1 Introduction
Capitalism, Class, and Virtue

In the last quarter of the nineteenth century, members of an established, English-speaking middle class built and consolidated a new category of work for themselves. Self-consciously upright men and women opened schools or took jobs as teachers in a rapidly expanding education sector. Respectable women, embodying ideas about middle-class femininity, took over healthcare, pushing out working-class midwives and nurses, just as the growing male-dominated medical establishment sidelined 'quacks'. Journalism grew into a major political force and developed new norms and techniques. Engineering, boosted by the expansion of railways, industrial mining, and manufacturing, drew on shop-floor knowledge to grow a distinguished, but also self-consciously practical, masculine elite. Lawyers joined with politicians on one hand and accountants on the other to design a legislative environment conducive to the flow of capital and knowledge, arrange for the transfer of property, including shares, and boost burgeoning political, literary, and scientific organizations with their lively sense that ideas could shape the world. Such ideas were also energizing charity organizations. Soon enough, charity workers professionalized into trained social work. These professions formed societies to set boundaries and manage standards, broadening earlier definitions of professional or learned vocation. No longer bounded so closely to religion, medicine, and law, professionals now embodied a broader faith that rationality – which they linked to race, class, and gender attributes – gave them moral standing. This belief was informed by the deep connection between the rise of the professional class and the growth of English-speaking settler colonial societies.

By doing this work and pursuing the social and collegial interests that went with it, members of what came to be 'white-collar', educated professions made themselves into a class. They became 'virtue capitalists' in that they invested a combination of virtue and money into society and the economy for the purpose of moral and financial profit. This placed them in a special relationship with those they deemed 'below' them. Morally, this was nearly everyone, even the aristocracy, though the social

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circumstances produced by settler colonization gave their work a pioneering quality. The British middle class who became settler colonial elites sought a social order on frontiers where race, class, and gender uncertainties disrupted smooth commercial and governmental operations.[1] Resolving the social order, according to their values, demanded a kind of expertise that they made into professions.

The professional class, which in the Anglo world grew fastest in the settler colonies and then later in Britain, emerged in relationship to the world they helped colonize. As historian Achille Mbembe has argued, colonizers and colonized co-constructed a mirrored relationship with one another.[2] The moral goals that the professional class attached to their work were built on the selves they saw in this colonial mirror. For them, education was especially crucial. It was the foundation for moral uplift, raising the level of 'civilization' in settler colonies consisting of First Nations peoples as well as Anglo and Celtic immigrants whose manners, norms, and hierarchies were often more dislocated than their ethnic identities.[3] Education was also important for elites, who grew ideals for a rational settler society founded on merit-based opportunity. The same merit structured the professions. It became the 'currency' in which professionals traded, rewarding and signifying hierarchies of class achievement. Often enough, however, 'rational' techniques were also used to exclude people whose race, class, or gender characteristics labelled them deviants and undesirables.

In this context, virtue was materially important. It made the work professionals did socially valuable. Accuracy, probity, efficiency, and discipline made business and share trading more reliable, allowed railways to function, and prevented mines from caving in. Patience, duty, and hygiene made nursing and social work more efficacious. Truthfulness and sometimes objectivity made journalism an effective, reliable conduit for information, while sobriety and discipline were core to good teaching. By the embodied performance of virtue as work, the professional class made the moral material, converting it into economic

[1] See Desley Deacon, *Managing Gender: The State, the New Middle Class and Women Workers 1830–1930* (Oxford: Oxford University Press, 1989). On everyday colonial uncertainties, see, of many, Catherine Hall and Sonya Rose (eds), *At Home with the Empire: Metropolitan Culture and the Imperial World* (Cambridge: Cambridge University Press, 2006); Antoinette Burton, *The Trouble with Empire: Challenges to Modern British Imperialism* (Oxford: Oxford University Press, 2017); Penny Russell, *A Wish of Distinction: Colonial Gentility and Femininity* (Melbourne: Melbourne University Press, 1994).

[2] Achille Mbembe, *On the Postcolony* (Berkeley: University of California Press, 2001).

[3] See Penny Russell, *Savage or Civilised?* (Sydney: NewSouth, 2010).

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stuff.[4] As the twentieth century unfolded, the moral and the economic became inextricably entangled. The professional class, as the owners of this moral matter, profited enormously by this, though their investment of virtue as capital was not wholly self-serving. Indeed, being virtue, it could not be. This was one reason the settler colonial project gave rise to the opportunity, though it hardly stopped at colonial borders.

By the mid-twentieth century, just as the world needed morality and money to recover from war and economic shock, these virtue capitalists ruled the world. Presiding over post-war reconstruction, the professional class redesigned the modern economy. They set about extending virtue into every corner of the world, establishing institutions and programs that they believed would end world hunger and disease, educate children everywhere, and assist decolonizing nations to 'develop'.[5] Decolonization, however, was not quite what they thought it would be. The global hierarchies established during the age of empire mirrored the merit-based hierarchies that structured the professional class. When decolonization turned hierarchies upside down, including those based on race, gender, and sexuality, this caused a moral crisis.[6]

After three decades, a combination of moral and economic crises in the 1970s precipitated the long fall of the professional-managerial class. A split between the expert and the managerial sides of this class was epistemological and economic. Dividing *knowing* from *doing*, new divisions over virtue have become battles for economic and political power. Real problems requiring expert judgment and action – some, like climate change, with potentially catastrophic consequences – have become sites of what amounts to a new class conflict.

This book uses US, British, Canadian, Australian, and Aotearoa/New Zealand occupation statistics *c.* 1870–2008 to give a transnational, bottom-up reconsideration of familiar events like progressivism, the

[4] A similar process is described in connection to international relations in Valeska Huber, Tamson Pietsch, and Katherine Rietzler, 'Women's International Thought and the New Professions, 1900–1940', *Modern Intellectual History* 18 (2021), 121–145.

[5] Among many, see Michael Barnett, *The Empire of Humanity: A History of Humanitarianism* (Ithaca: Cornell University Press, 2011); Glenda Sluga, *Internationalism in the Age of Nationalism* (Philadelphia: University of Pennsylvania Press, 2013); Jordanna Bailkin, *The Afterlife of Empire* (Berkeley: University of California Press, 2012); Agnieszka Sobicinska, *Saving the World? Western Volunteers and the Rise of the Humanitarian-Development Complex* (Cambridge: Cambridge University Press, 2021); Joy Damousi, Trevor Burnard, and Alan Lester (eds), *Humanitarianism, Empire and Transnationalism, 1760–1995* (Manchester: Manchester University Press, 2022); Eileen Boris, *Making the Woman Worker: Precarious Labor and the Fight for Global Standards, 1919–2019* (Oxford: Oxford University Press, 2019), 89–121.

[6] See Adom Getachew, *Worldmaking After Empire: The Rise and Fall of Self-Determination* (Princeton: Princeton University Press, 2019).

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growth of the welfare state, and the New Deal.[7] As well as statistics, it is grounded in archival sources for a sample of educated, white-collar professions in the Anglo world, including records, reports, and newspaper commentary concerning law, medicine, engineering, teaching, accountancy, nursing, social work, and journalism. These were selected for the opportunity they present to explore gendered distinctions between occupations and to cover the various fields of professional work. Occupations that are regrettably missing, such as pharmacy and surveying, were excluded to avoid imbalances towards medical science on one hand or technology on the other, for instance. Through the history of this collection of occupations, *Virtue Capitalists* shows that the professionalization of the economy was no mere transformation in occupation structure. Rather, it was deeply entangled with the history and structure of capitalism in the 'long twentieth century' (*c.* 1870–2008) in ways that expose the centrality of virtue to the global economy.[8]

The remainder of this introductory chapter provides historiographical and philosophical background to the book; if you are here for the history and want to skip to Chapter 2 to find out what happened, I will understand completely. Theory junkies: there are three key frames through which *Virtue Capitalists* needs to be understood, each with historical, philosophical, and sociological traditions. The first is about the political geography of twentieth-century capitalism, including imperialism, the emergence of world-systems, and tensions between the free market and what might be characterized as more 'protectionist' moral purpose. This section on professionals and capitalism explains, among other things, my focus on the Anglo world. The second frame is about virtue. From Aristotle, through Max Weber's Protestant ethic to R. H. Tawney's theology of capitalism, this section defines and historicizes virtue.

The third frame explored in this chapter is class. While historians and sociologists have recognized something 'classy' (so to speak) about the professions, exactly what this means for twentieth-century class formation has been deeply disputed.[9] Giving an overview of this historiography of the professions, from British social historian Harold Perkin through

[7] On transnational history, see, of many, Akira Iriye, *Global and Transnational History: The Past, Present and Future* (London: Palgrave Macmillan, 2012); Fiona Paisley and Pamela Scully, *Writing Transnational History* (London: Bloomsbury, 2019); Ann Curthoys and Marilyn Lake (eds), *Connected Worlds: History in Transnational Perspective* (Canberra: ANU Press, 2005); Pierre-Yves Saunier, *Transnational History* (London: Bloomsbury, 2013).

[8] This date range is adapted from Giovanni Arrighi, *The Long Twentieth Century: Money, Power and the Origins of Our Times* (London: Verso, 1994).

[9] For an overview of some of these disputes, see Geoff Eley and Kieth Nield, *The Future of Class in History* (Ann Arbor: University of Michigan Press, 2007).

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Marxists like Eliot Friedson and Margali Safatti Larson to Barbara Ehrenreich and John Ehrenreich on the professional-managerial class, I show why this book considers the professionals to be a class in and for itself in a Marxist-ish sense.[10] Doing so requires a small adjustment in the way we understand capitalism itself. By drawing virtue together with the processes that Marx first observed as conducive to class conflict, old forms of materialism meet the kinds of entanglements that are now sought by 'new' materialists who have come to prominence in the environmental humanities. The political implications of this reconsideration of class and capitalism, I hope, will help us resolve some of our most urgent problems.

Professionals and Capitalism in the Anglo World

In the late nineteenth century, a far-flung network of English speakers was consolidating into a global economic force. It was formed by a change in habits of British colonization, triggered by the American War of Independence around a century earlier. Historian James Belich calls this the 'settler revolution'.[11] European capitalism, which was growing through a combination of industrialization and colonial expansion, morphed – for the British at least – into settler colonialism. British settlers built new homes, enterprises, and identities westward from the American colonies, across the continent to the Pacific. Britons moved north and west, establishing what would become the provinces of Canada. While the United States was formally independent from the British global system, it remained deeply intertwined with the Anglo world, nevertheless. Economically, America was still connected by trade with Britain, and its enterprises, especially railways, were a key target of British investment. Socially, the United States was part of the same migration patterns that continued to shape Canada and the Antipodes. Culturally and politically America also shared ideas with the other settler colonies about progressive reform, rational government, and human capital investment.[12]

[10] Harold Perkin, *The Rise of Professional Society: England since 1880* (London: Routledge, 1989); Eliot Friedson, *Professional Dominance: The Social Structure of Medical Care* (Chicago: Atherton Press, 1970); Magali Larson, *The Rise of Professionalism* (Berkeley: University of California Press, 1977); Barbara Ehrenreich and John Ehrenreich, 'The Professional-Managerial Class', *Radical America* 11.2 (1976), 7–32.

[11] James Belich, *Replenishing the Earth: The Settler Revolution and the Rise of the Angloworld* (Oxford: Oxford University Press, 2009).

[12] Emily Rosenberg, *Spreading the American Dream: American Economic and Cultural Expansion, 1890–1945* (New York: Macmillan, 1982); Daniel Rogers, *Atlantic*

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In the Southern Hemisphere, the same British emigration patterns established what would become Australia and Aotearoa/New Zealand.[13] These places were not part of a unified Britain, exactly, but were a consequence of the same historical push and, thereafter, deeply connected. Settlers, institutional and governmental planners in each place looked to the others to see how they organized themselves and which values they would bring to self-government.[14] Later, when professionals began forming fledgling societies, often their first task was to write for details of what their colleagues were doing in the other Anglo colonies.[15] The colonies were so entangled in British minds that when Florence Nightingale sent one of her protégés, Lucy Osburn, to Australia at the government's request, Osburn took a book to orient herself. In 1867 she wrote to Nightingale that she 'was afraid' the stories, while entertaining, were about a different colony. It was so easy to get the colonies mixed up.[16]

Following the colonists as they spread from Britain to the periphery, historians also typically thought about settler colonialism as unidirectional: the 'whole periphery', Patrick Wolfe once noted, was significantly 'singular'.[17] Nevertheless, understanding capitalism as a 'world-system', as Immanuel Wallerstein put it, helps to see the Anglo world as an organism, or network, rather than as a set of economic comparators fulfilling some unidirectional model of capitalist progress. Wallerstein and other world-systems economists, especially Giovanni Arrighi, are important in this book. Their work, which extended Marx's

Crossings: Social Politics in a Progressive Age (Cambridge, MA: Harvard University Press, 1998); Marilyn Lake, *Progressive New World: How Settler Colonialism and Transpacific Exchange Shaped American Reform* (Cambridge, MA: Harvard University Press, 2019); see also Huber, Pietsch and Rietzler, 'Women's International Thought and the New Professions'.

[13] There was also, as Belich points out, a slightly more tentative tie to South Africa.

[14] Kris Manjapra, 'The Semi-peripheral Hand: Middle-class Service Professionals of Imperial Capitalism', in Christof Dejung, David Motadel, and Jürgen Osterhammel (eds), *The Global Bourgeoisie: The Rise of the Middle Classes in the Age of Empire* (Princeton: Princeton University Press, 2019); see also David Lambert and Alan Lester, *Colonial Lives across the British Empire: Imperial Careering in the Long Nineteenth Century* (Cambridge: Cambridge University Press, 2006).

[15] For a discussion of how this worked in medicine, and why we ought to look more transnationally rather than account for the rise of national systems, see Peter Hobbins and Kathryn Hillier, 'Isolated Cases? The History and Historiography of Australian Medical Research', *Health and History* 12.2 (2010), 1–17.

[16] Lucy Osburn to Florence Nightingale, 19 November 1867, Correspondence relating to nursing in Australia, Nightingale Papers, British Library, Vol.CLV/FF298.

[17] Patrick Wolfe, 'History and Imperialism: A Century of Theory, from Marx to Postcolonialism', *The American Historical Review* 102.2 (1997), 388–420. Quote from p. 397.

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understanding of the relations of production, labour, and dependence to empirical work on long-wave patterns of global capitalism, helps show why the settler revolution produced a professional class; this is central to Chapter 2.[18] For this reason, *Virtue Capitalists* does not see Aotearoa/New Zealand, Australia, Canada or even the United States as comparative 'case studies'. Rather, they are each a member of English-speaking 'webs of empire', working horizontally together, and often vertically with the British metropole to forge, despite their manifold differences, a systemic whole.[19] It is this whole that is the subject of *Virtue Capitalists*.

This Anglo world was founded on violent dispossession, where land theft in the settler colonies was the precondition to property ownership.[20] Black and Indigenous intellectual traditions, political theorist Robert Nichols shows, often frame this dispossession expansively to include dispossessed bodies, and dispossessed reproductive and sexual selfhood. Colonialism expropriated personhood, as well as property, and the interconnected society that was built from this theft was an economy that similarly consisted of economic and human matter.[21] Such a combination was not limited to the experiences of the colonized. Settler gains in property also consisted of both acreage and the construction of their own personhood. Whiteness, as Cheryl Harris famously claimed, became property, which settler colonists leveraged, like the land, for profit.[22] This was the grounding of the professional class. The world of ideas, techniques, discoveries, and legislative structures that the professional class shared across the Anglo world was constructed on the foundation of this property.

Colonialism forged hierarchical structures that continued to be important even when the British Empire was dismantled. Former colonies, dominated by people whose skin was not white, came to the fore in international discussions about inequality, welfare, and the global

[18] Immanuel Wallerstein, *The Modern World-System III: The Second Era of Great Expansion of the Capitalist World-Economy, 1730s–1840s* (Berkeley: University of California Press, 2011); Arrighi, *Long Twentieth Century*.

[19] John Darwin, *The Empire Project: The Rise and Fall of the British World-System 1830–1970* (Cambridge: Cambridge University Press, 2009); Tony Ballantyne, *Webs of Empire: Locating New Zealand's Colonial Past* (Wellington: Bridget Williams Books, 2012); Tony Ballantyne and Antoinette Burton, *Empires and the Reach of the Global 1870–1945* (Cambridge, MA: Harvard University Press, 2012); Alan Lester, *Imperial Networks: Creating Identities in Nineteenth Century South Africa and Britain* (London: Routledge, 2001).

[20] Glen Sean Coulthard, *Red Skin, White Masks: Rejecting the Colonial Politics of Recognition* (Minneapolis: University of Minnesota Press, 2014).

[21] Robert Nichols, *Theft Is Property! Dispossession and Critical Theory* (Durham, NC: Duke University Press, 2020).

[22] Cheryl Harris, 'Whiteness as Property', *Harvard Law Review* 106.8 (1993), 1707–1791.

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economic order, inspiring new ideas that would reverse long-held global hierarchies.[23] Their thinking influenced civil rights movements in the Anglo world and held up a decolonizing mirror to the professional class's own hierarchies, which this book discusses in Chapter 7. The history of colonialism, however, continued to define the Anglo world geopolitically. One cannot fail to notice the dominance of the Anglo settler colonies at the core of Wallerstein's world-system, where peripheral dependencies and 'semi-peripheral' countries (those with both core and dependent sectors) offer a large-scale facsimile of the class relations capitalism produced in factories, towns, and cities.[24] While the rest of Wallerstein's core was constituted by Europe and Japan, those regions are not included in *Virtue Capitalists*.

This is to do with the place of the settler revolution in the professionalization of the global economy.[25] As I will show in Chapter 2, while capital in the late nineteenth century emanated from Europe, the massive investment in human capital that generated the professional class was fastest and firmest in the English-speaking settler colonies. US-based economic historians have typically seen this as uniquely American, though, as we will see later, Canada, Aotearoa/New Zealand, and Australia were near-equal participants in the process. As time passed, this professional class came to dominate the world, including Europe, triggering massive global growth in higher education. From about the mid-twentieth century, European distinction from the Anglo settler colonies diminished, as I show in discussions about Britain. So, while other scholars may wish to extrapolate the changes that this book describes to Germany, Japan, or Scandinavia, I have not done so here.

The traditional centrality of Europe and the United States to studies of 'real' capitalism has kept the settler colonial world to a kind of scholarly periphery, despite its place at the core of Wallerstein's model. In past decades this tended to marginalize scholarly understanding of racial capitalism. Newer studies have reversed traditional imperial 'dependency theories' to show that colonial capitalism historically depended on two race-based forms of exploitation: slavery and settler colonialism. New histories of capitalism, emerging as the Great Recession exacerbated long-standing inequalities, have focused on the history of slavery to

[23] Getachew, *Worldmaking After Empire.* [24] Wallerstein, *Modern World-System III.*
[25] It is also arguably related to the great divergence; see Kenneth Pomeranz, *The Great Divergence: China, Europe, and the Making of the Modern World Economy* (Princeton, NJ: Princeton University Press, 2000).

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understand the racism systemically embedded in American capitalism.[26] This work has been expanded to demonstrate the legacies of slavery in Britain, South Africa, and the Antipodes.[27] Recognizing that slavery has 'afterlives' has been an important lens for understanding aspects of the history of professions, such as the historical exclusion of black nurses from healthcare work.[28] These legacies of slavery and colonial oppression also inform a long-standing alignment of racial exclusion with the system of merit, which is a key theme of this book, especially in Chapters 3 and 7.

The other way scholars have sought to understand racial capitalism is via a set of institutional, policy, and settlement patterns that Patrick Wolfe summarized as the 'logic of elimination'. This logic was central to his characterization of settler colonialism as a 'structure, not an event'. The logic of elimination is not – or, at least, not only – about the genocide of First Nations people and culture. Rather, building on Marxist critiques of imperialism, Wolfe argued that settlers were moved, by the logics of settler capitalism, to deploy a changing, flexible set of laws, policies, and cultural norms that would eliminate Indigenous claims to land and resources.[29] This logic continues to infuse First Nations and settler experience.[30] It means that we implicitly know that none of Nurse Osburn's reading on her ship to Australia recognized the sovereignty of those whose land and waterways were being permanently altered by the

[26] Of many, see Edward Baptist, *The Half Has Never Been Told: Slavery and the Making of American Capitalism* (New York: Basic Books, 2014); Walter Johnson, *River of Dark Dreams* (Cambridge, MA: Harvard University Press, 2013); Sven Beckert, *Empire of Cotton: A Global History* (New York: Vintage, 2015); Caitlin Rosenthal, *Accounting for Slavery: Masters and Management* (Cambridge, MA: Harvard University Press, 2018).

[27] Catherine Hall, Nicholas Draper, Keith McClelland, Katie Donington, and Rachel Lang, *Legacies of British Slave-Ownership: Colonial Slavery and the Formation of Victorian Britain* (Cambridge: Cambridge University Press, 2014); Emma Christopher, *Freedom in White and Black: A Lost Story of the Illegal Slave Trade and Its Global Legacy* (Madison: University of Wisconsin Press, 1988); Jane Lydon, *Anti-slavery and Australia: No Slavery in a Free Land?* (London: Routledge, 2021).

[28] Of many, see particularly Darlene Hine, *Black Women in White: Racial Conflict and Cooperation in the Nursing Profession, 1890–1950* (Bloomington: Indiana University Press, 2020).

[29] Patrick Wolfe, *Settler Colonialism and the Transformation of Anthropology: The Politics and Poetics of an Ethnographic Event* (London: Cassell, 1999); Patrick Wolfe, 'Settler Colonialism and the Elimination of the Native', *Journal of Genocide Research* 8.4 (2006), 387–409; Patrick Wolfe, 'Land, Labor, and Difference: Elementary Structures of Race', *The American Historical Review* 106.3 (2001), 866–905; Patrick Wolfe, 'Nation and Miscegenation: Discursive Continuity in the Post-Mabo Era', *Social Analysis: The International Journal of Social and Cultural Practice* 36 (1994), 93–152.

[30] Of many, see Chelsea Watego, *Another Day in the Colony* (Brisbane: University of Queensland Press, 2021), Emma Battell and Adam Barker, *Settler: Identity and Colonialism in Twenty-First Century Canada* (Halifax: Fernwood Publishing, 2015).

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capitalist expansions that her book, like so many other accounts of colonization, depicted as 'adventure'.[31]

This matters deeply, for the logics of settler colonialism were often embodied in professional work. Lawyers made and prosecuted oppressive laws and policies.[32] Teachers actively suppressed Indigenous knowledge and imposed forms of education that were sometimes so brutal that, for example, Canadian residential schools became long-unacknowledged gravesites for hundreds of Indigenous children.[33] Healthcare and social workers also worked under the logic of elimination, imposing policies of assimilation and segregation that facilitated the catastrophe known as Australia's 'stolen generations'.[34] Professional virtue, as it was understood until the 1970s, was culturally genocidal in an important sense. That is, while they often sought emancipation, teachers, social workers, and other professionals actively set out to 'destroy' Indigenous 'savagery' because it was incompatible with their notions of virtue.[35]

The big picture provided by world-systems theory, and, by extension, settler colonial studies, disguises a great deal of complexity. In the 1970s and 1980s, Marxist scholars, drawing on Louis Althusser, began to consider the social, as well as economic, which revealed the ways that historically specific, local capitalist development often contained remnants of earlier modes of production.[36] Such frameworks, which in this book help expose relations between the moral values of middle-class Britain and settler capitalism, bear a relation to economist Karl Polanyi's notion of economic 'embeddedness'.[37] In his 1944 book *The Great Transformation*, Polanyi observed that markets do not tend to equilibrate on their own, and we need to see the economy as part of a historical, rather than ideal, capitalist system.[38] His description of the 'double movement' of laissez-faire market systems versus protectionist

[31] Lucy Osburn to Florence Nightingale, 19 November 1867, Correspondence relating to nursing in Australia, Nightingale Papers, British Library, Vol CLV/FF 298.
[32] Among many, see Lisa Ford, *Settler Sovereignty: Jurisdiction and Indigenous People in America and Australia, 1788–1836* (Cambridge, MA: Harvard University Press, 2010).
[33] John Milloy, *A National Crime: The Canadian Government and the Residential School System 1879 to 1986* (Winnipeg: University of Manitoba Press, 2017).
[34] Peter Read, *The Stolen Generations: The Removal of Aboriginal Children in New South Wales 1883 to 1969* (Sydney: Government Printer, 1981).
[35] See similarly David Lambert and Alan Lester, 'Geographies of Colonial Philanthropy', *Progress in Human Geography* 28.3 (2004), 320–341.
[36] Louis Althusser, *On the Reproduction of Capitalism: Ideology and Ideological State Apparatuses* (London: Verso Books, 2014).
[37] See Tim Rogan, *The Moral Economists: R.H. Tawney, Karl Polanyi, E.P. Thompson and the Critique of Capitalism* (Princeton, NJ: Princeton University Press, 2017).
[38] Karl Polanyi, *The Great Transformation* (Boston: Beacon Press, 1985).

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counter-movements aligns in surprising ways with Barbara Ehrenreich's and John Ehrenreich's 1970s characterization of the 'professional-managerial class'. In their extremely influential essay (more on which in due course), the Ehrenreichs showed that since what American historians define as the 'Progressive Era' (*c.* 1890–1920), professionals have deployed moral and intellectual authority to *both* facilitate and oppose capitalism.[39] One thing that might explain this (but doesn't in fact, as I explain in the next couple of paragraphs) is via professionals' role on both sides of Polanyi's double movement.

From this perspective, Polanyian political economists Wolfgang Streeck and Colin Crouch offer, at least on the surface, one explanation for the 'fall' of the professional class, which I explore in Chapters 7 and 8 of this book. The 'rule of experts', which characterizes technocratic power in the *trente glorieuses* after the Second World War gives way, Streeck argues, to a strike back by capitalist interests after the 1970s. This reversal of Polanyi's double movement, fed at times by what Crouch defines as 'privatized Keynesianism', puts professional, technocratic interests on the back foot.[40] In the 1980s and 1990s, neoliberal reformers characterized the resulting changes as a matter of efficiency. They split ideal markets that were, at least in their imagination, naturally equilibrating away from what they characterized as inefficient, self-interested public services.[41] For Harold Perkin, this marked a class-like division in the society that was, by then, shaped by the 'professional ideal' – more on this in the section of this introduction on professionals as a class. As Third Way politics was then re-calibrating the British Labour Party, it seemed to Perkin that politics was now less informed by the economic divisions of *labour versus capital* than by those whose salaries were paid by *government versus the private sector*.[42]

Virtue Capitalists reconsiders this historiography by understanding the class consequences of acknowledging virtue – some virtue, at least – as an economic substance. Where Polanyi saw market logics embedded in society, this book sees professional virtue as *material*. This characterization enables a materialist exploration of its place in class formation.

[39] Ehrenreich and Ehrenreich, 'The Professional-Managerial Class'.
[40] See of many, Wolfgang Streeck, *Buying Time: The Delayed Crisis of Democratic Capitalism* (London: Verso, 2014); Colin Crouch, *The Strange Non-Death of Neo-Liberalism* (Cambridge: Polity Press, 2011); Colin Crouch, 'Privatized Keynesianism: An Unacknowledged Policy Regime', *The British Journal of Politics and International Relations* 11.3 (2009), 382–399.
[41] Among many, see Damien Cahill and Martijn Konings, *Neoliberalism* (Cambridge: Polity Press, 2017).
[42] Perkin, *Rise of Professional Society*, 472–519.

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Before I explain my reasoning, let me first acknowledge that not all virtue is economic. Neither moral acts nor virtuous personhood are necessarily economic. Similarly, while all economies are built on a set of moral values, which may be implicit or explicit, not all have structured virtue into the manner in which work is performed. Even work, often characterized as inherently virtuous, does not necessarily turn all the virtue that a good worker may bring to their job into economic stuff. That is, a worker may accrue money in exchange for their labour, but their work may not in fact produce morally good outcomes. Rather, virtue as economically significant matter was made historically, under the specific conditions described in this book, especially in Chapter 2. It is to this virtue that we now turn.[43]

Professional Virtue

Most intellectual histories of virtue start with Aristotle, who argued in Ancient Greece that virtue was key to happiness or well-being, meaning *eudaimonia*, or acting in accordance with the highest good. Virtuous people live well by seeking the eudaimonia itself, and all other goods (money, power, health, friendships) are thought to be worthwhile because they lead to or enhance well-being. To act virtuously is to flourish, in this scheme. Such a view of Aristotelian virtue makes good character central, rather than merely adherence to rules. A person becomes virtuous by cultivating virtues like courage, wisdom, prudence, and temperance and comes to do the right thing, for the right reason, at the right time, and in the appropriate way on the basis of their virtuous character, rather than because they are following rules or seeking out some good other than virtue itself. Practice and habituation are therefore central to an Aristotelian account of virtue: one becomes virtuous by becoming habituated to it. The practices of a virtuous character, according to Aristotle, enabled people to become their true self perfectly aligned with virtue. This in turn produced observably good things for themselves and for others, though sometimes virtuous acts could impede others' flourishing – something that this book shows was true of the professional class, too.

In *After Virtue*, philosopher Alasdair MacIntyre makes a distinction between the way these 'goods' have been imagined historically, as either internal or external. While Thomas Aquinas and other pre-modern Christian interpreters in the Aristotelian tradition saw the practice of

[43] Many thanks to Michael Champion for helping me think this through.

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virtue achieving and fulfilling natural morality at a spiritual, even supernatural level, this was internal to the self – though this too was an 'observable' good. At least, the well-being associated with virtue was internal to the virtuous person, even if it also resulted in the production of good things in the material world. For example, virtuous action could form friendships, result in better health, or increase one's resources; but since these external goods were not themselves the highest good, but only counted as good to the extent that they promoted well-being, it was 'internal' character and virtue that mattered.

By contrast, capitalist virtue produced something new. Here, happiness was not a matter of personal or spiritual becoming, but about success counted in economic terms. Moreover, the goods that virtue produced, now understood as material prosperity, were a matter of utility rather than the fulfilment of natural moral goods.[44] This kind of virtue nourished the professional class, at least in the first period described in this book, from around 1870 to 1945. Professional standards, as Chapters 2, 3 and 4 show, were primarily about good character. In the Anglo settler colonies, work performed by people of good character was not an Aristotelian end in itself but would, professionals believed, produce virtuous and prosperous outcomes for themselves and society.

This was a capitalist process. Chicago economist Deirdre McCloskey draws on the Aristotelian-Christian philosophical tradition to argue that the capitalist bourgeoisie – that middle, commercial class whose supposed superiority to aristocratic rule produced modern markets – is inherently virtuous.[45] McCloskey argues that bourgeois virtues, including love, faith, hope, and courage, are the foundation not only of commercial success but also of a good world, built from the kinds of capitalist accumulation that were forged on its basis. This positions bourgeois capitalism not as a historical structure but as a universal product of human becoming. She argues that undeniably horrific historical events, like slavery, are not a result of capitalism. Serving as an exemplar of the moral philosophy that political philosopher Jessica Whyte has shown underpins neoliberal conservatism, McCloskey says: 'No. Capitalism abolished slavery; early industrialism was an improvement on the idiocy of rural life; and imperialism and McDonaldization do not underlie the

[44] Alasdair MacIntyre, *After Virtue: A Study in Moral Theory* (Notre Dame, IN: University of Notre Dame Press, 1981).

[45] Deirdre McCloskey, *The Bourgeois Virtues: Ethics for an Age of Commerce* (Chicago: University of Chicago Press, 2006).

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prosperity of the first world and have not undermined the prosperity of the third world.'[46]

By contrast to such empirically and morally questionable claims, this book does not argue that the professional class were in fact moral, as I discussed briefly previously. Their virtue was real, but as the hundreds of children buried in the gardens of Canadian residential schools attest, the products of their work were frequently immoral. This does not, on the other hand, turn the professional class into hypocritical villains. There is little evidence that the professional class were typically faking their virtue – 'virtue signalling' is a slur, not a structure. Instead, in *Virtue Capitalists* I seek to understand the quality of the substance that the professional class invested in themselves and in settler society, and thereafter global capitalism. This was capitalist not because McCloskey declares virtue to be bourgeois, but because it was, as the remainder of this book will show, a matter of seeking social and economic returns on a moral and financial investment.

Its historical and theological limitations notwithstanding, Max Weber's *Protestant Ethic and the Spirit of Capitalism* provides a useful framework with which to understand this. Starting with Martin Luther, Weber argued, Protestants translated Christian calling to worship into a vocation to work. This brought work to the centre of human virtue. When such industriousness was performed in embodied, material reality, that work began to structure the modern economy. Work, combined with a Puritan suspicion of spending its rewards on revelry and trifles, produced profit, which became the evidence of virtue. These surpluses produced by work were saved and then reinvested into the economy, producing a capitalist *habitus*.[47] The 'mighty cosmos' this produced became coercive:

> The Puritans *wanted* to be men of calling – we, on the other hand, *must* be. For when asceticism moved out of the monastic cells and into working life, and began to dominate innerworldly morality, it helped to build that mighty cosmos of the modern economic order … Today this mighty cosmos determined, with overwhelming coercion, the style of life *not only* of those directly involved in business but of every individual who is born into this mechanism, and may well

[46] McCloskey, *The Bourgeois Virtues* a gloss on 'original accumulations, original sins', 512; see also Jessica Whyte, *The Morals of the Market: Human Rights and the Rise of Neoliberalism* (London: Verso, 2019).

[47] For discussion of 'habitus' as the word Weber used and what he really meant by the 'spirit' of capitalism, see Thomas Sokoll, 'The Moral Foundation of Modern Capitalism: Towards a Historical Reconsideration of Max Weber's 'Protestant Ethic', in Stefan Berger and Alexandra Przyrembel (eds), *Moralizing Capitalism*: *Agents*, *Discourses and Practices of Capitalism and Anti-Capitalism in the Modern Age* (London: Palgrave Macmillan, 2019), 79–110, habitus on p.94.

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continue to do so until the day that the last ton of fossil fuel has been consumed.[48]

While the capitalist process of consuming fossil fuels to produce and consume goods was launched by Puritan asceticism, it ultimately undermined their rejection of consumerism. The 'light cloak' of worldly possessions became, under the weight of the mighty cosmos the Protestant ethic produced, a 'shell as hard as steel', more famously translated by Talcott Parsons as an iron cage.[49]

The notion of professional virtue, like that of a Protestant ethic guiding capitalism, came to shape both individual work and the moral norms of the wider society, now inflected not just by a general category of 'work' but also by particular virtues taken to be unique to different professions. As Chapter 2 will show, these virtues were distinctive to each occupation. The kind of virtues that Weber associated with the Protestant ethic, such as sobriety, discipline, and efficiency, were converted to the more specific virtues that shaped each profession. Accountancy valued probity, engineering accuracy, nursing patience, and teaching temperance. The performance of this work extended to the settler colonial world, first. The collapse of old village-sized communities into what historian Robert Wiebe described as a 'search for order' in late nineteenth- and early twentieth-century America, encouraged the same settlers who were committed to the end of children's factory work to also commit to their industriousness in school.[50] This use of education as the pathway to virtuous success was not uniquely American. Rather, such investment in human capital – a result of the shared Progressive values across the transpacific 'new world', as historian Marilyn Lake has shown – was a key characteristic of the settler revolution. In *Virtue Capitalists*, I argue it was the precondition to the professional class.[51]

British economic historian R. H. Tawney affirmed, in rather more theological detail than Weber, that Protestant ideas about virtue shaped the kind of capitalism that the professional class came to dominate. While prosperity – 'external' virtue in the Aristotelian sense – undermined good character, the Protestant ethic made prosperity the evidence of

[48] Max Weber, *The Protestant Ethic and the Spirit of Capitalism* (London: Penguin, 2002), 120–121, emphasis in the original translation.
[49] Weber, *Protestant Ethic*, 121.
[50] Robert Wiebe, *The Search for Order* (New York: Hill and Wang, 1967). Claudia Goldin, "The Human-Capital Century and American Leadership: Virtues of the Past', *The Journal of Economic History* 61.2 (2001), 263–292.
[51] Lake, *Progressive New World*.

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salvation.[52] Like Weber, Tawney grounds this view in Calvinist predestination. In this theology, the identity of those destined for heaven was a mystery known only to God, but a hint of this celestial future was present in blessings on earth, including capitalist profitability. Tawney argued that this instilled in the Protestant middle class that first emerged, very little sympathy for the 'unworthy' poor who bore the consequences of the moral truism that 'if virtue is advantageous, vice is ruinous'.[53] This limited charity to a small proportion of the poor who were 'worthy', while the majority were merely living the consequences of vice. Soon, Protestants also resolved their initial Puritan aversion to consumption, which instead was now a good and necessary driver of virtuous industriousness. Profiteering too lost its suspiciousness. 'When duty was so profitable', mused Tawney, 'might not profit-making be a duty?'[54]

For the professional class, as this book argues, this relationship between virtue and success was subject to further historical change, though it continued to resemble many aspects of this Protestant ethic. As professional virtue emerged in the 1870s, there was no distinction between virtuous work and the good society that the professionals sought to build.[55] By the 1970s, as decolonization influenced international relations, many of the professional virtues were exposed for their complicity with unfair hierarchies. Traditional professional morality became the subject of vociferous criticism by Left-wing reformers like Ivan Illich; this is the subject of Chapter 7. This did not kill the Protestant ethic, however. On the contrary, the values that would later be disparaged by conservatives as 'virtue signalling' originated in this moment. Professional standards that, as Chapter 3 shows, excluded quacks and others on a system of merit that veiled race, class, and gender characteristics were reversed in the 1970s. Then, race, class, and gender *inclusion* became virtues that proved that professional merit was working. Virtue, still needed to help the buildings stay up, patients recover, and students learn effectively, was performed but was increasingly disaggregated from the self. No longer grounded in good *character*, virtue was externalized and became measurable and explicit. Crucially, for what happened next, this also made virtue subject to managerial audit.

[52] This is not to say that all Protestants were committed to prosperity theologies, nor that the phenomenon was in fact confined to Protestant believers.
[53] Richard Tawney, *Religion and the Rise of Capitalism* (London: Penguin, 1926), 244.
[54] Tawney, *Religion and the Rise of Capitalism*, 244; Rogan, *The Moral Economists*.
[55] See Stefan Collini, *Public Moralists: Political Thought and Intellectual Life in Britain 1850–1930* (Oxford: Clarendon Press, 1991); Richard Overy, *The Morbid Age: Britain and the Crisis of Civilisation 1919–1939* (London: Penguin, 2009).

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The Protestant ethic was not only reversed, in the latter part of the twentieth century, by those aligned to the political Left. Conservative neoliberals, especially Milton Friedman, argued virtue veiled rent-seeking in ways that impeded the natural flow of profit. Additionally, amidst the massive growth of managers tasked with leading business to work 'smarter, not harder', success became the only virtue that mattered. In the age of managerialism, this ethic was not confined to capitalists (defined as those seeking return on investment, now dominated by shareholders rather than Rockefeller-like captains of industry) Rather, it also infused the behaviour of a growing managerial class.

The managerial side of the professional-managerial class – those responsible for strategy and resource allocation – began to split away from the application of professional expertise in the 1980s. In place of the long, respectable alliance between professionals and managers, a flamboyant, hyper-masculine, entrepreneurial style of manager acquired a new set of ethics that resembled nothing so much as the late Puritanism that Tawney described. This not only discarded the traditional virtues that had built the professional class but also narrowed their focus to economic, rather than moral, success. The rise of prosperity gospels, forging evangelical faith traditions deeply connected to this style of capitalist personhood, seems on the surface a barely recognizable inheritance of Puritan asceticism.[56] And yet observe the similarity between Gordon Gecko's 'greed is good' speech in the 1987 film *Wall Street* where 'greed clarifies, cuts through and captures the essence of the evolutionary spirit … [and] has marked the upward surge of mankind' and Tawney's description of late Puritans:

> The qualities which less enlightened ages had denounced as social vices emerged as economic virtues. They emerged as moral virtues as well. For the world exists not to be enjoyed but to be conquered … For such a philosophy, the question, 'What shall it profit a man?' carries no sting. In winning the world, he wins the salvation of his own soul as well.[57]

As Chapter 8 discusses, this professional-managerial split had economic as well as ideological drivers. The resulting two versions of the Protestant ethic, one based on virtuous inclusion and the other on success as the only virtue, define many aspects of class conflict today.

Before we get to this new class conflict, we need to first consider the aggregate effect of the Protestant ethic on the ideal of a rational society.

[56] See Kate Bowler, *Blessed: A History of American Prosperity Gospel* (Oxford: Oxford University Press, 2018), 9.

[57] Tawney, *Religion and the Rise of Capitalism*, 247; Oliver Stone (director), *Wall Street*, Twentieth Century Fox, 1987.

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The constellation of virtues that the professional class embodied sought the kind of rational society that Weber associated with the European Enlightenment. This rationality translated, in the Anglo settler revolution, to a merit-based system of governmentality that favoured professional expertise. By governmentality I mean something close to that defined by Michel Foucault: institutions and knowledge systems that asserted expert authority in such a way as to encourage people to internalize its discipline.[58]

In the mid-twentieth century, this enabled the professional class to rule the world. In Chapter 5, I draw on Giorgio Agamben's theological characterization of the capitalist economy. In his *The Kingdom and the Glory*, Agamben extends Foucault's governmentality to consider the reasons this constellation of practices was translated into economy. This enables my analysis to go beyond Weber's characterization of the bureaucratic iron cage of rationality. Rather, it shows that bureaucratic government was the means, not the end, of the 'angelic' role which sought to 'glorify', to use Agamben's theological terms, expert rationality asserted in *both* business and government.[59] This is important. It underpins one of this book's key contributions, which is that regardless of public or private sector, enterprise structure, or even the profit motive – that is, without recourse to any of the ways that Marxist scholars have traditionally understood the capitalist 'means of production' – the professionals nevertheless constituted a class in capitalist terms.[60]

The Professional Class

Much scholarly literature on the history and sociology of the professions, and the middle class that housed them, argues that they do not, in fact, constitute a class. British social historian Harold Perkin, for example, argued that a 'professional society' emerged just as English 'class society', at its zenith between around 1880 and the Great War, was in decline. After the war, Perkin argued, a new 'social ideal' based on the utility of service to society, restructured English hierarchies into a system based on merit rather than an older sense of class that was frequently seen to be

[58] Among others, Michel Foucault, *The Birth of Biopolitics: Lectures at the College de France, 1978–1979* (London: Palgrave Macmillan, 2008).

[59] Giorgio Agamben, *The Kingdom and the Glory: For a Theological Genealogy of Economy and Government* (Stanford, CA: Stanford University Press, 2011).

[60] This is contrary to Jürgen Kocka's claim that the European middle classes were never a class in the Marxist sense due to this diversity in their relations to the means of production; see Jürgen Kocka, 'The Middle Classes in Europe', *The Journal of Modern History* 67.4 (1995), 783–806, specifically p.785.

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'natural', or even God-given.[61] Hierarchy was not class, Perkin correctly said, and it applied far beyond the professions themselves. Professionals ruled the system of merit, which was increasingly used to educate and value people and occupations 'much farther down the social pyramid than ever landlordship or even business capital did'.[62]

While this system supplanted a caste system with roots that were much older than capitalism, merit-based hierarchy did not eradicate class, though Perkin was a little vague on how it now worked. Industrialism produced a capitalist class, he said, and the working class also continued to exist, though both were increasingly influenced by the professional ideal. Professionals themselves were also sometimes designated as a class in Perkin's work. Despite this class-like status and influence, the professionals were not 'just another ruling class', though Perkin feared that some would like to be.[63] In Perkin's estimation, a key characteristic of the professionals as a class was that they veiled their class interests, largely by denying the existence, or importance, of class at all. This was about their legitimacy, rather than their universality. Professional expertise leaned on objectivity and merit: admitting self-interest destabilized their claims and undermined their self-interest.[64] The economic crisis of the 1970s nevertheless exposed this, as Chapter 7 discusses.[65]

This allowed merit, which the professional ideal deemed to be objective, to structure a more rational society, focused on utility.[66] This all sounded good, except merit came with a sting in its tail: merit was not equally available to everyone, and it was often determined by pre-existing class status.[67] While some professionals continued to actively exclude people who were not already middle class, the logic of the professional ideal encouraged the expansion of merit until it nearly engulfed all people.[68] By the publication of *The Rise of Professional Society* in 1989, toward the end of the long reign of conservative neoliberal Prime Minister Margaret Thatcher, Perkin was persuaded that under the

[61] Perkin, *Rise of Professional Society*, 27–61. [62] Ibid, 3. [63] Ibid, 116–170.
[64] Lorraine Dalston and Peter Galison, *Objectivity* (New York: Zone Books, 2007).
[65] This was part of the 'legitimation crisis' that both Habermas and Lyotard saw; see Jürgen Habermas, *Legitimation Crisis* (Boston: Beacon Press, 1973); Jean-François Lyotard, *The Postmodern Condition: A Report on Knowledge* (Manchester: Manchester University Press, 1984).
[66] In this sense it was conceptually related to taxation, see Martin Daunton, *Trusting Leviathan: The Politics of Taxation in Britain, 1799–1914* (Cambridge: Cambridge University Press, 2001).
[67] In fact, as Peter Mandler points out, the idea that merit would be evenly spread through society at all is an interesting political question; see Peter Mandler, *The Crisis of the Meritocracy: Britain's Transition to Mass Education Since the Second World War* (Oxford: Oxford University Press, 2020), 73.
[68] Perkin, *Rise of Professional Society*, 1–26.

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influence of the professional ideal, almost the only remnants of class conflict, expressed politically, were now to be found in whether one worked for the private, or public sector.[69]

Perkin was not alone in wondering what the rise of a professional class might mean for class relations. In 1974, sociologist Anthony Giddens described a process he called 'class structuration', which saw classes as constantly in formation, subject to power and institutional domination. This confluence of structure and agency, he argued, was particularly apposite to the recent expansion of the professions. Like Perkin, Giddens suggested that class consciousness was not only about sharing an understanding of self-interest in relation to others but also, as in the case of the professional class, a shared belief that class did not exist or was irrelevant. This obfuscation of their own class interests served what he and others were starting to call the 'new' middle class.[70]

This in turn discouraged scholars from exploring any material foundations to professional class relations, in part because many believed the professionals did not have any material relations to speak of. What seemed extraordinary to Harold Perkin was held in common by many others: in capitalist society, professional experts achieved class and economic power without producing anything. It was this that led Perkin, mistakenly in my view, to believe that the power of the professional class was ideological, not material. Perkin was liberal, though there were plenty of Marxists who agreed. Political economist Nicos Poulantzas called their work 'unproductive', for they did not typically even *supervise* production. Poulantzas characterized the professionals as a 'new petty bourgeoisie'. He meant that the social conditions that gave rise to those who perform 'mental labour' were not the same as for the working class, even if their relation to the means of production was similar.[71] Ideological influences not only forged the type of work professionals did, it also underpinned their authority, their 'ideological domination over the working class'.[72]

Marxist sociologists and historians began to explore this ideological domination in more specific ways, usually in relation to particular

[69] Ibid, 472–519.

[70] Anthony Giddens, *The Class Structure of the Advanced Societies* (London: Hutchinson, 1980).

[71] Geoff Sharp, articulating in 1964 what would become known as the 'Arena Thesis', argued that this class was in fact *responsible* for these conditions, but by separating power from knowledge in universities they bore the potential for protest and resistance, see Raewyn Connell, 'Theorizing Intellectuals', *Arena Journal* 45/46 (2016), 12–27.

[72] Nicos Poulantzas, 'The New Petty Bourgeoisie', *The Insurgent Sociologist* 9.1 (1979), 56–60, quote p.60.

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occupations, such as Eliot Friedson's study of medicine. Friedson argued that the organization of healthcare assured medicine's 'professional dominance', a kind of monopoly that gave doctors power over patients. This, he argued, was extended to other professions that relied on expertise. Terence Johnson's *Professions and Power* similarly argued that expert work was a matter of social control.[73] Margali Sarfatti Larson's 1977 *Rise of Professionalism* drew on Polanyi's double movement to argue that many occupations professionalized to shelter their market from competition, which also helped them retain their ideological authority.[74]

Andrew Abbott's *System of Professions*, published more than a decade after the spate of 1970s criticisms, reconsidered this sociological tradition to explore the professions through the lens of complex systems analysis. He saw professional power less as straightforward monopolies and more as a network of occupations that enclosed knowledge systems or used authority to claim jurisdiction over certain fields. The result was less *medical* dominance and more a specialized, competing market where fields like child behaviour, for example, might variously – over time, mostly – fall under the authority of education, law, psychology, or medicine.[75]

By considering the economic dominance of professional expertise, gained as a kind of social power, scholars foregrounded work on class-as-discourse that Patrick Joyce framed as 'vision', Gareth Stedman Jones and William Sewell saw as 'language' and a growing cohort of Foucauldian scholars saw as 'power'. These, like Giddens' earlier work, sought to expose the discursive, or ideological, purposes of knowledge, expertise, and objectivity in late capitalism.[76] Such attention to structures of meaning and agency turned scholarly attention from class as an economic phenomenon to inequality as a set of sociocultural meanings. Although Pierre Bourdieu's theories of cultural and social capital were markedly different to Foucauldian forms of power, understanding class via 'taste' offered a framework that seemed to make better sense to many

[73] Terence Johnson, *Professions and Power* (London: Mcmillian, 1972).
[74] Larson, *Rise of Professionalism*.
[75] Andrew Abbott, *The System of Professions: An Essay on the Division of Expert Labor* (Chicago: University of Chicago Press, 1988).
[76] Patrick Joyce, *Visions of the People: Industrial England and the Question of Class* (Cambridge: Cambridge University Press, 1994); Gareth Jones, *Languages of Class: Studies in English Working-Class History 1832–1982* (Cambridge: Cambridge University Press, 1983); William Sewell, *Work and Revolution in France: the Language of Labor from the Old Regime to 1848* (Cambridge: Cambridge University Press, 1980); of many, see Colin Jones and Roy Porter (eds), *Reassessing Foucault: Power, Medicine and the Body* (London: Routledge, 1994).

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scholars.[77] For scholars of the middle class, Bourdieu's framework offers a way of understanding the centrality of consumer norms to class identity.[78] In this book, all these systems of authority, language, power, jurisdiction, and taste are at work. This is not just a matter of theoretical promiscuity on my part. Rather, all of these operate as important signifiers and operators of the professional class. None of them, however, are causal or material in the way that I am concerned with here. While the professional class signalled their membership by distinct consumption patterns, cultural practices, and discursive deployments of expert authority and power, I argue that it was constituted more fundamentally through its relation to a set of material conditions that I describe earlier as virtue capitalism.

To consider the materiality of the professional class, this book draws on Barbara and John Ehrenreich's classic work on the professional-managerial class.[79] This was a product of the New Left moment. The Ehrenreichs argued that the professional-managerial class had an 'antagonistic relationship' to wage earners, which excluded them from the working class. Nor were they a 'residual' class, the last remnant of the older petty bourgeoisie as Poulantzas had defined them, since they emerged on their own terms at the turn of the twentieth century. This historically specific understanding of the professional-managerial class was grounded in class 'as a relationship not a thing', to use E. P. Thompson's phrase, which arose out of the 'social division of labour'.[80] The Ehrenreichs' descriptor, 'professional-managerial', was evocative of professional expertise as a knowledge system and as management as a mechanism of authority, control, and action, in colonial settings but also in class, race, and gender-based superiority. It combined knowing and doing: 'professionals usually have administrative responsibilities', clarified Barbara Ehrenreich in *Fear of Falling*, 'making them part of management'.[81] In this book, the combination of knowing and doing, and an alliance between the professional and managerial, was key to the rise of the professionals as a class.

[77] For a contemporary example, see Mike Savage, *Social Class in the Twenty-first Century* (London: Penguin, 2015).

[78] Pierre Bourdieu, *Distinction: A Social Critique of the Judgement of Taste* (Cambridge, MA: Harvard University Press, 1984); for example, Mike Savage, *Identities and Social Change in Britain since 1940: The Politics of Method* (Oxford: Oxford University Press, 2010).

[79] Ehrenreich and Ehrenreich, 'The Professional-Managerial Class'; Barbara Ehrenreich and John Ehrenreich, 'The New Left and the Professional-Managerial Class', *Radical America* 11.3 (1976), 7–24.

[80] Ehrenreich and Ehrenreich, 'The Professional-Managerial Class', 12.

[81] Ehrenreich, Barbara, *Fear of Falling: The Inner Life of the Middle Class* (New York: Pantheon Books, 1989), 12.

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Barbara Ehrenreich and John Ehrenreich further explained in class terms the ways that professionals asserted expert power over both the working class and at the same time expressed moral opposition to capitalist elites.[82] Both observations were central to the moral crisis of the 1970s, though the Ehrenreichs saw this as part of the intellectual milieu of the New Left, not as a product of a materialist history itself. It is at this point that *Virtue Capitalists* departs from the Ehrenreichs' theory of the professional-managerial class. They described the objective social and historical existence of the class (for itself, as it were) but they did not see it as participating in the production of anything. Building on their insightful characterization of professional class ideology, I extend this further to consider the moral as a material mirror to colonialism. This will help show why, among other things, the professional and the managerial sides of the middle class split up, so very soon after they were discovered, by the Ehrenreichs, in bed together.

Material Virtue

Here is where we must bring the discussion on class and virtue together to consider the economic materiality of professional virtue, which has been made historically. This historicity matters (both as a pun on matter, but also as the causal trigger) because morality is not automatically grounded in the material production of economic value. When busy work in general was deemed the solution to the devil's influence on idle hands, this did not make the virtue of that work material. Nor were the virtues valued by Aristotle in themselves material stuff, for virtue was realized in contemplation rather than politics. Prudence and temperance might indeed have helped a person become their best self, but neither necessarily became entangled in the economy as a result. Professional virtues, by contrast, did become material – both in the sense of becoming tangible, embodied matter and also by being subject to economic exchange. This was not just because the professional class wanted them to, which they did. Rather, professional virtue made a material difference, producing economic value.

This was related to the performance of work. When philosopher Judith Butler drew on Merleau-Ponty to consider the body as 'a set of possibilities', she sought to understand how ideas about gender were materialized.[83] By performing gender, it became, as Simone de Beauvoir had

[82] Ehrenreich and Ehrenreich, 'The Professional-Managerial Class'.
[83] Judith Butler, 'Performative Acts and Gender Constitution: An Essay in Phenomenology and Feminist Theory', *Theatre Journal* 40.4 (1988), 519–531, quote from 521.

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phrased it, a 'historical situation'.[84] As we will see in the remainder of this book, professional virtue was also performed in this sense. Virtues were declared, enumerated as standards, and formalized into a system of merit as the professional class brought themselves into being. By performing these virtues, professionals spread across every town and city in the Anglo world and brought those virtues into the world in which they worked. As occupations professionalized, they imagined these virtuous attributes inhered in a person's character, as if the class of people from whom the professions were built were fundamentally pure, dutiful, and temperate. As Chapter 3 of this book will show, this helped the professions select for class, gender, and race characteristics that built merit on the basis of exclusion, and structured hierarchies that mirrored the colonial order.

In this sense, professional virtue also extended beyond the 'internal' good that Alasdair MacIntyre described in his discussion of the Aristotelian virtues. When doctors, accountants, and teachers performed virtue, they did much more than build their own character. Another philosopher, Karen Barad, helps here. Barad extends Judith Butler's characterization of gender performativity as a set of embodied acts to describe the entanglements of nature and culture that are required to make matter into a social and scientifically study-able substance. 'Matter, like meaning', she says, 'is not an individually articulated or static entity. Matter is not … passively awaiting signification … It does not require the mark of an external force like culture or history to complete it. Matter is always already an ongoing historicity'.[85] This is all very well for matter, perhaps, but how does this make *virtue* into economic stuff?

If patience and purity remained mere declarations, nurses would not have been as successful in caring for the sick and injured. Similarly, other professions performed their virtue in ways that made a material difference to the efficacy of engineered work, the accuracy of financial reporting, and the information available to the democratizing public. Virtue was not only an idea, or an inner possession, but also was, to use Barad's phrase, 'material-discursive'; brought into being by performance and then capitalized – invested – for social and economic profit. This helps connect the material world understood as matter, to materiality understood as economic activity. 'The chief defect of all hitherto existing materialism', Marx argued in his *Theses on Feuerbach*, 'is that

[84] Butler, 'Performative Acts', 519.
[85] Karen Barad, 'Posthumanist Performativity: Toward an Understanding of How Matter Comes to Matter', *Signs: Journal of Women in Culture and Society*, 28.3 (2003), 801–831, 821.

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the thing, reality … is conceived only in the form of the *object* … not as *sensuous human activity, practice*'.[86] Human practice, or activity, was central to Marx's politics: Thesis XI famously states that 'philosophers have only interpreted the world … the point is to change it'. Human activity also underpinned Marx's economics, where work was the foundation of capitalist value.[87]

In *Virtue Capitalists*, the rise of the professional class was accomplished through the performance of virtue in this embodied, and then material, sense. Performing professional virtue as work created value, which the professional class saw – and made – into a kind of profit that they saw as both economic and moral. 'What shall it profit?', they saw, was simultaneously a moral and economic question. The profitable answer that they sought combined the types. Investing the work of their virtuous selves – not just the effort of a generic Protestant ethic, but the specific virtues of the Anglo professional class – would bring moral and economic profit to themselves and to capitalist society. Though this value was created by work, this did not make them, typically, workers, in the sense that Marx sought to capture.[88] As a class, the professionals became virtue capitalists. At least, at first.

I have already mentioned the relationship between expert knowing and doing. There is, as philosopher Jean-François Lyotard pithily described it in his 1979 essay *The Postmodern Condition*, an epistemological distinction between the observation that 'the door is closed' and the imperative to 'open the door'.[89] Lyotard thought that undermining this distinction threatened (which was mostly a good thing) the legitimacy of the present regime, grounded in rational objectivity. An instinct about this legitimacy may underpin the professional class's tendency, as Harold Perkin and others observed, to obfuscate their class interests. Acknowledging even their existence as a class endangered professional authority, based on their 'objective' expertise, which seemed less reliably objective when connected with class interest. This legitimation crisis, as Jürgen Habermas defined it, emerged from the inflationary conditions of the 1970s, as I discuss in Chapter 7 of this book.[90] The economic shocks of

[86] Karl Marx, *Theses on Feuerbach* Thesis I. www.marxists.org/archive/marx/works/1845/theses/theses.htm Accessed 27 September 2021.
[87] Marx, *Theses on Feuerbach*, thesis XI; Karl Marx, *Capital Vol. 1* (Harmondsworth: Penguin Books, 1976).
[88] Later chapters will discuss the ways that the value that they produced was extractive – extracting value from those they saw as 'below' them – and only sometimes properly generative, by producing human capital, though this too was achieved on the back of the free labour of children and others via schooling: Chapter 5 explores this.
[89] Lyotard, *Postmodern Condition*. [90] Habermas, *Legitimation Crisis*.

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the 1970s were inseparable from the moral shocks that rocked the professions, mostly because the moral and the material were entangled components of the same economic system.

While this transformed the structure of virtue, the fall of the professional class, which commenced in the 1970s and accelerated in the subsequent decades, was not really a result of the legitimation crisis. Rather, the rift between professionals and managers was historical. A shift in virtue where professions now sought to re-legitimize merit based on inclusion rather than exclusion, clashed with the new ethical paradigm embraced by managers, for whom success became the only virtue that mattered. With the professions growing rapidly, but not as rapidly as management, a tried-and-tested managerial technique ultimately assured the fall of the professional class: deskilling.

Deskilling is one of the consequences of the specialization of labour. In a factory, for example, reducing task size and complexity was a common method for reducing wages. A similar process applied to white-collar workers, as C. Wright Mills showed in his 1950s study of office work.[91] This 'lumpen bourgeoisie', Mills perspicaciously argued, borrowed from the old prestige of medicine and law but were swindled into roles with little power or material reward.[92] Their exploitation worsened as the professions expanded.[93] Having rejected the idea that professional virtue inhered in the person, the old virtues that once manifested as individual character were turned into auditable lists of ethics and skills. Paperwork assuring 'transparency' meant that professionals of all types found themselves filling in forms where they would once have performed their virtue. Such transparency made the system of merit, resource allocation, and work autonomy open to managerial control and moral deskilling. The resulting audit culture, with metrics for everything, kept the ascendant managerial class in power.

However, there was only so much control that the managerial class could assert over professional expertise, which still relied on virtue and therefore unavoidably retained an ever-diminishing autonomy. This book concludes by showing the ongoing conflict between the managerial and the professional classes. Each class wants and believes it has a moral responsibility to run the world. Though they once did this together, they sometimes behave as if excluding the other is more important than the

[91] C. Wright Mills, *White Collar: The American Middle Classes* (Oxford: Oxford University Press, 2002).
[92] 'Lumpen bourgeoisie' is from Mills, *White Collar*, 32.
[93] Nicholas Abercrombie and John Urry, *Capital, Labour and the Middle Classes* (London: Routledge, 2015).

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things at stake, like preventing climate change. This is class conflict, driven by irresolvable divergent values and systems of accumulation. Unlike the kind of class conflict Marx believed would inevitably bring about social and economic transformation, this 'intra-bourgeois' conflict over who gets to be prime technocrat presents a truly critical problem.

The Structure of This Book

My argument is presented chronologically, in three parts. Part I – *c.*1870–1945, encompassing Chapters 2–4 – shows the making of the professional class and the ways they built a 'currency' with which to value their work. It also shows how professionals actively industrialized some aspects of professional activity to expand its influence in the Anglo economic sphere.

In this part, Chapter 2 explores the patterns of late nineteenth-century global capitalism through which a progressive, moral middle class built a system of professions. It uses the 1880s Melbourne land boom to show the sustained effect of the 'great heaves' of investment from the City of London into Australia, Canada, and the United States. This financializing economy, unlike earlier, short-term bubbles like Chicago's in the 1830s, stimulated the global expansion of professional occupations. Older moral values infused the professions across the Anglo world as they grew and institutionalized. Retaining capitalism's model of return on investment, the professional class made investment in humans the central professional ideal. Their class status was often concealed beneath layers of rationality and claims to expertise, but in the settler colonies they transformed capitalism into a form of moral investment for social return in ways that served their own interests first. As part of a global bourgeoisie, these transformations at the periphery of the Anglo world were soon also felt in the British metropole.

Chapter 3 describes the emergence of merit as a store of value. For professionals, merit was first earned and demonstrated in educational contexts, then 'cashed in' for access to professional pathways. There, further merit was accumulated doing virtuous work, and rapidly reinvested in advancement upwards. Each step on the career ladder was 'earned' by demonstrating one's increasing merit, and directly translated into material and social benefits. Across the Anglo world, the professional class expected that merit would help them avoid some of the 'old corruption' that many attached to British aristocratic traditions. Merit, however, was not the result of overblown settler claims to egalitarianism. Instead, merit was built from conceptions of virtue that were already deeply gendered and which were becoming entangled with

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emerging ideas about race. As merit became the currency with which the professional class purchased and managed their influence, this systematized multiple, intersecting forms of inequality. As they structured career ladders into their respective occupations, the professional class also built a ladder through society, so that each person's class and financial status, from the wealthy and influential to the poorest and most marginalized, seemed to be earned. This opened the opportunity for the professional class to extract moral and financial value from women, people of colour, and the working class, bolstering their own status and solidifying their class identity.

Scholars have often considered salary-earning professionals as workers since they did not own the means of production and, from the 1920s onwards, were subject to increasingly 'scientific' management. Professionals were not always salary earners, however. In the late nineteenth and early twentieth centuries, professionals tended to own small businesses. Some still do, though, as Chapter 4 shows, over the course of the twentieth century, professionals moved into ever-larger enterprises where they more often occupied the role of salaried employees than business owners. Early professional businesses included individual medical and accountancy practices, small legal partnerships, independent local newspapers, and engineering consultancies. Women, too, owned small schools and nursing homes or home-based private hospitals where they cared for the sick, or they worked on their own account. The transformation of the professional class from small, bourgeois business owners to a large salaried workforce has been poorly documented and theorized. This chapter remedies that, reconsidering the trajectory of professional work towards ever-larger, even industrializing, institutions. I argue that, even when salaried, the professional class retained the model of moral capitalization they had built – using merit – into their original bourgeois businesses. They supported the expansion of the enterprises in which they worked, even their industrialization, because it expanded their influence. This not only presented little threat to class identity; it extended virtue capitalism into every corner of the Anglo world.

Part II of this book – *c.*1945–1975, including Chapters 4 and 5 – considers the professional class at the height of their power. Chapter 4 considers the alliance of the professions with the state and their role in building universal industriousness, or a modern Protestant ethic, into the global economy, while Chapter 5 explores the 'classy' nature of professional work and organization.

By the end of the Second World War, the professional class presided over a massive alignment of national and global institutions with virtue capitalism. This global 'welfare state' moment makes it seem that virtue

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capitalism went hand in hand with state control. However, professionals were often ambivalent about their connection to the state. When Canada first ventured into nationalized healthcare, for example, doctors in Saskatchewan went on strike to avoid it. Despite such examples of rejecting government interference, which many professionals feared might impede the integrity of their work, Chapter 5 shows that professionals were nevertheless central planners at heart. Central planning expressed an epistemology grounded in a moral relationship between knowing and doing, where they sought to use expertise to effect material change in the world and in individual lives. Such technocratic planning was fundamentally moral, embedding into mid-twentieth century capitalism the internalized, disciplining practices known as governmentality. Professionals were, to use Giorgio Agamben's theological framing of the governmental economy, *angels of the state*. The massive investment in human capital entangled industry, military, and higher education but, perhaps most importantly, led to an internalized, universal industriousness. The material effects of this 'angelic' work were sometimes deeply damaging, building social and economic 'dependencies' through the economy that mirrored, in individual lives, the hierarchies constructed by the colonial world writ large.

Chapter 6 considers the professionals' class behaviour. Labour movements deployed well-known strategies for collective action, but how did the professional class collectivize their interests? The mechanisms by which the professionals achieved and maintained their status in the mid-twentieth century are laid bare by records of an institution unique to Australasia: formal conciliation and arbitration courts. This chapter focuses on a particular event, the *Professional Engineers Case*, which was brought before the Australian Conciliation and Arbitration Commission between 1957 and 1961. The *Professional Engineers Case* established engineering as a national industry (even though most engineers worked for the state), setting a precedent that enabled other white-collar professions to do similarly, including social workers and university teachers. The *Professional Engineers Case* shows professionals articulating their class status to argue, in arbitration, for the value of their work to the nation's collective economic and moral good. This good was linked, for the judges who elevated their salaries, to the individual professional's investment in 'the drudgery of study' but also to the prospective worth of their virtuous work to the nation. The risk to the nation if unvirtuous people performed professional work was too high to let them fall behind in material terms. To belong to the professional class, it was not enough to be qualified – they also had to perform their belonging in their standard of living. Assuring consumption standards, then, was also a

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way to assure quality work – and the rationale that enabled the professional class to monetize their virtue.

Part III – *c.*1975–2008 – recounts in Chapters 7 and 8 the 'fall' of the professional class. Chapter 7 focuses on the 1970s, when anti-colonial movements sought to turn global hierarchies upside down. Their efforts moved from the US civil rights movement to expose the racism and sexism embedded in professional work, as in education, social work, and medicine. Teachers observed their 'hidden curriculum', which excluded those they long claimed to help. Lawyers noted their close alliance to capital and sought, for the less powerful, alternative routes to legal service. Engineers, who up to this point claimed that they had literally built civilization, began to ask whether they had in fact condemned society to live in concrete boxes and breathe polluted air. Even accountants were not immune. The high and fluctuating inflation that characterized the end of the moral-economic order established after the Second World War produced a legitimation crisis that required, in Britain, a Royal Commission on something as fundamental to capitalism as the calculation of profit.

From the 1980s, globalization produced conditions that demanded tough decisions in a complex set of fluctuating economic circumstances. This required more decision-makers, who discarded almost all virtue but success. Chapter 8 shows that to this new managerial elite, the moral character of the professionals was at best an old-fashioned affectation, at worst the sanctimonious preaching of the old establishment, bleating over their loss of prestige. Managers began to treat those merely applying their expertise as plug-and-play professionals, able to be manoeuvred in and out of place according to flexible strategies. These were applied under a new cliché: 'work smarter, not harder', where the 'smarter' referred mainly to managerial innovation. Under this managerial regime, success was the only virtue that mattered, while traditional aspects of professional virtue, still needed for professional work to succeed, were embedded into systems for quality and risk management, launching a process of moral deskilling. In this context, professionals turned to a more generic 'effectiveness' into which they could pour their personal professional values. This kept them investing relentlessly in their own human capital, reducing the kind of virtue that sought a better world into a category of virtuous consumption.

In the Epilogue I consider the ways that the rise and fall of the professional class has left the world in thrall to a conflict between *managerial capitalism and professional technocracy*. Unlike *labour versus capital*, this intra-bourgeois conflict is not productive of change. Rather, self-perpetuating cycles seeking material and moral authority have infected

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workplaces and global politics, impeding reform. Much is at stake, including climate change. Professionals, whose work remains necessary to a good society, need to separate virtue from capitalism, disaggregating their moral goals from their own class interests – even to the point of turning the hierarchy that they made on its head.

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