New Blackfriars

DOI:10.1111/nbfr.12416

Three Rival Versions of Monetary Enquiry: Symbol, Treasure, Token

Edward Hadas

Abstract

In the human imagination, money is a symbol of many things, from base and alienated labour to individual freedom and social power. In the organisation of society, money is a treasure that breaks the limits of time. In the economy of labour and consumption, money is no more than a functional token. The move from symbol through treasure to token is a typically modern story of ever greater cultural disenchantment and every greater functional success. Fortunately, the conflicting narratives of money do not lead to the interminable mutual incomprehension of conflicting approaches to morality. If anything, the de-mystification of money has helped create spiritual opportunities.

Keywords

Money, economics, Alasdair MacIntyre, Heraclitus, social construction of reality

Money and moral philosophy are certainly quite different, but there is a formal similarity in some of the discussions of these two topics. The philosopher Alasdair MacIntyre has dedicated several books to explaining why it is impossible to persuade anyone about anything philosophical. In this lecture, I will approach money in a similar way. I think a MacIntyre-style conceptual discussion of money is valuable, because confused ideas of what money means and misunderstandings of what money can do can lead to seriously harmful policies and priorities. Also, I hope a clearer understanding of different old and new ideas about money can illuminate much bigger debates, perhaps even the debate between modern versions of moral enquiry.

My title is inspired by one of MacIntyre's works, *Three Rival Versions of Moral Enquiry: Encyclopaedia, Genealogy and Tradition*.[1] My three rival ideas about money – symbol, treasure and token – do

[1] Alasdair MacIntyre, *Three rival versions of moral enquiry : encyclopaedia, genealogy, and tradition being Gifford Lectures delivered in the University of Edinburgh in 1988*

not correspond precisely with his about moral philosophy, but we are both talking about what MacIntyre calls "rival conceptions of rationality", alternative comprehensive approaches based on radically different understandings of how the world works. In both cases, each of the discordant views can only be discussed coherently in its own conceptual language. Those languages are mutually incomprehensible, so attempts at dialogue are inevitably vain. The various arguments pass by unnoticed or unappreciated, like ideological ships crossing in an epistemological night.

While MacIntyre inspired my title, our approaches differ in three significant ways. First, he believes that his versions of inquiry are mutually exclusive. Only one moral worldview can be accepted as true by one person at one time. In contrast, I am comfortable accepting that all three contradictory understandings of money – symbol, treasure and token – can be true simultaneously. In making that claim, I am neither denying the law of non-contradiction (the same thing cannot be both true and false in the same way at the same time) nor endorsing any sort of relativism (my idea about money is true for me and yours is for you). Rather, I believe the word "money" is used equivocally – the same word describes three essentially different things. Each of the uses is true in reference to a particular meaning or type of money, and people can and do keep several meanings in mind simultaneously. I will sometimes mark out those distinctions by referring to symbol-money, treasure-money and token-money.

Second, MacIntyre avoids the obvious chronological framing of the worldviews he describes. Neo-Thomism, the least successful of the three, was at attempt to modernise the medieval scholastic synthesis of theology and philosophy. The Encyclopaedists articulated, in 25 volumes, the still powerful but already past its cultural prime 18th century spirit of triumphal scientific reasoning. The deconstructing Nietzschean genealogists were the coming thing. MacIntyre could easily have taking them as representatives of pre-modern, modern and proto-post-modern thinking. If he felt that temptation, he resisted it. In contrast, I have succumbed completely. I am self-consciously interested in placing the history of ideas about money in the grand historical narrative of modernity. My narrative moves from the distinctly pre-modern, even pre-rational symbol, through the transitional, apparently pragmatic treasure to the fully modern, totally pragmatic and functionalist token. I believe the concepts of money have crossed

(Notre Dame, Indiana: Notre Dame University Press, 1990). Encyclopaedia refers to the Enlightenment tradition of rational and scientific explanation exemplified by the ninth Edition of the *Encyclopaedia Britannica* of 1889, genealogy to the historically critical view of moral certainties exemplified by the 1887 work of Friedrich Nietzsche, *The Genealogy of Morals*, and tradition to the neo-Thomism endorsed, with qualifications, by Pope Leo XIII in his 1879 encyclical *Aeterni Patris: On The Restoration of Christian Philosophy*.

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

from pre-modern to modern by going through what sociologist Max Weber called disenchantment, the stripping away of transcendental meaning. Disenchantment is, I would argue, intimately related to what Charles Taylor, a friendly philosophical rival of MacIntyre, calls secularisation, an epochal shift in social practices and religious beliefs.

Finally, MacIntyre and I reach quite different conclusions. He basically finishes much as he begins, in an aporia. He sees no helpful way to join the parallel lines of moral discourse and is not persuaded that there can be a mutually acceptable way to decide which of them is most right. Many readers of *Three Versions* will also come away with a sense of cultural despair. The removal of moral certainty leads to uncivil debates and to profound doubts about what is really right. My narrative is less gloomy. The mutual incomprehensibility of the rival versions of monetary thinking cause far less practical discord than MacIntyre's mutually incomprehensible moral standards. Indeed, the ideas about money can often co-exist comfortably, because they turn out, as I have already suggested to describe different things. My listeners can even be encouraged by my conclusion. The changes in ideas about money might stimulate a certain amount of cultural despair, but any unwelcome shrinkage of what Taylor might call money's social imaginaries has to be set against money's contribution to the promotion of some important human goods. Modern society is probably better off for this change.

One very last comment before I begin my narrative in three chapters. Economists struggle to define money. In practice, the profession largely follows the example set by former U.S. Supreme Court justice Potter Stewart's non-definition of hard-core pornography – "I know it when I see it". As with pornography, however, common sense cannot decide doubtful cases, so specialists have worked out careful delineations of exactly what is and what is not money. For introductory students, their conclusions are often reduced to a three-part functional definition: something is money when it serves as a unit of account, a store of value and a token of exchange. Although my treasure and token correspond roughly with the last two properties on this standard list, I believe that the economists' approach is philosophically and sociologically problematic. I hope some of the reasons for this judgement will soon become clear, but this is not a good venue for a full-out polemical critique. Rather, I suggest simply forgetting any lingering memories of the standard definition for the duration of this lecture.

Chapter One: Symbol

Money is a symbol. It is a thing that stands for something else. It carries social, cultural and psychological meanings which are not

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

contained in its own practical definition. It is used in social and cultural discourse as an exemplar or representative of some broad quality or characteristic. Money supports a social imaginary, and the shared acceptance of its symbolic meanings creates a social unity. Money also almost automatically creates a social division, between those who live in one of its symbolic worlds and those who choose not to or who are involuntarily excluded.

For more than a century, symbols of all sorts have attracted enormous attention from scholars in many disciplines, not to mention miscellaneous poets and dreamers. These students of the semiotic depths of reality have explained that language and grammar are manipulations of meaningful symbols and signs. They have developed symbolic logic to express the relations of universal categories in a few characters. They have analysed Freudian symbols of unconscious fears and desires. They have parsed myths, extracting symbolic representations of the world.

I could go on, but in this lecture I am only interested in a discipline that has excluded itself from this flowering of interpretations, economics. Economists think of themselves as something like hard scientists, whose symbols are limited to the purely mathematical. They study fundamental constituents of the human condition which are presumably laden with symbolic meaning – labour, production and consumption and their arrangement in society – but their observations are literally superficial. They do not search for deep meanings or higher connotations. One of the many unfortunate effects of this shallow professional vision is inattention to money's rich symbolism.

Before providing a sample of symbolic monetary themes, I want to suggest why studying them might be helpful. At the most dully practical level, understanding the irrational meanings of money can help us be more "rational" about how we use it. For example, knowledge of money's symbolic universe gives more insight than any considerations of so-called behaviour economics into popular attitudes to price discounts and the popular fascination with wealth comparisons of people with more money than they could ever dream of spending. The understanding of symbol-money does more than "myth-busting", though. It gives insight into our culture, past and present. Modern and post-modern social and cultural values remain heavily influenced by some of the pre-modern monetary imaginary. Money is still thought of as blessing and curse, as worldly power and spiritual burden. It still carries a moral taint and holds a social aspiration. Indeed, while other traditionally powerful social symbols, from royalty to marriage, have lost much of their resonance in the disenchanted age, money seems to retain enough complex meaning that an up-to-date analysis of symbol-money might well provide a hermeneutic key to much of the modern world.

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

I have no intention of trying to unlock the secrets of the age. I will just list ten symbolic meanings of money. The first three are largely pre-modern while the following seven have been more richly developed on the modern side of the great divide.

1. Money is a symbol of **wealth**. Money is often treated as almost synonymous to wealth, but the two are different. Money is no more than a raw material for the social imagination of the comforts, glory and separation from the common world of necessity which constitute wealth. The presence of abundant quantities of money radiates the potential of magnificence. Money, or money converted temporarily into golden and silver ornaments, projects or promises grandeur and glory in a palace or a temple. The aura of money and wealth envelops the families, gods or royalty which are celebrated in the building and its contents. For individuals, money projects social authority and divine favour, even when the money is simply stored and never spent, or never intended to be spent.

2. Money is a symbol of **greed**. The desire for money is greedy in a pure and symbolic way that the no other desire can really match. It is the love of money, not of what it can buy, that St. Paul condemns (1 Timothy 6.10). It is gold, the dominant form of symbol-money, which the hapless Midas and the careless father in *Rumpelstiltskin* desire without limit. It is money that misers hoard in their archetypical displays of antisocial vice. The person who is greedy for money may wish to spend it all eventually, but even the most extravagant subsequent displays of wealth are stained by the initial coveting of coins, or by the thrill of having and wanting which is stimulated by bank statements. Monetary greed is set deep in the fallen human condition. It can be found in children who, as soon as they discover what money is, want to collect as much of it as possible and hide it away, just so they can know they have it. And it shines out in the dying miser's longing last glance at his hoard. This is the stuff of literature, for example the death of Mr. Barkis in Charles Dickens's *David Copperfield*.

3. Money embodies the **bad infinity**. Aristotle noticed that there is something unnatural about money, because there is no limit to how much of it can be wanted. Since the advent of fiat money (money declared into existence by a government of some other trustworthy authority), monetary reality has been able to match desires. There is no limit to the number of dollars or euros that can be created, not even the number of subatomic particles in the universe. Hegel called this unnatural unendlessness a "bad infinity", the going on forever which never transcends the limits of life in the physical world. Bad infinity symbolises all that is frustrating about the human condition – the interminable and apparently meaningless drift of events. The unceasing ability always to put one more pound in the bank is a pure example of the futility of it all. In less philosophical

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

words, money symbolises all that is empty and worldly. Its presence is a constant reminder that no amount of it can buy love or happiness (although richer people do report more satisfaction with life than poorer people, up to a point).

4. Money is a leading symbol of **social power**. Of course, money gives actual social power – with it you can bribe judges, buy politicians and afford tickets to high-status events. My interest here is the symbolic power – the mere possession of money creates far more authority than actual or potential purchases can explain. A celebrity is only ratified as important when she has enough money to matter, although she is unlikely to spend much it. The fascination with "rich lists" is awe at the smell of power. Money is far more closely tied with social power in the modern world than in pre-modern societies, where money typically brought, or bought, less status than noble lineage, the control of land and slaves, valour in battle or even wisdom and holiness. However, money is the perfect symbol of power in societies which value measurement, since monetary fortunes can be counted and compared.

5. Money symbolises **social dissolution and alienation**. This is a modern reworking, in a symbolic language, of the age-old aristocratic disdain for merchants. It is almost always tinged with Romantic regret, as in the poet William Wordsworth's complaint that in "getting and spending, we lay waste our powers". Karl Marx, followed by a horde of gloomy cultural commentators, spoke of political economics. We put prices on everything, they complain, debasing all real values. We know the price of everything and the value of nothing, as Oscar Wilde said of cynics. Money is a measure that divides man against man. The cash nexus, as Marx called the trading of labour for money, is essentially inhuman. Money allows an unnatural self-sufficiency, since if we can pay we do not have to ask or give thanks. The rhetoric is strong, and the symbolism clear. Is it correct? Well, decaying families, declining spiritual convictions and fragmented communities suggest the modern world has a good amount of social dissolution, alienation and so forth, and there is no denying that much of the modern economy is denominated in money. Correlation, though, is not causation. What can be said without doubt is that money is alienating when people believe it is – when they see it as a sign of an isolating and calculating society.

6. Money symbolises **individual integrity and independence**. This idea comes from Sigmund Freud, who wrote rather graphically of the desire for money as an expression of anal-retentive desires. His strange bio-psychology can be discarded without destroying the idea's symbolic truth. Individuals crave money because they feel they can use it to control their lives. Monetary wealth provides a symbolic alternative to the interdependency required for emotional warmth. More negatively, avoiding monetary poverty avoids the practical neediness

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

which can be painfully reminiscent of emotional neediness. The integrity which money represents is related to greed, but lacks greed's wild infinity of desire - money does not always symbolise a craving that is out of control. Indeed, the careful control of monetary fortunes can symbolise control of the variations of the fortunes of fate or chance.

7. Money is a symbol of **social unity**. Money, a common currency, marks out and represents a community, sometimes one unified by fair dealing and sometimes one scarred by oppressive monetary debts. The New Testament uses money to describe a symbolic monetary community that is universal, not only in the idealised description of the money-sharing first Christian community in Jerusalem (Acts 4.32-37), but in a cosmic dimension. The death of Jesus is described as cancelling the monetary debts of everyone's sin (Colossians 2.14). In the modern world, money is a tool that brings together the scattered participants of a national economy. A shared currency, like common taste in food or common experience in the armed forces, both symbolises and expresses belonging. Conversely, the lack of money symbolises and expresses social exclusion, but that is a slightly different symbolic story.

8. Money is a symbol of the **classless society**. America is the land of economic opportunity and the land where money talks most loudly and with the least socially indicative accent. The two qualities are intimately connected, because money stands for the freedom to make something of oneself. Since all money is identical, its possessors naturally tend to be judged by how much they have, not where they got it from. "New money" may be snubbed by "old money" or by genteelly impoverished aristocracy, but rarely for more than a few generations. These days, respectability often comes in one. The mobster's children go to the same expensive school as the heirs to the most legitimate fortunes, and all graduate with the same class. Of course, different amounts of money also symbolise class distinctions. Either way, money fills some of the gaps left by the decline of traditional social symbols. That symbolic social role would not have surprised Marx. What would have surprised him is the decline of class differences. The populations of affluent societies are dominated by a remarkably uniformly moneyed middle class. The shared symbolism of money has eroded many of the class distinctions that Marx thought were the wellspring of all history.

9. Money is a symbol of **personal safety**. In a crisis, money really buys safety –the flight out of danger, the bribe for the border guard and the first month's rent in a strange land. Refugees carry money for its actual, not its symbolic, power. However, the symbolism is there even when the need is not. Money in the bank, money for a rainy day, money for retirement – money is a sign of the ability to withstand the storms of life. Children are encouraged to be thrifty and build up

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

their savings account because they need to learn that money stands for security in an uncertain world. Some studies show that people who save even feel less afraid of death than those who spend.[2] Ideally, the rainy day fund is never spent. Indeed, the symbolic willingness to put money aside is often treated as a talisman which should ward off actually using it.

10. Money is a symbol of **personal freedom**. In one modern social imaginary, money fuels free markets, which are not only free in their competitive energy but which also provide freedom of choice to consumers, producers and labourers alike. The ideology may be questionable, but it undoubtedly gives money a symbolic resonance in the modern economy, much as in some pre-modern political orders city walls projected the reality and symbolic resonance of the freedom available within them. Less ideologically, money expresses the opportunity to flourish. It is seen as a foundation for family life, even in the post-dowry age, just as it is a prerequisite for a life of leisure and a guarantee of freedom from the pressures to conform to standards set by some disliked power-elite. Again, the money really buys some freedom, so it is tool as well as symbol, but it is always firmly symbolic. It is connotes and expresses freedom, even for the many people who never take advantage of the freedoms their money gives them, and for the many more who would not take advantage if they had enough money to do so.

The list of money's symbolic resonances could easily be lengthened. From the Israelite dances before the idolatrous golden calf (Exodus 32.6) to the drug dealer's suitcase full of 500 euro notes, symbol-money helps shape the social imaginary of every society in which money is used. The richness of its meanings should not be surprising, because money intersects with many basic human experiences. Most pragmatically, it helps modulate labour and consumption, so it is entwined with the glory and the toil of humanising of the physical world. It is also a signifier of position, a guarantee of integrity, a lure to fraud, a force of unity and a marker of division. It is woven into worship, a fitting material tribute to the immaterial divine. It even has the odour of immortality about it, as death does not destroy the value of a man's money.

The breadth of this list will frustrate people who want their symbols simple and straightforward. Money can be neither. It is a symbol of both good and bad things, expressing generosity and greed, the transcendental and the worldly, humanity's nobility and baseness. The symbolic meanings are complex and sometimes contradictory. That is the way with symbols, especially symbols which are so intimately

[2] Tomasz Zaleskiewicz, Agata Gasiorowska, Pelin Kesebir, 'Saving Can Save from Death Anxiety: Mortality Salience and Financial Decision-Making',. PLoS ONE 8(11): e79407 (2013)., https://doi.org/10.1371/journal.pone.0079407.

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

connected to our everyday experience and lifelong aspirations. If anything, money looks impoverished as a bearer of complex meaning in comparison to such rivals as love, war, fire and food.

As I said, modern economists, at least when they are acting in a professional capacity, cannot recognise any of money's symbolic dimensions. Their conceptual world is so thoroughly disenchanted that it has no place for even such obvious concepts as greed and the symbolic monetary trappings of power. The effects of this limited conceptual capacity are depressing. For example, the argument over whether the increased modern reliance on money in economic activity serves more to reinforce or to dissolve social ties is interesting and important for both understanding the modern world and setting social policies. It is, as MacIntyre could explain, literally incomprehensible to economists. They cannot grasp the essential, and essentially symbolic, question – when does the use of money introduce an impersonal barrier between people and when does it support personal and social relationships?

For almost everyone else, including economists in their non-professional lives, this symbol-money – the various deep, rich and thickly meaningful understandings of money – is likely to be the most interesting type of money, and quite possibly the most potent in guiding actual thoughts and practices. However, rather than say more, I will now turn to the second and less interesting monetary enquiry.

Chapter Two: Treasure

The word "treasure" would fit in the first chapter. After all, a secreted chest of gold coins has a mystique about it which goes beyond potential purchasing power. My meaning here is substantially more boring - money is something which can be put aside now and spent later – without any loss of purchasing power.

That property, the conservation of value, might sound mundane, probably just as mundane as the token-money I will describe in Chapter Three. However, economists who accept "store of value" as an almost self-evident concept are not paying attention. Storage-money deserves a chapter of its own in this lecture because it is essentially unnatural and uneconomic. It is an ideologically laden social construct which relies on and reinforces a clear and questionable approach to time, power and justice.

Time is the key issue. I think the problem is illuminated by the saying of the pre-Socratic philosopher Heraclitus, "you cannot go twice into the same river". The river changes because the water of the first stepping-in has flowed on. The river of the second entry has different water from that of the first, so the river is itself different. Philosophers can argue that rivers do conserve their identity in some

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

way, but the relationship of time and change is just as Heraclitus said. Time changes everything in both the natural and the manmade world. For the things which money buys, the change is usually some sort of decay. Even if there are no thieves to turn your treasure from something into nothing, metal rusts and clothes are eaten by moths, or go out fashion (cf. Matthew 6.19). When the changes wrought by time are for the better – whiskey that matures, for example – there is still the fact of alteration and the uncertainty of future value. As distillers sometimes discover, the barrels put away a decade ago may not be desired now, because tastes have moved on, like water in a river. I cannot buy the same metal, clothes or whiskey twice.

Money also buys labour and services from people, and change is also the rule in the human world. Individual bodies age, emotions soften or harden, knowledge deepens or scatters. Families, communities and societies inevitably evolve. The result is that even if the labour I will pay for five years from now is identical to what I could buy now – an hour of exactly the same French pronunciation exercises or exactly the same service of food prepared in exactly the same way – the social, economic and psychological context will inevitably have changed so much that in practice my money now and my money then will be buying different experiences. I cannot buy the same French lesson or meal twice.

Some things do not change. Believers will put God at the top of that list, but even religious sceptics will generally allow for the constant truths of mathematics and physics. Philosophers might talk of concepts which exist outside of time and poets can murmur about eternal beauty. A common theme of these unchanging aspects of reality is that they are all things which money cannot buy. I cannot buy the same truth twice, because truth is not for sale.

The premise of treasure-money is that money is actually like truth – its value is timeless. It overcomes the otherwise ineluctable ravages and alterations of time, ensuring that the exact same metal, clothes, lessons and meals are available at any time for the same amount of money.

This promise is too tied to time to be made in the fully timeless and transcendent world of God and the Ideas. However, treasure-money also does not fit in the dull, ever-changing world of disenchanted individuals living in an ever-changing world. In that world, as Heraclitus might have pointed out, money can only deal with the activities of this instant. Treasure-money belongs in the world between the heavenly city and the isolated individual, the world identified by theorists such as Émile Durkheim and Claude Lévi-Strauss as society. It is the conventions of this middle-world which allow money to "store value".

Thanks to these conventions, people believe with all sincerity that money has the property of allowing them to buy precisely the same

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

clothes or French lesson is the future as now, or at least of buying things and services which have exactly the same real value. The belief is so firmly entrenched that this purported power is credited to the money itself, not to the society which sets the rules of monetary value. Indeed, money-holders often consider the privilege of tricking time to be a right, one which cannot justly be abrogated.

The wisdom of Heraclitus ensures that the social construction of constant monetary value will always be imperfect. Indeed, since money's social value is in constant flux, there is something fraudulent about the claim of retaining value. The value of what one hundred euros buys now is inevitably different from, and not clearly related to, the value of what one hundred euros will buy in five years. You cannot step into the same money stream twice. More pragmatically, to the extent that such conservation is meaningful or possible, it is fragile. Price inflation, the pattern of generally rising prices, eats away at the purchasing power of treasure-money. Bank savings accounts may seem more solid, since they provide regular interest payments (I will come back to them in a minute), but the payments are often not high enough to keep up with inflation. Anyway, banks sometimes fail and savings are sometimes lost. There is also the possibility that whole societies fail, bringing their money systems down with them. If things do fall apart, gold may preserve value better than bank balances, but the value of the metal is certainly not guaranteed to be conserved.

There is nothing special about storage-money's incomplete retention of value. Symbolic meanings in social systems are inevitably blurred by tedious imperfections. Wigs fall off the heads of judges, the bride coughs as she makes her vow, the priest drops the communion wafer. The key point is not the empirical shortcomings but the consistent symbolic meaning of the imagined perfected gesture or practice. In this case, that full meaning is simple – money is more powerful than time – and its social implications are significant – the authorities are expected to do their best ensure that the economic value of money stays as constant as possible through all the vicissitudes which time can bring.

Before briefly discussing some implications of the remarkable social commitment to treasure-money, I should mention two complications. The first is narrowly economic. The duality of monetary meanings – the same bank balance may be considered either treasure or token – can hinder the smooth functioning of the economy. The monetary attempt to have it both ways can help start recessions and depressions, when the precipitate transfer of too much token-money out of the active economy into the non-spending zone of treasure-money creates a sudden decline in the amount of money available for payments. This imbalance of the available supply of money with the demand for money to pay for things will leave some wages unpaid or some goods and services unsold. A cycle of declining spending,

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

employment and then spending can easily gain momentum. Fortunately, these the monetary imbalance can be corrected fairly easily, by giving people more token-money to spend.

The second complication is also economic, but has wider social implications. Over the last few centuries, the social promise to retain the value of treasure-money has gradually been transformed to something even more generous. The value of this money is now supposed to increase over time. Economists, never at a loss for technical vocabulary, call the supposedly automatic guaranteed gains a "positive risk-free rate of return". They explain that under a certain set of apparently fair assumptions (apparent, at least, to economists and savers), money-holders are treated unfairly unless the value of their savings increase as fast as the economy expands.

The demand for increased value is problematic in many ways. Technically, measures of "economic expansion" have something arbitrary, not to say totally fictitious, about them, so it is impossible to know what the correct rate of increase in monetary value should be. Historically, this correct rate, sometimes known by the ideologically charged name of the natural rate of interest, has rarely been provided. Sociologically and morally, the demand for monetary growth has enough ethical audacity to qualify as chutzpah. Why should money work in the economy the way that Jesus says the kingdom of heaven expands on earth – growing like a mustard bush and spreading like yeast in dough (Matthew 13.31-33)? Such a promised return turns money into a live thing that reproduces itself, which it certainly is not. (The ancient Greek language captures this idea in its word for interest payments, which also means "offspring".)

Leaving aside this last bit of vital imagery, treasure-money is certainly symbolic. In its power to turn back the effects of time it embodies the bad infinity of Chapter One and the addition of supposedly natural increase accelerates treasure-money's journey to the infinitely distant nowhere. It symbolises stability over time or, when increase is expected, what might be called super-stability. Yet treasure-money is also mundane and tangible. Economists who cannot hear, let alone speak, the language of symbol are happy enough to discuss and measure risk-free returns. They carelessly lump "store of value" with "token of exchange" together in their definition of money, as if this dreamy idea of overcoming time and belying Heraclitus was no more than an issue of engineering.

Why is the unnaturalness of this intermediate type of monetary enquiry so rarely noticed? Economists are not stupid, after all. My explanation is that economists, and savers, have fallen into an ideological stupor. Like a devoted Communist discussing the inevitable and obvious contradictions of capitalism or a convinced Freudian explaining the mechanisms of catharsis, the believer in the conservation or increase of monetary value lives in an internally consistent

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

symbolic universe. Outsiders may scoff, but insiders see themselves as seeing reality as it really is.

The ideology to which these value-believers are enthralled might be called the financial worldview. I alluded to it earlier, when I spoke about the implications of money-as-treasure on "time, power and justice".

I have already mentioned this worldview's hostile relationship to the reality of time. Treasure-money promises to defy time's destructive and destabilising nature. The promise cannot be kept, but a substantial social commitment is required to try. For the effort to be sincere, the society must truly treasure its treasure-money. The guarantee of monetary value must take precedence over other social goals which would otherwise change what money is worth. Treasure-money must be treated as what Marx called a fetish, a religious object which is given an almost sacred respect by all other parts of society.

This social orientation explains why treasure-money affects power structures. Rich people have more treasure-money than poor people, by definition, so a guarantee of treasure-value is a privilege which favours the rich over the poor. Indeed, when money has this meaning, the moneyed classes are given treasuries which do not fail in this life. In a society that is truly dedicated to the financial ideology, not only the incomes of the masses but the pride of the nation and the prosperity of future generations will be sacrificed to protect that the savings accounts of the wealthy. As mentioned, there is even a theory that it is just for the value of these monetary treasures to expand without any effort from the holders, subsequent to whatever was done to acquire the money in the first place. The possible losses of people without monetary treasure to not feature in the theory, but the interest payments which create the rich people's treasure-money expansion are paid by the less rich, indeed by the poor. Even without any usury, the right to an effort-free monetary transfer is a fine treasure indeed for those who have it. As Jesus says, "Whoever has will be given more, and they will have an abundance" (Matthew 13.12). (Biblical Hebrew captures this idea in one of its words for interest payments, which means "bite".)

The effect of the priority of the conservation of monetary value on justice is much as traditional anti-capitalists fear and expect. If it is considered unjust and in some social sense unnatural for the value of money to fall over time (money-holders rarely complain about unnaturally large increases in value), then the legal system is obliged to protect money from the decay which would be considered natural in any other human and physical logic. The effect is simple – justice in monetary matters will be slanted in favour of those who have money over those who do not. The effect is not likely to be limited to directly monetary issues. If the rich are protected against

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

the forces of nature in the domain of money – a domain in which poor and rich cannot help but work together, because the productive economy is always a project of the whole society – then it highly likely that other social structures, rules and expectations will also favour the rich over the poor.

Chapter Three: Token

I fear this last chapter will be the dullest. Hannah Arendt wrote of the banality of evil, her evocative phrase for the ability of the modern mindset to reduce mass murder to an industrial process. A similar banality can be found in many aspects of the disenchanted modern world. "Hooking up" and pornography express the banality of sex, the highly bureaucratic welfare state presents a banality of generosity and Facebook and other social media seem to have created a banality of friendship. Token-money is the banality of money.

Do not get the wrong idea. Banal money is not unspeakably evil, like the death camps, or even a bit doubtful, like social media. In its own limited way, it is a very helpful and good thing. If it is treated for what it is, a pragmatic numerical token for things which cannot actually be meaningfully quantified, token-money is quite remarkable. This bare money, stripped of all cultural symbolism and of any aggressive social claims, is a vital ingredient in the incredibly successful modern economy. Token-money is often the best, and quite frequently the only, way anyone has found to coordinate various aspects of a global economy which is able to convert the efforts of billions of labourers around the world into the production of millions of types of products and services, and which can then allocate those products to billions of consumers around the world. Money may be most impressive when considered on this global scale, but it is also essential in much smaller economic units. Money is almost always relied on whenever more than a few hundred people work and consume together.

Let me briefly sketch out just how good this banal, merely functional token-money is, before pointing out just how modest the claims about it should be. To understand the problem that this money solves it may be helpful first to consider an economy where money is not required – say a farming community of the sort that housed and supported something like nine out ten families in every part of the world until a few centuries ago. The fruits of agricultural labour, men's predominant economic activity, could be allocated by various non-monetary techniques and standards – property rights, feudal dues, social rank and so forth. The fruits of domestic labour, women's predominant economic activity, were largely allocated by family membership. Simple rules could be drawn up to ensure that

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

every community provided its full-time craftsmen and other professionals (scribes, soldiers, ministers of religion and so forth) with consumption goods and service.

Then think of a city, whether pre-modern or modern, or even of a ship-based or camel-based trading network for spices, hides or timber. Organising the diverse types of labour so they can produce and then distribute the diverse types of consumption goods is exponentially more complicated than in the primitive agricultural community. The organisational techniques which work for small and simple agricultural communities are too convoluted, interdependent and static to manage all the necessary transactions. Indeed, no system based on commands, customs, barter or other specific rules can capture and control the numerous variables involved in organising and allocating anything but the simplest systems of labour and production, nor can any such non-monetary system manage the socially vital task of assigning appropriate consumption rewards. There are just too many things in play and they change around too much. The obstacles were discovered long before the age of industry. Crude but effective token-money systems date back millennia, and archaeologists consider the distribution of coins to be one of the best indicators of otherwise hidden patterns of trade. The obstacles are multiplied in a complex industrial economy with multiple long supply chains for most products and a multitude of products available for most consumers. A history of central planning gives many examples of what goes wrong when money is not used as the prime measure – too many shoes produced relative to screwdrivers or hours of French instruction, or too many size 9 shoes relative to size 8, or too many black leather size 9 shoes compared to size 9 cloth running shoes, or too many size 9 cloth running shoes in Kansas City and not enough in Manchester (whether the one in New Hampshire or the one in England).

Token-money does not resolve all these challenges completely, but it is remarkably helpful. By assigning commensurate quantities, wages and prices to every minute of every type of labour and every unit of every type of consumption good and service, money automatically converts a person's labour into a variable collection of consumption goods, automatically almost balances all the paid-for labour with all the paid-for consumption of the fruits of that labour, and automatically creates a crude but effective language of social hierarchy – for example, he is paid twice as much as she is. Also, changes in the amount of money that people and organisations are willing to pay provide other economic actors with helpful information. A well-functioning token-money system performs these tasks rapidly, efficiently and flexibly. The flexibility is especially impressive. Central planners flounder when faced with unpredicted developments in technology or tastes, but money systems respond with what would be called equanimity if we lived in an age when social systems were

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

anthropomorphised. In our more mechanical vocabulary, we can say that this token-money has impressive functionality.

Token-money does not speak the language of enchanted ages and societies. It is not the embodiment of safety, a perfect symbol of irrational greed or the bearer of any of the symbolic meanings discussed in Chapter One of this lecture. Token-money is physically identical with the treasure-money discussed in Chapter Two, the time-beating bearer of social privilege, but the two are actually quite different in their nature or essence. Token-money is merely an conceptually empty, pragmatic tool which happens to be extremely well suited for simplifying some of the tremendously complicated organisational problems of a complex economy.

What token-money articulates most perfectly may be the spirit of our worldly age. It is banal and straightforward, as I just said. It is also empty. To cite Gertrude Stein's description of a destroyed neighbourhood – there is no there there in a modern money system. There is no gold, no underlying value, no necessary consistency in value from one price, place or time to another. The token-money system just works.

Anyone with even a toe in the word of timeless ideas will be troubled by token-money. Pre-modern philosophers would mostly balk at such a thing. After all, it defies categories, flirts with unreality and works much better in practice than in theory. A modern existential philosopher can see that transaction-money is essentially inauthentic – it has no durable foundation in the real world. It is apt, if ironic, that efforts to measure "real" economic growth are in fact largely fabrications. They are created by a series of essentially arbitrary adjustments to actual prices. A post-modern philosopher could wax lyrical on transaction-money's endless chain of signifiers, or more precisely a chain that circles meaninglessly onto itself. A spiritual historian might prefer to focus on the obvious fiction that token-money can convert human things into quantities – as if the goods of this life can be numbered on a single scale like the hairs on our heads. A social historian might think more about the single scale which puts the numerous dimensions of labour, production and consumption under the defining power of cash value. We all too easily become what we pay for.

Those criticisms are apt but irrelevant. The only fair criticisms of token-money are those made on its own banal and worldly terms. In those terms, it does deserve some criticism. Compared to central planning, the money system performs its tasks amazingly well. Compared to some optimum level of efficiency, however, there is significant room for improvement in the current arrangements. The organisation is often sloppy, the treasure-money discussed in Chapter Two is too often allowed to distort token-money arrangements and a superstructure of finance (money-obligations over time) introduces many complications, some of them at least sometimes socially and

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

economically noxious. The problems mostly stem from a refusal to understand what banal stuff token-money really is. The residue of greed and some of other symbolic meanings of money work like a witch doctor giving directions for open-heart surgery – an unhelpful clashing of paradigms.

The desire to give money a higher meaning is not quite dead in the modern worldview, although the heights expected to be scaled are often quite modest. They relate to the symbols of Chapter One roughly as climbing a step ladder to space exploration. Still, the modest claims about token-money are still exaggerated. When economists claim that token-money wages and prices indicate something true and real about the world and not merely about the economy, they are extending the meaning of token-money well past what its natural function allows. The claim is made often. Among economics and other social observers, it has become unquestioned common sense that these numbers, perhaps after the arbitrary adjustments I mentioned a few moments ago, are precise and consistent indicators of some sort of real value. In a philosophical mood, economists call the value in question "utility". In more Marxist moments, they sometimes say that all prices ultimately represent the subjective, objective or socially distorted value of labour. Journalists are not wrong, though, to look through the conceptual overlays to the bare, perhaps unpalatable truth – the claimed higher meaning of monetary value is simply that the price which is or which should be paid for something equals the value of that thing.

The claim may be modest by symbolic standards, but it is more absurd than even the most extravagant symbolic meaning. A sofa which costs five hundred euros cannot have a value which is twenty-eight percent greater than that of a sofa which costs three hundred and ninety-one euros, or than an aeroplane trip or hour of psychiatric counselling that cost the same three hundred and ninety-one euros. The comparisons are either stupidly false or meaninglessly tautological. They are stupid because human goods cannot be measured in numbers. Unless you are a Utilitarian philosopher (and if you are, please rethink your understanding of human nature), it is nonsensical to think that one sofa is twenty-eight percent better – more beautiful, comfortable and durable – than another. Those qualities are probably not measurable at all, and certainly not by any common scale. When the sofa is compared to the flight or the therapy, the subjective, objective and social values are totally incommensurate. The only possible comparison is monetary. A twenty-eight percent price difference indicates only and exactly that one thing costs twenty-eight percent more than another – a meaningless tautology.

A vast quantity of these nearly meaningless money-based measure are combined to create economic indicators such as Gross Domestic Product, average real wages, labour productivity, standards of living,

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

personal wealth, housing price trends and inequality coefficients. These measures are far more symbolic than economists generally recognise, and less informative than economists usually admit. They can at best provide very rough guides for evaluating some aspect of the economy. People who accept the modern intellectual creed that substantial questions are best posed and answered in purely quantitative terms should rely as little as possible on monetary measures of the economy, whether crude or adjusted. It is far better to count things that are actually countable than to rely on any number based on token-money – people in prison rather than the cost of crime, square metres of new floor space rather than the price of houses.

Conclusion

The downward journey in the meaning of money is now complete. It started with money as a symbol that touched several basic aspects of human experience, that expressed something important about human life in the world and that hinted at human aspirations and temptations beyond this world. It then descended into treasure-money. This is money portrayed as being something practical, a store of value, but which is really a sort of semi-transcendent symbol, a socially biased claim of power over time. The journey ends with token-money, which is nothing but an empty and tremendously helpful tool. This numbered thing is so simple that it is unable to provide a meaningful or consistent scale of value for the very objects with which it is directly associated.

The progress, or perhaps regress, is striking. Starting as a small thing which symbolises greater things, money has become an almost non-thing expressing the banal and hugely effective non-sense of so much of the modern world. How the mighty have fallen! Or perhaps, considering that money was never as grand in human symbolic language as the divine and other transcendentals, how the not-so-mighty have dwindled!

That lament could easily begin a fine peroration for this lecture. The genre is well developed. Anyone who has spent time with dead or living critics of the modern spirit could write her own. Start by listing some of the many ways life used to be better and then expound and condemn some outstanding signs of decline. Finally, turn to the chosen villain, in this case the shifting understanding of the nature of money, and work up a frenzy of fear and anger over this bearer of a terrible cultural infection.

Critics sometimes accuse MacIntyre of sympathy with that sort of declinism. I interpret him, or at least the book which inspired the title of this lecture, somewhat differently. None of his rival versions of moral enquiry is a simple degeneration from some earlier, better,

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press

more spiritual and more unified approach. Rather, all of them are necessarily partial attempts to make sense of what is new in the modern world without losing touch with what is timeless in the human condition. Implicit in his even-handed study is the assumption that all of these versions are to some extent worthwhile.

In that spirit of receptivity to modern thinking and practice, I think it is appropriate to end this lecture with a mixed judgement. Yes, to rely on banal transaction-money is duller than to explore money as a symbol of greed, social strife or alienation. Yes, the often unexplored expectations of treasure-money hide possibly unjust assumptions about social power. Yes, measures based on token-money can be dehumanising and nonsensical. And yet, no – the history of the meanings of money is not simply one of decline. Token-money is indeed banal, but it also denominates and catalyses an economy that has done great good to the human condition, and not only by modern materialist standards.

Indeed, if worldly life is worth anything at all, then the modern economy deserves a lot of respect. More people live longer and healthier lives than ever in history. The smallest ever portion of the world's population lives at the grim edge of necessity. A larger portion than ever before have the material resources and free time needed to live a fullness of the spiritual, intellectual and cultural life which was once limited to a tiny group of aristocrats. Higher education, travel, communications, time for spiritual development and artistic exploration – these are all now available to hundreds of millions of people around the world, in comparison to probably tens of thousands only a century or two ago. Of course, the modern economy also deserves a lot of criticism. There are serious economic problems, from pollution to the persistence of poverty, and religious people and post-modern atheists persuasively argue that there is a connection between the undeniably unprecedented increases in prosperity and the possibly unprecedented rise in social and perhaps moral disorientation.

An evaluation of the incompatible and changing meanings of money does not require weighing up all the positives and negatives of the modern economy. The only relevant question is whether the narrowing of monetary meaning did more to provide praiseworthy social and economic gains than to cause social and economic problems. I think the answer is clear. The spread of the most banal form of money has done a great deal to help build what is good in this new economy, without amplifying much of what is bad. For those gains, I consider the semiotic dwindling to be, so to speak, a price worth paying.

A lecture delivered at Blackfriars Hall, Oxford in May 2018.

Edward Hadas
edward.hadas@gmail.com

https://doi.org/10.1111/nbfr.12416 Published online by Cambridge University Press