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**PRACTICAL WISDOM: ARISTOTLE MEETS POSITIVE
PSYCHOLOGY**

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7
10 ABSTRACT. The strengths and virtues identified by positive psychology are
11 treated as logically independent, and it is recommended that people identify
12 their “signature” strengths and cultivate them, because more of a strength is
13 better [Peterson and Seligman: 2004, *Character Strengths and Virtues: A*
14 *Handbook and Classification* (Oxford University Press, New York); Seligman:
15 2002, *Authentic Happiness* (Free Press, New York)]. The present paper con-
16 trasts that view with the Aristotelian view that virtues are interdependent, that
17 happiness (*eudaimonia*) requires all the virtues, and that more of a virtue is not
18 always better than less. We argue that practical wisdom is the master virtue
19 essential to solving problems of specificity, relevance, and conflict that inevi-
20 tably arise whenever character strengths must be translated into action in
21 concrete situations. We also argue that practical wisdom is becoming
22 increasingly difficult to nurture and display in modern society, so that attention
23 must be paid to reshaping social institutions to encourage the use of practical
24 wisdom rather than inhibiting it.

25 KEY WORDS: character strengths, positive psychology, practical wisdom,
26 virtues

28 29 “WHAT GRADE DO I GIVE?”

30 Suppose you are grading term papers. You read one written
31 by a student who is struggling to get a C in your course. It is
32 decently written and coherently organized, and it has no major
33 misunderstandings of key concepts. It is a B– paper, but it is by
34 far the best work this student has done in your course. Next,
35 you turn to one written by the smartest student in the class,
36 someone who is effortlessly “acing” everything you throw her
37 way. It is well written and clearly organized, and it demonstrates
38 fine comprehension. A solid B+, perhaps even an A–. But it
39 lacks spark. It is not very original. It does not go very far be-
40 yond what was said in class. This student could definitely have
41 done a much better piece of work.

42 So what grades do you give? Do you give the grades the
43 papers deserve in themselves, evaluating them as if you did not
44 know who wrote them? Or do you give the grades they deserve,
45 but encourage the C student about how good it was and
46 admonish the A student about how disappointing it was? Is this
47 enough recognition of individual difference, or should you go
48 further, actually giving each student a grade based not only on
49 the merits of the paper, but also on the relation of the paper's
50 quality to each student's past work? What effect will each of
51 these courses of action have on the students involved? Should
52 grading be based only on the quality of the work or also on the
53 effort expended? Which approach to grading is fairest? Which is
54 kindest? Which is most effective? And which of these things
55 should you be caring about?

56 "HOW DO I LOOK?"

57 You are keeping your best friend company as she gets dressed to
58 go to a wedding. When she puts on her dress, which you have
59 never seen before, you think it is extremely unflattering. "How do
60 I look?" she says. What do you say? Do you tell her she looks
61 great, or do you tell the truth? Many of us believe that real friend-
62 ships must be based on complete honesty. If you cannot trust
63 your friends, you cannot trust anyone, and you can't trust your
64 friends unless you can count on them to tell you the truth. So this
65 little problem seems like no problem at all. Telling your friend the
66 truth would be doing her a favor. But beyond that, it is essential
67 to preserving the foundations of the friendship.

68 Yes, but. As you are about to open your mouth to tell your
69 friend to pick something else, a wave of considerations might
70 come crashing over you. The wedding is in a few hours. Does
71 she have an alternative? Do you know that she will look better
72 in something else? Does she need to feel good about herself – to
73 have her confidence bolstered – right now? Even if she has an
74 alternative, what will it do to her confidence to hear that even
75 though she thought she looked great, her best friend thought
76 otherwise? Will it undermine her ability to judge how she looks
77 in the future?

78 You will ask yourself these questions, and answer them,
79 before you say anything. And you will do it instantly, because if
80 it takes you five minutes to respond to “how do I look?” as
81 your friend pirouettes around the room, you will have given
82 your answer long before you open your mouth. Somehow you
83 will “know” what your friend needs right now, and how to
84 provide it. And that is what you will do. Or at least, that is
85 what you will do if you possess the virtue Aristotle called
86 *phronesis*, or practical wisdom.

87 This paper is about practical wisdom. We will try to character-
88 ize it. We will suggest that it is in many respects the master virtue
89 – the virtue without which other virtues or character strengths fail
90 to produce effective action. We will contrast our approach with
91 the very powerful approach to character and virtue that has
92 grown out of positive psychology (Peterson and Seligman, 2004;
93 Seligman, 2002). We will describe the social conditions needed to
94 nurture practical wisdom and suggest that they grow more scarce
95 by the day. And we will suggest that practical wisdom may be
96 essential for satisfying work and successful relationships with
97 friends, lovers, and family. Given the importance of satisfying
98 work and good social relations to well being in general, we will
99 conclude that practical wisdom may be essential to human happi-
100 ness – a conclusion that may be surprising to a modern audience,
101 but that Aristotle regarded as self-evident.

102 We acknowledge at the outset that other psychologists have
103 made impressive contributions to our understanding of wisdom
104 (e.g., Baltes and Smith, 1990; Baltes and Staudinger, 1993,
105 1998, 2000; Staudinger and Baltes, 1994, 1996; Sternberg, 1998).
106 We have learned a good deal from these efforts to develop a
107 psychology of wisdom, but our aims and our emphasis are
108 somewhat different from those of these other investigators. We
109 urge interested readers to consult this previous work, but we
110 will discuss it no further in the limited space available to us.

111 THE POSITIVE PSYCHOLOGY OF STRENGTHS AND VIRTUES

112 Peterson and Seligman (2004) developed a list of 24 strengths
113 organized under six virtues: wisdom and knowledge, courage,

114 humanity and love, justice, temperance, transcendence. And
 115 the character strengths they organize include curiosity, open-
 116 mindedness, perspective, kindness and generosity, loyalty, duty,
 117 fairness, leadership, self-control, caution, humility, bravery, per-
 118 severance, honesty, gratitude, optimism, zest.

119 What is important to note about the classification for our
 120 purposes is that the virtues are treated as logically independent
 121 of each other, as are the strengths. Whether they are correlated
 122 is, of course, an empirical question, but there is no normative
 123 suggestion that they *should* be correlated – that they should *all*
 124 be nurtured – nor is there a claim that it is very difficult to
 125 exercise one strength effectively without many of the others.
 126 For example, honesty is a strength whether or not it is com-
 127 bined with kindness, i.e., it is better to be an honest person who
 128 is not very kind than a less honest person who is not very kind.
 129 Instead of making recommendations about the strengths and
 130 virtues in combination, positive psychology advises people to
 131 identify their “signature” strengths, and then to develop them
 132 (Seligman, 2002). The more developed any strength is, the bet-
 133 ter people are.

134 We accept the importance of these virtues and strengths, but
 135 we believe that:

136 1. Virtues and strengths should *not* be treated in isolation
 137 from each other; they are not effective, in general, if exercised
 138 independently.

139 2. More of any one of the strengths is not necessarily better; in
 140 fact nurturing a single signature strength can produce *deforma-*
 141 *tions* of character, like a body builder who develops gigantic
 142 arms and chest and ignores the rest of his body until he can
 143 barely stand erect. Though there is something to be said for
 144 having the world’s biggest biceps, overdeveloping some body
 145 parts and neglecting others will impair the functioning of the
 146 body as a whole, and so it may be with developing some
 147 strengths and ignoring others.

148 3. And finally, without practical wisdom, the other strengths,
 149 however well developed they may be, cannot be effectively
 150 deployed.



151 **WHAT THE POSITIVE PSYCHOLOGY OF STRENGTHS**
 152 **AND VIRTUES MISSES**

153 Assume that you face the grading problem or the wedding dress
 154 problem with the best of motives, and assume that you have
 155 cultivated the full set of strengths and virtues. As you bring
 156 your 24 character strengths to bear on either of these small
 157 dilemmas, you quickly realize that they are not up to the task.
 158 There are three reasons why this is so. First, real life situations
 159 do not come labeled with the needed virtues or strengths at-
 160 tached. There is, thus, the problem of *relevance*: Does this situa-
 161 tion require courage, honesty, compassion, justice or some other
 162 strength? Second, real life situations often put virtues in *conflict*
 163 with one another. Should I be honest or kind in answering my
 164 friend's question about her dress? Should I be just or generous
 165 in grading term papers? Finally, virtues or strengths lack the
 166 *specificity* required for translation into action. What do fairness
 167 and equity require of me in grading *these* two students? What
 168 would be the kind response to my friend's question about how
 169 she looks? It takes imagination and perception to translate vir-
 170 tue into action in any situation. It is to resolve these three
 171 issues – relevance, conflict, and specificity – that the Aristotelian
 172 virtue of practical wisdom is essential (Wallace, 1988).

173 Let us examine our three problems – specificity, relevance,
 174 and conflict – in a bit more detail. Suppose you have cultivated
 175 the strength of kindness, and you decide that kindness is what
 176 is called for as you answer your friend's question about her
 177 wedding dress. But what does kindness tell you to do? Is it kind
 178 to be disingenuous or to lie outright? Is it kind to blurt out the
 179 truth in the way it is kind to pull a bandage off a hairy arm in
 180 one quick motion; just get it over with? Or is it kind to shade
 181 the truth, and perhaps in a tortured conversation nudge your
 182 friend to her own realization that the dress doesn't work? There
 183 is almost certainly a right way to handle this situation, but the
 184 **only** way to discern it is by knowing your friend, her present
 185 mood, her sense of self, and what recourse she might have in
 186 the present circumstances. And you will also need to be think-
 187 ing about how whichever form of kindness you exercise in the
 188 next ten seconds will affect the long-term character of your



189 friendship. The particular is everything here, and knowing that
190 kindness is a virtue does not tell you what to do.

191 Now consider what strengths matter in deciding how to evalu-
192 ate students. It is plausible to us that from the list of twenty-four
193 enumerated by Peterson and Seligman (2004), the following may
194 apply: open-mindedness, ingenuity, social intelligence, kindness
195 and generosity, duty, fairness, equity, leadership, humility, brav-
196 ery, diligence, integrity, honesty, genuineness, appreciation of
197 excellence, sense of purpose, and honor. Should they *all* be
198 deployed? If so, in what combination? Strengths do not come
199 with their conditions of application attached to them, and one
200 needs a specific strength – wisdom, we argue – to judge which
201 other strength or strengths a particular situation calls for. It
202 should be noted, in this regard, that the strategy advocated by
203 Seligman (2002) can make the relevance problem invisible to
204 many people. If one cultivates ones signature strengths, one may
205 not even realize that more than one strength might be called for
206 in a given situation. As the old saying goes, “If all you have is a
207 hammer, everything is a nail.”

208 Finally, consider the problem of conflict among virtues. In
209 the case of your friend and her wedding dress, honesty and
210 kindness seem to conflict. In the case of the students who are
211 being graded, perhaps justice and generosity conflict. But more
212 generally, it is easy to anticipate conflicts between strengths
213 such as valor and prudence, justice and mercy, loyalty and
214 open-mindedness, leadership and humility, self-control and zest,
215 open-mindedness and perseverance, perspective and justice,
216 integrity and kindness, and justice and forgiveness. Each of the
217 above character traits is a strength in the Peterson and Selig-
218 man classification. In our view, each of them is desirable in
219 people. But cultivated piecemeal, and left to operate without an
220 “executive,” they can lead to one social disaster after another.

221 ARISTOTLE

222 The Aristotelian perspective differs from the Peterson and Selig-
223 man (2004) “strengths and virtues” perspective in three impor-
224 tant ways:

- 225 1. It argues that strengths and virtues should be understood
 226 as integrated not independent.
- 227 2. It argues that people should strive for the mean with
 228 respect to each virtue, that more of a virtue is not always
 229 better.
- 230 3. Finally, it argues that there is a master virtue, practical
 231 wisdom, essential for orchestrating the other virtues into an
 232 effective and happy life. Practical wisdom is needed to solve
 233 the problems of specificity, relevance, and conflict that are
 234 pervasive in everyday experience.

235 The aim of life, Aristotle says In *Nichomachean Ethics*, is *eudai-*
 236 *monia*, which is something like what Seligman (2002) meant by
 237 “authentic happiness.” To achieve this aim requires the cultiva-
 238 tion of the virtues – not just ones signature strengths but *all* of
 239 them. A parent or a judge who is strong on kindness and gener-
 240 osity and weak on justice and perspective would be a disastrous
 241 parent or judge – and not very happy. As Rorty (1991) put it, **1, 2, 3, 4**
 242 “Virtues hunt in packs.” Further, Aristotle told us that “more”
 243 is sometimes not better. Rather, we need to know how kind or
 244 honest or empathic or loyal to be. The virtues need to exist in the
 245 right proportions, and they need to be cultivated and deployed
 246 to the right degree. Aristotle stressed the importance of finding
 247 the mean in any action. Courage demands finding the balance
 248 between cowardice and recklessness. In general, too much of a
 249 virtue can be as big an enemy of *eudaimonia* as too little.

250 Further, the right amount of any of the virtues is context
 251 specific – what Nussbaum (1995) referred to as the priority of
 252 the particular. The deployment of any of the virtues must be
 253 context sensitive. Is caution a strength? Yes, “look before you
 254 leap.” But change the context, and “she who hesitates is lost.”
 255 The balance between cowardice and recklessness is not the mid-
 256 point on some underlying scale. Where exactly the mean lies
 257 will itself vary from context to context – situation to situation.
 258 And the right form of the virtues must be sensitive to the
 259 particular people involved. Love is a virtue. But we love our sis-
 260 ters, our friends, and our spouses differently. Furthermore, how
 261 I love my friend depends on who that friend is and what he
 262 needs at that particular moment as well as in the narrative of



263 his life. One can only talk about love as a virtue if one knows
 264 how to love particular people in particular and changing cir-
 265 cumstances. As novelist Graham Greene put it, “One can’t love
 266 humanity; one can only love people.”

267 ARISTOTLE VERSUS RULES

268 This Aristotelian position that practical wisdom is essential for
 269 solving the problems of specificity, relevance, and conflict is not
 270 the dominant one in modern ethics. More common is the no-
 271 tion that moral rules (e.g., Kantianism) or techniques for calcu-
 272 lation (e.g., utilitarianism) can resolve these issues without
 273 reliance on practical wisdom (see Johnson, 1993; Nussbaum,
 274 1995, 2004; Wallace, 1988 for discussion of the Kantian and
 275 utilitarian traditions and their limitations). For example, Kant’s
 276 categorical imperative tells us that above all, people must be
 277 treated with respect – they must be treated as “subjects” and
 278 not as “objects.” This principle tells us that honesty trumps
 279 kindness if kindness requires a certain disingenuous manipula-
 280 tion, as might be the case either with our friend and her wed-
 281 ding dress or our C student with his B- paper. Kantian moral
 282 principles are famously non-consequentialist; what matters is
 283 doing the right thing, whatever the result. And in cases of mor-
 284 al conflict, a hierarchy of principles tells us which one to apply.
 285 Utilitarianism, in contrast, is notoriously consequentialist. It
 286 does not tell us the right thing to do in a situation so much as
 287 it gives us a formula for computing the right thing to do. But
 288 the formula is meant to be used in a rule-like, mechanical way,
 289 to calculate costs and benefits (see Baron, 1986, for a nuanced
 290 defense of utilitarianism). Critically, from our (and Aristotle’s)
 291 perspective, rules – whether Kantian, utilitarian, or of any other
 292 kind – are inadequate to the task. Rules have their place in our
 293 deliberations. They are like a road map that gets us to the right
 294 city, but not the right street. However, in order to know the
 295 right thing to do, we need the right street. We need to know
 296 what *this* friend needs, not what friends in general need. And
 297 we need to know what she needs at *this* moment, not in general.
 298 This is why rules are no substitute for practical wisdom.

299 PRACTICAL WISDOM AS THE “EXECUTIVE”

300 All of this context and person specificity means that there must
301 be some “executive decision maker” to keep virtues from run-
302 ning amuck and enable one to do the right thing in the right
303 way at the right time. That executive, for Aristotle, is *phronesis*,
304 Positive psychology has a place for practical wisdom: wisdom
305 and knowledge are one of the six virtues. But we are suggesting
306 that it is not just one of six virtues that *might* be a signature
307 virtue and *might* be strengthened. From our, Aristotelian per-
308 spective, it is the master virtue, without which the other virtues
309 will exist like well-intentioned, but unruly children.

310 It is important to make clear that practical wisdom is not the
311 same as practical intelligence. Practical intelligence (what Aris-
312 totle called *techne*) is what enables you to know the right thing
313 to do in order to achieve your goals. It is an important part of
314 practical wisdom, but it is only one component. Practical intelli-
315 gence is silent on the question of what your goals should be; it
316 does not tell you what to aim at. To have practical wisdom is
317 to know what to aim at – to know the purpose of being a
318 friend or a father or a teacher or a statesman. Also, practical
319 intelligence does not make you *want* to do the right thing. It is
320 purely cognitive, not motivational. Someone with practical wis-
321 dom not only knows the right thing to do but wants to do it.
322 From a modern perspective, what we might say is that practical
323 intelligence must be wedded to the other virtues; otherwise, it is
324 mere cleverness or shrewdness (what Aristotle called *deinotes*).
325 Untethered from other virtues, it can be a tool for untold evil.
326 Being wise in the ways of others can be used to manipulate peo-
327 ple to serve your ends, not theirs. Interestingly, both Sternberg
328 (1998) and Baltes and Staudinger (2000), in their discussions
329 of wisdom, acknowledged the importance of having the right
330 motives. Yet in both cases, this feature of wisdom is relatively
331 undeveloped in comparison to the discussion devoted to what
332 we are calling practical intelligence.

333 To summarize, our neo-Aristotelian view is that:

334 1. Virtues and strengths should be integrated not independent.



335 2. The aim in cultivating strengths should be the mean, rather
336 than “more.”

337 3. There must be balance among virtues as opposed to the
338 cultivation of signature strengths. The right balance depends
339 on the particular context, and practical wisdom is essential to
340 achieving that balance.

341 **PRACTICAL WISDOM AND POSITIVE PSYCHOLOGY’S VIRTUE**
342 **OF “WISDOM AND KNOWLEDGE”**

343 The Peterson and Seligman (2004) classification includes the vir-
344 tue of wisdom and knowledge. Organized under this virtue are
345 several strengths: curiosity, open-mindedness, love of learning,
346 ingenuity and originality, and perspective. There are three
347 things worth noting about this list of strengths. First, we believe
348 that practical wisdom demands *all* of these strengths. There is
349 no reason to think that someone who develops the signature
350 strength of curiosity, or love of learning, in isolation from the
351 others will be in a position to determine the right thing to do in
352 the myriad of mundane social situations people find themselves
353 in every day. Cultivating some of these strengths and neglecting
354 others will lead to an impoverished toolbox – only hammers.

355 Second, we believe that practical wisdom requires other str-
356 engths that are not on the Peterson and Seligman list. It requires
357 discernment, perceptiveness, and imagination. It requires social
358 and emotional intelligence (which we interpret as including
359 empathy, perspective taking, and the ability to listen, and is a
360 strength that Peterson and Seligman classified under the virtue
361 of humanity). And finally, and most important, the list of intel-
362 lectual strengths, no matter how extensive, can never completely
363 capture what goes into practical wisdom. For in addition to
364 *skill*, which is what the intellectual strengths contribute to, prac-
365 tical wisdom requires *will*. To be wise, it is not enough to know
366 the right thing to do. You also have to want to do it. In the
367 absence of will, the intellectual and emotional skills that make
368 up practical wisdom can be used as instruments of manipulation
369 and abuse. You have to want what is best for your friend as you
370 contemplate your answer to the “how do I look” question. You



371 have to want what is best for your students as you contemplate
372 the “what grade do I give” question. And doctors have to want
373 what is best for their patients, therapists have to want what is
374 best for their clients, judges and legislators have to want what
375 is best for their citizens. We all know people who possess the
376 skill without the will. Such people are dangerous.

377 A PSYCHOLOGY OF PRACTICAL WISDOM?

378 Though we have no psychology of practical wisdom to offer,
379 we think that there are several characteristics of practical wis-
380 dom, as we have sketched it, that align themselves nicely with
381 research in modern cognitive science. First, our suggestion that
382 judgment rather than rules is required to determine what to do
383 in any particular situation conforms nicely with the modern
384 understanding that most human concepts and categories are
385 organized around prototypes or exemplars, with no clear and
386 unambiguous criteria for membership (Rosch, 1975; Rosch and
387 Lloyd, 1978; Wittgenstein, 1953; see Johnson, 1993 for detailed
388 discussion of the application of the idea of “natural concepts”
389 to the debate in moral philosophy between rules and judgment).
390 We now know that concepts structured to have clear defining
391 features (e.g., “square”) are rare in human experience. Far more
392 common are concepts (e.g., “game,” to use Wittgenstein’s
393 famous example) with ambiguous and changing boundaries,
394 that admit graded membership (i.e., some very good examples
395 and some less good). This kind of conceptual structure is what
396 the list of strengths demands. There may be clear and unambig-
397 uous examples at the core of strengths like courage, but there
398 will be other, less clear, perhaps even metaphorical, and ever
399 changing examples at the periphery. That we ask ourselves
400 questions like “is courage called for here?” and “what would it
401 mean to be courageous in this situation?” implies an under-
402 standing of strengths as natural rather than scientific concepts.
403 And this kind of conceptual organization is just what practical
404 wisdom is predicated upon. This explains, by the way, why
405 moral rules are not up to the task of telling us what to do in
406 most of the situations we face every day: The fuzzy nature of

407 category boundaries makes it unclear when and how these rules
 408 are to be applied, however unimpeachable the rules themselves
 409 might be. Their application requires judgment.

410 Second, Aristotle suggested, and we agree, that wisdom is
 411 learned but cannot be taught – at least not didactically. This
 412 means that wisdom is the product of experience. One becomes
 413 wise by confronting difficult and ambiguous situations, using
 414 one’s judgment to decide what to do, doing it, and getting feed-
 415 back. One becomes a wise practitioner by practicing being wise.
 416 It may thus be domain specific: The wise teacher may not be
 417 a wise parent. Relatedly, wisdom honors the priority of the
 418 particular, i.e., it is sensitive to the importance of context. It
 419 requires detailed knowledge of the other people involved in a
 420 situation: you really need to know your friend to figure out
 421 what to tell her about her dress. In the absence of detailed
 422 knowledge, rules (e.g., “always tell the truth”) are all one has.
 423 There is no basis on which to use judgment to decide what to
 424 do in a particular case unless one knows the particulars of the
 425 case.

426 Is there a psychological framework that could explain how
 427 wisdom, so characterized, is acquired? We think there is. Our
 428 account of wisdom is well captured by connectionist, neural
 429 network, parallel distributed processing models of cognition
 430 (McClelland and Rumelhart, 1986). Such models treat learn-
 431 ing as the result of a build-up of associations among multiple
 432 elements in our neural/cognitive architecture. The build-up
 433 takes experience; you can’t just shovel rules into people’s heads
 434 and expect them to be properly applied. Indeed such networks
 435 are capable of producing rule-governed behavior without the
 436 explicit representation of rules. Behavior is context sensitive in
 437 that different situations will activate different parts of a neural
 438 network. Such networks permit both conflict and ambiguity in
 439 judgment since individual cognitive elements will be part of
 440 more than one network. We imagine practical wisdom as built
 441 up via something like a neural network, as a result of experi-
 442 ence in many different situations with features that overlap but
 443 are never identical. Though this suggestion is at the moment
 444 little more than a hand-wave, we make it to indicate that prac-
 445 tical wisdom may be more than a mystical, mentalistic notion

446 that is out of step with modern psychological science. On the
447 contrary, it is possible to imagine implementing practical wis-
448 dom in a neural/cognitive system that is compatible with our
449 current understanding of the nervous system. Indeed, it may be
450 that wisdom is more psychologically compatible with our mod-
451 ern understanding of cognitive organization than any system of
452 moral rules would be (see Churchland, 1996; Flanagan, 1996;
453 Johnson, 1996, and other contributions to May et al., 1996, for
454 some examples of the application of modern cognitive science
455 to moral decision making).

456 Third, timing matters when it comes to figuring out the right
457 thing to do. As we said at the beginning of this paper, if it takes
458 you two minutes to respond to “how do I look?” you have
459 answered the question in a particular way no matter what you
460 ultimately say. There is now growing evidence from the literature
461 on decision making – both moral and otherwise – that the best
462 way to understand decision making is as the result of the opera-
463 tion of two systems – one fast, automatic, unconscious, and
464 organized very much like neural networks, and the other slow,
465 deliberate, conscious, and organized by rules (e.g., Haidt, 2001;
466 Kahneman, 2003; Kahneman and Frederick, 2002; Schwarz,
467 2002; Slomin, 2002; Slovic et al., 2002; see Gladwell, 2005, for
468 some vivid examples of the automatic system in operation, not
469 always successfully). Operation of the first system is mandatory;
470 operation of the second system is optional. Such a characteriza-
471 tion is quite compatible with how we think about wisdom. We
472 are, at least sometimes, able to determine the right thing to do
473 extremely rapidly, without even realizing that there *was* a deci-
474 sion – that there were options aside from what we chose. This
475 too is compatible with at least some readings of Aristotle. Aris-
476 totle emphasized the importance of habit to moral judgment and
477 decision making, an emphasis echoed by Dewey (1960) centuries
478 later. Such moral habits, understood as developed neural net-
479 works, are just what the “automatic” decision-making system
480 may be about (but see Nussbaum, 2004, for an argument that
481 for Aristotle, wisdom always involves deliberation of some kind.)
482 Thus, we believe that a psychology of practical wisdom, based
483 on our current understanding of conceptual organization, neural
484 architecture, and decision making, offers a great deal of promise.



485 **THREATS TO PRACTICAL WISDOM**

486 We have argued that practical wisdom requires the right goals,
 487 the right motives, and the relevant experience. It also requires
 488 enough flexibility and autonomy so that one can actually *do*
 489 what the situation calls for. Given these requirements, and gi-
 490 ven the centrality of practical wisdom, as the executive deci-
 491 sion maker, to character, it is distressing that modern social
 492 trends are conspiring to make wisdom ever more difficult to
 493 cultivate. These trends can be organized around two core fea-
 494 tures: increasing market pressure and increasing bureaucratiza-
 495 tion. The pressure to make a profit threatens both skill and
 496 will. It threatens the development of the skills demanded by
 497 practical wisdom by depriving people of adequate time to get
 498 to know people and situations well enough to exercise judg-
 499 ment wisely. Doctors who see eight patients an hour can't
 500 possibly be expected to discern the unique circumstances of
 501 each patient. And it threatens the will by substituting financial
 502 incentives for motivation to do the right thing (see Frey and
 503 Oberholzer-Gee, 1997; Lepper and Greene, 1978; Schwartz,
 504 1994).

505 Bureaucratization is a threat to the development of the skills
 506 required by practical wisdom and to the flexibility and auton-
 507 omy needed for its deployment. When teachers are forced to
 508 follow prescribed lesson plans to achieve rigidly specified curric-
 509 ular goals, they are hardly in a position to look for and capital-
 510 ize on teachable moments. Nor are they able to gain and use
 511 the sophisticated knowledge of each pupil that is needed to tai-
 512 lor instruction in a way that meets individual needs, interests,
 513 and abilities. One of Piaget's most important lessons was that
 514 cognitive development occurs when children are confronted
 515 with tasks that are challenging – but not too challenging.
 516 Bureaucratization makes the discernment of this kind of infor-
 517 mation impossible.

518 It is important to appreciate that both of these threats are
 519 self-perpetuating. The less practice people get, the worse their
 520 judgment will be, and the worse their judgment is, the more
 521 people in charge will perceive the need for rules – rigid bureau-
 522 cratic procedures. This in turn will mean less practice, which

523 will mean more rules, and so on. Similarly, the more financial
524 incentives crowd out people's desire to do the right thing, the
525 more they will have to be policed, and their tasks "incentivized"
526 to make sure they do the right thing. Market incentives and
527 bureaucratic rules may be an appropriate short-term response
528 to greedy doctors or unimaginative teachers, but in the long
529 term, they only make doctors greedier and teachers less imagi-
530 native.

531 If we are correct that practical wisdom is absolutely essential
532 to virtue, then attention must be paid to the character of the
533 social institutions within which people operate. It will do little
534 good to encourage people as individuals to cultivate their signa-
535 ture strengths if the one strength without which the others will
536 be inadequate is subverted wherever they turn. In other words,
537 we are suggesting that you cannot have a positive psychology
538 without paying special attention to practical wisdom, and you
539 cannot cultivate practical wisdom without paying special atten-
540 tion to the shaping of positive social institutions. Seligman and
541 Csikszentmihalyi (2000) identified positive social institutions as
542 a key part of a future positive psychology. We believe that a
543 psychology of positive social institutions should be the center-
544 piece of a positive psychology. Yet thus far, little has been done
545 to develop such a psychology. The emphasis has been almost
546 entirely on the development of the individual (but see Cameron
547 et al., 2003, for an example of what a psychology of positive
548 social institutions might look like).

549 CONCLUSION: WISDOM AND HAPPINESS

550 It is possible that research will show that the greater a strength,
551 the happier the person – that from the point of view of sub-
552 jective experience – of positive emotion – as it is currently
553 understood, Aristotle was wrong. You may not need all the vir-
554 tues, and more of any virtue may be better than less, when we
555 are measuring affect. But if this were to turn out to be true,
556 what should we make of it? How important is happiness, under-
557 stood as positive emotional experience?

558 We do not want to suggest that positive emotion is unimportant,
 559 but we do want to suggest that it is not the only outcome
 560 measure that matters. What about the other people in a person's
 561 life? How effective is that person in improving the lives of
 562 others? If we are correct about the centrality of practical wisdom
 563 to the management of our social relations, people who go
 564 about cultivating and deploying their signature strengths without
 565 such wisdom may end up leaving a good deal of human wreckage
 566 in their wake. You may feel good, having cultivated your signature
 567 strength of honesty, when you tell your friend how fat she looks
 568 in that dress. But the effect of your honesty on her may be
 569 disastrous. The effects of our behavior on others should count
 570 a good deal – at least as much as the effects on our own
 571 affective states – when we evaluate the consequences of cultivating
 572 signature strengths. Indeed, it could be argued that in our culture,
 573 at this time, positive emotion may be just the wrong thing to
 574 be measuring. People are already too self-absorbed. People are
 575 already too concerned with feeling good rather than doing good.

577 Aristotle's *eudaimonia* and Seligman's (2002) "authentic happiness"
 578 are not the same as positive emotion. Seligman suggested that
 579 authentic happiness *includes* positive emotion, but it also includes,
 580 even more centrally, meaning and engagement. Meaning and
 581 engagement may, in turn, demand an Aristotelian network of
 582 strengths, organized and orchestrated by practical wisdom to be
 583 deployed in the right proportions. Seligman suggested that "authentic
 584 happiness" may only be achievable *indirectly*, as a byproduct of
 585 living an engaged and meaningful life. Perhaps we should be
 586 finding ways to measure engagement and meaning as outcome
 587 variables, and trust that happiness, understood as positive
 588 emotion, will then take care of itself. Given the centrality of
 589 one's work and close relations to well-being (e.g., Argyle, 1999;
 590 see other contributions in Kahneman et al., 1999), and given
 591 our argument about the centrality of wisdom to both meaningful
 592 work and successful close relations, it seems to us quite possible
 593 that, as Aristotle thought, wisdom is actually essential to
 594 enduring happiness. Being wise thus serves others, but it also
 595 serves the self.
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