

Greenhut's book provides a timely guide to the challenges ahead in reforming governments and restraining the self-serving appetites of government unions.

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Mind vs. Money: The War between Intellectuals and Capitalism

Alan S. Kahan

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Alan Kahan's *Mind vs. Money* is an absurdly ambitious little book. I had all sorts of disagreements with it, both factually and methodologically. Still, it does important work, and does so well enough that I would not hesitate to teach from it as a textbook in the intellectual history of commerce.

Kahan presents a sweeping, yet surprisingly brief, overview of Western intellectuals' attempts to make sense of money, commerce, and capitalism. Most of the intellectuals in his narrative seem embarrassingly ill-equipped to understand the thing with which they are confronted. One often feels sorry for their little tribe.

This is definitely the case when we watch Aristotle struggle to find a boundary between the sort of wealth that contributes to happiness and the wealth that becomes an end in itself and a detour from the Good. What, after all, would he think of us? Even the poorest American is wealthy in many ways that Aristotle could never imagine. Are we all slaves to money, and permanently detoured from the Good? Does virtue require being poorer than the ancient merchants whom Aristotle mistrusted?

One feels sympathy likewise as we watch the plight of European thinkers in the shadow of Stalin—attempting more and more desperately to prop up their devotion to the Soviet system, even as that system repeatedly embarrasses and takes advantage of them. The whole way, we feel we're in the company of some very smart people who are nonetheless terribly out of their depth.

The centuries between Aristotle and the 20th century give an idea of the ambition of *Mind vs. Money*. It is an ambition no book this short should ever be allowed to have. Consider the narrative: Ancient thinkers, either independently wealthy or otherwise unconcerned with wealth, attempt to describe all of society. Their attempts give

short shrift to commerce, whose fundamentals seem like a sort of perverse magic to them. They make virtually no headway, but they bequeath to us the first of what Kahan calls the Three Don'ts. In this case, it is "Don't make money (just have it)."

Medieval thinkers were brought up in the Christian tradition, which valorizes poverty and charity, but certainly not commerce. They gave us Kahan's second Don't: "Don't have money (just give it to the poor)."

The Renaissance is no renaissance for thinking about money and commerce, and little appears to change in Kahan's account. Finally, at long last, the Enlightenment discovers principles like comparative advantage and gains from specialization and trade—but even the invisible hand is not enough to overcome deeply ingrained prejudices in favor of protectionism and other traditional restraints. The 19th century is dominated by novelists and socialists, and neither is inclined to view merchants favorably. The democratic spirit of that era gives us the final of the Three Don'ts: "Don't have or make more money than others do (it's not fair)." With only a little more to add, we've reached the present day.

To the 19th-century novelists, the bourgeoisie are merely stupid, and therefore contemptible. To the socialists, the bourgeoisie may well have been necessary years ago. Now they are outmoded and must give way to the proletariat. From Flaubert and Dickens to Marx and Engels, there is scarcely a break to be had. Art and theory appear to have been in perfect agreement, and one very serious question is raised by *Mind vs. Money*: How did we ever end up with even a quasi-free market economic system today?

That question isn't answered, although it might have been, with greater reference to the liberal intellectuals of the 19th century. Herbert Spencer, for example, is too often forgotten or misunderstood nowadays, and he goes unmentioned in *Mind vs. Money*, but in his day Spencer was probably the most popular intellectual in the West, and he was a determined supporter of the free market.

Kahan's analysis of 20th-century intellectuals seems to me biased in a similar direction, such that he appears determined to sidestep a very significant counter-current of the 20th century that favored commerce and capitalism despite many other intellectuals' turn toward communism. In Kahan's account, the Frankfurt School, Heidegger, and Foucault (in his least libertarian guise) are each given an extended hearing—and yet, curiously, the 20th-century pro-

market backlash doesn't get much discussion at all. Where are Friedrich Hayek, Milton Friedman, Ayn Rand, Karl Popper, Murray Rothbard, and Anthony de Jasay?

Spanning all of Western intellectual history obviously requires some omissions. Even outside the 20th century, though, I might have liked mention of some of the more nuanced or even positive evaluations of commerce to emerge from Western intellectuals. The School of Salamanca, as later rediscovered and re-envisioned by Schumpeter and Rothbard, took a highly favorable view of commerce and, in the 16th century, advanced a defense of it that would not be equaled until the 18th century or later. John Locke seems to have been ripe for discussion, with his theory of legitimate holdings in property, and I was disappointed to see Bernard de Mandeville make only a brief appearance.

In covering such an expanse of time, it is hard to resist the temptation to stick to simple, straightforward narrative: Commerce has *always* fared badly among intellectuals, except maybe for those of the Enlightenment, and we live on the dregs left over from that era. Mind and money are natural enemies, it is repeatedly suggested. This works well enough to present a coherent story in roughly 300 pages, but not well enough for a story that in reality spans three millennia.

Some synthesis remains necessary, of course. In most eras, intellectuals can be identified as a distinct, even insular group, and commerce has generally been viewed by these intellectuals as a discrete subject of inquiry. It has moreover been a topic subject to regular, even predictable patterns of thought, and those are worth tracing. Kahan mostly succeeds at telling a coherent story, despite his limitations, and the fact that what his story now needs is mostly more nuance and qualification is testimony to his overall success.

Because money means wealth, and wealth means the avoidance of misery, we're faced with a tragic choice: either be an intellectual and starve or be a merchant and forgo the higher life of the mind. To a certain cast of mind, this book must be profoundly depressing. Which is surely not what its author intended. I think I understand the author's intent well enough to conclude that what he really meant to describe was a tragic but not really inevitable feud. I have to wonder, though, whether all of his readers will similarly understand.

There isn't anything in particular in the training of a novelist, or of an existentialist philosopher, that prepares one to understand market forces. But there isn't much, either, that prepares a computer scientist to master botany. Why do we ask these people to act so far out of their respective competences, and why do we listen to them when they do?

Throughout, Kahan's invented terms threaten to run away with him. Intellectuals are a "pseudo-aristocracy," an "accidental aristocracy," a "secular clergy," a "permanently alienated elite," and also "bohemians"—although only some of them are *true* bohemians. Intellectuals use "careful critical discourse"—"a special kind of language [in which] if you say something you must be prepared to prove it by giving reasons, not by appeals to higher authority" (pp. 7–8). Yet some intellectuals, throughout this book, are strikingly unreasonable. It's easy to wonder what the author hopes to accomplish with all of these terms and others.

Kahan even claims that "perhaps because they use critical discourse relatively rarely, scientists and technicians are the intellectuals least likely to be hostile to capitalism" (p. 8), which implies hostility between capitalism and reason. I regret to say that I personally spent far too much time wondering what this might have signified before I abandoned it as purely unintended. Although it's obvious that the author of a work like this must do a great deal of generalization, it should be done with a great deal of care. Otherwise, the danger of confusion is great.

Writing a book of this scope puts an author in a difficult position by opening him to criticism for failing to provide enough depth. For example, G.W.F. Hegel did not, in fact, call his operating forces of history thesis, antithesis, and synthesis (p. 22); they were coined by his followers to make Hegel's thought more accessible. Hegel preferred "inciting force" and "incited force," each of which was merely "a moment in the expression of force... *qua* Notion." This need not have been said in so many words, but demonstrating an awareness of it would not have been difficult.

Likewise, a highly contrarian case just might be that Ferdinand Toennies—of *Gemeinschaft und Gesellschaft* fame—was "second only to ... Marx" among 19th-century intellectuals for his later influence, but this is an exceptionally strong claim to make (p. 147). What of Darwin, Hegel, Nietzsche, and Mill? Even Spencer would seem to be a contender, if we're playing this particular parlor game. But to

make the case for Toennies just in passing is a very strange and I think unjustified step.

Moving on, it is surpassingly odd—indeed, almost unpardonable—to mention Father Coughlin only as an example of Catholic-socialist thought, while never making mention of his anti-Semitism. If *Mind vs. Money* is intended as an introductory textbook, then at least a few words seem appropriate about the most commonly remembered trait of the notorious radio preacher.

In conclusion, *Mind vs. Money* is a useful primer to a giant, centuries-long debate. I would recommend it as a textbook for a course on the intellectual history of capitalism, but I would also have students return to Smith and Marx, Flaubert, Dickens, the Bible and Aristotle, and other authorities that Kahan cites along the way.

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