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Review Essay

In Search of Liberty's Ethical Economy*

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An important issue facing liberty-loving Americans is the matter of what constitutes an ethical economy. The issue is extraordinarily significant because the stabilizing and educative influence of traditional religion is in decline. It is much the same for the imprint of civil, political, and moral convictions associated with America's founding fathers. The prospect of errant change looms as the rich understanding of earlier political conversations evaporates from today's media-dominated dialogue, especially in the context of activist and expansionary government. Thus it behooves thinking people to ascertain what brand or formulation of ethics deserves support once the uneasy status quo yields to the great unknown.

Do we need a new economic ethic or just better management of the one we inherited? Does the way forward involve stronger collective assertions about economic prudence or less government altogether? Can the private sector be trusted, or must its ethics be monitored as closely as governmental actions?

According to Theodore Roosevelt Malloch—apparently a distant relative of the namesake president—and Jordan Mamorsky, we must find our way back

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* Harry Veryser, *It Didn't Have to Be This Way: Why Boom and Bust Is Unnecessary—and How the Austrian School of Economics Breaks the Cycle* (Wilmington, DE: ISI Books, 2012); Theodore Roosevelt Malloch and Jordan Mamorsky, *The End of Ethics and a Way Back: How to Fix a Fundamentally Broken Global Financial System* (New York: Wiley & Sons, 2013); Adam Arvidsson and Nicolai Peitersen, *The Ethical Economy: Rebuilding Value After the Crisis* (New York: Columbia University Press, 2013).

to a decent and productive economic ethic, as an onslaught of business leadership failings and regulatory defects shows ours to be in disrepair. Allegedly, an adequate new ethic is unlikely unless it arises from "spiritual capital"—moral prudence that guides us in the use of opportunities and resources. Yet, as much as a rebirth of the soulical "inner economy" is needed, it is not enough. Every ethical economic system needs sound rules in support.

Another scholar, Harry Veryser, argues that it did not have to be this way: Proper attention to the Austrian school of economics could have helped us prevent many economic stumbles, especially the inflationary credit binges that central banking accentuates. For Veryser, *laissez faire* economics supports the equivalent of spiritual capital development by fostering a healthy business context and important character qualities. This occurs as individuals take responsibility for the liberties they exercise, whether in obtaining rewards or in sustaining repercussions. Clearly, the two views have important perceptual and policy differences.

A third viewpoint relevant to this discussion is provided by a pair of progressive scholars, Adam Arvidsson and Nicolai Peitersen. Rejecting welfare-state redistribution schemes as well as trickle-down politics, they call for a new, virtuous economics based on a collaborative, public, and open evaluation of the excellence of individuals, organizations, and corporate brands. While nontraditional, this Internet-operationalized idea overlaps the classical view that economics must have virtuous qualities if the public interest is to be served.

In the hope of finding a promising pathway toward an ethical economy, key points raised in this triad of scholarly perspectives will be reviewed and briefly critiqued. Subsequently, recommendations will be offered, working not only from the confluence of the perspectives but also from recognition of the role of merit in any sound economic ethic.

Veryser and the Austrian School

As Harry Veryser points out, F. A. Hayek made many distinguished arguments for the limited utility of mathematical models in designing economic systems. Pseudo-scientific models mask important moral complexities and fail to replicate real world dynamics. As Austrian economics teaches, money is merely symbolic of real things people create. Hence, wealth is not fabricated from the printing of money but by liberating people's ingenuity and entrepreneurial energies to create new goods and services.

Veryser suggests that an economic regime is faulty whenever the welfare state siphons off what would otherwise become capital savings. While the concern is valid, recent market developments raise questions. What happens when the

private sector foolishly deploys its capital, chasing hyped-up stock offerings? What should observers conclude when hundreds of billions of dollars of corporate earnings are not reinvested in plant, equipment, infrastructure, or technological training but are misallocated to stock buybacks that are pursued to enrich powerful members of executive suites? Is fallen human nature evident only in the halls of government, or is it apparent in the private sector as well?

Veryser is rightly concerned about boom and bust cycles that economic disequilibria engender as central banks inflate credit resources. As widely observed, monetary-policy shenanigans complicate business planning, accentuate end-game investment risk, and generate a drag on the free-market dynamic. Additionally, those who get money first from central banks (i.e., investment banks and their hedge fund clientele) receive a considerable advantage in the chase for assets (Veryser, 39–45).

Government becomes intensely intervention-oriented as it seeks to manage excess credit. With the central planning function expanding, the economic environment underperforms its unfettered prospect (46–49). In arguing this case, Veryser examines the legacy of World War I, the effects of Bretton Woods, and the consequence of the sun setting on the gold standard. He concludes that assertive government is dangerous because it threatens private property—the cornerstone of liberty and prosperity (166). Thus viewed, the pathway to an ethical economy involves hemming in government, protecting sound currency, defending the rule of law, observing the sacredness of contracts, maintaining free-price movements, and securing the rights of entrepreneurs (169–83). Along with these mandates, Veryser proclaims the Austrian School's support of families, leisure (apparently for capital holders), the preservation of subsidiarity (states' rights and local autonomy), and the sustenance of the libertarian spirit as realized in the proverbial motto: "Whom does it harm?" (187).

In concurrence with Pablo Triana, Veryser avers that the best way to judge "the good" is to "rely on good old human judgment," ambiguities aside (199). This judgment looks to the insights of philosophers such as Aquinas who believed that prudence consisted of memory, insight, docility, shrewdness, reason, foresight, circumspection, and caution—the short list, no doubt (201). What Veryser calls "the Austrian Moment" is achieved by combining these virtues with a stout resistance against the inflationary expansion of credit through misguided monetarism (257). Less auspiciously, the best course of action in dealing with economic complications such as slowdowns is to cut business costs, reduce taxes, slash regulations, and diminish government spending (249). Might this be something like the unchaining of "virtuous" animal spirits?

As brilliant as Veryser is in evaluating the development of credit bubbles, the certitude of his assertions does not necessarily trump their limitations. For example, in assuming that the stimulation of the economy drives up prices (45), he overlooks the empirical reality that where idle productive capacity is available, economic stimulation can be deflationary as plant overhead is spread across more units of production. As the state-capitalist Chinese have demonstrated, subsidized investment in capital-production tools lowers the future price of goods and services, thus opening the prospect of a virtuous cost-reduction cycle—wage costs aside. Dynamics such as these serve to offset the credit expansion policies of central banks, dampening inflation in the real economy (but not in the asset universe).

The larger point is that Veryser's unbridled Austrian commitment (allegedly, the school is indefatigably prescient) prevents the use of a differential analysis that separates credit expansion for wasteful consumption from credit-stimulated development of technologies that increase worker productivity or business efficiency (4–5, 18, 141, 253).

There are other considerations as well. For example, it is beside the point to argue that every substantial government intervention creates unintended consequences (46). While true, the argument neglects pertinent considerations. Analogously, medical and pharmaceutical interventions create unintended side effects. Nonetheless, controlling a critical malady may bring value that far outweighs secondary drawbacks. Perhaps this is how the framers of the Constitution looked at the governance dilemma when they intervened to move this country from the Articles of Confederation to the Constitution of 1787—governance architecture with considerably more centralized power. The unintended consequences were rationally absorbable from a cost/benefit viewpoint.

Veryser's historical examination of the Austrian school supports the libertarian, *laissez-faire* environment as the best pathway to an ethical economy and human character development (258, 143). Nothing else comes close. The proposition necessitates considerable confidence in the people's virtue. Is this confidence realistic? Many Americans say *no*, at least when looking at Hollywood's influence on people's values and consumer habits.

James Madison avowed that virtue was essential for the preservation of the Republic. Nonetheless, he also testified against reliance on virtue to hold in check the least-tolerable human propensities. Thus a system of checks and balances was necessary, including government powers that for decades gave states relative autonomy over matters of commerce, vice, and perceived immoral business practices. Admittedly, some expressions of economic growth were dented by this

government superintendency. Arguably, however, there was little collateral damage to human character or to the freedom of choice that robust federalism brings.

In sum, while there is much to applaud in Veryser's historical gleanings, the Achilles heel of his position is the excessively broad-brushed sentiment that government intervention is predictably counterproductive to the public good and dramatically inferior to private initiative (46–47, 100, 164, 186). Taken to an extreme, this idea becomes a fallacy, as demonstrated in the propriety and utility of many state and local governments during much of the nation's history. If this were not the case, the credibility of subsidiarity and federalism would be in doubt, contrary to the Austrian school's support of both (183).

Malloch and the Broken System

Concerns about exploitation point to the contribution by T. R. Malloch, assisted in his effort by a practicing attorney, Jordan Mamorsky. While Malloch's book lacks the historical depth of Veryser's work, it does provide the attraction of eight chapters of case studies that highlight the ethical debacle still troubling Wall Street. Furthermore, in an appendix, the book provides a detailed corporate governance questionnaire that looks useful for inspiring best practices for modern corporations.

After acknowledging the libertarian conviction that government can be as guilty of greed as are individuals, Malloch moves to a close examination of the failings of business leaders. The dozen or so cases in eight chapters demonstrate the vices that Malloch highlights at the book's outset: envy, greed, covetousness, and pride. Tellingly, the various virtues that Malloch endorses seem in short supply among the characters he examines. As Malloch progresses, he and Mamorsky put their spotlight on Jon Corzine (MF Global), Dick Fuld (Lehman Brothers), Jimmy Cayne (Bear Sterns), Dennis Kozlowski (Tyco), Bernie Madoff (the massive Ponzi scheme), Richard Scrushy (HealthSouth), and Bernie Ebbers (Worldcom), among others.

Malloch's forte is in demonstrating the weakness of existing incentives and cultural guardrails to keep those with financial power on the ethical high road. As Lord Acton observed, power tends to corrupt. It matters not whether people come from high places or from small-town, agrarian roots—as did Jon Corzine prior to his abrogation of CEO responsibility. Indeed, the investment bank Bear Sterns had a reputation for hiring "PSDs": financially acculturated people who started *poor*, seemed *smart*, and *desired* to be very rich (Malloch, 22, 84). These players brought malleable scruples that fit nicely with fast-lane opportunities in Greenspan- and Bernanke-era financial markets.

Malloch takes as a given the weaknesses of human nature, as when vice becomes normal and regulators are reduced to accomplices (4, 13). Consider the case of securities rating agencies such as Moody's, S&P, and Fitch. In the matter of the agencies' quasi-conspiratorial work with corporate customers to overrate the safety of security offerings, the core problem was a flawed operational design made vulnerable by poorly constrained greed. Plied with incentives from corporate lobbyists, members of Congress wrote laws that created the "risk-on" environment in which dangerous business practices flourished. As structured, the market design allowed rating agencies to tacitly collude with Main Street corporations and mortgage bankers. The result for debt-issuing corporations was considerable savings from lower interest costs. For rating agencies, the result was considerably higher fee revenues (38–40). Someone had to lose. When markets turned, it became apparent that investors were left with unmanageably high risk.

There is no cure for the defects of human nature. There is, however, the prospect of hemming in defects through ethically responsible business practices supported by the rule of law. Ultimately, Congress is responsible for this work through its oversight of administrative agencies: a function in which it seems inept. Nonetheless, the fecklessness of Congress is not written in stone. Congress could balance the budget if members were unqualified to run for reelection in the context of a deficit, absent a declared war. Likewise, Congress could produce wise laws if the Constitution removed their power to enact foolish ones—ironically the prescient logic behind the Bill of Rights.

The Malloch and Mamorsky effort is considerably helped by a prologue in which former Wall Street mergers and acquisitions banker, William Cohan, explains how Congress's refusal to monitor the evolving architecture of the financial sector enabled Wall Street's schemes. During the pre-Greenspan era, when investment banks were partnership entities, senior partners were careful about taking large risks, as their own wealth was at stake. However, when investment banks went public in the 1990s, the embedded incentives underlying this conservative risk aversion were forfeited. This observation suggests that the ownership form taken by investment banks can become one of the foundational elements of market architecture (xlv–xlviii).

When investment banks go public, it changes the profit calculus for these firms. Using capital gained from public offerings (and utilizing the expansive self-determination granted by a heavily lobbied Congress), Wall Street executives made leveraged gambles with "other people's money" (OPM or financial opium). The compensation packages of Wall Street elites were written to richly reward winning bets, while off-loading the consequences of losing bets into the shareholder stake. Due to money rotation, people's short memories, and the

soaring lucrativeness of the unleashed speculative model, temporary setbacks were readily papered over. That is, until mistakes piled up in 2008. The fact that the investment banks were no longer privately owned intensified pressures for a government-sponsored bailout. Congress's inattention to the rule of law allowed elite batters to "swing for the fences," while generating dangers and a capitulation to moral hazard thereafter.

Observations such as these led Malloch and Mamorsky to conclude, "we're at the end of ethics." The survival imperative in this environment leaves little room for a rebirth of virtue. Hedonism, narcissism, and the love of power leave self-regulation damaged beyond repair. Society can cave in to the imperatives of corporate pride, or it can resist by refurbishing the highest moral attributes of the rule of law. Hence, Malloch turns to a series of rules-driven corrective measures in the closing chapters of his book.

While Malloch does not advance big bureaucracy "fixes" such as the Dodd-Frank Act of 2010 (which he sees as ill-considered in certain important regards), his tinkering with rules seems inadequate and unsystematic. Granted, he calls for changes at the Securities and Exchange Commission as well as other regulatory entities. Additionally, he endorses reforms in leverage, fewer exceptions in balance sheets, less financial wizardry, fewer acrobatics with generally accepted accounting principles, more transparency, better regulatory audits, the streamlining of fiduciary rules, and smarter corporate governance (198–205). There are good things here. Yet, when all is said and done, the financial sector in all its glory (or shame) remains largely intact and ready to continue its unethical wealth transfer games.

The problem is that the recommendations are largely surveillance adjustments, not deep-cutting changes to the fundamental design of financial institutions. For example, Malloch says nothing about reversing congressionally written incentives that are preferential to Wall Street (a subject raised by Arvidsson and Peitersen, page 41). If the incentives were properly reformed, retirement money would flow out of betting pools where it is doing little good, moving instead toward real-world investments that create sustainable American jobs—employment not dependent on a monetary policy-induced credit bubble.

While the Malloch book endorses a rule-of-law approach to market reform, the proposed changes may produce little more than cosmetic effects. Change that matters must reduce the incentive for betting on central-bank-driven asset appreciation, or money movement between sectors or investment categories. Wall Street's government-subsidized monopoly over retirement savings must be replaced by localized investment initiatives that unleash the entrepreneurial power of ethical capital stewardship, as the authors below suggest. Economic

worth must be priced by metrics less dependent on central bank stimulation of the economy, with more recognition of values that have stood the test of time, as argued by Veryser.

Arvidsson and Peitersen's Collaborative Ethic

Two technically shrewd and progressive scholars want to get at the economy's design flaws by means of a new approach to judging economic value. Adam Arvidsson and Niccolai Peitersen make a cogent argument for a stakeholder society and "new public sphere" in which diverse value concerns can have a more direct "impact" on "economic values" (ix). While their diagnosis of the world's economic problems is astute and worthy of careful contemplation, their commitment to faddish democratic notions results in recommendations likely to disappoint.

One need not agree with a book's recommendations to see value in its diagnosis of material ills. The book argues that, due to cultural change and the explosion of diversity, the global economic environment lacks a collective standard for making value judgments as to who gets what, when, and how. The authors begin with this example: Why should an average American CEO be rewarded with 400 times average worker earnings in 2013 when in 1973 CEOs earned around 30 times the average worker's earnings? Do CEOs do better work as a result of the tenfold ratio increase? Is there an ethical way to legitimize the change? (1–2, 10).

Does the economy work more efficiently with wealth concentrated in the top 1/10th of 1 percent? What philosophical or moral code teaches us that a 400x income ratio is superior to a 30x ratio? Surely, the value of corporate leadership is great and deserves a considerable reward. However there are rational limits to everything. When do large rewards become acts of taking instead of ethically earned compensation? For example, is there a moral consequence when financial rents rise from 15 to 40 percent of the US economy, as they did from 1970 to 2005 (7)?

Congruent with the authors' thesis, one thinks of the April 2014 scandal about Coca-Cola's new multibillion dollar executive compensation plan. In the aftermath, Warren Buffett—a major Coca-Cola investor—averred that corporate board members regularly ignore excessive executive compensation to protect their interests and privileges: "You keep belching at the dinner table, you'll be eating in the kitchen" (*Fortune*; *Wall Street Journal*). The observation invokes important questions. If private sector leaders refuse to uphold the ethical responsibilities that liberty bestows, does the time come when the rule of law must

take precedence? When does the principle of liberty, held abstractly in a moral vacuum, invite crony capitalism to defeat ethical expressions of the rule of law?

Arvidsson and Peitersen claim as much right to step into this governance void—this realm of excess moral relativity—as anyone else. Condensing their strategy into a few sentences, their proposed model amounts to the empowerment of what they call a new diverse and productive public; gradually, this public becomes the overarching judge of economic value and legitimacy. Instead of having a supply and demand environment provide the critical value judgments, the authors hope for a stimulated yet quasi-spontaneous new public that alters the market-pricing process by providing the equivalent of “like” or “dislike” votes in Internet environments (xii–xv, 120). Just as organized consumer feedback on Amazon.com or eBay influences the willingness of prospective buyers to ante up one amount or another for advertised goods, a similar global economic approach could incorporate inducements and pressures to alter pricing and demand for everything from securities to government services.

The authors claim that their system would not create any static universal ethic nor elevate any morality, religious or otherwise (150). Allegedly, it avoids the Scylla of universalism and the Charybdis of relativism (xiii, 152). Their system also addresses the current problem where markets set prices that no longer represent any common values, the rational market hypothesis having been captured by plutocratic values operating invisibly in the background (14, 44–47).

The Arvidsson and Peitersen plan supports public opinion-based “virtues” (i.e., virtues by popular demand), thus purportedly addressing the growing crisis of policy legitimacy (6, 139–42). As an evaluative protocol subject to the ebb and flow of public perceptions, the plan would alter the behavior of corporate executives and government bureaucrats in favor of democratically derived sentiments and diverse values—what the authors describe as a new ethos (68, 92). The intellectual celebrity status of opinion leaders in electronic media would become a weighting factor in the system. Resultantly, seller and rater reputation would become more crucial to trade and commerce than illusions of value created through branding or advertising campaigns (87, 116–21).

What are the implications of this (admittedly summarized) proposal? In short, the proposed ethic discounts value judgments by corporate executives and endeavors to offset demand momentum based on an accumulation of poorly informed consumer decisions. Conversely, the plan increases the influence of high-profile intelligentsia types with reputations in leading Internet venues (116–25). While not fleshed out, the “reputation economy” also invites pressures on legislators to bookend pricing protocols in accordance with the preferences of influential publics (127).

Arguably, the Arvidsson and Peitersen proposal narrows democracy more than broadening it. By elevating a supposedly meritorious faction—media-savvy intellectuals, celebrities, and perhaps special-interest nerds—it discounts traditional democracy based on "one person, one vote." The formalization of an advocacy system would give many votes to a few million activist Internet actors while leaving less involved persons with what might come to resemble, ironically, "three-fifths" of a vote. While this is a disturbing prospect, it is also disquieting to realize that in the evolving plutocratic era, a few thousand extremely wealthy persons use the power of media-leveraged issue advocacy to multiply their votes many thousandfold. To some observers these two alternatives may look like the fire or the frying pan.

There are considerations within the Arvidsson and Peitersen vision that are heartening. Much good could come, for example, from a new economic paradigm that opens markets to a more productive deployment of capital—a prospect that could result from a participatory-venture capital model where job-creating investments have more investor appeal than chasing paper asset appreciation (136–37). Indeed, as observed by Sheila Bair in a February 2013 *New York Times* article, we may soon have $900 trillion in global financial assets chasing a global real economy worth only $90 trillion in gross domestic product (per a Bain & Co. report). Mischief and duplicitous wealth redistribution will likely result from such an imbalance.

Perhaps traditional society's back is to the wall. If voters take the *laissez-faire* pathway, culturally normed vice and corruption will further infect economic outcomes. Conversely, if private and public failings are confronted with new regulatory fixes, the correctives may be but skin deep, while imprudent bureaucracy grows like a tumor. The tough reality is that decades of misguided political interventions have skewed economic development. Intended or not, the changes have worked insidiously to produce powerful yet fragile government as well as a market architecture vulnerable to exploitation. If the financialization of the economy is the last phase of a systemic cycle of accumulation—as Arvidsson and Peitersen suggest in connection with Giovanni Arrighi's theories—the "imminent emergence of another one" may lie not far ahead (136).

Analysis and Conclusion

Is there a way to escape the maze and find a more ethical economy? Each of the perspectives examined suggests that the answer lies in an enhanced ethic arising from an alleged operational virtue. For Veryser, what we need is virtuous liberty—liberty largely unconstrained by government interference, as liberty

contributes to the type of spontaneous economic and moral development that matters most. For Malloch and Mamorsky, the halls of power lack spiritual capital, with liberty turning into license, crony capitalism, and exploitation. Consequently, we need a better set of virtuous rules to channel decisions toward constructive outcomes. For Arvidsson and Peitersen, the best answer lies in using the Internet to empower a new set of opinion leaders: a "reputation public" that is virtuous because its engagement in knowledge work has given it a more ethical sense of economic value than that possessed by political leaders or the electorate at large.

While each recommendation has something to contribute when considered in light of the others, experience suggests that an ethical economy will arise from a different emphasis. In the last paragraph of his 1974 Nobel Prize speech, F. A. Hayek argued that thinking people must cultivate environments conducive of prudent ends, even as a gardener does for his plants. While many people thought Hayek's garden was simply the soil of market liberty, others realized that morality is an important nutrient in fertile soil. The challenge is in knowing what aspect of morality to emphasize in cultivating a market ethos for a free people.

Veryser is correct in claiming that history and analytical observation teach that people tend to reach the things they aim at most intently and persistently—the nature of human action being a field of study in which the Austrian school has distinguished itself (Veryser, 17, 20, 191–94). What proximate goals, then, ought to be aimed at in pursuing an ethical economy in a republic that prizes liberty? *The answer is to aim at the twin virtuous goals of fair opportunity and ethical deservedness.* The goals need each other because deservedness cannot be claimed apart from an environment of fair opportunity (Veryser, 195–96), and fair opportunity does little good unless it produces suitable rewards for merit.

Admittedly, questions of what constitutes fair opportunity or just deserts constrain the viability of this approach. In a world of imperfect knowledge, influential people continuously spin fallacies of logic about merit so as to preference their privileges, immunities, and prospects. It is a fallacy, however, to insist that without the prospect of perfection, worthwhile endeavors should not begin. In every field including business, improvement must start somewhere. The Ford Motor Company has come a long way since the Model T. In archery, even an amateur gets closer to the bull's-eye by aiming at it than by releasing arrows carelessly in other directions.

An ethos of just deserts is decried by some as inimical to liberty. Tellingly, the objection devolves into a red herring once it becomes apparent that liberty cannot long thrive without proper rewards for merit, and that a free people's high regard for merit is not synonymous with central planning. In upholding merit in free republics, the rule of law becomes as indispensable as the love of liberty;

otherwise, there is little protection for well-earned property (Veryser, 167–69). An electorate's representatives will make better laws by aiming to uphold just deserts than by chasing growth as a means of paying for unfunded entitlement schemes.

The problem in moving toward an ethos of merit is that sloth and greed loathe fair rewards. After borrowing $17 trillion dollars that we will never repay, Americans have become accustomed to getting more than we deserve. We have become conditioned, like Pavlovian dogs, to dream of benefits and entitlements that our diligence, ingenuity, entrepreneurship, and truncated wisdom do not warrant.

The nature of each book reviewed suggests our national difficulty in coming to terms with an ethos of deservedness. The flaws in human nature lead us to want a different conversation and another type of answer. Distressingly, this is the case not only in academia and the media but also in churches and synagogues as well. But consider the alternative: If morally constructed deservedness in the context of fair opportunity is not important, do we admit allegiance to undeservedness? If so, what does this mean for morality, ethics, and liberty's enduring prospect?

If undeservedness is the system's guiding star, then any geopolitical risk that can be contemplated is a risk that could arise. If individuals can take what is not ethically deserved, then why not corporations? Powerful interests? Governments? What does the rule of law become if law that supports undeserved gain is as legitimate as law that upholds just deserts? How is unjust law not oppression? Furthermore, how is taking what is not ethically deserved not unjust?

In an enlightened and humanitarian context, what person of conscience could reasonably expect the approbation of his or her scrupled and moral companions by declaring, "My ultimate aim is to acquire far more wealth than is warranted by the value of my contributions!" Such a declaration would be madness. Yet, people of many religious traditions have found their moral courage silenced by the socialization of market norms where rewards accrue in dramatic disproportion to the true value of applied capital, ingenuity, entrepreneurial initiative, or any other expression of productivity and good conduct.

Throughout history, bloody armies rolled across fertile lands to conquer and take what they did not deserve. Despots and dictators arose to do the same. Indeed, it was opposition to this ethic of governmental takings that moved early Americans to rise up in defense of their liberties. Yet, as the years have rolled by, conservatives, liberals, populists, and libertarians have been tempted by the forbidden fruit of undeservedness. Rationalizing shortcomings in our historical past as an excuse for lack of ethical progress, many Americans are content to simply get while the getting is good. That is, however, not good enough. The conversation America needs now concerns the better life—a more ethical and

satisfying existence—that could be ours if the nation changed its aim from credit-driven economic growth to contribution-based just deserts.

The greatest defense against central planning and governmental overreach is a healthy public conversation that leads to the increased wisdom and morality of the electorate. The three books reviewed here can contribute to that conversation if read with a heartfelt desire to find liberty's ethical economy.