

Preface 8

Ecclesiastes 12:12

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Herbert Schlossberg's IDOLS FOR DESTRUCTION

(Part 2)

by Gary North

Idols of Mammon

This is the third idol, after the idols of "history" and "humanity." When we become preoccupied with wealth and material possessions rather than the kingdom of God, we have erected an idol. We have begun to seek these things as ends in themselves. There is only one "end in itself": God. To exalt possessions to the level of ultimate ends is to ascribe ultimate meaning to them (p. 88). It is idolatry. "And like all idolatries it finds outlet in destructive pathologies that wreck human lives" (p. 89).

Covetousness is one form of the idolatry of mammon. Another is the ancient sin of alchemy, the attempt to turn lead into gold. If possible, this would redistribute wealth from hard-working people to the alchemists. Creating more money does not add to the world's wealth. Thus, **counterfeiting** is essentially a sin driven by the alchemist's impulse. So is **monetary inflation** (p. 91).

Rising prices in general are the result of a prior monetary inflation (p. 92). Legal tender laws that force citizens to accept the government's money are simply another coercive device to redistribute wealth. It was the mass inflation of the later Roman Empire which helped to bring it down after Diocletian in the early 4th century. The same was true of China in the 1930's and 1940's.

Schlossberg explains why modern **fractional reserve banking** is a form of counterfeiting and wealth redistribution. When the central bank buys Federal debt (or any asset) through the creation of fiat money, the new money multiplies rapidly through the commercial banking system. This leads to price inflation. If it continues, the result will be **hyperinflation**. People will resort to barter, and the government will break down, since the taxes it collects depreciate too fast. Yet in the initial stages of inflation, monetary expansion is profitable to governments, since everyone's money-denominated income rises, and the graduated income tax system extracts higher and higher proportions of people's income, as everyone is pushed into higher income tax brackets (pp. 96-97).

Inflation redistributes wealth from long-term creditors to long-term debtors. But the cost is high. Inflation also obliterates most loyalties. It places a premium on survival at any cost (p. 101). Yet economists defend fiat currency in the name of rationality. Supposedly, an "elastic" currency that can be manipulated by government planners allows prosperity. Schlossberg comments: "Only an anthropology [doctrine of man] that borrows the Enlightenment myth of human perfectibility would trust people with the power of an elastic

currency or changeable weights and measures" (p. 101).

Another aspect of modern politics is **envy**. Envy is the desire to pull down a superior person merely to see him fall. People are no longer so guilty about being envious in their politics. Any economic analysis which ignores envy cannot come to grips with the modern world. The tax structure is premised on envy, with the rich paying a larger share of their income (if there were no tax exemptions and deductions) than the poor.

Another fundamental problem for capitalism is its lack of moral **legitimacy**. It depends too heavily on its offer of greater productivity and per capita wealth. But men want to believe that a system of economics is morally correct, not just productive. They want the system to be guaranteed by a higher standard than personal self-interest. They ultimately seek a **transcendental ethic**.

Ultimately, both socialism and capitalism have been justified in terms of **materialism**. "Materialism is inherent in neither of them. But modern societies of both types exemplify advanced stages of the disease" (p. 107). Schlossberg then makes one of the most incisive observations in the book.

All true needs—such as food, drink, and companionship—are satiable. Illegitimate wants—pride, envy, greed—are insatiable. By their nature they cannot be satisfied. In that sense materialism is the opium of the people. Greater quantities are required for satisfaction, and each increment proves inadequate next time. That is the horror of the giant in John Bunyan and the wicked witch in C. S. Lewis who give their victims food that causes greater hunger. The idolatries that promise wealth without end draw adherents as the tavern draws alcoholics (pp. 107-8).

He points to the existence of social welfare grants to the rich: tariffs, quotas, special loans for large bankrupt corporations, and regulatory activities by the State. He points to the advent of corporate support of the "corporate State": World War I, when corporate executives worked with the government's War Industries Board. "Cooperation" rather than competition was the new catch phrase—cooperation which would be protected by law from competition. Herbert Hoover was a prime supporter of this new economic order—in the 1920's as Secretary of Commerce and later as President. He favored the creation of cartels. Similarly, Franklin Roosevelt served as president of the American Construction Council, a giant cartel, alongside of Hoover, who was also a member (p. 114).

Modern politics involves a struggle for power, and the biggest source of power is the huge spending ability of the government. All the talk about "just" redistribution of wealth is misleading; nobody can agree on just what is "just." The law has become a thief.

Schlossberg recognizes the tremendous shift in perspective from the 1950's, when material abundance was assumed to be self-perpetuating, to the 1970's, when it became an unobtainable goal in the view of many intellectuals. The crisis of abundance turned into the crisis of stagnation and depletable resources. The 19th century, Keynes wrote, was a century of saving; not so our era. The welfare State penalizes success and rewards failure.

He rejects completely that old refrain about honoring human rights above property rights. "There are no societies that are cavalier toward property rights but which safeguard human rights. The state that lays its hand on your purse will lay it on your person. Both are the acts of a government that despises transcendent law" (p. 134).

The state is today a thief. It is bureaucratized, and it poses a threat to human freedom. The people who "cashed in" early on the benefits of the welfare State will be followed by those who cashed in too late. Those who proclaimed something for nothing have preached a false philosophy. In a classic aphorism, Schlossberg says "Philosophies that preach stones into bread are preaching sin without tears" (p. 136). In short, "Neither the messianic state nor autonomous man can escape the consequences of evil."

It is a constant claim of ideologies of the left that capitalism has not satisfied people. That is perfectly true, because it is not in the nature of economic systems to satisfy anyone. Economic ideologies ranging across the entire political spectrum promise a cornucopia that will wipe away all tears. In so doing, they become idolatrous. The Christian position from the beginning has been that people are satisfied by becoming reconciled with God, not by acquiring wealth. Idolatries of mammon are in fundamental disagreement with the warning of Jesus that "a man's life does not consist in the abundance of possessions" (Luke 12:15). The ethical injunction that has to accompany such a position is contentment; therefore, the apostle says that "if we have food and clothing, with these we shall be content" (1 Tim. 6:8). And again, "Keep your life free from love of money, and be content with what you have" (Heb. 13:5). That is why Marx called religion the opium of the people; he rightly saw that Christian faith is antithetical to the envy, the grasping for more, on which his revolution depends (pp. 136-37).

Idols of Nature

"In the continuing struggle between opposing idols, nature is the enemy of history" (p. 140). Hegel and other 19th-century philosophers perceived the conflict between nature's supposed stability and the idea of historical change. (This was a variation of the old antinomy between Parmenides' unchanging One and Heraclitus' fluctuating Many.) They attempted to resolve this dualism by means of the doctrine of evolution. Science would now deal with the realities of change. Progress rather than historical cycles became the dominant theme.

This development might have paved the way for the reconciliation of history and nature as aspects of the creation but instead made nature more beguiling for people whose search for meaning led them into idolatry. Those who sought to incorporate an explana-

tion for change into their vision of reality now could turn either to history or to nature (p. 141).

In short, the God of the Bible is a God of both nature and history. It is the idolatry of nature to assume, as Schlossberg writes, that "nature is the whole show." Any philosophy which elevates nature to such a position necessarily abolishes man as anything but a shadow. What meaning can we assign to mind, will, reason, and feeling in such a mechanistic world? What role does ethics play in a determined universe? "If man is all matter and his actions completely determined by events over which he has no control, we may ask wherein lies his uniqueness" (p. 148). And as he shows in the next chapter, man then seeks power scientifically in order to establish his uniqueness.

Another myth is the myth of scientific neutrality. Science is no more neutral than historical studies. "They both have noses of wax, to be twisted whichever way the scholar's assumptions and personal predilections impel him" (p. 145). **Noses of wax:** here is another delightful aphorism, which was popular a century ago. The advantage science had over its rivals—the illusion of objectivity—is now being lost.

What happened to morality in an impersonal universe? Even survival, that old Darwinian category, becomes meaningless. Who cares if man doesn't survive (p. 149)?

Human survival—the sanctity of human life—is a value, and there is no way he or anyone else can derive value from material facts. Materialists almost invariably use language that is value-laden, even though their avowed epistemology does not allow for values. Mystification covers the logical gaps. The only ethical framework compatible with materialism is nihilism, defined as living without values (pp. 149-50).

If we set up controllers over us (or they set themselves up over us), who controls them? Why are they rational? Why aren't they equally determined? If they are determined by natural forces, then why are their plans for us rational? Irrationality triumphs over all in a deterministic universe. We cannot find freedom in an unfree world.

The struggle between reason and irrationalism is the major intellectual issue of our time, he says, following Karl Popper (p. 158). Humanists are still operating in the enormous shadow of Kant. If reason can exercise power over the visible, measurable world of phenomena, then it is impotent to discover anything about the realms of ethics and freedom. Reason is not the god of the universe.

The eastern mysticism that has assaulted the West is increasingly popular. The monism of pantheism is making all distinctions meaningless. Pantheism concentrates introspectively on the life of the self; the external realm of society and community are considered superfluous (p. 163). The dehumanization of man by pantheism is not fundamentally different from the dehumanism of man by scientific behaviorism, for in neither system is there an essential difference between men and maggots. "Only an illusion of differentiation exists between the various elements of the cosmos" (p. 164). "Thus spirituality and cruelty accompany each other in perfect harmony" (p. 164).

Worship nature, and you destroy both ethics and reason. Ethics becomes impotent to influence the external world of determined events, and so becomes mystical and retreatist. Reason, however, is totally a product of a deterministic environment, and therefore it can claim no special position for itself as a tool to liberate mankind. In both cases, reason dies. The idolatry of nature destroys itself. He cites C. S. Lewis,

They Asked for a Paper: "If minds are wholly dependent on brains and brains on biochemistry, and biochemistry (in the long run) on the meaningless flux of the atoms, I cannot understand how the thought of those minds should have any more significance than the sound of the wind in the trees." And where irrationality triumphs, judgment is close behind. "The sands of Kantian rationality are running out in the West. . . . If everything depends on rationality and reason is dead, then there is only chance" (p. 166).

What has happened, he writes, is that **the spooks are back**. "Secularizing intellectuals thought they were ridding the house of the noumenal by sweeping religion out the door, but while they were at it, the spirits flew in the window. We have completed the pilgrimage from studying nature, to believing that nature was all there is, to idolizing it" (p. 169).

The ecology movement is one example of this worship of nature—which Schlossberg might have mentioned is a cultural phenomenon similar to the nature appreciation movement in Germany prior to the Nazis. "Now that nature is no longer to be exploited, it is ready to be worshiped. It is still the whole show and we are still part of it, but now being part of it means that we no longer recognize anything that transcends it. For this mentality, the closer we are to nature and the further from civilization, the better off we are. . . . Pure nature, hateful mankind" (p. 170).

We are left without ethics. "A system of ethics that says human beings ought to base their behavior on nature therefore justifies any behavior, because nature knows no ethic" (p. 171). Murder and adultery are not moral crimes in this view. The Marquis de Sade recognized this better than B. F. Skinner (p. 172). "With nature in control, untrammelled by mind, will, or value, dehumanization is complete" (p. 172). Next stop: the tyranny of elitist planners, who somehow will escape determinism's iron grip.

"The heaving sea of naturalism therefore casts up onto the shore two odd fish" (p. 173). They are: 1) the noumenal mystic, the antinomian egoist; and 2) the phenomenal man, the scientific planner and predestinator, "exalting rationality with a philosophy that makes reason impossible, submerging man into a nature that binds him irretrievably, giving him the status of a brute or machine and, finally, taking charge in the name of survival" (pp. 173-74).

Idols of Power

The creation of the **nation-state** is, according to Schlossberg, "perhaps the most characteristic feature of modern history." Monarchs in the early modern period allied themselves with the rising middle class; by the late 18th century, these allies had displaced the monarchies (p. 177). When Hegel wrote that "The State is the Divine Idea as it exists on earth. . . . We must therefore worship the State as the manifestation of the Divine on earth. . . ." he was announcing a new theology, one which sees salvation through the State. (Of course, this is a very old theology, one which was dominant in the ancient world, although the modern version is more consistent: the State is not seen as the meeting place between gods and men, but the prime manifestation of the meeting place of the *de facto* god, mankind.)

We should not make the mistake of thinking that the religious language is purely a literary form. The state, for these devotees, is messianic in all its essentials, and their politics are directed toward religious ends. The state will provide for us whatever prosperity could not, because it has replaced God. In the hands of theologians of political redemption, therefore, the state is an idol (p. 179).

He cites Solzhenitsyn's statement that the villains of classical literature were far less evil than modern tyrants. "The reason for that is that the villains of literature were purposefully and self-consciously evil. Today ideology provides the driving force for evil, convincing the malefactor that what he is doing is good, strengthening his determination" (p. 182). This reminds me of a project I've never completed, the "Al Capone for President" society. If men know that their leader is a crook, they will restrict the granting of power to the State. If they believe him to be a good man who plans to do good with State power, they will eventually find themselves paying tribute far heavier than the kickbacks and extortion schemes of the criminal syndicate.

The paternal State is an idol. We can no longer tell officials of the messianic State to mind their own business. As C. S. Lewis remarked, "Our whole lives *are* their business." The paternalistic State wants its children dependent on it forever. A righteous parent prepares his children for independence from him. When the State begins to spend resources to provide security, it ceases to provide justice. "Because the state can only be a bad imitation of a father, as a dancing bear act is of a ballerina, the protection of this Leviathan of a father turns out to be a bear hug" (p. 184).

Schlossberg is a financial planner. He understands Federal tax policy better than most theologians. His comments on Caesar and the modern State are to the point. Caesar in principle demanded everything. The idea that some things were reserved to God was not understood. "This is why the persecution of Christians was inevitable as long as the state was thought to be all-inclusive."

In the United States, federal tax policy illustrates the government's unconscious rush to be the god of its citizens. When a provision in the tax laws permits the taxpayer to keep a portion of his money, the Internal Revenue Service calls this a "tax expenditure," or an "implicit government grant." This is not tax money that the state has collected and expended but money it has allowed the citizen to keep by not taking it. In other words . . . any money the citizen is permitted to keep is regarded as if the state had graciously given it to him. Everything we have is from the state, to which we owe gratitude. In fact, we are the property of the state, which therefore has the right to the fruit of our labor (p. 187).

The West is coming to the end of the road. "The planning of grandiose schemes for the creation of ideal societies, as Toynbee observed, does not come in the flush of triumph but rather in the desperation that accompanies decline. It stems from a desire to peg society at the level to which it has been degraded rather than allowing it to decline further." Schlossberg then makes a very important point: "There is, unfortunately, a widespread impression that utopias are the work of impractical dreamers and have little significance in the real world. . . . Far from being harmless, utopias are drawn up and pursued by serious people erecting idols empowered by the state and impelled by intellectually and emotionally attractive ideologies" (p. 188). He mentions Sir Thomas More, but he could also have mentioned Francis Bacon. For that matter, he could have mentioned Karl Marx.

The optimistic utopians always had one idea in common: the natural goodness of man. Modern literature's anti-utopias—*Brave New World* and *1984*—do not make this mistake. Neither did Reinhold Niebuhr, who said that cynicism and nihilism have been less important in the history of modern political disasters than utopian thinking, which is incapable of recognizing the effects of sin on human action and human

institutions (pp. 191-92). That refugee of the Gulag, Vladimir Bukovsky, "learned that lesson as he read the socialist utopias and discovered, to his amazement, that all of them had actually been realized—in the Soviet Union" (p. 192).

The rule of **elites** is basic to the idols of power. The revolutionary process is assumed to be in need of elite leadership. The pursuit of virtue through total power is the motivation of modern statist regimes. "Combining social purpose with expertise sets the stage for a gnosticism in which only the special few have the key to the secrets of the universe" (p. 194). These elite must understand and be faithful to the virtuous social purpose (p. 194). "Not possessing esoteric knowledge, the masses have no choice but to turn their lives over to the elite to be managed. Never ask the enlightened ones about their track record, which is a series of disguised disasters; just accept on faith that they have the secret of life" (p. 195).

He calls the history of elitist planning "a series of disguised disasters." This is the reverse of the history of Christianity. He writes: "We need a theological interpretation of disaster, one that recognizes that God acts in such events as captivities, defeats, and crucifixions. The Bible can be interpreted as a string of God's triumphs disguised as disasters" (p. 304).

By linking central planning to Gnosticism, Schlossberg focuses on that age-old quest, the quest for secret knowledge. Mankind is to be **saved by knowledge**, not by grace. But knowledge is not sufficient; men must be **saved by force**. "Warnings about the rule of intellectuals come mainly from intellectuals. (Perhaps because once one has attended a faculty meeting, it is much harder to imagine that the participants possess the secrets of divine wisdom and objectivity.) . . . But if the elite has the knowledge to be the power behind the throne, then it has the knowledge to make it worthwhile for the throne to co-opt it" (p. 196). He calls them "scholars-on-pension," a class without allegiances, the new priesthood (pp. 198ff.).

The quest for knowledge becomes the quest for power. Winston Smith, the hapless hero of *1984*, grasps this at the end when he writes: "GOD IS POWER." Schlossberg is correct: power is not merely a personal goal; it is the bringer of salvation (p. 197). In a brilliant insight, Schlossberg points out that the essence of **redistribution** is the **redistribution of power to the center**.

In the redistributionary society, the main redistribution that takes place is the flow of power from the periphery to the center where the new class awaits. The despoiled are the possessors of private power, against whom the elite still warn us, while they quietly accrue that power to themselves. But the former power was decentralized and to some extent self-neutralizing, because competitive. Power that is concentrated is to a much greater extent inescapable (p. 200).

It should not be surprising to learn that the income differential between the richest and the poorest in the Soviet Union in 1960 was 40 to one, about four times as great as in the West (p. 200). But this did not stop Western intellectuals

from promoting bureaucratic centralization in the West in the name of equalitarianism.

As the struggle intensifies, the elite try to escape the effects of their own actions. He observes that in 1980, when President Carter ordered public buildings to set thermostats no lower than 80 degrees in summer, Federal judges exempted their buildings (p. 200). He might have mentioned that Congress exempts itself from all laws regarding racial quotas, pollution control, and similar chains placed on business—most notably, having to pay into the Social Security pension system. (All existing Federal employees were exempted by the 1983 revision of the law that had formerly exempted non-profit organizations and churches.)

The bureaucracy is unmanageable. They make the law through regulations and interpretation. We live in a **government of men, not law** (p. 204). It is law by **administrative fiat**. In his marvelous phrase, "bureaucrats shuffle not papers, but people" (p. 205).

Schlossberg attacks the system known as the public schools. It is a system which provides power through the religion of the schools. In all cases after World War II, American education policy has favored the Federal government, irrespective of local authority. (He cites Joel Spring, *The Sorting Machine*, published by David McKay in 1976.)

He rejects libertarianism-anarchism as an alternative. Attempts to create such radically individualistic societies always backfire. The push for radical autonomy always leads to totalitarianism (p. 212). He favors decentralization and emphasis on local civil government, but government without bailouts from the central government. "Freedom lies on the periphery, but cash beckons from the center" (p. 214). Such is the "New Federalism."

The State attacks all institutions that resist it: the family, local government, profitable business. The fascist idea of the corporate State has been basic to American big business since World War I. Big business and big government are friends, not enemies (p. 218). Conservatism (e.g., George Will), by allying itself to strong government and big business, has become statist in its perspective (p. 220). When conservative governments take over the State, they abandon none of the existing programs.

The vision of global unity which now captivates the Left is messianic. It is a sign of the decline of civilization (Toynbee). It is a revival of the Tower of Babel (p. 226). **Pantheism** is experiencing a parallel revival.

Christianity stands against pantheism. The Creator is different from His creation. Christianity also opposes statism. "When loyalty to God disappears, there is no longer a barrier to the omniscient state" (p. 229). Society is not to be dependent on the State, but on God. "Modern statism is the soured remnant of the Enlightenment idea of inevitable progress" (p. 231). It "now hoarsely wheezes that if we worship it we shall receive salvation from extinction." Incompetent and dishonest as the modern State is, it still has fanatical adherents. It is a fierce enemy of Christianity.

(To Be Concluded)