THOUGHTS ON GREED AND ENVY

Kenneth Winarick

Is greed an inherently destructive part of the human condition that must be controlled and regulated by external constraints, or are the destructive aspects of greed more the function of the pathology of the individual and culture? If the latter is the case then psychoanalysis and particularly Kleinian theory of mind have much to offer. From this point of view, experiences of deprivation give rise to envy and greedy sadistic fantasies that are projected, resulting in persecutory anxiety that is defended against by splitting and fantasies of omnipotent power over others, seen as part objects to be exploited and controlled. These dynamics describe the essential elements of the unconscious fantasies and defenses of the psychopathic personalities often found behind the financial scandals. The notorious Bernie Madoff is an example, as is the fictional character Gordon Gekko in the 1987 movie Wall Street. The psychoanalytic description of the dynamics of destructive greed and envy provides a basis for differentiating good greed from bad greed.

KEY WORDS: greed; envy; psychopath; financial scandals.

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It seems that greed is everywhere, not that it always hasn’t been everywhere, but now it has taken on new dimensions, risen to new heights resulting in what the New York Times has described as an “engrossing orgy of greed, graft, cronynism, and corruption” (Stanley, 2008) scandals that both excite and appall us. But this orgy, unlike what we typically associate with an orgy, doesn’t have much to do with sex, at least not in its content or at its core. When “greed trumps lust” and love is nowhere to be found, sadistic pleasure prevails and we are drawn into a world of ruthless aggression, where the accumulation of wealth, and power takes precedence over all other considerations, where people are treated as part objects to be exploited, ripped off, damaged, and controlled, and where even the fleeting recognition of otherness is avoided at all costs making mature moral

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responsibility all but impossible. The consequence of this has been a far
reaching economic, and social calamity that touches us all. The damage
to the individual and society, however, goes beyond the actual financial
losses, which have been substantial, to the often devastating subjective
meanings of the losses for the individual, and the destructive influence of
the highly visible financially successful but morally corrosive sub-cultures
that stimulate greed and envy and infuse sibling and oedipal competition
with murderous destructive fantasies and fear.

How do psychoanalysts understand this? And what if anything does
psychoanalysis have to offer to remedy the situation? Is it just that we need
more regulation in the form of new laws or more policemen to buttress
internal controls that seem overwhelmed by intensification of greed or are
the determinants more complex and tenacious and the solution more diffi-
cult? If the latter is the case, and I believe it is, psychoanalysis has much
to offer as it provides an in depth, dynamic understanding of personality
that takes into account aspects of the mind that are out of awareness
(i.e. not conscious) but still exert a powerful force driving the unbridled
greed that is so destructive to the victims and in the end to the victimizers.
Greed manifestly appears in different forms; in the pursuit of money, sex,
and power, and particularly political power to the extent that greed infuses
these strivings. It is no surprise then that all three often occur together,
actively pursued by the same individual. In other instances, one of the
strivings may initially predominate but once it looses its meaning, either
through success or disappointment, a shift to another often occurs. For
example a greedy striving for money, if it is successful, is often replaced
or subordinated to strivings for political power.

What underlies this commonality and what are its defining characteristics?
The answer I believe requires a journey into Kleinian theory of mind, a
journey into a potentially frightening inner world of unconscious fantasies
of destruction and persecution, of omnipotent fantasies and beliefs buttressed
by primitive defense mechanisms, a journey into an inner world of blurred
boundaries between self and others and consequently a profound alienation
from true self. Melanie Klein (1957) saw greed developing out of the earliest
experiences of being fed or not fed, of having hunger frustrated or gratified,
and Klein inferred fantasies, fears, and mental processes occurring in the
minds of infants as a consequence of these early oral experiences. The
possibility of verifying these inferences in any substantive way, however,
has been justifiably questioned but this does not invalidate the usefulness
and relevance of the dynamic constellation of unconscious fantasies and
defenses that Klein posulated for understanding the here and now func-
tioning of those consumed by pathological greed. This does not mean,
however, that the developmental link between greed and frustrating or
gratifying oral experiences cited by both Abraham (1924) and Klein (1957) should be dismissed or ignored. There is an intuitive relationship between greed and hunger that has always been part of our lexicon and incorporated into standard definitions of greed.

It is worthwhile here to review the unconscious fantasies, defensive maneuvers and mental processes that Klein described, as they capture important aspects of adult mental functioning that, in my opinion, closely resonate with the pathology of the psychopathic personalities we read about daily in the media, who, to borrow a phrase from Karen Horney (1937), are driven by the “pursuit of power, prestige, and possession”.

For Klein (1957), recurrent early oral experiences of frustration and gratification are powerful stimuli for loving and destructive (i.e. hating feelings) that ideally should be balanced, but with too much privation and deprivation the balance is shifted, intensifying aggression and diminishing love. Aggression then becomes dominant and is transformed into greed and greedy fantasies of biting, tearing, devouring, scooping out and annihilating the frustrating source of food, the bad breast. Furthermore, greed stimulates envy of the giver who has the food and control, so that whatever is given becomes in fantasy something that is sadistically taken whose value must be spoiled to extract revenge on the envied object. The consequence is a vicious circle of deprivation and frustration and a sense of never having enough, which leads to a further intensification of greedy sadistic fantasies. These fantasies are projected, distorting the image of the hated depriving object, generating a fear that the object now filled with greedy and destructive fantasies will attack and devour in return, resulting in what Klein describes as persecutory anxiety, a paranoid fantasy, sustained and intensified by projection and introjection that mobilizes primitive defenses that split the images of the good and bad objects to preserve the idealization of the good object and protect it from attacks from the bad object. Omnipotent fantasies, transformed into beliefs of unlimited power, develop to defend against persecutory anxiety. They interact with projective identification to control or annihilate projected persecutory objects and expel hated and devalued aspects of the self. Recognition of a whole object, of a person who is not a thing, requires that both loving and hating feelings can be experienced and tolerated toward the same person who is seen as separate with their own needs, wishes, vulnerability and pain. This recognition can be extremely difficult for someone who needs to split object representations and enact omnipotent fantasies of power and control with destructive exploitative attacks on others. However, if reality testing is not psychotically impaired, there must be some recognition, on an unconscious level, of the damage done to others, but this recognition engenders unbearable guilt and depression that must be defended against by denial of the damage
done, by manic defenses that idealize strength, power and greed, and by a regressive retreat away from the painful implications of recognizing separateness, mutuality and interdependence. Ironically what appears on the surface as strength and independence, as being self-sufficient and not needing anybody, masks a compulsive sadistic dependence on others who have the vital supplies that must be continuously extracted and stolen to bolster omnipotent fantasies and satisfy wishes made insatiable by vicious circles of envy and greed. A controlling tie to others must be maintained to protect against attacks from those who in reality may have the power to hurt or harm but who are now filled with projective persecutory intent that makes them all the more dangerous. Perhaps, the most tragic consequence is the loss of the ability to develop genuine intimacy and mature love. As Michael Balint (1952) points out this is an achievement that requires recognition of the separateness and wholeness of the other and tolerance of the frustration and depression associated with the inevitable limitations separateness imposes on having one’s needs met.

Betty Joseph (1960) describes the psychodynamics and particularly the relationship between greed and envy and the omnipotent defenses of a psychopathic patient. Joseph describes three interrelated characteristics that she believes are fundamental to the psychopathic state; “the striking inability to tolerate any tension, second a particular attitude towards objects and third, a specific combination of defenses …” Her patient could not tolerate inner conflict and anxiety, was extremely demanding and controlling, greedy and exploitive, cruel towards others with out any apparent concern but because of his intense envy he had to “spoil and waste” what he was able to get resulting in more frustration and greed, the vicious circle I described earlier. The “spoiling and wasting” of what is obtained by stealing (i.e. other people’s money) leads to intolerable feelings of guilt, depression and persecutory fears that are defended against by omnipotent fantasies that to the patient are not illusory but real. Joseph’s patient incorporated and magically identified with “idealized, successful and desirable figures” that allowed him to avoid depressive feelings and any sense of loss resulting from genuine dependency and attachment to others. Furthermore, since in his imagination he magically possessed the powers and capacities of the idealized objects, he had to split off and project the “failed and wasted” devalued and despised aspects of self into others and attack them with “violent accusations”. Similarly, he would project his persecutory figures, his harsh, punitive super-ego into authority figures who have power over him and constantly struggle to evade and control them. Other times he would have to placate his inner persecutors, his inner judges, with bribes, rationalizations, and denials so to prove that “his criminal impulses were not as they seem”. His unconscious guilt and a need to be punished,
however, was never absent and often resulted in being arrested and punished for petty things to avoid more extreme punishment, guilt, and depression. In this manner, he managed to avoid serious criminality and arrest by projecting his criminal impulses into others and vicariously identifying with them. In this regard he differed from those we read about daily in the media who have been arrested and charged with serious criminal actions, but the financial crimes they are charged with may seem to them petty or of less significance than the unconscious intensely envious and hateful destructive wishes from which they emanated.

This description captures essential elements of the character and unconscious fantasies and defenses of psychopathic personalities. Some seem to compartmentalize their psychopathy and maintain splits in their internal and external world that allow for more mature levels of functioning in some areas, while with others it seems to take over their entire being. Bernard L. Madoff\(^1\) is an example of the latter, and because his greed and psychopathy is so extreme and pervasive he serves as good clinical example as does the fictional character Gordon Gekko, played by Michael Douglas in the 1987 movie *Wall Street*. They present differently, Madoff has been described as affable and charismatic in some situations but more consistently reclusive, standoffish and aloof, while Gordon Gekko is brash, arrogant, and narcissistically expansive, but I will show that the underlying dynamics are much the same, with the variation in behavior accounted for by different defensive and expressive modes of character organizations. Madoff has been the subject of extensive investigative reporting by *The New York Times* (for example, Henriques and Kouwe, 2008; Henriques, 2008). Friends, elementary and high school acquaintances, investors and employees have been interviewed as well as an ex-FBI expert on criminal behavior, and a forensic psychologist both of whom described Madoff as fitting the description of a psychopathic personality with the now all too familiar traits of lying, grandiosity, and callousness toward others. These descriptions of Madoff, however, focus largely on the external, on the observable, and although they provide glimpses into his internal world they are limited in their vision of the core unconscious process operating, a vision that psychoanalysis is best equipped to provide. Unfortunately, I know little about Madoff’s early upbringing, the nature and quality of his relationship to his parents, or of the formative influences in his life. Yet the interviews and characterological descriptions provide important clues to the unconscious fantasies and defenses that seem to be central to understanding Madoff’s mind. Of particular interest in this regard is the link experts made of “the world of white collar finance to the world of serial criminals”, more specifically in Madoff’s case to the world of “serial killers”.

“Whereas Ted Bundy murdered people, Mr. Madoff murdered people’s
wallets, bank accounts and peoples sense of financial security”. “With serial killers they have control over the life and death of people … They are playing God … He’s playing financial God, ruining these people and taking their money” (Henriques and Kouwe, 2008; Henriques, 2008). These experts intuitively sensed the presence of primitive murderous unconscious fantasies that were transformed and enacted by stealing other peoples’ money and undermining their sense of security and safety, the subjective equivalent in his mind of hurting, damaging and annihilating them, making them feel the intolerable insecure terror he tries so hard to defend against.

The experts also highlighted his grandiosity, sense of entitlement, and almost psychotic like identification with god like powers of control over others and belief that he was special and above the law. These observations resonate with Klein’s understanding of the nature and functions of grandiosity as a set of omnipotent fantasies that serve to defend against persecutory anxiety that renders the world a jungle where one is either predator or prey, or in the everyday parlance of Wall Street, one either eats what one kills or is killed by being eaten. It is a world that Madoff and others like him inhabit and cope with by becoming in fantasy and in actuality powerful predators who protect themselves from attack by attacking and devouring others, who as prey are objectified and treated as thing like containers, that must be looted and destroyed. Madoff’s callousness and cruelty to others is by now well known. One wonders if there is any goodness in his life, any compartmentalized relationships where he can experience the whole separate humaneness of another and a semblance of mature love. His relationships with his wife and perhaps his sons seem at first glance to offer this possibility. He has been married for almost 50 years to a woman who went to the same high school who has consistently been described as sweet. They were reported to be inseparable, working together, traveling together, and dining together. The very model of a devoted wife and husband. But questions have been raised about how much she knew. If she knew and was complicit then she shared more in common with him than she let on, the two of them forming a psychopathic folie a deux. If not then she was manipulated, lied to and victimized, like everyone else except that the closeness of their relationship makes his treatment of her all the more vicious. Particularly since Madoff actively solicited investments from her close friends and their relatives, friends that she had known for years, some of the relationships dating as far back as high school.

Madoff also actively pursued relationships with Wall Street regulators, eventually becoming a trusted advisor who assisted in writing the regulations that applied to his business. This allowed him to project his internal persecutory objects into the regulators and protect himself from their
realistic and fantasized destructive attacks by controlling and manipulating them. His harsh punitive internal objects now resided outside in the regulators, in an external reality, that made them less frightening and more susceptible to manipulation and control than the destructive retaliatory objects of his internal world. Now, at least on a conscious level, he was free of internal punishment and moral inhibition allowing him to pursue unfettered a ruthless struggle to symbolically annihilate and kill those he feared would do the same to him. Not surprisingly, he now finds himself the object of the very thing he imagined in fantasy and feared most, murderous death threats from those he financially murdered. An enactment is co-created. His persecutors now identified with his projected murderous rage threaten him with death but he is protected by body guards and wears a bullet proof vest. Again the danger is externalized, managed and controlled and made less frightening and more concrete than the fantasized dangers of his internal world.

One wonders about Madoff’s sense of guilt and his awareness of the pain and suffering he has caused others. Are there moments when he is able to sustain a differentiated sense of self and other, glimpse the damage he has done and experience some remorse or need for reparation, or are his self-accusations and guilt so primitive and pervasive that he has to repress and defend against any recognition of responsibility? And finally, does being caught and confessing to his sons satisfy a guilty need to be punished or is it just the result of reality intruding on an unsustainable omnipotent fantasy of impunity?

I turn now to a fictional character, Gordon Gekko, the Wall Street trader and raider portrayed by Michael Douglas in the 1987 movie Wall Street as a further illustration of a psychopathic personality whose internal world, at least as it is portrayed in the movie, is strikingly similar to Madoff’s. Since Gordon Gekko is a fictional character, created by writers and brought to life by an actor, his psychopathic personality traits stand out in a dramatic, highly visible way that may not be representative of the more complex, conflictual inner world of a real person. Nevertheless, his character, as it is portrayed in the movie, can usefully serve to delineate and clarify some of the central dynamics operating in a psychopathic personality in which greed stands out as a central organizing force. Gordon Gekko is ruthless, and “takes no prisoners”, his greed, unlike Madoff, is not hidden by an aloof, Wizard of Oz like persona, but stands out in vivid relief as part of what Horney (1950) called his pride system. He openly brags about his conquests, takes obvious sadistic pleasure from defeating and hurting his rivals, and idealizes his greed, trumpeting its value while disdaining those who inhibit or hide their greed behind virtuous facades. Gekko’s murderous fantasies are close to the surface and readily observable ... When he feels
he is close to completing a deal he says to his traders: “We are in the kill zone, lock and load”. He refers to his best trader as “the terminator” and instructs him to “blow them away”. He wants to see things flowing red, as in blood. He refers to brokers who can’t beat the Standard and Poor’s Five Hundred as “sheep who get slaughtered” and he refers to his young protégé, Bud Fox, as a member of “his gang”. He has a handgun collection and shows his rival the gun he is most proud of, a rare German Luger, just before he is about to financially hurt and damage him. He projects and introjects his greedy murderous fantasies and experiences the world as a war zone, where he is constantly in danger of attack and persecution. He quotes *The Art of War* (Sun-Tzu, 1988) to justify his illegal actions, and tells Bud that “it’s trench warfare out there” implying that it’s either kill or be killed, annihilate or be annihilated, or on the most primitive level eat or be eaten. In such a terrifying world the power to extract endless supplies of money and maintain control over others provides a precarious island of safety and an outlet for gratifying destructive wishes. Feelings for others and love have no place in his pride system. In a moment of self-revelation Gekko alludes to his feelings of inferiority and envy, his despised self, as Horney (1950) would call it, his City College background, and how he now has gotten the best of “ivy league schmucks who suck my kneecaps”, an obvious displacement downward. He says he doesn’t want Harvard MBA’s working for him. He wants people who are “poor, smart and hungry” with “no feelings”. “If you need a friend, get a dog”. He tells his ex-lover: “don’t buy into the oldest myth love. It was created by people to keep them from jumping out the window”. To Gekko people are part objects to be used and manipulated. He has affairs without any thought of the damage they could do to his wife. He “gives” his ex-lover to Bud to seduce and control him and in the end callously attempts to destroy Bud’s emerging goodness, the love and reparation he feels for his father.

The reciprocal relationship between greed and envy is most clearly seen through the eyes of Bud, a young, relatively poor stockbroker from a working class background whose greed is constantly being stimulated and intensified by his envy of Gekko’s wealth and power: the impressive home, extensive art collection, corporate jet, beautiful women, and a seemingly unlimited ability to accumulate wealth and defeat and humiliate rivals. Gekko flaunts his money, showing Bud a check for a million dollars, the money he made in one day, and gives it to Bud to invest for him. Bud is excited, feeling it is the financial opportunity he always desperately wanted. But it is also a tease. It is like dangling food (in this case money) in front of a starving person and saying it is mine and you can’t have it, you can only touch and handle it and make it grow into more for me. Gekko tempts Bud with the possibility that he might get some of what Gekko
has, but this can only provide temporary satisfaction. Gekko will always have more, and once the envied supplies are obtained they must be devalued and spoiled, belittled or lost, in an attempt to extract revenge on the envied withholding object and minimize the envy that will all too soon reappear. So there is never enough, the hunger never disappears, and is insatiable, made all the more so by the need to sustain defensive omnipotent fantasies that depend on accumulating more and more wealth and power.

This all comes together in perhaps the most memorable moment in the movie, the greed is good speech, which Gekko makes at a stockholders’ meeting of a company he is planning to take over. In this speech, Gekko justifies his attempt to take over the company by viciously attacking the executives of the company whose money and power he envies and greedily wants to take for himself. He projects his aggressive greedy wishes into the executives who he now perceives as enemies out to hurt him by greedily stealing his money (he is the largest shareholder) with their large salaries and perks while not doing anything of value. By getting control of the company he protects himself from their greedy attacks on his assets and manages to get their assets for himself. He disparages the executives, sarcastically stating that the law of evolution that holds in corporate America is survival of the unfittest, while in his book it is either do it right or get eliminated. He splits off his bad, despised aspects of self, his weakness and inferiority and projects them into the incompetent executives while aggrandizing his own power and strength. His devaluation of the executives also serves to de-humanize them, to turn them into bad part objects so that the depression and guilt associated with any recognition of the hurt and damage done to them can be avoided and defended against.

What is so striking about this speech, is Gekko’s prideful public assertion that greed is good. This is in contrast to how we typically view greed: greed is bad. After all, greed, defined as acquiring more wealth than one needs, is one of the seven deadly sins and is considered a “sin against God”. Webster’s International Dictionary (1971) similarly defines greed as inordinate or all consuming, as a reprehensible acquisitiveness for wealth and gain, and as an extreme or voracious desire for food and drink. Implicit in this definition is the notion that greed is reprehensible if it is directed toward wealth and gain, but not necessarily so if it involves food and drink, suggesting that we are much more forgiving of voracious appetites for food or drink than for money. Madoff concealed his greed. It was hidden behind his reserved, withdrawn personality, and masked by his charitable gifts, and board seats in well respected organizations. As Kaplan points out (1991), even the Hunt brothers, who showed little compunction in attempting to corner the silver and then the soybean market, tried to maintain a public
façade of concern for their victims, to hide the sadistic pleasure they took
in hurting and bankrupting them.

Gordon Gekko is different. In the speech he proudly proclaims the value
of greed, “greed is good, greed works, greed is right, greed clarifies, cuts
through and captures the essence of the evolutionary spirit. Greed in all
its forms ... has marked the upward surge of mankind and greed, mark my
words, will save not only Teldar Paper (the company he is trying to get
control of), but that other malfunctioning corporation called the U.S.A”.
After the speech the stockholders rise up and cheer and applaud. In the
moment they idealize and identify with Gekko, imagining that they too can
become omnipotent, powerful and wealthy like Gekko, who as an idealized
figure gives them permission to allow their greedy fantasies to emerge in
full force into consciousness. An exciting group mania takes hold but like
a transference cure the mania cannot be sustained without the continued
incorporation of the idealized object and eventually it will dissipate as the
limitations of reality set in, internal sanctions re-emerge, and recognition
of harm to others becomes unavoidable. None of us are immune to the
conflict between the temptation to actualize master of the universe fantasies
of unlimited power and wealth and the realization that unfettered actuali-
zation of such fantasies undermines, rather than supports, the evolutionary
process and brings untold harm.

We are then left with the dilemma of finding a useful place for greed;
greed that is adaptive, and normal, greed that can be transformed into
healthy strivings that benefits individuals and society. What are the defining
characteristics of good greed, and are we even justified in calling it greed?
Greed is typically understood as all consuming, voracious, reprehensible,
and insatiable. Good greed has none of these qualities. Perhaps, we should
restrict our definition of greed to bad greed and define good greed as
healthy self-assertion. Such a definition would capture important essential
elements of good greed, but in my view would serve a defensive function,
sanitizing our conscious and unconscious fantasies and moving us away
from our biological and evolutionary heritage. This makes it all the more
important to distinguish good greed from bad greed and integrate good
greed in our understanding of personality functioning.

Good greed, unlike bad greed, emerges out of optimal experiences of
frustration and gratification and is balanced by love and recognition of the
wholeness, separateness, and subjectivity of the other. Envy is always
present stimulating greed, but it is not fused with sadistic fantasies and the
need to spoil and take revenge, instead, envy serves as a catalyst for striv-
ings for realistic goals. And perhaps most importantly, in good greed, striv-
ings for power and control are not employed in the service of sustaining
defensive omnipotent fantasies transformed into beliefs about self. Rather
they are integrated into adaptive strivings tempered by realistic limitations, internal evolved moral constraints, and by an awareness of their impact on self and other.

NOTE

1. Bernard L. Madoff was the mastermind of the biggest Ponzi scheme to date. He was arrested for his crimes on December 11, 2008 and sentenced to 150 years in prison on June 29, 2009.

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