A Wheelbarrow Full of Outrage

The devaluation of moral currency has reached the hyperinflation stage. No one can buy social peace.

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Environmentalists protest in London, Dec. 6, 2019. PHOTO: NURPHOTO VIA GETTY IMAGES

The U.S. made outrage a form of social currency. Now we're in the hyperinflationary phase.

Outrage, over racial injustice or anything else, has always constituted a form of political capital. In its best form it would manifest as the bullion of righteous anger demanding and achieving justice. In its worst form, the cynical and adept could leverage copper pennies of indignation into lucrative television contracts, speaking gigs, lobbying empires and the like.

But the advent of new technologies such as Twitter has dramatically increased the supply of a particular sort of paper anger, with no apparent regard for any real-world limit. Technology also has sped up the pace at which outrage spreads through our political ecosystem—in monetary terms, the "velocity" of this new political scrip.

It's no surprise to a monetary economist, then, if each individual bit of outrage becomes devalued in this marketplace. Politicians, tweeters, old-media commentators, social-media influencers and corporate executives all feel compelled to engage in ever more provocative or elaborate displays of anger. At the moment this takes the form of “wokeness,” which can be understood as a type of performative progressive outrage used to boost one’s capital in the political marketplace.

Sometimes the results are ridiculous, as when Democratic leaders in Congress take a knee while wearing Ghanaian textiles for fear that a traditional press conference no longer draws sufficient attention. Sometimes the results are dangerous. See “Twitter, any day in the life of.”

Elsewhere, wokeness now appears to be a form of intangible compensation in many workplaces. Surveys consistently show that credentialed millennial employees especially place a lot of value on the social purpose of their employment. This isn’t entirely novel. The notion that work should be fulfilling rather than just a paycheck has been growing for a couple of generations.

But the sole currency in which this intangible compensation is paid has become wokeness, and demands for a raise keep growing. Note how the recent defenestrations of senior editors at the New York Times and Philadelphia Inquirer, or the uproar at Facebook surrounding posts by President Trump, were triggered in large part by internal staff rebellions. These episodes can be understood as pay disputes.
“Does op-ed care at all about how its actions affect the newsroom whose legitimacy and sweat it trades on in order to sling hot takes?” Vox’s Zach Beauchamp quoted an anonymous Times staffer as saying in response to that paper’s meltdown over publication of an opinion column by Sen. Tom Cotton. The implication is that staffers believe their labor has built up a store of political capital for the Times that they don’t want to see expended giving wrongthinkers a platform. They prefer that intangible capital be divvied out in ways that will boost the employees’ sense of purpose.

Economists recognize many evils that arise from a monetary hyperinflation. Two are particularly germane here: destruction of savings and the fraying of a society that can no longer meet its basic needs with the currency in circulation.

This hyperinflation is destroying vast troves of political capital before our eyes. Joe Biden may end up the most impoverished of all the victims if he’s forced to squander decades’ worth of accumulated goodwill among working-class white and moderate black voters by adopting ever crazier positions on questions about policing or slavery reparations. Even then, in this hyperinflationary era that level of wokeness still may not be enough to buy off his party’s activist fringe.

The bigger problem is that outrage has rapidly become so devalued that ordinary members of society can no longer leverage it for that most important good of all: social peace. A conspicuous feature of the recent protests in the U.S. is that no policy reform, no corporate initiative, no individual action is enough. Employers no longer know what form of progressive activism constitutes the "right" level of compensation for their idealistic employees. Commentators and academics no longer know which contributions to important public debates—which expenditures of their professional expertise and social capital—will be deemed acceptable.

In a form of Gresham's Law, the bad political money of hyperinflated wokeness is squeezing out the good social money of reasoned debate. Growing numbers of people are reduced to carting around in wheelbarrows their genuine anger at events such as George Floyd's death, trying to buy social harmony. But no matter how outraged they are or what they propose to do about it, some activist somewhere will conclude it isn't enough to purchase a loaf of bread.

The solution to a monetary hyperinflation is the replacement of worthless paper. It's impossible to say what form this social dollarization might take after our current outrage hyperinflation, but we can only hope it comes before the damage mounts much further.

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