

**A Humane Economy:
The Social Framework of the Free Market**

Simran Kaur

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Abstract

Economists use Gross Domestic Product as a marker of the growth and success of a country but fail to consider that the people who constitute an economy are more than just machines built for labor. What is the meaning of success? What does a successful economy look like? How does one determine if an economy is progressing or regressing? Guided by the perspectives of German economist Wilhelm Ropke, this thesis describes the possible structure and mechanisms of a flourishing economy.

In the early 20th century, Ropke published books arguing for alternatives to both nazism and communism and dissected topics of morality and cultural decline. In his humanitarian approach to describing an ideal economy, he advocates for the spiritual elements of Christianity and rejects the outcomes of societies built on the foundations of socialism, collectivism, totalitarianism, and mass society. This thesis focuses on his works and the ideologies he preaches in *A Humane Economy: The Social Framework of the Free Market*. With the intention of applying a contemporary context to Ropke's work, I gained insight into his motivations and ideas just prior to *A Humane Economy* and investigated the public response to determine if his beliefs could be implemented in today's society. This thesis attempts to decipher the layers of complexity in his idealized economic market and further extrapolate which elements, if any, can be considered in a current application of his ideas.

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1 BACKGROUND

When economists think about measuring economic growth, a standardized approach is the use of Gross Domestic Product. This measure of output is commonly used to determine the success rate of a country, but because it is a purely economic measure, it fails to consider the people within the economy and the humanitarian elements behind market occurrences. Individuals in the economy are more than just machines built for labor. What if the success rate considered the welfare, increase in genuine social interactions, and overall societal growth and development of a country? The productivity of a country cannot accurately be measured without considering the state of humanity that exists within it.

German economist Wilhelm Ropke aimed to reframe the definition of economic success. Tailoring his work to Germany's economy, he expressed frustration with the current capitalistic state and wanted to expand the definition of a country's level of productivity. He wanted to question this notion of "success," what it looked like, and what other humanitarian elements should be considered in determining the growth of the economy.

Ropke claimed that the economic output of a group of people is contingent on their well-being and interconnectedness in a community. He wanted to contextualize the people in their economy and make the economy work for the people, as opposed to making the people work for the economy. Of his many publications, his book *A Humane Economy* describes how the people should dictate and control the functionalities and interpersonal interactions of an economy, as well as how resources are distributed. Ropke felt as though an economy could not flourish without a basis in humanity.

Those who knew Wilhelm Ropke knew him as a religious man. His strong foundation in Catholicism guided the trajectory of his life and work. He wanted to incorporate his religious beliefs into his ideal economic system because he felt as though the current market lacked a moral foundation. By rooting his ideal world into religion, he hoped to find a spiritual and moral basis by which people could improve their sense of integration. He worried that the currently established economic state lacked guidance and emotional foundation, and could therefore not consider or accommodate the needs of the people.

Even though Ropke was frustrated with the lack of humanity in the current economic state, he had yet to determine a viable alternative solution. In his attempt to define a humane economy, he could only confidently state the systems that he did not want to see implemented. Looking at examples of what he considered to be inhumane economies, he rejected the ways of mass society, socialism, and totalitarianism and collectivism.

Ropke's disregard for certain economic systems was rooted in their inability to incorporate genuine communities. He wanted the economy to encourage social integration in light of the desperate universal need for human connection. In the building of superficial connections with others, people emulate each others' behavior and only act in accordance with the behavior they think is expected of them. People will mold themselves to fit the social situation, constantly morphing and worsening their disingenuous connections, even though they have the opposite intention. As people continue to copy each other, they merge into the same type of person. In circumstances such as this one, Ropke emphasizes the need for a larger, spiritually-guiding force. For without a larger purpose than themselves, individuals in society will never truly feel in community. The fake sense of community is what becomes the mass society.

Similarly to the harmful gathering of the masses, Ropke expressed worry with socialism and totalitarianism for their government-run structures. His concern with the governmental control of socialism is that it fails to acknowledge the needs of the people, and the individual person has to function for society as opposed to society functioning for the individual person. With the economic planning and centralized structure, the personality of man is lost, and the individual ceases to exist. As industries take over, and the need for productivity is pushed, individual liberty and justice is sacrificed for the state-level concentrated power. Any accomplishments of the individual are negated, and success is no longer based on individual accomplishment, but in comparison to the “success” rate of other people. Negative competition ensues, and people never feel as though their accomplishments are sufficient.

Ropke’s rejection of totalitarianism is also rooted in the use of state power to eliminate individual choice. Ropke loved the freedom, spontaneity, and unregimented order that came with individualistic market order, and totalitarianism and collectivism instantly eliminated any of those prospects. Ropke believed that an overinvolved government resulted in individuals that felt disintegrated, and as though their only purpose was to follow predesignated rules and regulations. The loss of sense of self with collective leadership becomes a communistic system, and any community roots perish. In the totalitarian system, the level of morality is decidedly at a higher level than that of the individual, and the people have to deal with the repercussions of it.

In lieu of these regressing systems, Ropke wanted to find a compromising system that accommodated the needs of the person while encouraging the productivity levels of a capitalistic society. In balancing these two requirements, he created his new approach of a “Social Market Economy,” which he also referred to as his “Third Way” to walk the line of economic and

humanitarian growth and development. By incorporating a genuine community and the needs of the people, he hoped to achieve a flourishing economy.

As a vocal individual with progressive, anti-collective ideas for his time, the Hitler regime exiled him quite quickly after hearing of his protests. His family was threatened, and so he relocated to Turkey. There, he restarted his academic and vocational careers, before ultimately moving to Switzerland for the rest of his life.

Despite the institutional outrage at his book and ideas, other economics and political advisors of his time had both supportive and unsupportive reactions to his work. Many reviewers of his work have varying takes on the primary goals of the book, as well as if they were reasonably attainable or not. In the exploration of his thought, sometimes Ropke could seem as though he was contradicting himself and failing to clearly communicate his goals for a humane economy.

My goal for writing this thesis was to extrapolate from Ropke's ideologies, and also the public response to his work at that time, whether or not we can implement his ideas in our current economy. Acknowledging that he framed his work for the state of Germany, I hope to delve into whether or not some of his methodologies could work in America, under the lens that both countries function in a capitalistic state. After my exploration of Ropke's more humanitarian approach, I conclude that his mentality and certain elements of his approach can be applied; however, areas of his argument require further clarification, specificity and reevaluation in order to gauge if they could have a positive impact.

2 INTRODUCTION

Wilhelm Ropke was born on October 10, 1899, in Schwarmstedt, Germany. He was a blunt and straightforward man, who wanted to improve the processes and methodologies of the current market economy in Germany. He published numerous articles and books throughout his career, touching on topics ranging from the welfare state and business cycles, to moral and ethically focused discussions about economics. His discussion of morality focused on the problems of the current capitalistic system and possible ways to improve it (Zmirak, 2001). He traveled all over Europe, before settling down in Switzerland for most of his life. When he lived in Germany, he worked as a political and economic authority, before shifting his focus to political opinion-making in Switzerland. He was globally known as a liberal political economist and a conservative social philosopher (Commun & Kolev, 2018). He continued his work until he died of a heart attack on February 12, 1966, in Geneva, Switzerland.

Ropke was a strong student: not only did he master Plattdeutsch (a dialect of German), German, French, and English, he was also well-versed in technical economics, romantic poetry, classical literature, and the history of science. He completed his early grade school education at the *Gymnasium* in Stade, Germany, before enlisting in the German Army during World War I. He served at the front with distinction, and he earned the Iron Cross for valor.

After the war ended, he went back to school where he completed an education for law and economics at three of Germany's finest universities: Universities of Tübingen, Göttingen, and Marburg. At Marburg, he earned his PhD in 1921 under the direction of Walter Troeltsch (1866-1933), a specialist in economics of unemployment. He wrote a thesis that discussed German potash mines and sparked his lifelong interest in curbing cartels and monopolies. Later,

he wrote his second dissertation on “the morphology of trade economics.” The dissertation analyzed international trade issues and business-cycle theory (Zmirak, 2001).

After completing his preliminary education, he worked at three different universities in the span of five years. In 1924, he became a professor at the University of Jena and held the title of the youngest professor in the Germany-speaking world. Once he earned tenure at the institution, he briefly studied the economic problems of American agriculture in America with funding from the Rockefeller Foundation. He also began researching the connection between the end of international free trade and the start of the Great Depression. In 1928, he left the University of Jena to teach at the University of Graz, before returning to Marburg University as a full professor in 1929.

Just a few years after attaining full professorship at Marburg University, Ropke was exiled from Germany in November 1933 by the Nazis who also threatened his family for his public contradictions with Nazism. Ropke had delivered a speech in February 1933, calling the Nazi movement “a mass revolt against reason, freedom, humanity, and against the written and unwritten millennial rules that enable a highly differentiated human community to exist without degrading individuals into slaves of the state” (Zmirak, 2001, p. 35). Ropke rejected the Nazis for their attack on what he called the “three cardinal conditions” of a prosperous modern economy: reason, peace, and freedom. Ropke finished his speech by declaring that the Nazi regime is a current “revolt of the masses” – a result of the population lacking the capability to create and practice independent political thought, and therefore any sense of individual personhood was lost.

He reasoned that the popular support for the Nazi movement was a result of the populations’ resentment for their deprivation of traditional livelihoods, as they had been

uprooted from their land and concentrated in cities. Everyone was put to work in factories, subjected to the changes caused by economic forces and Left and Right propaganda influences, which contributed to capitalism and conspiracy troubles. Based on Germany's trajectory at the time, his goal was to make modern economic life more congenial and natural to man and less harmful to his family and cultural life (Zmirak, 2001).

After he was exiled, he took refuge with his wife in Amsterdam, Turkey, where he eventually found asylum in Istanbul. The Turkish president of the time, Kemal Ataturk, invited Ropke to become a professor of Economics at the University of Istanbul. During his teaching appointment, he also founded the Institute for Social Sciences. It was here that Ropke joined a group of Germans who also rejected the ways of Naziism. Just a few years later, in 1937, Ropke accepted a post at Geneva's Graduate Institute of International Studies, and he moved to Switzerland. Once he was settled, he continued writing books that helped preserve the free nature in Germany and Europe. He managed to occasionally get his work published in the German newspaper, the *Frankfurter Zeitung*. Getting exiled from his home country turned out to be the silver lining Ropke needed to begin his career. After his move, Ropke's work slowly spread across the globe. He was published in Switzerland, Austria, England, and the United States. Two notable titles from that time include *German Commercial Policy (1934)*, and *Economics of the Free Society (1937)* (Zmirak, 2001).

Ropke wanted to construct and defend free society, diagnose the ills of capitalism, and suggest concrete solutions to the problems of an economy. Ropke had concerns about and problems with the vague and emotion-charged label of "capitalism." His ideal market economy fundamentally differed from the system that had persisted in Europe until the 1930s and then ultimately perished. According to Ropke, capitalism was a highly imprecise noun that made

many allusions to ideas that were never explained explicitly or in clear terms. Even in today's world, the term can carry either the positive or negative values, depending on who is defining it. Contrary to the term "capitalism," Ropke liked to call his ideal economic system the social market economy because this label had no attachments to the Right or the Left and was therefore an ideologically neutral term. The standard capitalist market economy has qualities attributed to market mechanisms that only worked with specific capitalist societies of the past, notably those of the 19th and 20th centuries. The "social market economy" represented a deliberate attempt to divorce market ideas from historical capitalism (Boarman, 2000).

This free-market liberalism resulted from Ropke and others discussing their concerns in regard to the common good or "social values" that capitalism fails to consider. The social market economy combined the currency reform of 1948 and the US Marshall Plan, and it led to an economic upturn that was soon described as an "economic miracle." It embraced the universal human behaviors associated with making the best use of economic resources systematically in the laws of supply and demand (Commun & Kolev, 2018).

Throughout his career, Ropke's different works were translated into French, English, Hungarian, and Japanese. He was one of founding thinkers of the newly created Christian Democratic movement, and the strongest European voice for resistance against the Soviet Union (Zmirak, 2001). The Christian Democratic movement in Europe developed on the social market economy and arguably helped the West fight against Communism (Zmirak, 2001). He advocated for free markets that were regulated by government intervention, but only in certain circumstances (Mierzejewski, 2006).

His thought could be characterized as cultural sociology. Ropke claimed that mass society, industrialization, secularization, and urbanization were held responsible for the decay of

our civilization. He also reprimanded the “secular” religions which aimed at seducing a mankind that was deeply disturbed by the loss of faith in God, and therefore an easy prey for demagogues of all types. These demagogues promoted secular religions like communism, fascism, socialism, and statism: a variety of threats that can all be summarized by the keyword “collectivism” (Solchany, 2018). The Swiss model of decentralized political, economic, and social power – which Nazis and leftist socialists alike had denounced as “petit bourgeois” -- was for Wilhelm Ropke “a laboratory of liberty and a living rebuke to the contemporary theory and practice of collectivism” (Zmirak, 2001, p. 23).

Ropke considered himself liberal in the sense of general movement away from feudal institutions and toward greater social mobility and personal freedom. Ropke proved an influential theoretician, making major contributions to the understanding of inflation, monetary policy, international trade, and the business cycle. He pieced his social analysis together as a result of his experiences on the frontlines during World War I, the hyperinflation of early 1920s, the Great Depression, and his education (Zmirak, 2001).

Ropke was appalled at how quickly the political and economic revolutions in Europe had eliminated old lifestyle practices and ideologies. He believed that finding the balance between modernity and maintaining a respect for values of tradition and religious faith were critical to build social and economic order (Zmirak, 2001). Ropke had concerns regarding the liberal democratic regime in Germany. He wanted to preserve as much of the current economic state as possible, especially considering the rise in economic crises and political radicalism. In the 1920s and 1930s, he consistently fought back against the socialists and economic nationalists, critiquing their policy suggestions in his published journals, newspapers, and election flyers.

His negative experiences in the war put him in a state of anguish and indignation at the levels of domination and immoral practices in the country, which ultimately translated into anger and frustration at the extensive levels of state power. His experiences showed him how individuals can exist as a part of something bigger than themselves but lack freedom as a result of unconditional obedience. The army forced individuals to lose their personal dignity for the masses of the army, which resulted in mass existence, mass armies, and mass feeding, all of which are highly degrading (Gregg, 2010). He insisted that highly concentrated power could only inflict horror and pain on humanity. Ropke aspired to determine and proclaim which economic, social, and moral truths are capable of preventing war, preserving freedom, and salvaging the little human dignity that remains. Under the knowledge that capitalism was the primary political and economic system that started the war, he explored other systemic options with a goal to identify which system would create a more morally sound economy. He was initially under the impression that a socialist economy would be the next best approach (Boarman, 2000), but he continued to shift his ideas throughout the rest of his career.

In light of the digressing economic systems, his work highlighted the importance of human flourishing. Ropke believed that the sustainability of the socioeconomic system was almost entirely dependent on a country's ability to produce goods and services that encourage human flourishing, as the ultimate endpoints of an economy are the people and their ability to lead a good life. He argued that "the vital things are those beyond supply and demand and the world of property" (Ropke, 1958). His humanistic view on the world, which he defined as "Humanism," focused on the social integration of people (Resico & Solari, 2018).

His foundational belief in humanity guided his work in every sphere of his life, including his indirect advising of German governments regarding war reparations and investigating the

unemployment problem. He provided formal and informal advice on economic policy. Ropke was a member of the currency-reform council, which advocated for the liberalization of Germany's economy in 1947 (Gregg, 2010).

Post-war economic director Ludwig Erhard believed in Ropke's work and indirectly took his advice, as the two rarely worked together. Erhard considered Ropke highly influential on his policy choices (Zmirak, 2001), whether it was through general guidance or political commentary (Commun & Kolev, 2018). Erhard read Ropke's *Social Crisis of our Time* (Ropke, 1946), *Moral Foundations of Civil Society* (Ropke, 1948), and *Internationale Ordnung* (Ropke, 1945) during the war and agreed with the majority of Ropke's arguments (Mierzejewski, 2006). He had become increasingly convinced of Ropke's overall philosophy and the importance of the market economy. After Ropke was exiled, Erhard began smuggling Ropke's books into Germany so he could continue reading Ropke's work (Zmirak, 2001)

When Ropke thought about the common man in society, he utilized terminology such as social integration, patriotism, solidarity and hatred, power, self-assertion, desire for peace and order, and a basic sense of justice for all. He believed that humans are made up of combinations of these traits, and depending on one's particular combination, can make certain people pro social integration and others against it.

His commitment to human freedom was grounded not in disgust with the inefficiencies of socialism, the self-defeating nature of the command economy, or even the vulgar barbarism of nationalism: "These sentiments were rather the outgrowth of his fundamental respect for the sanctity of the human person. Over the years, Ropke would ground this respect ever more deeply in religious values, eventually coming to see political liberty as the natural extension of the dignity each human person enjoyed as a reflection of a personal God" (Zmirak, 2001, p. 57).

From his personal experience and his expansive reading, Ropke did not approve of socialism due to its inefficiency and irrationality. He thought the primary appeal of socialism was in the moral and cultural superiority it offered, supposedly claiming to find some space for justice in the seemingly immoral economic system (Zmirak, 2001).

However, systems like socialism lead to further collectivized and harmful economic states: “The work conditions proper to mass production and the living conditions typical of urban settlements grew increasingly inhuman as a result of proletarianization, which prepared the way for collectivism and tyranny” (Zmirak, 2001, pp. 170-171). Eventually, one reaches collectivist dystopia: “the humane values that had built the West would crumble; individuals, unmoored from place, profession, ethnicity, and even family, would become ciphers, consumers of mass-produced products and followers of mass political movements, with little notion of what liberty meant, why it was important, or how to defend it” (Zmirak, 2001, p. 172). Ropke worried about the gathering of people in governmentally-run economic systems, for their overbearing control on the people and the lack of connection that would result from it.

He helped to build a bridge between advocates of the free market and Christian humanists and conservatives. For Ropke, “...the existence of stable, orderly state structure was inextricably intertwined with the rise of high culture, the growth of economic prosperity, and scientific progress” (Ropke, 1958, p. 116). Ropke wanted non-intrusive state intervention, where the government worked in alignment with the needs of society. He adopted an integrated approach to analyze social, psychological, and moral aspects that interact with economic action, with a goal of studying the stability of the organization holistically.

Ropke had argued as early as 1935 in *Fascist Economics*, that the cozy cooperation of Nazi bureaucrats with monopolistic businessmen had allowed them jointly to eliminate their

respective competitors for power and profit. Ropke looked internally to his love for the society as he watched it slowly disintegrate to Nazism to develop his ideas and missions (Lantink, 2018). By introducing the power of the state into every aspect of economic life, fascists had gained more effective control over the lives of individuals and had managed to stomp out sparks of political dissent more effectively (Zmirak, 2001).

Throughout the course of his career, Ropke had a few overarching goals to ameliorate the current economic system. He sought to identify the ways in which liberalism was moving backwards, determine the movement that would free the individual thought and labor from the systems of privilege and bigotry, restrict state claims and interventions to a minimum, and to keep impartial authority and genuine religious involvement. He wanted to keep his vision clear to the other liberals and distinguish the positive uses of reason and liberty, and to find justice against the illiberal critics of the Left and Right. Ropke sought to share the complexity of applying reason and liberty to a society: “It is true that in the sphere of pure logic and mathematics reason is free and independent, following its own laws, but the error occurs precisely when this *a priori* method of thinking is applied to the realities of life and society, where the intellect is after all merely the judge who has to consider empirical facts and conditions. In the fields which concern us here, reason simply is not autonomous and unfettered, it does not exist in a vacuum, nor is it entitled to spread its wings, but is obligated to recognize the barriers and conditions set by the circumstances of our existence” (Ropke, 1950, p. 49). As individually-determined concepts, reason and liberty must be carefully dissected in order to be authentic and applied in the best interest of all. One must consider the bounds in which the concepts are applied, for the lack of consideration can result in poor living and working conditions that negatively affect the populations. Ropke believed that the continual analysis and

questioning of liberty and reason are required to maintain a humane existence and community (Zmirak, 2001).

3 HIS IDEAS PRE-A HUMANE ECONOMY

Who Was Wilhelm Ropke?

In the 20th century, those who knew of Wilhelm Ropke referred to him as a Renaissance man due to his holistic approach to economics. His ideas and foundational beliefs were inspired by political, philosophical, and historical perspectives. His passion for academia was apparent from the hundreds of books and articles he wrote throughout his life. Ropke argued that economics was a *social* science in the way that it focuses on the human being, our relationships and how we behave in a world that suffers from scarcity (Zmirak, 2001).

Ropke also believed that economists need religious roots alongside the foundation of the social sciences in order to completely contextualize and understand reality: “my picture of man is fashioned by the spiritual heritage of classical and Christian tradition. I see in man the likeness of God; ...I am attached to a humanism which is rooted in these convictions and which regards man as the child and image of God” (Ropke, 1958, p. 5). His Catholic religious beliefs influenced his understanding of people (Gregg, 2010), and he wanted to combine his religious foundation with his worldview to reconstruct the market economy.

When Ropke thought about a “good” economist, he emphasized the need for the individual to acknowledge the inconvenient economic truths. All economic policies should be considered, and alternative economic policies should be adopted even if they divert from the standpoint of a “normal” successful market economy (Gregg, 2010). Ropke contemplated the functionality of a market economy in a fair society that maintains economic order. He concluded that the laws of supply and demand should maintain the foundation of any economic system, but the societal model should explore elements beyond these two-dimensional bounds.

In Ropke's mind, a true economist combines objective-empirical analysis with value judgements. Ropke believed that human reason suggests that there are certain values that are inherently good. He also built his ideologies on the foundation that the field of social science includes different individuals' subjective value-judgements. He said that to disclude value judgements from science was unscientific because it involved willfully ignoring reality. Economics and the economy are part of a bigger order, in which other disciplines should be considered as they holistically embody what humanity should be. His greatest fear of studying economics without the context of other fields was that it failed to encapsulate the whole truth about man and society (Gregg, 2010).

Ropke incorporated some views of positive economics into his ideologies. He regarded positive economics as the process of using qualitative judgment on theoretical and experiential knowledge to reduce uncertainty about how people act. He worried that economists fail to think about the implications of different economic relationships, as it requires a lot of intuition: "Intuition [is] that intuitive power which enables us to keep our eyes on all the complicated threads at once" (Gregg, 2010, p. 50). He also looked at positive economic science as the study of marginal utility (Gregg, 2010).

Ropke's primary goal as a social scientist was to create a world that was genuinely free. He tried to balance this notion of tradition that he carried from his roots in Christianity and the liberal ideas he wanted to implement in order to attain freedom. His broad-reaching ideas differed from those of active political leaders in his time, but he did not shy away from preaching his alternative perspectives. The development of his thought was highly motivated by his disapproval of Nazism and communism. He saw the rise of Hitler as only a small part of the potential future damage that was to come in the state of Germany (Gregg, 2010).

Throughout his career, Ropke's ideas were categorized as conservative liberalism, based on his motivation to combine the conservative value for order with the liberal focus on human liberty. Ropke denoted liberalism as "the narrower and more specific sense of an intellectual, economic, and political ideology" (Gregg, 2010, p. 84). Ropke's belief in liberalist mentalities was built on the foundational ideology that market competition was sustainable on its own, without any government intervention. Despite his strong stance on the power of an individualistic-based market economy, he had a few exceptions pertaining to when the government could intervene. He uses examples to illustrate the different components of his idealized moral economic market.

His Ideal Form of Capitalism:

Ropke's life work intended to reframe the economic system of capitalism and determine a way to accommodate the needs of society. He wanted to construct and defend a free society to provide solutions to the problems of capitalistic systems. He believed that a state of humanity was best maintained by the institutions outside of the government.

Ropke believed that capitalism must be modified in ways compatible with free competition. Ropke strongly advised combining the structures of liberalism and free trade. The liberalist mentality of Ropke focused on attaining human happiness. He wanted to modify the state's role in capitalist economies to strengthen the foundation of liberalism, and he wanted each citizen to have the maximum economic freedom and self-determination possible, without undermining the market itself (Gregg, 2010; Commun & Kolev, 2018).

To understand his own argument, Ropke had to modify his understanding and application of liberalism: "traditional liberalism not only committed the error of ignoring the legal and institutional conditions of competition, but also of overlooking its sociologically negative

effects” (Ropke, 1942, p. 6). Ropke also promoted an idea that differentiated from the common understanding of liberalism when he argued that “it is hard to see how competition [...] can be capable of breeding social integration. Competition is a highly dangerous arrangement and one which must be balanced by the strongest of counter-forces from outside the economic sphere” (Resico & Solari, 2018, pp. 97-98). Ropke knew that healthy competition could regulate the market, but it had to take a more interpersonal position as opposed to competition that is regulated by external forces.

Ropke believed that economic freedom also served a purpose to help individuals reach personal autonomy (Zmirak, 2001). Ropke’s advocacy for the liberal economic system was rooted in its sense of individuality that comes with asserting one’s self and personal beliefs. Ropke believed that people are motivated by different things and not always inherently selfish. The ability to reason in economics is required to acquire and apply economic liberty and produce economic liberalism (Gregg, 2010). In order for true liberalism to survive, individual economic freedom must be preserved within the limits of social order and the common good (Gregg, 2010). Even though he was concerned that too much individualism would result in more harm than good, Ropke believed the common good of society was at its prime if sovereignty was left into the hands of consumers, allowing individuals to choose among a wide variety of goods and services offered by many suppliers (Zmirak, 2001).

Although he believed in the power of free economies, Ropke knew a strong foundation, such as virtue ethics, was required in order to define the appropriate bourgeois culture and maintain a consistently free society (Commun & Kolev, 2018). People naturally bring bourgeois values to market competition which are necessary to preserve both market and competition from

degenerating (Resico & Solari, 2018). He believes that the standard economic market may not be applicable to all spheres of life, and its use should be limited (Mierzejewski, 2006).

Ropke's virtuous foundation was based on the needs of middle-class people and identifying true individual economic freedom (Lantink, 2018). He trusted bourgeois culture in its ability to prevent society from disintegrating (Commun & Kolev, 2018). He highly praised the bourgeois virtues: self-discipline, justice, honesty, chivalry, diligence, and public spiritedness, but Ropke's social policy market was reliant upon a broader set of social institutions if it was to work (Gregg, 2010). In most cases, someone competing in the market has a family or societal connection. Between those values and the power of family, church, and community, Ropke believed these smaller-scale systems would preserve the market and its competition from completely falling apart (Commun & Kolev, 2018).

Ropke wanted to preserve the traditional culture of utilizing small peasant villages as a defense mechanism against big cities and businesses. He believed that peasants, defined as those close to church, families, and occupations, were the backbone of a stable society (Mierzejewski, 2006). His structure of society was based upon individual virtue, cohesive families, and local communities that could counterbalance the frequently disruptive side effects of highly efficient market systems. Ropke believed that "a decay in those fundamental building blocks of social order must lead to atomization, alienation, and ever-increasing demands for state control over the economy" (Zmirak, 2001, p. 13-14).

Within the economic and social life, Ropke was concerned for the dignity and autonomy of individuals. Between the morality of the market, love for freedom, and desire for self-determination, individuals must be willing to accept responsibilities (Resico & Solari, 2018). Ropke's primary mission was to "deproletarianize" all members in a society: "The necessary

task, he said, was broader still: a ‘deproletarianization’ that would take industrial workers who lacked roots in ‘home, property, environment, family, and occupation’ and transform them into free men. This meant, in Röpke’s mind, ‘rendering the working and living conditions of the industrial worker as similar to the positive aspects of the life of the peasant as possible’” (Carlson, 2009, pp. 23-24). In his ideal society, wealth would be widely dispersed, and people would have genuine roots and solid foundations in small communities. In Röpke’s preferred order, there would be counterweights to competition and the mechanical operation of prices, and there would be a healthy balance between town and country, and industry and agriculture (Commun & Koley, 2018).

Röpke thought that a competitive economy is best for allocating resources amongst those who need them, with consumers controlling the distribution. When Röpke thinks about competition, he is discussing “a means of establishing order and exercising control in the narrow sphere of a market economy based on the division of labor, but not the principle on which the whole society can be built” (Röpke, 1950, p. 181). The natural tendency towards competition is what makes the competitive market economy a feasible social organization, as high consumption has the highest guarantee for a political democracy.

In his free society, Röpke envisioned a world that utilized free prices. Free prices would provide regulation and are a clear indicator of demand in the market for varying goods and services. Rather than letting a form of government dictate the needs of the people, Röpke believed that producers and consumers would more quickly react to price changes than to rules implemented by a government authority. The use of free prices and internal competition delineate the needs of the market to producers and consumers more clearly than any government intervention could (Gregg, 2010).

A day in the life of any person consists of decisions that attempt to balance the problems of scarcity: people's unlimited wants and their limited means to satisfy them. With the use of free prices, competition in the market becomes the determining factor for an individual's success. Success then becomes dependent on one's own productivity, which creates higher efficiency in the market. Ropke called this system a coordination and liberty-focused approach. The internal value of market items becomes clear, and the problem of scarcity is addressed without the use of a centralized planning system. Ropke advocated for any economic approach that could avoid government intervention. He considered the economic performance of a business as a better determinant of its chance of survival than its proximity to state bureaucrats, due to competition equaling the level of demand. The market preserves liberty, controls power, and can resolve scarcity problems in ways that centralized planning cannot.

Ropke advocated for decentralization, which breaks down the economy and society into the smallest possible units. Decentralizing an industry very quickly becomes a key policy recommendation able to simultaneously preserve market dynamics and society's health (Resico & Solari, 2018): "Only a conscious policy of economic decentralization, of encouraging small businesses over large, located in smaller communities rather than large, would satisfy Ropke's vision. Workers in smaller businesses, he believed, were less likely to become alienated and isolated than those who labored for huge manufacturing firms—if only because they might hope one day to also own such a business" (Zmirak, 2001, p. 179-180). Large businesses tend to collude with the government and reduce market competition. Locating work more closely to childrens' schools and homes, family time becomes more accessible, where Ropke believes the best education takes place. Smallness, decentralization, hierarchy and deference were essential to make social existence tolerable. Ropke supported the Catholic concept of subsidiarity where

decisions would be made by individuals in ways to teach and best benefit themselves, and a higher authority does not intervene from a governmental or social organization. He argues for the use of technology while taking advantage of the power of family. He wanted to use technology to decentralize the economy instead of centralizing it. Technology has also helped small firms increase productivity. The task of a “social technology” is to lead individuals to study the social role of innovation (Resico & Solari, 2018).

Ropke’s work focused on the decentralization of political power (preferably through the dominance of small businesses and decentralized government), decongestion of industry in the name of deproletariatization, reducing population growth, revitalization and growth of peasant agriculture, integration of factory workers into the countryside (Gregg, 2010), and a strong and predictable legal framework for commerce, regulations for restraint of monopolies (Zmirak, 2001). Ropke had serious concerns about the rapid population growth and its related dangers to both society and the earth. In many of his books, he warned about how continuous growth in the human population would worsen urbanization, centralization, and alienation from nature. In his book, *Economics of the Free Society* (Ropke, 1963), he stated that countries need to increase their economic efficiency via specialization and the division of labor, but the problem with that theoretical fix is that those are the roots of deteriorating human life. Reducing population growth would help demassify society and reduce the pressures on the economy to satisfy people’s needs.

His Frustration with Capitalism:

Although Ropke wanted a decentralized government, he did not completely support unlimited market competition or a complete dismantling of the government. He used the term “economism” to refer to the gauging of success in the market through only economic and

material productivity. His fear regarding the implementation of economism was that it would only result in social rationalism, a standpoint that views the market as morally neutral and can be applied to any social order (Gregg, 2010).

Market economies played a role in molding people toward more civilized behavior and were necessary for a civilized society that wanted to combine liberty and order with economic efficiency. However, economic liberty was insufficient for freedom. Social cohesion cannot be based simply on the principle of competition. Economics had to be attentive to “the nature of man and the sort of existence that was fitting to that nature” (Gregg, 2010, p. 5).

Ropke’s worry with free competition was that it had socially corrosive effects. Ropke claimed that free economies depend upon an extra-economic framework of moral, legal, political and institutional conditions. Ropke perceived that capitalism had failed to convey the real benefits of a principled market economy, as well as failed to address the spiritual and cultural problems, or even the abuses that had distorted it. The largest flaws in the capitalist system were the abuses resulting from factors outside the market, such as the skewed influence of “political or social forces, such as protectionism, welfare, or fraud” (Zmirak, 2001, p. 51). He provides an example of monopolies under capitalism, stating that they are scattered, limited and constantly subject to the pressure of potential competition, which explains the idea behind it of how its dominant institutions change significantly over time (Gregg, 2010). Monopolies and exploitation by the state interrupt competition and reduce morality. Monopolies tend to facilitate overinvestment of capital in particular economic sectors on a huge scale, precisely because of absence of competition (Gregg, 2010).

The Times He Advocated for Government Regulation:

Despite Ropke's strong stance to never utilize government control, he sometimes had to make exceptions to his own rule. Ropke advocated for minimalist but effective intervention by the state in order to preserve vital social goods that were neglected by markets (Zmirak, 2001). Ropke believed that a state's political power should be limited. Governments only intervene when natural market competition is producing more harm than good (Gregg, 2010). The key to ensuring appropriate state intervention was to distinguish interventions that are compatible with an economic structure based on the market. Intervention that did not interfere with the price mechanism was market compatible. For example, he recognized the existence of natural monopolies and proposed that they should be controlled by the government, which would influence their behavior to mimic competition (Mierzejewski, 2006). Economic and social policy also implied that using the state to break up monopolies was a compatible intervention (Zmirak, 2001). He advocated for a broader reform agenda for the economy and society, with the emphasis on the role of civil society for sustainable implementation (Commun & Kolev, 2018).

In order for political and economic liberty, there must also be political decentralization. Ropke believed that the state should only enforce market rules to protect the weaker populations (Mierzejewski, 2006). He approved of federalist structures, where the closest communities address a problem, unless they cannot, and a higher community only takes over until the closer community can reclaim responsibilities (Zmirak, 2001). He thought about the State as the umpire in the free market: the party that establishes the rules and makes sure they are followed. He wanted to enable the state to assure a minimum of equal opportunities to all citizens (Mierzejewski, 2006). Ropke described a specific economic system where interactions between

the moral foundations of civil society and the market structure could positively reinforce each other (Resico & Solari, 2018).

Instead, he preferred economic humanism as the attention to human nature central to his economics. The ideas of Christian humanism that shaped Ropke's political economy emphasized the ridiculousness of pretending that humans were perfectible (Gregg, 2010). "Economic humanism" must consider the social sphere of the market, including structural dimensions, such as business size, income distribution, and population size and distribution.

There were elements of socialism he agreed with, such as the outrage at hypocrisy, intellectual subterfuge, and social injustice. Ropke believed that rationalism held a damaging level of optimism in its assumption that Adam Smith's invisible hand would guide all egoism toward greater collective happiness (Gregg, 2010). This dangerous assumption was where, when left on their own, the power of individual choice actually resulted in a society of "masses," where the people all merged together as one (Zmirak, 2001).

He recognized the negative effects of mass production on the lives and liberties of the working class (Zmirak, 2001). The state would need to know when to intervene in order to most effectively conduct their civil service: "...a state which knows exactly where to draw the line between what does and does not concern it, which prevails in the sphere assigned to it with the whole force of its authority, but refrains from all interference outside it's sphere..." (Gregg, 2010, p. 91). Ropke encouraged state intervention but only to the degree where the state is working in support of the people. As soon as the government takes over with its own agenda, he rejects the intervention.

The Times He Did Not Advocate for Government Regulation:

For not only their harmful control, Ropke also wanted to reduce the level of authority and governmental control so that people could more directly develop civilization. He believed that markets were more efficient if they functioned in terms of individual utility, and the market economy allowed people to exercise their natural liberty, managing human affairs and solving the problem of scarcity. He believed that minimizing the amount of authority intervention is the type of liberty people need in order to develop their “true creative power” (Gregg, 2010).

Ropke’s vigorous advocacy of the defense of liberal ideas was presented as the only viable antidote to statism, socialism, and collectivism (Solchany, 2018). Ropke’s problem with socialism was that it makes virtue seem irrational and places a demand on human nature when men serving virtue in a collectivist economy must act against their own property interests in ways that do nothing to increase total wealth (Gregg, 2010). He opposed socialism because it took away from an individual’s freedom and personality only to prioritize society’s well being (Zmirak, 2001). Working for the common good of society, socialist economies limit free economic competition through state-planning but do not have a substitute for the free price structure. Socialism thus meant replacing democracy of market choice with an autocratic ruler of the economy in the form of the state and the subsequent politicization of economic life (Gregg, 2010). Ropke worried about the government becoming too strong. He acknowledged the danger of too much power in government. He suggested transforming Germany into a confederation in order to handle any problems of excessive state power. The abuse of state power leads to collectivism (Gregg, 2010). His opposition on technical grounds was that the centralized system was committed to means that simply are not compatible with human freedom and giving too much to the state.

Monopolies were far more common in socialist economies, not least because such systems were based on principles of anti-competition and centralization, which is why they function in socialist and collectivist societies (Gregg, 2010). If monopolies and other impediments to the growth of small and medium-sized enterprises were products of government intervention, then there is no use to look to the government as it would only accelerate centrism everywhere (Zmirak, 2001).

Ropke worried about collectivism that presupposes a centralized state, and he recognized that political barriers to centralized on their own were not enough to preserve liberty. He emphasized the need for policies that would impede economic collectivization and political centralization (Zmirak, 2001). Ropke sought to clarify the immense power, efficiency, and even justice which he saw as proper to a market economy, to refute the popular notion that collectivism was a more “advanced” or “scientific” form of economic and political life, and to offer preliminary suggestions about how to remedy the abuses that had infected the market system over the centuries and thereby to answer the proper insistence of socialists that the common good receive due respect alongside individual rights (Zmirak, 2001, p. 43-44).

Ropke opposed collectivist policies not simply because economic science told him they were bound to inflict misery on millions. Collectivism is incompatible with authentic human freedom (Zmirak, 2001): “No market economy could long survive in an unfree state, nor a liberal society endure a collectivist economy” (Zmirak, 2001, p. 79). In collectivized economies, prices are replaced by political directives. Political commands are a poor substitute for prices because they are inevitably wrong and slow in their ability to transmit economic information. Collectivism lacks a regulating agent that tells where an increase or decrease of certain commodities is required. (Gregg, 2010).

One source that leads to collectivized economies is the subordination and command systems. They result in planned and controlled economies which coerce the population to fulfill the needs of the bureaucratic system. The state was the primary agent of exploitation and inequality, and Ropke considered it foolish and ineffective to strive to use coercion and redistribution to undo those evils (Zmirak, 2001, p. 115-116). These controlled economies eliminate any freedom and result in collectivized systems. The problem with collectivized systems is central authorities cannot determine the value of goods, and economic and social disorder arise (Gregg, 2010). Collectivization estranges people from nature and makes far-stretching demands with exceedingly high expectations of family-life. Even though the intention is to encourage interpersonal connection in communities, collectivism actually implements policies which inadvertently promote alienation, by concentrating wealth into fewer hands and removing any autonomy a worker may have had in a multi-employer economy (Gregg, 2010). Collectivism cannot provide a system of order and incentives which is as economically efficient as the market, nor can it provide substitutes for the incentives associated with market economics.

Due to similar problems as seen by the ways of collectivism, Ropke rejected mass society, industrialization, secularization, and urbanization as he held them responsible for the decay of our civilization. He also reprimanded the “secular” religions, which he thought were all threats that took the form of “collectivism” (Solchany, 2018). Mass production, mass management, and mass democracy make people dependent on others and a larger system. He believed large urban masses were susceptible to mass democracy, with all of their liberty-negating potential (Gregg, 2010). The work conducive to mass production and the living

conditions of urban settlements became even more inhumane as a result of proletarianization, which prepared the way for collectivism and tyranny (Zmirak, 2001).

These mass mentalities also restricted spaces for man by concentrating all the power in similar ways to government control, with only a few members of society holding power. Mass production, the volume and permanence of production, further risks demanding an intervention to avoid a worse crisis caused by high division of labor (Resico & Solari, 2018). Ropke had concerns about the excessive implementation of division of labor (Mierzejewski, 2006): “the denser and the more complex the division of labor, the more difficult it will be to achieve harmonious coordination and the more widespread will be the reverberations of every disturbance of this complicated process” (Resico & Solari, 2018). He saw that family and interpersonal connections were weakening due to the distribution and spreading out of work (Zmirak, 2001). Even though the overall productivity of the economic process increases with the division of labor, the equilibrium of economic processes grows with the more division of labor there is (Resico & Solari, 2018).

The problems with massification is that people become socially disintegrated in their attempt to integrate but end up digressing to the masses. Individuals experience both loss of vital satisfaction and lower work conditions, especially those who live in urban areas. Those who become socially disintegrated experienced the separation of society and too much individualization, which destroys any unity and community. People begin to feel uprooted in urban society, losing their natural bonds. Human interaction becomes anonymous and constantly shifts, giving a sense of a nomadic lifestyle, which all contribute to the social disintegration. People only feel stable in their market society if they care for the quality of society and take steps in the direction of keeping people integrated.

In totalitarian states, Ropke observed that the government invariably uses cooperative policies to forcibly apply their policies and increase their level of power. Rather than a totalitarian state, political and social structures should abide by rules that correspond with an individuals' freedom, as seen in free economies (Gregg, 2010). Ropke realized that the appeal of totalitarianism in Germany lay in the protracted uncertainty, poverty, and injustice which had dominated life in Germany.

His Ideal Economic System: The Third Way

After noting the helpful and harmful elements of capitalistic and collectivist economies, Ropke attempted to create a more survivable and ethical economy, through his use of the "The Third Way," which was a market-friendly, socially responsible economic policy that aimed to provide an alternative to collectivism and laissez-faire capitalism. He wanted balance between freedom and constraint, opposing laissez-faire and collectivism simultaneously (Mierzejewski, 2006). He had common ground both with socialists and libertarians in exposing inconsistencies of contemporary capitalism (Zmirak, 2001). Regarding libertarians, he held deep respect for wealth creating free markets. He saw a need for positive state policies that promoted socially-motivated goals and counteracted the negative effects of market competition. His moral position as a longtime anti-Nazi gave him credibility with Germans who shared his ideas, and he used this standpoint to help transition into a post-war economy and society (Zmirak, 2001). There is a fundamental option for market economy that implies a choice for free exchange, private initiative, genuine competition, free prices, flexible costs, and consumer sovereignty. Ropke believed that choice against monopoly and attempts by pressure groups to use state power to enrich themselves is required (Gregg, 2010). Appalled by monopolies, he considered the

economic power of large corporations almost as dangerous as the political might of collectivist governments (Zmirak, 2001).

In describing a third way between laissez-faire and collectivist farming, Ropke advocated acting against agricultural monopolies, encouraging means of agricultural self-assistance compatible with market competition, and enlisting farmer's advice on how to reduce tensions between preserving certain agricultural lifestyles and demands of free markets. Fully exposing agriculture to a free trade regime was likely to result in economic growth and stability for rural industries. Social and cultural costs might be so high it would be better to proceed in a middle-of-the-road manner. The core reasons Ropke offered to provide special help to agriculture were more economically focused. He considered it unlikely that peasant agriculture would survive all the market's disciplines. The primary justification for certain forms of state assistance to peasant agriculture was Ropke's conviction that the small farmer-peasant lifestyle helped to maintain a culture that preserved certain values, and inhibited the progress of proletarianization: detachment of large numbers of people from forms of community such as the village and parish, and their subsequent rootlessness in their attempt to find employment in urban industrial settings.

Ropke wanted his free-market system to consider the guidance and ways of fields other than economics to determine the order and functionality. The Third Way encouraged the widespread ownership of property, capital, real estate, and small businesses throughout the population. Ropke favored unrestricted free trade, regional liberties, and respect for traditional people and their ways of life. He saw extra-governmental institutions (churches and civic and social organizations, often maintained by social elites) as the best defenders of human dignity against oppression by intolerant majorities. He thought individual economic freedom was best

preserved by the elements of prosperity, justice, freedom, and progress, as long as they remained in the bounds of the socially ordered rules and what would best benefit other members of society (Zmirak, 2001).

4 A HUMANE ECONOMY

Throughout the course of his career, Wilhelm Ropke published hundreds of books and articles that described his economic ideas. In all of his work, he emphasized the need for a stronger moral foundation in society. Anyone who knew of Ropke knew him as a man of religion: he openly shared his grounding in Christianity, and how his faith has guided him socially, economically, and academically throughout his life. As a practicing Catholic, his faith held a prominent influence on his work.

Ropke's ideal picture of man is highly influenced and inspired by the classical and Christian tradition. He sees in man the likeness to God: each man's soul is unique, irreplaceable, priceless, and incomparable to all the things it is not. He believes in the power of humanity that should be connected to the economy; he regards man as a child, an image of God, but not as God himself, and definitely not to be idolized in a way that mimics one's idolization of God. Ropke has concerns that this economically-focused environment that lacks socially-driven factors is disintegrating, and the largest contributing factor is the lack of emphasis placed on religion. Religion no longer has a level of importance or place in the capitalist system. Without the foundation and security in God, the economy suffers as citizens collectively undergo this spiritual and religious crisis. Among those who claim religion has no place in society, individuals end up losing focus and direction, even if they may not have noticed. The pertinence of the spiritually-empty society results in unguided populations, who then seek a makeshift religion to fill the emptiness they've created for themselves. This "cult" of man has attempted and failed to substitute the support and foundation that should be established by the church.

The religious damage done unto our society is the continual amplification of a cultural crisis. The foundation, certainty, security and guidance that Christianity provides has been lost,

unity in humanity has been lost, the Christian and humanistic belief in the unity of civilization and man gave us has been lost. Ropke wanted to build on the capitalistic foundation to facilitate freedom and happiness for humanity. According to Ropke, the economy should be viewed similarly to all facets of human existence: it's not self-sufficient.

Similar to his foundation in religion, Ropke believed that family held a role of high importance. One's family is of utmost importance in establishing a social structure. A reliable resource to fall back on, but also as a support system, "family life was 'natural and free,' with the 'well-ordered house' serving as the very foundation of civilization" (Carlson, 2009, p. 1). Without the foundation of family life, the rest of civilization cannot thrive. Every higher community needs the family foundation as they stand against the whimsical changes occurring at state level. In Ropke's mind, the family became the home-base, and the foundational unit in his journey to define a "humane economy" (Carlson, 2019).

In addition to his spiritual foundation, the scope of Ropke's work covered a range of topics including humanity, politics, history, welfare, wealth, ownership, redistribution, and society. Only eight years before his death, Ropke published a book that focused on the subset of his thoughts that related to humanity, markets, and the morals and moral structures he wanted to implement in the current market economy. Published in 1958, *A Humane Economy* described how Ropke wanted to modify, reconsider, and adapt the economy to better suit the needs and capacities of any given population. His ideal economy was built with Switzerland's economic framework in mind, due to his love for their systematic approach. Even though he was inspired by Switzerland's model, considering his childhood in Germany, the economy he built is formatted for an implementation in the state of Germany, as he knew the market systems of that

country the best. He had a vision for what society should look like, regarding interpersonal interaction, state participation, and the idealized environment in which people could flourish.

In his endeavor to define a humane economy, he built his argument critiquing the Western world, using Germany's current system as inspiration in regards to how a market economy can thrive, but more importantly, where it fails. What if we considered that the humane, non-production part of people actually made them societally "more" productive? Ropke looks at the market economy and rejects the focus on solely capital improvement and productivity levels of a population as it neglects the most seemingly obvious and important foundation: the humanity of the people.

Ropke directly walks the line of balancing humanitarian and economic elements to find his desired "humane economy." Ropke's ideal humane economy is constituted of: independence, ownership, individual reserves, saving, the sense of responsibility, and intentional planning of one's own life. Ropke strongly believed in combining personal freedom elements that exist in different spheres into the same combined economy:

The market economy with its social and political freedom can only thrive under the protection of the bourgeois system. This implies the existence of a society in which certain fundamentals are respected and color the whole network of social relationships: individual effort and responsibility, absolute norms and values, independence based on ownership, prudence during, calculating and saving, responsibility for planning one's own life, proper coherence with a community, family feeling, a sense of tradition, and the succession of generation combined with an open minded view of the present and future, proper tension between individual and community, firm moral descriptions, respect for the value of money, the courage to grapple on one's own with life and its uncertainties, a sense of the natural order of things, and a firm scale of values (Ropke, 1958, p. 8).

Not only do markets allow and encourage people to utilize freedom whilst maintaining a certain order to human affairs, their foundation accommodates and solves the economic problem of scarcity maturely better than any other economic system could.

He expressed concern that it lacked consideration for the people's humanity and only focused on peoples' labor. In thinking about his humane economy, Ropke knew he did not want to implement mass society, socialism, or ways of totalitarianism and collectivism in his society. Even though he included sporadic commentary throughout his book regarding the positive spiritual and religious guidance of Christianity, his rejection of mass society, socialism, and totalitarianism is clear, as he worried that the philosophies would only fail, deteriorate, or ultimately cause more harm.

Ropke's biggest motivation for writing the book was likely his frustration with the current capitalistic economic system. Ropke argues that the most vital elements for a thriving society are those beyond supply and demand, and the world of property. The basics of the capitalist order are necessary to establish order and avoid social chaos but cannot accomplish much more. Ropke appreciates and believes that free prices, free markets and free competition imply and guide a society towards health and prosperity. Ropke wanted to keep the structure of capitalism but redirect it to include or incorporate the elements of free competition.

Ropke takes these elements to see the self-fulfilling prophecy: competition regulates the economy which presupposes free market prices, free market prices are impossible without genuine economic independence of economic units, and their independence stands and falls by private ownership and freedom of division, unimpaired and undisturbed by government planning. Competition, free market prices, and economic independence work together to self-regulate the market economy.

Outside of the worlds of religion, family-life, and competition, Ropke believed that other political and economic systems were failing to do justice by communities and larger society. Ropke could appreciate some attributes to other economic systems, but overall, described

intermittently with his foundational beliefs in God and Catholicism, his best description of a humane economy is built through descriptions of the systems that would not work and why. In *A Humane Economy*, Wilhelm Ropke expresses frustration with mass society, socialism, and totalitarianism and collectivism, breaking down how these systems would be harmful and negatively contribute to the market economy.

Ropke's Concerns with Mass Society:

In defining his ideal society, Ropke first declares that it should not take the form of what he calls a mass society. Humans are socialized to emulate behavior, speech patterns, and body movement. We are taught how to show others we are fully engaged in conversation. In the desire to be relatable and fit in with others, we subconsciously create a new set of guidelines, rules, and social norms that became the new standard for behavior and interactions. Similarly to social norms, atheistic individuals who lack spiritual guidance naturally start to follow each other, mirroring behavior and mimicking each other subconsciously, creating their own makeshift religion by which they all abide and participate. Any sense of individuality and personality slowly starts to disappear as people seek out solidarity and a sense of mutual understanding with others. Ropke believed that people who created their own religion lost a positive guiding force along the way.

In this search for a grounding force and connection with others, one's sense of self slowly disintegrates until people have reduced themselves to nothing. Without a larger community, the goal to find a genuine community becomes a difficult endeavor that most do not successfully accomplish. Individuals end up connecting through what Ropke refers to as the "masses" and become a "concentrated" group rather than a community of people that grow and thrive together.

Groups of people cling to each other in desperation to fill their internal void. As people feel lost and confused without guidance, they start to gravitate toward each other, conglomerating together in cities and industrial corners. A sense of their own roots is lost in this mass organization, and to undo this harm.

As children, we are encouraged to figure out our sense of self and individual personalities. Unfortunately, all the character building we do in our childhood years is quickly erased as we enter the “real world.” Mass society takes any sense of growth and crushes it entirely. As people continue to gather with others, individuals no longer make decisions, but rather, the larger groups or institutions do. As the government continues to utilize their power to organize the people, smaller structures start to break down and social ties within the community begin to loosen. People lose their faith and trust in administration, especially regarding the ability of legislation to serve the needs of a country and long-term interests of the population. Ropke depicts mass society exactly as it sounds: he frames it in crowds, and the crowdedness we subconsciously encourage and continue to create every single day. Large groups of people influence each other constantly. We begin to behave, dress, and carry ourselves in similar ways. Interpersonal influence quickly becomes a larger problem through spillover effects. The continual cloning of one another erases the sense of individuality over time. The innate desire to assimilate in order to be accepted worsens as new clothing or accessories are machine-made, mass produced, and distributed into society; freedom of expression no longer truly exists; people are constantly adjusting to present themselves publicly in a way that matches the predetermined socially acceptable behavior that aligns with social norms and constructs.

To align with social norms and expectations, people end up behaving in almost militaristic ways. In grade schools, students are taught how to walk in single-file lines; on public

transport, we are penalized for taking up more space than we need to and must prioritize the comfort of others over our own. Rather than focusing on the growth of our mind and selves, we become programmed robots who act in accordance with the rules. Our behavior is constantly monitored, ensuring we behave and interact with others in the “correct” way. The influences may begin in grade school, but they continue and only become exacerbated into adulthood.

Ropke exemplifies this phenomenon with a typical day-in-the-life of a New York City resident. One starts their day by trying to leave the city, getting stuck in traffic lines for hours, crammed amongst the miles of other cars. Once they’re out of the city, they park in an allocated parking spot, within the lines, parallel to the cars next to them, paying the mandatory entrance fee, before looking between the people to find a small space to sit on. The individual may take a small walk, in an orderly fashion, before proceeding back to their apartment in the same orderly fashion they used to get to the park in the first place.

In suburbia, the same type of closeness and controlled behavior shows up in other ways. Even though neighbors may not be in physical close proximity to you, the emotional closeness is expected in its place. Neighbors will isolate you if you do not participate in neighborhood activities and do not comply with the expectations of being a “friendly” neighbor. Neighbors are expected to share their life story and personal belongings, to be very open with each other, or else your invitation to participate in future activities is rescinded. Neighbors will receive judgment from other neighbors for being a “spoilsport,” losing social ties and connections for simply wanting to retain some sense of privacy.

The institution of mass society ruins not only social ties, but also personal, sentimental, and private life events. These vulnerable moments take place in the presence of complete strangers, in what Ropke refers to as collectivized institutions. Whether it’s birth, sickness, or

death, these private life events are shared with thousands of strangers, by sheer proximity and force. Hospitals have become medical factories, apartment complexes or housing establishments are situations where people live in mass quarters, we work in mass factories or offices with hierarchies, and even places of worship and vacations have become places of mass gatherings. School lecture halls and laboratories gather students in masses and force them to behave in predetermined ways. One must drive in an orderly fashion on the highway, passing the same billboards or listening to the same radio station as the other drivers surrounding them. Through public review or suggestion, large groups of people will end up watching the same movies or television shows, and flood the same sports stadiums as thousands to millions of other people. What in particular forced these large groups of people to find the same excitement and obsession with events that seem completely uninteresting and irrelevant to others? We get caught up in mass organizations of people, flocking together, influenced by the same media, behaving in the same ways.

In case mass society does not cause enough harm on its own, the lack of spiritual and religious grounding worsens the problem. People no longer go to churches or similarly safe institutions to find their peace and solitude. In the desperate attempt to find connection and attach to other people, the lack of spiritual and religious grounding becomes even more obvious, as the churches are empty, and become a refuge of solitude: “Whether we travel or stay at home in our sprawling cities— and more and more of us are at home in them—it is becoming ever harder to escape the rising flood of people which drags us down and makes us creatures of the herd or the mass machinery which canalizes this flood” (Ropke, 1958, pp. 41).

To counteract the dangerous growth of the masses, other countries and civilizations are trying to find ways to reduce overpopulation, such as China implementing the one child per

family policy. Western civilization struggles to escape the masses and collectives as it prides itself on large families, even though it contributes to overpopulation and hurts society: “In the industrial countries of the West, large families are still regarded as a merit, to be rewarded by the treasury out of penalties on less procreative citizens, and it counts as a duty to the community to fulfill one's biological functions” (Ropke, 1958, pp. 43). Humans *do* have an innate instinct to procreate and continue our family line, but the numbers are exceeding sustainable levels for society. Individuals are losing intrinsic worth, along with their souls and personalities as people continually immerse themselves in the “mass,” becoming this collection of “depersonalized” individuals. We become subhuman and herdlike, and the line between self and society becomes blurred. Independence continues to be smothered, as men are uprooted and taken out of their securely established social circumstances. Any sense of community slowly deteriorates as more universal but impersonal collectivities are favored: the individual is no longer a person in his own right. The natural inclination for connection and spontaneous social fabric is broken down and redirected to mechanical and soulless organization.

People are reduced to one plane of uniform existence. Individual action, decision, and responsibility is no longer sought out, and collective planning and decision continue to take over. Life becomes uniform and standardized, highly influenced by party politics, “nationalization,” and “socialization” (Ropke, 1958, pp. 55-56). Throughout the consistent exposure to mass mentality and social influences, people lack the ability to think for themselves. People are forcibly immersed into the mass society, as it removes them from any true community fabric they might have had. Societal levels of unhappiness increase as a result of these masses, but individuals continue the vicious cycle by trying to find connection in these masses to cure their deep-rooted unhappiness caused by the masses. Isolated individuals in society “...hunger for

‘integration and they allay this hunger by means of the intoxicating thrills and crowds of mass society’ (Ropke, 1958, pp. 57). The continual override with mass culture is erasing the forms of real culture: those of the elite and those of the people.

The one plane of existence is worsened by the continually merging interests and physical presentation of individuals in society. Materialism in society seems as though it will provide more sources of comfort and entertainment to society, but the production of material goods and services actually takes away from any personal relationship individuals have to their own work. People try to replace the loss of genuine interest in life with consumption, and that only continues to hurt them more: “A society which concentrates on material gains will be at once immensely productive and immensely sterile, satiated and hungry, busy and enormously bored” (Ropke, 1958, pp. 82-83). When humans have too many things, and all of our survival needs met and far exceeded, we get bored and unsatisfied. In the desperate search for physical gratification, people become more uneasy and bored, and so they create new and superficial pleasures. By nature of reaching and always remaining a little unsatisfied, the mass society is doomed to boredom forever. Boredom in society is also worsened by the fact that all the social organization and centralization eliminates the need for independence and responsibility for one’s own life. Materialistically-motivated economic growth and gain is how society will slowly crumble and continue to disintegrate.

On top of losing a sense of individuality, the forced and fake connection becomes fatiguing and isolating quickly. Without real connection and interest in community, people become very bored. People no longer have the diversity in lifestyle or elements of spontaneity in their lives, and they lose any interest in communal activity as a result of the superficial relationships. Individuals desperately search for validity, stability, and happiness, as these

seemingly basic human needs are just barely out of reach. Feelings of emptiness and isolation are elevated, despite the active attempt to find connections and community. Between losing the natural social order and the loosening of roots, and the internal emptiness that accompanies the capitalist work day, people are forced to fill their time with so-called pleasures and amusement. It does not take a long time before they realize they are just trying to fill their internal feelings of emptiness because they have lost their meaning, direction, and purpose in life.

Ropke's Concerns with Socialism:

In addition to the concerns of mass society, many countries have implemented a socialist economy, but Ropke has concerns regarding its structure *because* of its centralization. Despite its positive intentions, socialism causes more harm through its economic planning, nationalization, the erosion of property, and what Ropke refers to as the cradle-to-the-grave welfare state, rather than focusing on the well-being and freedom of the people, rule of law, distribution of power, and international cooperation. Ropke worries about the use of socialism for it does not place enough emphasis on man and the personality of man.

Under the lens of a socialist market economy, the market economy is seen as a part of a social system that is “an enormous apparatus of administration” (Ropke, 1958, p. 93). Ropke is quick to reject the use of socialism, easily noticing a massive flaw at the mere suggestion of this market economy: “How could a genuine market, an area of freedom, spontaneity, and unregimented order, thrive in a social system which is the exact opposite in all respects?” (Ropke, 1958, pp. 93-94). Socialism has a potential for success regarding aggregate money and income flows; however, it fails to acknowledge the significance and importance of ownership, and individual success. The market economy is a prerequisite for the principle of free prices and

competition and also the institution of private ownership. Socialist competition may encourage successful economic activity, but it cannot rule and guide the economic process.

Socialism advocates for organization, concentration, management, and administrative machinery, and it sacrifices personal freedom in the totalitarian state. Ropke believes that people who condemn personal freedom and the free economy are untrustworthy because they question the ethics of those who work in the free economy. He does not understand why anti-free economists would prefer an economic system which places the power of the state against them. He thinks these types of people want positions of power without evaluating how their behavior continues to perpetuate harm onto society. These leaders are immoral and lead people to temptation via an economic order which makes individuals act against their own morals and values, going against their internal and natural self-assertion and against any commands of reason. Ropke discusses how a government may not in fact be more moral than an individual participating in illegal behavior: “A government which, in peacetime, relies on exchange control, price control, and invidious confiscatory taxation has little, if any, more moral justification on its side than the individual who defends himself to the sort of compulsion by circumventing, or even breaking, the law” (Ropke, 1958, p. 6). In order to have more ethical and humane behavior, people must adapt economic policy to man and not the other way around.

Socialism is also harmful due to its ideas through the lens of social rationalism, which misleads people to think that the market economy is only an “economic technique” that can be applied to any kind of society, with any spiritual and social climate. This misconception gave socialists the idea that the price mechanism (supply and demand of goods forcibly determines the prices of goods) could be successfully implemented in a socialist economy. Ropke describes the failings of social rationalism, referring to it as “economism.” Economism dismisses the giant

industrial concerns and monopoly arguing that mass production, research promotion, and the investment of monopoly profits raises the supply of goods. It also neglects to include possible non-material losses regarding higher purposes of life and society. Economism allows material gains to hide the fact that we may have to forfeit liberty, variety, and justice and that the concentrated power may grow, and it also forgets the important fact that people live by other means that may wither in the shadow of giant industries and monopolies. Economism opposes local governments, federalism, or decentralization of broadcasting by arguing that concentration is cheaper. It measures life solely by the value of monetary income, as opposed to humanity factors.

In the current workforce, economism, materialism, and utilitarianism have merged into a cult of productivity, material expansion, and the equivalent standard of living. It disorders spiritual perception, misjudges the true scale of values, and slowly degrades man over time. By participating in this cult of productivity, individuals become unhealthily competitive among themselves and lose satisfaction in any standard of life they already maintain: “The devotee of this cult is forced into a physically and psychologically ruinous and unending race with the other fellow’s standard of life—keeping up with the Joneses; as they say in America — and with the income necessary for this purpose” (Ropke, 1958, p. 109). Merely being content with one’s own accomplishments or lifestyle is not enough for satiation, and yet, by comparison, people are always left with a desire for more – never happy or content with what they have. People forget to value freedom above all else, and respond in accordance to the “success” level of those around them. However, solely focusing on the standard of living results in a loss of standard and freedom. Happiness will never be achieved in this way. The cult of the standard of life ends in

disillusionment, misperception, loss of sense of self, and ultimately dissatisfaction no matter what plane of existence the individual exists on.

Ropke's Concerns with Totalitarianism & Collectivism:

In addition to the problems with mass society and socialism, totalitarianism disintegrates the social structure and its corresponding spiritual and moral foundations. Totalitarianism thrives where humans suffer from disintegration and feel frustrated and as though they are living unfulfilled lives, as they have lost the true non-material conditions of human happiness. In the countries that make use of a collectivist system, police and penalties enforce citizen compliance via economic commands, or else attempted progress never surpasses emotional ideologies and propaganda. The market economy can motivate citizens via the power of individual self-interest for increasing production, whereas a collectivist economy needs the highest-level heroes or saints to function, and hence, substitutes with the use of the police state.

Ropke does not advocate for the opposite extreme of government intervention for it only causes harm by trying to control the people without considering their best interests. Ropke discusses the harm of government control using different vocabulary interchangeably, but he builds his argument on the primary idea that concentration is the root of the social disease, and collectivism and totalitarianism are the most extreme, dangerous, and harmful stages of the disease. Collectivity is not sustainable for a society that aims to have happy and healthy individuals. The use of government intervention results in fragmented and disintegrated individuals, as they all end up abiding by the government-imposed rules and becoming more mechanical, specialized, and functional beings. Individual personalities disintegrate as they become a part of the larger masses. The harm of having a society that follows totalitarian and

collective mentalities is they also lose their religious foundation, becoming “spiritually homeless and morally shipwrecked” (Ropke, 1958, p. 12).

Ropke’s rejection of collectivism may have intentions to encourage a competitive market system, but it cannot successfully implement the required preconditions of economic independence of firms without losing sense of its purpose: “...it remains a serious weakness in any collectivist economy that competition can, at best, fulfill only one of its functions, and even that less than optimally” (Ropke, 1958, p. 97). The ideal economy needs independence of firms, which require scarcity prices for capital and consumer goods, as well as private ownership and the related freedom of action. Ropke believes that the only way to a flourishing humane economy is to achieve genuine economic independence of firms. The true economic independence of firms is dependent on two factors: 1) the established condition of genuine scarcity prices for capital and consumer goods, and 2) private ownership and related freedom of action. “Ownership illustrates the fall of the market economy as a form of economic order belonging to a particular philosophy of life and a particular special and moral universe” (Ropke, 1958, p. 98).

The shift in society towards collectivity and away from the individual takes away from sense of self and personality. By making this shift, the sense of balance between an individual and society is erased, and there is a constant tension that continually favors the supposedly positive outcomes for society. Ropke argues that we are not free to make any combinations of economic orders. As liberty is indivisible, one must choose liberty in the economic field and reject the unfree collectivist economic order in order to have political and spiritual liberty.

As the masses continue to conglomerate, people are losing the certainty within themselves that the Christian ideologies gave them. Humanistic belief is disintegrating, and

civilization is no longer unified. This ideology is rooted in Communism, that people can be “remade” into something they are not. It defies the Christian and humane conception of the nature of humans. Communism can only thrive “wherever the humus of a well-founded social order and true community has been removed by proletarianization, social erosion, and the disappearance of the bourgeois and peasant classes” (Ropke, 1958, p. 110). Communism thrives where men and intellectuals have lost their roots and been pried loose from the social fabric of the family and other true communities, and thrives where social disintegration is paired with religious decline. Communism and the free world are in contention regarding spiritual and moral values. The free world will only prevail over the competition between communism and the free world if it can fill the emptiness of the soul with its own values.

Another way in which the certainty of individuals in society is lost, is that there is a very close and blurry, but nevertheless existing, connection between mass society and democracy. The resulting mass democracy focuses on the sovereignty of the people and therefore does not acknowledge the decisions of the higher authority “sovereign,” whereas the liberal democracy considers higher powered decisions. Ropke values competition as it aids in the market, with maintaining economic order and continues to regulate the economic processes. The liberal democracy has “certain limits to the power of the state which may not be transgressed by any popular or parliamentary majority; these limits are established by the traditional principles of government, the unchallengeable commands of ethics and natural law, and the unwritten precepts of the history of nations” (Ropke, 1958, p. 68). From this perspective, the rights of the community and individual are valued equally; however, valuing community rights too highly results in collectivism and becomes equally dangerous as exaggerated individualism and anarchism.

Collectivism is inherently doomed by the use of trying to establish a morality higher than the common man, which will result in compulsion and organized intoxication of the masses through propaganda. The collectivist economy leads to impoverishment and tyranny, and any of these potential outcomes do not align with morality. Collectivist social and economic systems deny individuals a freedom of moral choice and force them to become dishonest and rogue individuals. Collectivity is very much a top-down mentality. People are in search of security, happiness, and fulfillment in the subordination of the individual and small group, to the strictly organized community, which in the lens of collectivity becomes more attractive the larger it becomes. People who follow this mentality believe that society and the economy can be reconstructed from above, and they fail to consider the details and elements from the past. They believe in radical new beginnings and are inspired by an optimism that hopes to avoid failures, based on past occurrences. According to the centrist, the individual is small and eventually dwindles down to a statistical figure, or something that can be “refashioned” and eventually may well be lost sight of. Ropke believes that centrists have a cheap and rhetorical sense of morality, as seen by the misusing of concepts such as “freedom, justice, rights of man, or others, to the point of empty phraseology, posing to have virtues and stooping low enough to use his moralism as a political weapon, representing his more reserved adversary as morally inferior” (Ropke, 1958, pp. 229-230).

Alongside totalitarianism and collectivism, every economic intervention is a concession to centrism. The centrist’s path is bound to lead to decreasing freedom and disintegrating humanity, which eventually leads to totalitarianism practices, from which nations are ultimately going to fall apart. Centrism has great temptation, both in terms of theory and political action: “It is the temptation of mechanical perfection and of uniformity at the expense of freedom. What

distinguishes the centrist from the decentrist is that the former makes so much lighter of the growth of compulsion than the latter” (Ropke, 1958, p. 261), even though these ideologies for government are ultimately going to be the ruin of any hope for a humane economy.

5 PUBLIC RESPONSE TO A HUMANE ECONOMY

After the publication of Ropke's *A Humane Economy*, the varying interpretations of his work became prominent as reviewers responded to his work. His sprawling ideas and the depths of morality he explored left readers with different claims regarding his primary argument. In the 1960s, fresh after the book's release, there were at least five different claims about the primary argument of the book. Reviewers passed judgements on the value of his work, both in reference to his content and the relevance of his arguments. The way that Ropke drew on varying academic fields to question and extrapolate the attributes of a sustainable market economy left the varying reviewers with extremely different takeaways of his main idea. Some reviewers praise Ropke, complimenting his understanding of the world and the progression of thought on what change is required in order to have a successful economy. Others dismissed his work, expressing frustration with his lofty claims, saying he lacked sufficient evidence. The opinions of this selection of reviewers summarize how the implementation of his ideas could either encourage an economy to blossom, or ultimately destined an economy to fail.

Claim #1: The Market Economy is Bigger Than Supply and Demand

Some reviewers highlighted Ropke's focus on the ways in which one could improve the model of a market economy. The struggle to maintain balance between humanity and the economy is actually where the healthy economic system loses the chance to exist. The market economy has its limitations, and any decisions pertaining to its healing and improvement have to consider the emotional, moral, political, and philosophical elements that come from beyond the lens of supply and demand (Kelso & Adler, 1961). Excessive amounts of any one ideology cause more harm than productivity, which causes society to crumble. Ownership is an integral part of

the market economy, until it becomes a plutocracy; authority and democracy serve their purposes, until they become practices of despotism and demagoguery. Too much of any political point-of-view ultimately causes its own destruction, and the market economy is no exception to the rule (Pournelle, 1971).

Ropke's commentary on modern capitalist society shows his concern for the lack of aristocratic values in the average person. It is from these beliefs and perspectives that Ropke can appeal to "conservatives," because of the emphasis on the importance of social order and the dignity of differing ascribed statuses. This social phenomenon is referred to as "communitarianism," and differs from the "radical" critique of organized society causing distributive injustice.

Claim #2: Religion is the Most Important Foundation for an Economy

Despite Ropke's tangents and consideration of other systems, the ultimate foundation of Ropke's work is his strong belief in the power of religion and spirituality. He always circles back to his trust and grounds in Christianity. For this reason, reviewers have claimed that the primary argument of *A Humane Economy* is the importance of spirituality as a foundation of the market. The current market economy will never achieve its maximum potential for success unless it were to build on a stronger foundation of morals. The lack of consideration for the power and guidance of spirituality takes away from the protections and securities that come with a spiritual life (Berle, 1960).

The importance of economic freedom will always exist; however, the market is currently suffering from a spiritual and religious crisis which has impacted everyone in society, and in the lack of spiritual support systems, we have all created our own unhealthy and roundabout ways to deal with the repercussions (Pournelle, 1971). The economy will never be able to thrive if

individuals do not find their internal spiritual stability that includes “self-discipline, justice, honesty, fairness, chivalry, moderation, public spirit, respect for human dignity, firm ethical norms” (Ropke, 1958, p. 125) before competing and trading with other people in the market. Lacking the foundation that comes with religion and spirituality, the market and potential competition will quickly degenerate: “Family, church, genuine communities, and traditions” are required to successfully compete in the market (Ropke, 1958, p. 125).

Ropke’s fear for the spiritless economy is that individuals will regress, until we become a system rooted in communism. Communism will only cause harm as it motivates individuals to intentionally harm other people and cause conflict with the “free world” from its disruption on the internal and spiritual level. The centralized mentality negatively impacts productivity and hurts peoples’ standard of living. The only way to fight this danger is rooted in the hearts, sense of self, personality, and love that comes from the minds and souls of individuals (Pournelle, 1971).

Claim #3: State Intervention is Harmful

Ropke was a solidly-based, 19th century classical economist who wanted as little government in the world of economics as possible. He acknowledged that when the people cannot accomplish a task on their own, state intervention can be considered, but only in miniscule amounts. One could argue that the primary argument of Ropke’s book is the conflicts that arise when the state becomes involved in the free economic system (Kelso & Adler, 1961). His strong anti-Nazi Regime rhetoric hugely guided his beliefs and studies after he was exiled from Germany (Berle, 1960). The state ultimately takes the position of a business company, and the existence of the masses and commercialism are elements that disrupt a humane life

(Pournelle, 1971). Ropke did not want any kind of state control in economics if it could be avoided (Berle, 1960).

He believed that the state should only intervene and assist with economic problems when the familial sources of connection and support cannot manage to find solutions on their own. With the intervention of the state government comes a variety of problems, the three primary ones being: taxation, welfare legislation, and inflation, which are the most threatening enemies of society and human freedom (Berle, 1960). The welfare state cannot exist without inflation. Ropke knew as early as 1945 that inflation was the chief enemy of both economic and political liberty (Pournelle, 1971). Ropke believed that the practices of public finance and high taxation were forms of “fiscal socialism.” The current damaging monopoly was being enforced by labor unions over wages (Berle, 1960). He says: “Now it is evident that the slogan ‘freedom from want’ is not meant as an appeal for more self-providence, for saving and insurance... What is implied is extraneous relief... and on a large scale” (Pournelle, 1971, pp. 6). Ropke’s “freedom from want” describes people who consume without producing to give back. The state prohibits those individuals from consuming any products of the market, even if they were the ones who created it (Pournelle, 1971).

Thinking about the problems of the welfare state leads to thinking about the harmful structures that lie underneath. The two primary ideologies underneath are “centrism” and “decentrism,” and Ropke focuses on these two as separate forms of social thought. The centralization that comes from mass society needs to be undone, and humans will only be able to survive in a “deproletarianized” society (Baker, 1960). He says the good decentrist “thinks in terms of human beings and also knows and respects history” (Ropke, 1958, p. 229). Decentralization requires people to contextualize themselves and their ideas, and develop their

ideas on their own accord, rather than “jumping on the bandwagon” and preaching other peoples’ thoughts. The bad centrist, however, “misuses big words such as freedom, justice, rights of man, or others to the point of empty phraseology, who poses as a paragon of virtue and stoops to use his moralism as a political weapon” (Ropke, 1958, pp. 229-230). In the attempt to be helpful or overly intelligent, centrists abuse language, not understanding what it really means (Buckingham, 1960), either out of simplicity’s sake or the desire to be relatable and fine connection with others.

Despite his overall disregard for the state, there are times when political intervention is required to hold an economic system accountable. The problems arise when the political processes take over the economy and interfere with the economic system’s innate ability to function (Kelso & Adler, 1961). When political intervention becomes too prominent, we begin to see problems such as the reliance of the welfare state due to its heavy reliance on political processes for security, rather than utilizing economic processes (Kelso & Adler, 1961). He says: “we cannot, nowadays, do without a certain minimum of compulsory state institutions for social security. Public old-age pensions, health insurance, accident insurance, widows’ benefits, unemployment relief– social system in a free society, however little enthusiasm (Miller, 1961) we may feel for them. *It is not their principle which is in question*, but their extent, organization, and spirit” (Pournelle, 1971).

The welfare state currently majorly lacks a sustainable long-term system. The current welfare state experiences chronic inflation which is only going to cause harm within society. He concludes that economic theory, statistics, and national budgeting are useless (Buckingham, 1960).

Claim #4: Collectivism Erases Identity

As people go about their daily lives, they become so accustomed to their personal routine, rhythm, and comfort level in their life. We constantly adjust to the people, practices, and phenomenon that occur around us, easily forgetting to question the morality behind the given routine. In some readings of his book, reviewers argued that his primary argument stated that as individuals merged together, the formation of a collective society erased the individual's personal identity. It is almost as though we do not want to question what we know, for what we know is the one constant that provides stability, security, and a sense of wellbeing. This supposedly comfortable routine can actually be a result of misinformation, and people quickly slip into this state of lacking awareness regarding their sense of self in society, especially regarding their purpose and interactions with others. We constantly blind ourselves to the harm we perpetuate, never wanting to think that we are in the wrong.

People incorrectly label themselves politically and do not always see that they continue to perpetuate the behaviors and ideologies they consider and preach to be harmful. The example Ropke uses is the consensus of people believing they are centrists when they are not (Kelso & Adler, 1961). Centrists are guided by collectivist and centrist ideologies. They live their lives misguided, criticizing Ropke and his ideologies to justify the discomfort they feel in their own life (Baker, 1960). The problem with these ideologies is that they advocate for the use of a monopoly or any economic system that is under governmental power and control (Kelso & Adler, 1961). These mentalities and behaviors are what guide society to become concentrated and collectivist societies. Concentration is the largest problem and conduit for the growing social disease, and collectivism and totalitarianism are the worst case scenario of this system that is continually hurting society (Miller, 1961).

To run a successful market economy, the fine line between the sense of self and community must be maintained for both sustainability and competition. While trying to balance the individual and society, the individual gets caught up in the false sense of community and the well-being of the individual gets lost. The well-intentioned focus on the well-being of society regresses, and the group becomes a collective society. In the same way that too much individualism results in an anarchy, too much collectivism ruins a society. Finding a way to help the economy grow through the healthy upkeep of society and community is a challenging task. To only focus on one's individualistic world is what continues to tear the economy apart.

Claim #5: Free Prices, Free Competition, & Private Ownership Are Important

In light of his expansive discussions on the power of changing the economic market to use free prices, some reviewers read *A Humane Economy* and concluded that the importance of free prices and competition, private ownership, and the combination of these two factors should create the foundation of a thriving market economy (Kelso & Adler, 1961; Berle, 1960). If individuals do not seek ways to trade, compete, and work with other people in the market, everyone's needs cannot be accommodated (Baker, 1960). In order for an economy to flourish, the economy must be unified while maintaining those three elements. Commercialism and selfishly-motivated profit are two elements that actively harm a positive market economy atmosphere, by taking away from the sense of unity (Berle, 1960). Ropke wants citizens to be free, while working simultaneously in both their own and others' best interests.

Ideally, free prices and competition can lead an economy to feel free. In practice, freedom would look like a group of people who can organize themselves in a natural way that serves the best interests of everyone involved. Ropke advocates for the self-administered control of the people, as overregulation results from higher powers trying to intervene but ultimately taking

away freedom from the people. A trust in spontaneity needs to exist for society to naturally organize itself and for healthy economic order to be maintained (Baker, 1960). The involvement of higher powers eliminate chances at freedom through the regulation and rules that come with excessive governmental control (Miller, 1961).

Even if positions of power are supposedly well-intentioned, if individuals are only behaving in accordance with the market economy because they are mandated to do so, the involvement and concern for others is not genuine and bound to disappear with time. People must cooperate from an innate desire and on their own initiative, with the only controls and guidelines being the market prices, which are also determined by the individual, through private ownership (Baker, 1960). Without private property and ownership, the government tends towards overly centralized control by the state, which reduces or potentially eliminates any chance for freedom (Pournelle, 1971). Losing private ownership and individual property rights also devalues income distribution and takes away from the independence and sense of establishment and security in an individual (Kelso & Adler, 1961).

Without free competition and prices, resources for production become poorly allocated (Kelso & Adler, 1961). The goal behind free markets and free competition is to form a sustainable and ethical climate, that may appear more neutral rather than leaning to one side, but the ability to neutralize is what maintains the balanced environment that will not sin (Pournelle, 1971). Neutrality and stability of this market environment may not thrive, but it would not disintegrate either. Remaining in the same place is a better step in a direction towards progress as opposed to making changes that would cause people to regress.

Considering the interpersonal market competition elements that contribute to a successful market economy, Ropke argues that a socialist mentality is destined to fail. According to Ropke,

socialism exists in any world that has economic planning, nationalization of industry, erosion of property, and the cradle-to-the-grave welfare state (where people pay more in taxes so that unemployed and retired citizens could receive benefits). He believes that “the socialist economy means sickness, disorder, and lower productivity” (Baker, 1960, pp. 1102).

In Ropke’s ideal structure, the market competition levels can produce the desired capitalistic productivity levels, while incorporating the well-being of the people, as opposed to only striving for materialistic production at the cost of the wellness of individuals’ and the larger society (Pournelle, 1971). The problem with the capitalistic approach is that people get so caught up in the busyness of the free competition and markets, that they forget about their roots and foundations in nature (Baker, 1960).

As people lose their roots and sense of self, Ropke emphasizes the importance of and advocates for a liberal ideology. Populations continue to grow and are at risk of devolving into the large masses. Well-intentioned communities and large groupings of people ultimately become collective societies. Ropke spends a large portion of the book describing his frustration and concerns regarding mass society. As people begin to gather and find solidarity with one another, they lose their individuality and perpetuate harm not only unto each other but also throughout society. Ropke is highly critical of what he refers to as “laissez-faire economism,” which is made up of varying related economic phenomena: mass society, untrammled consumer sovereignty, and mass production (Stanley, 1967). His critique of capitalist economism is rooted in “conservatism of a precapitalist ascriptive status order” (Stanley, 1967, pp. 308).

The problems of mass society have many layers, and the conglomeration of the people is only the most superficial one. When Ropke uses the term distributive injustice, he is referring to the issue in relation to mass society of people becoming alienated from their human nature. The

disconnection between individuals and their place in the world results from the overdependence and desperate search for disingenuous connections with other people. People do not realize their connections are superficial because the intention of connection with others seems like the appropriate step to prevent social isolation. However, the continual growth and negative impacts of mass society will have institutional repercussions that will require individuals to evaluate their values and shift their purpose to the individual. Individuals will have to reground one's self in their own being (Miller, 1961).

Not only are the problems of modern mass society exacerbated in local communities, they are continued throughout the world and are negatively feeding the globally growing overpopulation (Buckingham, 1960). The crumbling of market economics is in part due to the continuing "massification" of society is the foundation of the modern world's problems. A plethora of problems follow massification that end up hurting the human condition that is required for the sustainability of economic liberty. The massification of society turns democracies into mass tyrannies and provides the way for economically motivated individuals to negatively dominate society (Kelso & Adler, 1961). The more that mass society continues to grow, the more it threatens the basic dignity and respect of human life. Planned societies must be rejected because the continual degradation of the people will ultimately only lead to complete boredom that results from the modern-day "comfortable" slavery (Berle, 1960). The intersection of massification and overpopulation results in behavior that divides the people. To prevent the doomed massification of society, and the crazy levels of overpopulation that is perpetuated by the societal demand for children, society must be controlled in order to rehabilitate and reestablish a healthy economy (Kelso & Adler, 1961).

Claim #6: One Should Not Read Ropke

As he shared his ideas publicly with the world, some of his arguments and ideologies were not universally approved. One of the larger concerns with Ropke's thought was that his ideas felt incomplete, unsupported, or too isolated and vague to be transferable or applicable to any market economy. Some rejections of his ideas claim that the chapters describing mass society and overpopulation are not long enough to argue his points. He begins to make an interesting claim but fails to thoroughly describe the repercussions of the problems he raises (Buckingham, 1960). Ropke states philosophical arguments and has an intention to synthesize them but only ends up defending his position and attacking the counter argument.

Another attempted but failed maneuver he implements is his statement of both arguments of a controversial question without actually drawing any conclusions. He sometimes makes it seem as though he is criticizing himself. For example, he makes the claim that "Any attempt to base an economic order on a morality considerably higher than the common man's must end up in compulsion," shortly before stating "every society should have a small but influential group of leaders who feel themselves to be the whole community's guardians of inviolable norms and values..." (Ropke, 1958, p. 121 & 130). It can be hard to decipher what his intended argument is and can just seem like he presents all the potential contenders.

In some instances, it can seem as though he's selectively choosing evidence that only proves the claim he wants to make. Ropke lacks objective evidence and only uses the "facts" relevant to him and his work. A negative commentary of his book states "the spirit of the book reminds one of so many graduate theses in which the conclusions are drawn well in advance of research. The research is then carried out with a high degree of selectivity in order that nothing be uncovered which might contradict or even becloud the prior conclusions" (Baker, 1960, pp.

1102-1103). The selective evidence for his own personalized argument targets the book to those individuals who already approved of Ropke's work and ideology. Ropke does not build a constructive argument that can be consumed by a variety of audiences. It will only be discussed by supporters and non supporters, but people will not find the need or time to actually read his content, for its inability to hold its own backed-up argument (Baker, 1960).

Another also makes a lot of personal opinions regarding the economic, social, philosophical, and other ideas without analyzing or describing his stances well. He attempts to make a strong argument but ends up writing a book of overgeneralizations (Buckingham, 1960). Ropke makes a lot of these claims about the necessary non-market factors, but he does not make definite conclusions. He draws on authors from before his time, including Charles Dickens, Macaulay, C. W. Eliot, Pascal, Montesquieu and others but fails to string them together to form a cohesive argument (Buckingham, 1960).

A Humane Economy is filled with anecdotes, side comments, brilliant insights, and so many over-simplifications that the main theme is often lost. The only conclusion that can be drawn is that solutions to all problems can be found in the unfathomable soundness of the "right" way as against the wrong or "left" way of doing anything. He has an underlying strong case for 19th century liberalism, but fails to thoroughly debunk the problems of totalitarianism, socialism, nationalism, collectivism, communism, and mass society. He throws these terms around, using them interchangeably to reference vague concepts as opposed to any tangible or specific ideas (Buckingham, 1960).

Claim #7: One Should Read Ropke:

Alternatively, Ropke and his work were highly supported by a variety of readers. Ropke wrote “a book that has the power to regenerate tradition and to free men anew for positive, productive action” (Buckingham, 1960). The book gives a new hope to the 20th century, especially after being stuck in the choice between totalitarianism and laissez-faire economics. Ropke’s book describes an economics which liberates man from the degradation of slave labor and the selfishness of unbridled materialism (Buckingham, 1960). As Ropke continues to reiterate time and time again, the most important parts of the market economy are the elements that are beyond the foundation of supply and demand. He thinks social security is an illusion. Industry and occupations should be small scale. The “decentralized” lifestyle should be the ultimate goal for society (Berle, 1960).

Ropke’s time spent in the war had a strong influence on the direction of his ideologies. Early postwar thought on the roots of international order overstressed the economic, utilitarian gratification of physical needs as the overweening imperative of modern man. By reducing the function of politics to the gratification of material and consumptionist needs, it became possible to predict the inevitable spread of the new political reorganization. The need to solve urgent problems was no longer solvable by the outmoded nation-state. The intrusion of such outdated nationalistic preoccupations turned international payments and trade into the chaos of depression and the ensuing world war.

Ropke’s work was a key contribution to the rediscovering of extra-economic bases of international and national order (O’Leary, 1979). Ropke contributed substantially to the “fusionist” school of conservatism that sought to defend the fundamentalist laissez-faire liberal

ideals but emphasized the holistic societal, noneconomic factors necessary for the market economy to survive (O'Leary, 1979).

Ropke understands there is more to life than commercialism; that “scientific” attempts to reduce all human intercourse to a series of profit-making transactions are dangerous; that there is a realm of life above and beyond the marketplace, and that unless that realm is given its proper due, the market economy is doomed (Pournelle, 1971). To prevent this destructive unification, “balanced individualism,” is required to live a happy and meaningful life, as it eliminates economic and politically driven pressures. The problem with selfishness and seeking material gain is the loss of the balance that man gets from nature and society (Kelso & Adler, 1961). Any gaps in Ropke’s argument are simply the result of “the reflection of the irrationalities of reality” (Kelso & Adler, 1961, p. 720). The economic interest for maintaining the beauty of the natural world is lost.

Ropke’s overall focus is the importance of applying non-economic values to economic problems. As men become more and more dominated by economic activity, the importance of non-economic values is becoming more and more neglected which is where the problems begin to arise. Ropke argues that the support system for the economically poor should be provided for by individual non-economic impulses, such as charity and family ties (Kelso & Adler, 1961).

The importance of order and regulation is necessary for an economy to function. The core reality of the global political economy remains the paradoxical fact that any truly liberal and openly free economy requires a prior framework of order – rules, norms, negotiated agreements, and enforceable codes. The most consistent articulation of this fundamental insight can be seen in conservative thought. Contributions of Wilhelm Ropke represent a lasting and significant contribution to understandings of the complexities of modern world political economy (O'Leary,

1979). “My experience with Ropke’s value in that battle came with his much earlier work, *The Social Crisis of Our Time*, of which *A Humane Economy* is an updating and expansion; and I can say from that experience that Ropke’s view of humane civilization is a far more reliable weapon for winning converts to the cause of freedom...” (Pournelle, 1971, p. 6).

6 CURRENT APPLICATION

Ropke's ideal economy would shift the focus from capitalistic output to the individual traits that make each of us human. He dissected a variety of economic systems and differentiated between their harmful or helpful components, as defined in relation to his goals for a society. Most of the time, Ropke felt that if a form of government controlled an economic system, it inherently neglected the individual persons. Ropke appreciated individualistic economic order to a certain extent. If a society becomes too individualistic, the natural order is lost, and anarchy ensues. For this reason, Ropke could not support the notion of laissez-faire economics with its inability to balance humane economic processes and utilitarianism (Boarman, 2000).

Although he shifted the focus away from capitalism, Ropke still used capitalism as a model for his desired economic system. His ideal market would use healthy, free competition to achieve revenue levels similar to the production capabilities of capitalist systems. He advocated for the balancing of labor production and growth in the moral and personal spheres of citizens' lives. Ropke's social market economy, with its sense of unity alongside its productivity, was his attempt to find the middle-ground between market and social success that rejected previously-existing politicized terms.

With the structure and goals of his perfect society, he acknowledged the tension that can exist in trying to balance economics and religion. Ropke's view of the world countered this tension with an understanding of people as both religious and economic beings. He believed that "atheistic and agnostic anthropologies of man were inadequate foundations for free societies—including even the economic component of free societies" (Gregg, 2003–04, p. 27). The only way for an economic system to flourish would be to base everyone in religion

(Boarman, 2000), especially because individuals who lacked a spiritual foundation or guidance were destined to a future of feeling lost or isolated, without a community.

However, in Ropke's attempts to recreate the economy, his exploratory arguments are not always sound. He may contextualize his desired religion-based society, but he also makes false claims regarding the cause of the collectivist states of society. He sometimes contradicts himself in the necessity to fill in an argument that would otherwise be incomplete. As appealing as his arguments are, one could only successfully implement the religion-inspired portions of his thought, along with certain components of his modified approach to improving the capitalist economy. Unfortunately for Ropke, most of his reasons for rejecting the involvement of government in a society, and most of his claims regarding the ingenuine connections in society, would have to die with him.

The Feasible Components of Ropke's Economy:

Reviewers from the 2000s provided commentary that helped me more appropriately contextualize the applicability, if any, of Ropke's work today. Ropke advocates for the decentralized structures that embody those "distinctions and particularities" of the groups that participate in the market. He worried that financial reform of his time was likely to further centralize authority. Ropke felt as though the purpose of the market economy could not be redefined without religion and civic duty (McDaniel, 2016). Religious institutions must be incorporated into the discussion about a humane economy, whether it be the civic, religious, and other establishments that resist the harm of politics and economics. Ropke's institutional theory was unconventional in the sense that it began with certain "pre-statal, or even supra-statal" structures including religion and family, rather than with the state. He considered family "the imperishable basis of every higher community" (Ropke, 1966, p. 129; Carlson, 2009, p. 21;

Ropke, 1996, p. 133). Without the foundation of religion and family, Ropke believed an economy could never work for the people.

The most important claim Ropke makes is the harm that the current form of capitalism perpetuates onto individuals in society. Through the demands for labor without considering the needs of the individual, the system only considers what's in the "best" interest for society. Ropke may have advocated for the individualistic elements of capitalism, but he never supported the state of capitalism in its current real application. He feared the implementation of laissez-fairism, for it would result in too much individualism. As long as the person behind the production can be the point of focus, only in that world would Ropke support the use of capitalism.

Additionally, Ropke was generally anti-government intervention, and he wanted to modify the current markets that only focused on financial gain. With their lack of consideration for religious and moral values, the interactions of individuals in the market are not guided and will likely result in unfair outcomes. With people in positions of power controlling the government intervention, the financial focus of market interaction and economic policies result in a misguided system that dramatizes the problems of mass society. Ropke's preference for more localized institutional control maintains the ability to achieve human freedom and a moral economy. Genuine reform can only take place through the use of local institutions (McDaniel, 2016).

Similarly to his modification of capitalism to a social market economy, Ropke wanted to rectify the harmful notions around "corporativism," and redefine what the term can mean in a society. He did not advocate for the corporativism of state-controlled, bureaucratic institutions. He wanted "genuine corporativism" that only gave power to small government establishments

but also hands off power to the private sector, which inherently rejects the process of centralization.

He also feared collectivism for its result in too many collectivist behaviors. The harm of collectivism continues to hurt the economy, as the harmful mentality causes people to merge together and lose their individual growth and development. He believed that the responsibility of governance must be spread across society in order to avoid state-based economic regulation, which only results in negative power and control (McDaniel, 2016). This distribution of power relies on professional organization to execute necessary protocol, without enduring the problem of extreme power that does not benefit the larger society. These corporatist entities “share the professional interests which result from their similar position in life and the same technical working processes, without in the least impairing public interests” (Ropke 1950, p. 94). Corporatism should ideally be constantly adjusting to the ethical needs of society, finding stability in the moral foundation and security in the state intervention for the preservation of values. By sharing professional interests between forces, the interests of the public remain intact, and people can gather to work towards the desired outcome (McDaniel, 2016).

In addition to corporatism, Ropke advocated for the use of “decentralism:” eliminating the collectivist concentration of power that came with the ethical decisions regarding finance. The fact that current economic markets have no consideration for morals or a religious foundation is something that fundamentally needs to change. With Ropke’s rejection of government comes a rejection of industrially-controlled growth. Self-motivated individuals with high levels of specialization will better regulate market fairness, as opposed to industry growth which will spread the wealth distribution as individuals are forced to stop participating in the market economy due to their personal limitations in knowledge or capital.

My Response:

In the majority of instances, Ropke is strongly anti-government, for his fear of the damage of centralized power. Ideally, the people of society sort out any problems through the use of free competition and prices rather than relying on the government. Ropke starts to build an argument that could be the structure of a more humane economy. His ideas provide some context for the implementation and practice of a successful economic base. Ropke's ideas on enmassment and centralization help illuminate the harm of present financial reforms that are likely to intensify the financialization of society. As a result, the divide between people who specialize in certain fields, and those who lack resources to participate, is massively worsened. There can be more power in numbers, but when people become a mass society, the potential for liberty in modern society is put at risk and this inherently desired notion of freedom is eradicated. He offers no roadmap to reform, but his vision of a humane economy provides scholars in economics and ethics with a purposeful model that fills a moral void. It also provides meaningful constructs by which they may explore the cultural effects of financialization.

When Ropke looked at other economists' discussion on the economy, he had concerns with their lack of acknowledgement of the elements of spirituality and morality in debates on finance. He could not conceptualize how other economists considered other arguments at a higher level of importance than that of morals. By neglecting a conversation about morality in the market, the attempted unity of man and proper social integration is lost by the control of the government: what is the purpose of life if not to contribute back to society based on your own inspiration and personal beliefs? To argue with others until the best solution is found? Religion's role in preserving human spirituality is essential to preserve both democracy and the market economy. Homo economicus needs homo religiosus because the world of finance threatens mass

conversion to materialism. As Ropke stated, “Whether or not one considers the degenerative symptoms in the spiritual and moral domain decisive, it is indisputable that they are extremely important” (Ropke, 1950, p. 9). Not only does financialization worsen these already degeneration effects, the process reiterates the need for ethical freedom to hold the economy accountable to some ethical standards (McDaniel, 2015).

Religious and moral values impact how people interact in the market and cannot be impacted by the market alone. Ropke’s emphasis on the need to view the whole person in order for an economy to thrive is important. A thoroughly materialistic view of the person leads to an equally mechanical view of society. A reason to give a society a religious foundation is to enforce a mindset that reassesses the moral influence of the financial sector on market behavior, which helps society determine how finance can support the spiritual and ethical natures of the people in the economy. The narrow vision of economists tends to “neglect the market economy’s characteristic of being merely a part of the spiritual and social total order” (Ropke, 1960, p. 93). Having a spiritual foundation is necessary in order to maintain balance and a sense of control as markets accommodate “non-commodifiable” market elements. Only focusing on the financialization of an economy eliminated the ethical freedom that came from the balance of gauging morals and money management.

In other words, living within a market economy encourages certain forms of virtuous behavior. The market brings people from very different backgrounds into contact with one another, while simultaneously reducing the possibility for conflict. People should not underestimate the capacity of market economies to encourage taking risks, trusting others, and interacting with others in the most humane way. When people make a contract, they are engaging in a commercial convention and a recognized legal practice. Such an activity presupposes a basic

exercise in promise-making in which we make a reasoned choice to commit ourselves to performing certain actions. They enlist our willingness to be truthful and act upon the reasonable promises we make. In this sense, they require us to act in a practically reasonable manner. To this extent, the very act of entering into a contract can directly facilitate human flourishing.

The Confusing Components of Ropke's Economy:

Even though Ropke seems secure in his ideas, he seems to have exceptions for a lot of his initial declarations. Ropke usually claims that the current economic state poses a threat to the survival of a free economy, such as the use of laissez-faire policies, which could result in people becoming super selfish and possibly starting individually-run monopolies. And yet, in his rejection of a monopolistic market, he contradicts his anti-government stance, saying “To effectively fight monopoly ... It is necessary to have *a strong state* - impartial and powerful-standing above the mêlée of economic interest... The state, unmoved by ideologies of whatever brand, must clearly recognize its task: to defend ‘capitalism’ against ‘the capitalists’” (Ropke, 1963, p. 236). Although his discontent with monopolies surpasses his rejection of government, this is only one example of how he selectively changes his stance depending on if he decides the circumstance is an “outlier” or not. He may only have a few situations in which the state structure benefits society. In this circumstance, some sense of state control is necessary for an economy to function.

Although he usually stands for individualism, in a circumstance where independent control may not be successful in managing all parties and transactions, Ropke advocates for state intervention. The mindset of capitalism is useful for the motivation towards productivity and working towards a thriving economy, but the capitalist system itself only wears down individuals and does not accommodate the human flourishing that leads to economic success. In situations

such as this one, regulation and guidance must be maintained by the state in order for the individuals in the market to actually succeed.

Part of the public's rejection of Ropke's ideologies in the 1960s could have been the fear of economic and social change that potentially would not last, as a result of preaching ideas that did not fit into the defined and accepted ideological categories of Germany at that time (Boarman, 2022) and therefore failing to conceptualize or apply them into an economy.

My Response:

For most of the book, Ropke is pro-individualism, focusing on interpersonal interactions and how the common man in the market can contribute all that is necessary for a humane economy. However, when a systematic issue is raised that he cannot provide a solution to, he all of a sudden decides that slight government intervention is appropriate.

Ropke is unclear, though, on when he thinks the government should intervene. With his inconsistency, controlling the level of state intervention becomes a challenge, and it quickly becomes a need for case-by-case decisions, which is nearly impossible to regulate. Also, determining where government intervention is appropriate, and where it is damaging and collective-inducing, would become a time-taking task that would disrupt overall economic progress.

Additionally, it sometimes feels as though Ropke lacks any trust in society to healthily manage itself. He builds a reasonable argument that defends his understanding of the ways that mass society will ultimately cause society to lose individuality, but society can gather in the numbers that Ropke would consider mass society without digressing to such a harmful state. Mass society only becomes problematic when one fails to think on their own accord. People need the connection with others, which comes with guidance and influence, but just because people

influence each other doesn't mean it automatically becomes brainless robotic collective harmful activity. Some of the most creative ideas are inspired by others, especially those we admire.

Ropke believed that a religious foundation, especially that of Catholicism, is the only way people can gather without becoming a mass society. People do not have to become a mass society simply because they exist together.

However, that statement in and of itself seems contradictory to the foundation of his beliefs. I do believe that some sense of larger purpose is integral to the well-being of the individual and the larger society. How can one retain the sense of self and individuality if we all were to follow the same religion? Is converting each person to Catholicism not just a mass society in its own regard? The beauty of all religions is that they stand by the same intentions and values such as love, peace, and kindness. The intricacies of religion vary dramatically, but the overall purpose stands the same. If Ropke's purpose was to maintain the individuality but bring them together in true community, I struggle to see how that can be possible if we wanted everyone to go to the same church, with the same thoughts, all praying with the same priest, at the same mass, on the same Sundays, in the same routine and formulation of thought.

The incompleteness of Ropke's ideas eventually becomes a limiting factor in his discussion of financialization. Like the mass society itself, financialization amplifies the importance of nurturing good corporativism because it presents a threat that we will all ultimately become selfish and follow whatever means necessary to secure our wealth without the consideration of the larger good and welfare of society. How do we maintain a level of financial stability and not completely disregard those around us? One of financialization's most oppressive elements is the lack of care it holds for the source of wealth and for the social and ethical consequences of wealth creation. Because financial income is so highly valuable, a strong

incentive exists to prioritize one's financial stability. Like both fascism and communism, the financialized economy commands extreme dependence on the state as witnessed in the recent crisis. The dependency that accompanies financialization results from instability and often is coerced through economic stimulus that desensitizes the population to ethical decline, ubiquitous debt, and a continually widening distribution of income that is ultimately unsustainable (McDaniel, 2016).

The economic focus on centralization within the discussion of financializing the market harms society as it foregoes consideration for integral humanitarian elements. In today's economy, the processes of financialization have dulled societal reflexes and contributed to materialism and value inversion. Solely focusing on repeated transactions eliminates the chance for the desired human connection and interpersonal grounding. The benefits of financialization for quantitative economic success are clear, but it once again does not consider moral and spiritual qualities. The intense focus on finance today intrudes on the ethical domain and limits the development of morality. The freest of societies can devolve spiritually and become devoid of ethical freedom if it adopts a purely material conception of liberty, exhausting intellectual and moral energy on the creation of financial capital while neglecting the ethics of those who employ it.

People who are mostly financially and monetarily driven have concerns that Ropke's morally based and incentivized economy does not have enough of a solid foundation to succeed. What place does the market hold in society? If the goal of human existence is human flourishing, then they are likely to be alert to any sign that a commercial order might contribute to the diminishing of those conditions that facilitate human flourishing. One obvious danger in market systems is that their very success in wealth-creation may encourage some to view this as an end

in itself. However, wealth is only instrumental to the fulfillment of persons. Wealth in itself does not represent the actualization of any intrinsic moral goods. Another difficulty is that everyone in the marketplace is exposed to calculations of utility. There is always a risk that this will encourage people to objectify or instrumentalize other persons in order to achieve their own selfish personal goals that do not have any larger societal positive impacts (Gregg, 2003-2004).

Ropke's vision of the future, given the realities of enmassment and centralization, is at times rather bleak, which makes it challenging to decipher if his ideals could actually be applicable today or not. Enmassment can arise as the concentration of the population grows, even within societies which are established on legal systems that assure property rights and promote free competition (McDaniel, 2016). Property rights and free competition on their own will not successfully regulate the market forever. He writes of "small circles of human warmth and mutual responsibility" giving way to an "amorphous agglutination of the big cities and industrial centers" that "end in the monster state" (Ropke 1959, p. 235). According to Ropke, this makes even his baseline level of family connection harmful. This small sense of mutual responsibility can quickly expand and result in conglomerated forms that eradicate the importance of individuals. Ropke predicates social "collapse" on the concentration of power forged by a bureaucratic order, ultimately leading to the demise of small and medium-sized communities, to be replaced by a highly centralized state (McDaniel, 2016).

Even though he has hopes and intentions for free and spontaneous order without a structured government involvement, the lack of guidance and control will ultimately mean that it crumbles. His ideas required all members of a society to act in a certain manner that is hard enough to identify, let alone establish and control. Although the intention was to run a free-market where people naturally control themselves, I find it hard to believe that people will

act in accordance with expectations for economic flourishing all of the time. Society would likely self-regulate to a degree, but liberty would eventually become more restricted than liberating: “This blind spot in the libertarian ethic exists because the societal mass imposes its own restrictions on liberty in addition to those of the state” (Ropke, 1960, p. 39). A portion of society may want to act in the best-interest of all, but people are inherently selfish. It is difficult to consider how Ropke’s intentions could be implemented long-term.

His humanitarian-focused and interdisciplinary-based approach had the potential to expand the capabilities of an economic system, but the vagueness and poor parameters make his system confusing and unclear. For anyone to attempt implementing his ideologies would likely struggle with the limitations of his incomplete thoughts. Whether he trails off, contradicts himself, or has other discrepancies in his arguments, the lack of guidance and structure unfortunately becomes more problematic than promising. Although he seemed motivated by the prospects of a humane economy, he could not communicate a replicable plan of implementation - understandably so, for I doubt there could be a “quick fix” for the state of the economy.

While it may be true that only some aspects of his ideas could be applicable to our world today, I do not feel that reading and learning about Ropke’s ideologies and theoretical approach was a waste. Unraveling his arguments, deciphering the differences between his varying forms of mass society, and trying to understand his perspective and goals for living in the state of Nazi Germany allowed me to reevaluate what it means to truly identify one’s place and identity within a society. Determining the structure and processes of the most effective market system is something that the world still struggles with today. Economics is a messy social science; people are complicated, intelligent creatures and should be treated as such. I like to think that if Ropke

saw our economic state today, he could appreciate some of the components of our workforce regarding the improvement of working conditions and interpersonal professional relationships..

We definitely still have plenty of room for improvement, but the current conversations about improving accessibility, decreasing discrimination, fighting the pay gap, and honoring the work of colleagues give me hope for a better future. Although the government may have extreme amounts of money, resources, and power, a future economic state has the potential to find a balance between government and people intervention and create a space to foster both personal and economic growth.

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