



Eros and the nature of ‘interest’

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In Greek archaic literature and philosophy, *Eros*, the god of love and desire, has numerous origin stories, which lead to different understandings of his nature (Thornton, 2018). In Hesiod, *Eros* was a primordial god, the fourth to come into existence, trailing on the heels of Chaos, Gaia (the earth), and Tartarus (the abyss). In other tales, he was born of the illicit coupling of Aphrodite and Ares. Beyond these, adaptations of the myth (including Roman ones) are as numerous and heterogenous as the forms that love can take. It was with Plato, however, that *Eros* became a figure of political economy. In the *Symposium*, a new version unfolded in a dialog between Socrates and Diotima of Mantinea. Therein, the infant *Eros* was conceived during another unblessed union; this time a tryst between the goddess of Poverty (*Penia*) and that of Wealth or Resource (*Plutos*). With this parentage, love and desire became allegorically wed to the problem of material lack and abundance.

Scholars have long debated the message Plato intended to send with this altered theogony (Calame, 1999). Of greatest relevance here are those interpretations that place the myth's retelling inside the fuller Platonic canon of ethics and politics. In this paradigm, *Eros*' maternal lineage (poverty) doesn't constitute a condition (lack), but rather, stands as an ethical choice (self-abnegation). All individual yearnings submit to the needs of the whole. This *chosen poverty* also leads *Eros* to the transcendental element in his paternal heritage (wealth). Resources get allocated according to the principles of order, justice, brotherly love, and filial piety (Lamascus, 2016). Plato would allow *this Eros*, the modest, civic-minded deity, to stay inside the walls of the City, as he evicted those less redeemable, more Dionysian figures: *the poets* (Cornelli and Lisi, 2010).

Plato's root concern here – how to square individual desire with communal welfare – has returned as a source of often-rancorous debates in the history of economic thought. I want to suggest that we can re-read orthodox and heterodox texts in the economic canon as offering competing *theogonies of Eros*. More pointedly, we can see the mythological subtexts and blind spots of those paradigms whenever they define or model the nature of human desire. Such readings, however, work best in a poetic register.

Because this essay can only be a fragment, I'll begin by focusing on the theories that plot *Eros* as Self-Interest. Like Plato, such theories saw reason as key to tempering wilder, primeval desires. The birth of *Self-Interest* also shares a parentage with the Platonic *Eros*, namely, the

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coupling of Penia and Plutus, but with a different moral education. In contrast, with Plato, this Eros would usher in human progress not through the abnegation of personal accumulation, but through the rational pursuit of it. Here we can think with one founder of marginal calculus, Carl Menger. In his *Principles of Economics*, Menger argued that:

The enjoyment men derive from an economic exchange of goods is the general feeling of pleasure they experience when some event permits them to make a better provision for the satisfaction of their needs than would otherwise have been possible. (Menger, 2007: 181, emphasis added)

Menger argues that by pursuing a series of additional pleasures – including through trade and nascent financial instruments – individuals naturally pushed *whole societies* beyond previous geographical and resource constraints. To grasp the nature of this model more clearly, however, we need to reflect on the polysemy of the word ‘interest’ itself. For, where (self-)interest implies the quest for material *gains*, it also refers to the ways and means of *gaining*, in terms of goods, opportunities, or profits. So again, Self-Interest, when aided by capital and credit mechanisms, not only *led* to a widening and deepening of market relations, but also *determined* the general price level and the *interest rate* too.

Menger focused primarily on the overall positive network effects of a calculating desire as a way out of constraining origin stories (Biltoft, 2021). He admitted that *interest* both takes on debt to meet some present *desire* (for goods, for education, for entrepreneurship, for investments), and also furnishes in other cases passive forms of income (rent). And yet, this marginalist theogony didn’t look at the ‘rate of interest’ itself. For *that* endless variation (centrally, politically, fixed or not) fluctuates historically, say from zero to upwards of three hundred percent, depending on whose interests are being defined, defended, or simply wordlessly implied in a given socio-economic order. The amply-connoted term *usury* long described an interest rate considered exorbitant, illegal, or otherwise unethical (Wennerlind, 2011). But even where the term disappeared, the practice continued, with different percentages applied to the economically desperate (high risk, high rate) and the relatively more well-endowed (low risk, low rate). Menger never imagined how this engine of exponential growth could end up putting a lien on the environment (Jonsson and Wennerlind, 2023).

There have been many critics of this calculating Eros. For the sake of brevity, we can think of socialist paradigms that modeled Eros as ultimately more fulfilled by solidarity than by mere pecuniary accumulation. This more communal reading of desire – and the heterodox models that grew from them – suggested that actively securing collective welfare first offered the surest route to individual well-being (something referred to as Pareto’s second welfare theorem).

Standing inside this tradition, in the 1970s, the development economist Albert O. Hirschman became disillusioned with what he saw as the political failures of the Chicago school, but also Communism, and even mixed economy regimes (Hirschman, 1997). So, he took shelter in Princeton, New Jersey, at the Institute for Advanced Studies. Once there, and taking up the tools of intellectual history, he wrote his now-famous treatise, the *Passions and the Interests*. That text tried to recover the ethical and philosophical debates in play “before capitalism’s triumph”. Essentially, Hirschman argued that in trying to escape the destructions of war and political despotism, early modern political economists had split human desire (Eros) into passions (elemental, negative) and interests (materialist, positive). What interests me most is how in his disenchantment with money-doctoring, Hirschman instinctively returned to the problem of desire as somehow central to any diagnosis of modern capitalism. And yet, he also refrained from proffering any specific prescriptions. He nonetheless played with a

counter-factual; what might have happened if the Western world had not discarded *the passions* in their quest for material progress?

Even knowing Hirschman's biography, it's hard to spell out the hoped-for world embedded in this alternative origin myth (Adelman, 2013). We do know that he despaired over the triumph of the rational-utility world view in economics. We also know that he expressed disappointment in Keynes' willingness to compromise with the "love of lucre" and to reposition it as a medium-run "necessary evil" (Hirschman, 1997: 133). Hirschman had also seen first-hand 'welfare states' in the global North denied (or repressed) their own dependence on imperial and neo-imperial liaisons. Then too, as a correlate, welfare-as-public spending didn't always impede the increasingly usurious burdens that often-attended structural adjustment programs abroad or consumer credit lines at home, each somehow linked in time across space. In the face of these and other shortcomings, maybe it was something of the frustrated economist in Hirschman that felt compelled to revisit a lost history of a forgotten Eros. Nevertheless, he stopped short of saying that a more passionate Eros would have behaved more wisely than his maximizing counterpart.

The point here is not to suggest that economists keep failing to discern the optimal model of Eros. Rather, the point is that viewed *as poetics*, economics often enacts its own scientific limits – and so strangely mirrors myth and theology – whenever it treats desire as if it were a *stable, fully-known* variable. Even schools of economics that have tried to incorporate psychological principles often don't even try to account for the workings of *unconscious desires*. For instance, in Freud's model of Eros, the pleasure principle existed in permanent tension with Thanatos, the death-drive. As such, all of our quests for pleasure could lead us just as surely to self-destruction as to progress. Where 'progress' happened, the price was often a mixture of violence and repression (Marcuse, 1974). Then too, what was repressed returns (Samman, 2019). To that we might add the numerous ills born of the declension from economic theory to policy. But then, as later critics have argued, even Freud, who was also tied to nineteenth-century bourgeois family values, often projected his own desires into the heart of this therapeutic techniques.

There are other places to look, however, for a less stable understanding of Eros (Ruiz, 2021). For instance, in her treatise on *The Erotic*, psychoanalyst Lou Andreas Salomé brought into a different kind of relief the hinges connecting each mind-body (or self) to a broader human community (others). "Two facts are characteristic of the problem of the erotic", she says:

First of all, that eroticism should be considered as a special case within the sphere of physiological, psychical, and social relations, rather than independently and separately as is often the case. But secondly, that it once again links together these three kinds of relations, merging them into one, and making them its problem. (Salomé, 2017: 55)

Salomé's insight asserts the centrality of erotic urges to a more profound understanding of the human subject, at once a biological, psychical, and we can assume *economic* animal. However, the *erogenous* mirrored the emergent properties of society, sometimes in sync, at other times at cross-purposes. By contrast, our conflicting economic theogonies of Eros have sometimes failed to absorb the many dissimilar ways that desire both begot and then continued to feed on multiplying profits (saving, investing, lending) and losses or debts (spending, borrowing, renting). This more fractal view remains uncertain about what distinguishes *self-interest* from *collective-interest*, given the composite financial, political, and emotional grounds on which modern life unfolds (Konings, 2015; Butler, 1997).

So, perhaps it is urgent that we learn to desire in ways less-destructive for, among other things, our planet (Fisher, 2021). And yet, Salomé – that intimate of Nietzsche and Rilke – reminds us that Eros might not ever be cajoled into a stable equilibrium. Precisely because of its irreducibility, desire is a thing too heterogenous, too mysterious to permit such capture.

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