Money as Technique: What Happens to Our Humanity?

This essay is about technique versus personalism. I hope to show that the true cost of technique is human relationships and well-being. As far back as 1912, Woodrow Wilson in his campaign for the presidency explained it thus:

> We have come upon a very different age from any that preceded us …. Yesterday, and ever since history began, men were related to one another as individuals …. All over the Union, people are coming to feel they have no control over the course of their affairs. Today, the everyday relationships of men are largely with great impersonal concerns, with organizations, not with other individual men. Now this is nothing short of a new social age, a new era of human relationships, a new stage-setting for the drama of life.

The Erosion of Human Relationships

I will start with a description of the problem as it has been documented in the United States by Robert Putnam in his book, *Bowling Alone: The Collapse and Revival of American Community*. Putnam, a professor of Public Policy at Harvard University, marshals a wealth of data that demonstrates how social capital has eroded in the United States post World War II. This includes many facets of both civic engagement and declining personal relationships. It is telling that the metaphor used to describe these phenomena is "social capital." This term conceptualizes human relationships not in terms of their own intrinsic value but as being of value for an extraneous purpose, that is making the entire system function, which is thought of in economic terms. The term "human capital" does not convey the idea of human relationship for the sake of human relationship, but human relationship for the sake of social and economic goals.

Two of the most telling phenomena are the decline of informal social connections and the decline of social trust and reciprocity. The time and energy invested in friends, neighbors, and extended family has decreased considerably. For example, according to the DDB Needham Lifestyle Archive, the average American in the 1970s hosted friends at home 14 to 15 times per year, but by the late 1990s, that number had declined to 8 times per year, a drop of 45% in some 20 years (98). Work done by the Yankelovich Partners shows a decline of one-third in the openness of Americans to start new friendships. The percentage of Americans who report usually eating dinner together declined from 50% to 34% in the last two decades of the 20th century. According to the General Social Survey, between 1974 and 1998, the number of evenings spent socially with a neighbor decreased for both married and unmarried Americans by about a third.

There has been one kind of group that increased at this time—neighborhood watch groups but fewer people attend a neighborhood watch meeting than keep a weapon, a guard dog, or install extra locks in their home. That is, rather than turning to neighborhood relationships, they seek to establish their own security, a testament to how one-on-one relationships have been replaced with other means.

It should come as no surprise that there is also a well-documented decrease in social trust and honesty in the U.S. Polls have asked Americans standard questions about this topic for many years. For example, in response to the question “Do you think people in general today lead as good lives—honest and moral—as they used to?”, 50% in 1952 said yes while only 28% said so in 1998. There are questions as to why people are answering the way they are, but the surveys consistently point to a loss of trust in other people.

At the same time that social trust was decreasing, there was a marked increase in the number of lawyers and personnel in public and private security. In 1995, the U.S. “had 40%

more police and guards and 150% more lawyers and judges" than would have been forecast in 1970, based on population growth.

Both civic and religious participation are down. Membership in voluntary organizations such as the Boy Scouts, the American Legion, and the NAACP. These groups have local chapters and significant grassroots activity. For the first two-thirds of the 20th century, Americans became more involved in these associations, apart from the interlude of the Great Depression., but they have been steadily declining since the late 1950s. At the same time as these organizations have decreased, there has been a proliferation of mass-membership organizations typically headquartered near Washington D.C. They do extensive fundraising and are primarily involved in advocacy work seeking to bring pressure on the government. A good example is the AARP. Apart from writing a check for membership dues, less than 10% of its members belong to a local AARP chapter.

The drop in religious participation is notable. People of faith sense a spiritual crisis, but it actually fits the larger pattern in the U.S. of the loss of personal relationship and loosening bonds of community.

Putnam considers numerous explanations for this dramatic shift in our culture—the pressures of time and money, mobility and sprawl, technology and mass media, and generational changes potentially related to the historical event of World War II. He clearly has a preference for causes that can be quantified; hence he says nothing about a topic like technique as Ellul elucidates it. Technique is a global, totalizing phenomenon that can't be captured with a statistic or number.

I would like to suggest that the social changes Putnam elucidates are direct reflections of technique, especially technique in the economy. In particular, society has moved from one-on-one relationships to relationships between an individual and a larger institution, and this isolated people from one another and changed their perceptions of people.

Money Becomes Part of Technique

One of the intriguing judgments that Ellul makes about economic issues is how he subordinates the debate between capitalism and socialism to his greater concern about how technique has subsumed the economic area of society just as it has absorbed all human existence today. In his book *Money and Power*, with regard to pursuing a political or economic solution (such as capitalism or socialism) to modern problems, he argues that collective action based on social theories must be a secondary issue. The primary thing is "to understand the spiritual reality of forces or of institutions" (19).

He goes on to briefly discuss capitalism and socialism, and though his sympathies lie with socialism in the abstract, his final assessment is that "the differences between [the] systems look small" compared to their similarity, which is that both subordinate the individual to forces beyond any one person's control.

Ellul describes money in the same way he describes technique. He says that money has become complex, abstract, and impersonal.

Money is complex because it is based on

> … the total economy. We are well aware that money is closely linked to all economic phenomena, that it affects each of the others. We also know that an individual cannot earn or spend money without becoming part of the complex interplay of the larger economy. In reality, money is nothing but the symbol of the total economy. (9-10)

It is abstract, because one can no longer hold in their hands anything of value (and here he was speaking about paper money and coins).

Finally, it has become impersonal because

> … the use of money is not an individual act, does not signify personal control, but instead results from distant and complex interactions of which our acts are merely echoes. (10)

Ellul does not go into detail about how money has become complex, abstract and impersonal, but it is easy enough to flesh out his assessment.

The development and rapid growth of credit cards illustrates well Wilson's observation. The practice of buying on credit dates back thousands of years, but the establishment of credit cards can be traced back to the 1930s with the introduction of the Charga-plate bookkeeping system. Individual stores issued their own dog-tag style metal plates. Customers could use them only at the store which issued them, and the store was the lender. In the 1950s, the Diner's Club card was introduced, which was initially made out of cardboard. Users could charge their meals at participating restaurants in the New York area. The restaurant would sent their bills to Diner's Club, who would directly pay the charge at the restaurant's bank. Users were required to pay their bills in full every month.

At the end of the 1950s, the first cards were introduced which allowed consumers to carry revolving credit card balances. The popularity of credit cards rose in the 1960s and 70s. In 1970, 51% of American families reported having a credit card. By 1989, 70% did. In the 1990s, credit cards were easier to get as banks began to offer them to people who previously were perceived as high risk borrowers. In 1986, the retailer Sears offered the Discover card, which gave consumers small rebates on their purchases, and this also enticed more people to utilize credit cards for their financial dealings.

Crucially, credit cards have made our financial dealings impersonal and abstract. Before the modern era, a buyer might go to the local store and purchase something with a promise to pay the proprietor once the crops came in. If the buyer did not pay their debt, that directly harmed the store owner, but the transaction was at the level of a one-on-one relationship.

Today, I might go to the same kind of local store and buy something with a credit card. What happens if the buyer does not pay their credit card bill? First, the storeowner is not harmed. The bank that issued the credit card will pay that financial obligation. Second, what individual is harmed when the buyer does not pay their bill? There is no other specific individual that is harmed by the nonpayment. My small amount of nonpaid debt is miniscule compared to the sum total of financial transactions the credit card company handles. When credit cards are used, a very large corporation now mediates between the buyer and seller, and this affects the personal obligations between the two parties.

It is useful to tally up what is gained and what is lost in this arrangement. There is protection added for both the buyer and seller. Technique solves problem by adding size. What used to be a small thing, a simple transaction between two individuals, now becomes assimilated into a large corporation with millions of transactions. When one transaction goes awry, its impact is muted as long as the bulk of transactions do not.

Another gain for consumers is their access to easy credit. Before, an individual would need to go to another individual to ask for money in a time of need. Now it is very easy to finance purchases through credit cards. Credit card debt grew substantially post World War II, and banks have increasingly made credit cards available to a wider swath of the population, even those who are deemed credit risks.

The costs are there as well. We are placed under financial surveillance by credit rating agencies to determine our credit worthiness. Credit card monthly bills must be monitored and paid. New forms of theft and fraud have arisen that require a higher degree of vigilance. There is a cost for buyers and sellers when using credit cards.

I believe that most people would say that credit cards have benefitted their lives because they have increased their material wellbeing and have protected them in financial transactions, and both these things are true. Notice how we are also seeking protection from other people. However, the true costs are the reshaping of human relationships. Our dependencies have changed from one-on-one to depending on large institutions. And economic transactions, which previously were one-on-one are now mediated through large institutions, which tends to make ethical considerations diffuse rather than personal. We should expect there to be a decline in community and a lessening of trust in others, and this exactly is what Putnam has uncovered in his book, *Bowling Alone*.