Can the Free Enterprise System Survive in an Ethically Schizophrenic Culture?

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The stock market remained on a virtual plateau from 1968 until 1983 — hardly a sign of vigorous national health. Our long-term decline in productivity indicates economic anemia. The national debt continues to soar even when a President espouses fiscal conservatism and Congress passes the largest single tax increase in its history. There are also many social and political problems: decay in our inner cities; rising crime; environmental concerns; and many international crises. Under these pressures the culture is beginning to manifest some neurotic characteristics as it develops many negative attitudes.

There is a growing sense of nonspecific guilt. We seem uneasy. The prophets of doom and those who point to the indominable human character and preach technological salvation both seem unable to diagnose the cause of our growing national depression. What is its cause? What is its ultimate consequence? What is its cure?

The Basic Problem

The great currents of history are rarely depicted in the media headlines. The headlines record the behavioral eruptions that reflect the deeper forces at work in the core of the national psyche. Examining the hidden forces is not as exciting as watching the visible explosions but is essential to understanding the problem and seeking its solution.

Culturally we are suffering under the ravages of a metaphysical cancer — a psychological rejection mechanism that questions the possibility of anyone being able to know "right" and "wrong" in absolute terms. This in turn destroys a culture's ability to develop a consensus on matters of "right and wrong" which results in ethical schizophrenia — many "ethical faces". This is the sickness that gives rise to the sharp differences that often arise between people: corporate executives and government regulators; agency heads and environmentalists; etc.

Metaphysical matters, however, are not our every day topic of conversation.
for they are the consideration of what rests beyond or behind the physical reality that embroils us in our day to day life. Who sits across the table from their spouse and asks, "My dear, what great ontological questions have you been wrestling with today?" But our ontological assumptions (ontology is the study of "existence" itself - such as, is there a spiritual reality: soul, God, etc.) profoundly shape our self identity, our sense of purpose, and subsequently our behavior.

And our epistemological assumptions which are concerned with how we "know" anything (empirically, rationally, existentially, or revelationally) determines what we will even accept into our thinking as admissible evidence, as facts, and as truth. This obviously shapes how we order and deal with all the information we encounter.

Then while our ontological and epistemological assumptions are operating subconsciously to filter and arrange all that enters our mind, we are simultaneously integrating and evaluating all information in keeping with our concepts of right, wrong, good, bad, etc. This latter process is the aspect of metaphysics we call ethics - the normative consideration of what is right and wrong. The use of ontological, epistemological, and ethical presuppositions are all involuntary mental activities.

We are creatures that are steeped in metaphysical activities - albeit unconsciously - and both the importance and impact of this truth can be easily demonstrated. Before our culture contracted metaphysical cancer we operated with an ethical system that enjoyed a deep and wide base of acceptance. This old ethic has been called by many names: the Work Ethic; the Protestant Ethic; the American Ethic; the Capitalistic Ethic; the Yankee Ethic; and others. The elements of this ethic are shown on the left side of the "Ethical Earthquake And Fault Line" diagram shown below.

This old, long-standing ethic was dislodged from its central and consensus
molding position following World War II. A new ethic - new for the masses -
emerged but did not become the basis for a new consensus because the new ethic
is at its very heart an anti-ethic that fosters individuality in ethics. What
it did do was destroy the existing consensus while proving incapable of
creating a new one. This new ethic has been called the Modern Ethic; the
Humanistic Ethic; the Ethic of the Enlightenment; etc. Its elements are
depicted as the "new ethic" on the right side of the diagram.

ETHICAL EARTHQUAKE AND FAULT LINE

THE OLD ETHIC

(1) WORK
(2) SAVINGS
(3) RESPONSIBILITY
(4) COMPETITION
(5) CALLING
(6) SEX ROLES
(7) SACRIFICE
(8) EQUALITY/INEQUALITY
(9) WEALTH ACCUMULATION
(10) THESIS ANTITHESIS
(11) ABSOLUTISM
(12) RISK ASSUMPTION
(13) EFFICIENCY/PRODUCTIVITY
(14) THRIFT INVESTMENT

THE NEW ETHIC

(1) LEISURE
(2) DEBT
(3) RIGHTS
(4) PROTECTION
(5) SELF DETERMINISM
(6) UNISEXISM
(7) SELF INTEREST
(8) EQUALITY
(9) WEALTH REDISTRIBUTION
(10) SYNTHESIS
(11) SITUATIONALISM
(12) RISK AVERSION
(13) QUALITY OF LIFE
(14) CONSUMERISM
Now these two ethics send shock waves through our culture on a daily basis as they grind against each other. (Our televisions, radios, newspapers, magazines, family, friends, and others are constantly tugging at us to support one or the other of these two ethical systems.) They are locked in a death struggle and each is vying for our allegiance. In fact, most people will discover, upon examination, that they have an ethical foot on each side of the fault line.

Look at item (1) on both lists - work vs. leisure. The question is, which of these is the "primary" ethic and which the "subordinate" one? Is leisure a time of refreshment in preparation for returning to work (work is primary) or is work done to provide the wherewithal for enjoying leisure (leisure is the primary value)? Or, look at item (6). Does anyone doubt that the role of women has been going through a cultural shake-up during the past two decades? The numerous conflicts flowing from these divergent values are constantly sending tremors through our culture. Every item on these lists reflects deep philosophical and/or religious convictions that are metaphysical in nature. They reflect our values. Our culture no longer has a consensus about which one is correct and is, as a result, ethically schizophrenic.

Is the culture going to remain ethically schizophrenic or is it in transition and on the way to a still "newer" ethic around which we will form a fresh consensus? Such a consensus can only be formed around a philosophical or religious "centerpiece" and no new candidates of such proportions are readily apparent on the intellectual horizon. If this possibility is not probable, then might it be realistic to hope for a "dialectical" society rooted in our capacity and ability to synthesize elements from our diverse value perceptions? Historically, dialectical synthesis has been a demonstrably positive influence in the development of knowledge in the physical sphere of reality while at the same time being a major contributor to the growth of "individualized ethics"
which is at the very heart of ethical schizophrenia. What then are the possibilities of a newer, more mature form of pluralism? Pluralism - the ability to absorb and/or let stand alone diverse ethnic, racial, religious, and social groups - has rested, historically, on our commitment to "rule by law and not by men" which was rooted presuppositionally in our Judaic/Christian heritage that formed the foundation of our old consensus. It is this foundation that the metaphysical cancer is destroying. These things being so, our ethical differences will probably become even greater in the foreseeable future.

How do these differences manifest themselves in our culture's treatment of business? Dozens of illustrations could be offered to answer this question, but only two basic conflicting values will be related and used to make the point. Look at items (8) and (9) on the two ethics. Number (8) deals with Equality/Inequality vs. Equality. Both outwardly accept the value of the concept of Equality - even though their "grounds" and definition of it differ. But they openly disagree about how one should view "inequality" with regards to our intellectual, physical, and experiential differences. Such differences are soon reflected in our individual advantages and disadvantages as measured by the standard of living we enjoy (distributive justice).

The old ethic holds inequality to be a positive reality. From the perspective of the "old values", one person's advantage, gained from being unequal in ability or position, was not to be equated or associated with the lesser condition of another person. The advantage of one person, according to this view, does not create the disadvantage or come at the expense of someone else, per se. In addition, the old value system was grounded in the belief that every human has an inner struggle with both "good" and "bad" traits. It was concerned with accentuating the good (recognizing, encouraging and rewarding individual creativity) and with limiting the bad (capacity for inappropriate self centeredness, self will, and greed which are problems of both the advantaged
and disadvantaged) through a market mechanism where competition penalizes inappropriate behavior. These same "inequalities", that exist between all persons, were also viewed under the old ethic as establishing a base for one's level of responsibility and accountability - the competent climb the economic ladder.

On the other hand, the new ethic sees humanity as only "good" and inequality as dehumanizing. Here, advantages realized through inequality are viewed as undeserved. Inequality is a negative aspect of reality. It is these differences that give rise to many disagreements over economic and social policies and goals. Our culture has become confused over matters of equality and inequality. Inequality is viewed negatively by one and positively by the other. The opportunities, the incentives, and the work differentiations associated with our inequalities were viewed positively under the old ethic but these are interpreted as sources of injustice, oppression, alienation, and dehumanization by many who subscribe to the new system of values.

Item (9) on the two lists (wealth accumulation vs. wealth redistribution) serves as the "battleground" for accepting or rejecting the consequences emanating from human inequality. Wealth redistribution through public action was effectively unheard of three generations ago. Human charity was viewed as a personal responsibility but not as a function of the state. Federal taxes were unconstitutional until 1913. No one paid over 5% in taxes (effectively) before World War II. Those were the days of "supply side economics." But all of that has changed. Our values began to undergo a metamorphosis. Business was no longer simply to provide jobs for our people and rewards to owners for risk-bearing but was also to generate the monetary resources whereby we could seek a whole new set of social goals that were to be directed by those who govern and not by those who produce.

Value conflicts abound all across our land. We are suffering from a
metaphysical cancer that is creating ethical schizophrenia. It is this
affliction that lies at the base of most of our culture's disagreements. What
gave birth to this condition?

The Development of Metaphysical Cancer

Our growing ethical conflicts sap our energy, diminish our incentives, confuses our sense of mission, and introduce a note of pessimism into our future projections. As noted earlier, there are those who argue (hope) that we are merely in a period of ethical transition as we move from the old Judaic/Christian ethic to a new, yet to be defined, standard of value. This is not the case. We are laboring under the debilitating consequences of living in a culture with a disintegrating view of ethics - a metaphysical cancer.

How did we contract metaphysical cancer which in turn creates ethical schizophrenia as outlined in the paragraphs above? How does it affect our view of the world and life itself? The "germ" of our ethical sickness can be traced back to the beginning of the 16th century. It was contracted and spread until, by the early 19th century, it was rampant in Western intellectual circles. The "man on the street" came down with it in Europe in the 1920's-1930's and in America, in the 1940's-1950's.

The sickness is a side effect of the "rise of science." Science certainly does not cause the sickness. It provides a system for examining physical reality. But when its methodology is mistakenly applied to nonphysical (metaphysical, moral) categories of reality it quickly brings one to the conclusion that there are no nonphysical categories of reality that can be conclusively handled on the rational level of the mind. Its inherent methods predetermine this conclusion and strike a debilitating blow to all concepts of moral truth when physical proofs come to dominate our concept of how we are to validate all reality.

Men like Leonardo da Vinci (1452-1519), Nicolaus Copernicus (1473-1543),
and Galileo Galilei (1564-1642) are important early "carriers" of the "quantitative perception" that has led to our modern ethical sickness. Each of them embodied and incubated the idea that the "world" could be better understood from a mathematical, quantitative, viewpoint than it could from the qualitative religious perspective of their day. They were, of course, talking about the physical world, but as time passed, their perceptions were also applied by their followers to all of life - the world of personality, "being", purpose, meaning, and values as well as the physical realm.

In the years that followed, others propelled the quantitative approach to validating reality (truth) into such a dominant position that words like "knowledge" and "facts" became synonymous with physical knowledge and facts. What resulted was the creation of a giant chasm between "facts" and "values". The inability to relate facts and values became so great in philosophical circles that Immanuel Kant (1724-1804) was compelled to write, "I have therefore found it necessary to deny knowledge... in order to make room for faith." A devastating philosophical or religious conclusion.

A rational view of ethical values had been struck a debilitating blow. The rise of science and its success in unlocking physical knowledge enthroned the scientific method as the only legitimate way of knowing anything. When the scientific methodology is applied to love, values, spirit, personality, and all other nonphysical entities, it automatically generates agnostic conclusions. The methodology becomes the determinant of what is true - can be known as reality. Values, under the scientific methodology, are not knowable.

This caused many 19th century intellectuals to feel the tugs of despair. Existentialism emerged (Soren Kierkegaard, 1813-1855) to fill the chasm between "facts" and "values" but it too failed to reestablish values as a knowable subject on the empirical/rational plane of the mind. It relegated values to the plane of intuition and feelings. So many questioned if they could really "know" if life had meaning and purpose.

It should be noted that in the last thirty years a new cleavage has appeared. Not only is there a gulf between "facts" and "values", now a gap has developed between the "normative" and "descriptive" aspects of "scientific facts." Even the knowability of facts in the physical realm is being forcefully questioned by men such as as Sir Karl Popper, Hilary Putnam, Thomas Kuhn, and many others. These new challenges, however, only add to the plausibility of "individualized knowledge" which in turn adds to the acuteness of our metaphysical cancer and subsequent development of ethical schizophrenia.

These complicated struggles have slowly developed the ethical schizophrenia our culture labors under today. This schizophrenia is manifested in the fact that there are now three general systems by which the American people operationally relate facts and values. While these systems co-exist in our culture, they produce great friction and cause untold conflict and confusion. They can be seen as follows:

**The Exclusively Human View of the World and Life**
Those who perceive the world and values in this way are:

1) Agnostics
2) Atheists
3) Deists
4) Philosophical
5) Reformed Jews
   Existentialists
6) Liberal
   Christians

In The Exclusively Human View of the World and Life, "facts", "proof", and "knowledge" are limited to man's sensory experiences, testable and rational logic, and intuition. Therefore, man's knowledge is confined to physical reality - the left side of the "fact barrier." In addition, all claims that a divine being has ever entered the physical universe so that man could know "right" and "wrong" by special revelation is denied. So mankind from this perspective is understood to be confined to his own physical explorations. All values are therefore necessarily humanly derived. There is no help from beyond the "fact barrier." Men must determine all standards of "right" and "wrong".

Next there is:

The Intuitive, Mystical
View of the World and Life

Those who perceive the world and values in this way are:

1) Theological Existentialists
2) Neo-Orthodox Christians
3) Neo-Orthodox and Conservative Jews
4) Mystics
In the Intuitive, Mystical View of the World and Life, as in The Exclusively Human one, the "fact barrier" remains intact. Therefore, if one is to believe in values as a "knowable" reality, it is up to him to make a "leap of faith" (motivated by a deep need for meaning that transcends "self") across the barrier and then declare, based upon feelings, intuition, or a mystical experience, that the divine has been encountered (validated) in a moment of time and thus life has meaning. But a specific perception of a resulting "value" is not purported to be verifiable or testable by someone else. It is personal knowledge. Others must seek their own individual "experience." This kind of knowledge is not transferable. It must be individually "learned" (experienced). It is situational and does not lend itself to rules or standards. It is changeable. It, too, does not lend itself to the formation of an ethical consensus because it is so personal and individual in character.

And finally, there is:

The God Has Revealed Himself World and Life View

Those who perceive the world and values in this way are:

1) Orthodox Christians
2) Orthodox Jews

The God has Revealed Himself World and Life View is our culture's
original, historic perception. It holds that God has personally revealed the standards of "right" and "wrong." For the Orthodox Jew this declaration is contained in the record (Old Testament) of God's acts in human history along with his special communications to Abraham, Moses, Samuel, David, Isaiah and many others. The Orthodox Christians accept the same historic data as absolute truth and believe God added to it in His self revelation in Christ along with the other accounts of the New Testament. Both Orthodox Jews and Christians agree that mankind cannot cross the "fact barrier" and prove God. They claim that the reverse occurred - God tore down the "fact barrier" by coming to man's side of the barrier and by revealing Himself through many kinds of statements, events, and acts that were empirically observed by rational men within the context of mankind's time, space, historic reality.

These three different perceptions of how we "know" what is right and wrong profoundly affect our view of life and the world. These differences shape our concepts of "right" and "wrong". They determine our ethics.

Possible Consequences and Cures

The consequences of having such divergent perceptions will obviously vary depending upon any changes that might occur in the existing schizophrenic condition. Should the pain or force of the ethical differences remain relatively unchanged, then the present condition could continue for some time - cultural divisions, confusion, frustrations, and controllable anger.

A second scenario might project the hope that a new ethic will emerge that will provide a common ground upon which to develop a cultural consensus. The author would advise that no one hold his breath while waiting for this to occur. No new metaphysical breakthroughs are on the horizon to handle the metaphysical imponderables that the human mind is constantly raising.

Another alternative is that the existing chronic condition could become acute because of unresolved historic frustrations or the creation of new ones.
This possibility holds the greatest danger because we no longer have a commonly accepted metaphysical foundation upon which to form a cultural consensus. This means that if divisions in the culture did become sharp and intense, the solutions would have to be sought within a power structure because we no longer have a widely accepted moral base that can be appealed to. This would eventually "justify" a government's finding it "necessary" to assume a totalitarian role (centralized control by either an autocrat or hierarchy) in order to "control" or "bring about desired ends." Such a condition is antithetical to human freedom and dignity and as such is a poor long-run solution.

A form of "revival," similar to the English revivals of the late 18th and early 19th centuries is sometimes suggested as a possible solution. While such is conceivable, it does not seem very probable because the base upon which those revivals took place is the base that has disintegrated under the ravages of our metaphysical cancer. Even a "reformation" as occurred in the 15th and 16th centuries is hard to envision for the same reason.

The author is not a prophet, and he has had no vision. But the signs are clear. The intensity of the differences in our values can be seen relentlessly escalating. It is evident that continuing the development of "individualized ethics" will not generate harmony, a cultural consensus, or foster a concept of human dignity that can definitively speak to the issues of human meaning and purpose. We are even deeply divided over the "justice" associated with the type of freedom that was characterized by a positive view of human inequality (as well as equality). We are rapidly being reduced to the mediocrity of equality, where inequality is deemed to be undeserved and negative.

So it is time to ask, "Can the free enterprise system survive in a culture with metaphysical cancer that causes ethical schizophrenia?" The answer is "NO!" The free enterprise system was nurtured in an environment with a strong ethical consensus - a necessity for its existence. That consensus has been
The ability to appeal successfully to a moral standard for purposes of resolving "value" differences will diminish as long as the ethical schizophrenia remains. This being true, we will of necessity learn to rely more and more on a power structure for our solutions. Then, in time, the power structure will control the economic structure. When this is so, the cancer will have done its work.