

## Economics out of Ethics

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This Thing, that hath a code and not a core,  
Hath set acquaintance where might be affections,  
And nothing now  
Disturbeth his reflection.<sup>1</sup>

It is hard to stand firm in the middle  
(III/59)

It is symptomatic of the way in which economics is viewed today that the last economic crisis – often referred to as the worst crisis the world has seen since the Great Depression of the 1930s<sup>2</sup> – was, first and foremost, interpreted as a financial crisis which dates from a „supreme mortgage crisis that involved bank failures, credit crunches, private defaults and massive layoffs“<sup>3</sup>. Consequently, as a matter of course, the diagnosis of the crisis, as well as all feasible remedies for it, are to be expected from experts in financial economics, from experts in the banking world, and lastly from experts in economic science. They are not at all expected from poets. Under the premise of this kind of understanding, Pound’s interest in economics as well as his diagnosis of the presuppositions that inform modern economic thinking, are lastly not taken seriously. They are considered, at best, as interesting and well-intended, yes, but as eventually missing the point. Therefore, in respect of the intended way out of the economic crisis, Pound is considered to be extraneous to what is at stake, and poetry as such is not considered to be of any help. On the other hand, the said premise, against the backdrop of which all these considerations appear to be plausible, is itself constitutive of an ailing understanding of economics. In fact, „in the light of the global economic crisis of the past years, economic science has been challenged not only regarding its capacity for anticipating contingent economic events and responding to them efficiently, but in its very manner of grasping, and, consequently, acting upon, economic phenomena in the first place. In the most general terms, mainstream economic theory is said to suffer from a reductive approach to reality“<sup>4</sup>.

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<sup>1</sup> POUND, *Personæ*, p. 60.

<sup>2</sup> Cf. CORA [et al.], *The Global Economic Crisis*, p. 4.

<sup>3</sup> DAS (ed.), *Handbook of Research on Globalization, Investment and Growth – Implications of Confidence and Governance*, p. 412.

<sup>4</sup> Project description for the research proposal *Mining Economic Knowledge from Non-Economic Sources* [Project Coordinator: Ivo De Gennaro]. Proposal accepted for funding by the Free University of Bozen-Bolzano in 2014. The

In the preface to the Italian translation of *ABC of Economics* Mary de Rachewiltz recollects the very same situation, saying that Pound's insistence on economics passed as a scandal and was considered no more than the heretical misconception of an economic crank, while his untouchable mastery as a poet was blanked out.

L'insistenza sull'economia fece scandalo. Un poeta doveva occuparsi di poesia e basta. Con l'intento, forse di depistare i curiosi e di non essere infastiditi, gli esperti accusarono Pound di confusione, di fascismo. Oggi si propende a dire che Pound si è occupato di economia come poeta. Questo è vero. Come economista poteva essere un eretico, un moralista. Come poeta resta sempre un Maestro.<sup>5</sup>

Ezra Pound's insistence on economics was perceived as a transgression, while the true character of the scandal remained unseen then and still remains so. So does the source character of poetry with regard to economics. In fact, the scope of most „efforts to draw on economic thinking that do not belong to the domain of economic theory as it has developed since the 18<sup>th</sup> century, undertaken both by economists and by scholars of other disciplines, is substantially limited by the fact that these efforts take for granted and uncritically apply consolidated categories and mind-sets of economics. As a consequence, [poetical sources] inevitably appear as merely tentative approaches to grasping economic issues; on the other hand, a number of [poetical sources], which offer fundamental insights for economic understanding and acting, but escape the narrow definition of what economics as we know it considers to be pertinent to economics, are disregarded altogether“<sup>6</sup>. The reliability of poetical research in economics has not yet earned the respect offered in Pound's economic thinking, which provides a contribution to the study of economic phenomena in its own right. Reading Pound's poetry in this sense means to contribute to the unearthing of a forgotten chapter of economics, whereby the scope of economic knowledge may be widened beyond the borders of both a contingent canon of authoritative writings and consolidated concepts that are taken for granted, i.e. applied uncritically to any discourse in the field of economic theory. In fact, the unquestioning adoption of concepts shaped and determined the understanding of modern economic science in such a way that promising sources of economic knowledge, including the philosophical and literary tradition, continue to lie idle.

Coming back to what Mary de Rachewiltz wrote in the preface to the Italian translation of *ABC of Economics* we may observe the following: “To transgress” means “to go beyond”, “to

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Proposal constitutes a basic document for the establishment of the book series *Elementa Economica* within which the present volume is published.

<sup>5</sup> MARY DE RACHEWILTZ, *Prefazione*, in: POUND, *L'ABC dell'economia e altri scritti*, p. 7.

<sup>6</sup> Project description for the research proposal *Mining Economic Knowledge from Non-Economic Sources*.

step over". We may ask ourselves: From where to where? Disregarding what? In view of what? Questions like this become fertile only in the very moment in which Pound's so called transgression is no longer seen as an onerous disturbance, but as a unique opportunity to rethink economics as such, and therefore to overcome accustomed concepts that are themselves the basis of an economy that may be, not yet again, but to this day still is, in crisis. A crisis that is not the mere outcome of financial crudities and flaws in decision-making by institutions like banking houses, but the manifestation of what can be called an epochal incident, i.e. an incident that occurs as a process of actualization – namely: as the process of actualization of modern economic rationality that involves an overall loss of sense. Maybe we have to think in this direction when we want to see to what extent Pound's economic thinking may be considered as a necessary transgression that goes beyond and steps over the conditions of a global crisis which first and foremost needs to be diagnosed in its epochal dimension.

“Epoch” here does not denote any "span of time" or "period of time" or any "duration between two moments in time“, but it has to be understood in its original sense derived from the Greek word ἐποχή – that literally spoken, means retention, suspension. What retains itself and thus remains suspended in such a way that our thinking is consistently attracted and tempted by it – what retains itself and thus remains suspended in such a way that its suspension constitutes the pensum, i.e. that is what has to be pondered over in the first place, i.e. what has to be thought about and what therefore remains the constant source of any genuine research. Since antiquity this source has been called „truth“. In other words, „truth“ is the always renewed, the always attracting and tempting source of any thinking that presents itself throughout its suspension as the pensum, claiming attempts to say it in philosophy as well as in science, claiming attempts to say it in poetry as well as in other arts. The Latin word „pensum“ includes what is weighed up in the sense of what has to be pondered over, of what has to be thought about. Something that has to be pondered over presents itself as something that is still un-decided. Something that has to be thought about presents itself as something that is still un-thought. What is, in this sense, un-decided and un-thought and therefore suspended, brings itself into the presence of an immediate reference to the claim for a critical judgment, in order to be decided, in order to be thought. On the other hand we are in crisis when such a critical judgement is missing, i.e. when we don't know if something is what it seems to be or if it is not, if we don't know if something is right or wrong, if we don't know if something is fair or unfair – generally speaking, when we aren't able to adopt an adequate stance within the element of truth, and consequently, if we are not up to making a sufficiently critical judgment about the true nature of what is, for instance, economics, about the true nature of related phenomena.

On more than one occasion Pound argued that our epoch is in exactly such a situation with regard to economic phenomena. In his writing *The Individual in his Milieu* Pound says:

The history of money is yet to be written. (SP 273)

The mony-changer only thrives on ignorance. (GK 281)

The understanding of economic phenomena is the first step towards a critical judgment about their nature and consequently towards an adequate stance within the dimension of economics as such. As a matter of fact one of the main aims of Pound's work in this field was to prepare such a critical judgment considering those phenomena that lay at the core of economics, like money, credit, usury, property, distribution etc. In the above-mentioned preface to the Italian translation of *ABC of Economics* Mary de Rachewiltz says something about the way in which the poet himself prepared the conditions that allow for a critical judgment:

Gli mancavano le parole, i termini, e volle risalire quasi alle origini del linguaggio economico per trovarle.<sup>7</sup>

Pound was at a loss for the words, for the terms, and as a poet he aimed to return to the origins of economic language, in order to find their sense. Here we have a first sign of what has to be borne in mind when we aim to understand Pound's economic thinking, i.e. when we consider the necessary transgression from the uncritical adoption of economic concepts to a critical judgment about their nature. Pound was a poet. And as a poet he was an economist. Very seldom are we prepared to become aware of the necessary and insoluble nexus between poetry and economics that was cut off with the emergence of the methodological sciences.<sup>8</sup> Pound's work offers one of the very few instances that bear witness to this nexus, in as far as here, genuine economic knowledge is derived from poetry.

Today's widely unquestioning adoption of economic concepts, as Pound perceived it in his diagnosis of our epoch, goes with rather sloppy language, determining not only our present notion of economic sciences, but beyond that, determining economic sciences' understanding of what is and how it is. Now, as long as we accept economic science – together with technology – as the leading forms of knowledge of our epoch, its understanding of all phenomena is fundamentally constitutive of our orientation in the globalized world.

It is very difficult to make people understand the impersonal indignation that the decay of writing can cause men who understand what it implies, and the end whereto it leads. It is almost

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<sup>7</sup> MARY DE RACHEWILTZ, *Prefazione*, in: POUND, *L'ABC dell'economia e altri scritti*, p. 7.

<sup>8</sup> Cf. DE GENNARO [et al.] (ed.), *Wirtliche Ökonomie*, p. IX.

impossible to express any degree of such indignation without being called ‘embittered’, or something of that sort. Nevertheless the statesman cannot govern, the scientist cannot participate his discoveries, men cannot agree on wise action without language, and all their deeds and conditions are affected by the defects or virtues of idiom. A people that grows accustomed to sloppy writing is a people in process of losing grip on its empire and on itself. (ABCR 34)

The said sloppiness does not occur by chance, but it is, according to Pound, associated with a peculiar form of ignorance, i.e. a form of ignorance that is characteristic of our epoch and therefore also of the emerging crisis within in it. In this regard Pound gives many examples in his writings. At a certain point of his radio speeches Pound says:

My generation was brought up ham ignorant of economics. [...] Every page our generation read was over shadowed by usury. (RSWWII 40)

Now, it is quite clear that the said ignorance is not just a general unknowingness concerning economics and economic phenomena, and that it has to be uncoupled from the mere access to and availability of information about the ruling factors that determine the optimization of the production, the allocation and the consumption of goods – and it has furthermore to be uncoupled from the mere access to information about the underlying market laws that make these factors cohere. Economic science was not born yesterday and seminal works about Economics were published long before Pound formed his view on it.

Ignorance [...] is not a natural phenomenon; it is brought about artificially. [...] What is more, it has been patiently and carefully built up. (SP 348)

What Pound points out is a matter of principle according to which this specific and anything but accidental form of ignorance shows up. It arises according to an originating force that overshadows all our relations: relations to things as well as relations to others and relations to ourselves. insofar as it is in its light that all-things are seen in the first place. The name of the light of our days is usury, i.e. the overall excess of „usura“, i.e. the overall excess of an inclination towards the realization of a process that is „contra naturam“ (XLV/230). To ignore something means: “to overlook it”, “to disregard it”, “to miss what claims to be known in the first place”.

This is to say that our epoch overlooks and disregards what economics is in the first place by missing its true nature. and accepting its subjugation to usura. Whereas beyond the dominance of usura and our common definitions, economics may be known in a more original sense as knowledge of the whole of sense-relations of human existence (namely, oikos), and as

knowledge of the element which bestows and allots this whole (namely, *nomos*)<sup>9</sup>. This definition springs from the original meaning of the words *oikos* and *nomos*, offering a wider understanding of what the word economics indicates.

When *usura* takes the place of the element that bestows and allots the whole of sense-relations of human existence, on the one hand we remain excluded from a sufficiently clear understanding of the true nature of economics and we are brought up, as Pound states, „ham ignorant” (RSWWII 40) of it, on the other hand we remain at a loss for a form of knowledge that is able to understand economics as such, i.e. that is able to sustain the whole of the sense-relations of human existence insofar as it is ignorant of its originally bestowing and allotting element. The reading of *Canto XLV* suggests that *usura* is first and foremost the subjugation of this element. In other words, this subjugation is a form of originating which is characteristic of *usura*, and therefore what arises is never the whole of sense-relations for human existence but sheer senselessness that turns out to be the inhuman phiz of the modern economic crisis as we roughly outlined it.

With usura hath no man a house of good stone  
each block cut smooth and well fitting  
that design might cover their face

[...]

with usura the line groweth thick  
with usura no clear demarcation  
and no man can find site for his dwelling

(XLV/230)

The original meaning of the Greek word *ἦθος* is “habitual residence”, “abode”, “dimension of sojourn” and therefore intimately related to what Pound addresses in the verse “and non man can find site for his dwelling” (XLV/230). Consequently ethics is, in the first place, not seen as knowledge about a system of moral rules derived from underlying values and supposed to orient human action in a given action context, but, it is understood in the strictest sense of the word – namely as a form of knowledge that shapes an understanding of man’s dwelling on earth under the sky in the world, i.e. a form of knowledge able to sustain the building of the whole of sense-relations for man’s dwelling. “At behest of *usura*” (XLV/230) the above-introduced notion of ignorance holds sway and consequently from then on no economics, originating from a more fundamental understanding of man’s dwelling, will emerge. Economics is then subjugated *ab initio* and therefore the element that bestows and allots the whole of sense-

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<sup>9</sup> Cf. <http://elementoeconomica.org/index-eng.html> (07.02.2019)

relations of human existence is no longer sufficiently sustained. It is ignored in such a way that no man can find site for his dwelling. In this sense, and not just in a moral sense, usura is essentially unethical. Accordingly, Pound says:

You cannot make good economics out of bad ethics. (SP 282)

In *Canto XLV* usura is defined by “contra naturam” (XLV/230). This leads to the tentative conclusion what is here indicated as “site for man’s dwelling” (XLV/230) answers to the name of “nature”. When nature is *the* original and originating force that orients the whole of sense-relations for human existence, we can suppose that the word “contra” indicates the above-mentioned subjugation that occurs “at behest of usura” (XLV/230), “with usura” (XLV/230), i.e. that occurs as usura contra naturam. Usura is in itself an unoriginal originating force, insofar as the said subjugation gives rise to the disintegration of the whole of sense-relations, commanding all human actions and giving rise not to a human world but to an in-human un-world. And thus it is in itself un-original, i.e. without any relation to the allotting and bestowing element of the whole of sense-relations. In such an un-world, human beings can’t exist and therefore they do not appear as human beings.

Corpses are set to banquet  
At behest of usura  
(XLV/230)

Corpses, not human beings. Sterility, not fertility. Sheer impotence in the presence of a richness that is in itself and out of itself originally gratuitous and as such the source of any true world. Usura is the unproductive consumption of a richness characteristic of the whole of sense-relations entrusted to the care of man so as to build site for his dwelling. *Canto XLV* recalls many of the ways in which man is called to take care of the said whole of sense-relations: house construction, art of masonry, painting, sculpture, the art of weaving, craftsmanship, trade, agriculture, the art of love and so forth.

In contrast nature can be seen in the light of production and productivity, where as a matter of fact nature means neither the mere sum of so-called natural things, nor the correlative togetherness of such things. Nature is first and foremost the inexhaustible source of all the above-mentioned ways of taking care destined for men. That is why, with regard to the human being, “contra naturam” (XLV/230) indicates the impossibility of taking care of the whole of sense-relations and thus indicates the continued prevention of each of the human ways of taking care from coming to its own end, i.e. from being accomplished. Accordingly, “contra naturam” (XLV/230) means at the same time: no true house construction, no true art of masonry, no

true painting, no true sculpture, no true art of weaving, no true craftsmanship, no true trade, no true agriculture, no true art of love. Usura occurs as the continued subjugation of the true nature of all of them, i.e. as the continued subjugation of their original possibility; i.e. the first and ultimate possibility of any kind of true human production.

What is indicated here remains largely insufficient. It is the mere endeavour to touch upon some points in order to consider the panorama of one central aspect of Pound's economic thinking that leads us to the necessity of transgressing economic concepts that are taken for granted but are apparently in crisis. On the one hand this means, perhaps, to understand Pound's efforts, while on the other hand this means, not less significantly, to aim at a sound understanding of economics in its present crisis.

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### **List of abbreviations**

*ABCE* – EZRA POUND, *ABC of Economics*, London: Faber & Faber, 1933.

*ABCR* – EZRA POUND [1934], *The ABC of Reading*, New York: New Directions, 1960.

*GK* - EZRA POUND, *Guide to Kulchur*, London: Faber & Faber, 1938.

*LE* - T. S. ELIOT (ed.), *Literary Essays of Ezra Pound*, London: Faber & Faber, 1954.