

MONEY IS THE PRODUCT OF VIRTUE: TENSIONS IN RAND'S INVOCATION OF MARKET SUCCESS

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CASUAL ACQUAINTANCE WITH AYN Rand's ideas often involves the assumption that Rand would approve of Oliver Stone's character Gordon Gekko (of "greed is good" fame) and of popular rich guys such as Donald Trump. It is easy to correct the misapprehension concerning Gordon Gekko. He spouts a philosophy at odds with Rand's, insisting that morality must be abandoned for wealth while she suggests the opposite. But explaining why Rand would not approve of Donald Trump is a trickier matter—if it does not seem so, start to give it a try. It might be natural to begin with something like this: Trump is not smart enough for Rand, does not have the right political views, so, for these reasons, does not really deserve his wealth.

You can't stop there; "deserve" has been invoked ambiguously. Of course, politically he deserves it. Rand would not want Trump's wealth taken away. On second try, you may end up putting it this way, satisfying no one: because he is not smart enough and does not have the right political views, he is not the best *representative* for his wealth. Even if he enjoys it and takes pride in it, and even if he made it himself—meeting some of the more familiar Randian requirements—that is not enough. He is still not really worthy.

Rand's ethical theory bounces between description and normative assessment in a way that is not easy to traverse. And we think that on the following issue, the theory itself is unclear: What kind of evidence of Randian virtue is one's success in the market? She writes, at times, as if it is sufficient evidence—but it clearly is not. She writes, at times, as if it is necessary evidence—but this seems

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implausible. Though it is difficult to find explicit acknowledgement of dual (and often rival) standards at work in Rand's theory, she invokes standards other than market success all the time. Is she attempting to describe what it takes to have market success or is her "primary purpose" of "projection of an ideal man" one that also involves idealizing the market (Rand 1964)?

These topics are significant when it comes to how Rand situates her ethical theory among the other options. The claim is that Rand's approach is more "objective" than other accounts. It is supposed to be based on just one standard, a standard backed by the "objective" facts of reality. And facts get counted as such because they are readily ascertainable, at some level "perceptible." (Money in the bank fits this description nicely.) This is supposed to be in stark contrast to other ethical theories' complex verbal formulations. No other ethical approach includes the "requirement to reduce one's judgments to their foundations in objective fact" (Mozes 2000, p. 87).

A lack of clarity concerning the role of market success in Rand's normative evaluations can contribute to the impression that Rand's ethic is more "based in fact" than it actually is. I find that the range of compliments Rand pays to the various types of moral and market success (the dependent variables are one's earnings and degree of morality) cannot be accounted for short of complex verbal formulations. And, just as Randians themselves claim against other accounts, this is evidence of a lack of an unusually objective standard for moral evaluation. This is evidence of a lack of an objective standard for moral evaluation—a lack that Randians usually point out in other accounts. But it is also realistic nuance.

The subtlety I find in Rand's view is a good thing. It allows her to account for (and compliment) a range of cases with appropriate nuance. In making my case, let me emphasize the optimism her view is so rarely associated with. It is this optimism, the compliment she pays to all of us, not for being tycoons, but for being workers, that might best explain her work's general and lasting appeal.

The simplest arrangement would involve a predictable correspondence between moral worth and marketability. It is also the most novelistic, and represented in *Atlas Shrugged*. In *Atlas Shrugged* it seems as if, without the interference of the government, those with the most virtue will do the best in the market. You can even work backward: if a person has reached great success in the market, you can guess they have that much more virtue than anyone else. The character Larkin is mocked for saying "he couldn't help" being unable to make a shipment. He insists to Rearden that he can "run a mine as well" as Rearden did, and that he did "everything" that

Rearden did. But readers know he cannot and he did not. Otherwise, Rearden would have gotten the shipment that was promised (Rand 1999, p. 301).

The results of the market are described as wholly predictable, short of government sabotage. Dagny dwells on everyday life, thinking of the part of life that involves “chance—of families, meals, schools, people . . .” (1999, p. 98). Business does not involve chance, and she has certainty about things like the viability of Rearden metal with a visual-like acuity. “I just see it,” she explains. And, when it comes to Rearden’s new metal, his talk of “unlimited demand” similarly adds to the dramatic *mise en scène*.

But these elements are, of course, novelistic. They would be tricky to reconcile with the reality of business. (Just as Rearden’s talk of “unlimited demand” for the new metal is the stuff of fiction.) Yet each novelistic description would have to be cancelled out and replaced with accuracy and case study—in order for Rand’s *Atlas Shrugged*-based conclusions on the relationship between virtue and success to apply in the real world. Let us consider four such novelistic “contentions” that can be found in *Atlas Shrugged*.

CONTENTION 1:

MONEY IS THE PRODUCT OF RANDIAN VIRTUE

For the rhetorical effect, to shake the cobwebs off the “traditional” mindset she wants readers to reject, Rand sometimes engages in overgeneralization. The line “money is the product of virtue” is the rhetorical match to “money is the root of all evil,” but the relationship that Rand is proposing between people’s admirable qualities and their success in the market is difficult to puzzle out. She makes it clear that money does not bring about virtue, and giving your children a great inheritance might just encourage vice. But even “making” money is not simply the result of acting virtuously, as is demonstrated by the limiting conditions Francisco d’Anconia supplies before the claim:

Did you get your money by fraud? By pandering to men’s vices or stupidity? By catering to fools, in the hopes of getting more money than your ability deserves? By lowering your standards? By doing work you despise for purchasers your scorn? (Rand 1999, p. 412)

It can seem as if Rand is merely referring to wealth that has not been procured by these methods, as she not only acknowledges the possibility of becoming wealthy by these means, but explains that “if” you have procured money with one of these methods, it will not bring you “joy” and will bring you “shame.” This is a serious option

(which we will term the “true wealth” option) but it does not seem supported by what comes a few lines later. A few lines later comes the rather unambiguous suggestion, that “making or keeping” money “demands of you the highest virtues.” Rand writes:

Men who have no courage, pride or self-esteem, men who have no moral sense of their right to their money and are not willing to defend it as they defend their life, men who apologize for being rich—they will not remain rich for long. (1999, p. 413)

This is Rand’s concession to naturalism; what she is claiming is the case, ethically, she intends to have backed by what will be borne out in experience. A person who has no courage will lose his fortune, demonstrating the value of courage and the connection between one’s fortune and this virtue. There are plenty of benefits that come with naturalistic approaches to ethics, as they are testable, revisable, and so on. But there are some risks. The author has to tread very carefully to ensure that she has not replaced needed argument with description. And critics are given a complex burden: they need to question the descriptions they are being given at the same time that they seek out the arguments, and they have to determine whether the lack of the offered factual support harms the underlying argument or not. In this case, do only those with Randian virtue “make” or “hold on” to their money? And what does this matter for Rand’s arguments about virtue?

If Rand were right about what wealth requires, we would be able to work backward and find acknowledgement of her value system in the biographies of the wealthy (or wealthiest) among us. But, because the captains of industry can speak for themselves, we know this is not going to be possible. (I will refrain from quoting Donald Trump on the secret of his success, but people skills are at the top of his list.) That those who succeed do not voice adherence to Rand’s philosophy is a crucial omission: Rand’s ethics require that agreement with her values be acknowledged and explicit. Rand’s ethics cannot recognize agreement with her values if it is subconscious, and not being acknowledged and articulated. To not “get it” to this degree is to be against her value system. Not all ethicists would have to take such a stark position; other ethicists could just maintain that values can be represented by people who articulate something to the contrary (e.g., a feminist who denies she is one.) But Rand’s hypercognitivism does not allow for this possibility. Truth, for Randians, is something that can only be actively “evaded” as a result of will. If you do not subscribe to her views, you are actively complicit in not recognizing what the facts of the world make obvious.

CONTENTION 2:
ONE CAN SUCCEED IN THE MARKET WITHOUT
CATERING TO ANY FOOLS

The requirements on morally deserved wealth include that no vice or stupidity is pandered to, and that fools get no truck from you. As we are attempting to determine in what way market success functions as a measure of moral success in the Randian view, it would help to consider the measure of this measure. Consumer preference is gotten from consumers as they are. Their preferences might be preliminary, unevaluated, emotional, or whim-based. This is not to suggest that the decisions we make as consumers do not turn out to be rational on other accounts, but they do not amount to “rationality” as Rand posits it.

Rand uses “whim worshiper” as a term of abuse. She recommends that humans engage in the world through reason and not emotion, and, as strong an advocate for pleasure as she is, she condemns things such as pleasure for the sake of pleasure. There ought to be a sound reason for one’s indulgence in a pleasure. One deserves it. One is taking an earned break. One is proving something to one’s self. But just being hedonistic is not acceptable to Rand.

She also rejects the notion that value can come from mindless habits and blind following. As mentioned, for Rand, agents cannot come upon value despite themselves. It is a necessarily conscious appraisal of value that she is after. As she makes clear in her novel, she does not compliment people who pursue a consumer trend without knowing why or being aware of it. It’s a sign of character traits that Rand deplores. Hank Rearden’s wife is ridiculed for her adherence to trends and fashion, and Rand describes James Taggart as seeming “open to any current” (1999, p. 53). He is criticized for not knowing the source of his own influences.

Her position seems to be that not only are most of our habits suspect, our values are too. (This, of course, would keep us from recognizing the harm in our habits.) Those who advocate political redistribution of wealth (the vast majority of us) are irrational looters who are evading reality. One such character—James Taggart again—is referred to as an “object” by the novel’s most dashing hero. “Why would I care about that object?” the hero asks. “People like him just clutter up the world” (Rand 1999, p. 85). Aristotle famously considered most people to be “right for the most part,” and he put much stock in common sense views. In contrast, we can look at the example of Rand’s essay “The Comprachicos,” in which she describes the average high school graduate as a

jerky, anxious, incoherent youth with a mind like a scarecrow made of sundry patches that cannot be integrated into any shape. He has no concept of knowledge: he does not know when he knows and when he does not know. His chronic fear is of what he is *supposed* to know, and his pretentious posturing is intended to hide the fact that he hasn't the faintest idea. (1999, p. 75)

How are we to reconcile this disdain for the masses with the requirement, in business, that the customer be, to an unprecedented degree, completely focused on and catered to? Made king?

Rand's description of how one succeeds contains two serious tensions. At the start of *The Fountainhead*, Howard Roark is told by the head of his architectural school that his "only purpose is to serve [the client]." In response Roark explains, "I don't intend to build in order to serve or help anyone. I don't intend to build in order to have clients. I intend to have clients in order to build" (1994, p. 14). This element of Rand's view can be called the "autonomy of the creator."

It does not jibe with the "Smithean" compliments Rand and Randians pay to business people for the sheer volume of their sales. We can refer to this as "increasing general affluence." Failing to disambiguate between these can lead to Rand (and Randians) finding evidence for Randian virtue where there is none. Shortly I will argue that Rand recognized what I will call "the skills of market efficiency," but this was a critical response to cultural assumptions she objected to. It is far short of Randian virtue.

CONTENTION 3: THE MARKET JUDGES MERIT

An Objectivist recently paid a compliment to J.K. Rowling who has had great sales. I would not guess that the same compliment is about to be paid to hip hop artists who have had great sales. Robert Bidinotto, in an open letter, thanks the author of the Harry Potter series for "reflecting the values of innumerable people," satisfying "their needs, values, and wants." He continues, "you should regard every dollar you've earned as a token of honor, appreciation, and vindication" (Bidinotto 2006).

The topic is immediately complex because of Rand's two-level theory. Rowling has expressed some chagrin at how wealthy she has become, and Rand, of course, would argue that politically she certainly deserves every penny (and then some, as government regulations surely cut into some profit). But when it comes to moral desert, how does a Randian get to transform public approval into a "token of honor"?

Wouldn't we assume that these values would have to have been established as Randian in order for this to be something an Objectivist can compliment as of value? There are all sorts of pastimes and products that get branded "anti-life" by Rand and Objectivists. It is not as if Randians stipulate that people are more attracted to what is actually valuable than what is not (though we will consider this option again in a moment). Anything that sells meets needs and wants. Anti-intellectual pop albums do; so do movies starring the people with the exact political views Rand abhorred. Wouldn't any "honor" and "vindication" from sales depend on the philosophical condition of the buyers? Giving unready people what they clamor for, as Plato insists, is not necessarily doing them any favors. If your ethical view requires conscious attention to what common-sense views lack, we might wonder—to complicate things further—if Rand, too, might hold that those who are not in the right condition are not always bettered by being given "goods." She acknowledges that those who inherit their money are not always benefited by this, and it is nearly the same to suggest that getting the consumer goods one wants can distract from putting one's life in order. So what is Rand's position?

Despite her low opinion of those who do not share her views, Rand uses "democratic" in a positive sense (she does not do this consistently), as she explains:

Wealth, in a free market, is achieved by free, general, "democratic" vote—by the sales and purchases of every individual who takes part in the economic life of the country. Whenever you buy one product rather than another, you are voting for the success of some manufacturer. And, in this type of voting, every man votes only on those matters which he is qualified to judge: on his own preferences, interests and needs. No one has the power to decide for others or to substitute his judgment for theirs; no one has the power to appoint himself "the voice of the public" and to leave the public voiceless and disfranchised. (1966, p. 41)

The passage could use some unpacking and interpretation—and even a little revision. The point about how it is either individuals making their purchasing decision or someone else doing so for them (with less relevant information) can be put aside, since the point can be granted on the "political" level. Rand's skepticism about people is only underscored by her qualification "only on those matters on which he is qualified to judge." She would not recommend that votes be taken on what constitutional protections we deserve, for example, and she talks of how easily an opportunist politician can impose

gross violations on the rights of people in business.¹ When it comes to the moral value of some object of production, would Rand allow people to “vote”? Given her value system, and what she emphasizes concerning the “autonomy of the producer,” this does not seem possible. Roark’s architectural designs are not great because the people “voted” them so. In *Atlas Shrugged*, Halley’s Fifth Concerto is unstylish and unpopular, the public paying no respect to the qualities that Rand keenly describes as a “symphony of triumph,” a “sunburst of sound, breaking out of hiding and spreading open.” “It was the song of an immense deliverance” with a “clear, complex melody—at a time when no one wrote melody any more” (1999, p. 13).

One possibility is that Rand thinks the public can be trusted to have some say when it comes to the benefits of “necessities” like railway lines. Perhaps the bad philosophy most people follow does not interfere with their ability to “vote” for the most efficient product. We can imagine her suggesting that there is simply no wiggle room when it comes to a train line that runs, costs less, and gets you there. People who do not subscribe to her views are not irrational to a pathologically deep degree. But this proposal would involve a lot of work that Rand does not do: distinguishing between the products on whose merit the public can be trusted to “vote” and those the public cannot be trusted with.

In *Capitalism: The Unknown Ideal*, Rand acknowledges the need for this type of distinction. It can be said that she manages only to generate various categories of value involved in consumer choices. These choices are not *philosophically* objective, but neither are they subjective. They are the objective best “with the category” of a consumer’s “own competence” (1967, p. 25). How this is supposed to count toward true objectivity remains unclear.

Rand should have abandoned the talk of the value of a product being generated through the “votes” given by consumers.² She

¹Rand gives examples of how irrational the public’s opinion can be. “In the absence of rational judgment,” says Rand,

people attempted to judge the immensely complex issues of a free market by so superficial a standard as “bigness.” You hear it to this day: “big business,” “big government” or “big labor” are denounced as threats to society, with no concern for the nature or function of the “bigness” as if size as such were an evil. (1966, p. 47)

²Rand would keep herself from what can look like flat contradiction, if she had been careful with the term “vote.” In *Capitalism: The Unknown Ideal* she explains:

makes it too clear that producers sell their products by right and not because it contributes to the general affluence to develop products that sell. (This is just a side effect of the property rights she sees as primary.) It might seem as if the cost of this suggestion will be the ability to co-opt various market success stories (such as J.K. Rowling's) to illustrate Randian principles. There is a way, however, to mitigate this loss.

Rand's apparent disdain for most people's values could be maintained consistently if she only focused on the political reasons why "no one [should have] the power to decide for others or to substitute his judgment for theirs" when it comes to buying decisions.³ F.A. Hayek points out that even economists (who know better) can mischaracterize what happens when a purchase is made. Consumers do not evaluate the means of production of the goods they buy. "The

For instance, it can be rationally proved that the airplane is *objectively* of immeasurably greater value to man (to man at his best) than the bicycle—and that the works of Victor Hugo are *objectively* of immeasurably greater value than true-confession magazines. But if a given man's intellectual potential can barely manage to enjoy true confessions, there is no reason why his meager earnings, the product of his effort, should be spent on books he cannot read—or on subsidizing the airplane industry, if his own transportation needs do not extend beyond the range of a bicycle. Nor is there any reason why the rest of mankind should be held down to the level of his literary taste, his engineering capacity, and his income. Values are not determined by fiat nor by majority vote. (1967, p.24)

³Rand can emphasize this point quite clearly, and it loses its strength when it is only one of many points she makes about consumer choices. In "What is Capitalism" she writes:

The economic value of a man's work is determined, on free market, by a single principle: by the voluntary consent of those who are willing to trade him their work or production in return. This is the moral meaning of the law of supply and demand; it represents the total rejection of two vicious doctrines: the tribal premise and altruism. It represents the recognition of the fact that man is not the property nor the servant of the tribe, *that a man works in order to support own life*—as, by his nature, he must—that he has to be guided by his own rational self-interest, and if he wants trade with others, he cannot expect sacrificial victims, i.e., cannot expect to receive values without trading commensurate values in return. The sole criterion of what is commensurate, in this context, is the free, voluntary, uncoerced judgment of the traders. (1967, pp. 26–27)

consumers do nothing of the kind," Hayek writes (1945, p. 529).⁴ Consumers might be drunk or making the biggest mistake of their life or paying for a terrible meal. Even someone without Rand's antipathy for "irrationality" cannot hope for some meaning to lie behind consumer preference.⁵

This is not to say, of course, that certain skills are not required for bringing products to the market in an efficient manner. Let's consider the possibility that these skills are what Rand means to compliment, apart from their contributions to general affluence.

⁴The full passage:

Professor Schumpeter argues that the possibility of a rational calculation in the absence of markets for the factors of production follows for the theorist "from the elementary proposition that consumers in evaluating ('demanding') consumers' goods *ipso facto* also evaluate the means of production which enter into the production of these goods."

Taken literally, this statement is simply untrue. The consumers do nothing of the kind. What Professor Schumpeter's "ipso facto" presumably means is that the valuation of the factors of production is implied in, or follows necessarily from, the valuation of consumers' goods. But this, too, is not correct. Implication is a logical relationship which can be meaningfully asserted only of propositions simultaneously present to one and the same mind. It is evident, however, that the values of the factors of production do not depend solely on the valuation of the consumers' goods but also on the conditions of supply of the various factors of production. Only to a mind to which all these facts were simultaneously known would the answer necessarily follow from the facts given to it. The practical problem, however, arises precisely because these facts are never so given to a single mind, and because, in consequence, it is necessary that in the solution of the problem knowledge should be used that is dispersed among many people. (Hayek 1945, pp. 529–30)

Hayek himself is citing Joseph Schumpeter (1942, p. 175).

⁵Do we want, like Rand, to pin any hopes on the idea that some lessons are expected to come from the market itself? Rand writes that consumers can be trusted to get at least their choices right, given their context, in the long term because the market actually "penalizes those who act on irrational considerations." She adds, "A free market is a *continuous process* that cannot be held still, an upward process that demands the best (the most rational) of every man and rewards him accordingly." This, she explains is why "it is the purveyor of the best product at the cheapest price who wins the greatest financial rewards" (1967, p. 25).

CONTENTION 4:
MEN OF THE MIND MOVE THE MARKET FORWARD

The impression you get in Rand's novels is that only great geniuses move the market forward—this is sometime called her “men of the mind” theory of economic development. The impression you get in company founders' biographies is that they attribute their success to their great discipline, work ethic, focus, and their ability to recognize talent and work with people. They often point out that they were not necessarily the smartest people they knew, but that they had the above qualities in spades. Eric Schmidt of Google claims that “[I]ots of people who are smart and work hard and play by the rules don't have a fraction of what I have. I realize I don't have my wealth because I'm so brilliant. Luck has a lot to do with it” (Collins 2004, p. 3).

Rand can be found complimenting the “skill of market efficiency” in a more realistic fashion outside of her novels, when she refers to real-world business people. She emphasizes talents that were commonly denigrated in her day. She may have been writing in a cultural context that she helped change. She took up for business people when the hip thing to do was to avoid this. It may be that her emphasis on the competence of business people (rather than on, for example, health care workers) was a way to compensate for what she described as their victimization. She saw them being “treated as sacrificial animals—they were human sacrifices, as truly and more cruelly than the human sacrifices offered by pre-historical savages in the jungle” (1966, pp. 54–55).

More recently, Randians were vociferous in their support for Martha Stewart, whose crime was seen as being one that government regulations created. In her defense, the products she brought to the public were often mentioned. But, for the reasons mentioned above, it would be more appropriate for a Randian (unless they are going to argue for the value of Martha Stewart products apart from their popularity) to talk about some of Stewart's personal qualities. And, sure, enough, there are signs that she has the tenacity, vision, self-confidence, and commanding nature that Rand recognizes in other business leaders.⁶

⁶The rampant mocking of Stewart was also evidence that, despite pop heroes like Donald Trump, these qualities are not yet considered moral by the public—at least not when women have them.

For Rand, the contrary qualities (meekness, low self-esteem, no ambition) are cowardly and immoral. But the “the skills of market efficiency” are not Randian virtue proper—Stewart’s efficiency may indicate a lot, but not Randian virtue since Stewart would have a say in this. Let’s begin by providing some context for Randian virtue and pointing out what is a dead end in the effort to connect competence and efficiency with such virtue.

Randian virtue proper is the effort to confront “reality” as it is. Business people, in confronting the inflexibility of cost and price, are exposed to “reality” on a daily basis. Rand clearly sees this as a great means of moral education. We’ve already noted that this wholesome exposure does not mean Randian principles will be embraced. But in addition, are only business people to be exposed to reality, day in and day out? In my personal experience, you might want medical professionals to be the role models for efficiency and purpose. Rand might argue that the life and death situations they confront are what ground their commitments to professionalism and competence.

To Rand, a hero is someone who is self-made. The more someone makes decisions consciously and rationally, the more that person is self-authored. This is a more inclusive description of excellence than those of Rand’s that focus on business success. Why does not Rand make this more obvious? Rand’s hypercognitivism includes the notion that what we do and are is a matter of what our mind or rationality makes us: “Our mind can be made to control everything.” She continues, in personal correspondence, to explain that she believes “firmly that everything in man’s life is subject to his mind’s control—and that his greatest tragedies come from the fact that he willfully suspends that control” (1997, p. 156).

Could there be a simple and erroneous conflation between the popular idea of the “self-made” man of business and this psychological process that Rand recommends? Rand, for example, compliments some nineteenth-century industrialists for being “self-made”—and it is unclear whether this means she considers them “self-made” in the sense of having gotten one’s internal conflicts and irrational impulses under control or “self-made” in the traditional sense of having gotten little help from anyone. To treat evidence for the latter as evidence for the former seems to fly in the face of the particular and exacting requirements Rand gives for the development of one’s psychology. And, again, it greatly limits the possibility of someone like Martha Stewart being a Randian hero given the requirement that Stewart would have to be conscious of actively taking on the project of transforming her self rationally.

Earlier I offered to mitigate any loss Randians might suffer from being unable to invoke examples of market success in support of their ethical theory. To do so, I want to suggest that Rand is more *optimistic* about people (in general) than is usually assumed. There is evidence in *Atlas Shrugged*—though it is not one of its loudest themes—that the more memorable vitriol she expressed for the general population is not her final view.

Rand begins *Atlas Shrugged* by complimenting a bus driver for his competence. Throughout the novel, “blue collar” jobs are repeatedly used as inspiration. Professor Akston works as a short order cook, making the best food (a burger) Dagny has ever tasted. (A bit unrealistic, as not all skills are easily picked up by people skilled in another field—she seems to be suggesting some universal ability.) The hero d’Anconia begins as a foundry shop boy; his tycoon dad keeps a photo of the first grimy and small business that his son buys. The job of janitor is described as “great” (1999, p. 715). Rand compliments cities as being the result of countless competent craftsmen. And, of course, she rails against the views that put humankind in general down, the notion that we are here to suffer or that we are no more than animals.

These contribute to the impression that Rand values those of us at the bottom of corporate success, and that her standards of appreciation are independent of actual wealth. It would benefit her theory to have this point emphasized. It does not help her theory to have it associated with those who make it to the top of market success because this association introduces all sorts of unnecessary tensions. When she has d’Anconia ask “were you seeking more than your ability deserves?” it is best to think that what one’s ability deserves are the internal rewards of pride, self-esteem, and the joy of seeing a job well done (a joy that Rand so aptly describes, and that other ethicists leave out of their descriptions of life altogether).

This makes Rand more of a standard ethicist. I am proposing that she needs to be interpreted as talking of “true wealth”—that is, wealth that meets all of the exacting internal moral requirements—and not simple wealth when she talks of the result of virtue. And, when it comes to a counterexample to her prescriptions like Donald Trump, who it would be difficult to argue is not factually happy or not taking pride and joy in his wealth, Rand could take the same normative approach ethicists have traditionally: Trump lacks the particular type of moral awareness that she recommends. The consequence of this may be one that he cannot be convinced is valuable. Like other ethical theorists, Rand’s view, too, may offer a perspective that only those who care about morality are willing to accept.

THE IDEALIZED MARKET: WHAT IS IT GOOD FOR?

In *Atlas Shrugged*, it is clear that Rand cannot use historical examples of nineteenth-century industrialists. This is both because they spoke at length about their values and the cause of their success, and because they did things that, by her lights, are not ethical. Instead, she has to create her own model of a nineteenth-century industrialist, describing Nathaniel Taggart as refusing to ask for any special privileges: “He never sought any loans, bonds, subsidies, land grants or legislative favors from the government” (1999, p. 59). The contrast between Frank Lloyd Wright and the architect of *The Fountainhead* would be another example of the Randian idealization of business people.⁷

Here is the potential problem: this idealization may take Rand away from realism to the degree that she is not recommending virtues necessary to the real-world accomplishments she admires. It would not matter that there is no Nathaniel Taggart if the relevant context were just the novel. And it would not matter if there had never been a Nathaniel Taggart if he is being offered as a moral ideal. Moral ideals (the only examples I can think of come from religions) can be out-of-reach and still inspire. Yet certain empirical ethicists complain about the consequences of following such unworldly examples. Philosophers John Doris and Robert Johnson ask why posit an ideal of moral perfection? Doesn’t this fly in the face of what is demonstrably true about our psychologies? Isn’t this an indirect (and misleading) way to the good behavior we are really after? Why not be realistic?

Their concern is that ethical recommendations are coming from a sort of baseless starting point (the idealization of our psychology or

⁷Let us point out one more inconsistency between the market-as-is and Rand’s idealization of it. D’Anconia mentions that, for you to count as a person who deserves his money, you cannot lower your standards. Perhaps nothing illustrates this better than Mark Skousen’s point in “The Troubled Economics of Ayn Rand:”

Ironically, Ayn Rand herself compromised in the making of the movie “The Fountainhead.” She insisted that only Frank Lloyd Wright would design the models for the film, but her demand was later rejected due to Wright’s outrageous fee. In the end, the models were done by a studio set designer. Rand called them “horrible” and “embarrassingly bad.” But the film was made and released. Oh, the agonies of dealing with other people! (2001)

some non-human psychology). Rand, of course, would never defend such a starting point. Though she makes it clear that she is in the business of presenting moral ideals, her view is supposed to be empirically supported. And this is why it is surprising that Aristotle uses an actual person, Pericles, to demonstrate his account of morality, while Rand (at least in the writing of hers I've read) does not.

The best defense of a moral ideal is when it functions as the completion of a theory that recommends a course of moral development which is valuable even if not perfectly completed. It can be a case of "this is what you would get, if. . . ." Another defense of a moral ideal is heuristic. People still wear "What would Jesus do?" bracelets because (as they report) it helps them to focus on moral behavior. Can Rand's fictionalized heroes function in either of these ways?

I don't think they can as long as the psychological idealization is tied to market idealization. And I think Rand should have given up on the market idealization. Worldly success is difficult to predict or associate with any type of psychological development or morality. This is a far greater burden than Aristotle took on.

Rand introduces two "tests" of her recommended moral development. Like other ethical theorists who invoke a moral ideal, Rand also has to make a case for her "ideal" being a plausible one, given our psychology. The virtues she recommends have to be shown—in the test case of the ideal—not to be contradictory, or to lead to behavior her view does not otherwise recommend, for example. But in addition, Rand predicts economic success for her ideals. A theorist like Aristotle and religious moral ideals are not attached to worldly success in this manner (Aristotle's hero might end up "on the rack," as readers recall).

Practically, practicing Randians have already made the interpretation I'm offering—they know that they are still good Objectivists even if they do not reach the heights of economic success. And to follow Rand's moral recommendations may preclude economic success. Those who do not compromise or who see fools all around them may not have the social skills required to make it up the company ladder.

I began by asking whether Rand was attempting to describe what it takes to have market success or whether she was, instead, projecting an idealized man in an idealized market. I've argued that she cannot afford to idealize moral agency and the market at once. I've suggested that her philosophical recommendations come in parts, and that part of what she does is to defend the "skills of market efficiency" against their contrary. But this is an element of an argument that Rand has against common sense conceptions of

virtue, and “skills of market efficiency” do not lead to or bring about a commitment to Randian values. The commitment involved in becoming rational in a Randian sense should not be associated with the demands of market success. Such a commitment might not help one to become wealthy, and it might hurt. And this does not mean that Randians cannot hold up as heroes Randian CEOs such as John Allison or T.J. Rodgers. But these men have done two different things: they have met market demands with skill and lived up to Rand’s prescribed moral principles.

To fail to acknowledge as much, to continue to assert a causal relationship between Randian virtue and wealth, is to concede philosophical ground in a way that will not be tenable. I’ll close with an example that certainly drives this point home. John Mackey of Whole Foods was asked to debate Milton Friedman and Rodgers for *Reason Magazine*. Here is part of Mackey’s reply to Rodgers:

Contrary to Rodgers’ claim, Whole Foods is running not a “hybrid business/charity” but an enormously profitable business that has created tremendous shareholder value. Of all the food retailers in the Fortune 500 (including Wal-Mart), we have the highest profits as a percentage of sales, as well as the highest return on invested capital, sales per square foot, same-store sales, and growth rate. We are currently doubling in size every three and a half years. The bottom line is that Whole Foods stakeholder business philosophy works and has produced tremendous value for all of our stakeholders, including our investors. In contrast, Cypress Semiconductor has struggled to be profitable for many years now, and their balance sheet shows negative retained earnings of over \$408 million. This means that in its entire 23-year history, Cypress has lost far more money for its investors than it has made. Instead of calling my business philosophy Marxist, perhaps it is time for Rodgers to rethink his own. (*Reason Magazine* 2005)

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