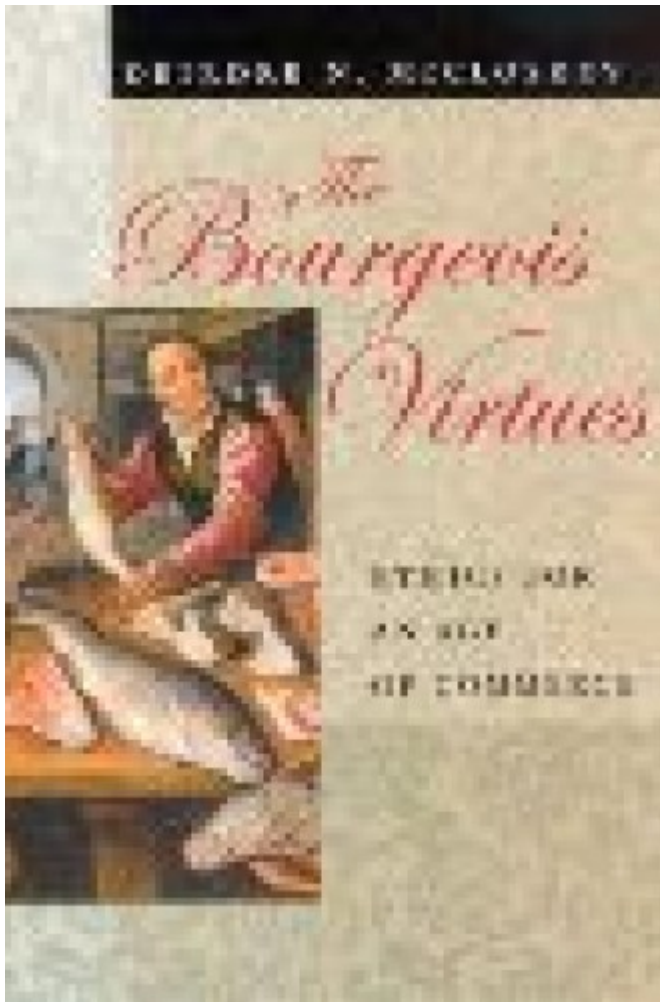


# Capital virtues

By [James Halteman](#) in the [March 20, 2007](#) issue

## In Review



## **The Bourgeois Virtues: Ethics for an Age of Commerce**

Deirdre N. McCloskey  
University of Chicago Press

There has always been an uncomfortable connection between Sunday-morning and Monday-morning Christianity. On Sunday morning the classic virtues of faith, hope

and love are preached and sometimes practiced. On Monday morning the virtue of prudence is the norm, with the supportive virtues of justice, courage and temperance added to make prudence acceptable.

In the economics classroom, prudence is the foundation of analysis because to be prudent is to wisely follow one's interests in a system of free trade in which everyone gains. Following the rules of the game is just, taking appropriate risks is courageous, and avoiding extremes in markets by exercising temperance will lead to efficiency in the long run. But what about faith, hope and love? Is there a place for those virtues in the market system? And how does prudence fit into authentic Christian ethics?

*The Bourgeois Virtues* is the most comprehensive attempt yet published to show that Sunday and Monday virtues are compatible and complementary. Deirdre McCloskey's grasp of history, philosophy, the social sciences and non-Christian religions makes this treatment of the classical virtues rich and deep.

One can appreciate the uniqueness of this book more when one knows the author. McCloskey is a Harvard-trained economist with a Chicago School appreciation for free markets. Born Don McCloskey, she became Deirdre McCloskey after undergoing a sex change at 53. Two years later she became a Christian. She is the only economist I know who has introduced herself as a Christian at a meeting for professionals in her field. The story of her journey through these changes comes through clearly in her writing. It is easy to see in her work that an understanding of self and of the motives that drive behavior are necessary ingredients in analyzing a social system.

McCloskey is perhaps best known among economists for her critique of the mechanistic precision so common in economic methodology. She claims that rhetoric and persuasion are the tools of economists more than statistics and calculus are, though she does see some role for the latter tools. The important point here is that life as people actually live it is more important than life modeled on economic theory. McCloskey believes that the business class in the U.S. is misunderstood, its members commonly reduced to the caricature of humanity used by economic models rather than seen as the people they really are.

"Modern capitalism does not need to be offset to be good," writes McCloskey.

"Capitalism can on the contrary be virtuous. In a fallen world the bourgeois life is not

perfect. But it's better than any available alternative. American capitalism needs to be inspired, moralized, completed." This thesis makes it sound as though McCloskey's book is yet another effort to show that the Bible condones private property and that putting others first will maximize profits. Instead, McCloskey delivers an elaborate historical and philosophical treatment of each of the seven virtues. She labels love, faith and hope as the Christian and feminine virtues and classifies courage and temperance as pagan and masculine. Prudence and justice are the virtues that oil the gears of the system.

McCloskey places these virtues on three continuums to show how trade-offs must be made among the virtues and how everyday life requires us to balance the self and the transcendent, the profane and the sacred, and freedom and solidarity. Every context is important, and truth is an elusive goal rather than a place where an ethical person arrives. Unlike Kant's categorical imperative principle or a utilitarian's welfare-maximizing solution, McCloskey's conception sees the ethical life as a journey in which the virtues, properly balanced, lead to a society that is the best we can expect in this complex world. Though clearly imperfect, the bourgeois class in a free-market environment has contributed greatly to American society as it struggles to balance the virtues in which it believes. That struggle has led to prosperity and frequently to more meaning in life than have romanticized medieval and ancient cultures or competing contemporary systems.

At times informal and dialogical, McCloskey's writing style is in some respects like that of Adam Smith with its use of story and example. McCloskey once told me that it takes about two feet of source material for every few pages of writing. Her 40 pages of notes and 30 pages of bibliography for 508 pages of text give evidence of that depth of research. The book is not easy to read, but the effort is rewarded chapter after chapter.

How convincing is the thesis? That will depend on how idealistic the reader is and how radical the reader considers the gospel to be. McCloskey makes a persuasive case that in a fallen world the free market with all of the bourgeois virtues is better than the alternatives. She is right that despite the typical characterization of markets, no one lives by prudence alone. The sacred virtues are present in everyone.

There is no hint in the book that Christians might be called to a practice that leans more heavily on the Christian virtues to model an alternative way parallel to the

free-market system. Also, there is no clear description of the role that public policy might play in helping businesses consider social costs and benefits in their balancing of the Christian and pagan virtues. The implied underlying belief is that moralists constrain freedom and market flexibility, and therefore economic well-being. This may be true when some virtues are imposed on a system, but a radical Christian witness may be more biblical and may foster more good than a pragmatic blend of Christian and pagan virtues would.

Whether or not one is convinced by its thesis, this book is an essential resource for evaluating the American market system. It raises the right questions and brings ethics to its central place in economic considerations. I highly recommend it to anyone interested in seriously considering the ethics of American capitalism.