Introduction

For the past few years, a select group of Christian social thinkers have engaged in dialogue with free-market economists concerning the morality of market activity. This friendly interdisciplinary exchange inspired the conception of a new subdiscipline that sought to synthesize central aspects of theology and economics, thereby giving rise to a new body of scholarship termed economic personalism. This essay introduces economic personalism in its historical, philosophical, and practical components.

Economic personalism is a science of the morality of markets—an attempt to analyze the moral ramifications of economic activity in light of a theological vision of the human person. This includes a detailed exploration of economic theory, history, and methodology, as well as actual market practices, all viewed from the perspective of the Christian faith, particularly its recognition of the dignity of the human person and the concern for justice that stems from this recognition.

There have been attempts to address economic development within the theoretical context of Christian moral concerns. These previous efforts sought a Christian economics as part of a comprehensive social theology that could elaborate the proper moral structures for all areas of social life—political, cultural, and economic.

These past efforts have shown themselves inadequate in one respect or another. A typical weakness is to offer principles of morality for the market that lack either sufficient knowledge of morals or sufficient knowledge of economics. In either case, the result is an inability to achieve a true synthe-
A true synthesis cannot afford to be reductionistic but must respect the genuine claims of both economics and moral theology.

No matter how sublime the theology, it is no substitute for genuine economic knowledge, especially when the goal is to analyze economic structures in terms of their moral significance. How can a theologian who fails to grasp the principles and structures of the market accurately comment on their moral status? While not all theologians need be economists and not all economists need be theologians, a minimum of expertise in both disciplines is required on the part of the moral critic.

Economic personalists contend that maintaining a proper theological anthropology is foundational to achieving an adequate synthesis of theology and economics. In the past, theories within social science have tended to be overly rationalistic, unduly collectivistic, utilitarian, or weak regarding the metaphysical dimension of human existence. Deficiencies like these naturally resulted in a skewed conception of human nature. Merely being aware of these mistakes requires social theorists to uphold simultaneously a sound theological anthropology and a firm grasp of basic economic principles. The human person’s obligations can only be derived from his theological aspect as creature and subject of God’s grace.

Economics is the study of human action in the marketplace, while moral theology is the study of the rightness or wrongness of human action in general. The human person is central both to economics and moral theology. The two sciences intersect in the human person and the systematic analysis of human action. A proper synthesis of both cannot afford an incomplete anthropology. The human person must be understood not only as a spiritual creature with a rich moral life but also as an incarnate being with material and mundane concerns.

Since a primary goal of this essay is to produce a wholistic anthropology of the person in action, it is necessary to begin by proposing an explanation of the nature of personal existence. Yet it acknowledges the mysterious character of human existence. This recognition, however, does not eliminate the feasibility of probing the mystery, but it does affirm that no theory or set of insights can ever fully explain human life. The human person is an infinitely complex subject. We encounter both the transcendent and the infinite in the soul of man. Philosophical and theological attempts to understand the human person have continued since the time of the early Greeks.

There are various kinds of personalism. Though some personalists are idealists, believing that reality is constituted by consciousness, there are also realistic personalists, who hold that the natural order is created by God and not constituted by human consciousness. While most personalists are theists, there are also atheistic personalists. Among the idealists there are absolute personalists, panpsychistic personalists, ethical personalists,
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Since a primary goal of this essay is to produce a wholistic anthropology of the person in action, it is necessary to begin by proposing an explanation of the nature of personal existence. Methodologically, this will entail consulting what Scripture and reason reveal regarding the human person and the basic structure of morality. However, the contribution of other sciences, such as sociology, biology, psychology, and economics, must also be incorporated into the investigation.

Economic personalists seek to provide a wholistic account of personal existence and thus supplement genuine economic science with a science of morality for the marketplace. Building upon the best in the Christian tradition, they seek to employ a specific understanding of humanity, one called personalism, coupled with the best economic science generated after a century of global market activity and theoretical development. In short, they seek nothing less than a fully Christian economic science, one that takes full account of the truths of productivity in the market along with the truth about the human person.

Critics will immediately respond: “Is there such a thing as Christian economics?” “What would such a science look like?” They contend that the truth about markets and their operation do not depend on Christian theology or even personalist anthropology. They are right. Supply and demand curves, marginal utility, and other economic principles are true independently of their relation to Christian moral principles. We are not attempting to reformulate economics in the image of moral theology. Nor do we desire to reduce moral theology to market analysis. The discipline we seek provides a nuanced synthesis of free-market economic science and the science of moral theology grounded in a personalist anthropology. We strive to maintain the rightful autonomy of these disciplines while endeavoring to develop a science that can fully utilize the insights of both. We admit at the outset that this is no easy task.

This essay attempts to supply an answer to the question, “What is economic personalism?” To achieve this task it will be necessary to offer our insights in five sections. Sections one and two will offer an outline of the intellectual sources and fundamental principles of personalism. Sections three and four will examine the philosophy of free-market economic theory. Section five will discuss the synthesis of these two sciences.

1. Personalism

Personalism seeks to analyze the meaning and nature of personal existence. Yet it acknowledges the mysterious character of human existence. This recognition, however, does not eliminate the feasibility of probing the mystery, but it does affirm that no theory or set of insights can ever fully explain human life. The human person is an infinitely complex subject. We encounter both the transcendent and the infinite in the soul of man. Philosophical and theological attempts to understand the human person have continued since the time of the early Greeks.

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and personal idealists, for whom reality comprises a society of finite persons or an ultimate person, God.4

Like philosophical personalism, economic personalism has precise intellectual sources that inform its vision of the person. While the scope of this work prohibits us from fully elaborating each of these sources, a cursory exposition of the more significant ones will serve our central purpose. Economic personalism derives mainly from its current Polish definition.5

Polish personalism has its roots in a group of mostly Catholic intellectuals and churchmen, who offered varied but overlapping insights into human nature built on existing theories of personalism. The common ground of these thinkers was the philosophical methodology of phenomenological realism. Edmund Husserl developed phenomenological methodology in early twentieth-century Germany as a response to Kantian idealism. He arrived at a refutation of Kantianism while working to refute psychologism in logic. By demonstrating the intentionality of consciousness and the ability of the mind to intuit essential structures of reality, Husserl provided a new foundation for escaping the solipsism of the idealists.7

The group of students, who gathered around Husserl during his tenure at the universities of Göttingen and Munich, sought to further his agenda of renewing philosophical realism. Husserl’s early students, who included Adolf Reinach, Edith Stein, Max Scheler, Roman Ingarden, and Dietrich von Hildebrand, pressed on with this realist agenda even after Husserl himself seemed to have relapsed into a form of transcendental idealism. These students attempted to reconfigure the foundation of each of the various philosophical subdisciplines: logic, epistemology, the philosophy of science, metaphysics, aesthetics, and ethics along realist lines. In particular, Scheler and von Hildebrand articulated the foundational aspects of a philosophical anthropology.8

The work of this group has not yet entered the mainstream of American or British philosophy. However, their influence continues to be felt, particularly in Catholic theology. Among Catholic theologians, a young Polish priest, Karol Wojtyła, set out to analyze the ethics and anthropology of Max Scheler. Wojtyła wrote a doctoral dissertation assessing Scheler’s views on morality and man. This study significantly impacted Wojtyła’s own presuppositions, and so laid the foundation for a new school of philosophical anthropology. At first Wojtyła approached Scheler’s work from the Thomistic foundation of his earlier theological training. However, he soon discovered in Scheler’s phenomenology a new method for understanding persons by focusing on action and experience. Using phenomenological analysis, Wojtyła reexamined many essential features of human nature. Whereas in classical Thomistic anthropology personal existence was conceived as a more or less static rational substance, Scheler developed the philosophical foundation for a theory of human action.

Wojtyła gave special attention to French philosophical anthropology. Indeed, he drew heavily from the personalism of Emmanuel Mounier (1905-1950) and the writers of the Esprit, a magazine devoted to personalism that drew from the insights of Pascal, Bergson, Kierkegaard, and Marcel.9 Wojtyła and his Polish colleagues read Mounier with intense interest. In Mounier, they found the first philosophical account of the human intellect and intersubjectivity.10

Wojtyła eventually came to teach philosophy at the Catholic University of Lublin, where he and his students developed the core of Polish personalism. According to Wojtyła, analysis of human action can provide the starting point for all philosophical activity. The fundamental themes of such analysis include human subjectivity and autonomy, the recognition of human dignity, a theory of human rights, intersubjectivity, and the ontological status of the acting person—body, soul, mind, heart, and will.

2. Toward a Theological Anthropology

With the historical foundation of Polish personalism briefly outlined, we may now elaborate its central tenets. Our attempt is not to delimit personalism but merely to delineate its essential principles.

Centrality of the Person

Personalist thought considers the human person to be the ontological and epistemological starting point of philosophical reflection. Personalist philosophical reflection is a metaphysical investigation into the constitution, status, and dignity of the human being as person. The dignity and value of the person resides at the very center of personalist philosophy and provides the foundation for all subsequent philosophical analysis. Yet personalists also refer to people as autonomous subjects, the next principle to be addressed.

Subjectivity and Autonomy

Subjectivity refers to the inner conscious life of the human person. Persons, while maintaining an inner life, remain open to the world around them. Human beings have intuitive awareness, which means that they
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cognitively, emotionally, and psychologically relate to their external surroundings. Not only is consciousness directed outwardly to one's immediate environment, persons are also self-aware. Essentially, self-awareness means that persons experience themselves from within. They engage in recollection upon their own being, aware that it is they who are reflecting. A person's subjectivity is an external characterization of that particular person. It is understood as something dynamic, always changing in response to new circumstances and discoveries of need and value. But an enduring subject remains at the basis of this dynamic structure. There is a real, personal 'I' grounding every act. This 'I' is a conscious personal self. It is the person who really exists and really acts. Subjectivity is therefore the link between existing and acting.

It is important to distinguish between subjectivity and a subjectivist ethics. Subjectivity indicates that the person is a conscious subject. Subjectivist ethics refers to the idea that moral truth is subjective, that moral reality is measured and determined by personal consciousness—an approach personalism tries to avoid.

Just as it is through consciousness that a person becomes aware of his subjectivity, so it is through subjectivity that a person recognizes the particularity of his own existence, that is, the autonomy of his own being. Yet this autonomy is not without reference to the truth about the human person. This sense of autonomy cannot be separated from one's subjectivity nor from one's nature.

People are their own masters insofar as they have been endowed with the ability to respond most effectively to their needs. This self-mastery is expressed in the Latin phrase sui juris (meaning "self-law"), but in order to understand this relationship properly, we have to approach the experience of autonomy through subjectivity. Just as it is through consciousness that a person becomes aware of his subjectivity, so it is through subjectivity that a person recognizes the particularity of his own existence, that is, the autonomy of his own being. Yet this autonomy is not without reference to the truth about the human person. This sense of autonomy cannot be separated from one's subjectivity nor from one's nature.

Human Dignity

The material in the preceding sections leads quite naturally into a discussion of the great dignity and worth of the human person. According to Pope John Paul II, the incarnation of Jesus has elevated human nature into a position of utter uniqueness by being raised into the unity of the divine person of the Son of God. Every human person is somebody unique and unrepeatable. He writes:

If we celebrate with such solemnity the birth of Jesus, it is to bear witness that every human being is somebody unique and unrepeatable. If our human statistics, human categories, human political, economic and social systems, and mere human possibilities fail to ensure that man can be born, live, and act as one who is unique and unrepeatable, then all this is ensured by God. For God and before God, the human being is always unique... somebody thought of and chosen from eternity, someone called and identified by his own name. Christ not only reveals God's salvific will for all humanity but, according to the Pope, is a revelation of man, of what man was intended to be at creation and is, by reason of the incarnation of the Son of God and by reason of the Crucifixion, Resurrection, and Ascension of the God-Man Jesus Christ. In this respect, Jesus is the revelation of what humanity now is—a unique refraction of the divine image.

The assertion that people are of immense dignity has profound significance. It marks out the position proper to human beings in the world. It speaks of the human being's God-given greatness. Despite their sinful and fallen nature humans are ontologically superior to everything else in created reality. The traces of human activity in various communities testify to this dignity. The value of the person is not derived from an individual's contributions, talents, or achievements but has to do with the ineffable ontological significance of their being. Human existence is endowed with dignity, the dignity of a conscious, free, and creative being.

There are several overlapping considerations that display the dignity of the human person. First, there are faculties and powers that only humans possess, such as intelligence, creativity, and freedom. The capacity for love is, perhaps, the greatest feature of human existence. The ability of the human person to love another sacrificially illustrates the nobility and uniqueness of humanity in comparison to the rest of creation.

Second, human dignity is preserved and enhanced by the fact that humans have the ability to acquire knowledge of the world. Human persons are not creatures limited to their immediate environments. We are not completely restricted by the situations in which we find ourselves. Human knowledge permits the person to relate in an intelligent and nondetermined manner to the events, ideas, and persons of his lived experience.

Third, the physical and genetic uniqueness of human beings supports the claim of human dignity. Each person is an original, unique, and unrepeatable expression of human nature. We understand the value of each
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Third, the physical and genetic uniqueness of human beings supports the claim of human dignity. Each person is an original, unique, and unrepeatable expression of human nature. We understand the value of each
person to be irreplaceable. The unique array of individual centers of consciousness within the human community underscores the ineffable dignity of each and every human person.

Fourth, the incommunicability of the human person supports the claim of human dignity. Each person is an original, unique, and unrepeatable expression of human nature. We understand the value of each person to be irreplaceable. The unique richness of individual subjectivity bespeaks the ineffable dignity of each and every person.

The culminating insight of Polish personalism is contained in the maxim that each person ought to be affirmed for his or her own sake. This means that there is a recognition and response to the value of each and every person. This maxim respects Kant’s dictum that people never be treated as means to an end. Kant’s understanding of the dignity of the person, while laudable, lacks the positive aspect of love, respect, and affirmation due to every person. Acknowledging and respecting a person’s dignity entails the following: (1) the obligation to respect another person’s sense of value, (2) positive affirmation for work performed, and (3) what von Hildebrand and Wojtyła have called ‘value response’ or the possibility for self-transcendence in love insofar as the subject conforms himself to the preciousness and worth of the person for his own sake.

Person Within Community

Probing the mystery of human existence further, we acknowledge its social character. To be a flourishing human person entails being in relationship with others. Polish personalists frequently begin their philosophizing about the social nature of the human person by reflecting on the personality of God. The Triune God, from whom both the order of creation and the order of redemption proceeds, is an infinite community of self-giving love. To be a person in this sense entails giving yourself to others. As beings created in God’s image, each human person is called to achieve the perfection of his own personhood by entering into genuine community with others.

Persons are born in and for community. Personal being is relational. A person is always someone’s son or daughter, mother or father, brother or sister, neighbor and friend. What is the relationship between the subjectivity of the person as an individual and the structure of the human community? A community does not take shape merely because several people live and act together. The term community does not simply denote an aggregate of individuals but a unity of persons. Any investigation of an aggregate of persons cannot simply posit an objective reality that affects every member equally, but must make a point of focusing on the consciousness and personal experience of the members individually. Only by taking this approach do we perceive the reality of a community and begin to grasp its essential meaning.

The hallmark of the personalist method is the conviction that the potential to participate is essential to the self. This potential, obviously, has to be activated, formed, and cultivated in order to be brought to its fullest realization. The person lives and acts with others not only because it is his nature to do so but because he matures as a result.

Here we raise the question of individuality and individualism. Personalism recognizes that the human individual is a unique, substantial self. In this sense, the individual is the building block of the social order. Yet the recognition of individuality is not the same as that of individualism. Individualism is an attitude that isolates the person in an atomistic theoretical construct. Individualism sets people against each other, conceiving of social relations as tension-filled exercises in the claiming and limiting of rights. Individualism is the opposite of solidarity; it is a self-centered attitude that views all of life as directed inwardly toward the self. It is possible to recognize individuals as the ontological foundation of the social order without becoming individualistic. The person has freedom of action but does not maintain an unrestricted liberty to act immorally. Persons are only free to the extent that they are capable of choosing the good.

Participation and Solidarity

The commandment to love your neighbor as yourself means that we must actively bring good to the lives of others as we do to our own lives. The commandment of love must be honored by all persons and communities in order for the good contained in acting and being together with others to become a reality. A humane social order can only be achieved after applying a proper understanding of the human person in its relation to society. Each person, because of his inherent dignity and immeasurable worth, must be affirmed for his own sake. A corresponding requirement of this affirmation is the right of participation.

Personalism translates into a social philosophy based on the notions of alienation and participation. Self-integration and fulfillment occur not only by an authentic inner unity achieved by the individual but by the unity achieved between the individual and others. People should be free, therefore, to participate with others in society. Society must allow each of its
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members, in accordance with their objective natures and subjective needs, to reach their ultimate end. Participation means turning toward others and choosing to join in all the spheres of social life—political, economic, and cultural.

Alienation is defined as a lost capacity for self-realization. Social alienation means that the individual is unable to develop toward an authentic way of life. The social process is impeded, even thwarted, since the person cannot assume his identity as an individual within the confines of society. Social life takes place outside and beyond him. Society almost functions at his expense.

Alienation is the opposite of participation. Often associated with Marxist thought, alienation has a proper place in personalist anthropology. Alienation causes man to lose his capacity for self-realization within the community. He may be living and acting in communion with others, but he will not attain self-realization. Alienation results when the opportunity for participation in social life is denied.

In contrast to alienation, however, participation confirms the self and permits the individual to flourish. Participation helps individuals attain self-realization through interpersonal and social relationships.

The application of the personalist maxim—each person ought to be affirmed for his or her own sake—in all social situations results in genuine solidarity. Solidarity is the state of social affairs in which full participation is possible for all. Given the imperfections of human nature, however, applications of the personalist maxim can prove difficult.

Economic personalism is a composite discipline. The first part consists of the philosophical and theological foundations delineated above. Yet personalism seeks to dialogue with the science of economics. Economic personalism relies on the insights of what has been termed free-market economics. This body of economic scholarship will now be examined.

Free-Market Economics

Economics, in general, is the human or social science that studies how individuals satisfy their material needs and wants in light of conditions of scarcity. The science of economics implies an economy, or market, which can be understood as the totality of structures, institutions, and patterns of behavior that develop more or less unplanned from the exchange of goods and services engaged in by free individuals. In addition, economists are interested in questions of production, capital, distribution, and consumption.

The typical economist understands his role to consist of three central tasks. The first is the rational explanation of market activity so as to understand the nature of market phenomena. Is it possible to offer coherent principles that explain trade, supply and demand, rent, mutual exchange, and so on? The goal of this first task is to formulate accurate descriptions and explanations that hold in most, if not all, circumstances. The second task of the economist is to utilize the generated principles so as to grant a limited degree of prediction. The economist tracks emerging patterns of human behavior, making use of market principles, as well as models of human behavior that reflect reality. The third task of the economist is to offer policy prescriptions concerning the most efficient means of producing, distributing, and utilizing market goods.

While this brief introduction expresses something of the heart of economics, it fails to do justice to the historical development of the science and the variety of economic schools that exist. From Aristotle's attempt to study household management to postmodern economics, theorists have offered a variety of views on markets and the principles that govern them.

Three schools of economic thought are of primary interest here. These are the Austrian school, the Chicago school, and the Virginia school (sometimes called the Public Choice school). The single defining characteristic underlying all three schools is their indefatigable defense of human liberty, in particular, economic liberty. Thus, the three schools have earned the name free-market economics. Without glossing over their differences in history, methodology, and theory, we will treat the schools as variations on the same basic theory of economic freedom.

This common theory has several distinguishing traits. First, it is a modern theory finding its fullest expression in the twentieth century. Second, it analyzes market activity from the perspective of the consumer. Third, it resists government intervention in the marketplace, viewing it as a disruptive force.

These schools are by no means fringe academic movements. Thinkers from each school have profoundly impacted the discipline of economics. Each school boasts of Nobel prize winners (F. A. Hayek for the Austrians, Milton Friedman and Gary Becker for the Chicago school, and James Buchanan for the Public Choice theorists), of influential economic texts (Human Action, The Calculus of Consent, Human Capital), of entire academic departments devoted to their approach (New York University, University of
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Chicago, George Mason University, Auburn University), and of adherents and practitioners in the field.

The intellectual roots of these schools can be found in Adam Smith and the classical economists, aspects of German historical economics, and especially the economic reflections of the Late Scholastics centered in Salamanca. The scope of this paper does not permit a detailed elaboration of these sources. Why personalists chose free-market thought from among the various options will be discussed in the next section.

4. The Philosophy of Economic Liberty

Economic liberty is only one aspect of the overall autonomy of the human person. It is, however, a logical consequence of human freedom. Unfortunately, it is an often neglected and denigrated dimension of human liberty. Many, especially Christians, in their good intentions either to help the poor or to create a just society believe that they can best achieve their goals by restricting economic liberty. This implies an underlying belief that people, freely exchanging goods and services to meet their physical needs, somehow leads to poverty, marginalization, and exploitation.

If we take personal self-determination seriously, then we must reflect on how this impacts economic life. The ontological liberty of the person spills over into the social sphere so that some form of political, social, and economic liberty appear to be a logical consequence. Of course, liberty must always be exercised in relation to the truth about the human person.

The scarcity of immediately usable goods and services means that people face constant choices concerning their survival. These choices involve deciding the best ways and means to allocate necessary resources for food, shelter, and other basic human needs. The human person interacts with his environment to utilize it creatively for his own well-being. Labor is therefore an intrinsic aspect of human life.

Natural resources and goods are not naturally allocated in equal abundance. Some individuals, due to their proximity to resources, creativity, or labor, have more while others have less. This inequality extends not only to sheer quantity but also to the quality and type of resource or good.

Natural inequality and the social nature of the human person require exchange and cooperation for survival. Absolute self-sufficiency is impossible to attain. Persons require the community to flourish and survive. A market, in a sense, spontaneously arises from this set of circumstances.

Economic exchange is the primary means of increasing overall prosperity and ensuring the well-being of a majority of people. When an economic exchange takes place, each person trades something subjectively regarded as having a lower value for that which has a higher value. Thus, for example, in the case of two people who voluntarily trade eggs for milk, each is made better off than they were before, or else the trade would not have occurred. Clearly the traders either had a surplus of eggs or milk that they were willing to relinquish, or each deemed the other’s good (milk or eggs) to be more valuable than his own. If everyone in the economy is free to perform these types of exchanges and plan for them in the future, a vast network of human cooperation arises to form what is called a market. The market is a constantly evolving process, because people's values and the availability of resources are constantly changing. Eventually money is introduced into such a system as a standard medium of exchange. This facilitates trade and smooth market operation.

Freedom of choice is fundamental to human freedom and the maintenance of private property. Persons have the natural capacity to claim something as rightfully their own, especially when property is the result of the person’s labor and creative processes. Indeed, exchange makes little sense if the traders do not have a legitimate claim to the goods and services they are exchanging. The Judeo-Christian tradition further enshrines property rights through the commandment against stealing. The moral prescription against stealing only makes sense if one may rightfully claim property as his own. Property becomes an extension of human liberty and a means of exercising stewardship for survival and the cultivation of virtue.

Every day individuals are presented with a multitude of situations in which they must choose between various options. Which good or service to select? With whom to engage in social discourse? Where to buy necessary items? Consistency demands that the same freedom of action be extended also to the marketplace.

This description has been intentionally simplistic in order to draw out the essential structures of market activity. Contemporary economic life is complex. Intricate institutions and structures have developed around simple exchange. The average citizen of today's industrialized nations is faced with mortgages, credit options, banking services, contracts for employment, inflation rates, and a plethora of other complex economic phenomena.

In spite of the increasing complexity of economic reality, freedom remains the fundamental operating principle of this vast economic network. While complexity makes it harder for the average individual to gain a systemic overview of the market and even leads to many factors that are out of
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market participant's direct control, it does not logically lead to a system that thrives on exploitation or illicit gain. Advocates of free markets are often accused of defending unfettered or unrestrained markets. The complexity of markets means that there will be dimensions of economic life beyond an individual's control. A lack of perfect knowledge, the limitations of resources, the occasional inability of people to cooperate, all lead to a disequilibrium in the market.

In addition to disequilibrium, markets reflect the character of the persons involved in the market. Markets are not abstract entities but are composed of individual human persons. The flaws and imperfections of these limited persons will be apparent in the marketplace. The entire catalog of human sins found in the human heart eventually find expression in commercial society. The moral health of a market is only as strong as the overall moral health of the culture in which the market operates. Markets do not operate in a vacuum.

To limit the negative effects of sinful market behavior, many often advocate some form of political interventionism. Often the political powers in a society are tempted to intervene in order to control the economy. These temptations include the desire to control inflation, ease unemployment, or attempt a more efficient redistribution of wealth. Government intervention is the single biggest impediment to the market maximizing material goods and services for all.

While the political structures of any social order have a legitimate responsibility to provide a juridical framework for an orderly market process, other forms of direct intervention are not immediately justified. Admonitions against direct government involvement in the economy unites every free-market economist regardless of background and theoretical viewpoint. These economists agree that, while the intentions of government may be good, the effect of intervention is always market disruption through the curtailment of liberty and spontaneous development.

Markets develop natural indicators (primarily prices) that signal participants how best to maximize their resources. Market principles, such as supply and demand, operate only because of an underlying logic of free human action. When political structures intervene in the market through coercive measures (excessive taxes, price controls, industrial regulations) they interfere with natural market principles (by limiting free exchanges and restricting property rights) and skew prices so that they no longer convey accurate information concerning the state of affairs in the market.

The central aim of economic policy—increasing the quality of life for individuals and the community in a manner consistent with the dignity of persons—is impossible without regard for economic liberty and private property. Government intervention unnaturally interferes with the components of the economy, disrupting their operation and thus, exacerbating already existing problems.

Yet economic personalists do not advocate unfettered markets. They argue instead for constrained markets. However, the means of constraint advocated by them differs dramatically from the typical solutions offered by statists.

The market restraints sought by economic personalists are moral restraints. The personalist seeks noncoercive means to persuade and reinforce individual behavior in accord with the truth about the human person. For the economic personalist, this truth flows from the fundamental insights mentioned in part one and explicated in what is referred to as the natural law. Rather than rely on political structures to regulate markets, economic personalists call for creative uses of the cultural and moral institutions of free societies to exercise influence over individuals in the marketplace. Moral instruction, enculturation, and proper socialization takes place primarily in the family and church. A persuasive moral code that encourages self-regulation and socially cooperative behavior is most successfully promoted through voluntary associations such as the family, church, general educational institutions, and local community structures. The culture that reinforces service to others, critical self-examination, self-control, and liberty ordered to some transcendent reality will rely less on coercive political power to ensure order and safety. Therefore, a morally healthy culture would ultimately encourage a morally healthy marketplace.

Economic personalists explicate a moral vision of the person that can be adopted by the culture at large and used to reinforce acceptable behavior in all spheres of human life. To accomplish this, they promote a vision of the human person, proclaim human dignity, and elaborate principles for a humane economy.

5. The Synthesis of Economic Personalism

Personalists contend that their insights into the meaning and dignity of persons are applicable to other academic disciplines, especially the human sciences. One human science that has recently caught the attention of several personalists, including John Paul II, is economics.
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However, the personalist is not an economist, and he must find a particular school of economic thought with which to dialogue. Given the emphasis that personalists place on human autonomy, participation, and individual rights, it is therefore not surprising that free-market thought has been particularly attractive to them.

Yet economic personalists are not the first to attempt such a synthesis. Others have endeavored to form a union between economics and moral theology. We will now examine the efforts of past thinkers in both the Catholic and Protestant traditions.

Historical Overview: Previous Catholic and Protestant Attempts at Synthesis

Past Perspectives: Catholic

Modern Catholic social teaching begins with Pope Leo XIII’s encyclical Rerum Novarum, promulgated in 1891. Subsequent popes have developed Leo’s teaching, adding by their own encyclicals further insights into questions of social justice and social concern.

Various schools of interpretations have developed around particular encyclicals, attempting to elaborate and apply the insights of the pontiff who wrote them. While no interpretation isolates any encyclical from the rest, they do tend to concentrate their work on particular aspects of a given pontiff’s thought.

I admit from the outset that this analysis may be controversial. The divisions and descriptions of the various schools are limited by the scope and length of this work. Other scholars of good intention may disagree with this classification scheme and analysis. Nevertheless, the following descriptions are offered as a tool for identifying the place of economic personalism among other intellectual currents in Catholic social thought. My understanding of Catholic social thought leads me to conclude that there exist at least four primary approaches to the Church’s teaching. What follows is a brief description of these approaches and their distinguishing characteristics.

The years following Leo XIII’s Rerum Novarum witnessed the birth of distributism. One of the central tenets of Leo’s work is the importance of private property. The emphasis on property rights and the conditions of workers following the period of heavy industrialization in Britain and the United States prompted many to focus their attention on questions of the distribution of property. Many believed that a more equitable distribution of wealth would increase social justice. Hilaire Belloc and G. K. Chesterton, noted figures in the distributist movement, advocated an agrarian society in which the fundamental unit of the social order was the family farm. According to them, small family farms would ensure self-sufficiency, resist invasive technological advances, and provide a fair distribution of property and wealth. Much of this social vision was nostalgia for a way of life eroded by industrialization. It did not provide the conceptual foundation to deal adequately with the “new things” of industrialization and the capitalist revolution.

The primary error of distributism lay in its understanding of the economy as a zero-sum game, where wealth was seen as a static, non-reproducible entity. Therefore the main problem was not the production of wealth but its distribution: How is the static pie of wealth most equitably sliced up? Distributism hindered the emergence of an adequate understanding of human capital and productivity. The distributists saw economic development only in terms of the cultural dangers of industrialization and as a threat to the family unit. They did not agree that economic growth would generate wealth that would raise living conditions and be “redistributed” by market mechanisms and through charitable organizations. Such economic naiveté blinded them to market realities and the basic laws of economics. By the end of the 1920s, however, distributism began to wane and was soon eclipsed by the New Deal Catholics of the Roosevelt era.

A second approach to Catholic social thought was inspired by Roosevelt’s Depression-era New Deal reforms. The main focus of distributism was taken over by Monsignor John Ryan et al., who advocated the state as the primary vehicle for distribution. New Dealers put special emphasis upon the notion of the common good. The common good was understood as that set of social conditions that allowed the human person to flourish and attain his supernatural end in Christ. According to Ryan and his distributist colleagues, the state has the primary duty to orchestrate the common good. Rather than understanding political structures as providing a juridical framework for social order, the New Dealers saw the state as having the primary responsibility for ensuring ideal social conditions. The New Dealers went on to elaborate several political proposals, including a more equitable distribution of wealth, a just wage, the formation of modern labor unions,
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government intervention to ensure full employment, safe working conditions, and other social assistance benefits. In short, New Deal Catholicism sought to provide moral justification to the paternalistic state, while unfortunately ignoring the demands of subsidiarity.  

New Deal Catholicism was guided in large part by Keynesian economic theory, which combined free-market and socialist economic principles. Ryan rejected socialism because he believed that it tended to destroy the faith of those involved. However, he thought that the economic aspect of socialism could be salvaged from its negative religious impact.

Forty years after Leo XIII's encyclical of 1891, Pius XI wrote Quadragesimo Anno. This encyclical offered teaching of a much more practical nature than Rerum Novarum. At the heart of Pius XI's message was the reaffirmation of private property, concern for the common good, warnings against absolutizing economic life, condemnations of socialism, concern for the working class, and most important, a call for what Pius XI termed "voluntary professional associations."  

These associations would be grouped by profession and comprised of workers, management, and owners. The purpose of these associations was to self-regulate their respective industry. Such an association would set industry standards, adopt a code of ethics, police its own members, and moderate internal competition and working standards. Pius XI envisioned these associations as communities of solidarity. Thus, the term Solidarism soon came to be associated with the social teaching that developed around the encyclical. It was also referred to as Corporatism.

The introduction of the term solidarity into the language of Catholic social thought was an important development. Pius XI understood that without social virtue and a culture rooted in Christian principles of human dignity, the market would be without a strong moral foundation. He also grasped the dangers of state intervention, so he called upon voluntary associations to regulate market activity.

Some of the historical circumstances pertaining to Solidarism are worth mentioning. Many popes have, in the past, convened a team of "ghost writers" to advise and write substantial parts of the encyclicals. 43 Ghost writers are generally selected from the leading Catholic experts in the field relevant to the encyclical. Pius XI called upon a group of German Jesuits trained in economics to help write Quadragesimo Anno. Among these were Heinrich Pesch, S.J., Oswald von Nell-Breuning, S.J., and Gustav Gundlach, S.J., following in the tradition inaugurated by Bishop Wilhelm von Ketteler. 44 These writers were among the first modern Churchmen to be formally educated in economics. Their teachers were among the leading figures of the younger German historical school of economics. 45 It was through this natural confluence that the German historical school came to have an enormous influence upon the Church's view of economic matters.

Among the principal tenets of the German historical school were the following: (1) an organic view of the state in which each social institution, including the market, included, played a vital role for the common good; (2) a rejection of any universal economic principles which held across national borders or historical periods. General economic theory, in their view, was impossible and economic policy should reflect the individual culture and circumstance of the people's time and place; (3) a suspicion of material wealth; and (4) strong sympathy for the medieval guild system, heavy governmental intervention in the market, and nostalgia for the agrarian lifestyle.

German historicism is deeply embedded in Quadragesimo Anno. Its organic view of the state ultimately paved the way for a collectivist tinge to Catholic social teaching. 46

While Solidarism has some merit, it is nevertheless an unsuccessful synthesis of market principles and moral theology. If an examination is conducted into the work of Rupert Ederer, who is perhaps the leading solidarist economist, it becomes apparent that solidarism incompletely reconciles the reality of the market with the reality of moral life. For example, Ederer calls for a "family wage" to be imposed either by the state or what Pius XI called voluntary associations (industrial corporations). 47 While seeking a "just wage," Ederer fails to understand the long-term impact of such artificial wage inflation. If wages are imposed to accommodate family life, from whence will the money come? Corporations and businesses will have to pass the cost onto the consumer through price hikes. Such non-market price hikes are eventually passed along until the rise in wages becomes overshadowed by a rise in prices, thus erasing the "gains" of the family wage.

Ederer's failure to comprehend elementary economic principles accentuates a central problem with many schools of Catholic social thought, namely, the inability to integrate both the logic of the market and the logic of morality. If Catholic social thought is to be effective, and if the Church's social message is to be taken seriously, then it must understand basic economic theory. There are foundational market realities that cannot be ignored for any reason, including moral concerns, because in so doing further harm may result to both market mechanisms and morality. A question arises: "What if it can be shown that market principles conflict with moral obligations?" The best reply is that we must always work for moral objectives...
government intervention to ensure full employment, safe working conditions, and other social assistance benefits. In short, New Deal Catholicism sought to provide moral justification to the paternalistic state, while unfortunately ignoring the demands of subsidiarity.41

New Deal Catholicism was guided in large part by Keynesian economic theory, which combined free-market and socialist economic principles. Ryan rejected socialism because he believed that it tended to destroy the faith of those involved. However, he thought that the economic aspect of socialism could be salvaged from its negative religious impact.

Forty years after Leo XIII's encyclical of 1891, Pius XI wrote Quadragesimo Anno. This encyclical offered teaching of a much more practical nature than Rerum Novarum. At the heart of Pius XI's message was the reaffirmation of private property, concern for the common good, warnings against absolutizing economic life, condemnations of socialism, concern for the working class, and most important, a call for what Pius XI termed “voluntary professional associations.”42

These associations would be grouped by profession and comprised of workers, management, and owners. The purpose of these associations was to self-regulate their respective industry. Such an association would set industry standards, adopt a code of ethics, police its own members, and moderate internal competition and working standards. Pius XI envisioned these associations as communities of solidarity. Thus, the term Solidarism soon came to be associated with the social teaching that developed around the encyclical. It was also referred to as Corporatism.

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Among the principal tenets of the German historical school were the following: (1) an organic view of the state in which each social institution, the market included, played a vital role for the common good; (2) a rejection of any universal economic principles which held across national borders or historical periods. General economic theory, in their view, was impossible and economic policy should reflect the individual culture and circumstance of the people's time and place; (3) a suspicion of material wealth; and (4) strong sympathy for the medieval guild system, heavy governmental intervention in the market, and nostalgia for the agrarian lifestyle. German historicism is deeply embedded in Quadragesimo Anno. Its organic view of the state ultimately paved the way for a collectivist tinge to Catholic social teaching.46

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within the context of market realities. The Church ought to heed the advice of Etienne Gilson who says that “piety is no substitute for technique.”

Gilson's maxim should have been considered by the liberation theologians who began their crusade in the 1960s. Inspired by the work of both John XXIII (Mater et Magister [1961], Pacem in Terris [1963]) and Paul VI (Populorum Progressio [1967]), theologians such as Gustavo Gutiérrez, Juan Luis Segundo, José Portino Miranda, and Leonardo Boff attempted a synthesis of moral theology with Marxist economics.

This primarily Latin American movement was a reaction to capitalism and the perceived moral flaws of Western consumerist society. Many in Latin America attributed their poverty to the wealth and market practices of the decadent Western nations, particularly the United States. This resentment finds expression in Gutiérrez's work in his attempt to “liberate” the poor of the Third World from the social evils of Western industrialization. Liberation theologians utilize the principal elements of Marxist social analysis—class warfare, social resentment, bourgeois exploitation, and the labor theory of value—to criticize the economic practices of First World nations.

Marxist socialism is proposed as the Christian economic alternative. Boff and Gutiérrez portray Christ as a Marxist revolutionary. The Gospel is seen as the good news of social liberation. The spiritual and otherworldly aspects of the Christian worldview are downplayed in favor of the material and the temporal. The attempted synthesis of Marxist economics with moral theology ends by reducing the Christian message of eternal salvation to mere material concerns. This is noted by Pope John Paul II:

The Church would lose her fundamental meaning. Her message of liberation would no longer have any originality and would easily be open to monopolization and manipulation by ideological systems and political parties. There are many signs that help to distinguish when the liberation in question is Christian and when on the other hand it is based rather on ideologies that rob it of consistency with an evangelical view of man.

Consistent with the notions of liberation and truth in Christian theology, the Church has condemned the Marx-inspired form of liberation theology, and many former adherents have lost confidence in liberation theology’s ability to achieve its agenda, especially after the collapse of the Soviet Empire. Nevertheless, liberation theology continues to thrive in university and seminary environments under new guises; rather than concentrating on economics, a weak link in its structure, liberationists have turned their attention to issues of feminism, gay rights, and other causes.

Liberation theology is the most recent failure to synthesize market with moral principles. It failed because it did not offer a true synthesis. Rather than embodying sound economic principles, liberation theologians have been mostly concerned with raising the rhetoric of victimization against patriarchal Western society.

Each of the four schools of Catholic social thought—Distributism, New Deal, Solidarism, and Liberation Theology—have failed to achieve a sound integration of morality and economics. But many self-proclaimed adherents and practitioners of these schools continue to flourish. For example, John Gray and David Schindler have recently offered thoughtful critiques of free-market economics from a moral perspective. However, the inability of these practitioners to persuade mainstream economists and theologians shows the bankruptcy of these approaches.

Past Perspectives: Protestant

Like Catholic social theorists, Protestant theologians have also produced a distinct corpus of social and economic thought. Martin Luther began this tradition by insisting that theology and Christian social ethics could never be divorced. For him, Christ was the Lord of the sacred and the secular, the church and the world. Luther strove to subsume all human activity under the moral umbrella of biblical revelation.

While Luther never developed a systematic understanding of economics, he nevertheless occasionally presented his viewpoints on economically-related matters in short pamphlets, the most important of which was "Trade and Usury." He described the business transaction—an exchange of goods or services—as the basis of economic life and so focused upon the morality of transactions. According to Luther, "it cannot be denied that buying and selling are necessary. They cannot be dispensed with, and can be practiced in a Christian manner, especially when the commodities serve a necessary and honorable purpose." His driving concern was to warn people of God's
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20 The Need For Economic Personalism

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Liberation within the framework of Catholic doctrine applies primarily to man’s inner transformation. Truth is important not only for the growth of human knowledge, thus deepening man’s interior life in this way, but also has prophetic significance and power. As a prophet, or witness to truth, Christ repeatedly opposes non-truth. He does so with great forcefulness. The truth about economics must be included if genuine liberation is to occur.

Consistent with the notions of liberation and truth in Christian theology, the Church has condemned the Marx-inspired form of liberation theology, and many former adherents have lost confidence in liberation theology’s ability to achieve its agenda, especially after the collapse of the Soviet Empire. Nevertheless, liberation theology continues to thrive in university and seminary environments under new guises; rather than concentrating on economics, a weak link in its structure, liberationists have turned their attention to issues of feminism, gay rights, and other causes.

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righteous indignation by providing moral instruction on the avarice of the trading companies and the idolatry of wealth.

Luther reasoned that there were four Christ-like ways of exchanging goods. The first occurred when a person allowed wicked businessmen to "rob or steal our property, as Christ says in Matthew 5, 'If anyone takes away your cloak, let him have your coat as well, and do not ask it of him again.'" The second was "to give freely to anyone who needs it." Lending without expectation of return was the third way. "Borrowing would be a fine thing if it were practiced between Christians," Luther argued, since "Christians are brothers, and one does not forsake another." However, he also thought that Christians had no obligation to make loans except out of their surplus. Finally, Luther found it was permissible for Christians to buy and sell, but only "for hard cash or payment in kind."

Luther warned of the inherent risk when trading or exchanging with other sinful people. Hence, he remarked that if conscientious Christians followed his four suggestions, they would be robbed blind. Consequently, the world needs a strict, harsh temporal government which will compel and constrain the wicked to refrain from theft and robbery, and to return what they borrow... For it is God's will that people who are not Christians be held in check and kept from doing wrong, at least from doing it with impunity.

This emphasis upon the need to check the effects of human sin led Luther to question the merchants' morality. He thought that their concern for profit and the satisfaction of greedy impulses necessarily led them to disregard their neighbor. Naturally, then, Luther questioned the morality of trade:

How can there be anything good then in trade? How can it be without sin when such injustice (as greed and the profit motive) is the chief maxim and the rule of the whole business? On such a basis trade can be nothing but robbing and stealing the property of others.

Unfortunately, Luther failed to grasp the importance of the seller's and buyer's self-interest in voluntarily exchanging goods to provide for their needs.

In determining prices, Luther asserted that the rule ought to be: "I may sell my wares as dear as I ought, or as is right and fair." Prices should be so governed by law and conscience that you do it without harm or injury to your neighbor. Even though Luther acknowledged that there could be no fixed prices, he urged that the most efficient and morally secure way to determine prices would be to have the temporal authorities appoint wise and honest men to compute the cost of all goods and services. But he agreed that such an idea was unworkable because of its time-intensive nature. So he opted instead for a market-based solution: "Let goods be valued at the price for which they are bought and sold in the common market, or in the land generally." He concluded that pricing could not be fixed either by law or custom. Ultimately, the price for a good rests upon the seller's conscience, who should take care not to overcharge his neighbor, or pursue greedy ends.

During his lifetime, Reinhold Niebuhr, a particularly influential modern social ethicist, operated from within the tradition of Luther. In his important early work, Moral Man and Immoral Society, Niebuhr employed Marxist economic analysis, though not without some significant theological reservations. However, like many other twentieth-century theologians, Niebuhr was skeptical of the free market. He argued that the two contrasting perils of modern society are totalitarianism and laissez-faire. According to him, a laissez-faire system concentrates economic power in the hands of a few, an oligarchy, that exploits workers. "The businessman and the industrial overlord, are gradually usurping the position of eminence and privilege once held by the soldier and the priest." Niebuhr insisted that the increase in technology led to the rise of oligarchy in capitalist society.

Niebuhr argued that the oligarchy was usually opposed to government intervention. Oligarchs, though, occasionally favor government regulation because such measures drive out smaller competitors. Often big business pushes for regulation so that it does not have to be competitive or subject to market forces. Because of his distrust of the commercial classes' vested interests, Niebuhr proposed political control of the economy. He viewed the government as a neutral referee. But actually this has not been the case. Political control of the economy has led to "rent-seeking," that is, a collusion between government regulators and the very industry they are supposed to supervise.

Niebuhr eventually became disenchanted with Marxist class-analysis and political movements. Just as the successors of Adam Smith corrupted Smith's ideas, so also have Marxists with Karl Marx's thought, contended Niebuhr. While he steadily moved away from Marxism, Niebuhr never fully acknowledged that Marxism essentially negated fundamental truths pertaining to human freedom and the dignity of free economic activity.
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Reformed theologians have also made significant contributions to economic and social thought. John Calvin, the sixteenth-century Genevan Reformer, irrevocably changed the course of Western economic history. Calvin thought that wealth did not originate merely from good fortune, right moral living, or the sweat of one's brow. "What every man possesses has not come to him by mere chance but by the distribution of the supreme Lord of all." For the rich, as for everyone else, the providence of God rules over them. Calvin supported the institution of private property and capital accumulation because "it is necessary to keep peace among men that the ownership of property should be distinct and personal among them."

In strictly economic matters, Calvin respected the market but did not endorse what we might call a market society. For example, he opposed the prohibition upon usury promulgated by the Church. According to him, Scripture did not universally condemn usury. Calvin accommodated the practice by saying "that the question is only as to the poor, and consequently, if we have to do with the rich, that usury is freely permitted; because the Lawgiver, in alluding to one thing, seems to condemn another, concerning which He is silent." Calvin concluded that usury should be judged according to the rule of equity and not from isolated passages in Scripture. However, his support of the practice was qualified because usurers tended to oppress their brothers. Calvin recognized that economic activity—like all human action—occurs within a moral framework, where actors are accountable to God and to one another.

Calvin argued that employment must be seen as a God-given calling subject to moral guidelines. Employment should benefit the common good and people ought to choose those vocations that yield the greatest advantage for all. Of course, as a theologian, Calvin insisted that a person's employment must also be subject to God's will, as we must not participate in that which God condemns. Moreover, Calvin upheld the notion of a just wage. He exhorted employers to refrain from withholding just wages from workers, because the reward of labor (for owners and workers alike) comes from God's unmerited grace. Employers should freely and voluntarily pay what is right, and employees should strictly perform their duties.

The foremost modern systematizer of Calvin's social teaching was the Reformed theologian Abraham Kuyper. Schlar, theologian, founder of the Free University of Amsterdam, and prime minister of the Netherlands from 1901 to 1905, Kuyper has been referred to as the "greatest Calvinist since Calvin." Kuyper's social thought was inspired by Calvin's recovery of the doctrine of total depravity. He drew two important political implications from this doctrine, namely, that humans need restraint in order to survive and they need guidance in order to flourish.

Applying these ideas to human communities, Kuyper developed the notion of "sphere sovereignty." This is the conviction that state, society, family, school, and church each have divinely delegated spheres of responsibility and autonomy, which are inviolable by any of the other spheres. Consequently, he argued that the God-given sovereignty of society, church, and family within their respective spheres cannot be transgressed by the state in its desire to regulate and control. Kuyper was reminded by Calvin's insight into human depravity that human sinfulness entails suspicion of those who hold power, because power affords sinful persons the opportunity to fulfill sinful desires. Hence, in all areas of human endeavor, but especially in politics, power must be limited in order to prevent abuse. It was no coincidence, reasoned Kuyper, that Calvinism has been the dominant religious force in three historic lands of political freedom, the Netherlands, England, and America. This suspicion of power (but not of the offices of authority) has led to the development of public law as a check upon rulers who presume to be all-powerful sovereigns, a role reserved to God alone.

Kuyper considered economic activity to be an aspect of the social sphere and thus subsumed it under the sovereignty of society, not government. He held that economic exchange was one of the "organic phenomena of life" that arose from social rather than political relations. A person's vocation or calling was not limited to exalted political or ecclesiastical offices but was carried out into all spheres of life. Nevertheless, Kuyper acknowledged that behind each of the various professions government properly exerts a unifying influence. But its effort to unify the spheres may easily become an invasion and mechanical rearrangement of them. This does not mean, however, that the state should never intervene in economic life. In fact, Kuyper thought that government possessed "the threefold right and duty to interfere":

1. whenever different spheres clash, to compel mutual regard for the boundary-lines of each;
2. to defend individuals and the weak ones, in those spheres, against the abuse of power of the rest; and
3. to coerce all together to bear personal and financial burdens for the maintenance of the natural unity of the state.
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(1) whenever different spheres clash, to compel mutual regard for the boundary-lines of each; (2) to defend individuals and the weak ones, in those spheres, against the abuse of power of the rest; and (3) to coerce all together to bear personal and financial burdens for the maintenance of the natural unity of the state.
Unfortunately, Kuyper did not develop clear criteria for determining when intervention into the economy was necessary or permissible. Consequently, some contemporary Kuyperians advocate large-scale state intervention in order to defend those who cannot care for themselves, despite the fact that Kuyper emphasized the first defense and cultivation of such persons must be undertaken by both the institutional church and individual Christians acting within society.

A third branch of Protestant social thought—largely Methodist—has been influenced by the economic thought of John Wesley. A noted preacher, prolific author, and social reformer in late eighteenth- and early nineteenth-century Britain, Wesley published his economic views principally in the sermon, “The Use of Money,” written during the 1740s.

In the sermon, Wesley began by observing that people of all professions “rail at [money], as the grand corrupter of the world, the bane of virtue, the pest of human society.” In his view, however, the fault does not reside in the money itself, but in the way that people use it. Some use it for immoral purposes, whereas others use it for the benefit of their families and communities.

Wesley encouraged the accumulation of money, “gain all you can,” as long as it was not at the expense of one’s life or health. “No gain whatsoever should induce us to enter into, or to continue in, any employ, which is of such a kind, or is attended with so hard or so long labor, as to impair our constitution.” According to Wesley, one should acquire money “without hurting our mind, any more than our body,” because harming the mind maims the soul.

Money ought to be gained without causing harm to our neighbor or his livelihood, because we are to love him as ourselves. Wesley cautioned against pawnbroking, overcharging, underpricing, hiring someone else’s servants, and ruining another’s trade for “none can gain by swallowing up his neighbor’s substance, without gaining the damnation of hell!” He advised against causing bodily injury to one’s neighbor by selling anything that tends to impair health, such as intoxicating liquors. He wrote sternly against causing one’s neighbor to sin at “taverns, victualling-house, opera-houses, play-houses, or any other places of public, fashionable diversion. If these profit the souls of men, you are clear; but if they art either sinful in themselves, or natural inlets to sins of various kinds, then you have a sad account to make.”

According to Wesley, personal monetary acquisition should be the result of honesty, wisdom, frugality, diligence, and industry. Wesley encouraged entrepreneurial initiative: “Gain all you can, by common sense, by using in your business all the understanding which God has given you. It is amazing to observe how few do this; how men run on in the same dull track with their forefathers.” Wesley admonished people to use their time wisely and to avoid procrastinating.

Once people had gained and saved all they could, Wesley advised them to give away all they could. According to him, “[God] placed you here, not as a proprietor, but a steward: as such He entrusted you, for a season, with goods of various kinds; but the sole property of these still rests in Him, nor can ever be alienated from him.” By freely giving, you render unto God the things that are God’s, not only by what is given to the poor but also by that which you spend on your own welfare and that of your household. The sermon ends by reminding people of their responsibilities to God in their financial relations with others.

As was the case among the schools of Catholic social thought, the success rate of integrating morality and economics varies among the branches of Protestant social thought. In our estimation, the thought of the Reformed social thinker Abraham Kuyper provides perhaps the most fruitful application to personalist economic reflection.

The Fathers of Economic Personalism

It would be not only presumptive but also naive to offer economic personalism as the “correct” interpretation of Christian social thought. We intend to offer it as a viable alternative to most of the previous interpretations and as a supplement to some of the others. We do, however, recognize that it is a relatively obscure system of thought, untested in many respects, and by no means comprehensive in scope or expertise. Nevertheless, economic personalism is an excellent starting point for Christians of good faith to begin their social analysis.

Economic personalism is not sui generis, standing on its own, developing out of nowhere. It has intellectual forerunners as does any system of thought or new intellectual current. Pope John Paul II is economic personalism’s intellectual progenitor. Yet others have made invaluable contributions, taking John Paul as their inspiration and model. These intellectual mentors all recognized the failure of previous interpretations of Catholic social thought. For one reason or another, these men and women found previous attempts at genuine synthesis lacking. A new theory was needed, one that would facilitate dialogue between economists and theologians about the profound personalist insights of John Paul II.
Unfortunately, Kuyper did not develop clear criteria for determining when intervention into the economy was necessary or permissible. Consequently, some contemporary Kuyperians advocate large-scale state intervention in order to defend those who cannot care for themselves, despite the fact that Kuyper emphasized the first defense and cultivation of such persons must be undertaken by both the institutional church and individual Christians acting within society.

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One of the first thinkers to see the applicability of personalism and John Paul’s work to free-market economics was Michael Novak. Novak, a one-time modern liberal, undertook the honest task of intellectual self-revaluation upon encountering personalism. Several seminal works were produced as a result of this reevaluation.90

Novak began the difficult work of reconciling the bulk of Catholic social thought with the best of free-market economic science. His paradigm-setting work was founded in a Thomistic understanding of the human person, a balanced sense of the common good, and full appreciation of market realities. For the first time we see the beginnings of genuine synthesis and integration.90

A second intellectual progenitor of economic personalism is Rocco Buttiglione, an Italian philosopher and advisor/student of John Paul II. Buttiglione studied under the Italian philosopher Del Noce before taking up phenomenology and the thought of John Paul II. Reverting to Catholicism after an early flirtation with Marxism, Buttiglione eventually found himself working in association with the Vatican on a variety of international and intellectual projects.

Buttiglione is often credited with bringing the work of F. A. Hayek and Ludwig von Mises to the attention of John Paul II, then working on his early drafts of Centesimus Annus. Buttiglione saw much of value in von Mises’s Human Action (1949), a central text of the Austrian school that places economic science upon the foundation of the science of praxeology. Buttiglione found in the Austrians a school of economic thought that rejected positivism, elaborated a philosophical economics, avoided overly complicated econometrics (often impregnable to the mind of a theologian), and offered a theory of economic value that might be compatible with a Christian ethic. While teaching at the International Academy of Philosophy in Schaan, Liechtenstein, Buttiglione offered several courses that enticed students to synthesize Austrian economics, phenomenology, and Polish personalism. Buttiglione believed that Catholic social thought now had the proper anthropological foundations—what it needed now was to enter into dialogue with a school of economic thought. For Buttiglione, as with Novak, free-market economics provided a ready and willing partner.

A third forerunner of economic personalism can be found in the work of the Acton Institute for the Study of Religion and Liberty, a Michigan think tank devoted to the understanding and application of Christian social thought. The Institute’s founders, Kris Mauren and the Rev. Robert Sirico, glimpsed the benefits of the synthesis of free-market thought with Catholic social thought in the late 1980s. Sirico, in particular, has been extensively engaged in promoting this synthesis. A widely sought-after lecturer and speaker, Sirico has traveled the world, spreading the message of freedom and human dignity. Together, Mauren and Sirico have used the Acton Institute to further the cause of unifying these schools of thought.

While all of these contributors have played an essential role in the development of economic personalism, the need for a full, scholarly elaboration still remains. This body of literature needs to be systematically and conceptually unified. One purpose, therefore, of the Center for Economic Personalism is to organize the insights of the previously mentioned thinkers into a coherent and viable social philosophy.

Conclusion

This overview has attempted to provide a detailed answer to the question: What is economic personalism? It has offered highlights of the historical background and theoretical principles undergirding this new science. While we have attempted to be thorough, there are still many unexamined aspects to this way of thinking.

The foregoing discussion has been focused on defending economic personalism as a useful methodological framework from which the relation between objective moral values and subjective economic valuation can be obtained. The net result of this thesis is eminently practical, namely, to discover the nexus between the acting person’s experience, human value, dignity, and self-interests, on the one hand; and society, the experience of people acting with others as an extended social order, on the other. The idea is to promote a humane economic order that benefits from market activity but does not reduce the human person to just another element in economic phenomena.92

From this point of view, human problems and the problems of social organization are indivisible. The great question of the twentieth century, without doubt, will be whether it can avoid that dictation by the technocrats, either from the right or the left, which loses sight of man in the organizing of his activities.92

The personalist maxim of affirming the person for his or her own sake is to be used as the foundational principle of ethics, political philosophy, and social policy. Indeed, it is the fundamental dictum of economic personalism. It is an implicit guideline in Christian social teaching. Economic per-
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The personalist maxim of affirming the person for his or her own sake is to be used as the foundational principle of ethics, political philosophy, and social policy. Indeed, it is the fundamental maxim of economic personalism. It is an implicit guideline in Christian social teaching. Economic per-
sonalists pursue social structures that affirm the value of each and every person and allow for the fullest participation in the social order.

Notes

1. It is true that most failures have been due to a lack of appreciation and understanding of basic economic principles and market realities.

2. We recognize that ethics and moral theology also analyze the consequences of actions and the intentions of the subjects who act.

3. Personalism has been strongly represented in France, usually under the name of spiritualism. Inspired by Maïna de Biran, a nineteenth-century thinker who had taken as primordial the inner experience of acting against a resisting world, Félix Ravaisson-Mollien, a philosopher and psychologist, drew a radical distinction between the spatial world of static necessity and the world of living individuals, spontaneous, active, and developing. This led in turn to the work of Henri Bergson, a turn-of-the-century intuitionist, who posited the élan vital as a cosmic force expressing this life philosophy.

4. Personalism in the United States matured among nineteenth-century philosophers of religion, often of the Methodist church, several of whom had studied under Rudolf Hermann Lützé, a metaphysician and value philosopher. George Holmes Howison, for example, stressed the autonomy of the free moral person to the point of making him uncreated and eternal and hence free from an infinite person. Borden Parker Bowne, who made Boston University the citadel of personalism, was explicitly theistic, holding that men are creatures of God with many dimensions—moral, religious, emotional, logical—each worthy of consideration in their own right and each reflecting the rationality of the Creator. For him, nature displays the energy and rational purpose of a God who is immanent in it as well as transcendent over it.

5. For more on Polish personalism, see Gloria L. Zúñiga, "Polish Phenomenology: Binding Moral Objectivism and Economic Subjectivism" (Paper delivered at the conference on Capitalism, Catholicism, and Culture, Warsaw, Poland, February 1997).

6. These thinkers include Maurice Blondé, Hans Urs von Balthasar, Romano Guardini, Emmanuel Mounier, Jean Daniélou, Henri De Lubac, John Courtney Murray, Karl Rahner, and Bernard Lonergan. The impact of Polish personalism can be seen in the thought of Vatican II, as well as in contemporary Catholic theology through the proclamation of “Man As the Way of the Church.” Cf. chapter VI of Centesimus Annus.


9. Wojtyla also drew from the work of the French philosopher Jacques Maritain. While Maritain’s work did not directly influence Wojtyla’s anthropology, it did affect his social and political thought.

10. The work of Romano Guardini and Hans Urs von Balthasar also shaped Wojtyla’s thought. Guardini elaborated the concept of “the world openness of the human person”—the ability of the human intellect not only to grasp but also to hunger for the eternal and absolute. Guardini made a detailed presentation of his views in his work Person and World, trans. Stella Lange (Chicago: Regnery, 1965).


14. This claim of self-mastery is not to deny God’s claim of ownership over the person. A legitimate sense of autonomy may be asserted without denying God as the ultimate source of human life.


18. Ibid., 265.

19. Ibid., 279.


22. Wojtyla, Toward a Philosophy of Praxis, 29.

23. Ibid., 28-29.

24. Ibid., 29.
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11 Balthasar took aesthetic experience as the analytical starting point and outlined a theology and philosophy of human existence in his massive seven-volume work, Theology of the Church. A Theological Introduction, trans. Erasmo Leiva-Merikakis, ed. Joseph Fessio, SJ, and John Riches (San Francisco: Ignatius Press/New York: Crossroad Publications, 1961-1969). He elaborates how faith is motivated by the beauty of God, which is often described as God’s glory. He details how genuine aesthetic experience can open the human soul to truth, goodness, and eventually the experience of the Divine. Balthasar understood the human person to be responsive to beauty. The beauty of the true, the good, and ultimately of God, motivates persons in ways that mere intellectual argumentation cannot.


14 Wojtyła objects, of course, to all the permutations of subjectivism in Kantian and post-Kantian thought. One consequence of this line of thought has been to equate the person with consciousness as though consciousness is the principal object of inner experience, of introspection, as the body and the outside world are the principal objects of external experience. Wojtyła objects to this form of subjectivism, this absolutization of the subjective moment of lived experience, of consciousness as itself epistemological. He would prefer not to make consciousness the point of departure for his work. In the perennial problem of the identity and continuity of consciousness, Wojtyła is willing to grant that consciousness conditions experience, but denies that it constitutes experience and therefore rejects, over against many phenomenologists, the intentional character of consciousness. Ibid., 57.

15 This claim of self-mastery is not to deny God’s claim of ownership over the person. A legitimate sense of autonomy may be asserted without denying God as the ultimate source of human life.

16 Andrew N. Woznicki, Karol Wojtyła’s Existential Personalism (New Britain, CT: Mariel Publications, 1980), 18.


19 Ibid., 265.

20 Ibid., 279.


22 An objective consideration of human nature disregards the category of relation, which seems to be grafted onto the essential structures of personal existence.


24 Ibid.


27 Ibid., 41-42.

28 Ibid., 28-29.

29 Ibid., 29.
A moral theology that takes solidarity seriously knows that it transcends denominational lines. We therefore encourage ecumenical dialogue among all Christian denominations on basic and practical moral problems using the principles of participation and solidarity as starting points for the discussion. New thought on the normative relevance of the structure of society will then be possible. We must examine again, in the spirit of friendship, the possibilities of cooperation among all parts of the Christian church in bringing about an evangelical formation of modern life in spite of doctrinal differences.


Let us be perfectly clear, we are not labeling the German historical economists, Pius XI, or basic and practical moral problems using the principles of participation and solidarity as starting points for the... structures of society will then be possible. We must examine again, in the spirit of friendship, the possibilities of cooperation among all parts of the Christian church.


The natural law is a universal moral code dependent on the objectivity and rationality of human nature.

This is not to deny the legitimate use of coercive power to limit aggression, physical harm of persons and property, enforce contracts, provide for a national defense, and preserve fundamental common goods.

An encyclical is a letter written by the pope concerning a specific subject and addressed to the universal church. The title of each encyclical is taken from the first few words in the Latin text. *Rerum Novarum* for instance, means “Concerning the New Things.”

Technically, Catholic social teaching did not begin one hundred years ago but has been part of the church’s tradition since the beginning. The premodern tradition began with Christ’s teaching in the parables, received further definition in Augustine’s *City of God*, and became increasingly central to the thought of the Spanish Scholastics at Salamanca. Nevertheless, it was not until the industrial revolution that Catholic social teaching was formally systematized.

The term *schools* is used in a loose sense to mean a body of scholarship more or less unified by common themes.

Consider the words of Pope John XXIII, *Mater et Magistra*, no. 238: “When it comes to reducing these teachings to action, it sometimes happens that even sincere Catholic men have differing views. When this occurs, they should take care to have and to show mutual esteem and regard, and to explore the extent to which they can work in cooperation among themselves.”

The following comments and criticisms of other approaches to Catholic social thought are made with all due respect for the thinkers and texts involved.


Robert A. Sirico, Catholiciams Developing Social Teaching (Grand Rapids, MI: The Acton Institute, 1982), 19.

The principle of subsidiarity teaches that a higher order community should not interfere in the affairs of a lower order community, thereby depriving the latter of its proper functions. The paternal state oversteps its bounds by becoming the primary charity provider, a task proper to the Church and local community.


It is interesting to note that John Paul II has written the majority of his own encyclicals, even adopting “I” instead of “we” as the preferred personal pronoun.


Let us be perfectly clear, we are not labeling the German historical economists, Pius XI, or his Jesuit ghost writers as Fascists. What we do notice, however, are the strong similarities and natural connections between their thought and collectivism.

Rupert J. Edtsler, Economics As If God Mattered: A Century of Papal Teaching Addressed to the Economic Order (South Bend, IN: Fidelity Press, 1995), 62-69, 154-56. Another economist who had sympathy with the Solidarity view was Wilhelm Roepke. Roepke’s work is complex and would require a substantial diversion in order to be treated adequately.


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Statism can be defined as a society's unhealthy reliance upon political structures to solve what are essentially moral and social problems.

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The Need For Economic Personalism

74 Ibid., 82-84.
78 Ibid., 78.
79 Ibid., 93.
80 Ibid., 93-95.
81 Ibid., 97.
82 In The Problem of Poverty, ed. and trans. James W. Skillen (Grand Rapids, MI: Baker Book House, 1995), Kuyper largely endorses private enterprise and charity, although he leaves room for the state to intervene to prevent "abuses of power," so long as that intervention does not usurp the sovereignty of society over its areas of human life.
83 Another important document pertaining to John Wesley's economic thought is, "Thoughts on the Present Scarcity of Provisions," published in 1773.
85 Ibid.
86 Ibid., 195.
87 Ibid.
88 Ibid., 196.
89 Ibid.
91 Novak combines various intellectual sources to augment Catholic social thought. Relying on principles of classical liberalism, personalism, Thomism, Austrian economics, and natural law theology, Novak strings together a coherent body of thought. His influence has been widespread. Placed in what is sometimes called the neo-conservative trio with George Weigel and Richard John Neuhaus, Novak has lectured and published his way into the Mont Pelerin Society, leading theological associations, and even a 1994 Templeton Prize. Defenders of both free markets and Catholic social concern recognize Novak as an original thinker and author.
93 Emmanuel Mounier, Personalism (Notre Dame: University of Notre Dame Press, 1952), 105.