

Working with Progress

The 2010 edition of John C. Bogle's Book *Enough (period)* opens with a new Forward by William Jefferson Clinton. The former president emphasizes "Future Preference" as a term implying both a personal belief and also a moral obligation to contribute toward a better tomorrow. For Clinton, *Enough (period)* represents a call to action for the United States, to recover necessary moral integrity, especially with regard to economic and financial affairs.

Bill Clinton has evidently devoted a good deal of thought to matters of principle. The week before the election in 2008, he made an insightful statement at a political rally in Florida, when he introduced the Democratic candidate, Barack Obama. According to Bill Clinton, there are four things to look for in leadership. Leadership requires a philosophy; it requires policies; it requires decision-making; and it requires the ability to follow through with what is to be done. While everyone may not agree with Bill Clinton on everything, he is in a good position to say something about leadership.

Similarly, John Bogle's Book *Enough (period)* happens to be presented in four key sections, including an Author's Note and Introduction. As a prominent investment manager and founder of The Vanguard Group, Inc., John Bogle can provide insight on the mutual fund business over the past fifty years. One section focuses on financial industry policies about Money, stressing a fundamental distinction separating growth and investment from trading and speculation. Another section deals with Business decision-making, emphasizing professionalism, accountability, trust, and stewardship. While business management primarily concerns operating issues, and business leadership primarily concerns more strategic issues, both positions must be properly considered together. Next there is a section on attitudes about Life, mentioning philosophies from the period of The Enlightenment, which became basic for the founding of the United States of America in the eighteenth century. Character is seen as being more significant than success with power or fortune or fame. Finally, the Introduction covers a brief autobiography of the author, representing a proof of sorts about a personal ability to proceed in practical terms, in an everyday manner, with what is to be done. The observation emerges that John Bogle has proposed four separate kinds of understanding: policies with Money, decision-making with Business, philosophy with Life, and a pragmatic ability to follow through in a necessary way. These four separate kinds of understanding resonate well in harmony with Bill Clinton's four principles of leadership.

If there is a need for a renewed recognition of a sensibility incorporating morals and virtues, then a reliable mapping covering four distinctive dimensions of that territory seems to be implied here by agreement.

Bill Clinton would advocate ethical and responsible government, and John Bogle would advocate ethical and responsible financial business practice. It occurs that four very similar understandings have also achieved increasing recognition in other significant fields of endeavor, over the past several decades.

In 2001, Walter Russell Mead published *Special Providence: American Foreign Policy and How it Changed the World*. Professor Mead holds a position as Henry Kissinger senior fellow with the Council on Foreign Relations, and he teaches at Bard College and Yale University. His written articles appear frequently in influential journals.

Walter Russell Mead considers American foreign policy to be best described through four basic outlooks. They are Wilsonian, Hamiltonian, Jeffersonian, and Jacksonian. *Special Providence* displays a great deal of effort in carefully defining and qualifying these four distinctive schools of thought. The terminologies should be taken to represent general tendencies, rather than explicit doctrines. If simple summaries can be accepted for large, complex notions, then the Wilsonian group really exemplifies applied philosophy. The Hamiltonian group values clear institutional policies. The Jeffersonian group represents open decision-making, especially the concept of representative democracy on behalf of the people. The Jacksonian group stands for a vigorous, populist tendency, defensively demanding the most immediate self-determination. These four groups again would appear to be closely sympathetic with Bill Clinton's four principles of leadership.

A piece about "The Carter Syndrome," which appeared in *Foreign Policy* magazine in January, 2010, even prompted responses from Jimmy Carter and Zbigniew Brzezinski. Walter Russell Mead describes some aspects of the four American strains in this way:

In general, U.S. presidents see the world through the eyes of four giants: Alexander Hamilton, Woodrow Wilson, Thomas Jefferson, and Andrew Jackson. Hamiltonians share the first Treasury secretary's belief that a strong national government and a strong military should pursue a realist global policy and that the government can and should promote economic development and the interests of American business at home and abroad. Wilsonians agree with Hamiltonians on the need for a global foreign policy, but see the promotion of democracy and human rights as the core elements of American grand strategy. Jeffersonians dissent from this globalist consensus; they want the United States to minimize its commitments and, as much as possible, dismantle the national-security state. Jacksonians are today's Fox News watchers. They are populists suspicious of Hamiltonian business links, Wilsonian do-gooding, and Jeffersonian weakness. Moderate Republicans tend to be Hamiltonians. Move right toward the Sarah Palin range of the party and the Jacksonian influence grows. Centrist Democrats tend to be interventionist-minded Wilsonians, while on the left and the dovish side they are increasingly Jeffersonian, more interested in improving American democracy at home than exporting it abroad.

Here, the *Foreign Policy* argument has to do with discussion of President Barack Obama's Jeffersonian and Wilsonian preferences. There is ample room for debate in this instance. Still, the utility of the larger, structural idea of the four influences profoundly suggests another, more encompassing domain. *Special Providence* reaches the conclusion that all four schools have strengths and weaknesses. Balancing the insights of all is preferred to depending on the limitations of any one of them on its own.

So, another critical dimension arises with exactly this notion of balance among the four described principles. A traditional concept of prudence may be considered as an intuitive balance at a philosophical level. The traditional concept of justice may be considered as a realistic balance at a policy level. The traditional concept of temperance may be considered as an encompassing balance at a decision-making level. The traditional concept of strength may be considered as a practical balance at a direct, physical, instinctive level. “The fabled birth of Minerva from the brain of Jove,” Daniel Webster exclaimed, “was hardly more sudden or more perfect than the financial system of the United States as it burst forth from the conception of Alexander Hamilton.” (DW, *Works*, Vol. 1, p. 200.) What is being proposed may be seen in some sense as a subtle restatement of four traditional cardinal virtues. These were known and honored since classical times and reinvented in more updated form during the time of the Renaissance. If the Hamiltonian tendency at its best may exemplify the virtue of justice, then “strategic elegance is the highest quality of the Jeffersonian mind and the supreme gift of the Jeffersonian tradition.” (*Special Providence*, p. 333.) Civility in this fashion is well in keeping with the older Renaissance understanding about the essential nature of temperance. Similar statements could be made about the forcefulness of the Jacksonian code of honor or about the prudent idealism of a Wilsonian universal brotherhood. Walter Russell Mead provides many historic examples, without going as quite far as referencing the four traditional cardinal virtues explicitly.

John Bogle raises a number of potent facts and figures in *Enough (period)*. Anyone in the business community is probably familiar with the claim that open markets will find their own best balance through the operation of an “invisible hand.” Economic supply and demand tend to find a natural equilibrium, free from intervention and constraint. The concept of the “invisible hand” was first proposed by the economist, Adam Smith, in *The Wealth of Nations* in the eighteenth century. It is not commonly remembered, however, that the same Adam Smith published another book on *A Theory of Moral Sentiments*. Here he expounded the belief that a strong social acceptance of traditional virtues was a condition for providing the atmosphere of mutual trust necessary for the conduct of commercial enterprise. If that belief has been disregarded, a particularly emphatic quotation comes from the congressional testimony of the former Federal Reserve Chairman, Alan Greenspan, in October of 2008: “‘Those of us who have looked to the self-interest of lending institutions to protect shareholder’s equity . . . are in a state of shocked disbelief,’ he said. This failure of self-interest to provide self-regulation was, he said, ‘a flaw in the model that I perceived as the critical functioning structure that defines how the world works.’” Even though John Bogle concludes that a broad deterioration in society’s traditional ethical standards contributed substantially to current severe economic problems, a true means to retrieve recognition of proper virtues and ethics has yet to come into focus.

Walter Russell Mead credits the work of David Hackett Fischer as one source of inspiration behind *Special Providence*.

David Hackett Fischer is a highly respected Pulitzer Prize-winning historian, teaching at Brandeis University, who has been developing an intensive study of American cultural patterns. *Albion’s Seed: Four British Folkways in America* was printed in 1989, as the first volume of a more extended series.

“Albion” comes from an ancient, nearly forgotten name for the British Isles. The premise involves exploring the ongoing influence of four migrations of different cultural groups from Britain to the New World beginning in the seventeenth century.

According to David Hackett Fischer, four influential American folkways were derived from certain historic circumstances: Puritans arriving from East Anglia to New England, 1629-1641; Cavaliers and Indentured Servants arriving from the south of England to Virginia, 1642-1675; Quakers arriving from the North Midlands to Pennsylvania and New Jersey, 1675-1725; and Scots-Irish Protestants arriving from the Border Counties and Ulster to the Appalachian Backcountry, 1717-1775. The discussion is encyclopedic and extensive. All together, the traits of each distinct wave of early migrants have formed a foundational basis for cultural assimilation and identification, which has been adopted by successive migrations later, coming from elsewhere. Four basic affinity patterns have persisted. Strains of the original sources remain pervasive everywhere in the United States even today.

So far as Walter Russell Mead may be concerned, the early Calvinist Puritans would be committed to Hamiltonian rational, institutional policies. The aristocratic Cavaliers set up estates in Virginia, where Jeffersonian ideals of personal pride and independent decision-making authority would be conditioned by land and inheritance. The more accepting, more open minded Quakers and German Pietists of Pennsylvania would deeply believe in the Wilsonian style betterment of all persons. Finally, the rough and ready back country fighters from poor, conflicted districts would carry their own manner of Jacksonian rugged self-determination and self-reliance. The disciplined scholarly research by Walter Russell Mead and David Hackett Fischer constitutes another confirmation of sorts, on the utility of balancing four specific complementary concepts of human capability, reflected in contemporary American conditions.

The historical construction of the open society initially began in a few of the city states of Italy during the time of the Renaissance, and the concept eventually re-emerged in the northwestern provinces of Europe, especially the Netherlands, Belgium, and parts of France. The economic success of the Dutch was recognized and replicated in England later, during the seventeenth century. According to Walter Russell Mead in *God and Gold: Britain, America, and the Making of the Modern World*, (2007): “A new kind of society and a new kind of power had appeared in the world. An open, dynamic and capitalist society generated innovations in finance, technology, marketing and communications. Those innovations offered the open society enormous advantages in world trade.” The same sensibilities also found especially enthusiastic acceptance across the Atlantic Ocean.

A sympathetic viewpoint may be provided by the economist, Deirdre McCloskey, who emphatically embraces the idea that a growing, widespread, bourgeois social rhetoric was what made a big difference. Expectations about social behavior specifically grew in accordance with the traditional four cardinal virtues: temperance, fortitude, justice and prudence. (*The Bourgeois Virtues: Ethics for an Age of Commerce*, 2006.)

David Hackett Fischer deliberately traces the living continuity of the four American folkways, following the Revolution. Up to 1900 nearly 60 percent of Americans had been of British stock. By 1940 that figure had fallen to 41 percent, and by 1988 it had fallen to 20 percent. Yet, all four of the original Anglo American regional centers had become “. . . what folklorists call ‘cultural hearts’ or ‘seed beds’ from which four different populations overspread the nation.” (*Albion’s Seed*, p. 872.) Newer emigrants usually tended to congregate in certain particular regions, and they tended to adopt the established folkways of the regions in which they settled. At least seven significant cultural regions can be discerned today, but four of these are extensions of the original four areas. Two more are represented by the densely populated areas of New York and Southern California. And, one additional, large Western Great Basin area contains a somewhat more amalgamated mixture. The original, old regional identities have remained remarkably strong.

An observation by David Hackett Fischer about the leaders of the United States during World War II is particularly striking. General George S. Patton, Jr., had descended from settlers in the Highland Backcountry. Patton’s boss was General Dwight D. Eisenhower, who had descended from Pietist settlers in Midland Pennsylvania. General George C. Marshall was Eisenhower’s boss, and he had descended from settlers in Coastal Southern Virginia. And President Franklin D. Roosevelt had descended mainly from New England Yankee settlers, although he was also partly Dutch by name. (*Albion’s Seed*, pp. 877-879.) Their personal attributes convey specific characteristics of each of the four American folkways.

Albion’s Seed reaches the conclusion that American liberty has never been a single idea, but rather a combination of four discernable, different and contradictory traditions, maintaining an ever changing creative balance with one another. This may be the most enduring legacy of the United States to the world.

Bill Clinton’s apparently simple statement about the four qualities of leadership is not superficial. Leadership requires a philosophy; it requires policies; it requires decision-making; and it requires the ability to follow through with what is to be done.

John Bogle’s perspective about what it takes to keep a capitalist economy in balance is not just one man’s own, individual opinion. “But wisdom – the kind of wisdom that was rife in the age of this nation’s Founding Fathers – is in short supply.” (*Enough (period)*, p. 195.) A few strong voices might be heard. “Our society needs every one of us to be part of a mission that will place character at the top of our national agenda. We can do it. We can make that noble task our own.” (*Enough (period)*, p. 225.)

A clear understanding about balance, among necessary possibilities, approaches realistic and useful meaning, as being an indication of the constructive influence of virtue.

Bill Clinton remarks that “. . . Bogle’s analysis and argument seem, at first glance, strikingly old-fashioned. But our pervasive interdependence makes *Enough (period)* more relevant than ever. Our actions have profound consequences both within and beyond our borders. It is wrong to ignore them in pursuit of purely personal advantage.”

An accumulation of agreement, across several different domains, reasonably begins to indicate that the intrinsic, essential nature of the agreement can be taken on, in and of itself.

The issue, it seems, is not really about going back to recover something that has been lost. There is a pressing need for a greater appreciation of the quality of open interdependency. It is possible to envision a formula for acknowledging and balancing open interdependency.

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Another compelling, forward looking approach is possible, based on the concepts emerging in the field of Depth Psychology. The same four leadership qualities may be associated with the basic capabilities of human personality or temperament, as described in the Myers-Briggs Type system: intuition, feeling, thinking and sensation, now commonly used by some universities and corporations to assess individual habits and preferences. It can be argued that physical perceptions and physical consequences are basically sensation concerns. Logical associations and technical directions are thinking concerns. Immediate social and market consequences are feeling concerns, according to the special psychological parlance. Finally, high-level vision and direction are intuition concerns. Of course, similar notions have appeared historically in many cultures for a long time. That is just a beginning.

The evolving insights of Depth Psychology can be actively applied further to drive toward the ability to see, to correlate and to order these different considerations, all together. Philosophy can be associated with intuition, and also with the traditional virtue of prudence. Policy can be associated with thinking, and also with the virtue of justice. Decision-making, with respect to social acceptance, can be associated with feeling, and also with the virtue of temperance. The ability to follow through to desirable results can be finally associated with sensation, and also with the virtue of strength or fortitude. The related psychological discipline is referred to as "Individuation." The rules of the process can be logically extended for gaining an understanding of enterprise structures also.

Business institutions are composite reflections of those people who comprise them. Empowering readily available guidance can begin to happen when the need and the means is taken seriously by those with the stature to make a difference. A conviction about "Future Preference" corresponds well with action in light of virtue.

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