

Introduction to Wilhelm Roepke's *The Moral Foundations of Civil Society*

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Let us begin by paying attention to the words *civitas humana* in the title of the second of Roepke's trilogy. *Civitas* carries on the Greek baggage of the *polis*, or the city appropriate to man. Although Roepke recognized the validity of the nation, he was constantly trying to find the smaller platoons of society in which real allegiances and loyalties were to be developed. He would never have recommended such cosmopolitan entities as the world state.

The *humana* side of the title would best be understood in terms of the Christian humanism of an Erasmus or More rather than the more modern understandings of secular humanism. But he always understood that he was not constructing the City of God, or a church. He knew his limitations as well as his strength; he was a social scientist and not a religious prophet. He was no St. Augustine. He left the *Civitas Dei*, the City of God, to others.

His concern was the institutional embodiment of the spirit rather than the spirit directly. But he understood and agreed with those of his critics who argued that a "genuine cure is not to be found in institutional reforms but only by a deep and sincere self-examination on the part of each single individual.

The only really decisive question is, out of what ultimate depths of the soul is this Metanoia to be produced?" (xxii) It would be an interesting indicator of the times to find out how many economists know what the word, "Metanoia" means. The turning around of the soul toward God is a necessary part of conversion. But Roepke knew that the darkest nights of the soul as well as the darkest nights of world history stem from internal infection rather than external invasion. It is the internal corruptions rather than external blows for which men must be held responsible.

Roepke was ever the loyal clerk and the castigator of the treasonable clerks. His courage he did not consider exceptional because of the fact that intellectuals have a special responsibility to call things as they are. In calling things as they are, he also believed that simplicity and a non-technical language were essential. He persistently refused to hide behind the jargon of economics or any other discipline to soften the impact of his thought and words. How easy it is to wrap oneself up in an obfuscatory jargon.

He also recognized the dangers of extreme specialization in an era when the soundness of society as a whole could not be taken for granted. Overspecialized work is a

luxury consumption good in which it is irresponsible to indulge when the basic needs of society have not yet been met.

The need, Roepke recognized, was for synthesis, which is the reason that he would never have won a Nobel prize even though he is far and away the soundest economist of the twentieth century. Synthesizing requires originality and imagination, but these qualities are often misunderstood. I say that he is the soundest economist of the 20th century because he understood the limitations as well as the strengths of his discipline.

Roepke's work was a synthesis of the best that Western Civilization has to offer. Let me therefore take as the main thread of this introduction the historical vision of Europe and America which Roepke offered to us.

Europe is not well-defined geographically. It is perhaps better defined as a resistance movement against the lure of the Orient. The lure of the large empires or the eastern pull on Europe was a temptation to the ancient Greeks and has remained one ever since. Roepke would have understood the resolute advice which Hecuba, the mother of Hector and Paris, gave to Menelaus as to what to do with his beautiful Helen of Troy:

Kill your wife, Menelaus, and I will bless your name.

But keep your eyes from her. Desire will win.

She looks enchantment, and where she looks homes are set fire;

she captures cities as she captures the eyes of men.

We have had experience, you and I. We know the truth.

(Euripides, *The Trojan Women*)

In this account by Euripides of *The Trojan Women*, Hecuba lets Helen of Troy have it with accusations of lust and luxury which she claims:

....made your senses itch. You thought,

being queen only in Argos, in little luxury,

that once you got rid of Sparta for the Phrygian city

where gold streamed everywhere, you could let extravagance

run wild. No longer were Menelaus and his house

sufficient to your spoiled luxurious appetites.

(Euripides, *The Trojan Women*)

Men's search for comfort and security always makes us vulnerable to the totalitarian temptation. But Helen is not without her defences. She does admit that her behavior looks bad at least on the surface, but she muses:

Why *did* I do it? What made me run away from home
with the stranger, and betray my country and my hearth?

As an excuse for her actions, Helen hides behind "unintended consequences" on the utilitarian level. When Paris had to judge of the three lovely goddesses as to their beauty, Helen describes the blandishments or temptations of public power which they offered to him:

Pallas Athene would have given him power, to lead
the Phrygian arms on Hellas and make it desolate.

All Asia was Hera's promise, and the uttermost zones
of Europe for his lordship, if her way prevailed.

But Aphrodite, picturing my loveliness,
promised it to him, if he would say her beauty surpassed
all others. Think what this means, and all the consequences.

Cypris prevailed, and I was won in marriage: all
for Greek advantage. Asia is not your lord; you serve
no tyrant now, nor take the spear in his defense.

Now what would Roepke have thought of Helen's sophisticated defence? He was always critical of Machiavellian sophistry of the ends justifying the means or real *politique*. He might have been thankful for the outcome, i.e. Europe not being enslaved to Asia, even though he would have sternly disapproved of the immorality of Helen's actions.

What would have happened to the world if Paris had managed to resist all three temptations as Christ did with three similar temptations in the desert? Christ had to reject power, influence, and the ability to dazzle the masses by turning stones into bread.

Roepke understood along with Solzhenitsyn that the resistance to Communism had to be far deeper than what he coined as the "standard of life-ism" argument. In fact his explicit words are relevant here: "Far truer and far more relevant is it to say that man lives not by bread alone, but--and the words of the gospel are singularly appropriate as they stand--`by every word that proceedeth out of the mouth of God' (St. Matthew IV.4); and these, be it noted, are the words that St. Matthew put into Jesus' mouth in answer to the man who challenged him to turn stones into bread." ("The Free West", p. 77)

The temptation of deifying the state also characterized Hellenistic Greece. Roepke was always distrustful of the totalitarian movement toward the insect state, the Pharaonic model provided by ancient Egypt. He is on the side of Demosthenes against Alexander the Great, but would never have lost his balance or civic virtue to be on the side of Diogenes, the cosmopolitan cynic, who was not a citizen of any concrete polity. The state of nature was more appropriate for yapping dogs than for civilized human beings.

Roepke's resistance to the Pharaonic State is also clearly found in the men he most admired. You can tell an author by his heroes. Who were Roepke's guides in his reflections on ancient history?

It is interesting to note that he cites many who are historians like Gibbon and Jacob Burckhardt, and even more narrowly some of them are economic historians like Luigi Einaudi and Rostovtzeff. But my personal favorite is the unsung Italian, Guglielmo Ferrero. Roepke in discussing the reception of his book *The Social Crisis of Our Time* goes so far as to say that, "what gave me especial pleasure was that a few months before his death, Guglielmo Ferrero offered me his unreserved appreciation as an historian and sociologist." (xvi)

Now why should he have valued his opinion so highly? Ferrero was an historian of European civilization with emphasis upon ancient Rome. He provided an interpretation of history and Western civilization which was compatible with Roepke's vision.

Roepke favored Cato over Caesar which is not to say that he is a sour Catonist as we shall see later. His distrust was always toward the "strong men of history." In a particularly illuminating passage he focusses on:

The value which an era places on Caesar, Alexander, Cromwell, Richelieu or Napoleon, typifies it as a whole and there is nothing more characteristic of the century of the colossal than that, like the seventeenth century before it, it looks up, awe-stricken, to this type of man and his works. While in the sixteenth century (which in its turn, is so very similar to the eighteenth), Montaigne had reproached Caesar most disrespectfully...and whereas Montesquieu had bluntly talked of the `crimes de Cesar,'...the nineteenth century again begins to discourse mysteriously on the `missions' of the conquerors and to build up a veritable cult around the Caesars. Even Mommsen wrote his Roman History in this spirit, as did Droysen his history of Alexander the Great, ...Hand in hand with the over-estimation of the successful, we find a corresponding under-estimation of those, who, like Demosthenes offered unsuccessful resistance to the

conquerors. It is a hopeful sign for our own time that it has again brought the yardsticks of the eighteenth century down from the attic and begins to note the negative side of the conquerors and their deeds, that it criticizes the imperators and tyrants--the Alexanders, Caesars, Richelieus, Napoleons and others of their kind--and sees their opponents (from Demosthenes and Cato to Talleyrand, Madame de Stael, and Constantin Frantz) in a new light. It is only today that we have reached the point where, following in Gibbon's footsteps, we are once more prepared to add up dispassionately the terrible liabilities of the Roman Empire. (*Social Crisis*, pp. 68-69)

Both Ferrero and Roepke understood what St. Gregory understood about the Fall of the Roman Empire: "in its heart it had already withered." It fell because of internal infection and not because of the invasion of the barbarians. Its slide into collectivism and the insect state--the succumbing to the constant temptation of the totalitarian Orient--was what characterized the post-Augustan age. The taste for luxuries, novelty, and the cult of the colossal had corrupted the household and family. Liberty had run into license.

Before leaving the internal rot of the Roman upper classes, it is important to stress that Roepke is always the man of moderation. It might be thought that in his reaction against Helen of Troy, the Alexander the Greats and the Caesars of the world, that he relapsed into a sour puritanism. Like Adam Smith Roepke was personally somewhat Spartan and rugged in his personal life, but he understood the danger of the intellectuals with the "lean and hungry look" like the Brutuses and the Catos.

Wilhelm Roepke maintains a steady vigilance against what he called the "glum philosophy" which was the secret of all collectivist regimes. He was steadfastly opposed to forced savings as he saw it attempted in post World War II Europe; "austerity" reminded him of the moral equivalent for war problem. It would work under war or siege conditions but not for a well-functioning economy. The hostility to luxury goods which surfaced after World War II was a return to the heroic spirit of mercantilism which stressed manufacturers. He criticized the politicians who give "their speeches the dignified accents of unworldly asceticism and patriotic concern." (Wilhelm Roepke, "Austerity" *Against the Tide*) (Chicago: Henry Regnery Company, 1969, p. 153)

In many ways Roepke can be compared to Edmund Burke who also had to confront prophets of doom and gloom in the 18th century. We like to think that the sourness of the eco-freaks is unique to the 20th century, but there is nothing new under the sun. Consider the words of Edmund Burke in *Letters on A Regicide Peace*:

"I know, too, the obstinacy of unbelief in those perverted minds which have no delight but in contemplating the supposed distress and predicting the immediate ruin of their country. These birds of evil presage at all times have grated our ears with their melancholy song; and, by some strange fatality or other, it has generally happened that they have poured forth their loudest and deepest lamentations at the periods of our most abundant prosperity. Very early in my public life I had occasion to make myself a little acquainted with their natural history." (*Works*, V, pp. 487-488)

In the same Letter he also has the following passage which illustrates the concern for future generations which the wise conservative has:

"Hitherto we have seen the superfluity of our capital discovering itself only in procuring superfluous accommodation and enjoyment, in our houses, in our furniture, in our establishments, in our eating and drinking, our clothing, and our public diversions: we shall now see it more beneficially employed in improving our territory itself: we shall see part of our present opulence, with provident care, put out to usury for posterity. (pp. 488-489)

Roepke accepted the usual economic considerations which condemned this discouragement of luxurious imports and encouragement of manufactured exports on the basis that they would lead to a misallocation of precious resources. But in addition his final criteria was more supply-sided than anything else. If you did not allow consumers to buy the luxury goods, they would buy leisure and work less.

Another reason why Roepke did not succumb to the sour, ascetic tendencies of the pagan Romans was that he was a Christian. The main resistance to the Pharaonic spirit was provided by the loosening of the social soil that Christianity provided. Roepke might not only be considered a pre-Reformation Christian, but also a pre-Reformation classical liberal. He was a Lutheran Protestant and not a Roman Catholic even though he was very sympathetic to the balanced social teachings of the Catholic Church.

Roepke's analysis of the importance of Christianity is very similar to Christopher Dawson's: "This is not the place to value the immeasurable contributions of the Church as an institution which, during the darkest days of the Middle Ages, kept the spark of culture burning under the ashes and by so doing laid the foundation for everything else, a mission without which Europe would have become a mere peninsular of Asia." (102-103)

Christianity and pagan antiquity also provided the "spiritual and moral capital" out of which the ideas of economic and political liberalism flourished. This led him to the rather dire forecast:

"The Christian element, however, which predominated in this heritage has, since the beginning of modern times, been subjected to a continuous process of secularization until finally the power of faith, which had at first consciously and then unconsciously nourished the secularized concept of progress, rationalism, liberty and humanity, began to flag, thus becoming responsible for the withering of those very concepts, since no alternative sources of faith and certainty had been provided." (*Social Crisis*, p. 7)

But what do we make of the Christian and Catholic social teachings of the Middle Ages? There is still a temptation to view this teaching through the lens of an R.H. Tawney which makes out the medieval scholastics to be defenders of landed aristocracy and feudalism, a would-be organic corporate state. Roepke had no leanings in this direction. As we are finding out today, medieval Scholastic thought is much more market oriented than we ever gave it credit for. I do not recall Roepke ever discussing the

breakthrough discussions of Raymond de Roover, John Baldwin, Marjorie Grice-Hutchinson, but his vision would be completely compatible with theirs.

The feudal-absolutist heritage was an incubus. Although no egalitarian, he was quite willing to radically change the conditions which brought about inequality-- "monopoly, privileges, feudal landownership, etc." (*Problem of Economic Order*, p. 6) In this sense his sympathies were with the Distributist movement as advocated by G.K. Chesterton and Hilaire Belloc in England. All these movements are based on the love of private property and the belief that it should be as widespread as possible rather than the smoldering envy and resentment of the redistributive ethic which begrudges any deviations from dead-level equality.

He does reject feudalistic accretions of capitalism and what he calls a "worn-out liberalism." In other words the status quo of a decayed market economy was not to his liking. We have to give Roepke credit for a radical kind of conservatism similar in spirit to the good-natured temperament of a G.K. Chesterton. In fact, there are some striking similarities between Chesterton and Roepke in their appreciation of the vices,--yes, vices--and virtues of the middle ages. In both cases, the emphasis is on what might have been or what should have been, rather than an uncritical admiration of what was.

Economically the guild organization of cities was susceptible to abuse in monopolistic and restrictive directions. Roepke shared the hostility toward monopoly and guilds expressed by the liberalism of the Catholic social teaching of the medieval schoolmen.

Roepke would have been very pleased with the new Papal Encyclical on the economy which sounds exactly as if the author had listened to Roepke's sympathetic treatments of Papal teachings over the years. He sturdily interpreted the Church's teaching as pro-private property and anti-communist and even anti-socialist; he reprimanded those who interpreted the Church's teaching in a collectivist, corporatist direction.

To give an example from *Civitas Humana*, Roepke says "that a careful reader of the celebrated but much misunderstood papal Encyclical *Quadragesimo Anno* will find a social and economic philosophy expressed therein which at heart comes to much the same conclusion...[as my] liberal conservatism." (xvii)

But the teachings of the Church both in the Middle Ages and the 19th century are one thing; the realities of man and society are another. The dependency and servility of the individual to a feudal lord or to the omniscient state have been the norm rather than the exception. Roepke saw clearly:

"There are enough millenaries of recorded history behind us to teach us in the most unequivocal manner that whenever in their dark course the light of freedom, progress and humanity shines it was a period when a sufficient number of people had private property to enable them to throw off their economic dependence on the feudal

lord, or--even worse perhaps--the state. Those periods of emancipation and enlightenment would have been impossible without the existence of a large bourgeoisie in that noble but now almost forgotten sense which brings it into a more than philological relationship with the term 'civilization.' It lies with us whether or not one of the longest and most brilliant of these periods shall now come to an end like all its predecessors."
(Roepke, *International Economic Disintegration*, p. 264)

Roepke's devotion to the small city state and trading republics lies in opposition to the Statist tendencies of the Renaissance. His spirit is in the tradition of Erasmus and Sir Thomas More rather than that of Machiavelli.

What would have happened to Germany if the Hanseatic free-trade conception of economics had triumphed over the historical form which Germany actually adopted, the protectionist and monopolistic policy of heavy industries; what would have happened if there had been small farms instead of the large estates of the Prussian Junkers?

An answer to these questions can be found in many ways in America in the 18th century. In many ways the "novus ordo seclorum," (the new order of the ages) which is emblazoned on the Great Seal of the United States was made possible by the fact that we did not have to suffer a landed aristocracy in this country.

Furthermore we were not creating a Machiavellian order based on power and evil. Roepke's partiality to the 18th century partially reflects his correct understanding of the Federalism written into the United States Constitution. Limited governmental power, and the diffusion of the important powers to their lowest possible levels was the essence of Roepke as well as the vision of the founding fathers.

Although he was not a simon-pure libertarian on the functions of government, he always wanted to decentralize and demassify society as much as was feasible.

With respect to landed aristocracy and privilege, Great Britain has endured much grief and resentment due to these centralizing tendencies. Edmund Burke's "Letter to a Noble Lord" is suffused with many rueful reflections on the way in which the family of the Duke of Bedford acquired his great estates from Henry VIII.

The United States' "new order of the ages" also owed much to our unwillingness to countenance an established church at least on the Federal level. We owe much to the Church and our Christian heritage, but we must beware of Caesaro-Papism, a rigid despotism both temporal and spiritual. On its religious side it not only rigidified Byzantium and Russia, but it also explained the petrification of an earlier, brilliant, decentralised Mohammedan civilisation.

Roepke also was dubious of the secular forms of Caesaro-Papism which he finds in Hobbes and Rousseau who provide a theologico-political fusion in the name of national unity and civil religion.

In our rather breathless romp through history what are the characteristics of the 19th century? Scientism and romanticism are the two opposite and equally repulsive alternatives which Roepke saw dominating the century. Scientism and positivism enshrined in Saint-Simon's technocratic City of Man are the real sources for collectivist economic planning. Marx was only a vituperative critic of Capitalism and not a constructive thinker. Collectivism is capable of great things in the cult of the colossal or what Roepke calls technical productivity, but it is not capable of economic productivity, i.e. producing those things which consumers really want. Drawing on Goethe's *Faust*, he says, "We may compare autocratically controlled collectivist state economy with the 'Homunculus' of Wagner's retort." (CH, 18)

Roepke rejected the scientism which tries to reduce the social sciences to the methods of the natural sciences. He constantly railed against the "eternal Saint-Simonism" which believed that the market could be improved on by importing scientific experts.

Roepke's insights here are roughly comparable to the ruthless insights of Edmund Burke on the hardness of heart of a thorough-bred metaphysician. (pp. 176-177 of *Letter to a Noble Lord*) Roepke was always critical of the French intellectuals who understood the French genius to be its analytical power. But alas in a melancholy fashion they were resigned to the idea that this inheritance from the Greeks included their political inheritance as well as their spiritual heritage. This was done in "the guise of modern Graeculi, as victims of spiritual and artificial 'raffinement'--a state of being which in the long run is not consistent with political power that had better been left to the more robust Macedonians and Romans." (CH, 67)

Roepke was always on the alert to the irrationalist positions which might be thought to be the opposite extreme from scientism. Here too he did not want to throw out the baby with the bath water. For example, he believed that romanticism and mystical elements were an inescapable part of human nature, indeed "among the eternal tendencies of mankind," but they could become "dangerous the moment it breaches the dike of reason." (German, p. 134)

He distinguished many forms of mysticism each of which was capable of excess--the nature-loving, the erotic, the religious, aesthetic, and democratic-social. Each of these are legitimate up to a point. Economists are always tempted to take the easy way out, by denying reality to aspects of human existence by reducing them to arbitrary and subjective tastes and preferences. Roepke never does this. This is his strength. He realizes that all of these are legitimate aspects of human experience which must be satisfied in a balanced and harmonious social existence.

Nature, sex, religion, beauty, and politics are all meaningful as part of the whole. When they attempt to become the whole, then there is mischief.

One of Nietzsche's aphorisms declares, "Our youth was up in arms against the *soberness* of the age. It plunged into the cult of excess, of passion, of ecstasy, and of

the blackest and most austere conception of the world." Roepke would have refused this plunge because "the logical end of romanticism could only be the longing for death." (German, p. 138)

J.N. Figgis has pointed out that Nietzsche was revolting against the "domestic pettiness of a small provincial town. He was in reaction against his aunts...Wearied with domestic virtues he calls men to Alpine heights of danger and triumph, despising above all things utilitarian democracy and the optimism of inevitable progress, with its gospel of the sofa-millennium." (pp. 51, 92)

Roepke, like his mentor, Adam Smith, shared the fear of the sofa-millennium, but he did not degenerate into the hardness of the Machiavellian will-to-power which Nietzsche admired in Bismarck or Prometheus as a barbarian from the heights. Thomas Carlyle similarly reacted against bourgeois liberalism by worshipping Frederick the Great. As we have already seen Roepke sturdily distrusted the cult of the colossal in all its forms--music, politics, art, and the cult of personality.

The seeds of totalitarian thought which were spread in the 19th century bore fruit in the 20th century. Although Roepke was an uncompromising anti-communist, he was more fundamentally an anti-collectivist of all stripes. Nevertheless, he understood that the totalitarian collectivists were a different and unreconcilable breed in comparison to the non-totalitarian collectivists. Rational discussion with the totalitarians was not possible.

The motives of collectivists are various. Reflect on his wise observation in his book, *Civitas Humana*:

"In collectivism there seems to be at the same time hidden away a further power of attraction which one might characterise as aesthetic and artistic. If we are not mistaken, what so charms the artistic sensibility about collectivism is its apparent symmetry, its system which on paper is so beautifully rounded off; and there is perhaps also the romance in the 'mailed fist' which it indeed presupposes."

Like Adam Smith in analyzing the motives of the men of system, he understood the complexity of such mixtures of self-interest, aesthetic, technocratic, humanitarian, and quite frankly the simple lust for power. Compare Roepke's analysis to Adam Smith's shrewd observation in *The Theory of Moral Sentiments*:

"The man of systems, on the contrary, is apt to be very wise in his own conceit, and is so often enamoured with the supposed beauty of his own ideal plan of government, that he cannot suffer the smallest deviation from any part of it. He goes on to establish it completely and in all its parts, without any regard either to the great interests or to the strong prejudices which may oppose it: he seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chess-board; he does not consider that the pieces upon the chess-board have no other principle of motion besides that which the hand impresses upon them; but that, in the great chess-board of human society, every single piece has a principle of

motion of its own, altogether different from that which the legislature might choose to impress upon it." *The Theory of Moral Sentiments*, 1759.

Notice that neither Smith nor Roepke assume the worst or set up straw men when analyzing the democratic socialists. Even though he was sceptical of the consistency of the "democratic socialist" label, he assumed their motives to be honorable and paid more attention to their anti-capitalist criticism than most libertarians would find desirable.

He also recognized that his "third way" was firmly based in an appreciation of the market economy and not some vague repudiation of the market. The market economy is a neutral philosophic category which is not to be confused with "capitalism" which is the historical individuality in particular concrete circumstances which could have been otherwise. He describes collectivism as a "social philosophy which would extend the authority and coercive powers of the State to the utmost and hence presupposes a distinction between ruler and ruled, those who give orders and those who obey them." (CH, xix)

America is not a new nation, a politically immature nation. We were the fortunate beneficiaries of the best that European civilization had to offer, and even more fortunately escaped some of the worst institutional legacies of absolutism and despotism which encumbered Europe from the time of the Fall of the Roman Empire.

Wilhelm Roepke understood better than anyone else in the 20th century the linkages between virtue and liberty. It is ironical that a German should understand so well the essential lived complexity of the American experiment in constitutional government. He represents better than any other economist--and that includes Hayek, Mises, Friedman, Stigler--a true understanding of the moral foundations of constitutional economics.

Where Do We Go From Here?

Roepke always denied fate or necessity to the trends of history. There was no Marxian trend toward larger units of enterprise dictated by economies of scale. Arguing against the "skyscraper principle" in architecture and the economy, he stated as long ago as 1936, "In still very important sections of our economic system, i.e., in agriculture, in the small trades and the like, nothing of this sort is going on. But even in the case of industry it can be argued that the trend towards bigger units has, very often, less to do with real advantages derived from the increased size of the unit than with a certain megalomania which has been such a characteristic trait of the 'gay twenties,' with consequences which have become only too manifest during the present depression." (*Crises and Cycles*, p. 7)

In some ways similar to George Gilder he was optimistic that many of the technological changes such as the "spread of the electromotor and the gasoline engine--has in many directions, exerted even a lowering influence on the optimum size. In this connexion it should not be forgotten that, for example, the automobile signifies after all

the triumph of the small unit over the larger one, so far as the business of locomotion is concerned." (*Crises and Cycles*, p. 7)

Although I suspect that his enthusiasm for modern technology might have been a little more discrete than George Gilder's, he would have shared his enthusiasm for the Microcosmic aspects. Beneath Gilder's seeming technocracy, there are threads similar to Roepke's attacks on mass society and massification. Let us take a look at a typical Gilder statement: "Microchip technology is now converging with fiber optics--also essentially made of silicon-to create a new information economy. In the form of computers linked with fiber optics--allowing telecommuting, home schools and remote health care--sand and glass replace oil and coal, hospital beds and centralized medicine, ineffectively centralized schools and colleges, environmentally wasteful agriculture and culturally erosive television and entertainment." (*Wall Street Journal*, February 25, 1993, p. A12, "Yale's Dr. Doom Looks Into the Impoverished Future")

What does all this mean but an attack on the large, bureaucratic administrative state! Home schooling, home medicine, truly domestic employment, decentralization of all types. Roepke as well as Gilder would have opposed the vulgarity and stupefying effects of mass television. When Gilder states that the "death of television...would be the salvation of American competitiveness,"

Roepke would nod his approval. Roepke never believed in the inevitability of monopoly or huge economies of scale. He believed that "there is a natural gravitation towards competition rather than towards monopoly, and this gravitation is commonly so strong that very rarely, indeed, has a monopoly come to life in the absence of more or less violent engineering on the part of the State...It is doubtful whether there would many monopolies in the world if the State, in order to offset the natural gravitation toward competition, had not weighted the scales with its authority, its jurisdiction, and its general economic policy in the direction of fostering the formation of monopolies." (*Crises and Cycles*, p. 8)

In the preface to *Civitas Humana* Wilhelm Roepke refers to the Swiss novel, *Quite Possibly*, which served as his statement about the predictions which could be made following World War II. They could be either gloomily pessimistic and apocalyptic or cheerily optimistic.

But we are precisely in the same position today as we were then. With the downfall of the Iron Curtain and the elimination of the Soviet Union, the predictions of the future are widely variant. Eastern Europe is floundering in its search for alternatives somewhere between anarcho-capitalism and collectivism. Russia is slouching toward military despotism, desperately trying to find a dictator in the Roman sense who will return to normal civil society after the "emergency" has passed. But the problem for the Russians is that they have little or no experience of any normal civil society on which to draw. They have no Cincinnatuses at the plow because they replaced them all with tractors in the hope of unlimited economies of scale.

We need a Wilhelm Roepke now more than ever. It is still the case that the gloomy and the cheerful are both "quite possible." What are most needed are the qualities of courage and intellectual responsibility which Roepke breathed into his life and writings. Roepke was trying to describe the normal conditions for a city of man to which one could repair after the abnormalities of the totalitarian systems had exhausted themselves.

But even though Communism and the Soviet Union have exhausted themselves that does not mean that totalitarian temptations have gone away. The United States does not face the immediate problems of the restoration of order by means of squalid dictatorships and oligarchical juntas as does Russia and Eastern Europe, but we do face Fascist temptations of our own. Wilhelm Roepke was always extremely aware of the fact that his concept of the Third Way could easily be confused with the alleged "middle course" of Fascism--not as totalitarian as Communism and not as laissez-faire as liberalism. Yes, Fascism was a hybrid, but according to Roepke the result is: "interventionism plus collectivist phraseology. To describe more fully the type of an economic system characterising Fascism, one might say that the middle course which Fascism is steering between a competitive and a collectivist economy, leads in practice, to a heavily monopolistic-interventionist society adorned by terminological and phraseological ornaments, with an extensive governmental control of prices and capital investments and large 'socialisation of losses,' whereby the capitalistic institution of bankruptcy is, to some extent, replaced by concentration camps and Lipari islands." (Roepke, "Fascist Economics" *Economica*, February, 1935, p. 91)

How contemporary does all that sound? Bailing out of Chrysler, the S&L crisis,-- what are these but the socialisation of losses. Industrial planning, reinventing government, national health plans with large state cooperatives--what else is this but "interventionism plus collectivist phraseology?"

The persistent attacks on the competitive economic vitality of the 1980s as the decade of greed and the comparison with the new mergers of the 1990s as dictated by planning necessities by well-meaning intellectuals is reminiscent of the situation during the Great Depression. In his book *Crises and Cycles*, Roepke points out:

"...this revival of the medieval principle of *numerus clausus* is a very short-sighted interference with the dynamic forces of our economic system which should be stimulated instead of being strangled. If there are enterprising persons to-day who have enough optimism and courage to undertake new investment we have every reason for rejoicing, for that is just what we need in the interests of recovery. They should be encouraged instead of being intimidated, even if they *are* uncomfortable competitors for the old-established firms and a danger to vested interests. (Roepke, *Crises and Cycles*, London: William Hodge & Co. Ltd., 1936, p. 197)

America's flirtations with Fascism will always come dressed in the uniform of Mussolini rather than Karl Marx. All one has to do is to look at the early New Deal with

its Fascist inspiration to see what a President like Bill Clinton can do who is inspired by Franklin Delano Roosevelt.

Roepke clearly opposed the excesses of the Welfare State. "Are we to call it progress if we continuously increase the number of people to be treated as economic minors and therefore to remain under the tutelage of the state? Is it not, on the contrary, progress if the broad masses of the people come of age economically, thanks to their rising incomes, and become responsible for themselves so that we can cut down the welfare state instead of inflating it more and more?" The welfare state is "bloated", built on envy, and "turns the state into an income pump, working day and night, with tubes and valves, with suction and pressure flows...a pumping engine...with considerable friction losses" (*Humane Economy*, Chapter IV)

Whatever humanitarian justification the welfare state had in aiding individuals during the Industrial Revolution has long ago been swallowed up by envy and resentment. Heros make the man. Man becomes what heros he keeps. I recently gave a talk on Adam Smith and Constitutional Economics at Hampden-Sydney College and in preparing my remarks came across a fascinating historical study by Peter Karsten of the college's namesakes, the patriot-heroes John Hampden and Algernon Sydney.

He noted: "The decline in importance of Jefferson, Hampden, and Sydney as patriot-symbols is occurring in both the United States and Great Britain and is surely symptomatic of a general movement over the past three centuries toward executive consolidation and use of power and the public's general acceptance of that movement."(Karsten, 240)

It was Roepke's mission to reverse this general movement toward the administrative state by throwing off the general lethargy and public listlessness which characterized most of his peers. Your mission if you decide to accept it, is to join Roepke in this movement to regain our liberties and our virtue.