

A Change in Rhetoric Made Modernity, and Can Spread It*

Once upon a time a great change occurred, unique for a while to Europe, especially after 1600 in the lands around the North Sea, and most especially in Holland and then in Britain. The economist Robert E. Lucas, Jr. puts it this way: "For the first time in history, the living standards of masses of ordinary people have begun to undergo sustained growth. The novelty of the discovery that a human society has this potential for generating sustained improvement in the material aspects of the lives of all of its members, not just of a ruling elite, cannot be overstressed."¹

Realizing the potential depended on a bourgeois ideology on the part of whole societies, not merely among the bourgeoisie themselves. The ideology had been foreshadowed in the Hanse towns such as Lübeck and Bergen and Dantzic, and in some trading towns of southern Germany, and in the prosperous little cities of Flanders and Brabant, in Barcelona, in the Huguenot strongholds of France, and especially in the northern Italian cities such as Venice, Florence, Genoa, and the rest. It had been tried out a bit in non-European places, too – such as to a limited extent in late 17th century CE Osaka, or it seems

* The essay is taken with revisions from parts of my forthcoming volume, *Bourgeois Equality: How Betterment Became Ethical, 1600-1848, and Then Suspect* (Chicago: University of Chicago Press, 2016).

1. Robert E. Lucas, Jr., *Lectures on Economic Growth* (Cambridge, MA: Harvard University Press, 2002), p. 109.

in 2nd century BCE Carthage, or "Tyre, the city of battlements, / whose merchants were princes / and her traders the most honored men on earth" (Isaiah 23: 8). But the new ideology persisted over a wide area after the Province of Holland and after the 8th century and after Britain – meaning to be precise about each place: "Holland" in the exact sense of the northwestern Low Countries, and northern and middle-western England and parts of Lowland Scotland, with Amsterdam and London providing financial and trading services to manufacturing places like Westphalia and Lancashire. Then it spread to the world.

The change, the Bourgeois Revaluation, was the coming of a business-respecting civilization, accepting of the Bourgeois Deal. Much of the elite, and then also much of the non-elite of northwestern Europe and its offshoots, came to accept or even admire the values of exchange and betterment. Or at the very least the polity did not attempt to block such values, as it had done so energetically in earlier times. Especially it did not do so in the new United States. Then likewise the elites and then the common people in more of the world followed, and now, startlingly, China and India. They undertook to respect or at least not to utterly despise and overtax the bourgeoisie.

Not everyone accepted the Bourgeois Deal, even in the United States. There's the rub, and the worry: it's not complete. Anti-bourgeois attitudes survive even in bourgeois cities like London and New York and Milan, expressed around neo-aristocratic dinner tables and in neo-priestly editorial meetings. A journalist in Sweden noted recently that when the Swedish government recommended two centimeters of toothpaste on one's brush no journalist complained. "The (...) journalists (...) take great professional pride in treating with the utmost skepticism a press release or some new report from any commercial entity."

And rightly so. But the big mystery is why similar output is treated differently just because it is from a government organization. It's not hard to imagine the media's response if Colgate put out a press release telling the general public to use at least two centimeters of toothpaste twice every day.²

2. Ola Tedin, "The Swedish Media and the 'Tooth Fairy State,'" *The [Swedish] Local*, May 25th, 2012, italics supplied.

The bourgeoisie is far from ethically blameless. The newly tolerated bourgeoisie has regularly tried to set up as a new aristocracy protected by the state, as Adam Smith and Karl Marx predicted it would. And anyway even in the embourgeoisifying lands on the shores of the North Sea, the old hierarchy based on birth or clerical rank did not simply disappear on January 1st, 1700. In 1773 Oliver Goldsmith attacked the new sentimental comedies on the London stage as too much concerned with mere tradesmen (*The London Merchant* being an earlier, tragic version), whom he found dreary from a faux-aristocratic height, later characteristic of the clerisy (he himself was the dissolute son of an Irish clergyman).³ He thought it more satisfactory to display to an audience of tradesmen and their wives the foibles of aristocrats, or at least of the gentry and their servants, as in *The Marriage of Figaro*. Tales of pre- or anti-bourgeois life strangely dominated the high and low art of the Bourgeois Era. Flaubert's and Hemingway's novels, D'Annunzio's and Eliot's poetry, Sergei Eisenstein's and Pier Paolo Pasolini's films, not to speak of a rich undergrowth of cowboy movies and spy novels, celebrate peasant / proletariat or aristocratic values. A hard coming we bourgeois have had of it.

The hardness was not mainly material. It was ideological and rhetorical. Or so at least some historians and sociologists have argued, and even a few economists – Adam Smith and Joseph Schumpeter and Albert Hirschman, to name three. What made the modern world, as many economic historians are realizing, was not trade or empire or the exploitation of the periphery. These were exactly peripheral. Patrick O'Brien reckoned that even in 1790 only 4 percent of European production was exported, and in 1590 it would have been much smaller.⁴ Imperialism had been routine in the Athenian or Song or Mughal or Spanish empires, yet the empires, which were commercial empires, too, did not make a modern world. Nor was a class struggle the maker, though Marx and Engels were wise to emphasize the leading role of the bourgeoisie.

3. Oliver Goldsmith, "An Essay on the Theatre; Or, a Comparison Between Laughing and Sentimental Comedy," 1773, available at http://www.theatredatabase.com/18th_century/essay_on_the_theatre_001.html.

4. Patrick K. O'Brien, "European Economic Development: The Contribution of the Periphery," *Economic History Review*, Vol. 35, 1982, pp. 1-18.

Yet neither did the Great Enrichment come from the engine of accumulation analyzed by the Marxian and Samuelsonian economists. The analyses are worth having, because in their own scientific realms they explain a little – and then by their shortfalls they explain, too, how much of human life depends on ideas and rhetoric. Some modern Marxian economists, for example, say that betterment of the Great Enrichment came from a cynical struggle for power in the workplace, and that steam-driven looms and the like were merely what bosses did to break proto-unions and to discipline the workforce.⁵ There's something in it. But not much. And modern Samuelsonian economists say that a business-respecting civilisation came from the prudent division of labor or the accumulation of capital or increasing returns to scale or the expansion of international trade or the downward march of transaction costs or the Malthusian pressures on behaviour. There's something in all of these, too. But not much. The limits of the prudence-only arguments of the Marxians and the Samuelsonians show how important are the virtues other than prudence. Expressed as a summary for economists: "What happened in the Industrial Revolution, 1750 to the present, was neither Karl Marx nor Paul Samuelson in the main, but Adam Smith and Joseph Schumpeter and Albert Hirschman." And expressed as a summary for everyone else: "Not matter, mainly, but ideas."

The makers of the modern world of computers and frozen pizza were the new ideas for machines and organizations – especially those of the 8th century and after, such as the spinning jenny and the insurance company and the autobahn, and the new ideas in politics and society, such as the American constitution and the British middle class. The new ideas arose to some modest degree from material causes such as educational investment and the division of labor, and even from the beloved of Samuelsonian "growth theorists" in economics nowadays, economies of scale and investment in human capital, re-

5. Williamazonick, "Production Relations, Labor Productivity and Choice of Technique: British and US Cotton Spinning," *Journal of Economic History*, Vol. 41, 1981, pp. 491-516; Williamazonick, *Business Organization and the Myth of the Market Economy* (New York: Cambridge University Press, 1991); Stephen A. Marglin, "What Do Bosses Do? The Origins and Functions of Hierarchy in Capitalist Production," *Review of Radical Political Economics*, Vol. 6, Summer 1974, pp. 33-60 (pt. 1), pp. 60-112 (pt. 2).

namings of the proposition that nothing succeeds like success. All right. But the pioneering betterments of the eighteenth and nineteenth centuries in Europe and its offshoots arose mainly from a change in what Smith in 1759 had called "moral sentiments." A unique liberalism, and especially a rise of a rhetoric of liberty, was what freed the betterment of equals, in Holland starting in 1585, and in England and New England a century later. Betterment came largely out of a change in the ethical rhetoric of the economy, especially about the bourgeoisie and its projects.

You can see that "bourgeois" does not have to mean what conservatives and progressives mean by it, namely, "having a thoroughly corrupted human spirit." The typical bourgeois was viewed by the Romantic conservative Thomas Carlyle in 1843 as an atheist with "a deadened soul, seared with the brute Idolatry of Sense, to whom going to Hell is equivalent to not making money."⁶ Or from the other side, in 1996 the influential leftist historian of the United States, Charles Sellers, viewed the new respect for the bourgeoisie in America as a terrible plague which would during 1815-1846 "wrench a commodified humanity to relentless competitive effort and poison the more affective and altruistic relations of social reproduction that outweigh material accumulation for most human beings."⁷ Contrary to Carlyle and Sellers, however, bourgeois life is in fact mainly cooperative and altruistic, and when competitive it is good for the poorest among us. We should have more of it. I join the philosopher Richard Rorty, who viewed himself as a "postmodern bourgeois liberal."⁸

That does not mean, however, that one needs to be fond of the vice of greed, or needs to think that greed suffices for an economic ethic. Such a Machiavellian and Mandevillian theory

6. Thomas Carlyle, *Past and Present* [1843] (London: Chapman and Hall, 1899), Book III, Ch. II, p. 147.

7. Charles G. Sellers "Capitalism and Democracy in American Historical Mythology," in: *The Market Revolution in America: Social, Political, and Religious Expressions, 1800-1880*, edited by Melvyn Stokes and Stephen Conway (Charlottesville: University of Virginia Press, 1996), pp. 311-329. He used similar formulations in many writings.

8. Richard Rorty, "Postmodernist Bourgeois: Liberalism," *Journal of Philosophy*, Vol. 80, 1983, pp. 583-589; Reprinted in Rorty, *Objectivity, Relativism, and Truth: Philosophical Papers* (Cambridge: Cambridge University Press, 1990), Vol. 1, pp. 197-202. Admittedly the word "liberal" didn't mean to him quite what it means to me.

has undermined ethical thinking about the Bourgeois Era. It has especially done so during the past three decades in smart aleck hangouts such as Wall Street or the Department of Economics. Prudence is a great virtue among seven. But greed is the sin of prudence only – namely, the admitted virtue of prudence when it is not balanced by the other six, becoming therefore a vice. That is the central point of McCloskey, *The Bourgeois Virtues* of 2006, or for that matter of Smith, *The Theory of Moral Sentiments* of 1759 (so original and up-to-date is McCloskey).

Nor has the Bourgeois Era led in fact to a poisoning of the virtues. In a recent collection of mini-essays asking “Does the Free Market Corrode Moral Character?” Michael Walzer replied “Of course it does.” But then he wisely adds that *any* social system corrodes one or another virtue. (Compare Montesquieu in 1748 noting that “Commercial laws, it may be said, improve manners for the same reason that they destroy them. They corrupt the *purest* morals. This was the subject of Plato’s complaints; and we every day see that they *polish and refine the most barbarous.*”⁹ Both.) That the Bourgeois Era surely has tempted people into thinking that greed is good, wrote Walzer, “isn’t itself an argument against the free market. Think about the ways democratic politics also corrodes moral character. Competition for political power puts people under great pressure (...) to shout lies at public meeting, to make promises they can’t keep.”¹⁰ Or think about the ways even a mild socialism puts people under great pressure to commit the sins of envy or state-enforced greed or state-enforced violence or environmental imprudence. Or think about the ways the alleged affective and altruistic relations of social reproduction in America before the alleged commercial revolution put people under great pressure to obey their husbands in all things and to hang troublesome Quakers and Anabaptists.

That is to say, any social system, if it is not to dissolve into a war of all against all, needs ethics internalized by its par-

9. Charles-Louis de Secondat, Baron de Montesquieu, *De l'esprit des lois* (The Spirit of the Laws) 1748, in: *Complete Works*, trans. 1777, Book XX, para. 1. Italics supplied. Smith said much the same in the *Theory of Moral Sentiments*.

10. Michael Walzer, “Of Course It Does,” in: “A Templeton Conversation: Does the Free Market Corrode Moral Character?,” John Templeton Foundation Big Questions 2008, available at <https://www.templeton.org/market/>.

ticipants. It must have some device – preaching, movies, the press, child raising, the state – to slow down the corrosion of moral character. Walzer the communitarian puts his trust in the conservative argument for ethical education arising from legislation. One might doubt that a state strong enough to enforce such legislation would remain uncorrupted for very long. Contrary to a common opinion since 1848, the arrival of a bourgeois, business-respecting civilization did not corrupt the human spirit, despite temptations. Mostly in fact it elevated the human spirit. Walzer is right to complain that “the arrogance of the economic elite these last few decades has been astonishing.”¹¹ So it has. But the arrogance comes from the smart-aleck theory that greed is good, not from the moralized economy of exchange that Smith and Mill and Marshall saw around them, and which continues even now to spread.

And the Bourgeois Era did not thrust aside, as Sellers the historian elsewhere claims in rhapsodizing about the world we have lost, lives “of enduring human values of family, trust, cooperation, love, and equality.”¹² Good lives such as these can be and actually are lived on a gigantic scale in the modern, bourgeois town, freed from chill penury and the little tyrants of the fields. In Alan Paton’s *Cry, the Beloved Country* John Kumalo, from a village in Natal, and now a big man in Johannesburg, says, “I do not say we are free here.” A black man under apartheid in South Africa in 1948 could hardly say so. “But at least I am free of the chief. At least I am free of an old and ignorant man.”¹³

Christianity and socialism, both, are mistaken to contrast a rural Eden to a corrupted City of Man. The popular poet of the Sentimental Revolution, William Cowper, expressed in 1785 a cliché dating back to Hellenistic poetry: “The town has tinged the country; and the stain / Appears a spot upon a vestal’s robe, / The worse for what it soils.” No. This urban, bourgeois world we live in here below is not a utopia. But neither is it a hell. In Christianity the doctrine that the world is a hell is

11. Walzer, “Of Course It Does.”

12. Charles G. Sellers, *The Market Revolution: Jacksonian America, 1815–1846* (Oxford: Oxford University Press, 1991), p. 6.

13. Alan Paton, *Cry, the Beloved Country* [1948] (London: Jonathan Cape, 1987), p. 34.

a Platonic heresy, the Gnostic one of Marcion, against which the Apostles' Creed was directed. At any rate our specifically bourgeois world should not be judged a hell by the mere force of a sneering and historically uninformed definition of "bourgeois." The judgment should depend on factual inquiry, not on the clichés of left and right politics in Europe, 1848 to the present.

Economics ignores ethics and the rhetoric that supports it. Economists call ethics often by other names, "enforcement" or "probity" or "informal institutions." The new words, though, do not make social life any less about the ethical convictions with which a group operates, and which are set aside in so-called neo-institutionalism, the recent conviction among economists that the rules of the game are like budget lines, and suffice. But "norms" are one thing, "rules" are another. The neo-institutionalists turn their arguments into tautologies by melding the two. They end up saying, "Social change depends on society." One supposes so, unless the weather intervenes. "Informal constraints" are not informal if they are constraints, and if they are "informally enforced" the theory has been reduced to a tautology, since any human action is now brought under the label "institutions." The neo-institutionalists have nothing non-tautological to say about ethics, because they have not read any of the immense literature on ethics since 2000 BCE, including the literature of the humanities turning back to look at language. They are unwilling to bring ethics seriously into their history and their economics.

As one of them said genially to me, "ethics, schmethics."

This won't do. It won't suffice, as the World Bank nowadays recommends, to add institutions and stir. You can set up British-like courts of law, and even provide the barristers with wigs, but if the judges are venal and the barristers have no professional pride and if the public disdains them, then the introduction of such an institution will fail to improve the rule of law. The economist Daron Acemoglu and the political scientist James Robinson report on an attempt to curb absenteeism among hospital nurses in India by introducing the institution of time clocks. The economists in charge of the

experiment were sure in their prediction that the bare incentives of the "right institutions" would work. They didn't. The nurses conspired with their bosses in the hospitals to continue not showing up for work. Acemoglu and Robinson draw the moral that "the institutional structure that creates market failures" is what went wrong.¹⁴ But the continuing absenteeism was not about institutions or incentives. New institutions with the right incentives had been confidently applied by the economists out of the tool kit of World-Bank orthodoxy, and had failed. The failure was rather about a lack of an ethics of self-respecting professionalism among the nurses, of a sort that, say, Filipino nurses do have, which is why they are in demand worldwide. The time-clock experiment imagined Prudence-Only constrained through Justice in law, when humans are also motived by Courage and Temperance, and Faith, Hope, and Love.

Acemoglu and Robinson do not see that what failed was the new Prudence-Only theory of the economics profession of add-institutions-and-stir. "The root cause of the problem," they conclude, was "extractive institutions." On the contrary, the root was ethical failure, in the presence of which no set of instituted incentives will work well, and under which extraction will persist. The institutions – the time clocks and the management practices and the incentives they are supposed to provide, as though to rats in a maze – were not the problem. The problem was defects in ethics and in the impartial spectator and in the professionalism of the nurses and their bosses.

As the Italian legal scholar Serena Sileoni points out, hermetically sealed legal reasoning since the Austrian legal theorist Hans Kelsen – like hermetically sealed Samuelsonian economics since Léon Walras – does not recognize the interaction of law and society, as for example in ethical indignation. "Pure" legal reasoning is assumed to work by itself, on its own internal logic, like the pure incentives that the neo-institutionalists claim. In legal history it is called "legal positivism." The legal scholar Richard Epstein, with the Italian lawyer and political philosopher Bruno Leoni, has a "suspicion of any positivist theory that treats the legal rules governing these various re-

14. Daron Acemoglu and James A. Robinson, *Why Nations Fail: The Origins of Power, Prosperity, and Poverty* (New York: Crown Business, 2012), p. 450.

relationships as the arbitrary plaything of the state."¹⁵ Make a law arbitrarily, set up incentives. Problem solved. Thus in economic neo-institutionalism.

Sileoni observes, however, that in her native Italy, and in the very many other countries lacking effective indignation against unethical behavior such as the sub-countries of Illinois and Louisiana, a problem with law cannot usually be solved by adding another law. In the civil-law tradition of Italy, for example, the moral high ground is claimed for process, regardless of the absurdity of the outcome. Thus in Italian academic appointments, the professors in the committee judge themselves blameless when the obviously worst candidate is chosen, so long as the choice was the result of punctilious conformity to process. The best candidate's file is incomplete – it does not contain her photograph, for example, as specified in the law. Cast her aside, even if everyone in the room agrees she is the best. An Italian building contractor is exempt from suit when his apartment block collapses if he has followed every procedure to the letter, checked every legal box, despite the spirit of the law having been ignored, as everyone knows with a shrug or a wink, by corrupt inspectors. The regulatory state, outside of paradises of public ethics such as Sweden and Iowa, has similarly perverse effects. Sileoni's point is that the Italians or the Illinoisans have no ethics effectively condemning absurd results and bad behavior – if, that is, they go on laughing sardonically and shrugging their shoulders, saying *Sai com'è*, "You know how it is, in our Chicago Way," instead of expressing indignation in action by throwing the rascals out. Another law added to the ineffective laws/ incentives/ institutions already in place will have no effect.

The English novelist and essayist Tim Parks, who has taught at university in Italy since 1981, notes that "it is extraordinary how regularly Italy creates (...) areas of uncertainty: how is the law [of, say, train travel with a valid ticket] to be applied?" The "culture of ambiguous rules" seems, "to serve the purpose of drawing you into a mindset of vendetta and resentment. (...) You become a member of [Italian] society insofar as you feel

15. Richard Epstein, "Introduction" to Bruno Leoni, *Law, Liberty and the Competitive Market*, edited by Carlo Lottieri, translated by Gian Turci and Anne MacDiarmid (New Brunswick, NJ: Transaction Publishers, 2009), p. XII.

hard done by, (...) [playing in] a gaudy theatre of mimed tribal conflict." He gives the example of *il furbo*, the crafty one, who jumps the queue to buy a ticket at the train station, in a way that would get him assaulted by grandmothers with umbrellas in Germany and by licensees with handguns in the United States. The law-abiding Italians groan at the tricks of *il furbo*, but do not act to protect the public good of queues. The protective reaction has been shown in experiments to be deeply human, contrary to the predictions of non-cooperative game theory. The Italians, however, would rather be resentful, and therefore allowed sometimes to take advantage of their own little acts of *furberismo*.¹⁶

Italy has a centuries-long tradition of professionalism evoked by money trades. Benvenuto Cellini bragged about the size of his cash commissions from the Pope as much as he bragged about the quality of his statues and of his murderous swordplay (his *Autobiography* of 1563 contains a lot of bragging). Italy's state bureaucracy, by contrast, does not evoke professionalism in pleasing the victim-customer. An uneven punctiliousness, enforced by *il pignolo*, the keeper of mechanical rules in the tax office or on the trains, has always been treated as the enemy, to be outflanked. Parks speaks of "the abyss in Italy between the private and public sectors, a psychological as much as an economic abyss." He contrasts the dismal service at the state-owned coffee shop in the central train station of Milan with the excellent service at a private bar near the university. The barman there says to Parks, "Every cappuccino I make must be the best the customer has ever drunk."¹⁷ Such pride in craft and service in the private sector is perhaps why Italy, or for that matter Chicago, is not so poor as its governance would imply. Not all economic activity is in *Le Ferrovie dello Stato Italiane* or the Chicago Department of Streets and Sanitation. Institutions are not where the action is. Ethics is.

And ethics is articulated in rhetoric, whether in business or in courts or in the ticket queue in the railway station. That is, rhetoric is what we have for altering our beliefs, short of

16. Tim Parks, *Italian Ways: On and Off the Rails from Milan to Palermo* (New York: Norton, 2013), pp. 8-9, 13, 143-144.

17. Parks, *Italian Ways*, p. 51.

reaching for our guns, or acting on impulse (or, what amounts to the same thing, acting on our always-already-known utility functions). The American rhetorician and philosopher Richard McKeon (1900-1985; a teacher of Rorty and of the great editor Douglas Mitchell among others) distinguished lower rhetoric as a persuasion expositing an already known position from the higher rhetoric that explored positions in a real conversation. Though it is surely not evil to try to persuade someone of a position already known by sweet words – after all, it is better than shooting them, or forcing them into Bantustans – the creativity of the West in the eighteenth and nineteenth centuries arose from the other, higher, good-conversation rhetoric. The so-called “Austrian” economists such as Israel Kirzner or Friedrich Hayek (both of whom provoke snorts of disdain among the Samuelsonians) call it “discovery.” George Shackle, another economist snorted at by the Samuelsonian orthodoxy (which does a lot of ill-considered snorting), remarked wisely, “What does not yet exist cannot now be known. (...) [We] cannot claim Knowledge, so long as we acknowledge Novelty.”¹⁸ Unknown knows, as someone put it.

The discovery will on occasion involve money payments, in which the two parties discover a mutually advantageous deal. Smith argued that “the offering of a shilling, which to us appears to have so plain and simple a meaning, is in reality offering an argument to persuade one to do so and so, as it is for his interest.”¹⁹ But discovery involves other forms of non-violent persuasion as well. Schumpeter (who was Austrian merely in an ethnic sense, and no ally of Mises) called it entrepreneurship, which requires deals and sweet talk and discovery at every juncture. Examine the business section on the racks at the airport bookstall and you will discover that fully a third of the books are about rhetoric; that is, how to persuade employees, bankers, customers, yourself.

As the American literary critic Wayne Booth expressed it,

18. George L. S. Shackle, *Epistemics and Economics: A Critique of Economic Doctrines* [1972] (Cambridge: Cambridge University Press, 1992), pp. 3, 26. That the sentence is hard to read is one reason Shackle has had little influence. That, and his non-Samuelsonian method.

19. Adam Smith, *Lectures on Jurisprudence* [1762-3], Glasgow Edition, edited by R. L. Meek, D. D. Raphael, and P. G. Stein (Oxford: Oxford University Press, 1978, 1982), p. 352.

rhetoric is “the art of probing what men believe they ought to believe,” “the art of discovering good reasons, finding what really warrants assent, because any reasonable person ought to be persuaded,” the “art of discovering warrantable beliefs and improving those beliefs in shared discourse.”²⁰ Or as Bernard Manin put it, “between the rational object of universal agreement [such as the Pythagorean Theorem on a Euclidian plane] and the arbitrary [such as that vanilla is better than chocolate] lies the domain of the reasonable and the justifiable, that is, the domain of propositions that are likely to convince [such as the success of trade-tested progress], by means of arguments whose conclusion is not incontestable, the greater part of an audience made up of all the citizens.”²¹ It is logically true that at a higher level an economic law, such as “demand curves slope down,” is disjoint with a high-level ethical law such as “do unto others as you would have others do unto you” (the rest is commentary). At such a level you cannot derive ought from is, or for that matter is from ought.²² But we live in science and in ordinary life mostly at a middling level in which positive and normative overlap. When an economist affirms that free trade is good for the nation she is combining lower-level economic propositions (“laws” if you wish) about the shape of the production possibility curve, on the one hand, with clearly ethical propositions on the other (the ethical law, for example, known to economists as the Hicks-Kaldor Criterion, saying that actual losses to protected industries are to be ignored if they are offset in cash amount by gains to someone elsewhere). That is,

20. Wayne C. Booth, *Modern Dogma and the Rhetoric of Assent* (Chicago: University of Chicago Press, 1974), pp. XII, XIV, 59.

21. Bernard Manin, “On Legitimacy and Political Deliberation,” *Political Theory*, Vol. 15, 1987, pp. 338-368. Translated by Elly Stein and Jane Mansbridge, from “Volonté Générale ou Délibération? Esquisse d’une Théorie de la Délibération Politique,” *Le Débat*, January 1985, p. 363. Booth and Manin both acknowledged the influence of the Belgian law professor and rhetorician Chaim Perelman, and Booth that of the American literary critic Kenneth Burke and of the American professor of philosophy I mentioned, Richard McKeon.

22. As for example (the assertion has been widely touted since Hume). See Alejandro A. Chafuen, *Faith and Liberty: The Economic Thought of the Late Scholastics* (Lanham, MD: Lexington Books, 2003), p. 24, as cited in Gerard Casey, “Scholastic Economics,” in: *Yearbook of the Irish Philosophical Society* (Maynooth: Irish Philosophical Society, 2006), p. 72n7.

we live in science and ordinary life by warrantable beliefs, the not-incontestable – in a word, by rhetoric.

We Europeans have been strangely ashamed of rhetoric for some centuries now. Therefore we have devised numerous euphemisms for it (because one cannot live thoughtfully without it, even if in some disguised form), such as “method” in Descartes’ definition, or “ideology” in Marx’s, or “deconstruction” in Jacques Derrida’s, or “frames” in Erving Goffman’s, or the “social imaginary” as Jacques Lacan and Charles Taylor define it – “what makes sense of our practices,” writes Taylor, “a kind of repertory.”²³ The English professor Gérald Graff’s “templates” and the physicist David Bohm’s “dialogue” are still other reinventions, among literally dozens, of the wheel of ancient rhetoric.²⁴ Such reinventions were needed because philosophers such as Bacon, Descartes, Spinoza, and Hobbes in the 17th century had revived with their own persuasive rhetoric the Platonic, anti-rhetorical notion that clear and distinct ideas were somehow achievable without human rhetoric (which was of course contradicted by Plato himself in his sweet rhetoric asserting the ideal of an anti-rhetoric of Truth, and by Bacon, Descartes, Spinoza, and Hobbes in their eloquence against eloquence).

A fully agreeing, Truth-possessing, predictable, stagnant, utopian, slave-owning, tyrannical, ant-colony, hierarchical, utterly equal, zombie-populated, gene-dominated, or centrally planned society wouldn’t need rhetoric, since the issues have already been settled. Merely act, following your DNA, the traditions of the Spartanate, the Baconian method, the *volonté générale*, the Party line (*Partiinost’*); the views of Thabo Mbeki about AIDS, or whatever else your lord or your utility function says. The rule is: Don’t reflect. Don’t discuss. Heh, just do it. No rhetoric.

For many purposes it is not a crazy rule. Indeed an innovative society depends on tacit knowledge scattered over the economy, and the economy depends on allowing such tacit

23. Charles Taylor, *A Secular Age* (Cambridge, MA: Harvard University Press, 2005), p. 115.

24. Gerald Graff and Cathy Birkenstein, *They Say/I Say: The Moves That Matter in Academic Writing* (New York: Norton, 2005); David Bohm, *On Dialogue* (Oxford: Routledge, 1996).

and habitual knowledge to be combined by invisible hands. As Hayek put it, “civilization enables us constantly to profit from knowledge we individually do not possess. (...) These ‘tools’ which man has evolved (...) consist in a large measure of forms of conduct which we habitually follow without knowing why.”²⁵ You type on your computer without understanding machine language, or what a “registry” is. You drive your auto to the dry cleaners without knowing precisely how its engine works, or what a “cam shaft” is. “Civilization advances,” wrote Alfred North Whitehead in 1911, “by extending the number of important operations which we can perform without thinking about them.”²⁶

But in the absence of fresh persuasions, the rules, habits, operations, knowledge, institutions – in a word, the tools of enrichment material and spiritual – would never change. The computer would be frozen in the state it achieved in 1965. Autos would never shift to hydrogen fuel. Financial markets would never innovate. Mill called the exhaustion of productive persuasion “the stationary state,” which he rather admired, as ending that sick hurry of modern life: “The richest and most prosperous countries would very soon attain the stationary state,” he wrote, “if no further betterments were made in the productive arts.”²⁷ The productive arts were in his day exploding with betterment (which Mill did not notice; he did not make a habit of wandering in Northern factories, as did in the 1870s the young economist Alfred Marshall). The productive explosion depended on Mill’s other main delight, liberty of discussion – which is rhetoric all the way down. As he tended to, sweet Mill was contradicting himself (somewhat in the manner that radical environmentalists do nowadays) when he admired the stationary state, yet admired, too, a free rhetoric that was fated always to disrupt it.

It is precisely the enormous change in such productive arts 1700 to the present, accelerating late in the 19th century, that

25. Friedrich A. von Hayek, *The Constitution of Liberty* (Chicago: University of Chicago Press, 1960), pp. 25, 27.

26. Alfred North Whitehead, *Introduction to Mathematics* (London: Williams and Norgate, 1911), preface.

27. John Stuart Mill, *Principles of Political Economy and Taxation* [1848, 1871], edited by Donald Winch (London: Penguin, 1972), Book IV, Ch. VI, para. 1.

has made us modern. It is not merely a matter of science and the frontiers of knowledge. It was not until well after British electricity and then the telegraph in the 1840s, or German organic chemistry and then the artificial dyes and the medicines in the 1890s, and Italian radio and the communication with the masses in the 1920s, that Science started to pay back seriously its debt to Technology. Merely "started": not a great deal of the economy was involved until late in the 19th century.²⁸ Until well into the 19th century the most important changes in technique had little to do with scientific theory. The classic case is the steam engine. Although the discovery of the atmosphere clearly played a role in the early steam engine, most of its betterments were matters of tinkering, and high and low skills of machine-making. Eastern science could just as well have formed the basis for an industrial revolution, and until the late 17th century it was better than the European. The European tinkering was informed, true, by a scientific method of obsessive calculation and experimentation. But until very late the bulk of technological change was not applied Science, with rare exceptions such as Franklin's lightning rods or Humphrey Davy's and George Stephenson's safety lamps in coal mining. Well past Carnot, as Lawrence Joseph Henderson put it in 1917, the science of thermodynamics owed more to the steam engine than the steam engine owed to science. Margaret Jacob argues plausibly for an ideal cause working earlier through a very material one. The steam engine, itself a material consequence of 17th century ideas about the "weight of air," inspired new ideas in the 1740s about machinery generally. Yet it is doubtful that the inventor of the "atmospheric" steam engine, Newcomen, an artisan familiar with pumps, knew much about high science. Science didn't make the modern world. Technology did, in newly liberated and honored instrument makers and tinkerers.²⁹ (Jacob hates the word "tinkerers." She wants high science to be the hero.) Superheating in compound marine engines and mainline locomotives, practical finally very late in the 19th century, might be attributed to Theory – but its basic principle is that of a pressure

28. Deirdre N. McCloskey, *Bourgeois Dignity: Why Economics Can't Explain the Modern World* (Chicago: University of Chicago Press, 2010), Ch. 38.

29. If you still doubt it, consult Chapter 38 in *Bourgeois Dignity*.

cooker. The historian of technology David Edgerton speaks of the "shock of the old," that is, the unpredictable and creative use, often by humble consumers, of *old* technologies, such as the use of galvanized iron in the roofs of huts in *favelas*.³⁰ It's tinkering, almost literally.

The routine of trade or accumulation or exploitation does not explain such creativity in bettering workshops, tinkering, and the shock of the old. We need to focus on how habits change, how people imagine new technologies, improve them in response to economic pressures and especially in response to a new culture of honor, and devise new uses of old ones. In other words, a society of open inquiry depends on rhetoric in its politics and in its science and in its economy, whether or not the very word "rhetoric" is honored.³¹ And because such societies are rhetorically open they become intellectually creative and politically free. To the bargain they become astonishingly rich. The story cannot be principally about institutions, which did not much change before 1789 or 1832. It is about ethics, which did. A rhetorical-ethical revaluation is what began to happen on the path to a business-respecting – but not therefore virtue-ignoring – civilization, first in scattered cities of Europe in the Middle Ages, but at last in fully modern form.

The revaluation, that is, came out of a rhetoric that would, and will, enrich the world.

30. David Edgerton, *The Shock of the Old: Technology and Global History since 1900* (Oxford: Oxford University Press, 2007), p. 41.

31. You may find persuasion about persuasion in the books of McCloskey: *The Rhetoric of Economics* [1985] (Madison: University of Wisconsin Press, 1998), *If You're So Smart: The Narrative of Economic Expertise* (Chicago: University of Chicago Press, 1990); *Knowledge and Persuasion in Economics* (Cambridge: Cambridge University Press, 1994). If you are truly eager you can adjourn to deirdremccloskey.org and call up numerous persuasive articles arguing in much more detail for the views on rhetoric sketched here.