The Anti-Business Mentality

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Academics perennially want governments to spend more money, particularly on universities. So why are they so hostile to the very people who organize wealth creation?

A T E last year I received an unsolicited ‘thought’ via e-mail from our university chaplain: ‘O nly when the last tree has died and the last river has been poisoned and the last fish has been caught will we realize we cannot eat money’ (Cree Indian Saying). Purporting to be a pricker to our con-sciences, this saying was really in tended to confirm the ideological prejudices of the anti-business atmosphere into which it was released. At the same time I read a review (re ally a promotion) of a play called ‘Infec-tious’ in The Age on 22 September 1998 whose main theme was that ‘money, economic rationalism and rampant consumerism’ are ‘a virtual virus … the greatest threat to the human species we will ever face’. Money, you see, is infectious. The lead letter in The Age of 2 October 1998 was headed ‘Why schools and business don’t mix’, the reasons given being that business pollutes the environment, produces damaging services, wastefully uses scarce resources and employs dangerous work practices.

The mindset common to these examples is that money and business somehow diminish our humanity. Why have such dubious views risen to prominence so easily? Some decades ago Lord Snow said the big divide in our culture was between the humanity and the sciences. This has not turned out to be true. A bigger split is between those who are in business, and those who have never experienced it—which includes many in university humanities faculties, religious bodies and public-opinion-forming groups. Many in these groups tend to be reflexively anti-business. Business people these days have usually gone through tertiary education, so they understand its culture. But the same doesn’t apply in reverse. There are now whole groups of families (teachers, public servants, welfare workers and so on) who have been in the public realm for generations; they have never been in business and do not seem to understand how it works. Robert Murray has recently pointed out in Quadrant how deficient australian historical interpretation has been (with exceptions like Geoffrey Blainey) in taking into account economic factors.

When Joan Kirner left the Mel bourne Cricket Ground Trustees, she complained that the trustees had gone commercial and so could not serve the public good. Here we see the false opposition set up between business and social benefit. Mrs Kirner’s constituents, many of whom inhabit public-sector jobs, believe that governments must collect and distribute vast sums to even up social injustice; ordinary...
commercial operations can’t, they believe, do this, and even hinder it. From her own party, Peter Walsh, Mark Latham and others have pointed out that smaller government and freetrade, dry economic policies are not detrimental to the common good, but, on the contrary, improve it through economic success. We often hear anti-business ideologues say business operates only for profit, as though profit were immoral.

How interesting it is that those who hold positions in protected industries, like the public sector and universities, often support protectionism and other restrictive policies. This mirrors their own privileged situation of being shielded from market pressures. The barely-concealed secret of recent Australian political debate is how many of Pauline Hanson’s seemingly most vociferous opponents hold hands with her under the table on economic matters.¹

Some people argue that high participation in tertiary education helps a modern economy to develop and operate more efficiently. A reading of Max Teichman’s article in The Adelaide Review (February 1999) on the parlous state of school education raises doubts. If a large part of the education sector produces a generation of graduates who don’t go into business, who develop anti-entrepreneurial and anti-progress attitudes, and who promote extreme environmentalist positions, then the education sector can, over time, have a detrimental effect on the economy. It would be nice to see some acknowledgment that economic success produces the surplus money that finances our many public bodies like universities.

Behind these current anti-business attitudes lie deeply held attitudes of long standing. Weber and Tawney argued that certain Protestant strains of Christianity lay behind modern economic progress, but there is also in the Christian tradition a strain which warns against the obsessive pursuit of material gain—instanced by St Paul’s statement ‘for the love of money is the root of all evil’. For many, seeing business as somehow dirty and demeaning is an integral part of their ‘religious’ cast of mind.

The romantic reaction to industrialization in the nineteenth century is still influential. Our whole literary culture is imbued with it, and it underpins the modern day environmental movement. Dickens’ Hard Times is the ur-text, a brilliantly satiric but one-sided demolition of utilitarianism, number crunching, rote teaching, personality suppression and dirty coal towns, all of which dehumanize us. ‘The System’ moulds us as proclivities they are opposing—so they lump it together in one demonizing slogan which prevents debate on essential details.

One of the great myths which has been assiduously promoted by the anti-business lobby is that the 1980s was the ‘Decade of Greed’, symbolized by Bond, Skase and Gordon Gecko. This has been repeated so often that is has now solidified into a truisms, repeated uncritically by the media. In fact, the 1980s was the decade when the dry economics of Hayek, Friedman and others was established on the world political stage by Thatcher, Reagan and, in Australia, by Paul Keating. Clinton and Blair (but not Beazley) have since followed suit. The crucial thing not stated about Bond and his like is that their activities were an atypical attempt to keep the old rackets going in a corporate-state type of activity in collusion with State Labor governments. Their deals lacked arm’s-length safeguards between politicians, businesses, bankers and public servants, just as some Asian economies did, and collapsed for the same reasons. So they were an example not of some new malefiance, but of a last throw of the old dice. Bond and his like were exemplars of the outmoded policies believed in by the big government lobby.

The Cree Indian ‘saying’, sounds suspiciously to me like the invention of a Western mind as were those of Chief Seattle and the Hindmarsh Island women’s business. I doubt any Cree Indian would be so silly.

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These quasi-religious and romantic views combine to form the populist anti-globalization and anti-economic rationalist views promoted by John Ralston Saul on the A BC. ‘Economic rationalism’ has become a talisman employed in the same false way as the word ‘capitalism’ used to be. ‘Capitalism’ was a word used only by those hostile to our successful economic system, falsely implying that we had a monolithic system like communism or eighteenth-century ‘primitive’ capitalism (if such a beast ever existed). In reality, twentieth-century

¹ See Lyndon Rowe, 0 dd Bedfellows: The Economic N ationalists and W hy They Are Wrong, IPA Backgrounder, 10/2, July 1998.

NOTE

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