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Correspondence

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The Evils of Capitalism

While I agree with some of Peter Berger's observations in "Capitalism: The Continuing Revolution" (August/September), I disagree profoundly with his model, several key assumptions, and his conclusion.

First, the model. One of the reasons that economists tend to disagree is that they choose different models to explain the same data. Berger's model posits two economic systems: either an economic system is "capitalist," as exemplified by the United States, or it is "socialist," as exemplified by the Soviet Union. He does not allow "social democracy," as in Sweden, as a third type of system; rather he considers it to be a variant of capitalism with a generous distribution of capitalist output.

I propose a completely different model. Just as nature tends to abhor discontinuities, I am skeptical of either–or models. . . . My [alternative] model suggests that each fundamental element of an economy may be distributed along a scale. For the moment, following convention, let us place "pure socialism" on the left and "pure capitalism" on the right. Now we can list the elements of an economy and show that they may be found at any position on the scale, to the left or right of center, but hardly ever at the extremes, as Berger's either–or model suggests: (1) Who may own property? (2) Is there freedom of enterprise for producers and of choice for consumers? (3) Is self–interest the dominant motive? (4) Does competition prevail in the economy? (5) Is price used as the allocation mechanism? (6) Does government have a role in the economy?

Second, the assumptions. Berger tends to assert what remains to be proved. Implicit throughout his article, and explicit in several places, he asserts that capitalism is a superior system to socialism. He even asserts that "capitalism appears to be a precondition for democracy." Even allowing for his use of a faulty model for this kind of analysis, Berger gives us not a "warts and all" portrait of capitalism, but a kindly portrait that conceals its more egregious flaws. Pure capitalism, at root, is an amoral system. Its amorality tends to produce results that even the most committed individualists find intolerable. Adam Smith, a capitalist icon, warned in 1776 in *The Wealth of Nations* against the invidious accumulation of power by monopolists and encouraged government to take action to preclude such accumulations. . . .

Capitalism can easily result in a caste system, and I would argue that such a system has been created in the United States. Chief executive officers of large U.S. corporations receive obscenely high compensation, both while they are on the job and in the form of "golden parachutes" when they leave. Studies have shown that executive compensation often rises when company profits fall. Top executives have few qualms about laying off employees "as a business decision" while raising their own salaries at the same time. Regardless of how hard an employee works, despite the hazards of the job, regardless of one's loyalty, the worker will not break through to the upper caste. And regardless of the incompetence of top executives, they will not take jobs on the assembly line (another wart of capitalism), nor will they be found in the unemployment lines. The system perpetuates the inequities by permitting the amassing of large fortunes, which are used to buy the best educations and other prerequisites to entry to the top positions, and are then left in wills to persons who had no part in earning the wealth.

Finally, the conclusion. After constructing a straw–man either–or model, and happily ignoring the faults of capitalism, Berger concludes that capitalism is a "continuing revolution." His principal evidence, carefully selected to prove his point, is what amounts to the fall of the Communist Party structure in Europe. On this evidence, he builds his case. I would suggest that the story has yet to be told in Europe, whether the economy in question is that of the Soviet Union or Yugoslavia or Germany. My own forecast is not that nations throughout the world will rush via revolution to U.S.–style capitalism, but that both industrialized and developing nations will make more gradual changes that will position them more in the center of the scale.

Good government is that which responds to the will of the majority while respecting minority rights. Many people in other countries look at the U.S. and see a government that responds to the will of the wealthy and tramples minority rights. They see an economy in which the rich are getting richer and the poor are getting poorer. They see a system that is dominated by what Dwight Eisenhower aptly called a "military–industrial complex," a leadership that allocated $300 billion to arms but cuts funds for schools and libraries. They see one of the highest rates of infant mortality in the developed world with little effort to improve prenatal and neonatal care. They see a wealthy nation in which one's medical care is not a natural right, as it is in nearly every nation in the world, but depends on the size of one's employer. They see our fearful crime rates and AIDS pandemic, and increasing numbers of men, women, and children without homes. And they see a Supreme Court that is changing from a progressive body to which minorities may appeal for relief from an oppressive central government power to one that is increasingly embracing the values of that power.

Capitalism, as exemplified by the U.S., is hardly a paradigm for the economic choices of other nations. Rather, those other nations will attempt to build their own systems based on their own values, not on our perception of those values. They will no doubt use many of the tools of an open market. But they will not, as Berger concludes, throw out one set of tyrants for another.

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The PLEASURE Principle

I appreciated Phillip E. Johnson's brief piece on "Presbyterians for GLARF" (August/September). GLARF, of course, stands for "Gay Liberation and Radical Feminism."

Following Johnson's lead, I'd like to offer another acronym that seems especially apropos to help us understand the driving impulse behind GLARF–type sexuality. I call it the PLEASURE Principle, that is to say, The Practically Limitless Expression of Any Sexual Urge is a Right of Everyone.

For those who have bought into the PLEASURE Principle, can the GLARF mentality be far behind?

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More on Atheism and Citizenship

Because I admire FIRST THINGS, I was deeply disappointed by Richard John Neuhaus' "Can Atheists Be Good Citizens?" (August/September). Rather than confronting the best arguments that Freud and other atheists have made, Fr. Neuhaus rails yet again against the familiar bogeymen: third–world PC, deconstruction, moral relativism. Indeed, by focusing on these annoying sideshows, Fr. Neuhaus suggests that he doesn't understand what most atheists believe. His essay certainly does not describe what I believe.

Fr. Neuhaus revives the old charge that atheists are motivated by "truncated and mechanical contrivance of calculated self–interest." He provides the lamest evidence to support this claim, which is amply refuted by the serious and varied commitments atheists have made. I am especially struck by the certitude with which he states his case. My own reading is that religious authorities and individual believers have generally proved neither better nor worse participants in liberal democracy than the militant atheists Fr. Neuhaus so despises.

He wonders whether atheists can be good citizens. Given his lack of civility, I wonder about Fr. Neuhaus himself. I suggest he contemplate the wisdom of Luke 6:42 before launching another broadside against atheists, liberal theologians, deconstructionists, homosexuals, feminists, Richard Rorty, or the long list of others whose capacities and values he would call into question.

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