes antithetical to justice if it submerges the reality of an enduring individual person focused in its own right as an irreducible centre of irreplaceable worth and dignity (Stackhouse 1981: 136).

The heart of the above argument is that not all relatedness is good because people sometimes experience evil in this relatedness. Relatedness boils down to injustice when individuals are not seen as subjects of worth and dignity. What Stackhouse is sidelining in his argument is the fact that all those negative features which he sees as potentially

present in relatedness constitute the antithesis of relatedness. The process doctrine of internal relations refutes the idea that the individual is ‘an enduring entity with irreplaceable worth and dignity’ because such an understanding of a person presupposes that the individual does not change or experience change in his or her life. If that is the case, then the individual will not experience creativity and novelty. It is relationality that provides the individual with his or her freedom to become. Here one needs to take heed of Whitehead’s advice that, “Wherever there is the sense of self-sufficient completion, there is the germ of vicious dogmatism. There is no entity which enjoys an isolated self-sufficiency of existence. In other words, finitude is not self-supporting” (*ESP* 1948: 78).

In *Adventures of Ideas* Whitehead anticipated Stackhouse’s objections to relatedness when he stated that there are

variations of emphasis between Individual Absoluteness and Individual Relativity. Here ‘absoluteness’ means the notion of release from essential dependence on other members of the community in respect to modes of activity, while ‘relativity’ means the converse fact of essential relatedness. In one of their particularisations these ideas appear in the antagonism between notions of freedom and of social organisation (*AI* 1933: 54-55).

While Whitehead advocates freedom from the perspective that each entity is self-determining, he also maintains that it is also determined by others. In other words, in the process of becoming, there is determinism and indeterminism. This determinism can be observed from the fact that, “Actual entities are determined by extensive relations, eternal objects, God, and prehensions of the past, as well as by every other relevant mode of existence”. The indeterminism aspect of it is that these actual entities determine themselves by choosing from the myriad of data that is presented before it as it suits its mode of existence (Ross 1983: 61-64; Prozesky 1995: 55-56).

The process doctrine of internal relatedness says that a human being is a being open to others, and ultimately shares a reciprocal influence with other human beings and the natural environment (Cobb 1965: 51). The anxiety of Stackhouse arises from his pre-commitment to the doctrine of atomic individualism that sees the individual as endowed

with his or her properties that cannot be subsumed under common or general existence. The doctrine of internal relations implies that if individuals are atomic and enduring through time, such individuals can only be inflexible and probably exist in isolation from the cosmic becoming. The idea that humanity is intrinsically tied up with the well-being of all other realities that share this existence with it will be my point of entry into the implications of the process cosmology for my critique of self-interest as an illusion of egoism. This illusion is perpetuated by the tendency of the modern economic theory of self-interest to abstract human beings from relatedness and interrelatedness.

### **7.6 The Process Critique of Self-Interest as an Illusion of Egoism**

Charles Hartshorne, whose philosophical outlook was very much influenced by Whitehead, argued in his article, “Beyond Enlightened Self-Interest”, that the very concept of self-interest was based on the illusion of egoism. Hartshorne said that the individual identity as an enduring reality was just an abstract, and that non-identity was concrete:

Personal identity is a partial, not a complete identity; it is an abstract aspect of life, not life in its concreteness. Concretely each of us is a numerically new reality every fraction of a second...Consider, too, that many minute portions of one's body were once parts of the environment, and vice versa. So far as these portions are concerned, spatiotemporal continuity connects one not with oneself in the past or future so much as with the environment, that is, other individual beings, in the past or future. If I am influenced now by what I have been in the past, I am as genuinely influenced by what others have been in the past (Hartshorne 1974: 201-202).

In chapter 5 it was shown that neo-liberal economists saw self-interest as natural from the perspective that the individual had his or her identity that cannot be subsumed under the collectivity of society or existence in general. In so doing, they failed to recognise that self-identity is derived from relationships with other people. It is mainly on the derivative nature of personal identity that Hartshorne went on to argue that reason should universalise the interests of others in such a way that the individual should identify his or her interests with the interests of others (Hartshorne 1974: 204).



Hartshorne is undermining the doctrine of self-interest from its very roots, that is personal identity, which is at the heart of both psychological egoism and ethical egoism.<sup>54</sup> Both psychological and ethical egoism tend to see the identity of a person as enclosed. In the theory of psychological and ethical egoism the individual cannot exist in terms of internal relations due to the fact that s/he has an identity that is incorrigible. This implies that each one has his or her life experiences which cannot be shared with other people. Hartshorne (1974: 206) echoed Whitehead's doctrine of prehension when he said that the "other's past entered into your present being, your past into his, and both share a partly overlapping causal future. Each helps to create a new self in the other and will influence some of the same future selves". Consequently, "the rational aim is the future good that can help to bring about and take interest in the now, whether or not it will do us good in the future and whether or not we shall be there to share in the good".

While egoists tend to see personal identity in terms of the present, process philosophy argues that personal identity stretches from the past, via the present, into the future. Hartshorne (1974: 206-207) expressed this idea forcefully when he said, "Concretely I am not a mere self, the same through change, but a 'society' or sequence of experiences, each inheriting its predecessors, so far as memory obtains". Such an understanding of human existence is lacking in the theory of self-interest in the sense that "the egoist subordinates the concrete to the abstract, the whole to the part, the really inclusive future to a limited stretch of the future..." (cf. *PR* 1929: 87-88). While the modern economic theory of self-interest implicitly discounts the future as we have seen in chapter 5, process thinking insists that the becoming of the future should be premised on the idea of the becoming of all that constitutes existence into a solidaristic union of everything that

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<sup>54</sup> Egoism is a theory which denies that we can be motivated simply by a concern for others. This is psychological egoism. It is a thesis that says everyone acts for his or her own advantage, and that the only reason why people act respectfully or kindly towards each other is for one reason or another to their advantage. It might be fear of punishment that makes them act correctly. Some have ulterior motives; that is, they expect other things later on, perhaps a reward in heaven when they die, or they are trying to avoid guilt or want a feeling of self-satisfaction. In ordinary language, the egoist's position is often called selfishness. However, one has to make a distinction between psychological egoism and ethical egoism. Psychological egoism seems to say that our nature is made in such a way that we cannot help but to act in our own self-interest. On the other hand, ethical egoism claims that even though we can act in others' interests because we are concerned for others, we ought to act in our own interest. Both positions can be found in Ayn Rand's book called *The Virtue of Selfishness* in which she propounded a thesis that one ought always to act in favor of one's self-interest as a maxim of what it means to be ethical (Alford 1991: 10-20).

exists. In *Adventures of Ideas* Whitehead contradicted egoism as follows: “The past has an objective existence in the present which lies in the future beyond itself. ... Immediate existence requires the insertion of the future in the crannies of the present” (*AI* 1933: 80). The realisation that other people had contributed to one’s well-being, hence the need to live in such a way that one does not compromise the future, becomes a moral imperative.

From a process perspective the urge towards the attainment of future values of human existence has to be premised on solidarity as the source of all possible future creativity and novelty. If our present existence feels the past, it is equally imperative that we, the present generation, are ethically obligated to have a concern for the future. Thus to be solely self-interested, and to use reason solely for the maximisation of utility or egoistical ends is to deprive the future of any positive contributions from the present. John Cobb would put it concretely that “moral value” is concerned with the future increase of beauty which can only be brought into realisation when there is “an intuition that the worth of beauty exceeds its momentary enjoyment, that its attainment is self-justifying beyond the ability of reason to grasp its value” (Cobb 1965: 131-132).

In the Whiteheadian sense, moral value implies solidarity or togetherness in becoming. The idea that solidarity is an ontological requirement for the future value of becoming is the theme that runs through his process thought. He writes,

The solidarity is itself efficiency of the microscopic embodying the principle of unbounded permanence acquiring novelty through flux. ... The atomic unity of the world, expressed by a multiplicity of atoms, is now replaced by the solidarity of the existence continuum. This solidarity embraces not only the coordinate division within each atomic actuality, but also exhibits the coordinate divisions of all atomic actualities from each other in one scheme of relationships (*PR* 1929: 254-438).

In the light of the above quotation, solidarity presupposes relatedness and interrelatedness of all entities. This relatedness and interrelatedness evokes a holistic form of existence, whereby human existence is premised on the well-being of everything that shares this existence with us in the present as well as in the future becoming. Thus the process

ontology and cosmology and the resultant philosophical anthropology are both immanent and teleological in the sense that they are concerned with the past, the present and the future. An authentic human existence has to be concerned with the present as well as the future.

It is mainly this concern with the present and the future which led Hartshorne (1974: 213-215) to the idea that “ethics is the generalisation of instinctive concern, which in principle transcends the immediate state of the self and even the long-run career of the self, and embraces the ongoing communal process of life as such”. For Hartshorne, the aesthetic basis of ethics is to seek optimisation of experience for the community. Consequently he deduced that an ethically good act has two implications. Firstly, it contributes to the harmony and intensity of experiences both in the agent and in spectators. Secondly, it will produce an intense harmonious experience in the community, thereby giving rise to genuine kindness, which is a kind of kindness that produces beauty in our common existence. In other words, an act that can be evaluated as ethically good becomes that act which is done in a way that surpasses self-interest.

Our human aspirations or interests are relative to the larger community of existence rather than those of immediate individual self-interest. Human interests are relative to the interests of the more inclusive life communities of which we are part, and upon whom we utterly depend. Human beings thereby share with other participants in the community of existence in the present as well as in the future. The futuristic aspect of ethics that arises from process thinking is the result of the process premise that the present and the future are an integrated totality. It follows that the human race is indivisibly one, and all human beings, irrespective of whether they are living now or in the future, are interrelated. As such, they belong to one another and to the same organic whole (*PR* 1929: 343-344; Cobb and Griffin 1977: 19-20; Prozesky 1995: 150-156).

If the pursuit of self-interest for the sake of optimising one’s utility is the sole aim of human economic activities as it is alleged in modern economics, it becomes irrational for the individual to compromise his or her present opportunities for the sake of the future.

The most forceful idea in process thought is that it emphasises the fact that the existence of ethics in human society should be understood as a concern for the future. Thus Whitehead puts it emphatically that “the effect of the present on the future is a business of morals”. The futuristic orientation of process philosophy and its resultant ethical theory finds its support from the fact that a large part of his concept of morality centres on the implications of present actions for the future. It follows that a relational ethic is concerned with the present because it is “a pledge for the future” (*AI* 1933: 380; *MT* 1938: 13-14). In other words, the future is the final judge of whether an action is morally good or evil.

The common good of the future is attainable because our virtuous actions at present do contribute to the maximal beauty of experience. In becoming objectively immortal, the goodness attained by our virtuous acts contributes to the beauty of future existence. The contribution of the present to future existence is impossible if the present generations are solely self-interested without a sense of responsibility for the future.

From the process perspective, the idea of responsibility is characterised by three basic features. Firstly, we have responsibility to people in the future, secondly, to all kinds of things that constitute this existence other than human beings, and thirdly, globally towards anyone, anywhere. When all these features are compromised, we end up having a ‘me-here-now’ conception of morality whereby the scope of moral concern is limited to individual self-interest without taking into account the consequences of this self-interest to the whole, thus depriving oneself of “a relevant future” (*PR* 1929: 27). A process ethical concern for the future also arises from the logic that there is no unit which can separate itself from others and from the whole. Human activity affects the whole network of relations and its consequences extend into the distant future beyond human imagination. It is not the agent’s future that is relevant, but the future of everything in existence.

Whitehead (*AI* 1933: 113) said that a concern for the future inevitably demands foresight. It is the foresight of the present impact upon the future that makes the agent morally

responsible for future consequences. While “foresight is the product of insight”, where there is insight without foresight, there is no morality. For there to be morality in the future, we have a moral obligation to act in such a way that we consider all the possible consequences of our human activities on the future. Hartshorne expressed the same idea when he said:

The future that matters is not our own future as such, but rather any future we can influence, sympathise with, and in some degree understand as good or bad *for someone*. To serve this future can be our present aim, whether or not the good we do to others will also be our own future good. It is our good, right now, to promote what we care about for the future, whether it be a child’s welfare, even a pet animal’s or our country’s, or mankind’s – and one could go further still. Other things being equal, one prefers that persons, even animals, should be happy, not only while one can share in their happiness but afterward as well [his emphasis] (Hartshorne 1974: 205)

A process concern for the future is not only about the human future, but about an all-inclusive future. It can be deduced also that Hartshorne is arguing that a concern for the future should not only be a concern for one’s immediate family, but a future that takes into account the interests of strangers as well as that of the natural environment. This processual futuristic thinking is based on the understanding that everything that exists generously contributes to the becoming of everything in life. The idea that everything that exists finds its fulfilment in the process of giving and receiving provides us with further grounds from which we can say that when our human existence is perceived as open to influences from our general existence, we end up broadening our ethical perspective. Whitehead compounded this observation by saying, “Morality of outlook is inseparably conjoined with generality of outlook” (*PR* 1929: 23).

In a way, Whitehead is arguing that one’s particularity or the particularity of everything that exists finds a meaningful existence within the realm of the whole, and not the other way round as it is claimed by proponents of atomic individualism, as we have seen in chapter 5. The same argument was made in his essay, “Mathematics and the Good” as follows, “The notion of the essential relatedness of all things is the primary step in understanding how finite entities require the unbounded universe, and how the universe

requires meaning and value for reason of its embodiment of the activity of finitude”(ESP 1948: 81). The implication here is that from our day to day experience of the world we should be informed by the realisation that there are no entities that are self-existent and self-sufficient. Here we can deduce that to be solely self-interested is to presume oneself to be immune from relationality.

In his *Religion in the Making*, Whitehead (1926: 95) described egoists as “good people of narrow sympathies” who are “apt to be unfeeling and unprogressive, enjoying their egotistical goodness”. He said, “[T]hey have reached a state of stable goodness, so far as their own interior life is concerned. Their type of moral correctitude is, on a larger view, so like evil that the distinction is trivial”. The ethical ideal for Whitehead is that one should have an inclusive or general moral outlook so as to be in solidarity with everything that exists. The idea of solidaristic existence becomes plausible on the grounds that process thought provides us with relatedness and interrelatedness as the foundation of everything that is real. If all that exists is related and interrelated, it equally follows that the idea of independent existence or autonomous existence that is implied in the modern economic theory of self-interest is illusory.

By denying the whole idea of independent existence that is implied in modern economic theory of self-interest as we have seen in chapter 5, process thought undermines self-interest at its very root. According to Whitehead, the notion of independent existence has an “error that has double origin, one civilised, and the other barbaric” (ESP 1948: 71). As he puts it,

The civilised origin of the notion of independent existence is the tendency of sensitive people, when they experience some factor of value on its noblest side, to feel that they are enjoying some ultimate essence of the Universe, and that therefore its existence must include an absolute independence of all inferior types. The second misconception is derived from the earlier types of successful civilised, or half-civilised, social system. The apparatus of preserving unit is stressed (ESP 1948: 71).

In the above quotation, the error of independent existence manifests itself in two forms. The first manifestation of independent existence comes in the form of the negation of those other realities that are deemed inferior. At the micro level of human existence, if one is solely concerned with the pursuit of self-interest in order to maximise one's utility, it also follows that those other realities that are deemed inferior will be ignored. At the macro level, those who might be fortunate in life do not feel themselves as existing in solidarity with those who are less fortunate. In its second manifestation, independent existence can be an attempt to totalise human existence under the presumption that a viable, successful social system requires despotism. Whitehead saw these errors of independent existence as integral to "all human edifices" that constantly "require repair and reconstruction" (*ESP* 1948: 71).

If all human edifices require reconstruction as it is alleged by Whitehead, it also follows that the *homo economicus* of modern economics needs to be revised because such a model of a human being is not realistic. This is because to be always motivated by self-interest implies that *homo economicus* is not concerned with the interests of others. It is the neglect of, or failure to realise our human interdependence that shows that there will always be a need for referring to our relationality in whatever we do. Since process thought says that nothing is permanent, and that the synthesis between the past and the present constitutes the present self, what might be assumed by the individual as his or her self-interest could be simply a temporal transitional phase of experience. Hartshorne and Creighton Peden (1981: 7) maintained that, "No one who observes people can pretend that in fact they always seek anything like their own long-run advantage. If this were the case only utter stupidity could explain how frequently and obviously they act contrary to their own long-run advantage".

The process account of individual identity presupposes the existence of a plurality of motivations as integral to their economic relations. Hartshorne (1950: 30-38) also argued that in process thought, "A person is given not as a particular actuality, but as a *principle of sequence* of actualities". In process thought, according to Hartshorne, "what is called an individual in common life can only be understood as a *form of sequence* of particular

actualities socially inheriting common quality from antecedent members; and that personality itself is a special temporally linear cause of such social – that is sympathetic inheritance”.

Within such an account of personal identity, the individual’s interest cannot be neutral to the interests of others as it is alleged in modern economic theory of self-interest. The account of human economic relations based on self-interest tends to limit the individual’s personal identity solely to present economic relations. It also needs to be mentioned that the modern self-interest theory of human economic relations presumes that relationships are external to our existence and everything that shares this existence with us.

### **7.7 Conclusion and Observations**

In this chapter, attention was given to Alfred North Whitehead’s process philosophical anthropology as an antithesis to individualism and self-interest. I started by giving some condensed clarification of process thought and ethics, in which I argued that the relevance of process thought to ethics lies in its relational metaphysical conceptualisation of reality in general. Process philosophy is a metaphysics that attempts to explain new scientific theories such as the theory of relativity and quantum physics, which are also theories based on a relational understanding of physical reality. In its metaphysical interpretation of these new sciences, process thought asserted that all that is real, or actual entities, is relationally constituted (Whitehead 1925; 1929; 1933; 1948; Zohar 1990; Capra 1983; Margulis and Sagan 1987; Lovelock 1979; Jungerman 2000: 1-14; Prozesky 1995: 54-59; Cobb and Griffin 1977; Hartshorne and Peden 1977).

The relationality of everything that exists has been accounted for in two ways. Firstly, it was argued that actual entities are influenced by the past due to their ability to feel what transpired in the past. Secondly, everything that exists is related to everything else because each actual entity has the ability toprehend the existence of other actual entities. This implies that all life is held together by a thread of relatedness and interrelatedness. It was argued that since Whitehead’s process philosophy was a holistic philosophy, what he



said about the world is also implied in human existence (*PR* 1929: 65-69; Jordan 1968: 20-25; Leclerc 1958: 174).

A critique of self-interest found its climax in the form of two arguments. The first argument was that self-interest, from the process perspective, would inevitably militate against the future, thereby compromising the economic well-being of the future generations. The second argument was that if everything is related and interrelated, it also follows that the individual's identity cannot be determined in advance, such that s/he would consistently know her self-interest. This argument led us to the idea that our relationality demands that we adopt a generality of outlook that can enable us to embrace an all-inclusive community (*CN* 1920: 31-33; Cobb and Griffin 1977: 77; Prozesky 1995: 56; Birch and Cobb 1981; Zimmerman 1988).

If everything is related and interrelated, the implied philosophical anthropology means that human beings do not exist externally to these relationships. Human beings are actual entities among other actual entities, hence they cannot exist meaningfully outside internal relations with all that exists. To exist as an autonomous individual or species was to abstract oneself from the process of becoming. It was on these grounds that Whitehead rejected the whole western philosophical and theological tradition of independent existence, noting that such a conceptualisation of actual entities abstracts them from their togetherness (*SMW* 1925: 198-200).

Whitehead and Charles Hartshorne refuted the self-interest theory or egoism on the grounds that it was based on the assumption of a person as a self-enclosed enduring subject. Since the world of change is integral to the world in which the individual is embedded, it is within this processual world that the individual embraces and is embraced by what goes on in this world. This implied that neither the individual's identity nor his or her motivations are permanent (*ESP* 1948: 64-71). Because of the processual nature of reality, Whitehead argued that all human identities and social structures will always remain in constant need of reconstruction. The fact that there is nothing permanent

implies that one cannot assign self-interest to human economic relations as the sole determinant of behaviour (Hartshorne and Peden 1981: 6-7).

Whitehead's implied philosophical anthropology was also captured in those instances where he stated that those actual entities that we ascribe individuality are societies. The term society was used by Whitehead so as to denote the idea that human personality is inherited and is influenced by others, and that it will also influence future existence. The process conceptualisation of a human being had two ethical implications. The first implication was that one should always act in such a way that one's present actions will contribute positively to the lives of the future generations. Secondly, a morally plausible act must be that which displays a generality of outlook. This means that we should see the human and the natural environment as interconnected. The natural environment was not external to human existence (*AI* 1933: 80; Hartshorne 1974: 206; *RM* 1926: 95).

It should be clear by now that process philosophical anthropology shares many commonalities with African humanism. An ethical social solution to the socio-economic theory of self-interest will derive from the commonalities between African humanism and process philosophical anthropology. Since process philosophical anthropology and African humanism have made self-interest implausible, in the following chapter I will recommend the need for a holistic plausible ethic beyond self-interest before stating the conclusions of the study.

### **PART III: IMPLICATIONS OF THE VALUES OF AFRICAN HUMANISM AND PROCESS PHILOSOPHICAL ANTHROPOLOGY ON THE THEORY OF SELF-INTEREST**

It became clear from Part II that the modern economic theory of self-interest is implausible when viewed from the common aspects of African humanism and process philosophical anthropology. In the light of these commonalities, recommendations will be made to the effect that a holistic ethic should enable us to go beyond self-interest. A holistic ethic that is being espoused in this part is that type of ethic that is premised on the paradigm of relationalism among human beings, as well as between humanity and the natural environment.

The world-view of African humanism and its individual ontology engender the primacy of relationality among all that exists. Human existence and life in general are meaningful in the context of relationships. These relationships are not only about things in their concrete, but they involve the past, the present and the future. It is possible to extend the common good into the future if our present existence fosters inclusive well-being among all that exists. The actions that are done for the good of all will also promote the good of all into the future. Such a paradigm of a holistic ethic can only be plausible on the grounds that we start by affirming relationality as an inescapable frame work of everything that exists.

Both African humanism and process philosophical anthropology espouse the idea that human beings are internally related to the natural environment. In process philosophical anthropology, these relations were captured through concepts such as ‘internal relations’, ‘relatedness’, ‘prehension’ ‘philosophy of organism’ and ‘society’. All these concepts suggest a philosophical commitment to a holistic cosmological vision. On the other hand, African humanism, through the totemic system and the concept of *Ukama*, engenders the idea that human well-being and identity are derived from relationships. Individuals are not owners of their ‘selves’. Rather, they derive their identities from their relatedness to society and the natural environment. The ideal form of human existence should be that

type of existence that reflects the reality of our interconnectedness with the natural environment. Modern economic acts that are done solely for the pursuit of self-interest will ultimately militate against human existence in the future.

Lastly, it will be shown that process philosophical anthropology and African humanism present us with a more plausible paradigm for understanding humanity and its ultimate well-being. Both process anthropology and African humanism give us a strong sense that to be human is to belong to other human beings – *Ubuntu* - and to be in communion with all realities that share this existence with us. Process thought echoes this insight when it refers to what we are accustomed to call individuals as actually ‘societies’ – implying the derivative nature of all existence, including human beings. The notion of seeing a human being in terms of social belongingness implies that the economy should promote the ultimate well-being of everybody by fostering the common good.

## CHAPTER EIGHT: RECOMMENDATIONS AND CONCLUSIONS

### SECTION A: BEYOND SELF-INTEREST: TOWARDS A HOLISTIC ETHIC

What can be taken for granted is that ideas can express further ideas if they are systematically referred to one situation after another. To change the metaphor, if an idea is fertile, it may well conceive a different kind of child if it is mated to a different kind of situation. There is always the possibility that it may produce nothing new, but the cross-breeding is worth attempting all the same (Mazrui 1967: 4).

#### 8.1 Introduction

As the above title indicates, my main focus in this chapter is on making recommendations to the effect that ethics should enable us to see our human economic relations as being beyond those of the modern *homo economicus*. My recommendations in this regard will derive from the commonalities between African humanism and process philosophical anthropology. It became abundantly clear in our discussion of African humanism and process philosophical anthropology that these two thought patterns provide us with a holistic ethic that makes self-interest metaphysically implausible. The second section of the chapter summarises the conclusions reached in all the preceding chapters of the study.

Having shown the implausibility of self-interest in modern economic discourse I shall recommend a humane and holistic ethical paradigm. In this suggested holistic ethical paradigm, it will be shown in the following sub-section that we should traverse self-interest by putting emphasis on our communal belonging. A community thus grounded should be a community that embraces the ontological and the cosmological dimensions of human existence. The third sub-section argues that if human beings are human beings by virtue of belonging to the community, the ethic that arises from African humanism and process philosophical anthropology would imply that ethics will go beyond self-interest by putting emphasis on relational rationality. In the final sub-section before the conclusion to this part of the chapter it is shown that all these three recommendations imply the importance of promoting the common good in our existence.

## 8.2 The Primacy of an All-Embracing Community

A common theme that ran through both African humanism and process philosophical anthropology was the idea that a human being was related and interrelated. Put in other words, the well-being of the individual was inseparable from the well-being of the community. This individual relatedness to the community was expressed in the African concept of *Ubuntu* – humanness – and also in the process concept of society. In African humanism, *Ubuntu* or humanness shows that there is no dichotomy between the individual and the community because one is a human being because of the existence of others. From the process perspective an individual is a society – a term that denotes the derivative nature of human existence. If that is the real nature of human existence, it follows that self-interest should be rejected as a dangerous error that can bring harm to communities since it elevates individual self-gratification beyond concern for community (Hartshorne 1950: 30-38; *PR* 1929: 87-88; Dandala 1996: 70; Ramose 1999: 80; [www.alfred.north.com/papers/vol01/01\\_Prozesky](http://www.alfred.north.com/papers/vol01/01_Prozesky)).

We also need to realise that what it means to be human is something that the individual derives from the community because there is simply no dichotomy between the individual and the community. It is this inherent lack of dichotomy between the individual and the community which should lead us to reject self-interest on the basis that it is pathological. Human well-being, in the light of African humanism and process philosophical anthropology, should be nourished through the cultivation of virtues such as loyalty, courtesy, tolerance, patience, generosity, hospitality and readiness to sympathise with others. In other words, virtues instead of vices are the main reason for the flourishing of our humanness. Since no one can be a person outside the community, it also implies that self-interest erodes our humanness (Ramose 1999: 52-53; Menkiti 1977: 172-174; Kenyatta 1953: 119).

Because of the fact that our humanness has been contributed to by the community as well as those who existed in the past, the individual's interest should be linked to the interests of others so that s/he will contribute positively to those who will exist in the future. If the individual's being has been contributed to by those who existed in the past, and is

continuously being contributed to by others who are existing at present, it also follows that an authentic ethical existence should be that type of existence that fosters solidarity in the community. Communal solidarity demands that individuals must be in the position to express active concern for the well-being of each other in such a way that there can be harmony and mutual understanding with the community (Hartshorne 1974: 204-207; *PR* 1929: 87-88; Gelfand 1973).

From a holistic ethical paradigm that arises from the commonalities between African humanism and process philosophical anthropology, we need to realise that everything that exists is embedded in the community by virtue of relationality. The implication is that no line of demarcation can be drawn explicitly or implicitly between human beings and other creatures. This means that we should see our human existence as intrinsically interwoven with other forms of existence, and that together with these other life forms we constitute a community. If we see community as an all-embracing phenomenon of existence, it also implies that human interests must take into account the interests of this all-embracing community. It is an ethical imperative that our economic activities should thus be pursued in a way that enhances or invigorates the well-being of the community as a whole (Hartshorne 1974: 202-206; Menkiti 1984: 180).

Since African humanism and process philosophical anthropology say that community is prior to the individual, it also follows that the object of economic analysis should be communities or societies rather than individuals. The individual's economic well-being depends on the economic well-being of the community. The modern economic model of *homo economicus* who is solely propelled by self-interest must be replaced by economic behaviour of communities. Communal values should constitute social capital which is indispensable to a humane economic system. When communities accept a particular economic behaviour as integral to their moral values, such a practice will thrive because it will already be deriving from social capital (Daly and Cobb 1989: 366-368; Kenyatta 1953: 199).

Taking into consideration the fact that the individual is sustained by the community and its values, it is also an ethical requirement that the individual should be concerned with the well-being of the community. In other words, wealth should help to enhance human dignity in as inclusive a manner as possible. The enhancement of human dignity through the sharing of wealth is possible because to be fully human implies the capacity to feel the sufferings of others (*PR* 1929: 138-227; Cobb and Griffin 1977: 17; Hartshorne and Peden 1981: 7-34; Jordan 1968: 20-25; Kenyatta 1953: 199; Bujo 1998: 164; 2001: 60-61; Nyerere 1968: 3-4; Gyekye 1987: 155).

The idea of community that is espoused in African humanism and process philosophical anthropology also implies that our human existence should reflect communion between humanity and the natural environment. Our human existence is inseparable from that of the natural environment because there is no demarcation between human existence and that of the natural environment. We need to bear in mind that the destruction of the natural environment implies the destruction of humanity at present as well as in the future. It follows that a genuine economic ethics should show a sense of concern for the well-being of the natural environment. Here an important feature that should characterise ethics is relationality (Mazrui 1977: 262; Ramose 1999: 80; Sindima 1995: 151; Dixon 1976: 65-70; Junod 1938: 112; Fortune 1974: 16; Prozesky 1995; 2003; Senghor 1964: 72-73; Birch and Cobb 1981: 95-144 Whitehead 1920: 31-33).

### **8.3 Beyond Self-Interested Rationality to Relational Rationality**

If everything is related and interrelated with everything else, it also follows that this relationality of all that exists should be reflected in our ways of thinking. The type of reasoning that is implied in African humanism and process philosophical anthropology enables us to combine the subject and object of observation, the natural and supernatural, the mundane and the divine, the material and the spiritual in an inseparable oneness. This type of reasoning rejects the instrumental reason of modern economic theory of self-interest that is usually appealed to as the defining characteristic of *homo economicus*. Relational rationality advocates thinking with others through participation and



communion with everything that exists. This implies that as human beings we are communicative by nature. Communicability becomes possible because life is lived in *Ukama* – in relationships with others (Senghor 1964: 72-73; Kaunda 1966: 35-36; Mbiti 1976: 108; Uzuoku 1995: 42-45; Murove 2004: 134).

We are not human because of insulated reason, but through relational rationality. Since reason is embedded and arises in the context of *Ukama*, the same reason cannot be disentangled from *Ukama* because such a reason would not be able to take into consideration the interests of all the realms of existence. The implication of this observation is that we come to know who we are in the context of relationships with others. An all inclusive way of reasoning enables us to develop a general moral outlook that can foster solidarity among all that exists. By giving primacy to a relational reason, we are ethically committing ourselves to the need for taking into account the consequences of our actions on the present as well as on the future. This is possible because we have the ability to feel the future as much as we can feel the past. Instead of always acting on the basis of utility maximisation, relational rationality gives us the opportunity to ask ourselves what the consequences of greed-driven economic behaviour on the well-being of the future generations will be? (Whitehead 1926: 95; 1933: 80; Hartshorne 1974: 206; Cobb and Griffin 1977: 83; Bujo 1998: 54; Kenyatta 1953: 119; Mbiti 1969: 108; Murove 2004: 144).

Relational rationality or rationality that is concerned with others or is sympathetic to the plight of others will enable us to be emotionally moved by the sufferings of others because human actions are communicative and are responded to by other members of society. It is our ability to communicate and respond to the community, which lures us to the idea of advocacy ethics. Advocacy ethics implies that the ideal ethical existence has to take into account the interests of those who cannot fend for themselves. Advocacy ethics implies that a genuine social life should enable the participation of everybody. We should also be in solidarity with those who are living in inhumane conditions. In the light of the notion of human experience as espoused in African humanism and process

philosophical anthropology, there is no self that is meaningful apart from the well-being of others (Samkange & Samkange 1980: 52; Cobb and Griffin 1977: 82).

The idea of giving primacy to relationality among all that exists also implies that ethics should foster the common good among all that exists. This affirmation of relationality among all that exists means that we should see each living entity as capable of feeling the existence of others within the community of existence. If everything exists with others and through others, it also implies that an all-inclusive existential outlook must arise from our universal interconnectedness. Another way of articulating our universal interconnectedness would thus be through the promotion of the common good.

#### **8.4 Fostering the Common Good**

To foster an ethic of the common good that aspires from African humanism and process philosophical anthropology, we need to see self-interest as relative to the larger community of existence. We also need to realise that the human race is indivisibly one, and all human beings, no matter whether they are living now or in the future, are related and interrelated to the extent that they constitute the same organic whole. This holistic conceptualisation of the common good implies that economic activities should also take into consideration the well-being of the natural environment and the future generations, and that wealth must be made accessible to everybody in society (*PR* 1929: 343-344; Cobb and Griffin 1977: 19-20; Prozesky 1995: 23).

In order to promote the common good, the economy should be orientated towards the promotion of human needs rather than wants. Also, there has to be a balance or equilibrium between human needs and the needs of the natural environment. Striking a balance between human needs and the environmental well-being is possible on the premise that we make communities our starting point for the acquiring and distribution of wealth. In this regard, the community as a whole should decide, in line with its ethos and mores, the best way of attaining its own well-being. It is through such a process that the acquiring and enjoyment of wealth will promote communal solidarity instead of strife and

rapacity (Daly and Cobb 1989: 164-165; Senghor 1964; Nkrumah 1968; Nyerere 1968; Mboya 1963; Gelfand 1981). Communal solidarity becomes the natural condition of human existence when everybody has access to economic means to a descent livelihood. On the other hand, others are dehumanised if they are deprived of a descent livelihood because of lack of such solidarity. It becomes unethical to have a few individuals swimming in a pool of luxury on the modern economic neo-liberal pretext that they are benefactors of society whilst the majority of the populace is agonising under grinding poverty. The ethic of the common good lays an obligation before us that all people should participate in the creation and distribution of wealth. (Nyerere 1968: 312-319; Samkange & Samkange 1981: 80; Bujo 1998: 210; Kenyatta 1953: 120).

### **8.5 Conclusion and Observations**

This section was mainly concerned with recommendations and suggestions for a holistic ethic that can help us to go beyond the modern economic theory of self-interest. Since African humanism and process philosophical anthropology put emphasis on individual communal belonging, it has tried to show that our human existence has a dual natural mandate. Firstly, we have an ethical obligation to live in a way that promotes the well-being of the community. It is in communities that we find our humanness being fulfilled. Secondly, since African humanism and process philosophical anthropology prioritise the relatedness and interrelatedness of everything that exists, it also follows that an authentic human existence should be sensitive to the needs of the future generations as well as those of the natural environment.

Another recommendation was that we can go beyond self-interest by emphasising relational rationality, that is the type of rationality that can enable us to promote harmony and communion with everything that exists. Relational rationality that is espoused in African humanism and process philosophical anthropology implies communicability and our ability to think with others and experience the sufferings of others. The ability to think and feel the sufferings of others implies an advocacy ethics. The ethics of advocacy

means that we should abandon instrumental reason and emphasise humanness and relationality.

Lastly, I have tried to show that African humanism and process philosophical anthropology imply that primacy should be given to the common good. The kind of the common good that is advocated implies that economic activities should take into consideration the well-being of the natural environment, and that everybody should have access to wealth in the community. It follows that we should reject the modern economic theory of self-interest that the economy flourishes and nourishes everybody because of the selfishness of individuals.

## **SECTION B: GENERAL CONCLUSIONS**

### **8.6 Overview**

We have now come to the conclusion of this study and it is fitting at this stage to try to provide its general conclusions in a comprehensive manner. This is what this section of the chapter aims to do. It also serves as a summary to the entire study as well –an accurate summary, it is hoped.

The problem that was investigated in this study is as follows. Modern economic discourses, it was shown, presume that human beings are solely self-interested in their economic relations. Whilst individuals use self-interest in order to maximise their utilities, the results of their self-interested actions are deemed desirable because they lead to unintended socio-economic gains for all. The problem with this approach to the economy, however, is that the primacy given to self-interest makes it difficult for us to account for the role of morality in human economic relations. If human beings are only self-interested, it is also implausible for us to have an idea of society or community as indispensable to the individual's ultimate well-being. The theory of self-interest in modern economic discourses implies that human beings are only selfish. This being the case there is nothing that can stop them from polluting and depleting the natural resources upon which the future generations depend.

To overcome the theory of self-interest in modern economic discourses, this study presented African humanism and process philosophical anthropology as critical tools that offer us a relational holistic ethical paradigm. Since the commonalities that derive from these two critical tools show that we can only be fully human by virtue of belonging to the present community, the past and the future, it was deduced that self-interest is illusory. It was also deduced that self-interest poses a danger to harmonious social existence as well as to human relationality between the present generation and the future generations. In a nutshell, the aim of this study was to give a critique of the modern economic theory of self-interest in a way that enables us to come up with another ethical existential paradigm.

While conclusions were given at the end of each chapter, my main objective in this section is to give an overall summary of this study. Since this study is triadic in its structure, I shall restate the observations that have been made in it in three parts. The first part was concerned with historical discourses on the evolution of economic self-interest from the era of ancient Greek philosophy and Christianity up to early and late modernity (Chapters 2, 3, 4, and 5 ). The second part (Chapters 6 and 7), which serves as a critique, was concerned with the concepts of African humanism and process philosophical anthropology as critical tools against the socio-economic theory of self-interest.

Finally, the third part (Chapter 8) on the one hand, is a synthesis of this study because it gives suggestions and recommendations on the basis of the commonalities between African humanism and process philosophical anthropology. On the other hand, it is a summary of the whole thesis. My aim in this general conclusion is to establish the connection of these chapters as well as to give a full picture of the study as a whole in a synthesised form.

### **8.7 Self-Interest and Early Philosophical Discourses**

In chapter 2, I started by tracing the historical origins of the socio-economic theory of self-interest from religious and philosophical perspectives. The theory of self-interest attracted much philosophical debate among Greek philosophers such as Plato, the Stoics, the Pythagoreans and Aristotle. In this philosophical discussion, two views emerged. The first view was that of Plato, the Stoics and the Pythagoreans who advocated the ideal of community of property – *panta koina*. Inferences to self-interest were made with the aim of showing that community of property would provide safeguard against chaos and social anarchy. Aristotle rejected this ideal of community of property on the grounds that people should love themselves first, and that self-love was integral to human nature. Another argument made by Aristotle was that for there to be liberality in society, the individual must own something from which s/he can give to others (Rhys 1906; Gorman 1979; Russell 1991; McKeon 1941).

From the religious perspective, three modes of thought on self-interest were discussed. The first was that God gave wealth for common use, hence self-interest and private property represented a sin of avarice. The Church fathers suggested community of property as a way of counteracting self-interest. In their economic moral teachings, it seemed that they were more influenced by Plato, the Stoics and the Pythagoreans. The second type of religious economic outlook came from Thomas Aquinas. While Aquinas condemned avarice, he adopted Aristotle's position by maintaining that property should be privately owned in order to avoid quarrels. Aquinas did not diverge from the economic ethic of the Church fathers on avarice and usury (Shewring 1948; Hirschman 1977; Gonzalez 1990; Aquinas 1948; 1975)

The third religious economic outlook received illumination from Max Weber's theory to the effect that the economic teaching of reformed Protestantism, especially that of the Puritans, had contributed enormously to the rise of the spirit of modern capitalism. The Protestant reformers themselves did not approve of the sole pursuit of self-interest in economic activities. According to Weber, however, the Puritans gave religious justification to individual acquisitiveness of wealth as a calling from God. It was central to Weber's theory that their teaching on predestination encouraged believers to show their elect status by participating in the accumulation of wealth. We have seen that this religious justification of what turned out to lead to avarice or greed in economic affairs constituted a radical shift from the economic ethics of the Church fathers and the early Protestant reformers. A word of caution on this theory was given to the effect that the Puritan justification of self-interest could have been a reiteration of the secular economic outlook of early modernity on self-interest (Viner 1978; Troeltsch 1931; Hengel 1986; Weber 1958; Tawney 1926; Heilbroner 1962; Josephson 1962; Canterbury 1987; Hollinger 1983).

### **8.8 Early Modernity and the Socio-Economic Theory of Self-Interest**

In the era of early modernity I discussed self-interest from the political and economic perspectives. From the political perspective, political theorists argued that by nature people were only self-interested, and that self-interest was the main reason why there are governments. It was self-interest which was the main reason for people entering into

contracts. The role of government was to protect individuals' self-interests by guaranteeing that each of the participants in the contract was obliged to honour the agreement. It was also deduced that political liberalism understood the role of government as that of co-ordinating conflicting individuals' self-interests because society was presumed to be comprised of a multiplicity of interests (Machiavelli 1961; Hobbes 1962; Kropotkin 1924; Macpherson 1970; Hume 1882).

I argued that self-interest provided an epistemological symbiosis between political liberalism and economic liberalism during the era of early modernity. It was during the era of early modernity that the concept of *homo economicus* or the economic man was invented. This concept implied that a human being was solely self-interested. Of most significance in the evolution of liberal capitalism was the pragmatic stance which was taken by Bernard de Mandeville when he said that vices rather than virtues were the main cause for the flourishing of wealth. Mandeville taught that individual vices might be private but in the long run they become public virtues because they benefited everybody. One of the most significant observations that were made by Mandeville was that human beings were greedy creatures whose emotions and actions can be reduced to selfishness. It was observed that Mandeville's reflections on the liberal economy were a precursor of *Laissez Faire* capitalism (Mandeville 1924; Hayek 1967).

The Mandevilian thesis that all private vices were the cause of the flourishing of wealth was adopted by Adam Smith who said that economic relations are about appealing to each other's self-interest. This was a crucial insight in the evolution of capitalism. Smith's understanding of economic relations was that self-interest was more reliable than benevolence. Since self-interest was more reliable than benevolence, government was not supposed to interfere with the economy under the pretext of trying to help the poor. Smith saw God's providence as assisting the individual's self-interest in advancing the welfare of society. It was mainly for this reason that he coined the term 'the invisible hand', with the aim of showing that even though the individual was solely self-interested, those self-interested actions are directed by the invisible hand in such a way that they end up



promoting the common good (Smith 1976; 1872; Heilbroner 1972; Lux 1990; Arrow and Hahn 1971).

In trying to interpret the meaning of the invisible hand, three possible implications came to the fore. The first implication was economic. It was presumed by economists that business people are in actual fact benefactors of society because in their economic enterprises they usually end up promoting certain ends which they did not intend to promote. The second implication of the invisible hand was religious because Deists believed that the universe and society were designed by God in such a way that they work under laws that concur with God's intentions. It was shown that Smith believed that self-interest produced beneficent purposes because the well-being of humanity was entirely within the domain of God, and not of human beings. It was thus established that Providence was synonymous with the concept of the invisible hand. The third implication was sociological. The invisible hand was postulated as commensurate with the sociological theory of spontaneous orders. The gist of this theory was that sometimes human actions produce results that were not intended. The implication was that while the individual might be solely self-interested, the sum of the actions of these self-interested individuals produces an order which they had not intended (Smith 1872; 1976; Dahrendorf 1989; Polanyi 1968; Hayek 1982; Shand 1990).

When all those implications of the invisible hand are taken together we end up with an understanding that the liberal economy is a natural system that works well without interference from government, and that we should rely on individual self-interest. The idea of economic liberalism was critiqued by Karl Polanyi with a two pronged argument. Firstly, Polanyi said that the idea of a self-regulating economic system that relies on individual self-interests did not have a natural origin but that such an economic system came about due to the writings of early modern liberal thinkers. Consequently, the idea of a self-regulating market or a spontaneous order was fallacious because there is no society that can exist without rules and regulations with regards to economic relations. Polanyi's second argument was that self-interest was relative to Western civilisation. There are other societies, such as African societies, which did not have economic relations based on

self-interest. Modern capitalism was introduced to the Africans through manipulation during colonialism (Polanyi 1968; Mudenge; Xenos 1989; Canterbury 1987; Heilbroner 1985).

### **8.9 Other Contributions to and Debates on the Theory of Self-Interest in Early Modernity**

In chapter 4 I followed up Polanyi's arguments and demonstrated that self-interest was integral to evolutionary economics during the era of early modernity. In Thomas Malthus' population geography, he argued that laws that were supposed to help the poor were dangerous to society because nature has a tendency of setting equilibrium between human consumption and the available resources. It was argued, however, that this type of reasoning had a potentiality of institutionalising greed and selfishness in society. The same type of reasoning was discerned in Charles Darwin's theory of evolution which implied that the pursuit of self-interest among species was integral to natural selection. In the same vein, Herbert Spencer argued that the pursuit of self-interest in economic relations led to the survival of the fittest (Hodgson 1988; Malthus 1958; Heilbroner 1972; Lux 1990; Darwin 1859; Knight 1991; Spencer 1907; Schumpeter 1986; Canterbury 1987; Conniff 2003).

Within evolutionary theory, self-interest was portrayed as a survival mechanism that was common among all the species. The existence of self-interest in economic relations had nothing to do with our moral evaluations and inclinations. Philip Wicksteed was more nuanced on the difference between ethics and the role of self-interest in economic relations. Wicksteed's argument was that in economic relations self-interest was ethically neutral because those who enter into economic relations are not necessarily concerned with the moral outlook of each other. Self-interest simply served the purposes of business relations, and it had nothing to do with the selfishness or unselfishness of the individuals involved in such relations. It is in this sense that Wicksteed severed self-interest from ethics on the grounds that it was value neutral. (Wicksteed 1946; Samuel and Nordhaus 1992; Lux 1990; Dimand 1996).

Within the school of evolutionary economic paradigm, three humanistic arguments came from John Ruskin, Karl Marx and Thorstein Veblen. While these critics were critical of modern capitalism in their various ways, they all agreed that the pursuit of self-interest in economic relations was not value neutral. Self-interest was an advocacy of greed or selfishness in human economic relations. Self-interest was thus seen as dehumanising because it deprived other people of their decent livelihood. A common thread that ran through the arguments of Ruskin, Marx and Veblen was that self-interest was not a universal state of human existence. Rather it was a particular group of people in society – the bourgeoisie (Karl Marx), business people (Ruskin) or the leisure class (Veblen) – that was self-interested or greedy. Hence according to these three scholars, self-interest was dehumanising because it severed the individual from his or her communal relations and belongingness (Ruskin 1862; Marx 1973; 1975; Veblen 1931).

This humanist argument was critiqued by von Mises and Alexis de Tocqueville who argued that economic relations that are based on the individual pursuit of self-interest lead to economic prosperity as compared to economic relations that are based on collectivism. From a theoretical point of view, Mises argued that it was individuals who make choices and act on those choices. It followed that communities are abstracts because it is the individual who is concrete. Collectivities are thus suspected of repressing individual freedom. From an empirical point of view, Tocqueville argued that the economic success of a society that has embraced individualism and valued the pursuit of self-interest such as America, should be seen as enough evidence that self-interest is more trustworthy than collectivities. These two arguments in support of self-interest became integral to late modern economic thought (Mises 1996; Tocqueville 1946).

### **8.10 Self-Interest and Later Modern Economic Thought**

Chapter 5 started by investigating self-interest in later modern economic thought. In this investigation it was established that the economic discipline presumes that the individual is solely self-interested. The main presumption of contemporary neo-liberal economists is that human beings act after calculating costs and benefits to their self-interests. The use of instrumental reason in the pursuit of self-interest serves as a way of maximising utility. In the pursuit of self-interest, it is alleged that there is no room for judging whether the

action is morally bad or good. An action is only economical when it leads to the maximisation of utility. The implication of the theory of utility maximisation was that human beings are solely accentuated by greed (McConnell 1972; Heap and Varoufakis 1995; Tullock and McKenzie 1985; Hamlin 1986).

We saw that there were other neo-liberal economists who explicitly rejected welfarism on the grounds that it violated the right of individuals to do whatever they felt like doing with their fortunes. Neo-liberal economists argued that government should not interfere with the economy with the aim of promoting welfare because people's public commitments are not trustworthy as compared to individual private interests. The presumption was that society would prosper without government intervention in the economy. The conviction that arose among neo-liberal economists was that government and public affairs are just nothing but a manifestation of self-interest. Neo-liberal economists also believed that self-interest would promote welfare better than governmental economic intervention that aims to do so (Rand 1967; Nozick 1974; Brittan 1988; Heyne 1983; Shand 1990; Field 1999).

There were three arguments that were raised against the modern socio-economic theory of self-interest. The first was a sociological argument that the economic success of society depends on shared social values. For this reason, it was deduced that for us to understand the real nature of human economic relations we should rather focus on economic behaviour of societies instead of self-interest. The implication of this sociological argument was that societies and their cultures are indispensable in determining human economic relations (Sen 1987; Huber 1984; Daly and Cobb 1989).

The second argument came from an economic perspective in which it was said that the postulation of self-interest as the sole determining motive in human economic relations ignores the reality of the plurality of motivations in economic relations. Related to this argument was the idea that self-interest is adhered to by neo-liberal economists as a model for methodological purposes, otherwise *homo economicus* does not exist in real life. The third argument was that by implication the pursuit of self-interest will militate

against the well-being of future generations as well as that of the natural environment (Daly and Cobb 1989; Georgescu-Rogen 1971; Sindima 1985; Heilbroner 1985; Ikerd 1999; Handy 1998; Daly 1996).

### **8.11 African Humanism and its Implications for the Theory of Self-Interest**

Chapter 6 was a critique of the socio-economic theory of self-interest in modern economic discourse from an ethical point of view, based on African humanism. The gist of my argument was that the African understanding of a person as a relational being renders self-interest unintelligible. Since the world-view of African humanism puts emphasis on relatedness and interrelatedness, it was also observed that to be human was to experience one's existence as inseparable from all that shares this existence with humanity. The world-view of African humanism showed that people are immersed in relationships through life, such that the individual's self-interest cannot be separated from the well-being of the whole. Thus individuals cannot be understood as isolated units who relate to each other and to reality in general on the basis of the pursuit of self-interest (Mazrui 1977; Mazrui 1994; Junod 1938; Mutsvairo 1993; Murove 1999; Fortune 1974; Dixon 1976; Sindima 1995).

The world-view of African humanism was also echoed in the African individual ontology which emphasises individual belongingness as espoused in the African ethic of *Ubuntu*. Since this ethic maintains that the individual is an individual by virtue of belonging to other people in community, it also follows that the individual's personhood and well-being is socially mediated. *Ubuntu* implies that human beings are required to show those character qualities that are socially appreciated because a behaviour that arises from selfishness is an expression of a lack of humanness. The ethic of *Ubuntu* reinforces the idea that as human beings we are dependent and interdependent on others, therefore there is no person who is self-sufficient to the extent of ignoring the well-being of others. A sense of concern for the well-being of others is not only oriented at the present community but also at those who will exist in the future. The primacy of relationality as espoused in *Ubuntu* was also complemented by the concept of *Ukama*. This concept implies that relationships are an overriding ethical requirement for an authentic existence

(Shutte 1993; Samkange and Samkange 1980; Ramose 1999; Dandala 1996; Kasenene 1994; Gelfand 1973; Bujo 1997; Mutwa 1997; Mazrui 1986; Prozesky 2003; 1999).

Since the world-view and the individual ontology of African humanism put emphasis on relationality, it was also shown that relationality has a dominant role in African reasoning. It was shown that African reasoning is all-embracing as it sees threads of connectedness and interconnectedness among all that exists. Because of relationality, the individual gives primacy to communion with everything that exists – the natural, the supernatural, the mundane and the divine exist in an inseparable oneness. The communal belongingness of the individual became the antithesis to the individualistic notion of privacy. Within this African notion of relationality it was deduced that individuals exist and flourish because of communities that support them, hence the individual's well-being is inseparable from that of the community (Senghor 1964; Mbiti 1969; Kaunda 1966; Uzukwu 1995).

From the preceding observation it was also shown that since African humanism gives primacy to the community in its conceptualisation of persons, it also follows that the starting point for understanding human economic behaviour is the community. Since the African conceptualisation of community presumes the individual to be inseparable from the collective, it was inferred that the modern socio-economic theory of self-interest that postulates the community as an association of self-interested individuals is unintelligible. African humanism puts emphasis on communal well-being as the pre-requisite to individual well-being. If the individual depends on the community for his or her well-being, it also implies that s/he continuously needs others. The communitarian base of African humanism makes self-interest deplorable as unethical or as a serious danger to the life of the community (Menkiti 1984; Zvobgo 1979; Okere 1984; Boulaga 1984; Kenyatta 1953; Gyekye 1997; Bujo 2001).

The argument that was levelled against the communitarianism of African humanism was that too much emphasis on community can lead to curtailing individual freedom. Without individual freedom, there cannot be economic progress. Related to this argument was the

idea that society exists because of the individuals who compose it. To counter this argument, it was observed that the individual exists in a state of ontological dependence such that the individual and the community cannot be abstracted from each other. We have also seen that another argument against African communitarianism was that since there is a symbiosis between capitalistic development and individualism, African communitarianism will inhibit the spirit of capitalism. To support this claim, the advocates of this argument said that in Africa, capitalism triumphed in those African societies that had embraced the ethic of individualism through Christianity (Shutte 2001; Tempels 1959; Gyekye 1987; Kennedy 1988; Iliffe 1983; Theron 1995).

To refute the above argument, it was observed that African humanistic values were incompatible with neo-liberal capitalism. This argument was traced to the writings of African politicians who said that African traditional values imply an economic system that puts emphasis on caring for the well-being of other human beings before one's self-interest. Since the individual's well-being cannot be severed from that of the community, it also followed that the individual had to promote the well-being of the community. This way of reasoning became the rationale behind post-colonial African socio-economic policies such as *Ujamaa* and *Harambee*. The main conviction in these policies was that the individual pursuit of self-interest cannot promote the well-being of everybody. Finally it was shown that it was African humanistic values that were the foundations of an African traditional society as a caring society (Nyerere 1968; Bujo 1998; Nkrumah 1962; Mboya 1963; Senghor 1965; Toure 1959; Gelfand 1981; Moyo 1992; Friedland and Rosberg 1964; Gyekye 1997).

### **8.12 The Implications of Process Philosophical Anthropology on Self-Interest**

Chapter 7 was a continuation of my critique of the socio-economic theory of self-interest, this time from the perspective of process philosophical anthropology. Process philosophical anthropology is an inference of the would-be ethical implications of process philosophy on human existence. I started by observing that the relevance of process thought to ethics lies in its relational metaphysical conceptualisation of reality in general. This relational conceptualisation of reality was based on new scientific theories such as the theory of relativity and quantum physics. In his interpretation of these

sciences, Alfred North Whitehead deduced that everything that is real or actual was relationally constituted. It was said that the process account of relationality can be captured in two ways. Firstly, everything that exists is related to the past, the present and the future due to the ability of each actual entity to feel the existence of others. Secondly, actual entities or individuals are societies because of the contributions made by other actual entities to their existence (Whitehead 1925; 1929; 1933c; 1948; Zohar 1990; Prigogine and Stengers 1984; Capra 1983; Bohm 1988; Margulis and Sagan 1987; Jungerman 2000; Cobb and Griffin 1977; Hartshorne and Peden 1981).

If everything is related and interrelated with everything else, the implied philosophical anthropology was that human beings do not exist externally to these relationships. It was mainly from the premise of the interconnectedness of all actual entities that Whitehead refuted the idea of independent existence that is sometimes implied in the doctrine of individualism. Another related argument against individualism was made by Charles Hartshorne when he refuted self-interest or egoism on the premise that it presumed an understanding of a person as an enclosed entity. If the individual is contributed to, and influenced by relationships, it also follows that our personal identities and interests are not permanent. If nothing is permanent, the implication is that it is implausible to assign self-interest as the sole determinant of human economic behaviour (Hartshorne and Peden 1981; Jordan 1968; Leclerc 1958; Whitehead 1925; 1948; Hartshorne 1950).

An important aspect of process philosophical anthropology was the idea that actual entities are societies in the sense that they have inherited certain qualities from the past. The implied philosophical anthropology was that our human personalities are influenced by others, and that they will influence the future. The ethical implications were that our present actions will be judged as good when they contribute positively to the well-being of future generations. Another ethical implication was that if everything is related and interrelated with everything else, actions that are morally commendable should be those that show a generality of outlook in the sense that self-interest should embrace the interests of others at present, the interests of the future generations as well as of the natural environment. Since African humanism and process philosophical anthropology were a critique against the theory of self-interest, the following chapter drew from these



critical tools and made suggestions and recommendations that could help us to reconstruct an ethical discourse beyond self-interest (Hartshorne 1974; Whitehead 1920; 1933; Prozesky 1995; Birch and Cobb 1981).

### **8. 13 Beyond Self-Interest: Towards a Holistic Ethic**

Drawing from the commonalities between African humanism and process philosophical anthropology, this chapter was concerned with recommendations for a humane and holistic ethical paradigm that can enable us to reject self-interest. For this purpose, three recommendations were made.

The first recommendation was that, following the implications of African humanism and process philosophical anthropology, an authentic human existence should be based on an all-embracing notion of community. In such an all-embracing community, deriving from the African concept of *Ubuntu* and the process concept of society, we should conceptualise our human existence as intertwined with the existence of others. Our relatedness and interrelatedness with others should lead us to reject self-interest as destructive to community life. Our human relatedness with others also implied the absence of dichotomy between the individual and community. This absence of dichotomy between the individual and community spells that the individual's interests subsist in the interests of the community. The relatedness of the individual's interests to those of the community implied that s/he should exist in a way that fosters solidarity instead of existing solely with the aim of pursuing one's self-interest. It was observed that the notion of community that arises from African humanism and process philosophical anthropology fosters solidarity between human community and the natural environment (Dandala 1996; Ramose 1999; Whitehead 1929; Hartshorne 1950; Menkiti 1984; Prozesky 2001; Daly and Cobb 1989; Kenyatta 1953).

The second recommendation came from the realisation that since African humanism and process philosophical anthropology put emphasis on relationality in our conceptualisation of reality, we should go beyond self-interest by putting emphasis on relational rationality. If everything is related and interrelated with everything else, it was suggested that this

relationality should be captured in our way of thinking such that all that exists should be conceptualised as existing within a state of inseparable oneness. I have shown that relational rationality contradicts instrumental reasoning which is at the heart of the self-interest-promoting reason of utility maximisation. Relational rationality puts emphasis on thinking with others through participation – thus enabling us to think in a way that fosters solidarity with all that exists. Relational rationality sensitises us to think with and for others instead of thinking solely in terms of maximising our utilities (Whitehead 1926; 1933b; Hartshorne 1974; Cobb and Griffin 1977; Bujo 1994; Mbiti 1969; Murove 2004).

The third recommendation was based on the idea that we can foster our relatedness and interrelatedness by actively promoting the common good. The practical way of fostering the common good was that our human economic activities must be pursued in a way that takes into account the well-being of the natural environment, those who will exist in the future, as well as making wealth accessible to everybody in society. This observation implied that human needs and environmental well-being should be the determining factors in the acquiring and distribution of wealth. It was realised that such an ideal would be possible on the premise that the community should decide in the light of its ethos how wealth should be acquired and distributed. The implication of this idea was that it became unethical to have a few super-rich individuals presumed to be benefactors of society while the majority is living under grinding poverty (Whitehead 1929; Prozesky 1995; Daly and Cobb 1989; Senghor 1965; Nkrumah 1968; Nyerere 1968; Mboya 1963; Gelfand 1981; Samkange and Samkange 1981; Bujo 1998; Kenyata 1953).

### **8.14 Conclusion**

Today we need a new conceptualisation of human economic relations that realises that the modern socio-economic theory of self-interest dehumanises human beings because it implies that as human beings we are only motivated by greed. We also need to realise that greed cannot promote the common good because it is the very force that destroys communities. From the point of view of process philosophical anthropology, self-interest is implausible because it is based on some fallacious understanding of human existence.

To overcome this socio-economic theory of self-interest in modern economic discourses, economic ethics must put emphasis on relationality.

When we say *Umntu ngomuntu ngabantu* in African humanism, it also implies that the pursuit of self-interest would vitiate this human belongingness. In the categories of thought as espoused in African humanism, self-interest is unethical on the grounds that it cannot enable us to take into consideration the reality of our *Ukama* (relationships) with other human beings, the natural environment as well as with the future generations. Process philosophical anthropology authenticates African humanism from a scientific philosophical point of view of relatedness and interrelatedness. The implied process philosophical anthropology has shown that self-interest is based on the illusion of egoism.

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