Five Moral Philosophies on Economic Growth:
Fundamental Perspectives on Assessing Its Benefits and Costs

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Economics has never been, nor could it ever be, value-free. The economy is not a distinct area of society that can be treated in isolation. Rather, questions of the organization of the economy, and of the economic policies to be pursued, are interwoven with issues of society and public policy in general. Economists often lose sight of the altogether interconnected nature of the economic and the noneconomic. For one thing, economic methods are often characterized by radical simplification, in part to make economic problems tractable for mathematical representation.

Although earlier economists such as Adam Smith and John Stuart Mill regarded themselves as moral philosophers, few contemporary economists see themselves in such a light. If they do take moral considerations into account, it is typically as parameters in setting the stage for a subsequent economic analysis. Economists today seldom see themselves as analysts of the moral foundations of society, as many students of economic matters once did.

As a result, the powerful normative elements of economics tend to be driven underground. Economists today become implicit moral philosophers, a point often emphasized by Deirdre McCloskey. Most economists, for example, regard economic growth as a main goal of the economic system, and seek to assess the desirability of public policies by the extent that they are efficient or inefficient – the operative measure of the extent to which the policies serve the growth objective. The issue of whether growth should itself be such a paramount objective, and whether efficiency should therefore play such a critical role in distinguishing between good and bad policy, typically receives little sustained attention among mainstream economists today.

This panel here today is a rare exception but it was organized by the Association of Christian Economists, not the American Economic Association (AEA).

Economic “growth” is actually a more recent term for what was once called “progress.” The creation of the American economics profession in 1885 was itself a product of the “progressive” era. But a growing recognition of the powerfully normative character of the idea of “progress” eventually made many economists uncomfortable. By the second half of the twentieth century, historians increasingly characterized the thought of the progressive era in terms such as “the gospel of efficiency.” The word “growth” seemed to recast the goal of progress in less emotionally and ideologically freighted language. It is a distinction, however, without much difference. The case for economic growth remains the case for economic progress – ultimately deeply normative in both cases.

Why is “progress” desirable? If progress is interpreted broadly to mean something like “improvement,” then the desirability of progress is virtually tautological. But progress has been interpreted more specifically in the modern era as meaning the increase in material outputs – the maximization of production and consumption of goods and services, as the grand total can be numerically valued with a suitable set of output prices to calculate national income.

A Divine Natural Harmony

When Adam Smith wrote about The Wealth of Nations, he meant economic wealth. Smith was not a typical progressive, however, in that his fundamental goal was not material growth. Smith was a pivotal figure in the transition from traditional Christian religion to secular religion. Jacob Viner thus once wrote that in The Theory of Moral Sentiments there “is an unqualified doctrine of a harmonious order of nature, under divine guidance, which promotes the
welfare of man through the operation of his individual propensities.” In *The Wealth of Nations*, Smith was less forthcoming about all this, but the underlying moral philosophy, as Viner thought, was little altered.3

The term “natural” recurs throughout *The Wealth of Nations* as a normative basis for judgments on economic processes and outcomes – such as potentially economic growth. As used by Smith, natural really means the natural order of the world, as established by God, and imperfectly understood by fallen human beings. But Smith is implicitly saying that they should nevertheless strive to live according to God’s wishes – to follow the natural law – as best they can. By the middle of the eighteenth century, economic events were becoming so important that Smith’s new vision of the workings of a divine natural harmony in society could be presented in secular economic terms. It was further presented as drawing on the methods of Newton, with self-interest now to be understood as the force of gravity in society holding together a human “solar system” in balanced equilibrium.

*The Wealth of Nations* was thus a new development in secular religion, ultimately grounded in the natural law theology that had long been especially prominent in the history of the Roman Catholic Church. In Smith, it was combined with a Protestant Calvinist sense of the human condition as deeply corrupted. Even though most human beings were frail and foolish beings, who pursued their own interests without regard the needs of the wider community, God had fortunately arranged things so that society could still thrive as its economic welfare advanced.

By mostly leaving out explicit references to a Christian God in *The Wealth of Nations*, Smith was presenting a newly secularized understanding of a divine balance of natural forces in society, a key factor in his immense historic impact. Smith was writing for a world in which Christian values and ways of thinking suffused every area of society, but tensions between religion and science were growing rapidly. In the next two hundred years to come, the success of these Christian values and ways of thinking (derived originally in significant part from Judaism) would increasingly depend on separating them from traditional religion and its historic institutions, instead expressing them implicitly in various forms of partially-Christianized secular religion.

Among twentieth century economists, the University of Chicago’s Frank Knight was the closest to Smith as a moral philosopher. Knight was a key figure in founding the Chicago school of economics which typically advocated the organization of society along free market lines. After Knight, however, few Chicago economists wrote about the market in explicitly moral and religious terms, although the moral and religious elements maintained a powerful implicit presence, a significant factor again in explaining the great impact of the Chicago school and its secular economic “theology.”4

Maximizing Human Happiness

Jeremy Bentham, whose life overlapped significantly with that of Smith, developed a much different moral philosophy. Whereas Smith adapted western natural law traditions to a secular vein, Bentham famously described the idea of natural law as “nonsense on stilts.” As a utilitarian, his supreme goal was the maximum of happiness in society. In defining ultimate
objectives in such strictly human terms, Bentham took a large step – much larger than Smith – towards atheism.

Following Newton and the rise of the natural sciences, Bentham saw utilitarian theories – however farfetched it seems to us today – as part of a new and similarly scientific understanding of the sources of the happiness in society. By putting the new social sciences to work, rapid progress in society, a large part necessarily in the economic realm, would soon yield much greater overall personal happiness and collective wellbeing.5

While Smith implicitly invoked the guiding hand of a deity, for Bentham the future of mankind lay directly in human hands. As Christianity began to lose its hold in the eighteenth century, the true source of human misbehavior – of “evil” in the classic Christian formulation – increasingly was seen by the Enlightenment in environmental terms. Human beings were not innately bad, owing to some distant event in the Garden, but it was harmful environments that made bad people. This introduced a possibility that would be a central element of secular religion for the next 200 years. If the quality of the surrounding environment could be radically improved, the quality of human lives would be correspondingly enhanced – the world would be a far happier place, and individual people also therefore much less likely to cheat, steal, or commit other sinful acts. With the economy as the newly decisive environmental factor, economics, as it seemed to growing numbers, could save the world.

Twentieth century economics adopted a revised version of Bentham’s utilitarianism, no longer arguing that the level of happiness itself is itself scientifically measurable and explainable, but rather focusing on the ability of human beings to identify one material outcome as “preferable” to another. Economists still followed after Bentham, however, in thinking that the study of individual behavior can and should then be a matter for science, that the real basis for individual happiness lies in consumption of goods and services, and that the comprehensive application of economic knowledge (with that of other social sciences) will lead to a maximum of happiness (the “social welfare”) in society.

Bentham was among the most successful advocates of new government policies in modern history; his utilitarian moral philosophy provided the grounds for a host of social reforms in nineteenth-century England. If Smith was an advocate of individual market freedoms, Bentham utilitarianism was a precursor to modern democratic socialism – to be applied as the foundation for a new science of affirmative governance. The standard forms of economic analysis are still framed today in a utilitarian setting ultimately derived from Bentham and his disciple, John Stuart Mill. Economic growth is central to such conceptions, not as the objective in itself, but as a necessary means to the maximum total consumption -- and thus welfare -- in society.

The Scientific Management of Production

The route to European socialism in the twentieth century, and to its progressive-era variant in America, ran through France as well as England. French positivists of the first half of the nineteenth century such as Claude Henri Saint-Simon and Auguste Comte believed that social science would soon achieve a comprehensive scientific understanding of the material workings of society. As social science was perfected, a much more perfect management of society would increasingly become feasible. Unlike Bentham’s emphasis on total consumption,
the French positivists emphasized the scientific perfection of the productive machinery of society.

There was an element of Smith here, in that the systematic application of science to the problems of society would reduce the frictions and strains that had been due to past ignorance of the true workings of society. There was also an explicitly religious side to French positivism with roots in traditional Jewish and Christian religion, as when positivists wrote of their new scientific “temples of Newton” and Saint Simon was seen by his followers as the new “Pope” for a true scientific faith for the modern age.6

But French positivism was ultimately closer to Bentham than to Smith, despite Bentham’s consumption orientation and the positivists production orientation. For both, there is the idea that human beings can perfect the scientific understanding of society; that this scientific understanding will allow them to assert their mastery of the world; that government can put the new scientific understanding of society to work for the perfection of the human condition; that the traditional deities of religion are historic fictions; and that the ultimate realities of society are to be found in the material – the economic. The new high priests of French positivism will be its economists and engineers.

American progressives at the end of the nineteenth and early twentieth century – including the members of the recently established American Economic Association -- drew much of their inspiration from the moral philosophy of French positivism. There was the same commitment in American progressivism to the scientific management of society, to the governance of society by its scientific experts (now to be produced in large numbers by the modern American university with its newly professionalized structures of learning); to the negative view of ordinary politics as commonly a backward and harmful influence that should be largely excluded from the governing process; to an expectation that economic progress will bring large moral as well as material gains; and to an economic determinism that sees history as fundamentally driven in all areas by forms of economic explanation.

Keynes in significant part shared this progressive moral philosophy but he differed in one key respect. Rather that implementing scientific management directly through governmental actions, the path of socialism, the progressive goals of society should instead be achieved by the management of the workings of the marketplace – the “market mechanism” as Paul Samuelson christened it. Discovering the “laws” of the market in order to put them to practical use by government economic experts remains today a key part of the self-image of mainstream economists, still ultimately a reflection of American progressive values in an outlook derived originally from French positivism.

With the emphasis on efficient maximization of the production of society, the positivist moral philosophy makes economic growth a central objective. But ultimately the greatest concern is the scientific management of society. If the social order is designed, operated, and maintained according to the impersonal dictates of objective scientific knowledge, it will undermine the historic political and other intense interpersonal conflicts in society that reflected a deep ignorance of the real workings of the social order. Implicit in this was an assumption that the citizens of society would accept the comprehensive direction of the scientific experts – something that could only come about through a religious revolution, as positivists in fact proposed and expected, in society.
Progressive Utopianism

A fourth moral philosophy of economic growth in the nineteenth (and then twentieth) centuries was that of progressive utopianism. If idiosyncratic in many ways, Karl Marx was among the first to develop this vision. Living most of his adult years in the second half of the nineteenth century, Marx was witness to the astonishing surge of material productivity that began earlier in the century but really took off in the second half, as scientific knowledge was newly applied to give human beings comprehensive technological powers to put the natural world to use for human purposes. This included the applications of chemistry but, most extraordinarily, of the new physics of electricity recently discovered by James Clerk Maxwell. Continuing rapid technical and economic advances meant that by the end of the twentieth century, an ordinary person in a developed nation of the world had a material standard of living higher than that of a member of a royal family in the seventeenth century. It was a virtual miracle on earth, chronicled if not actually inspired by economists.

Marx took this vision to its full logical implications. The decisive feature of the human condition for him was the class struggle, and the class struggle had arisen because of a severe shortage of material goods and services relative to wants and needs, leading the members of society to wage war on one another for control of material possessions. As a result of this class warfare, human beings were “alienated” from themselves, a secular Marxist version of the corrupted condition of human existence since the Christian fall in the Garden. Indeed, for Marx it was material desperation that had caused the many evils of the world; if the choice was between cheating and stealing and the survival of your children, the choice would be obvious.

This opened up what true believers in economic progress, including Marx, saw as an unprecedented human possibility. With the explosion of economic growth coming into view in the second half of the nineteenth century, it now appeared that not only dire poverty but all material shortages could fairly soon be abolished, ending the historic material basis for all the many past ills of society. Economic progress would save the world, leading to a new heaven on earth. In such forms of secular religion, the scientific laws of economic history – guaranteeing continuing rapid economic growth until it was no longer needed – takes the place of an omniscient and omnipotent Jewish and Christian God. Economics becomes the essence of religion itself.

Marx thus created an “economic religion,” yet another disguised version of Christianity presented to the world in the name of economic science. The coming of heaven to earth for Marx, for example, would be preceded by a terrible worldwide struggle between the capitalist and the proletarian classes. This final ending to history would bring about the “new man,” there no longer being any material basis for sin in a new world in which all economic scarcity had finally been abolished. All this would make possible the elimination of the twin coercive evils of government and property which had so oppressed previous human existence.

It is the biblical Book of Revelation and the final arrival on God's kingdom on earth, now transformed to the language of a new Marxist “gospel.” Marx thus saw the modern miracles of economic growth as culminating in an apocalyptic moment in history. Marx proclaimed that his result was scientifically determined, that traditional religion was the “opiate of the people,” and that he had finally revealed through economics the true explanations for all of human history.
Astonishingly in retrospect, hundreds of millions of people believed him, making Marx a central figure in the history of the twentieth century. Apparently, even many “atheistic” Marxists were themselves susceptible to a great religious cause; it was in fact probably the close parallels between Marxism and Christianity that made Marxism so remarkably appealing to so many in a modern “secular” world still apparently starved for deeper religious meaning. Among economic religions, it was Adam Smith and Karl Marx who borrowed most directly from and most closely reflected Christian messages (although the Christian emphasis varied among them). It is no coincidence that their historic impact was greater in the modern age than that of any other economists – whether one describes their thinking as a newly secularized version of Christianity, or as a new Christian heresy.

Marxism is distinctive for the apocalyptic route of economic salvation it offers. The same core tenet of belief, however, that extreme economic desperation explains the historic presence of evil in the world, underlay the early development of American economics. At the founding of the American Economic Association, 20 of the 50 participants were ministers or others who had close ties to the social gospel movement of American Protestantism – in which Richard Ely was himself then a prominent national figure. As with Marxism, the social gospelers shifted their religious hopes from the achievement of a future heaven in the hereafter to a new heaven on earth.

Ely wrote in 1889 that the transcendent purpose of professional economics was to provide the necessary base of expert economic knowledge to sustain “a never-ceasing attack on every wrong institution, until the earth becomes a new earth, and all its cities, cities of God.” Unlike Marx, however, this earthly perfection of the human condition would be achieved gradually and incrementally, by the steady scientific accumulation of economic knowledge and its continuing application to drive rapid economic progress for many years to come. In historic Christian terms, Marx might be described as a “premillenarian” while most progressive utopians such as Ely would be “postmillenarians” (or “amillenarians”).

Ely himself would eventually drop most of the explicit references to God from his economic writings, recognizing that they were not necessary to the human perfection of the world and could create significant problems in a religiously pluralist America. But the essential vision remained: With the eventual arrival at a world of full material abundance, guided by the application of expert economic knowledge, it would mean a radical improvement not only in the material but also in the moral circumstances of society. Ultimately, it would mean the arrival following along a secular path of heaven on earth.

As in many areas, John Maynard Keynes was more articulate about this than most of his fellow economists. In 1930 in “Economic Possibilities for our Grandchildren,” Keynes wrote that rapid economic growth would soon “lead us out of the tunnel of economic necessity into daylight.” It will all come about, he explains, as a result of “the greatest change that has ever occurred in the material environment for human beings in the aggregate.” After this happens, and once relieved of the damaging pressures of economic scarcity, we will finally be “able to rid ourselves of many of the pseudo-moral principles which have hag-ridden us” and blighted so many lives since human beings emerged on earth.
Much of the intellectual life of the twentieth century was characterized by a strident economic determinism, drawn partly from Marxist and progressive sources but that extended more widely. In the secular religions of the intellectual elites of the twentieth century, it was economic elements that drove history. Wars among nations were fought as conflicts over the possession of natural resources. Economic desperation was the fundamental fact of human existence, as seen once again in the political dysfunctions of Europe in the first half of the twentieth century. For economic determinists, ideas were themselves mostly superficial appendages to the economic forces in history, and the irrelevance of ideas was especially true for religious ideas.

Most twentieth century economists did not aggressively press such arguments. They did not need to; they were simply part of the life blood of professional economics, requiring no great further elaboration, absorbed automatically by anyone living long in the professional culture. They were, as one might say, core tenets of economic faith, no more subject to questioning than say the existence of God would have been to the leading thinkers of the thirteenth century.

Environmentalism: A New Anti-Progressive Gospel

History has a way, however, of ignoring grand human theories. In retrospect, the history of communism in the former Soviet Union and of National Socialism in Germany now appears to be part of the religious history of the world. Two recent books, Bloodlands: Between Hitler and Stalin, and Inferno, The World at War, 1939-1945, document the extraordinary ferocity of the “atheistic” wars fought between these two powerful religious antagonists, leading to the deliberate slaughter of well over 10 million people in the “borderlands” of Eastern Europe, many of them innocent civilians caught between the two combatants. Nothing like this had happened in Europe since the wars of religion in Germany of the seventeenth century.

The atom bomb raised the possibility that human beings by their own actions might in the worst case extinguish themselves from the earth. Economic “progress” already seemed to be eliminating significant parts of the plant and animal kingdoms of the earth. For many, the long run results of “progress” were no longer seen in utopian but now instead in dystopian terms. The leading moral philosophies of economics to the contrary, economic growth and progress might instead be leading to a new hell on earth.

Beginning in the 1960s, environmentalism became the leading outlet for such fears. Rachel Carson wrote in 1962 that DDT was not a miracle chemical that would finally eradicate malaria, as the advocates for “progress” had been proclaiming, but was actually killing some of the most important bird life of North America, threatening bald and golden eagles with extinction. The crusade for nuclear power would soon be cast by environmentalists in similar terms, as would the sacrilege of building large dams on the wild rivers of the nation.

Environmentalism now proclaimed that much of the presumed scientific knowledge on which public policy was based, including not only that about the plant and animal kingdoms but also of human society, was gravely flawed. The original progressive goal of the human mastery of nature and society might be a dangerous delusion. The combining of poor scientific understanding, as then applied through terribly flawed political systems, meant that collective
human efforts to assert mastery over nature would often have more harmful than beneficial results. One environmental philosopher was even motivated to write an article on the good reasons why “environmentalists hate mainstream economists.”

For true believers in economic growth and progress, environmentalism offers the strong challenge of a powerful new secular religion, amounting in this respect to a large departure from the optimistic trends of secular economic religions since the eighteenth century and the Enlightenment. Environmentalism was in this respect part of a new “postmodernism” taking hold in the West in the last part of the twentieth century. The history of the twentieth century had proven to be the death knell of modernist and progressive fundamentalisms.

Environmentalism nevertheless showed one large continuity; the messages of environmental religion drew heavily on longstanding Christian themes. Human beings in their consuming drive to assert complete mastery over nature were now “playing God” with the world. Given the frailties of the fallen human condition, this was bound to exceed limited human capabilities. Not only would human beings fail in practice to achieve the desired human control over nature, but the modern age was worshipping false idols; as in the Bible, severe punishments would therefore soon be forthcoming.

In the Old Testament, God’s punishments for those who violate his commands typically take the form of great floods, droughts, famines, pestilence, earthquakes and other environmental calamities. It is not a coincidence that Al Gore and other environmentalists now warn that a warming climate will bring rising seas, spreading malaria, severe shortages of food, more severe hurricanes, and other environmental catastrophes, all on a truly biblical scale. If Marx drew much of his inspiration from Revelation, contemporary environmentalism owes its greatest debts to Deuteronomy and Jeremiah.

There is, moreover, a deeply ascetic and Calvinist side to contemporary environmentalism. The continual accumulation of goods and services is seen, not as the path to a greater individual and social happiness, but as a distraction from much higher and better things. A 1970s Sierra Club Book is entitled “Muddling Towards Frugality.” Economic optimism in the eighteenth century displaced the Calvinist pessimism that had long seen human beings living in a state of depravity, many of them predestined by God for damnation in the hereafter. Looking back on the human savagery of so much twentieth century history, it suggested that perhaps a larger dose of Calvinist pessimism was newly warranted.

Economics Today

Given a limited interest in the history of economic ideas, and in the role of religion in society, most current economists are ill equipped to participate fully in environmental debates. When they address environmental issues, they typically see them in traditional progressive economic terms – the scope of scientific economics should be expanded to include more environmental inputs and outputs in the analysis, thus improving economic science to further contribute to the continuing march of economic progress. Many economists do not recognize that the fundamental environmental challenge is to the very idea of economic growth and progress itself.
That environmentalists might actually be engaged in a religious debate with economists is even more difficult for most economists to comprehend. How might a professional economist respond when confronted with an existential attack on his or her own fundamental economic value system? Economists in the past had faced such criticisms from traditional Christian sources. In the case of environmental religion, however, it is now an ostensibly secular system of belief that is challenging the economics profession in the name of the same kinds of “scientific” and “objective” arguments that economists made in the past to ward off Christian fundamentalists and other traditional religious true believers.

The lack of attention in mainstream economics today to issues of moral philosophy also limits economists’ recognition of the central role that a powerful progressive value system plays in contemporary economics itself, not only in matters of making policy recommendations but in underpinning the core methods of economic analysis. Consider the question of the desirability of economic growth. It might seem economically appropriate, in addressing this question, to ask how the benefits of economic growth compare with the costs. Economists seldom do this, however, simply taking the greater benefits of growth, as compared with the costs, as an implicit article of faith.15

The course of economic progress, however, involves the radical transformation of a society. What is less efficient is routinely cast aside in place of what is more efficient. The market is the most effective instrument of progress because it makes these decisions ruthlessly, without regard to political or other social constraints. That is why most economists today – having seen that socialism is actually a conservative force by allowing politics to block efficiency measures to advance progress – strongly favor impersonal market mechanisms. If progress is the transcendent goal, this of course makes perfect sense. It is less obvious, however, if the very processes of social transformation themselves involve large costs.

Consider trade with China. This has no doubt worked to maximize total available goods and services in the United States – and produced large material benefits in China too. But it has thrown many American workers out of their jobs and undermined the vitality of many U.S. communities. How can we say that the social gains of greater U.S. trade with China are greater than the social costs? Many economists find it easy to answer this question because they simply assume implicitly that economic progress, given its transcendent importance, must always be worth the costs.

This is not, however, a scientific conclusion but an element of secular religious faith. Few if any economists have sought to do a truly comprehensive benefit-cost analysis of trade with China in which the costs have included the psychic demoralization of workers thrown out of jobs and of owners whose businesses have failed, or the transitional costs – conventionally economic and again, also psychic costs – of possibly having to move to another community and otherwise put their lives back together. For some people, they never recover their level of “utility” of the past.16

If economists had to factor in all the costs in every dimension associated with rapid gains in economic progress and efficiency, there is no way of saying whether the gains would be worth
yet, economists routinely advocate efficiency enhancing measures of public policy. This is not a “scientific” conclusion; it depends on a faith in the continuing redeeming benefits of economic progress. In 1900 there might have been strong grounds, even if not scientifically provable, for holding to this faith. By 2000, the case was less obvious.

Economic Methodology as Implicit Religion

The transcendent value of economic growth is not only assumed by many economists but is embedded in the very technical methods of economic analysis itself. In assessing the benefits and costs of economic growth, economists are highly selective, ignoring some kinds of benefits and costs altogether, typically those associated with the short run transitional path of overall growth. It is, for economists, the end result – the long run – that counts, paying little heed to the potentially large short run stresses and strains of the social processes of economic growth themselves. It is politicians who “sinfully” put too much emphasis on such considerations.

Implicitly, this amounts to affirming a belief in economic growth and progress as the path to a wonderful future –to a new heaven on earth. This implicit economic faith is quietly slipped in unnoticed to the standard economic methods of analysis of markets and other economic issues. The range of short run costs that economic analysis normally ignores is wide. Such costs that are religiously excluded from economic calculations, as part of the necessary “price of progress” that any good citizen should be willing to bear, include:

1. The loss of community when the market, operating nationally and internationally, renders a negative verdict on the mainstays of the local economy -- and, if they want to have a job, most people have no choice but to move away to another place, itself often a costly and painful experience.

2. The individual financial and psychic losses when a person loses a job, and has to look for another one, owing to the workings of market forces of competition.

3. The individual sense of anxiety about possible losses of a community or a job, even when such losses never actually occur.

4. The sense that a precious social asset is devalued by the very fact of entering it into the price system (occasionally, as in the case of prostitution, government may intervene to limit such costs but there are no restrictions in the great majority of cases).

5. The stresses of the loss of personal freedom when economically efficient actions require collective organization by governments -- often large governments such as the national government in Washington, DC -- that then must employ powers of coercion to collect income and other taxes to fund these efforts (including even from people opposed to the actions that they are compelled to pay for).

6. The sense of personal powerlessness when large private organizations are the efficiency winners in the market, leaving many people to work as small parts in a large and often impersonal bureaucratic enterprise.
7. The sense of personal, community, and national disappointment when a person realizes that he or she is a relative loser (or belongs to a group of relative losers) in the competition for greater profits, higher paying and more prestigious jobs, and other indicators of social rank, as established by market and other economic forces.

8. The sense of loss when homes, streets, farms, and other historic reminders of the past are swept aside by the workings of the market (or by "efficient" government actions and programs).

9. The sense of individual and community loss when plant and animal species habitats, wild areas, and other parts of nature are transformed from their earlier condition to become "natural resources," sources of the energy and other material requirements to power a modern economy.

10. The feelings of loss when the defense of private property rights is perceived to encourage strong feelings of individual possessiveness and a weakened sense of communal bonds (violating, among other ethical systems, many Christian biblical injunctions).

11. The sense of offense when particular instruments of market economic efficiency -- such as the charging of interest for loans -- violate religious (as in parts of Islam today) or other ethical principles.

12. The overall sense of loss among those people who believe the world is captive to a heretical religion of economic progress that has taught many people to worship a false god.

Without a transcendent purpose to economic growth, it would be impossible to say whether or not the long run (suitably discounted) benefits of growth are greater than such potentially large transitional costs of the growth process itself. In matters of policy recommendations, an intellectually honest economist – one who disavowed any role for religion, secular or otherwise, in his or her thinking -- would have to remain silent about any relative merits of the competitive market and many other economic matters on which economists do in fact today routinely express strong policy opinions.

But there is another alternative: Perhaps professional economists should come clean and simply acknowledge that their advocacy of economic growth is a matter of their economic faith in progress. Economics would be returning to its original roots in moral philosophy.

Conclusion

In a less developed country such as India, it is not difficult to make a strong argument for both the material and moral benefits of economic growth. In a developed country such as the United States, there may be only one area of society where the arguments are similarly strong, matters of progress in human health. But this is not an argument for economic progress in general but for focusing more of the resources of society in the health area (which is in fact occurring).
The moral case in the United States for growth as an objective in itself is thus weak. Why, then, does the achievement of economic growth continue as such a central goal as expressed in the American political arena? Partly, it may be simply a matter of inertia – advocacy of growth has been part of the accepted political rhetoric for one hundred years or more. The great political debates of the twentieth century were not about the merits of growth per se, but about the best means of achieving growth – socialism, capitalism, whatever.

The leading challenge to such thinking, environmentalism, is only a few decades old. Moreover, the arguments of environmentalism are much stronger in making criticisms of progressive economic utopianism and other forms of economic religion, as compared with a positive environmental vision of the future. Indeed, American environmentalism has itself been more of a populist than an intellectual movement – one might even describe it as a form of “secular environmental fundamentalism.”

Any nation state as large as the United States needs a “civic religion” to hold it together, as Robert Bellah once wrote, noting that in the American civic religion George Washington is its Moses figure, while Abraham Lincoln is its Christ figure. At present, although its hold has been weakening, the American civil religion still assigns a large role to the central importance of economic growth. Absent a good substitute, it might be dangerous to give up on the one faith that is still capable of holding the American nation together.

More practically, growth seems the only way we have at present of dealing with the problem of unemployment. In concept, in times of insufficient total aggregate demand, there could be a cooperative agreement in society that each working person should reduce his or her workforce participation by a sufficient amount to allow every person to be employed. But there are both large political and practical difficulties to any such solution. So growth may be all we have as a unifying solution that can deal with unemployment.

Looking beyond the transcendent economic progressivism that played such a large role in American history in the twentieth century, it may be that the idea of maintaining human freedom, rather than eliminating material scarcity, will become the central theme of American civil religion of the future. This would be a new version of ideas first clearly expressed in economic language by Adam Smith, and deemphasized by the economic religions and economic moral philosophies to follow. If freedom is allowed, growth will occur, happily spreading material benefits across society, if not as the central objective of the economic system. With initial freedom, it would require government imposition of coercive measures to prevent growth. For solutions to our other problems in society outside economics, we may have to look beyond economic events and sources altogether.
Endnotes
12 Nelson, *The New Holy Wars*, Parts II and III.
15 One important exception is Benjamin M. Friedman, *The Moral Consequences of Economic Growth* (Vintage, 2006).