Abstract: There is no widely-established, non-trivial conception of self-interest in the social sciences; worse, this crucial motive is burdened by caricature – that it’s automatic, myopic, atomistic, materialistic, hedonistic, antagonistic, and/or sadistic. I assess the use of such caricature in economic and political theory. I further suggest its source: the assumption that persons, whether in the economic or political realm, are substantively non-rational. I next relate my taxonomy to a specific case: the Public Choice paradigm. To its credit, Public Choice provides a unified conception of self-interest, insisting that it’s the key motive driving economic and political actors alike; but here too, caricature is common. Akin to “straw man” arguments, caricature is not a scientific method. A realistic conception of self-interest is needed in the social sciences generally and in Public Choice theory specifically. It could allow for the modeling of political leaders as principled (yet egoistic) statesmen, in addition to the standard model of them as necessarily grasping, opportunistic politicians.
Common Caricatures of Self-Interest and Their Common Source *

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1. Introduction

There exists in the social sciences no widely-established, non-trivial definition or conception of self-interest; worse, numerous misconceptions permeate assessments of this crucial motive. Below I identify the most common caricatures of self-interest: that it is automatic, myopic, atomistic, materialistic, hedonistic, antagonistic, and sadistic. I assess the use of such caricature in economic and political theory. I further suggest its source: the assumption that persons, whether acting in the economic or political realm, are substantively non-rational. I next relate my taxonomy to a specific case: the “public choice” paradigm. To its credit, public choice theory provides a unified conception of self-interest, insisting that it’s the key motive driving economic and political actors alike, albeit dissimilarly (mostly a positive factor in markets, but mostly a negative one in politics). Yet this paradigm, not unlike its competitors, is weakened when it accepts the caricatures and endorses the notion that rationality can apply only to a means-ends nexus and not to ends also.

A caricature is an intentional exaggeration or distortion of some person, thing or idea for purposes of ridicule, debasement and dismissal. It’s akin to creating, then destroying, a “straw man,” which, however entertaining or satirical, does not constitute a scientific endeavor. Those seeking to advance genuine science in the social sciences should be careful to eschew caricature.

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A realistic conception of self-interest is needed in the social sciences generally and public choice theory specifically; if widely adopted, this realist conception could boost explanatory power and perhaps even elevate what’s possible in our polity. A significant result of the spread of public choice theory in the past half-century is a widening distrust and disdain of government, politicians, and policymaking; by now each is suspected of being “contaminated” by self-interest, no less than are markets. Paraphrasing Shakespeare, there is now “a plague on both their houses.” Accounts of “government failure” now routinely accompany those of “market failure,” so failure now appears ubiquitous, in markets and politics alike. Some theorists insist “markets fail” due mainly to self-interest but that governments can “fix” such failure, because public-interested; detractors (public choice) insist that government officials are no less self-interested than are market operators, so political “fixes” can make matters worse, which implies that markets indeed are mistake-prone and precarious, due to self-interest. Thus the sides nearly converge, because each embraces the usual caricatures of self-interest; each assumes that where unchecked egoism rules, there is ruin.

Yet in the political realm, have leaders no rational self-interest in pledging to deliver good government, and then doing so? Can that not command an electoral edge? If there can be rational private interest with good results, perhaps also for rational public interest. If so, political scientists can model not merely myopic, expedient politicians but also prescient, principled statesmen.¹

2. Common Caricatures of Self-Interest

¹ For an earlier treatment of this question, see James M. Buchanan, “How Can Constitutions Be Designed So That Politicians Who Seek to Serve “Public Interest” Can Survive and Prosper?” Constitutional Political Economy, Vol. 4, No. 1 (December 1993), pp. 1-6. By “public interest” Buchanan means not selfless public servants but those who foster the general or shared interests (and liberties) of all and eschew favors to sub-groups (which necessarily harm others’ liberties).
The founding of classical political economy, with Adam Smith, was accompanied by a mere half-hearted defense of self-interest, drawn from the “moral sense theory” of Scottish Enlightenment thinkers. Scholars like Milton Myers have documented how long-held medieval suspicions of self-interest gradual gave way, during the Renaissance and Enlightenment, to more worldly and sympathetic interpretations.\(^2\) Pierre Force has explained how such revisionist views paved the way for Smith’s famous treatment of self-interest.\(^3\) Yet Smith’s account is equivocal, to say the least. Self-interest is the operative motive in the market place, he argues, and when given free play, helps create the wealth of nations. But for Smith self-interest is neither a moral nor ubiquitous motive; outside the marketplace, human life is far better when motivated by sympathy for others, by “fellow feeling,” and even by painful self-sacrifice. “Howsoever selfish man may be supposed,” Smith writes in *The Theory of Moral Sentiments* (1759), “there are evidently some principles in his nature, which interest him in the fortune of others, and render their happiness necessary to him, though he derives nothing from it, except the pleasure of seeing it.”\(^4\) In this view, selfish people aren’t interested in the fortunes of others – unless they’re merely trying to bargain in the marketplace, where concerns are narrow and fleeting – so only other (non-self-interested) motives (“pity and compassion”) can explain our concern for others. “To feel much for others, and little for ourselves,” “to restrain our selfish, and to indulge our

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benevolent, affections,” Smith insists, “constitutes the perfection of human nature.” Morally speaking, we’re imperfect to the extent we are selfish, but perfect to the extent we are selfless.

Oddly, for Smith the supposedly inherent social passions “render their happiness necessary to him” although “he derives nothing from it” – not even his own happiness. Genuine morality, Smith implies, must not be tainted with any kind of personal payoff such as happiness. This is closer to Kant’s (subsequent) deontological theory than to Scottish moral sense theory.

For Smith, self-interest isn’t truly humane. In The Wealth of Nations (1776) he famously contends that “in civilized society [a man] stands at all times in need of the co-operation and assistance of great multitudes” and “almost constant occasion for the help of his brethren,” but “it is in vain for him to expect it from their benevolence only,” and “he will be more likely to prevail if he can interest their self-love in his favor, and show them that it is for their own advantage to do for him what he requires of them.” Thus “it is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love, and never talk to them of our own necessities but of their advantages.” For Smith, self-interest is a prudent, practical, and necessary motive in the marketplace, if one seeks opulence, but its antithetical to benevolence and has little to do with “humanity.” Egoism boosts living standards and fosters

5 Adam Smith, The Theory of Moral Sentiments (1759), Part First, Section I, Chapter V (“Of the Amiable and Respectable Virtues”). http://oll.libertyfund.orgtitles/2620#Smith_1648_196.
peace, but such results don’t really count as humane, for Smith, and cannot elevate egoism morally. That Smith’s normative ideal is the exact opposite of egoism – self-sacrifice – is clear:

The wise and virtuous man is at all times willing that his own private interest should be sacrificed to the public interest of his own particular order or society. He is at all times willing, too, that the interest of this order or society should be sacrificed to the greater interest of the state or sovereignty, of which it is only a subordinate part. He should, therefore, be equally willing that all those inferior interests should be sacrificed to the greater interest of the universe, to the interest of that great society of all sensible and intelligent beings, of which God himself is the immediate administrator and director.\(^7\)

This is the profound moral-practical dichotomy in Smith, for although he concedes self-interest is a practical motive – i.e., it delivers the goods – nonetheless he interprets it as either amoral or immoral, compared to the supposed nobility of self-sacrifice. For Smith moral persons are “generous,” “benevolent” and “noble,” exhibit “humanity,” are those most capable of “counteracting the strongest impulses of self-love,” and most willing “upon all occasions” to “sacrifice their own interests to the greater interests of others.” Note: upon all occasions.

Karl Marx, the pro-socialist counterpart to the pro-capitalist Smith, nevertheless embraces a similar moral-practical dichotomy. Just as both believe in the labor theory of value, so both believe in the basic immorality of egoism, and in examining the wealth of nations, both also embrace a moral-practical dichotomy. The *Manifesto of the Communist Manifesto* (1848) first recounts how bourgeois capitalism’s productive prowess overthrew feudalism:

The bourgeoisie, during its rule of scarce one hundred years, has created more massive and more colossal productive forces than have all preceding generations together. Subjection of nature’s forces to man, machinery, application of chemistry to industry and agriculture, steam-navigation,

railways, electric telegraphs, clearing of whole continents for cultivation, canalization of rivers, whole populations conjured out of the ground — what earlier century had even a presentiment that such productive forces slumbered in the lap of social labor? . . . [The] feudal relations of property became no longer compatible with the already developed productive forces; they became so many fetters. They had to be burst asunder; they were burst asunder. Into their place stepped free competition, accompanied by a social and political constitution adapted in it, and the economic and political sway of the bourgeois class.  

Marx, while conceding capitalism’s practical, productive superiority, nevertheless assails it for its alleged immorality, because it displaces pastoralism, paternalism, provincialism, and religion, while enshrining and rewarding base, egoistic motives for gain by trade and profit:

The bourgeoisie, wherever it has got the upper hand, has put an end to all feudal, patriarchal, idyllic relations. It has pitilessly torn asunder the motley feudal ties that bound man to his “natural superiors” and has left remaining no other nexus between man and man than naked self-interest, than callous “cash payment.” It has drowned the most heavenly ecstasies of religious fervor, of chivalrous enthusiasm, of philistine sentimentalism, in the icy water of egotistical calculation. It has resolved personal worth into exchange value, and in place of the numberless indefeasible chartered freedoms, has set up that single, unconscionable freedom — Free Trade. In one word, for exploitation, veiled by religious and political illusions, it has substituted naked, shameless, direct, brutal exploitation.

Marx also glimpsed the link between self-interest and human rights, including property rights, so by opposing egoism, he also necessarily opposes property rights. “The right of man to property,” he wrote, “is the right to enjoy his possessions and dispose of the same arbitrarily,

without regard for other men, independently from society, the right of selfishness.’’¹⁰ In critiquing egoism, rights, and capitalism Marx is, at least, consistent. He also had precursors on such premises – besides Smith. One in particular, German political economist, C.W. Schüz, writing just prior to the release of the Manifesto, complained that political economy was being dominated, even endangered, by those who condoned self-interest. “In conceding the right of unconditional domination in economic life to egoism – attaching to it the virtue of a patriotic pursuit – and at least indirectly exonerating the acquisitive impulse from the observation of any higher moral precepts, our science appears to lead us down a path to very dangerous consequences.”¹¹ For Smith, Marx, and Schüz, capitalism’s prosperity cannot reflect morality.

John Maynard Keynes holds an opinion of capitalism in conflict with Smith and Marx, in that he denies that it delivers the goods, yet he agrees with them that capitalism is morally suspect: “The decadent international but individualistic capitalism, in the hands of which we found ourselves after the war, is not a success. It is not intelligent, it is not beautiful, it is not just, it is not virtuous – and it doesn't deliver the goods. In short, we dislike it, and we are beginning to despise it. But when we wonder what to put in its place, we are extremely perplexed.”¹² Even as Keynes wrote those words (in 1933), and over the next decade, the pre-

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war economic system was being replaced – by a Keynesian-inspired, deficit-spending welfare-regulatory state. A few years earlier, Keynes had hoped for such a change, while expressing disdain for what he called “distasteful,” “pathological,” and “unjust” accumulations of wealth:

When the accumulation of wealth is no longer of high social importance, there will be great changes in the code of morals. We shall be able to rid ourselves of many of the pseudo-moral principles which have hag-ridden us for two hundred years, by which we have exalted some of the most distasteful of human qualities into the position of the highest virtues. We shall be able to afford to dare to assess the money-motive at its true value. The love of money as a possession – as distinguished from the love of money as a means to the enjoyments and realities of life – will be recognized for what it is, a somewhat disgusting morbidity, one of those semi-criminal, semi-pathological propensities which one hands over with a shudder to the specialists in mental disease. All kinds of social customs and economic practices, affecting the distribution of wealth and of economic rewards and penalties, which we now maintain at all costs, however distasteful and unjust they may be in themselves, because they are tremendously useful in promoting the accumulation of capital, we shall then be free, at last, to discard.13

If intellectual giants like Smith, Marx and Keynes were prone to adopting prejudicial caricatures of self-interest, perhaps it should not be surprising to find contemporary writers doing likewise. In summarizing the low status of egoism in philosophy today, an ethicist explains that

Egoism is a much-maligned and neglected doctrine respecting the justification of one’s conduct. By various strategies it is alleged to fall outside the pale of ethically relevant theories, though what the defining conditions of admissible theories might be is often unmentioned or, if mentioned, indecisive or prejudicial; it is also sometimes thought to be inherently self-defeating or self-contradictory since the rational egoist cannot promote his doctrine among other men, though why

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he must or ought to do so or why the defensibility of egoism needs to be taken up only by egoists is ignored.\textsuperscript{14}

Elsewhere, one can find initial respect for the many inroads made by rational choice theory in the social sciences in recent decades, but eventually naked disdain of the trend, because, as noted, the theory incorporates a self-interest axiom, and self-interest somehow “perpetuates a political life which is antithetical” to “normative democratic theory.”

In just three decades rational choice theory has emerged as one of the most active, influential, and ambitious subfields in the discipline of political science. Rational choice theory contends that political behavior is best explained through the application of its supposedly “value-neutral” assumptions which posit man as a self-interested, purposeful, maximizing being. Through the logic of methodological individualism, assumptions about human nature are treated as empirical discoveries. My central argument is that by assuming that self-interest is an empirically established component of human nature, rational choice theory supports and perpetuates a political life which is antithetical to important tenets of normative democratic theory. Rational choice theory offers an incoherent account of democratic citizenship and produces a political system which shows a constant biased against political change and pursuit of the public interest. This article concludes by discussing the merits of democratic deliberation for achieving these transformative ends.\textsuperscript{15}

When such notions are not merely idiosyncratic to a handful of social theorists but instead become emblematic for most, they typically enter textbooks for still wider dissemination. Thus a modern-day text on political economy explains how the egoistic, calculative premises


which are so foundational for neo-classical economics nevertheless clash with religious premises and the more communal, less-individualistic premises inherent in the other social sciences:

Models that allocate scarce resources on the basis of narrow self-interest require agents to have a certain mind-set. The economics student is taught to see the social benefits of a kind of selfishness inconsistent with the values of caring and kindness that the religions of the world teach, which has long brought opprobrium upon the profession. Economics is taught as an alternative socialization to such “naïve” viewpoints. Teaching students to think like economists is a very different enterprise to the moral philosophy that was once the profession’s starting point, and different again from the sort of practical knowledge that the business world expects. It is a turn of mind that is often puzzling at best to outsiders. Mainstream economics has been criticized in the wider society for not offering what it once did: guidance to those for whom decency, generosity of spirit, and an inclusive sense of community are valued.16

This textbook writer, much like Smith and his successors, presumes that self-interest is incompatible with caring, kindness, decency, generosity, or inclusiveness – and further, that there exists an inherent dichotomy between “moral philosophy” and the “practical knowledge” of business. Economic activity, hence economic science, becomes morally suspect, precisely because it is grounded in a despised ethic (egoism, exemplified in business by the profit motive, and by the admonition that profits be not muted but maximized). One possible resolution to this false dichotomy would entail a defense of egoism as both moral and practical, or alternatively, an insistence that business motives truly are, or at least ought to be, unselfish. For those concerned to resolve this dichotomy, the latter path has been the one most taken, yet least plausible.

There exist at least seven common caricatures of self-interest persisting in the literatures of philosophy, political science, economics, and psychology; they are the notion of self-interest as automatic, myopic, atomistic, materialistic, hedonistic, antagonistic, and sadistic.

a. Self-Interest as Automatic

The presumption that self-interest is automatic is the essence of psychological egoism, which holds that everyone is effectively selfish, at all times, regardless of will or choice, and irrespective of what they might otherwise ostensibly claim about their motives. In contrast, ethical egoism holds that the pursuit of self-interest is chosen, not automatic, that it takes wisdom and judgment to know what our self-interest entails, some forward-looking plan to effectuate it, and above all, the that we ought to pursue our self-interest. Psychological egoism assumes that people do whatever they wish and thus needn’t be counseled or encouraged to pursue their own interests. Adam Smith captures this premise of automaticity when he declares in The Wealth of Nations that in all men there exists an innate “propensity to truck barter and trade,” although, as we know, he also says we possess countervailing (anti-egoistic) propensities or “principles.”

The fact that since the dawn of time people have engage in acts of self-sacrifice, self-immolation, self-destruction, and suicide seems not to deter those who insist that self-interest somehow is an inbred, automatic and unavoidable motive; ironically, such overtly self-destructive behavior is occasionally attributed to the self-interest motive itself, in the guise of other caricatures, such as that self-interest is inherently myopic, antagonistic or sadistic.

The view that the self-interest motive is automatic also may contribute to the premise, foundational in public choice theory, that it is more accurate and justifiable, scientifically, to
postulate a uniform model of human behavior applicable to both the economic and political realms; after all, if self-interest is truly engrained in all men, politicians cannot be exempt.

If indeed self-interest were “automatic” in the sense of being inbred – i.e., an ingrained, instinctual, metaphysically “hard-wired” feature of man – it would be like a heartbeat, not something open to choice and thus, by definition, exogenous to morality. It is illogical to speak of a heartbeat as “good or evil.” It just is. Yet egoism is simultaneously interpreted as unchosen (automatic) and normatively suspect. Similarly, if all men at all times and places truly possessed some innate “propensity” to produce, trade, and create the wealth of nations, surely they would have begun doing so a few millennia ago, not merely since the Industrial Revolution.

b. Self-Interest as Myopic

The presumption that self-interest is myopic is the notion that the egoist acts in a short-range, concrete-bound manner, equivalent to the “fly-by-night” operator heedless of the deleterious, longer-term consequences of his arbitrary approach, and ignorant of the harm he inflicts on his social reputation and self-esteem. Thus selfish people are typically modeled as prone to lying, cheating, and stealing their way through life, if they can get away with it (and in some game-theoretic set-ups, even when they can’t). Such “egoists” are allegedly keen to exploit others and “defect,” not trade or cooperate by a long-range view and mutual consent, to mutual advantage. Of course, some people (see criminals) act in precisely this way – but the question is: why is this self-defeating approach to life so readily interpreted as in favor of one’s interests?

c. Self-Interest as Atomistic

The view that self-interest is atomistic is the notion that the truly selfish individual lives as a hermit, or at least wishes he could do so. In this way the egoist is portrayed as solitary,
isolated, and solipsistic – whether by choice or hope. Given the enormous potential benefits to be gained by interacting with others whom one finds of value – whether in the commercial, romantic, cultural, artistic, or political realms – and given the fact that so few people actually live alone, cut apart completely from the outer world, it is a wonder that this particular caricature survives in any form. Again, a small fraction of society (recluses) may live and act in this way, but it seems indisputably at odds with the basic requirements of a minimal quality of human life, in a modern world (division-of-labor societies) and incompatible with well-being. Even if some people live this way, it seems more accurate to characterize them as self-depriving ascetics.

**d. Self-Interest as Materialistic**

The belief that the self-interested person is *materialistic* – that is, obsessed with all things commercial and monetary – is perhaps the most common of the seven caricatures. Of course Adam Smith, among other political economists, holds that self-interest, although not moral, nevertheless dominates the commercial sphere, but not the non-commercial sphere. Likewise Marx sees selfishness as manifested largely in the so-called “cash-nexus,” and indeed sees such relations cascading into previously non-pecuniary realms. Pertinent, too, is the way in which the profit motive exemplifies self-interest, since it is a motive for gain, not loss. Thus the businessman and banker are seen (and derided) as quintessentially selfish (or “greedy”). Such associations no doubt contribute to the belief that self-interest *ipso fact* pertains exclusively to matters commercial and monetary. Stories of those engaged personally in “conspicuous consumption” or “keeping up with the Joneses” also seem to involve a money motive, although such behavior seems less selfishly secure or prideful than it does other-oriented and insecure.
Yet self-interest surely pertains, in no small degree, to non-commercial realms of life also – to family, friendship, romance, leisure time, and the like. Gary Becker, late professor of economics at the University of Chicago, became prominent by insisting that the self-interest motive is both operative and appropriate in such non-commercial relations and activities,17 thus advancing an economic “imperialism” which elicited sharp criticism from those insisting that egoism already exerts a sufficiently dangerous and corrupting influence in the commercial realm.

e. **Self-Interest as Hedonistic**

Closely associated with the notion that the typical egoist is myopic – that is, acts in a short-range, concrete-bound manner – is the notion that he mainly pursues pleasures and abjures pain, where pleasure is commonly conflated with that which is licentious. Thus Mandeville’s famous formulation that supposedly “egoistic” desires – for drunkenness, reckless gambling, and prostitution – are “private vices” that are transformed, magically, into “public virtues.” Yet vices they remain. The caricature of egoist-as-hedonist portrays men as unable or unwilling to foresee a longer run pain (such as a hangover, or liver disease) resulting from a perpetual pursuit of short-run pleasure (inebriation), and equally unable or unwilling to endure short-term pain (such as dental work) to achieve a longer-run benefit (sound, pain-free teeth). Lost in this caricature is an Aristotelean conception of the individual who flourishes only in a polity but also through rational judgment, self-love, and the realization of potential for a long-term, enduring happiness.

f. **Self-Interest as Antagonistic**

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Critics of egoism insist that it necessarily entails a state of near-perpetual conflict among men and their various interests – especially in head-to-head competitions where none can gain without others losing – in a “dog-eat-dog” or “zero-sum” society. The caricature is common in sports settings, where, obviously, only one team can win and those players observed as most helpful to their team winning are heralded as “unselfish,” with the odd implication that were they instead selfish, they would prefer that their team lose. Competition is always seen as inimical to cooperation, and yet should cooperation arise among competitors, it is typically denounced as a detrimental “collusion” and a conspiracy against the public. For plausibility, this caricature counts on belief in other caricatures, including that egoism is automatic (so inter-personal conflict is unavoidable), myopic (so potential ways of cooperating aren’t visible), atomistic (resentment over having to act in a social setting in the first place), or hedonistic (some take pleasure in the suffering or misfortune of others, as with schadenfreude).

**g. Self-Interest as Sadistic**

The harshest criticisms of egoism portray it as overtly sadistic – even sociopathic or psychotic. This caricature subsume others in a summary, condemnatory judgment. Burglars, rapists, and murderers, we know, are commonly described, especially by those unaware of a perpetrator’s character, as “selfish” and sadistic loners. According to Robert Hare, a criminal psychologist, a common trait of psychopaths is “egocentricity,” which is “closely associated with a profound lack of empathy [and] an inability to construct a mental and emotional ‘facsimile’ of another person.” Another notable medical study in 2010 concluded that sociopathic traits exist

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18 Robert D. Hare, *Without Conscience: The Disturbing World of the Psychopaths Among Us* (New York: Guilford Press, 1999), p. 44.
more in corporate executives than in the general public: “psychopathy was positively associated with in-house ratings of charisma/presentation style,” such as “creativity, good strategic thinking and communication skills,” but “negatively associated with ratings of responsibility/performance,” including “being a team player” and “management skills.”

According to Henry Aaron, writing when he was director of economic studies at the Brookings Institution, “a critically important human characteristic is the capacity for self-reference” and “actions of all kinds – consumption, work, leisure, social interactions – help each of us to form images of ourselves as part of our effort to achieve self-respect.” Yet humans also “derive satisfaction” from “hurting others who hurt them,” Aaron contends, and people also use others “as means to their own egoistic pleasure,” and “indeed, the substantial absence of others’ utilities from one’s own [utility function] is a passable definition of a sociopath.”

3. Egoism in Two Realms

Egoism not only is frequently caricatured, but also deeply reviled, especially by ethicists. According to James Rachels, author of a widely used university textbook on moral philosophy, ethical egoism is “simply a wicked view” and “incompatible with a principle which expresses the social-political ideal of human freedom.” Elsewhere he declares that “anyone who accepts ethical egoism will be forced to abandon that principle.” His loaded definition of ethical egoism


has it saying that “the right thing for anyone to do, on any occasion, is whatever would promote his own interest, no matter how [detrimentally] other people’s interest would be affected,” and has it advising that “each of us should take the attitude that other people simply don’t matter, expect insofar as they are useful to us.” No wonder, then, Rachels can assert egoism to be “a pernicious doctrine which goes against some of our most central moral beliefs.”

He employs the caricature that selfish persons are atomistic or care nothing even for others they might value.

The Oxford English Dictionary defines “caricature” as a “grotesque or ludicrous representation of persons or things by exaggeration of their most characteristic and striking features . . . An exaggerated or debased likeness, imitation, or copy, naturally or unintentionally ludicrous.” What purpose could animate the knowing distortion of a key concept in a discipline of such great potential consequence as normative theory? Science, in its basic assumptions and methods, necessarily must abstract essential and relevant features from the innumerable details of reality, in order to build simplifying models that can illuminate otherwise obscured phenomenon. But there is little science or objectivity in the practice – common in conventional treatments of ethical egoism – of resorting to grotesque caricature, exaggeration, ridicule, and name-calling. A resort to caricature in a case like this is akin to attacking a straw man, which is not an advanced scientific method but instead an elementary logical fallacy.

Although ethical egoism has been almost universally and loudly disdained for centuries, more often than not it has been assumed to be the dominant motive in the economic rather than

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political realm. Despite the influence of the public choice paradigm on political science over the past half-century, the discipline continues to model private sector actors as selfish and motivated by an unsavory private interest, and to model public sector actors as selfless servants motivated by a moral public interest. The rise of behavioral economics in recent decades reflects a desire to weaken or overthrow any remaining model of the rational, self-interested actor, and seems driven by an eagerness to revive standard critiques of self-interest, if not as immoral *per se*, then at least as a motive prone to cognitive dissonance, personal bias, and incorrigible error.

The persistence of asymmetric behavioral assumptions for the economic realm (private interest, egoism) and political realm (public interest, altruism) may be attributable to the fact that many public choice theorists share the suspicions of self-interest felt by those who insist on interpreting it by grotesque caricature. Self-interest, public choice theorists often imply, corrupts the economic realm and engenders “market failures” which necessitate government restraint, but equally it corrupts the political realm and thus engenders “government failures” which necessitate constitutional restraint. Here exists a contradiction to their typical view that self-interest has positive effects in the economic realm. An “invisible hand” is occasionally invoked by public choice theorists, to sanitize allegedly dirty, vice-pursuing private hands; some contend that a “curious alchemy” transforms dispersed, self-interested acts into a general and common good.  

But rent-seeking also is modeled as “selfish” behavior, which brings “market failure,” whereas in fact such activity is invited by un-statesman-like government failure (inequality before the law). Regardless, so long as anti-egoist caricatures are condoned, honor will be

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considered impossible, in markets or in politics; morally productive icons become as impossible in the economic realm as ethically worthy statesmen in the political realm. A pox is cast on both houses, causing a polemical stasis, while egoism (and markets) are still left morally undefended.

Public choice theory mostly agrees with the conventional interpretation that self-interest is either amoral or immoral, and rarely questions its caricatures; it only insists that all actors, in all realms, be modeled, equally, as egoists. By this polemical strategy an anti-egoist animus against markets persists, even in the otherwise market-friendly paradigm of public choice, but worse, there is added a special, perhaps even fully justified insight that political actors today also cannot be admirable or trustworthy; there is permitted, then, a modeling of opportunistic politicians wedded to myopic expediency, but no modeling of a principled statesmen (unless rendered as a rare and selfless hero). Yet it could be in the rational self-interest of political actors to be statesmen-like – at least outside the context of democracy or of any system in which self-interest is distrusted and punished, while demagoguery is applauded and rewarded. Unwilling to abandon the explanatory power of the self-interest axiom, public choice theorists nevertheless seem to feel guilty about using it, and try to mask its meaning or restrict its applicability. Taken far enough, such guilt and deflection can sap the vitality of public choice research programs.

4. Altruism

Adding to the conceptual confusion stemming from grotesque caricatures of self-interest is the misrepresentation that has occurred over the decades of the meaning of its antonym, altruism. Today the connotation of altruism is “benevolence,” “kindliness” or “regard for others.” The term is now commonly interpreted as the antonym of egoism, if only because of the caricature of egoism as atomistic: if the egoist is to be the loner who cares not for others and
doesn’t even interact with them, a concept is necessarily required to describe, in contrast, the behavior of most (normal) people – *i.e.*, those concerned for other people, who care deeply for some of them (loved ones) and superficially for others of them (potential trading partners in a *quid pro quo*), even while caring little or not at all for many others besides (total strangers).

“Altruism” has become the main concept used to characterize merely “other-regarding” perspectives and behaviors, so that by now it might be said, for example, that “he is an egoist, but he *also* cares about others, so he *also* has altruistic motives.” Some behavioral theorists stress, quite rightly, that it is “unrealistic” to suggest that men are *only* egoistic, for men, they observe, *also* care about others (thus are also “altruistic”) – or it is “unrealistic” to insist that men are always selfish and hurtful towards others, for they are *also* benevolent and kindly (thus also “altruistic”). But this approach, ostensibly more “balanced” and “nuanced” in its assessment of the “full range” of human behaviors and motives, in no way questions or refutes the prejudicial caricatures of egoism; indeed, the approach uses those caricatures, for otherwise it would be unnecessary to insist that egoists may feel for others, if by egoist is meant, quite innocently, one who merely seeks to be the primary (though not always the sole) beneficiary of his own actions.

That such a misrepresentation of the meaning of altruism has evolved over the decades is readily apparent when one consults the relevant writings of Auguste Comte, who coined the term “altruism” (as well as “sociology”). Theorizing in the mid-19th century, Comte was a positivist who sought to bring science to bear on all the social sciences, including ethics and politics; specifically, he sought a secular basis for ethics, but without abandoning the essence of Christian prechaments, especially regarding the supposed evils of egoism and the love of money-making.
In coining “altruism” – literally, “other-ism” – Comte was not seeking some extraneous synonym for benevolence or kindliness, but rather an antonym for a certain caricature of egoism (as latent antagonism towards others). If, as Comte misconceived it, egoism were to mean a primary concern for oneself at the expense of others, altruism could be coined and promulgated to mean, conversely, a primary concern for others at the expense of oneself. Altruism, for Comte, did not mean benevolence towards others but self-sacrifice – effectively, malevolence towards oneself. According to Comte, we all have a “constant duty” (i.e., unchosen obligation) “to live for others” and we should all be “servants of Humanity, whose we are entirely.” To live for others, not for self, Comte asserted, is “the definitive formula of human morality,” and from that it follows that “all honest and sensible men, of whatever party, should agree, by a common consent, to eliminate the doctrine of rights.” Altruism “cannot tolerate the notion of rights, for such a notion rests on individualism.” For Comte “[rights] are as absurd as they are immoral,” so “the whole notion [of rights] must be completely put away.”

Comte recognized crucial links among egoism, individualism, and rights – links that few theorists, before or since, have been able (or willing) to acknowledge – but of course Comte opposed each concept and counseled, instead, altruism, collectivism, and duties. Philosopher Tara Smith, in contrast, explicates the egoism-individualism-rights linkage while endorsing its three elements.


It is arguable that important theoretic relevance attaches to the etymology of the term “altruism.” It is not mere semantics. Altruism is a valid concept which captures a real (and in medieval times, widely-practiced) human motive: self-sacrifice. In modern times religious “suicide bombers” are similarly motivated, albeit also inflicting collateral damage on others. It should be obvious that in Comte’s sense, self-sacrifice differs substantially and in kind not only from egoism – whether caricatured as a motive inherently antagonistic towards others, or instead portrayed reasonably as an innocent, primary concern for one’s own well-being – but also from benevolence and kindliness, since self-sacrifice bespeaks a malevolence towards self, and rarely conveys real benefits to collectors of sacrifices. Comte seemed to glimpse this crucial difference, and it likely motivated his effort to coin a new term which, until then, had not existed to fully capture the essence of self-sacrifice, let alone as a devoted way of life (the “ism” in altruism).

This is not to suggest that altruism constitutes a proper \( (i.e., \text{life-promoting}) \) ethic; at minimum, it is a valid antonym for egoism. To the extent egoism is caricatured as involving the sacrifice of others to oneself, altruism in Comte’s sense definitely (and accurately) involves the opposite: the sacrifice of oneself to others. Even if egoism is construed \( \text{legitimately} \) as having a superior concern for one’s own well-being without harming or sacrificing others, Comte’s altruism entails an opposite, abiding motive: perpetual sacrifice of oneself to others. In Comte’s sense, “sacrifice” means surrendering or renouncing a higher value for a lesser one.

In the decades after Comte coined the term altruism, theorists transformed it into the less-severe, less-selfless motive we know it to connote today; in time, Comte’s original intent of altruism as self-sacrifice came to be mean, merely, “caring for others.” Something was lost in the process, not only because it is plausible and reasonable for a self-interested individual to care about others – and selfishly so, if such others are “loved ones” (and “non-loved others” are left
free and unmolested) – but also because self-sacrifice is not truly an act of benevolence or kindness, least of all to the person (self) being sacrificed. A conflation of two terms that denote opposite motives risks a misinterpretation of human behavior, and hence also of social science. No economist today assumes that market-makers are altruistic in Comte’s sense; they know that even the elementary law of supply and demand is nonsensical if self-sacrificing, loss-seeking market participants buy high and sell low, if firms seek to minimize profit (or maximize loss), or if households try to minimize their utility (or maximize their disutility). Yet social scientists generally, perhaps feeling the need to deploy the term “altruism” in its non-sacrificial sense, implicitly deride egoism, while eliding the cultural role played by altruism in Comte’s sense.

Perhaps the most egregious portrayal of egoism is that which reads it out of the realm of possible moral codes altogether – by claiming it is “amoral.” Thus it is often written that “one acts egoistically or instead, morally.” Here is one account of the stipulation:

In the moral philosophy of the last two centuries, altruism of one kind or another has typically been regarded as identical with moral concern. When self-regarding duties have been recognized, motivation by duty has been sharply distinguished from motivation by self-interest. Accordingly, from Kant, Mill, and Sidgwick to Rawls, Nagel, and Gauthier, concern for our own interests, whether long-term or short-term, has typically been regarded as intrinsically non-moral. So, for example, although Thomas Nagel regards both prudence and altruism as structural features of practical reason, he identifies only the latter as a moral capacity, prudence being merely rational, long-term egoism. Similarly, John Rawls and David Gauthier contrast self-interest and other non-tuistic interests – interests that are independent of others' interests – with moral interest. We are morally permitted, no doubt, to act out of self-interest within certain constraints, but such acts can have no intrinsic moral worth. Pursuit of our own interests out of duty (if there is such a duty) does have intrinsic moral worth, but such pursuit, by hypothesis, cannot be motivated by self-interest. Self-interested pursuit of our own interests as such, no matter how realistic, farsighted, temperate, honest, or courageous, cannot be intrinsically moral. And this remains the case even if self-interest
motivates us to perform other-regarding acts: only those other-regarding acts that are (appropriately) motivated by others' interests count as moral, because only such acts are altruistic.\textsuperscript{27}

This approach necessarily also conflates morality with altruism: the good is said to consist only in living for and serving others, even, if necessary, sacrificiably. This erroneous stipulation – that egoism is no part of ethics, while altruism is its essence – was systematically adopted by Immanuel Kant, and as such has had lasting power and influence. Today the premise runs throughout a widely-used textbook that seeks to synthesize moral theory, economic analysis, and public policy.\textsuperscript{28} Notably, \textit{The Oxford English Dictionary} avoids the error: it not only classifies egoism as a type of morality, but defines it neutrally as “the theory which regards self-interest as the foundation of morality. Also, in practical sense: Regard to one’s own interest, as the supreme guiding principle of action; systematic selfishness. In recent use opposed to altruism.”\textsuperscript{29} Nothing in this definition implies that egoism is automatic, atomistic, or antagonistic, that primacy for one’s own interests necessarily invades or degrades the interests of others, that egoism entails sacrificing others to oneself, or is incompatible with benevolence, humanity, or kindness to strangers.

\section{5. The Missing Link: Substantive Rationality}

Having examined seven common caricatures of self-interest, the asymmetry by which they are applied (or not) in the private and public sectors, the long-term transformation (and


misrepresentation) of the term “altruism” to the point of obscuring behavioral analysis, we next hypothesize a likely cause of the caricatures: the presumption that actors, whether in the economic or political realm, are generally non-rational in a substantive sense. If so, rational choice theory, which stresses rationality only in its instrumental-procedural (not substantive) sense, can provide little in the way of counter-argument.

Rationality, according to neo-classical economics, entails a bare minimum requirement of procedural consistency. Reason is modeled as purely instrumental, as a faculty that assists us merely in deciding which means are necessary or optimal for the achievement of preferred ends, but ends themselves are not to be questioned, least of all by any appeal to substantive reason. Most social science theorists deny the possibility of substantive rationality – the idea that certain broad ends are objectively rational for every human to pursue and achieve, if they wish to survive and flourish, while other ends are irrational and demonstrably detrimental to well-being.

Instrumental rationality is said to “work” for purposes of explaining and predicting behavior, as long as preferences are complete and transitive. As in the caricature of egoism-as-hedonism, this conception insists that desires be taken, if necessary, as arbitrary, subjective primaries, not amenable to the test or sanction of any rule of (substantive) reason. On this view, preference satisfaction is assumed to be equivalent to personal well-being, even if preferences might include sloth, free-riding, self-immolation, masochism, or a life of crime. Likewise, a politic actor’s occupational well-being is presumably advanced by preferences for dishonesty, power-lust, seizures of power, and even rule as a tyrant. Tastes, desires and preferences are to be taken seriously, yet as inexplicable and exogenous, with the minimal requirement that at least they be held consistently and deployed efficiently as means to any ends whatsoever.
In contrast, Ayn Rand defends reason as both instrumental and substantive, and defines rationality as “man’s basic virtue, the source of all his other virtues,” while “man’s basic vice, the source of all his evils, is the act of un-focusing his mind, the suspension of his consciousness, which is not blindness, but the refusal to see, not ignorance, but the refusal to know. Irrationality is the rejection of man’s means of survival and, therefore, a commitment to a course of blind destruction; that which is anti-mind, is anti-life.” As for morality, she argues that “just as man cannot survive by any random means, but must discover and practice the principles which his survival requires, so man’s self-interest cannot be determined by blind desires or random whims, but must be discovered and achieved by the guidance of rational principles.” This is “a morality of rational self-interest – or of rational selfishness.”

In Rand’s view, “rational self-interest” actually expresses a redundancy, but a necessary one given widespread caricatures of self-interest; objectively, there is no way of acting in one’s genuine self-interest other than rationally, with respect to both means and ends. The intuitions (perhaps, secret wishes?) of egoism’s caricaturists notwithstanding, it is not in one’s rational self-interest to lie, cheat, steal, free-ride, rape, or murder. Nor is this a matter of a cost-benefit calculus, but a matter of principle, especially to the consistent egoist – namely, the one who cares deeply about maximizing his own self-esteem, an esteem not borrowed from what some public might witness. For Rand (1964, 31) creating values by “rational selfishness” entails “the values required for man’s survival qua man – which means: the values required for human survival – not the values produced by the desires, the emotions, the ‘aspirations,’ the feelings, the whims or the needs of irrational brutes, who have never outgrown the primordial practice of human sacrifices, have never discovered an

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industrial society and can conceive of no self-interest but that of grabbing the loot of the
time.” Rand contends that “human good does not require human sacrifices and cannot be
achieved by the sacrifice of anyone to anyone. It holds that the rational interests of men do not
clash – that there is no conflict of interests among men who do not desire the unearned, who do
not make sacrifices nor accept them, who deal with one another as traders, giving value for
value.” 31 Unlike those who ignored or softened Comte’s meaning for altruism, Rand took it as
presented, 32 yet saw it as incompatible with liberty and rights.

The conventional, popular view of self-interest, itself a mere echo of what intellectuals
have been claiming for centuries, is both wrong and misleading, according to Rand:

The meaning ascribed in popular usage to the word “selfishness” is not merely wrong: it represents
a devastating intellectual “package-deal,” which is responsible, more than any other single factor,
for the arrested moral development of mankind. In popular usage, the word “selfishness” is a
synonym of evil; the image it conjures is of a murderous brute who tramples over piles of corpses
to achieve his own ends, who cares for no living being and pursues nothing but the gratification of
the mindless whims of any immediate moment. Yet the exact meaning and dictionary definition of
the word “selfishness” is: concern with one’s own interests. This concept does not include a moral
evaluation; it does not tell us whether concern with one’s own interests is good or evil; nor does it
tell us what constitutes man’s actual interests. It is the task of ethics to answer such questions. 33

Returning to the seven common caricatures of egoism – that it is automatic, myopic,
atomistic, materialistic, hedonistic, antagonistic, or sadistic – it is now perhaps easier to

31 Ayn Rand, *The Virtue of Selfishness: A New Concept of Egoism* (New York: Signet/New


33 Ayn Rand, *The Virtue of Selfishness: A New Concept of Egoism* (New York: Signet/New
recognize how and why none are plausible if reason (both instrumental and substantive) guides self-interest – that is, if self-interest is enlightened, and if what is under examination is not some grotesque distortion of reality, but what some writers have referred to as “self-interest properly understood.” Perhaps not surprisingly, even critics of egoism have found it necessary, on occasion, to concede that they are speaking of “self-interest narrowly understood,” which means “understanding” by the dropping of context (the context of reason), or a failure to tell the truth, the whole truth, and nothing but the truth. To drop context is both to misunderstand and to misrepresent. At root, caricatures of self-interest constitute what is improperly understood about human motives; as such they fail to provide an objective, satisfactory base for social science.

The caricature which asserts that self-interest is automatic is perhaps the most obvious example of the exclusion of reason from the account; if egoistic motives are automatic, they are innate, instinctual, ingrained, impulsive, and unchosen – on the level of the animalistic, not the humanistic. The caricature which posits self-interest as atomistic denies the rational value individuals may obtain by living, interacting, and trading with others in society (so long as it is, largely, a just and peaceful society). The caricature which sees self-interest as myopic sees not very far at all, for it fails to recognize that the truly rational individual thinks, plans, and acts with a long-range view, taking into account as best he can not only the immediate but also the intermediate and ultimate consequences of his approach to life.

The caricature which assumes that self-interest is exclusively materialistic ignores the rational and mutual benefits individuals enjoy from non-material, “spiritual” relations with others, such as in families, friendships, romances, the arts, and recreation. The caricature which assumes that self-interest must be hedonistic also assumes individuals lack the reason and foresight to know that short-term pleasures (say, inebriation) can yield longer-term pains, or that
short-term pains (say, dental work) can yield longer-term gains. The caricature which claims that self-interest is antagonistic fails to realize that no genuine conflicts are possible among truly rational individuals – that is, those who are aware of the existential inescapability of competition in any society, of the fact that in more advanced, division-of-labor societies there are greater, not fewer opportunities for trade by mutual consent to mutual advantage, and aware also that if some individuals cannot on occasion abide or cooperate with others, at least in the open society none are compelled to do so and thus each may freely and peacefully “go their separate ways.”

Ironically, such anti-egoists as the communitarians or the proponents of “deliberative democracy,” who insist that successful societies somehow must dovetail towards a “shared community of interests” or a unitary voice, may foster the same type of antagonisms which they routinely attribute to egoistic wrangling.

Perhaps the most cartoonish caricature – that self-interest is sadistic or pathological – elides a deeper truth that the harming of innocents is detrimental to the perpetrator, not only because it eliminates a potential value and trading-spiritual partner, but more deeply because it is detrimental to a perpetrator’s self-esteem; those who believe that sadism, whether practiced interpersonally or politically, benefits the perpetrators, also seem to fail to acknowledge that self-interest, by definition, entails a right to self-defense, and that sadists of every type (but see especially political tyrants) are typically repelled, deposed, jailed or killed.

6. “Homo Economicus”
Homo economicus – or “economic man” – has a lengthy lineage in political economy, beginning with John Stuart Mill in the mid-19th century. As a stylized construct or “ideal type,” it depicts the average man, or representative economic actor, as being both rational and self-interested, yet with the term “rational” conceived in purely instrumental (to the exclusion of substantive) terms, and the term “self-interest” caricatured. To the extent homo economicus – or for that matter homo politicus – provides an indispensable cornerstone for the edifice of modern economics, public choice, or rational choice theory, those sciences stand or fall not only based on their perceived realism (or lack thereof) but also on their perceived morality (or lack thereof).

Beginning with Mill, “economic man” has been presented as an essentially unreal character, thus rendering it prone to dismissal and criticism, not only by theorists predisposed to disdain reason and egoism, but as well by those sympathetic to reason and egoism but who also insist that theory be grounded in facts, not fantasies. In Mill’s construct,

What is now commonly understood by the term Political Economy is not the science of speculative politics, but a branch of that science. It does not treat of the whole of man’s nature as modified by the social state, nor of the whole conduct of man in society. It is concerned with him solely as a being who desires to possess wealth, and who is capable of judging of the comparative efficacy of means for obtaining that end. It predicts only such of the phenomena of the social state as take place in consequence of the pursuit of wealth. It makes entire abstraction of every other human passion or motive. . . . All these [market] operations, though many of them are really the result of a plurality of motives, are considered by Political Economy as flowing solely from the desire of wealth. The science then proceeds to investigate the laws which govern these several operations, under the supposition that man is a being who is determined, by the necessity of his nature, to prefer a greater portion of wealth to a smaller in all cases, without any other exception than that constituted by the two counter-motives [time preference and aversion to labor] already specified.

Not that any political economist was ever so absurd as to suppose that mankind are really thus constituted, but because this is the mode in which science must necessarily proceed. . . . With respect to those parts of human conduct of which wealth is not even the principal object, to these Political Economy does not pretend that its conclusions are applicable. But there are also certain departments of human affairs, in which the acquisition of wealth is the main and acknowledged end. It is only of these that Political Economy takes notice. The manner in which it necessarily proceeds is that of treating the main and acknowledged end as if it were the sole end. (emphasis added) 35

Successors to Mill who dared to deploy the suspect construct of homo economicus faced increasing criticism and ridicule – initially in the late 19th century by the German Historicists, next, in the early 20th century, by their close intellectual cousins, the American Institutionals, and finally, beginning in the late 20th century, by behavioral economics. 36 As mentioned, the rise of behavioral economics in recent decades entails attempts to weaken the model of the rational, self-interested actor, in part by suggesting that egoism is immoral, but also that its practitioners are prone to cognitive dissonance, bias, and error. Critics of the homo economicus postulate have complained of its unrealism, a positive complaint which seems both fair and understandable, yet further complain that the postulate relies upon and enshrines vice (self-interest), a normative complaint which seems both unfair and prejudicial.

Homo economicus has been under assault from anti-egoism critics for more than a century, yet has survived in some (no doubt weakened) form, because as a model it has been able


to explain far more than possibly can be explained by the opposite assumption which insists that some important portion of people are irrational and selfless souls who seek to serve society. But while *homo economicus* has survived, it cannot be said that he has flourished, and for the reason, perhaps, that advocates and critics alike remain either suspicious or hostile to egoism in morality, and suspicious or hostile also to the efficacy of reason in epistemology. When the two features of a theoretical base are deemed unworthy and dispensable, the edifice atop that base is at risk.

7. Egoism, Altruism and Public Choice

As discussed, most public choice theorists seem to share the suspicions of self-interest felt by those who insist on presenting it in grotesque caricature. Public choice theorists imply that egoism corrupts the economic realm and causes “market failures” necessitating government restraint, but egoism also corrupts the political realm and engenders “government failures” necessitating constitutional restraint. If so, public interest advocates can continue, with intellectual consistency, to condemn markets on both moral (egoistic) and practical (inefficiency) grounds, and to insist that since public officials also are corrupted by egoism (according to public choice theorists), they are necessarily unfit to police themselves, and thus ineligible for playing any role in developing constitutional restraints of the kind advocated by public choice theorists.

An early critic of the public choice paradigm, reviewing a book by James Buchanan, its leading light, argued that “Buchanan’s reasoning eschews any moral considerations of duty or obligation.”37 The presumption is that it can’t top one’s meet one’s obligations.

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Another critic, chagrined that, had just won the Nobel prize in economics, conceded the prize was “richly deserved,” since Buchanan had “pioneered a new way of thinking about the political process” that “made important converts among political scientists;” nevertheless, the critic complains, public choice theory “ignores the ability of ideas to defeat [personal] interests, and the role that public spirit plays in motivating the behavior of participants in the political process.” “One of the roles of government,” he asserts, is to provide citizens “a forum where they may display a concern that they want to show for others”\(^{38}\) – aka, altruism – for example, by redistributing wealth from earners to favored “others.” The problem is that public choice spoils the pretty picture of selfless, saintsly servants of the “public spirit” and exposes politicians as greedy redistributors seeking not some angelic, heavenly status from on high, but perpetual political incumbency from on low.

Other critics of public choice theory contend not merely that it is methodologically impotent and can’t explain certain political phenomenon (\(e.g.,\) voting, public-interested politicians),\(^{39}\) but that public choice theorists themselves must be selfish, by their own model; if so, they too must be rent-seekers, effectively guns for hire living from the pockets of rich, egoistic businessmen and pro-capitalist foundations. The clever critique borders on \textit{ad hominem}:

First . . . the act of voting could not be considered rational, self-interested behavior. Second, we saw that politicians sometimes do not act in their own selfish interest; they often operate for the common good and the public interest as they see it. Finally, we saw that the growth of government cannot be explained by public choice principles, and that the growth of government does not cause


\(^{39}\) Lars Udehn, \textit{The Limits of Public Choice} (London: Routledge, 1996). Udehn criticizes the use of the self-interest axiom in politics and insists political actors care about the public interest as well as group interests; he also assumes altruism means not self-sacrifice but concern for others.
any economic harm as public choice theory predicts. Thus, on all major counts, public choice fails to establish its main contentions. How and why did public choice go wrong? At bottom, the problem is that public choice begins with an ideological aversion to government and a religious worship of the market. This anti-government ideology has blinded the entire public choice school. It has become the study of government failure, a set of assertions that governments are too big, and a criticism of all political decision-making. These biases keep public choice advocates from seeing the self-refuting and self-contradictory nature of its arguments. If public choice were correct, a similar analysis must hold for public choice itself. By its own assumptions, its advocates must be rent-seeking scholars who believe in and espouse the paradigm of self-interested, rational economic man because it is in their own self-interest to do so. They seek out business firms and conservative institutions that hate the government and are hurt by government regulations. These institutions, naturally, will support any research demonstrating the ill effects of government policy. But the result of this self-serving behavior on the part of public choice economists is bad for everyone. There is little understanding of how governments can affect the economy for good and for bad. There is worse economic policy. And there is less respect for all economists, including those with public choice inclinations. Caught in the web of its ideological blinders, and supported by a cadre of wealthy benefactors who hate government, public choice can never provide us with a good analysis of political behavior. The sooner we reject rent-seeking public choice economists and the public choice approach, the better off we will all be.40

A mysterious, non-empirically-verifiable “invisible hand” is occasionally invoked, of course, to sanitize what are presumed to be dirty, profit-maximizing, vice-pursuing private-sector hands; as mentioned, some claim a “curious alchemy” works to transform otherwise dispersed, self-interested acts into an outcome that advances the public interest.41 But there remains far too much common ground on moral premises (altruistic) and the caricatures of egoism; as such


there’s a defensiveness to the debate which saps the paradigm of much of its vigor.\textsuperscript{42} As long as anti-egoist caricatures are condoned or left unchallenged, honor will remain impossible, in markets and politics alike; morally productive icons will be as impossible to find in the economic realm as are ethically worthy statesmen in the political realm. A plague remains on both houses, resulting in polemical stasis, while egoism in markets and politics is left morally undefended.

Public choice theory generally agrees with the conventional interpretation that self-interest is either amoral or immoral, rarely questions its caricatures, and only insists that all actors, in all realms, be modeled, equally, as egoists. By this polemical strategy an anti-egoist animus against markets necessarily persists, even in the otherwise market-friendly paradigm of public choice; worse, there is allowed no possibility of a principled statesmen, since, for leading public choice theorists, self-interest is \textit{antithetical} to moral principle.\textsuperscript{43}

More work is needed on normative public choice theory. Some scholars have made a start; unfortunately, they’ve equated the “moral” with non-egoism. Vaughn, for example, explains the limits of using \textit{homo economicus} in public choice or in political philosophy.\textsuperscript{44} Steven Brams purports to find a supposed “normative turn” in public choice scholarship yet neglects to identify it (or even cite) its sources; regardless, by “normative” he means not an effort


to provide a moral grounding for public choice or to ensure greater consistency in its treatment of egoism and altruism, but efforts to provide policy advice.\textsuperscript{45} Kolm goes deeper and contends that:

Public choice should now integrate systematically considerations of ethics and justice for two kinds of reasons. First, moral principles can be implemented by self-centered individuals who, however, care for others' judgments, and these others can thus have these principles implemented at no cost to themselves. Furthermore, direct moral motivations may be less negligible than it was assumed, and at any rate it may be time to focus on them. Second, the theory of justice has reached an integrated, rational maturity which makes it suitable for this purpose, whereas the “Social Choice” approach is plagued by serious problems of meaning.\textsuperscript{46}

Common caricatures of self-interest not only elicit a defensive posture by public choice and rational choice theorists, but also attenuate the explanatory power of their joint paradigm. More realistic and rational conceptions of self-interest could elevate the confidence of its adherents and bolster its explanatory-predictive power. If there can be \textit{rational private interest}, there might also exist the possibility of \textit{rational public interest}, such that the public choice and rational choice paradigm can, for once, include a model of statesmen, not solely of politicians. In a brief essay published more than two decades ago, Buchanan hinted at the possibility more than two decades ago:

Distributional politics in modern democracy involves the exploitation of minorities by majorities, and as persons rotate membership, all parties in the “game” lose. This result emerges only because \textit{differences} in treatment are permissible. If the principle of \textit{generality} (analogous to that present in


an idealized version of the rule of law) could, somehow, be introduced into politics, mutual exploitation could be avoided. (emphasis in the original) 47

Buchanan acknowledges that even public officials can lose out in a welfare state; their self-interest, rightly understood, is best served in a constitutional setting. His principle of “generality” entails equal treatment before the law for all citizens, a principle distinct from equality of result or even equality of opportunity (which necessarily infringes on the rights of those compelled to provide opportunities), and an echo of the view of the Framers of the U.S. Constitution. The inference is clear: if today we observe only opportunistic politicians instead of statesmen, it is because we lack constitutionally-limited government, and we lack such government because we lack a realistic conception of rational self-interest for political economy. A crucial step towards that conception should entail a rejection of the caricatures of self-interest.