

# How to treat passions? A brief recap of the conversation and its significance in contemporary society

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*How to understand human behavior and what to do with passions have been long-standing questions through an old philosophical conversation. (1) In Ancient and Medieval philosophy, the answer had focused on public good and how to suppress human passions by the public authority to direct human behavior toward the public good. (2) Later, as this suppression of passions idea lost its credibility, mainly Renaissance philosophy and Mercantilist literature developed ideas of embracing and harnessing them toward the public good via the public authority. (3) However, as this idea of transforming passions through an authority was also found to be faint, the idea of countervailing harmful passions by beneficial passions, mainly material self-interest, was developed roughly by Renaissance and Early Modern philosophers. This idea and doctrine of countervailing passions has also attracted many criticisms, some of which are mentioned in this article. In this paper, the historical evolution of the conversation of ideas on “how to treat human passions” will be briefly explained alongside the socio-economic conditions of the time, which is useful to understand the attitudes toward passions. For this purpose, the three parts are organized into three historical periods. In each part, some criticisms toward the ideas of that period will also be mentioned in order to demonstrate the flow of conversation. Finally, this conversation on passions will be discussed in line with our contemporary social experiences, and it will be argued that the Ancient and the Stoic idea of moderation of passions still has significance.*

**Keywords:** *passions; self-interest; intellectual history; history of economic thought; the Montesquieu-Steuart doctrine; morality; values*

**JEL codes:** *B10; B20, N00*

# Как быть со страстями? Краткое содержание спора и его значение для современного общества

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*Как понять человеческое поведение и что делать со страстями — давние вопросы, возникшие в философской беседе много лет назад. (1) В античной и средневековой философии ответ был сосредоточен на общественном благе и на том, как подавить человеческие страсти государственной властью, чтобы направить человеческое поведение на общественное благо. (2) Позже, когда идея подавления страстей потеряла свою убедительность, философы Возрождения и меркантилисты развили идею охвата и использования их для общественного блага при помощи общественной власти. (3) Поскольку идея преобразования страстей посредством власти также оказалась слабой, философы эпохи Возрождения и раннего Нового времени занялись обоснованием концепции уравнивания вредных страстей полезными страстями, главным образом материальными корыстными интересами. Эта идея и доктрина уравнивающих страстей также вызвали множество критических замечаний. В этой статье объясняется историческая эволюция спора о том, как «лечить» человеческие страсти, в её взаимосвязи с социально-экономическими условиями того или иного времени. С этой целью текст разделен на три части, соответствующие трем историческим периодам. В каждой части упоминается литература, критически оценивающая идеи того или иного периода. Также беседа о страстях помещена в контекст нашего современного социального опыта. Утверждается, что характерная для античной философии и стоической этики идея умеренности страстей сохраняет значимость.*

**Ключевые слова:** страсти; корысть; история мысли; история экономической мысли; доктрина Монтескье-Стюарта; мораль; ценности

## **Self-sufficient community: Passions to be suppressed**

In Ancient thinking, passions, as well as greed, were representing the dark side of human nature because of their selfishness, and insatiability. As a human being was thought to be bound to the community; their interests were not differentiated from the interests of the community (Verburg, 2012). If a person was to gain, this gain would be through the community or communal work. That's why the individual pursuit of material gain or individual self-interest was not welcome at all, which was considered unnatural, irrational, and evil (Ibid.). The major economic reason behind this thinking is that the wealth and production were based on land, and the land was a limited resource (Ibid.). If any individual was to gain more wealth, this was thought necessarily to be at the expense of others living in that community. Therefore, the acquisition of wealth was a zero-sum game in Ancient thinking.

In Ancient times, the individual was so bound to the community that even the morality was built upon how the person was thought of by others. Some acts were immoral not exactly because the individual considered them bad, but because they were considered bad by the rest of the community. Morality was not yet objective, internal or cosmic, which will begin to develop with the rise of Christianity; but it was

subjective and surrounded by the concepts of honor and shame, as can be seen in Homer (Williams, 2008; Harper, 2016). It was what is called “shame morality”, where the idea of immorality stemmed from that it damages the name of a person, the standing in public (Dodds, 1951; Benedict, 2020). That is, the morality was based on one’s responsibility in the community and on others’ judgments, rather than being on a person’s internal judgment or on a spiritual account. It prevented people, to some degree, from considering what is good and bad for themselves, but rather what will make their standing good or bad with respect to their community. Neither the action was morally significant unless it became public.

In such a setting, communal obligations were paramount obviously, rather than following one’s passions and desires, not to mention surpassing others in wealth. Such type of morality already renders competition undesirable and limited (Benedict, 2020), while it is fundamental for commercial development. In a similar vein, in those communities, it was rather ideal to hold up to the requisites of one’s social status and not to fall short nor to transgress them. Therefore, as we see in many ancient texts, when someone, who was not a wealthy person in the beginning, gets richer and richer, this would be considered “doubtful” and “shameful” for that person.

Another aspect of life in Antiquity is that markets and trade were extremely limited; they were not determinant enough. Subsistence was based on the household economy (*oikonomia*)— production within the household. In this kind of economic life, which is based on the household economy and did not necessitate trade and markets, the idea of profit and acquisition of wealth was perceived as something fraudulent, inefficient, and unnatural. As subsistence was based on household production, self-sufficiency was central to the idea of wealth (Verburg, 2012). The purpose of wealth was to acquire self-sufficiency within the household, to satisfy their needs.

All these conditions required the idea that greed, the passionate pursuit of wealth, was immoral and could not be justified. If one had excess wealth that is beyond their need, this wealth should have been distributed to those in the community who are in need, through almsgiving and charity (Verburg, 2012). That was how to survive as a community and sustain it. According to Aristotle (1968), if there was scarcity and poverty in a community, this was because of the excess wealth of some members of the community (Ibid.). In that regard, philosophers of Antiquity, such as Aristotle and Plato, suggested being moderate and avoiding the extremes in terms of wealth acquisition. Neither being prodigal nor being stingy was good.

What is good was to avoid exceeding the limits (of need) and to be *moderate* and *reasonable* against our passions. That is to *suppress* and curb them with the help of our reason (Hirschman, 1997; Verburg, 2012; James, 2006). The purpose of the reason was to distinguish the limits and to find moderation in human behavior. However, as the communal life and interests were superior to the individual, the mission to suppress and curb these excessive passions of human behavior to a moderate and reasonable limit was to be given to the public authority (Hirschman, 1997). In Ancient thinking, the focus was on the public good of the community and the mission to achieve it belonged to the state. That’s why, in Ancient philosophy, how to form a state and how to manage it was a central question in order to achieve public good. As in the idea of such a public mission, the Ancient philosophy was completely normative and moralistic regarding passions and human behavior. The philosophical attitude toward passions was clear; they were evil in nature and should be curbed by the public authority with the help of reason.

The Ancient idea of the solution against destructive passions of human beings was criticized first by Renaissance thinkers such as Machiavelli. Ancient philosophers were suggesting a public authority to manage and control the passions of individuals to achieve the public good. The critique asked, then, what makes us believe that the authority cares about the public good and not its own self-interest? Many Renaissance thinkers and later ones were suspicious of the effectiveness of the solution to suppress the passions of human beings. Along with the changing economic circumstances, new ideas about passions were to be developed.

### **Mercantile state: Passions to be harnessed**

As such ideas that the human passions should be suppressed by a philosopher king ended up inapplicable or unsuccessful, the interest in looking at things from a more “realistic”, rather than a normative, perspective gained weight. The actual, real problems concerning politics, economy, and human behavior should have been resolved regarding as they “are”, not as they “should” be. Since the idea

that passions *should* be suppressed was considered to be unrealistic, then, what to do with them? What were the economic and political realities of the time, and how did the ideas about this evolve?

To start with the changes in the conception of morality, it is worth stating Christianity's effect on it during the Middle Ages. As argued by Brown (2008) and later endorsed by Harper (2016), while introducing the concept of "sin" Christianity brought forth a type of "guilt morality" instead of "shame morality" that we had seen in the Antiquity. To simply delineate in this context, "shame" was mainly created as a result of others' judgments on a person while "guilt" necessarily involves a person's intrinsic condition, that is to have breached the code. As this understanding was settling gradually, the criteria of morality shifted from the others' perspectives of it to the action itself. A very concrete example of this is the confessions that Christianity introduced; something the people of Antiquity would certainly be afraid of, as then the main motivation would be to hide immoral actions to avoid communal judgment. This development in morality changed how people viewed judgment and the consequences of moral decisions. Henceforth, doing something was good or bad, not considering others' perspectives on it, but considering the action itself. Judging the actions by their being and nature was preparing the scene for reconsidering how to judge the human passions.

Similarly, Christianity elevated the passion of love in the Antiquity up to a divine moral basis by which the acts could be judged, not simply by their consequences, but by the very existence of "love" in them (Scheler, 1961). Unconditional and immanent "love" toward oneself, the people and all the living things around, that exist in virtue of Divine Love, was making the new morality (Ibid.). This development redefined morality in the communal context. The focus was still on the community, but regarding moral significance, the motivation behind actions was changed from honor and shame to divinely inspired love; from *reactive morality* of considering the others and the consequences of actions to *proactive morality* of intrinsic value behind actions, that is of love and spiritual concern. Moreover, such actions of love and spiritual concern were much above the consideration of worldly material consequences of benefits and losses. For a long time until the commercial revolutions and breakup of feudalism (by it, dispersion of communities), this aspect kept the focus of morality on the community and spirituality in a much different way than that was in Ancient times.

Next to this, to look at economic life in the Middle Ages, there was strict interdependence and economic relations were predetermined by birth via feudal arrangements. This situation didn't leave much room for the idea of economic growth and development by the individual pursuit of wealth (Verburg, 2012). As was the case in Ancient times, economic activity was based on household management, even at the state level (the king's household), and trade and markets had not yet developed enough to influence this economic situation. That's why the trade was perceived as a suspicious activity still in that period (Ibid.).

These economic conditions changed with the two commercial revolutions: one in the 11<sup>th</sup> century, and the other, after the recovery from the Black Death, in the mid-15<sup>th</sup> century (Verburg, 2012). With the growth in population and agricultural production, trade began to be more prominent, and a network of markets was developed (Ibid.). As trade was becoming more and more prominent in economic life, a stronger class of merchants was emerging, along with urbanization, the feudal arrangements were falling apart (Ibid.). As the network of markets and foreign trade were developing, interdependence between regions and nations was coming to the surface (Ibid.). Social life was witnessing the first stages of commercialization with the expanse of trade and markets, and of developing dependence on them. The perception of "immoral, fraudulent" trade was softening thanks to this indispensability and interdependence that developed with commercialization following the commercial revolutions (Ibid.).

As the households and communities became more dependent on each other to sustain themselves, the focus of economic activity shifted from the household to the state/nation. States, kings and governments, not only noticed the indispensability of trade, but they also noticed its benefits. Trade had already begun to hold the central position in the national economy, as it was the source of capital accumulation and investment. Previously, the purpose of economic activity had been sustenance and reproduction; now, growth was the prevailing theme (Verburg, 2012). As the purpose of surplus (excess) wealth had been to be distributed within the community to sustain; now, the purpose of surplus wealth was to be used for economic growth of the society. This change in reasoning also signalled the fading communal ties between individuals and the transition from community to society.

On the macro level, this development of thinking should have made states reconsider their attitude toward the greed of merchants. The thinking toward passions and greed was softened as it was seen that the greed of merchants was beneficial for the expansion of trade, thus for the growth of the national economy.

Such changes in the economic life and behavior, yet, needed to be justified through changes in morality. As Max Weber (2005) attempted to theorize, Protestant ethics provided a fertile ground for the newly developing capitalist mindset. Previously, Christian morality postulated that the works of spirituality and love should be above any concern of worldly material life; however, with the introduction of Protestantism, now there was no such difference between spiritual works and material works. On the contrary, works of material gain were a way of salvation and one should work hard to earn more, to prove their salvation. As a result, the Christian values of immanent love and solidarity have collapsed in Protestant morality. Moreover, the pursuit for acquisition of more wealth, that is material self-interest, leaving alone being justified, was encouraged for salvation. As the idea of individual self-interest was justified, the breaking-up of individual interest and collective interest had begun, yet to be finalized.

The chain of reasoning was thus in this period: as the merchants pursue their self-interest, now as morally justified, and bring more wealth to the nation; the state, who represents the public good (a remnant of Ancient philosophy), would be wealthier and stronger in the face of other nations, which is beneficial for the public good. There, the idea that the self-interest of individuals might be beneficial for the public good has begun to emerge. As *suppression* of passions was proved to be unsuccessful, and even counterproductive; then, they might have been *harnessed* to direct them to the public good (Hirschman, 1997). Even though the destructive and harmful passions of individuals were there, the state was responsible to control them as well. Still, the mission to direct the self-interests of individuals toward the public good and to control them was given to the state; this transformation and control were to be made by the public authority.

On the other hand, even though the focus of the economy was on production and growth, it was not productive, yet dependent on land as the main source of capital. This situation made it possible for states to stick, still, to the zero-sum conception of trade (Verburg, 2012). The gain of one nation was the loss of another. This notion contributed to the legitimacy of merchants' greed so that they could bring more gold and silver to the nation (Ibid.). The mercantilist thinking, which prevailed in that period, also contributed to the justification of wealth accumulation.

The main criticism came later, as the mechanism which ensures passions to be controlled and *harnessed* toward the public good was not yet clear. Would sole reliance on the state to carry out this control and transformation be sufficient? Or was there a need for a natural mechanism to make it function? These questions led us to a later stage in this chain of thought.

### **Commercial society: Passions to countervail each other**

The idea of control and transformation of passions by the state authority proved to be unsuccessful. There was a need for another mechanism to ensure that publicly beneficial passions would remain, and harmful ones would be restrained. There, the idea appeared that passions can be played against, *countervail*, one another to ensure that good passions prevail over evil passions. How did it?

In this period, international trade was already the dominant economic activity. Competition among states to acquire more wealth led to many investments and innovations, therefore, to increased productivity. Along with this productivity, specialization in production — international division of labor, and interdependence among nations grew higher. Being aware of this interdependence, productivity, and benefits of specialization in international trade, philosophers came up with the idea that international trade is not necessarily a battlefield where one nation's gain is another's loss. On the contrary, it was seen that international division of labor and exchange of goods were increasing the productivity, and therefore the wealth of nations. This conclusion that the trade is a positive-sum game had immense applications in the domestic sphere as well. There was no need for an authority to check at the door to ensure that trade occurs for the best of the public good. The trade itself was already good for the public, and its development was dependent on the best self-interest of merchants. The reliance on the state to ensure the public good was not needed anymore. The selfish interests of individuals were already contributing to the public good through an invisible hand, according to Adam Smith (1976).

Trade and individual pursuit of material self-interest were not only contributing to the society through wealth and economic growth, but it had also political and social benefits as an *innocent* and decent activity, according to Montesquieu (1989) and Sir James Steuart (Hirschman, 1997). It was called by Hirschman the “Montesquieu-Steuart doctrine” which is based on the idea of the “*doux commerce*”. The doctrine suggests that trade and commercial interests make moral qualities to develop in society such as tolerance, prudence, empathy, understanding, and neutrality (Ibid.). Trade also creates interdependence between actors so that the conflicts among them smoothen (Ibid.). On the contrary, most non-commercial societies were barbarian, not gentle nor prudent according to Montesquieu (1989). Such has become the moral justification for the pursuit of material self-interest, now even farther from a religious or spiritual explanation in the Age of Enlightenment.

Moreover, according to the doctrine, the reason of state, which is based on rational economic interests, would restrain the passions of rulers, so to avoid an arbitrary authoritarian rule (Force, 2003). The main driver to check the arbitrariness of the rulers would be the complexity of the economy; as in Sir James Steuart’s watch metaphor, it will be counterproductive if they interfere arbitrarily (Ibid.). All of those factors push forward the development of pluralism and liberalism according to this idea (Oman, 2016).

Even though it was perceived that the material self-interests of individuals contribute to the public good through an invisible hand, there was still a problem of passions remaining. For Adam Smith, the only passion/interest of human beings was “*bettering our [material] condition*” (Force, 2003; Verburg, 2012). What about honor, joy, glory, heroism, etc. which are other passions that account for human behavior? Such passions rather connotated the extravagance of aristocracy and reasons for many unreasonable wars. Being aware that the unlimited pursuit of material interest of an individual is beneficial for society, and the other passions were just counterproductive and harmful; the idea of countervailing passions has begun to emerge. It was only the unlimited pursuit of money, greed, which could defeat other harmful passions, as it is the only passion which is so powerful, insatiable, and quite uniform and predictable; moreover, beneficial for society (Hirschman, 1997). Hirschman clearly states that the passion of material self-interest was rather preferable over other passions to organize the society as it was the most decent, predictable, constant, and uniform one; many other passions (e.g. honor, joy, heroism...) are pointed out to be inconstant and unstable (1997). As the Duke of Rohan put it, “...*l’intérêt seul ne peut jamais manquer*” (Hirschman, 1997: 36).

Reason had a significance in defining self-interest, based on greed, against other passions. This time, reason had a different purpose than it had in Ancient thinking, yet similar to the one in the mercantile stage. In Ancient philosophy, the reason was to define the limits of behavior, to avoid two extremes and to moderate behavior. Now, the reason was considered to be a perfect calculator and maximizer of material self-interest, termed as *rationality*. As it is best to pursue the self-interest to the best, to the most possible limit, the reason was occupied to calculate, stabilize, and maximize it to avoid big losses for small gains interfered by other passions. It was countervailing “the love of pleasure” by the “love of gain” as Hume advocates (2004).

Eventually, at the end of this chain of reasoning, the best way to organize society turned out to be commercialization and individual pursuit of material interest; as this was thought to be the way to achieve economic growth, pluralism, and stable social life; contrasted with other passions. Nevertheless, this is not the end of the story. This idea, as well, has attracted many criticisms, some of which are mentioned in this paper. If it may be attempted to go through the most important ones for the purpose of this paper, Lord Shaftesbury’s critique of greed may be mentioned first (2003).

Shaftesbury (2003) didn’t consider the pursuit of money-making as essentially good or evil. His critique is similar to the moderation idea in Ancient thinking, as this idea is also central to the purpose of this paper. He distinguished passions (affections) into three categories. The first one is “natural affections” which are beneficial for both the individual and the society, such as generosity and benevolence (Hirschman, 1997). The second one is “self-affections” which are not good nor evil, beneficial for the individual but not harmful for the society; and the third one is “unnatural affections” which are harmful to the society and the individual (Ibid.). Money-making, under this setting, may fit in any category given its level of passion and moderation (Ibid.). On the one hand, it can be a natural affection, which is beneficial for both the common good and the individual, if it is a mild and moderate behavior. On the other, it can also be an unnatural passion which can lead to both the individual’s and the soci-

ety's harm, if it is as far as greedy and stingy behavior. Therefore, in material self-interest, or passion of money-making, or in any other passion, Shaftesbury emphasizes *moderation* instead of colorless *rationality*. Moderation in human behavior was essentially the purpose of reason and the central tenet of virtue in Ancient philosophy, which is the point where Shaftesbury's thinking meets with them.

At this point, the Burkean critique of the Montesquieu-Steuart doctrine, or the *doux commerce* thesis, can be mentioned, as suggested by Movsesian (2018). Edmund Burke's critique points out that trade does not necessarily lead to the values of pluralism and liberalism, especially in societies where such values are alien (Ibid.). Burke stresses that the values such as moderation, toleration, trust, etc. had already been there in Western traditions especially thanks to culture and religion (Ibid.). Thus, Burke's reasoning is the opposite, it is not that the markets and trade which led to liberal values, but liberal values that had already been there led to the free market which creates wealth (Ibid.). Therefore, Burke strongly suspects that these values would appear if trade and markets developed in a society where such values are non-existent. On the contrary, societies that are foreign to the virtues of moderation, toleration, trust etc. may develop a totally different understanding of markets and trade, according to their tradition and culture, which may not necessarily require liberal values.

Beginning from the 18<sup>th</sup>-century, another popular critique has been discussed by the Romantics, who suspected the idea that human behavior can be considered in terms of a perfect calculation of material self-interest, and it's infallible. This suspicion led them to further claim that a society governed by such materialistic, detached, heartless, and selfish rules would not be good at all. Thinking of human behavior together with such passions as humor, gratitude, honor, joy, hospitality, and generosity would be much better and more accurate. Adam Ferguson also criticized the idea of *doux commerce* and commercialization because of the consequences, such as breaking of social bonds and affections, being solitary and detached, and every human interaction being reduced to the search for money (Ferguson, 2001).

There is also another critique that questions the universality of money-making passion. As mentioned by Hirschman (1997), the critique says that lower classes of people, actually, are not that much busy on how to acquire more wealth, as they are more occupied with necessary issues of life. The perfectly material and rational pursuit of self-interest is rather visible in those who already have some wealth. What is more interesting to see is that the more one acquires wealth, the more they desire it further. In addition to the idea that money has a non-diminishing marginal utility, the amount of money to get the same amount of utility also increases by the increase in one's current wealth. Moreover, the need to consider necessities of life also disappears by the increase in wealth, leaving more space for desires and passions. This reasoning has a crucial application. More trade and more wealth may not mean more moderate behavior in society as the Montesquieu-Steuart doctrine claims, on the contrary, more wealth would push individuals to acquire much more of it as in a case of addiction.

These criticisms have already begun to sound familiar. The rapid economic growth of the 19<sup>th</sup> and 20<sup>th</sup> centuries, especially after the industrial revolution, ended up in catastrophic results for a large portion of the population. This social situation pushed Karl Marx to come up with new ideas which can be considered as criticisms of the Montesquieu-Steuart doctrine as well. Marx (1982) also criticized the commercialization of social interactions and *commodification* of, basically, almost everything possible. The passion for money was so powerful and insatiable that it was overwhelming against honor, friendship, social relations, bonds, and affections (Ibid.). Moreover, the excess economic growth in Europe could only push them further to violently exploit "undeveloped" nations in other corners of the world to acquire more and more wealth with constant greed, according to Marx, and it was so predictable given all the flow of ideas discussed above.

Being one of the ultimate critiques, Max Scheler (1961) criticized the bourgeois morality itself, as originating from *ressentiment* [a concept developed by Nietzsche (2011)] to Christian morality. He stresses the intrinsic *noble values* of Christian morality that arise in virtue of immanent love (as we have previously described), while pointing to the decadency of bourgeois morality which degrades values down to mechanic calculation of benefits and losses. We may paraphrase his view in this context in the following way: bourgeois morality didn't appear but by the *ressentiment* of the merchant/industrialist class toward the noble values of Christianity, to which they could not reach; but not being able to reach, they brought morality all the way down in the *hierarchy of values* to the basic calculation of material units of benefits and losses, as an ostensible escape from their moral failure.

Obviously, Scheler considers Christian values to be superior to liberal ones that later developed out of bourgeois morality and replaced the former. From his point of view, the Industrial Revolution and the ensuing reconstruction of values, leaving alone being progress, was decadence, while the Christian values right from the Middle Ages represented a higher morality. He also defines *vital values* of senses, such as healthiness, strength and so on, as being higher in the hierarchy of values, compared to material values of bourgeois morality. By their resentment, the bourgeois even degraded such values which bring simple but precious well-being of life, as a result of instrumentalization of almost everything, he says. In bourgeois morality, every living thing is valued as much as its usefulness, as they are perceived as tools rather than organic beings (Scheler, 1961). For the context of our paper, Scheler's critique of bourgeois morality and its mechanic calculation of values can overall be distilled into a criticism of degradation of values, that of complete apathy or even antipathy toward spirituality, and that of instrumentalization of life and living things.

### Contemporary society: Passions to be moderated

In the end, given this long conversation on how to treat passions, notably greed, the strongest one, an attempt will be made by this paper to contribute to the conversation with the help of our contemporary social experiences. Before going into this approach, it may be better first to recap the tenets of the Montesquieu-Steuart doctrine in order to examine them in contemporary settings. First of all, it was assumed that free trade and individuals' unlimited pursuit of material interest, greed, are beneficial for the public good and society, both for economic and political results, via an invisible hand. Secondly, as material self-interest is a beneficial passion for the society, moreover, rational, universal, constant, and predictable; it could be promoted to countervail other passions which are harmful to the society because of their extravagance, inconsistency (from someone to another), inconstancy, and unpredictability.

It has already been discussed what might be the arguments for suspecting that the passion of material self-interest is beneficial for society. It might be clear that free trade and economic growth have many positive outcomes, such as innovation, technological development, improvement of overall living conditions, rise in average incomes, etc. However, it is suspected both whether free trade precedes liberal socio-political values, and whether it is economically beneficial for society.

Firstly, restating the Burkean critique, European traditions already had the virtues of moderation, prudence, fairness, etc. through Ancient and Christian morality much before the commercial revolutions. Therefore, historically, it is comfortable to assume that these already-existing values in Europe might have contributed to the development of *innocent* and free trade and its socio-political benefits. Even though it can be suggested that free trade also contributes to the development of liberal values, still, it is harder to ignore the significance of already-existing values. For instance, what might be one of the reasons for failures in the economic transition of post-Soviet countries? How free market and trade could exist and kept working in Western societies while they couldn't in Russia, for instance? Even among some post-Soviet countries (e.g., comparing Russia and Poland), similar roadmaps for economic transition were applied but resulted in different consequences (Frye and Shleifer, 1997). It may be suggested that already-existing cultural and social values in a society are crucial to define whether free market and trade can be created and sustained.

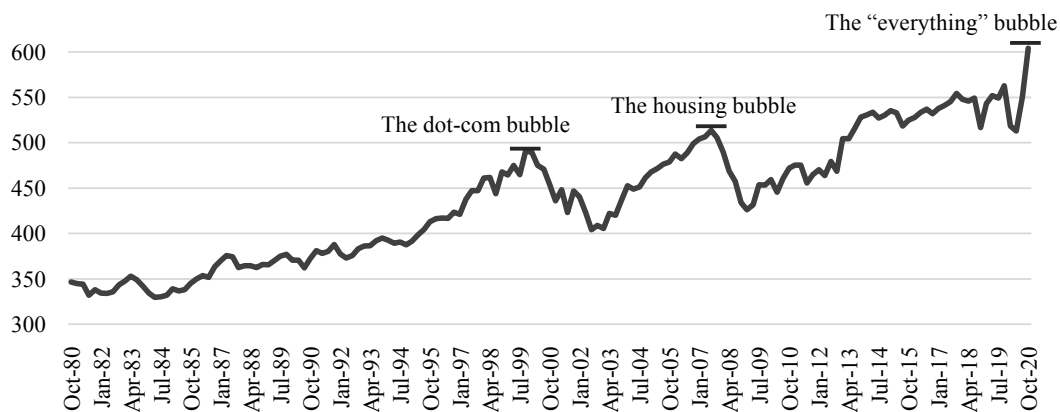
A similar approach can be directed toward the European Union project as well. The premise of the EU project was to unify the European nations, to clear away the conflicts among them, and to promote liberal values of pluralism and individual freedoms through economic cooperation, development, and trade. However, as it is also suggested by Movsesian (2018), this premise turned out to be faint with Brexit and the rising tide of populism; indeed, deep clashes of values based on identities could not be extinguished so easily by economic factors. Consequently, it can be claimed that the identity issues and socio-cultural values are so diverse among different societies that it is not easy to expect the same reaction from each one of them even though the implementation is the same. Indeed, their reactions in terms of both politics and economy are so diverse as well.

The critique by Adam Ferguson (2001) can also be recalled in that regard that tranquility and stability, which the commercial class desired to see, can easily become a justification for an authoritarian rule of efficient economic management. The example of Chinese economic development can also be given in that respect, where an enormous development of trade and the market economy did



not lead to liberal social values or a liberal-democratic political system. On the contrary, one of the reasons for the huge economic development in China was the stable, exclusive and authoritarian single-party regime. Moreover, as Almond and Verba (1963) analyzed and concluded, the political institutions of a country must coincide with the political culture of that society; as civic culture was needed for a liberal democratic political system to sustain.

Secondly, it is also hard to assume that free trade and the passion of material self-interest are economically beneficial for society in *absolute* terms. Its socio-economic advantages might be clear when it is indeed a moderate and decent activity, as Shaftesbury (2003) suggested, but not when it is not so. Farther than the problem of commercialization in previous periods, financialization has become one of the problems of contemporary society. Some of the major reasons behind devastating economic crises in near history were manipulative-speculative financial bubbles. The excessive and urgent desire for wealth has become so powerful in the society that such bubbles emerged in only the last 30 years: notably the dot-com bubble (1995–2002), and the housing bubble (2007–2009) which both resulted in painful economic crises. Each of these bubbles and consequent crises required afterward many regulations and interventions by the government to control the deficiencies of excess. According to Howard Marks, co-chairman of Oaktree Capital, markets are now further experiencing an “everything bubble”<sup>1</sup>. This situation may be perceived, for instance, in the data regarding the total amount of financial assets held by the US household and non-profit organizations with respect to their disposable income, as the Figure depicts.



**Fig. 1.** Households and non-profit organizations; total financial assets as a percentage of disposable personal income, provided by Federal Reserve Economic Data

Source: Board of Governors of the Federal Reserve System (US). *FRED, Federal Reserve Bank of St. Louis*. <https://fred.stlouisfed.org/series/BOGZ1FL154090006Q> (accessed on October 15, 2023)

As it is discussed whether the passion of material self-interest is intrinsically beneficial or harmful for society both in terms of socio-political and socio-economic aspects, now, this passion can be discussed from its other beneficial aspects of predictability and constancy, as suggested by Hirschman (1997). Because, as it has been suggested in this paper that the passion of material self-interest is not intrinsically good or bad for society, without the consideration about its moderation; still it is possible to discuss whether it can be the passion to *countervail* other harmful passions given its advantages just mentioned.

Hirschman (1997) suggests that the passion of material self-interest, greed, might be quite a good way to organize and understand society as it is the most predictable one compared to other passions such as honor, joy, heroism, glory, etc. Romantic critique can be recalled in this regard that it is too naive to expect that all human beings are perfect listeners and calculators of material self-interest. On the contrary, other passions such as passionate love, honor, joy, generosity, enthusiasm, curiosity, etc. are very much responsible, maybe even most of the time so, for understanding human behavior. Without curiosity, how much could science develop, for instance? The whole human activity of scientific research can be explained by curiosity and enthusiasm to quite a large degree,

<sup>1</sup> Oaktree's Marks says markets are in an “everything bubble” (Video; August 5, 2021). *Bloomberg Markets and Finance* (YouTube channel). <https://www.youtube.com/watch?v=Orpkcv4iSyk> (accessed on November 23, 2021)

in contrast to material self-interest. Without considering other “unpredictable” passions, it is hard to imagine a “human” behavior.

On the other hand, the reduction of human behavior to mere material interests has dangerous implications. As also put forward by the Romantics, Marx, and then, Scheler, commodification and instrumentalization of all human interactions would, conversely, extinguish the values of generosity, solidarity, love, etc. One of the well-known critiques toward contemporary society is already this problem of “consumption society”. As all human behavior, including emotions and joys, is reduced to a material basis; consumption has become one of the major sources of experiencing our emotions and joys; which might not be dependent on such activity of material acquisition. Not only humanity is degraded down to a material bases, but also the environment that sustains all life. Extreme consumption and instrumentalization of life and the environment in the pursuit of material gains could only lead to destruction of them day by day, also through it, of the human life that is now much away from its spring of origin.

Another advantage of material self-interest is suggested to be its constancy, by Hirschman (1997). Constancy of the passion of material self-interest may also be regarded in terms of its perpetuity, universality (Hume, 2004), and insatiability (Hirschman, 1997). We agree with Hirschman that material self-interest has the properties of perpetuity and insatiability, but rather argue whether it really has those of constancy and universality. The passion of material self-interest is perpetual and insatiable, as it is already discussed that money has a non-diminishing marginal utility. Moreover, it is not only perpetual and insatiable, but it is also addictive, as any other passion might be; when they become an end in themselves, they can easily turn into an excess desire. For instance, may it be suggested that the utility of two dollars to a beggar on the street is the same as the utility of two dollars to a billionaire? Obviously not, as one’s wealth increases, the same utility can be acquired only by a larger amount of money. It is a similar idea to biological addictions, interestingly. It may be suggested that all human passions have such a property of addictiveness, including greed. That is what can make them perpetual and insatiable, but not constant and universal, as it is explained by the beggar-vs-billionaire example. Greed is not constant and universal because it depends also on one’s already acquired wealth. Reminiscent ideas of this one are also visible in Hobbes (1968) and Rousseau (1985), which were mentioned previously. Consequently, it can be restated that the excessive desire for wealth caused by its insatiability is one of the major reasons for contemporary social problems, such as the aforementioned problem of financial bubbles and their horrible consequences.

It was not only the insatiability of greed that was despised by the Ancient philosophy, but also regarding its consequences of social inequalities. Because as a minority of society gets richer and richer, even it may not be at the expense of others, other parts of society will eventually feel dissent and envy of them. It is not an empty idea that extreme inequalities and resulting frictions in society can lead to its collapse through revolutions. This Ancient idea has already been checked by MacCulloch (2005) using real data to see whether income inequality in a society correlates with preferences for revolt. He found out a positive and explanatory relationship between the Gini coefficient and revolutionary preferences in a given country. This suggests that, indeed, economic inequalities may lead to social frictions and revolutions.

It is another fact that global economic inequality is quite high in contemporary society of the 20<sup>th</sup> and 21<sup>st</sup> centuries, higher than in previous centuries. The total global inequality, measured by the Gini coefficient (as %), was 42 in 1820; in 1992 it became 83<sup>2</sup>. It is a striking increase since then. The global inequality, fortunately, has been decreasing since then, one of the reasons being the rise of Asian countries, though it was still very high in 2013 at 64.9<sup>3</sup>. Consequently, it may be concluded that inequality on a global scale is another problem of our contemporary society, which may even lead to frictions and conflicts among states. It is visible that the development of international trade and overall economic growth did not help much the inequality problem, both domestically and globally. On the contrary, the excessive desire for wealth by a minority of rich contributes to this rising inequality in the face of poorer ones who do not have this luxury. It can be concluded that the excessive pursuit of wealth is harmful to relations both within societies and between societies, because of its outcome of rising inequality.

<sup>2</sup> Roser, M. (2013). Global Economic Inequality. *OurWorldInData.org* <https://ourworldindata.org/global-economic-inequality> (accessed on October 15, 2023)

<sup>3</sup> Ibid.

Having given and discussed all these arguments, rather than trying to make a hierarchy of passions and countervailing one by another, it may still be reasonable to suggest that *moderating* any of our passions with the help of our *own reason* would be a virtuous approach. This suggestion can be compared to the moderation idea of the Ancient philosophy, and contrasted to their idea of communal reason or the reason of state, as the individual reason is asserted in this paper. The idea that a public authority is to suppress individual passions is not acknowledged. But it is asserted that *individual reason* is to *moderate* passions and avoid excesses, in line with the Stoic idea. On the other hand, the idea of reason that is used to calculate and maximize material self-interest is declined, as it reminds of a reason seduced by the passion of greed in this setting. As a result, it is suggested by this paper that the Ancient idea of moderation is still relevant and significant in contemporary society given all aforementioned discussions and arguments regarding the question of “*How to treat passions?*”, with one reservation that this moderation could be, hopefully, carried out freely by individuals themselves and not at all by a public authority.

### Conclusion

The history of ideas on how to treat passions, especially greed, has been briefly described and discussed alongside the economic realities of different periods and their evolution. Subsequently, some economic realities of our day are also mentioned and a specific approach toward them is proposed as a reaction to this flow of ideas, especially to the idea of the *doux commerce* and the Montesquieu-Steuart doctrine that was introduced by Hirschman (1997). The point of this paper is to invoke the idea that it is not our passions or self-interest that are destructive and harmful for us and for society, but it might be our failure to moderate our passions, and greed, as the Ancient and the Stoic philosophers would suggest. From different approaches and viewpoints, this Ancient idea of moderation has been discussed and developed in the face of our contemporary experiences and understandings.

Even though *reason* is suggested to be the way of achieving this moderation, still, what principles and rules will guide our reason in achieving it in different circumstances are still open to question and discussion. Mainly, what kind of theory of moderation could be developed to be used as a guide that can be applied to different circumstances, is still an unanswered question. Finally, it may be suggested that any attempt to answer these questions may shed light upon our way to treat our passions rightly and to live harmoniously both within ourselves and within our society.

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