

Triple Standards: The Dollar, the Throne, and the Altar

The last chapter of Tyler's *Big Business* is called "If Business Is So Good, Why Is It So Disliked?" At risk of seeming narcissistic, this passage put a big grin on my face:

Perhaps in part because we cannot do without business, so many people hate or resent business, and they love to criticize it, mock it, and lower its status. Business just bugs them. After I explained the premise of this book to one of my colleagues, Bryan Caplan, he shrieked to me: "But, but . . . how can people be ungrateful toward corporations? Corporations give us everything! Corporations do everything for us!" Of course, he was joking, as he understood full well that people are often pretty critical of corporations. And they are critical precisely because corporations do so much for us. And do so much to us.

Does my colleague's outburst remind you of anything? Well, immediately he followed up with this: "Hating corporations is like hating your parents."

Hmm. Your parents too (usually) have done lots and lots for you, but—especially in America—large numbers of people are unhappy with how that all turned out, or at least some parts of it. For all of their gratefulness, they resent what their parents have done to them.

On reflection, though, my "Hating corporations is like hating your parents" quip misses a crucial point. Namely: In the absence of extreme abuse or neglect, virtually every society *condemns* hating your parents! When you retrospectively rate your parents, you're supposed to forgive even serious character flaws and obvious cruelty with, "Well, mom did her best" or "Well, dad loved us in his way." When you rate a business, however, almost no one expects you to give it the benefit of the doubt.

You could object, "Well, we hold large impersonal organizations to higher standards than familiar individuals." But that's utterly wrong. Governments are large impersonal organizations, and people hold them to absurdly *low* standards. They're even willing to

brush mass murder under the rug. Churches, too, are large impersonal organizations, and people also hold them to shockingly low standards. Many Catholics briefly punished their Church after massive sexual abuse scandals, but virtually none cried, “These child molesters can go to hell; I’m finding a new religion!” Note, moreover, that government and organized religion aren’t two itsy-bitsy counter-examples. They are by most measures the oldest and largest kinds of large impersonal organizations.

Tyler spends many pages developing a specific version of the “higher standards for large impersonal organizations” story:

[P]eople tend to anthropomorphize even when such attributions are inappropriate. Along these lines, we tend to think of corporations as being like people and we tend to judge them by the same standards that we use to judge people, whether we seek to do so consciously or not. To some extent we are bound to talk that way, but we need to understand that it can mislead us, and it is a kind of shorthand that has pitfalls and hazards if we take the metaphors too literally or allow them to drag around our emotions too much. It is simply very hard for most people to think about corporations without investing them with the personal attributes of human beings or at least the attributes of those small groups of social allies and enemies we evolved to obsess over.

Since the general story is utterly wrong, however, there’s no hope for Tyler’s specific version. If he were right, people would also anthropomorphize governments and churches, leading to unfairly harsh judgment. In fact, however, governments and churches enjoy overwhelming deference even when they’re engaged in vile crimes. We damn the dollar, yet honor both throne and altar.

What’s really going on? I’ve spent many years highlighting mankind’s *anti-market bias*: our irrational pessimism about the social benefits of markets. I’ve even argued that this bias provides the common core of leftist ideology. Scapegoating business and the rich comes naturally to psychologically normal humans – and *big* (\approx “rich”) business is one of the best scapegoats of all. The only better scapegoat, really, is *foreign big business* – those beastly multinational corporations you keep hearing about.

Why do human beings have this corrupt emotional make-up? I sincerely don’t know. While I’ve heard Darwinian explanations, most seem like shaky just-so stories to me. All I know is

that human beings *do* have this corrupt emotional make-up. And that's why we I hope *Big Business* inspires a chorus of imitators - because our emotional corruption is not going to fix itself.