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The lack of money is the root of all evil.

—Mark Twain



WEALTH AND PROPERTY

Mortimer Adler

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WEALTH IS TOO IMPORTANT a subject to be left exclusively in the hands of economists. Centuries before the modern science of economics was born, wealth was a critical term in moral philosophy, in both ethics and politics. Many of us are likely to forget that the first great classic in the field of economic science, *The Wealth of Nations*, published in 1776, was written by a professor of moral philosophy at the University of Edinburgh.

The consideration to be given here to the idea of wealth, and the related idea of property, will necessarily be philosophical. We are concerned with ideas, not with the phenomena investigated and analyzed by scientific economists. The philosophical consideration of wealth stands in the same relation to economic science as the philosophy of nature does to physical science. It throws light on the whole domain under investigation by the scientist and sees that area of human affairs in the perspectives of a wider context.

Let me state at once what that wider context is. It is the pursuit of happiness for the individual and the general economic welfare of the state that a government seeks to promote.

The idea of wealth covers one important group of external goods that a human being can possess, as the idea of virtue covers the most important group of personal perfections—those of mind and character. These two terms—possessions and perfections—cover the gamut of goods that are the ingredients of happiness, when that is ethically, not psychologically, conceived as a whole human life well lived because it has, in the course of its days, accumulated all the things that are really good for humans to have or become.

Viewed in this broad perspective, the idea of wealth has critical significance for the ideas discussed in the preceding chapter. There the distinction between work that is sheer toil and work that is pure leisure, as well as the distinction between compensated and uncompensated leisure, turns on the dominant purpose for which the work is done—to obtain wealth, acquire the means of subsistence, earn a livelihood, as contrasted with some other purpose that involves no interest at all in such external goods.

When we regard wealth as compensation for work done, whether in the form of wages and salaries or in the form of consumable goods, we are equating it with external goods that are purchasable, on which a price can be put when they are bought and sold.

External goods other than wealth are not marketable, yet they, too, are possessions. For example, the friends one has are possessions that are good for a human being to have. So, too, is the peace of the community in which the individual lives, and also the freedom of action that the society in which individuals live allows them to exercise.

To regard freedom of action in society and the peace of that society as external goods is to see them as somehow dependent on the external conditions under which an individual lives. The achievement

of personal perfections is always entirely within the power of the individual; not so an individual's possessions. That is why we must regard them as external goods—external because they do not fall wholly within the power of the individual.

Even if a human being earns his daily bread by dint of his own labor, with no apparent dependence on the efforts or cooperation of anyone else, it is still the case that the wealth he thus obtains can be taken away from him by theft, natural disaster, or other misfortunes. If he has acquired moral virtue or knowledge, no external force or circumstance can deprive him of it, short of mind-affecting drugs.

In what follows, we shall be concerned with the group of external goods that constitute wealth, but I will always remind readers, when necessary, that other external goods are also ingredients of happiness.

As we have seen in the preceding chapter, not all human work produces wealth. The kind of human work that is pure, uncompensated leisure results solely in personal perfections or in social values that no one pays for. In the spectrum of compensated work, the kind that has an aspect of leisure to some degree similarly results in personal perfections while also producing wealth. To keep these matters clear, I will in this chapter use the word “labor” for the kind of work that is paid for because it produces the kind of wealth that is marketable.

As we have seen, not all work produces wealth. It is also true that wealth is seldom produced by human labor alone. Another factor enters into the production of most wealth—the raw materials that nature provides and, in addition, usually but not always, the beasts of burden, the hand tools, and the power-driven machinery with which the laborer works.

Though wealth is produced and earned by labor, it is possible for an individual to earn wealth without doing a stroke of labor. Let us consider an individual who owns raw materials, beasts of burden, and tools or simple machines. Let us not ask for the moment how he comes to own them. If that individual puts these possessions of his into the productive process and employs others to put them to use productively, but does no work himself, not even that of supervision, does he not earn a portion of the wealth produced—the portion that remains after the hired hands are paid off? I shall return to this question presently.

Wealth is always regarded by the moral philosopher as a means rather than an end. Some means are also desirable for their own sake and, in that respect, are ends. Not wealth, which is always a mere means, never desirable for its own sake but only desirable for the sake of other goods. It is nonetheless a real good and an ingredient in happiness.

Wealth is also regarded as a limited good, good only to the degree that it is needed and useful as a means. The moral strictures concerning wealth-getting turn on these two points: that wealth is always to be sought as a means not as an end in itself; and it is always to be sought and accumulated with moderation, not without limit.

Herein lies the reason why economics should be subordinated to moral philosophy. When it is not thus subordinated, it tends to view wealth as an end to be sought for its own sake and to be sought without limit. The more wealth, the better, regardless of how it is used.

Most of us know and have quoted the statement by St. Paul that “the love of money is the root of all evil.” Why? Because the pursuit of wealth without limit, as an end in itself and not as a means, is the archetype of almost every moral iniquity and mistake. It is ethically perverse to turn that which should be regarded as a means with limited value into an end worthy of limitless pursuit.

The root of all evil? Not quite, for there is one other form of moral iniquity which consists in treating as a mere means that which should be treated as an end, worthy of respect. Owning human beings as chattel-slaves and treating them as mere means is the prime example of this fault. I will return to this point later in connection with the idea of property. The one thing that a human being can *never* rightly make his or her property is another human being.

The Forms of Wealth and Other External Goods

We have seen that wealth consists of goods that are external possessions, not inner perfections. Other goods are also possessions, not perfections, and therefore must be classed as external goods. What are they and how is wealth related to them?

One other group of external goods consists in the goods of human association, such as friendships, family relationships, and being loved, respected, and honored by others. Still another consists in political goods, such as civil peace; political liberty; as much free-

dom of action in society as justice allows; the equalities and inequalities of condition that justice requires; security of life and limb through the enforcement of just laws; and the protection of individual freedom by the prevention of violence, aggression, coercion, and intimidation.

Before we consider the diverse forms of wealth, let us ask how all the goods lumped under that head stand in relation to the other two sets of external goods mentioned above.

I would say that the goods of human association are the least dependent upon external circumstances. They are largely within the power of the individual to obtain, even though external circumstances—accidental good fortune or misfortune—may affect an individual's attainment of them.

The second set, political goods, are dependent on favorable or unfavorable external circumstances to a much greater extent. This is not to say that what persons are able or unable to do, or what they do or fail to do, has no effect upon their attainment; but they are never wholly, and seldom largely, within an individual's own power to possess.

The economic goods of wealth are the most dependent upon external circumstances. That is not the only difference between economic goods and the other types of external goods. Some of them, unlike wealth, are not mere means. We think of political liberty and freedom of action as goods desirable for their own sake as well as for their use as means to happiness. The same can be said of having friends, having the love and respect of one's fellows, and being honored by others or by society.

In order to see why economic goods are, of all external goods, the most dependent upon external circumstances and what makes them so dependent, it is necessary now to examine the diverse forms of wealth. This group of goods can be subdivided in a number of ways.

First of all, we must observe that economic goods can be possessed either by solitary individuals, or by families, corporations, and society as a whole. Some are never or seldom individual possessions, but belong only to organized groups. Let us begin by considering the forms of wealth that are individual possessions.

When we speak of goods and services, we distinguish between consumable commodities and otherwise useful services. Food,

drink, clothing, and housing are consumable commodities. Having one's food cooked, one's house painted, and one's clothing repaired by a tailor are useful services; so, too, are having one's hair cut by a barber or having one's shoes shined. While individuals can do these things for themselves, they can also have them done by others who are paid to do them.

A third form of personal wealth consists in an individual's possession of the means of producing wealth for himself. If individuals cook their own food, make or repair their own clothing, build their own housing, cut their own hair, and shine their own shoes, they must have the relatively simple tools for doing these things. They must also, in the case of food, clothing, and shelter somehow come into the possession of the raw materials on which they work with the tools in their possession.

Does this exhaust the forms of wealth that are individual possessions? Not quite, for there are the economic goods which go beyond those necessary for bare subsistence and are necessary for a decent human life. Such desirable means include living and working conditions conducive to health, medical care, legal services, and beyond these, opportunities of many sorts—opportunity for access to the pleasures of sense and the enjoyment of beauty; opportunity for access to the benefits of travel; opportunity for access to educational facilities that support and promote an individual's pursuit of skill, knowledge, and understanding; and, last but not least important, enough free time to enable individuals to take full advantage of all these opportunities.

What is immediately puzzling about the economic goods in the foregoing inventory is that, while some of them appear to be purchasable goods, not all of them appear to have the character of goods that can be bought in the marketplace, as consumable commodities and useful services can be.

A moment's reflection will help anyone to see that all of them can be procured by the few who have enough wealth at their disposal to buy them for themselves. How are they procured by the many who do not have sufficient purchasing power?

Consider living conditions conducive to health. That now requires environmental protection, though this may not always have been true in the remote industrial past. Environmental protection, in turn, requires the intervention of government. If the pollution of air, water, and earth continues unabated, no one may be able in the future, no matter how rich, to use their wealth to procure for them-

selves locations that are relatively free from dangerous contamination. That is still possible for the few, but the rest must depend on governmental intervention for the enjoyment of a benefit that is purchasable by the very rich.

The same can be said, with one exception, of all the other benefits named above. Medical care, legal services, and educational facilities are provided for those who cannot afford to buy them by the welfare programs instituted by governments, by social agencies, and by public schools. Access to the pleasures of sense and to the enjoyment of beauty are provided by public parks and other recreational facilities and by public museums.

The one exception would appear to be having enough time free from compensated work to take full advantage of the opportunities mentioned. While free time cannot be purchased in the marketplace, the rich possess it because their purchasing power enables them to obtain all the necessities and amenities of life, and even its luxuries, without using any of their time for compensated work.

How do others come into possession of sufficient free time, the benefit that I have classified as an important economic good or form of wealth? The members of the laboring class could seldom get it in the past, when they worked six or even seven full days a week and twelve to fourteen hours a day. But they can get it now as a result of negotiation by organized labor, which bargains not only for increased wages, but also for reduced hours of work.

Has the foregoing enumeration of economic goods—commodities, services, instruments of production, and benefits—exhausted all the forms of wealth that an individual can possess? No, for it omits the mention of money.

Contemporary economists may be concerned with mystiques that puzzle them about the operation of money, but moral philosophers, from the beginning of thought about the subject, offer us a few simple insights about it.

First of all, they point out that money is artificial, not real, wealth. By this they do not mean that money is the only man-made form of wealth; all other forms of wealth, except the resources that nature provides, are also man-made artifacts. They mean rather that money is not real wealth because, in and of itself, it is not a real good. It cannot be consumed, as Midas learned to his dismay when, being able to turn everything he touched into gold, he starved to death.*

*Machines and other instruments of production are, of course, real wealth even though not consumable. All real wealth is divided into consumables and instruments of production.

Money is useful only in two ways: as a means of exchange in the marketplace and for its purchasing power. Even when owners of money lend it out to others in order to gain interest in return, the lending of money to get more money produces no real wealth, but only increases purchasing power whereby real wealth can be obtained.

Instead of calling money artificial wealth, the denial that it is real wealth can, perhaps, be better expressed by calling it, because of its purchasing power, the economic equivalent of real wealth. It can be converted into one or another form of real wealth. Failing to recognize that gold is only an economic equivalent of wealth, Midas came to grief.

With money treated as the economic equivalent of wealth, do we now have an exhaustive enumeration of the forms of wealth? The answer is a qualified yes and no, because the two things omitted differ from all the enumerated economic goods in significant respects.

One of the things omitted consists of all government services. They are performed by persons who are paid to perform them, but they are not, for the most part, goods that individuals can purchase, no matter how much money they have. One exception is to be found in private enterprises that deliver mail and packages. Such service can be purchased by individuals and firms to replace the benefits now so poorly conferred by the government's inefficient postal service. There are others, such as personal security, private transportation, fire protection, and so on.

The other thing omitted consists of all the instruments of warfare and the military establishments that governments purchase or pay for in the interests of national defense, and sometimes for less worthy purposes. National security may be regarded as a government service that the members of society possess as a personal benefit. Apart from this, it must be acknowledged that we do not have here a form of real wealth—neither consumable goods nor instruments for their production.

On the contrary, the use of these things involves the destruction of wealth and the payments made for them out of a country's available funds renders the country and its people poorer by the chan-

neling of those funds into instruments of destruction, even if they are never used.

Money that could have been used, singly or collectively, to purchase consumable goods and useful services, or to pay for instruments of production, the use of which increases wealth, has been taken from the citizenry by taxation to pay for instruments of destruction. Money that could have been used by government to pay for the services that confer a wide variety of benefits upon the members of society, especially medical care and educational facilities, has been reduced substantially by being channeled instead into payment for the one benefit that is national security.

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