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The Passions and the Interests:

Political Arguments for Capitalism before Its Triumph

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(excerpts)

At the beginning of the principal section of his famous essay, Max Weber asked: "Now, how could an activity, which was at best ethically tolerated, turn into a calling in the sense of Benjamin Franklin?" In other words: How did commercial, banking, and similar money-making pursuits become honorable at some point in the modern age after having stood condemned or despised as greed, love of lucre, and avarice for centuries past?

...

The beginning of that story does come with the Renaissance, but not through the development of a new ethic, that is, of new rules of conduct for the *individual*. Rather, it will be traced here to a new turn in the theory of the *state*, to the attempt at improving statecraft within the existing order. To insist on this point of departure proceeds of course from the endogenous bias of the tale I propose to tell.

In attempting to teach the prince how to achieve, maintain, and expand power, Machiavelli made his fundamental and celebrated distinction between "the effective truth of things" and the "imaginary republics and monarchies that have never been seen nor have been known to exist." The implication was that moral and political philosophers had hitherto talked exclusively about the latter and had failed to provide guidance to the real world in which the prince must operate. This demand for a scientific, positive approach was extended only later from the prince to the individual, from the nature of the state to human nature. Machiavelli probably sensed that a realistic theory of the state required a knowledge of human nature, but his remarks on that subject, while invariably acute, are scattered and unsystematic. By the next century a considerable change had occurred. The advances of mathematics and celestial mechanics held out the hope that laws of motion might be discovered for men's actions, just as for falling bodies and planets. Thus Hobbes, who based his theory of human nature on Galileo, devotes the first ten chapters of *Leviathan* to the nature of man before proceeding to that of the commonwealth. But it was Spinoza who reiterated, with particular sharpness and vehemence,¹ Machiavelli's charges against

1 Leo Strauss in *Spinoza's Critique of Religion* (New York: Schocken, 1965), p. 277, notes 'the striking fact that Spinoza's tone is much sharper than that of Machiavelli.' He attributes this to the fact that, being primarily a philosopher, Spinoza was personally much more involved with Utopian thought than Machiavelli, the political scientist.

the utopian thinkers of the past, this time in relation to individual human behavior. In the opening paragraph of the *Tractatus politicus* he attacks the philosophers who “conceive men not as they are but as they would like them to be.” And this distinction between positive and normative thinking appears again in the *Ethics*, where Spinoza opposes to those who “prefer to detest and scoff at human affects and actions” his own famous project to “consider human actions and appetites just as if I were considering lines, planes, or bodies.”

That man ‘as he really is’ is the proper subject of what is today called political science continued to be asserted – sometimes almost routinely – in the eighteenth century. Vico, who had read Spinoza, followed him faithfully in this respect, if not in others. He writes in the *Scienza nuova*:

“Philosophy considers man as he ought to be and is therefore useful only to the very few who want to live in Plato’s Republic and do not throw themselves into the dregs of Romulus. Legislation considers man as he is and attempts to put him to good uses in human society.”

Even Rousseau, whose view of human nature was far removed from those of Machiavelli and Hobbes, pays tribute to the idea by opening the *Contrat social* with the sentence: ‘Taking men as they are and the laws as they might be, I wish to investigate whether a legitimate and certain principle of government can be encountered.’

...

The overwhelming insistence on looking at man ‘as he really is’ has a simple explanation. A feeling arose in the Renaissance and became firm conviction during the seventeenth century that moralizing philosophy and religious precept could no longer be trusted with restraining the destructive passions of men. New ways had to be found and the search for them began quite logically with a detailed and candid dissection of human nature. There were those like La Rochefoucauld who delved into its recesses and proclaimed their ‘savage discoveries’ with so much gusto that the dissection looks very much like an end in itself. But in general it was undertaken to discover more effective ways of shaping the pattern of human actions than through moralistic exhortation or the threat of damnation. And, naturally enough, the search was successful; in fact, one can distinguish between at least three lines of argument that were proposed as alternatives to the reliance on religious command.

The most obvious alternative, which actually antedates the movement of ideas here surveyed, is the appeal to coercion and repression. The task of holding back, by force if necessary, the worst manifestations and the most dangerous consequences of the passions is entrusted to the state. This was the thought of St. Augustine, which was to be closely echoed in the sixteenth century by Calvin. Any established social and political order is justified by its very existence. Its possible injustices are just retributions for the sins of Fallen Man.

The political systems of St. Augustine and Calvin are in some respects closely related to that advocated in *Leviathan*. But the crucial invention of Hobbes is his peculiar transactional concept of the Covenant, which is quite alien in spirit to those earlier authoritarian systems. Notoriously difficult to pigeonhole, the thought of Hobbes will be discussed under a different category.

The repressive solution to the problem posed by the recognition of man's unruly passions has great difficulties. For what if the sovereign fails to do his job properly, because of excessive leniency, cruelty, or some other failing? Once this question is asked, the prospect of the establishment of an appropriately repressive sovereign or authority appears to be of the same order of probability as the prospect that men will restrain their passions because of the exhortations of moralizing philosophers or churchmen. As the latter prospect is held to be nil, the repressive solution turns out to be in contradiction with its own premises. To imagine an authority *ex machina* that would somehow suppress the misery and havoc men inflict on each other as a result of their passions means in effect to wish away, rather than to solve, the very difficulties that have been discovered. It is perhaps for this reason that the repressive solution did not long survive the detailed analysis of the passions in the seventeenth century.

A solution that is more in harmony with these psychological discoveries and preoccupations consists in the idea of harnessing the passions, instead of simply repressing them. Once again the state, or "society," is called upon to perform this feat, yet this time not merely as a repressive bulwark, but as a transformer, a civilizing medium. Speculations about such a transformation of the disruptive passions into something constructive can be encountered already in the seventeenth century. Anticipating Adam Smith's Invisible Hand, Pascal argues for man's grandeur on the ground that he "has managed to tease out of concupiscence an admirable arrangement" and "so beautiful an order."²

In the early eighteenth century Giambattista Vico articulated the idea more fully while characteristically endowing it with the flavor of an exciting discovery:

"Out of ferocity, avarice, and ambition, the three vices which lead all mankind astray, [society] makes national defense, commerce, and politics, and thereby causes the strength, the wealth, and the wisdom of the

2 *Pensées*, Nos. 402, 403 (Brunschvicg edn.). The idea that a society held together by self-love rather than by charity can be workable in spite of being sinful is found among a number of prominent Jansenist contemporaries of Pascal, such as Nicole and Domat. See Gilbert Chinard, *En lisant Pascal* (Lille: Giarel, 1948), pp. 97-118, and D. W. Smith, *Helvetius: A Study in Precaution* (Oxford: Clarendon Press, 1965), pp. 122-125. A fine recent study of Nicole is in Nannerl O. Keohane, "Non-Conformist Absolutism in Louis XIV's France; Pierre Nicole, and Denis Veiras" *Journal of the History of Ideas* 35 (Oct.-Dec. 1974), pp. 579-596.

republics; out of these three great vices which would certainly destroy man on earth, society thus causes the civil happiness to emerge. This principle proves the existence of divine providence: through its intelligent laws the passions of men who are entirely occupied by the pursuit of their private utility are transformed into a civil order which permits men to live in human society."

This is clearly one of those statements to which Vico owes his fame as an extraordinarily seminal mind. Hegel's Cunning of Reason, the Freudian concept of sublimation and, once again, Adam Smith's Invisible Hand can all be read into these two pregnant sentences. But there is no elaboration and we are left in the dark about the conditions under which that marvelous metamorphosis of destructive "passions" into "virtues" actually takes place.

The idea of harnessing the passions of men, of making them work toward the general welfare, was put forward at considerably greater length by Vico's English contemporary, Bernard Mandeville. Often regarded as a precursor of laissez-faire, Mandeville actually invoked throughout The Fable of the Bees the "Skilful Management of the Dextrous Politician" as a necessary condition and agent for the turning of "private vices" into "public benefits." Since the *modus operandi* of the Politician was not revealed, however, there remained considerable mystery about the alleged beneficial and paradoxical transformations. Only for one specific "private vice" did Mandeville supply a detailed demonstration of how such transformations are in fact accomplished. I am referring, of course, to his celebrated treatment of the passion for material goods in general, and for luxury in particular.³

It may therefore be said that Mandeville restricted the area in which he effectively claimed validity for his *paradox* to one particular "vice" or passion. In this retreat from generality he was to be followed, with the well-known resounding success, by the Adam Smith of *The Wealth of Nations*, a work that was wholly focused on the passion traditionally known as cupidity or avarice. Moreover, because of the intervening evolution of language, to be considered at some length later in this essay, Smith was able to take a further giant step in the direction of making the proposition palatable and persuasive: he blunted the edge of Mandeville's shocking paradox by substituting for "passion" and "vice" such bland terms as "advantage" or "interest."

3 It has been convincingly argued that by "Dextrous Management" Mandeville did not mean detailed day-to-day intervention and regulation but rather the slow elaboration and evolution, by trial and error, of an appropriate legal and institutional framework. See Nathan Rosenberg, "Mandeville and Laissez-Faire," *Journal of the History of Ideas* 24 (April-June 1963), pp. 183-196. But, again, the *modus operandi* of this framework is assumed rather than demonstrated by Mandeville. And regarding luxury, whose favorable effects on the general welfare he does describe in detail, the active roles of the Politician or of the institutional framework are not at all prominent.

In this limited and domesticated form the harnessing idea was able to survive and to prosper both as a major tenet of nineteenth-century liberalism and as a central construct of economic theory. But retreat from the generality of the harnessing idea was far from universal. In fact, some of its later adepts were even less careful than Vico: for them the onward march of history was proof enough that somehow the passions of men conspire to the general progress of mankind or of the World Spirit. Herder and Hegel both wrote along such lines in their works on the philosophy of history.⁴ Hegel's famous concept of the Cunning of Reason expresses the idea that men, following their passions, actually serve some higher world-historical purpose of which they are totally unaware. It is perhaps significant that the concept does not reappear in Hegel's Philosophy of Law where he is concerned, not with the sweep of world history, but with the actual evolution of society in his own time. So blanket an endorsement of the passions as is implicit in the Cunning of Reason obviously had no place in any work that took a critical view of contemporary social and political development.

A final representative of the idea at its most unguarded is the Mephisto of Goethe's Faust with his famous self-definition as "a portion of that force that always wills evil and always brings forth good." Here it seems that the idea of harnessing the evil passions in some concrete manner has been abandoned altogether – instead, their transformation is accomplished through an occult, if beneficent, world process.

4 According to Herder, "all passions of man's breast are wild drives of a force which does not know itself yet, but which, in accordance with its nature, can only conspire toward a better order of things." Ideen zur Philosophie der Geschichte der Menschheit in Werke, ed. Suphan (Berlin 1909) Vol. 14, p. 215.