

American Exceptionalism and the American Dream

Submitted: 15.03.17 | Accepted: 07.11.17

Stanley Buder*

America's early national history is intended to demonstrate that certain values imbedded early on compose what Americans still think of as American exceptionalism. Individual economic interests merged with ethical values and rules of personal conduct to express the nation's social and political goals. Nations often pride themselves on a perceived sense of historical exceptionalism. Claims of exceptionalism usually assume the exclusive and superior qualities of a people. However, American exceptionalism differs from others in two ways. The first is in its strong emphasis on economic values, while joining this approach to theology and the institutions of government. The second distinctive facet of American exceptionalism is the conviction that it is not exclusive to one people or resting on inherent racial traits, but based on core values as noted above and practices that can and should be exported to others.

Keywords: historical exceptionalism, American exceptionalism, American dream, economic values.

Wyjątkowość narodu amerykańskiego a „amerykański sen”

Nadesłany: 15.03.17 | Zaakceptowany do druku: 07.11.17

Wczesna historia Ameryki ma na celu zademonstrowanie, że pewne wartości zostały dawno włączone do tworzenia tego, co Amerykanie nadal uważają za swoją wyjątkowość. Indywidualne interesy gospodarcze w połączeniu z wartościami etycznymi i regułami postępowania wyrażają cele społeczne i polityczne amerykańskiego narodu. Narody często szczyją się poczuciem wyjątkowości historycznej, które u siebie postrzegają. Roszczenia do bycia wyjątkowym zwykle zakładają niepowtarzalne, wyjątkowe cechy ludzi tworzących dany naród. Jednak amerykańska wyjątkowość różni się od innych w dwóch wymiarach. Pierwszym z nich jest silny nacisk na wartości ekonomiczne, przy jednoczesnym zastosowaniu tego podejścia do teologii i instytucji rządowych. Drugą wyróżniającą się cechą amerykańskiej wyjątkowości jest przekonanie, że nie jest ona wyłączna dla jednego narodu ani nie opiera się na wrodzonych cechach rasowych, ale bazuje na kluczowych wartościach wymienionych powyżej oraz praktykach, które mogą i powinny być przekazywane innym.

Słowa kluczowe: wyjątkowość historyczna, amerykańska wyjątkowość, „amerykański sen”, wartości ekonomiczne.

JEL: O0, L0

* **Stanley Buder** – Professor Emeritus, Baruch College and the Graduate Center, City University of New York.

Correspondence address: The Graduate Center, CUNY, 365 Fifth Avenue, New York, NY 10016, USA;
e-mail: sbuder13@aol.com.

Nations often pride themselves on a perceived sense of historical exceptionalism. Claims of exceptionalism usually assume the exclusive and superior qualities of a people. However, American exceptionalism differs from others in two ways.

The first is in its strong emphasis on economic values, while joining this approach to theology and the institutions of government. Underlying this association is an assumption of a natural, and to some a God given, relationship between free enterprise and democracy, the “American System.” It is argued that certain core values --limited government, individual liberty, personal responsibility, the rule of law, and a free market economy-- explains America’s greatness and guarantees individual well-being and continuous national progress. The second distinctive facet of American exceptionalism is the conviction that it is not exclusive, to one people or resting on inherent racial traits, but based on core values as noted above and practices that can and should be exported to others. Nevertheless Americans think of themselves as an exemplary nation of higher virtues, “a city on a hill, a light unto all nations.”¹

Put simply, this is a naïf conviction that the American model of a liberal capitalist democracy should become the universal paradigm for all nations. A quasi-messianic version of this uniquely American ideology is frequently employed to argue that the United States must bring its economic and political values through example and diplomacy, and occasionally less benign ways, to the remainder of the world. (How this posture may alter if America’s primacy in the world declines remains to be seen.)²

What explains this extraordinary amalgam of materialistic, civic and theological values framed in American exceptionalism, the founding principles of “American System,” and what is its consequence? American distinctiveness arises in part from a Calvinist work ethic brought to the new continent by the first English settlers that identifies economic behavior with religious attributes as described by Max Weber on his classic study, *The Protestant ethic and the Rise of Capitalism* (1904). The pursuit of wealth and its investment was regarded not as sinful greed but an aspect of a moral calling that dignified labor and regarded success as testament to doing God’s work. This synergy is presented as an article of faith by the important Puritan theologian Cotton Mather in his *Magnalia Christi Americana* (1702): “Every Christian should have a calling ... some settled business wherein ... he may glorify God by doing good for others and getting of good for himself.” Related to this conviction is a fervent form of individualism, emphasizing self-reliance, a distrust of government, a belief in social mobility, and the confidence that every generation will advance on the shoulders of the previous one.³

The United States is a nation very largely shaped by the conscious design of its government as a federal system. Its history does not stretch back into the foggy realm of legend, but is precisely located in the reality of the American Revolution of 1776 and the Constitutional Convention

of 1789. From its start The American Revolution viewed the individual's liberty and property rights as above the arbitrary or exploitive actions of government. The businessmen, lawyers and planters who later drafted the Constitution in their effort to perfect a government and create a unified national market and a prosperous national economy sought to promote trade and manufacture by safeguarding private property and the enforceability of legal contracts.

As James Madison famously noted in The Federalist Papers No. 10 "Government is instituted no less for the protection of property than of the person of individuals" and that the "protection of these facilities is the first object of government." It is clear that property represented not merely the possession of worldly goods but the ownership of "work Resources" (such as land and tools that provided the wherewithal for the independence of economic action deemed essential to the citizens of the new republic. In short, the sanctity of private property guaranteed political liberty and, as importantly, the economic utility of property.

From the first Americans shaped their political and legal culture to favor enterprise and promote development and economic growth. An enduring connection had been struck in the new nation between industriousness and profit, innovation and gain. Institutions, traditions, and values that represented obstacles to economic progress largely gave way in time. Faith in the Constitution and the country is a faith in change and the future. Unlike many countries, change has not been thought of as posing the danger of dangerous social upheavals that provoke classes within a nation to battle each other on the barricades.⁴

As early as 1835, the aristocratic French visitor to the new United States, Alexis de Toqueville, in *Democracy in America* observed that Americans were relentless in pursuing material gain, and "enjoy explaining almost every act of their lives on the principle of self-interest properly understood." A year later the Reverend Thomas Hunt published a best seller, *The Book of Wealth: In Which It Is Proved from the Bible That It Is the Duty of Every Man to Become Rich* (1836). The many groups in Europe ranging from poets to aristocrats that despised commerce and moneymaking had, as Toqueville noted, few counterparts in the United States. As a people who relocated often in search of new opportunities in a vast continent of virgin soil Americans regarded change as progress and did not cling to the familiar. They expediently adapted to new and ever changing circumstances. The celebrated essayist and lecturer Ralph Waldo Emerson spoke for Americans when he championed individualism and in the essay significantly entitled "Self Reliance" (1841) advised his countrymen that a "foolish consistency is the hobgoblin of little minds." Early on American society exhibited an entrepreneurial spirit and a pragmatic partiality to the utilitarian. By mid-nineteenth century American industry led the way in the technology of manufacturing interchangeable parts, known to the English as the Ameri-

can System, to be quickly assemble to mass produce inexpensive items for a rapidly growing domestic market. Americans had embraced a dialect of change as the propelling force of progress.⁵

European observers and Americans alike saw the United States as exceptional with political and civic cultures that had no counterpart anywhere else. And indeed progress in the standard of living exploded at a mind blowing pace for the next century until slowing perceptively in the last three decades of the twentieth century and the first two decades of the twenty-first.⁶

This very brief review and analysis of America's early national history is intended to demonstrate that certain values imbedded early on compose what Americans still think of as American exceptionalism. Individual economic interests merged with ethical values and rules of personal conduct to express a nation's social and political goals. These ideas functioned as a profound motivating force, which infused all of society with its energy. American capitalism buttressed by a supportive ideology and legal system offered little if any significant resistance to change as the cutting edge of modernity. The momentum of American history promoted by technological and economic change has been towards political and gender equality, and social advancement in general. To a remarkable degree, even when belied by reality and common sense, Americans have trusted in the promise of life and the social mobility it promised them and their children. From a critical Neo-Gramscian or left-wing perspective, however, an ideology had shaped a "hegemonic culture" that legitimized the American free market economy.

This is not to deny that American history has indeed had an exploitive and ugly underside, notably slavery, racial segregation, and the treatment of American Indians, but the nation nevertheless exhibited a pronounced tendency to improve and progress apparent for most Americans. That is until the last several decades and especially at the present.

Serious and growing contemporary problems certainly demand to be addressed. In 1864 Abraham Lincoln told the Workingman's Association of New York: "That some should be rich shows that others may become rich and hence is just encouragement to industry and enterprise." However, many now challenge this basic tenet of American exceptionalism. Since 1970 the top ten percent, and especially the top 1% has gained in income and wealth while a shrinking share of the American pie has fallen to Americans in the middle and bottom of the income distribution.

John Maynard Keynes of observed in his *General Theory of Employment, Interest and Money* that an "outstanding fault" of capitalism is an "arbitrary and inequitable distribution" of income.⁷ But the growing disparity in recent decades between the well off and the remainder of the population has not been known in America since the 1920s.⁷

American democracy cannot tolerate an indefinite increase in the concentration of wealth in the hands of a small elite and increasing numbers

of needy poor. The United States has the greatest disparity in wealth and earnings of all developed nations, and the resulting problems are becoming increasingly apparent in areas of health and social conditions that are essential to any democracy.⁸

The 2016 campaigns of Bernie Sanders and Donald Trump has indicated wide-spread public concern, anger and distrust in a nation experiencing momentous economic, cultural, and demographic changes. At the turn of the nineteenth and twentieth century and again during the 1920s, the United States experienced similar eras of anxiety and self-doubts that soon led to major reforms of the system and greater reliance on Washington to rectify weakness in a free market economy. Perhaps the same reforming crusade will occur shortly with positive results for productivity and economic growth benefitting the great majority of Americans, especially the threatened middle class and the working poor. Suggestions for such actions include high tax increases on the very wealthy, earned-income tax credits, greater spending on education, raising minimum wages and decriminalizing certain drug offenses. With the Trump presidency none of this will occur in the near future.

There are certainly many signs of contemporary health and vitality in the America economy. The United States leads the world in high tech inventions and developments. Yet the problems posed by globalization and structural and technological changes, notably software automation and robotics, on the type, nature and numbers of jobs the economy provides coming generations are disconcerting. Nor is it reassuring that these developments are shared by many Western industrial nations. Will Americans continue to view unimpeded change as offering opportunities and progress and retain their faith in American exceptionalism and the American Dream? There already is evident a clash between the optimistic ideology of exceptionalism and a downward fractionalizing social and economic reality? This will be resolved only time will answer.⁹

Endnotes

- ¹ Seymour Martin Lipset, *American Exceptionalism: A Double Edged Sword* (New York: W. W. Norton & Co., 1996), 17–19, 165–174, 197. The most important attempt to explain the exceptionalism of American values and history by an historian is Frederick Jackson Turner's seminal essay "The Significance of the Frontier in American History" (1893), that still remains thought provoking and relevant. Turners sought to understand the American character and values as the result of the prolonged experience over three centuries of settling a continent.
- ² Dick Cheney and Liz Cheney, *Exceptional Why the World Needs a Powerful America* (New York: Threshold Editions, 2015), 259ff.
- ³ Thomas Kidd, *God of Liberty: A Religious History of the American Revolution* (New York: Basic Books, 2010), 7–11.
- ⁴ Stanley Buder, *Capitalizing on Change: A Social History of American Business* (Chapel Hill, N.C. University of North Carolina Press, 2009), 1–6; James W. Ely, Jr, *The*

- Guardian of Every Other Right: A constitutional History of Property Rights*, 2nd ed. (New York: Oxford University Press, 1998), 3–9.
- ⁵ David A. Hounshell, *From the American System to Mass Production, 1800–1932* (Baltimore: Johns Hopkins University Press, 1984), 46–84.
- ⁶ See for example, James Bryce, *The American Commonwealth*, 2 vols. First published in 1888 and revised in 1913. Bryce was the British ambassador to the United States, 1907–1913.
- ⁷ John Maynard Keynes, *The General Theory of Employment, Interest and Money* (London: Macmillan, reprinted 2007, originally published, 1936), 339.
- ⁸ Robert J. Gordon, *The Rise and Fall of American Growth* (Princeton: Princeton University Press, 2016), 605–641.
- ⁹ An insightful consideration of the present cultural quandary in the United States is: J. D. Vance, *Hillbilly Elegy: A Memoir of a Family and Culture in Crisis* (New York: Harper Collins, 2016).

References

- Buder, S. (2009). *Capitalizing on Change: A Social History of American Business*. Chapel Hill: University of North Carolina Press.
- Chenney, D. and Cheyney, L. (2015). *Exceptional Why the World Needs a Powerful America*. New York: Threshold Editions.
- Ely Jr, J.W. (1998). *The Guardian of Every Other Right: A Constitutional History of Property Rights* (2nd ed.). New York: Oxford University Press.
- Gordon, R.J. (2016). *The Rise and Fall of American Growth*. Princeton: Princeton University Press.
- Hounshell, D.A. (1984). *From the American System to Mass Production, 1800–1932*. Baltimore: Johns Hopkins University Press.
- Keynes, J.M. (1936; 2007). *The General Theory of Employment, Interest and Money*. London: Macmillan.
- Kidd, T. (2010). *God of Liberty: A Religious History of the American Revolution*. New York: Basic Books.
- Lipset, S.M. (1996). *American Exceptionalism: A Double Edged Sword*. New York: W.W. Norton & Co.
- Vance, J.D. (2016). *Hillbilly Elegy: A Memoir of a Family and Culture in Crisis*. New York: Harper Collins.