



Lonergan on the Person and the Economy: “reaching up to the mind of Aquinas,” in view of responding to Pope Leo XIII, *vetera novis augere et perficere*

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Abstract

Given the reputation of Bernard Lonergan as a thinker, whose philosophical discourse is about intentionality and the seamless connection of cognitional theory, epistemology, and metaphysics, and whose self-confessed role in theology is to generate a method that meets the exigencies of a world that is on the move and culturally diverse, the article tells the story of his contribution to economic theory, and how this effort occupied both the beginning and the end of his mind's journey. There occurs, of course, the question about how these interests are related, and the key to the answer is found in the motto of Leo XIII, where the *vetera* imply especially Aquinas' clear vision of the meaning of being human, and the *nova* include responses to the two-fold challenge emergent in both the object (to promote genuine development in the economic order) and the subject (to work out a coherent explanation of the structure of the human good).

Keywords

Economy, Person, Human Good, Human Interiority, Circulation Analysis

Commonly Bernard Lonergan's reputation is all about what he accomplished in *Insight* and *Method in Theology*. In fact, however, his initial concern was neither cognitional theory and epistemology nor the question of how to do theology in a modern context. Rather, once having answered the call to join the Society of Jesus, and launched into the rigorous intellectual formation which is the mark of that Order, the young Lonergan found himself drawn to a consideration of issues which were at the heart of what are sometimes called the “intentions of the Holy Father.”

In the 1920's these were practical concerns, of course, and they had their roots in the "intentions" especially of Pope Leo XIII. Their broad context was the massive losses Christianity had suffered in its heartland of Western Europe, as the industrial working class responded to the invitation of Karl Marx in the Manifesto of 1848 by leaving the Church. Things could (and would) get worse, of course! But at the threshold of the 20th century no one could predict either the outbreak of the "Great War," or the heady (even headlong!) economic movement of the "Roaring Twenties" toward the financial crash of 1929 and the so-called "Great Depression." Still the figure of Pope Leo XIII stands as that of a churchman who saw the writing on the wall, prophetically interpreted what he saw, and took steps to respond to the challenge. Today his encyclical, *Rerum novarum*, is seen as the charter of the Catholic Church's social doctrine. Even earlier, however, in 1879, he had written another encyclical, in which he called for the return on the part of Catholic theologians and philosophers to the thought of one Thomas Aquinas. And in that document he created the lapidary phrase, *vetera novis augere et perficere* (to promote and bring to completion the venerable projects of old with new initiatives).

In any case it is this social concern which first captured the mind and heart of the young Jesuit, as he engaged in his philosophical studies in Heythrop College, London (1926–1929), which were to be followed by a three-year long regency spent in Loyola College in Montreal. And for him *social concern* translated into a thoroughgoing examination of the economic order, the eventual fruit of which was the first (unpublished) manuscript of a work entitled, *An Essay in Circulation Analysis*.¹

My intention here is to highlight and to put into proper perspective this initial project of his. It is the story of how concern for the economic process was eventually complemented (not supplanted) by his discovery in the thought of St. Thomas Aquinas of another more fundamental process, that of human interiority, with its two dimensions: the existential dominion of God in the human heart, and the self-assembling dynamic structure of human intelligence, sustained in us by the desire to know all there is to know. Significantly his doctoral dissertation, in which the topic is the doctrine of operative

¹ This manuscript was put together gradually and brought to a fine point in 1944, only to be set aside, as Lonergan gave his attention to other matters. It is to Philip McShane that we owe the collection and organization of all the fragments, which are presented in vol 15 of Collected Works, *For a New Political Economy* (University of Toronto Press, 1998). In describing his work McShane writes, "This volume of Bernard Lonergan's economic writings contains almost the entirety of the fragments of typewritten work on economics prior to, and including, the 1944 version of the Essay on Circulation Analysis" (Editor's Preface, xv)

grace in the thought of St. Thomas (phase one of his “reaching”),² has to do with the heart; whereas *Insight* (which represents phase two of the “reaching”) has to do with the human mind.³ One might even venture to say that *Method in Theology* is a synthesis of the two.⁴ I want to use these pages to publicize the richness (breadth and depth) of the intellectual life of this Catholic luminary of the 20th century, which provides a kind of pattern for putting the mind to work in making religion present to the affairs of this world.

On the very last page of *Insight* Lonergan speaks of himself as “spending years reaching up to the mind of Aquinas.” And he calls it a “labor of penetration,” that consisted concretely in two “detailed investigations of [his] thought.” In fact these two investigations bore fruit, first, in his doctoral dissertation, mentioned just now, and second, in the so-called “*Verbum* articles,”⁵ in which he first expressed his radical understanding of what Aquinas means by *intelligere*, and which eventually led to the essay on human understanding, which he named *Insight*.

The reaching covers a period of about eleven years between 1938 and 1949. It begins with his research on the Augustinian notion of *gratia operans*, as incorporated into the thought of St. Thomas. A senior Jesuit professor at the Gregorianum, Fr. Charles Boyer, had suggested the topic. It appears that up to that point in his life Lonergan’s acquaintance with Aquinas had been quite superficial. Writing later about his experience at the very outset of this research (1938), when he was working to “reconstruct the context of [Aquinas’] thought and speech,” he observes, “I had been brought up a Molinist. . . . Within a month or so it was completely evident to me that Molinism had no contribution to make to an understanding of Aquinas” (*Method*, 163, n. 5). This remark alone suggests a substantive encounter with Aquinas’ mind.⁶ Moreover, in this case his concern was

² *Operative Grace in the Thought of St. Thomas Aquinas*, initially published as a series of articles in *Theological Studies* (1941-’42), then in book form as *Grace and Freedom* (vol 1 of *Collected Works*). Cf. Aquinas, *Summa theologiae*, I II, 111, 2.

³ *Insight: a Study of Human Understanding*, first published in 1957 (NY: Philosophical Library). Fifth [critical] edition, vol 5 of *Collected Works*, etc.

⁴ *Method in Theology* (1972). NY: Herder and Herder.

⁵ First published in *Theological Studies* (1946-’49), finally in *Collected Works* as *Verbum: Word and Idea in Aquinas* (vol 2).

⁶ Incidentally, of course, as he brought his work to term, he also discovered that the brilliant Jesuit Luis Molina’s antagonist in the controversy, *De auxiliis*, namely, Domingo Banez (distinguished Dominican and spiritual mentor of Teresa of Avila), was as far away from a real resolution of the problem of divine grace and human freedom as was Molina. In the end by appropriating St. Thomas’ development of the notion of *gratia operans*, and employing a penetrating analysis of Aquinas’ own grasp of the mystery of God’s eternity, he accomplished the resolution that had escaped and even confounded both Molina and Banez.

God's dominion in the human heart (what he would later think of as "development from above downward")

Now what I have termed the second phase of his reaching had to do with the human mind, and in contrast with phase one, human endeavor is paramount. His concern was with the operations of the mind's dynamic, self-assembling structure, which he would later call "development from below upward".⁷ There is a paradox here, in that, though he was reaching up to the mind of Aquinas, he discovered this dynamism *in himself* (there is no other way!). In other words he found in Aquinas' cognitional theory the key to his own self-appropriation.

Lonergan himself observed (in the very last sentence of *Insight*), that "once [Aquinas'] mind is reached . . . it is difficult not to import his compelling genius to the problems of this later day." The circumstances of his own life determined how this sequence was to be worked out. First, he had to harvest the fruits of his reaching, which, by his own witness, had changed him profoundly. In other words, *Insight* had to be written, and it is perhaps not out of order to affirm that this book does respond to one of the more fundamental problems of our day, namely, the critical rehabilitation of trust in the human mind. Again, *Method in Theology* also had to be written, on account of another fundamental modern problem: how do you do theology in a world wherein the paradigm of science and philosophy is radically different from that which prevailed in the world where Aquinas flourished, and again wherein historicity controls our view of the world?⁸ Once these tasks were completed a return to some aspects of the building of the human good could be envisaged, and this is what happened in effect.

It is here that we can discover a connection between the two major components of Lonergan's intellectual interest, for as a good of order within the human good, the economy is the creation of the person as intelligent and free. Before making that connection explicit, however, I want to bring forward, at least briefly, the story of Lonergan's study of that component of the human good that we name the economic order.

⁷ Eventually Lonergan will combine these two kinds of development in the lecture/article, "Healing and Creating in History," which found a place as required reading in the course he gave in Macroeconomics at Boston College, from 1978 to 1983.

⁸ This impending necessity explains perhaps the panic that Lonergan experienced, when the ailment from which he was suffering was diagnosed as lung cancer, and he had to anticipate his life ending without the publication of *Method*, which by that time was present to his mind, perhaps somewhat as with Mozart the whole symphony was present in a single moment.

The Two Stages of Lonergan's Active Concern for Economics

Fred Lawrence has already told the story in sufficient detail!⁹ For our purposes a brief summary suffices. Lawrence's opening remarks provide the parameters of the account:

[B]ecause Lonergan's work is otherwise concerned almost totally with issues in philosophy, theology, and generalized empirical method, the story needs to be told of how his writing on economics arose, and of his two periods, separated by about forty years, of concentrated work in economics.

The two periods to which Lawrence refers are 1930–1944 and 1978–1983, respectively.

In 1926 Lonergan was 22 years old, by then a member of the Jesuit Province of English Canada, and for lack of a house of philosophy in that Province was sent to England, with a group of his Canadian confreres, to complete that segment of their intellectual formation in the newly established Heythrop College, near Oxford. In the course of the next four years it happened that the philosophical phase of his own personal development coincided with the end of the economic boom of the “Roaring Twenties,” the resounding crash of 1929, and the beginning of the worldwide depression, which was to last effectively, at least in terms of unemployment, until the “war economy” of the 1940's kicked in.¹⁰

So he returned home to Canada in 1930, with the Depression in full swing, pondering the question, what are the economic forces underlying the Depression?¹¹ In the course of the next decade or so, even while otherwise engaged, he was continually reading and thinking about what might be called the “economic mess.”¹² The sign of this on-going concern was the production on his part of an *Essay in Circulation Analysis*, edited several times over, and set aside only in 1944, the text of which remained unpublished for more than 30 years.

What or whom was he reading? As one of the authors who influenced Lonergan most profoundly during this period, Lawrence cites the German Jesuit Heinrich Pesch, whose views stand behind Pope Pius XI's encyclical, *Quadragesimo anno*, and who agreed with

⁹ Editors' Introduction, Lonergan, *Macroeconomic Dynamics: an Essay in Circulation Analysis* (Collected Works, vol 15), University of Toronto Press, 1999, xxvi–xliii.

¹⁰ For this part of the story see also F. Crowe, *Loneragan*, (Outstanding Christian Thinkers Series, ed., B. Davies). Collegeville, MN: The Liturgical Press 1992, 12–17.

¹¹ Lawrence. *ibid.*, xxviii.

¹² The “other engagements” included the aforementioned regency at Loyola College, in Montreal, then his theological studies in Rome, which culminated in the writing of the doctoral thesis under Charles Boyer, and then more teaching at home in Canada.

the secular economists on the intellectual autonomy of economics, and saw as the “properly economic goal . . . the appropriate standard of living, the betterment of the material conditions of human existence.”¹³

As regards his own thinking, it was in the course of these years that Lonergan worked out a theory about the relationships that obtain among the various components of the social fabric. Lawrence sums it up neatly:

[E]conomic ends fit concretely into an ordered hierarchy: technology, which is the society’s concrete possibility for transforming the potentialities of nature into the standard of living, is subordinate to economy, which is the process for producing and distributing the best possible standard of living; and economy is subordinate to a political order embodying a democratic, free-enterprise economy. If the concretely functioning economy disposes of material and technological resources to mediate the material conditions of human living, the task of politics is to constitute an ethos for disposing of the economy, ‘an ethos that at once subtly and flexibly provides concrete premises and norms for practical decisions’ [*Insight*, 222/248]. At the core of any ethos, according to Lonergan writing in *Method in Theology* (1972), is a normative scale of values: *vital* values condition and are subordinate to *social* values such as a prosperous economy; social values condition and are subordinate to *cultural* values that give meaning and value to a society’s way of life; these cultural values condition and serve *personal* values – the freedom and dignity of each human being; and all these values condition and are oriented and fulfilled by *religious* values relating us directly to divine transcendence.¹⁴

These two “nests of terms” (goods of order and scale of values) will eventually provide the backbone of Lonergan’s economic theory: (1) the ordered hierarchy of technology, economy, politics, and culture; (2) the normative scale of values, reading from below upward: vital, social [or socio-economic], cultural, personal, and religious.

As already observed it was Lonergan’s interest in the thought of Aquinas, beginning especially with his doctoral studies in 1938, that displaced his dominant intellectual concern from economics to human interiority. Again, as we have seen, by the mid-70’s he had brought this phase of his thought to its finest point, displayed by two fruits: (1) a comprehensive theory of human interiority, both cognitional and existential; (2) the dawning recognition on Lonergan’s part of the two-fold development, from below upward and from above downward.

This last point is of prime importance for Lonergan’s return to economics in the evening of his life (1978–1983). The sign of its importance is the inclusion of the lecture/article “Healing and Creating

¹³ Lawrence, *ibid.*, xxxi.

¹⁴ *Ibid.*, xxxi f.

in History,” as part two of the volume on *Macroeconomic Dynamics*.¹⁵ This article makes capital of the differentiation of the two inner movements, upward and downward, both of which issue in authentic development, whether economic, political, cultural, or even religious. In the six successive years that he taught the course, ‘Macroeconomics and the Dialectic of History,’ at Boston College (one semester each year), Lonergan made this article required reading. There is to be observed an upward creative movement, exemplified in economic process, dependent as it is on authentic human ingenuity and initiative. The resulting progress is, of course, limited, if not arrested, by the fears that give rise to flight from insight (bias). The downward healing movement is the grace offered to help us resolve these fears, and to make possible further inquiry and new initiatives. Thus, in outline, the tripolar dialectic: progress, decline, redemption.¹⁶

This brings us to the end of the story as far as it is presently relevant. One could make believe that it was all planned out in advance: two periods of rather intense intellectual activity regarding the economic process, itself an integral component of human history, between which is neatly sandwiched another project that has to do not with history as such, but with the dynamic structure which is history’s engine, i.e., human interiority with his cognitional and existential components. This is the way it appears in hindsight, but in the making it was not so neat. This much is true, however; Lonergan has made substantial contributions to cognitional theory and epistemology (let us say *method*), and has thus advanced the cause of a modern understanding of the human person; while offering an analysis of the economic process which is coherent with his philosophy/theology of the person. Our next task is to give some elementary clarity to that connection. How do Lonergan’s understanding of the human person, and of the economic process, as an element within the structure of the human good, reinforce our own self-understanding and our grasp of the invitation to be not merely observers, but also agents in the process of the “new political economy?”

The Meaning of Being a Human Person

But what is the human person? The notion of person that we want to bring forward here is distinctive precisely in its inclusiveness, i.e., in its inclusion of the human potential for reaching out, by an interior self-transcending dynamism, beyond the sphere of socio-economic affairs, literally to bring into existence the ethos of the

¹⁵ 97–106; also to be found in *A Third Collection* (NY, 1985), 100–109.

¹⁶ For a foreshadowing of this position see *Insight*, 729.

political order, and then to go beyond politics to the development of culture, eventually reaching the realm of the Transcendent, where the Known Unknown is to be revered. In this respect the notion is neither Lonergan's creation nor his possession, for it belongs to the judeo-christian tradition, or better to all women and men of intelligence and good will. Moreover, we have the developing human good, with its manifold of political experiments and independent but interrelated cultures, as evidence that it is a notion that corresponds to what is real. We do not live on bread alone! What Lonergan has done of note is very effectively to identify the root of this inclusive dynamism: the pure and unrestricted desire to know (which turns out to be what Aquinas recognized in the person as the natural desire to see God).¹⁷

We are speaking of the human subject in the world, intelligent and free: an intelligence grounded in the sensitivity that apprehends available data, and actualized by questions for meaning and for reflection; and a freedom grounded in the feelings that apprehend values, and actualized by questions for deliberation, which normally issue in value judgments and decisions for action that can change our world, even ever so little. The grounding of intelligence in sensitivity and of freedom in feelings point to the organic and psychic components of the person, while the actualizing of both intelligence and freedom through inquiry points to that dimension/component of the person which is self-transcending. In summary, by intelligent inquiry, reasonable reflection, and responsible deliberation we find our path and make our way forward, and somehow contribute to development – development from below upward!!

So the human person in the world is on the move from within, by operations that are imperceptible to the external observer, but not hidden from the subject. S/he is rather both conscious and conscientious: conscious on the levels of perception, understanding, and judgment; conscientious when it comes to decision and action. Moreover, this awareness is of various intensities, for human knowing and human decision-making are a self-assembling process that carries itself forward from perception of data to simple understanding (insight) through questions for meaning; and from conception of what is understood to a grasp of the virtually unconditioned through questions for reflection; finally, from probably true judgments through questions for deliberation, to value judgments and decisions. The cycle

¹⁷ See Lonergan, 1957, 618–620, having to do with the Possibility of Ethics, where the author introduces the Notion of the Good, distinguishing particular goods that can be experienced, intelligible goods of order, and values that can be chosen. Cf. Lonergan, *Method* 1972, 48, where these distinctions govern the Structure of the Human Good.

repeats itself, because our decisions and resulting actions create new situations.¹⁸

All this is but a technical expression of what in daily life is the common experience of all those who follow the inner light of intelligence and reason to grasp the direction their lives are taking (nearly all of us!). Moreover, on the existential level of deliberation and decision this set of terms and relations represents what happens when we ask, What am I to do, indeed what *can* I do about (with, for, to) what is probably true?

Now as this process is not invisible neither is it solitary. In a classic understatement Lonergan will observe that “to a notable extent [our] operating is cooperating.”¹⁹ Nor, however, is this complex movement without its shadow side, for quite obviously the person-on-the-move-in-the-world is faulted. And the fault may be understood in terms of the non-observance of the immanent invitation to pursue meaning, truth, and value, which Lonergan names the transcendental precepts.²⁰ The invitation to be attentive to data (first, the data of sense, but eventually, perhaps, even the data of consciousness) imposes itself incessantly. So also to be intelligent in inquiry, i.e. by raising appropriate questions for meaning; and to be faithful in the follow through of reasonable reflection, i.e., by taking care to marshal and weigh the evidence that can be brought to bear on the accuracy of our insights; finally, to be responsible in deliberating about the praxis suggested or demanded by facts and/or values that are uncovered.

What then is the shadow if not flight from insight? This is an area in which Lonergan makes a very signal contribution to the theory of the person, by distinguishing and describing a set of biases that prevent human development from proceeding along a smooth curve.²¹ We falter for fear of getting to know the whole truth about ourselves (dramatic bias or neurotic anxiety), about our neighbor in his/her need (individual and group bias), and about the economic, political, and cultural mess in which we are immersed, a mess that calls for long-range and theoretical analysis and assessment, subtly fearsome in the demand it makes for inquiry that goes deeper and seeks for something more coherent than the “quick fix” (*universal* bias, named so because it is a common affliction, otherwise called the bias of

¹⁸ For a compendious but complete analysis and synthesis of this process in its cognitive aspect see “Cognitive Structure” (Lonergan, 1967, 205–221), an analysis which is complemented by the ¶¶ on the notion of value and judgments of value in Lonergan, 1972, 34–41.

¹⁹ *Method in Theology*, 48.

²⁰ Lonergan, 1972, 231f.

²¹ 1957, 218–242.

common sense, because of common sense' penchant for assuming omni-competence).

On this account the whole picture about the human person as presented in modern terms by Lonergan can be summarized as that of a being-in-the-world, generously endowed with an apparatus, a dynamic structure created (in this case the term is proper!) for intelligent, reasonable, and responsible inquiry, and thus having the potential for evoking regular progress and development, precisely through the discovery and implementation of new schemes of recurrence in human affairs, yet paradoxically diminished in its achievements, for fear of the knowledge that begets responsibility especially for others. This is what flight from insight is all about, taking refuge in ignorance that breeds bias. Not surprisingly such a description is quite in accord with what we have been taught about human being as made in the image of God but originally sinful!

Now to bring to closure this all too brief synopsis of what it means to be a human person (an exercise, if you will in "reaching up to the mind of Lonergan") and also by way of transition to the topic of the economy, something needs to be said about what the more or less authentic and cooperative human activity brings into being. What in fact does the human person leave in the world by way of monument or memorial? We can respond to this question by way of a *thought* experiment, bringing to mind the "development project" which is not the work merely of one person, or a single group of persons, but that of the entire aggregate of persons, past, present, and future. The project itself consists in everything members of the human race have done, are doing, and will do in their exercise of intelligence and freedom. From an objective point of view we are thinking of all the progress in technique, e.g., language, both oral and written, and technology (from the basket and the first knife made out of stone, to the latest computer chip), of economic cooperation that is built thereupon, of social structures that support and systematize such cooperation, of all the various forms that the political order has taken down through the ages (some of which are conveniently forgotten as unworkable and even inhumane, while another residue is still being practiced and perfected). And beyond the political we must surely think of the cultures that give meaning and value to various ways of life down through the ages. Through such an exercise we shall have reached (or are reaching for) the notion of the *building of the human good*.

As its base this good has the natural universe, with its myriad schemes of recurrence giving rise to a vast manifold of ecologies, i.e., a universe which is self-organizing in accord with a complex schedule of what Lonergan names emergent probability.²² That universe, of

²² Lonergan's original formulation of this notion is to be found in *Insight*, 144–148.

course, is good too, but we are thinking about the good which is the whole result of *human* striving, with its ups and downs, the tri-polar dialectic of history, the elements of which are progress, decline, and recovery or redemption. At the very limit it can be conceived as the result of all human endeavor, from the beginning of our presence in this world (on this planet?) until now. After all, human knowledge, especially in its scientific form, is objectified in shared techniques and technologies (some of which we call “hi-tech,” but which also include the invention of many useful things, such as the wheel). And we share values by putting into practice our decisions, for example, to cooperate with others in working relationships, and then to pursue relationships on other levels which are found to be pleasurable, or useful, or even mutually edifying. Now this can happen also in a social way, because persons act within the context of households and firms, tribes and nations. So the human good as objective reality is a combination of things and persons too, all on the move.

Moreover this human good is *structured*. The reference here is to Lonergan’s way of understanding the dynamic relationships of the elements (he calls them *terms*) of the world which we are building [and re-building]. Again the inner source of this dynamic structure is conscious intentionality (intelligence and freedom, if you will), capable of discovering and bringing into being new ways of doing things (the technical term would be *schemes of recurrence*), and eventually new human ecologies (cultures), e.g., what we have come to recognize as the culture of social communication.

Lonergan recognizes too that from the outset individual persons work in conjunction with others, and by their pervasive intelligent cooperation eventually to bring into being a kind of good to which he gives the name, *good of order*.²³ “[B]esides the institutional basis of cooperation, there is also the concrete manner in which cooperation is working out. The same **economic set-up** is compatible with prosperity and with recession. The same **constitutional and legal arrangements** admit wide differences in political life and in the administration of justice. Similar rules for **marriage and the family** in one case generate domestic bliss and in another misery.”²⁴ To be noted: that economic, political, and family life are signal examples of goods of order. And each of these terms represents a dynamic intelligible manifold, which is “not merely a sustained succession of recurring instances of types of the particular good . . . [but] the order that sustains it. This consists basically in the (1) the ordering of operations so that they are cooperations and ensure the recurrence of all effectively desired instances of the particular good, and (2) the

²³ Insight, 238.

²⁴ Ibid. (49a, emphasis added).

interdependence of effective desires or decisions with the appropriate performance by cooperating individuals,” i.e. persons.²⁵

The Economy as an Element of the Human Good

Here I take my lead from Lonergan’s chapter on the Human Good in *Method in Theology*, especially the section on the Structure of the Human Good, to which our reflection on the meaning of being a human person has brought us. And for convenience and clarity’s sake I will reproduce the schema here:

The Structure of the Human Good: a schema²⁶

<i>Individual</i>		<i>Social</i>	<i>Ends</i>
<i>Potentiality</i>	<i>Actuation</i>		
capacity, need	operation	cooperation	particular good
plasticity,	development	institution	good of order
perfectibility	skill	role, task	
liberty	orientation	personal relations	terminal value
	conversion		

Our question is as follows: where does the economy appear and how does it fit into the structure of the human good? In this peculiar context we begin by observing that individuals, often unknown to one another, operate to discover and share with others techniques and technologies that correspond to basic human needs and facilitate the acquisition of particular goods. Beyond that function, such discovery and sharing joins persons together in new ways. We can think here of the way in which farming developed primitively, through the discovery of the hoe and the plough, the stone knife and the basket (and the wheel!).²⁷

The new way[s] in which persons relate to one another on the basis of technological development is the incipient form of the good of order which we call the economy. In other words, at a certain level a technology which is both in place and susceptible of advance constitutes a demand for an arrangement which, when functioning properly, will promote a development in the standard of living. Moreover, such

²⁵ *ibid.*

²⁶ *Method in Theology*, 48. Cf. this very page for an concise explanation of the terms and the relations.

²⁷ We may speak dismissively of the “re-invention of the wheel,” without acknowledging that before the wheel can be reinvented it has to be invented.

development is the *raison d'être* of economy, which Lonergan speaks of as *emergent standard of living*.²⁸ If things are working well development occurs; if not there can be stagnation. In any case, as a good of order the economy is *intelligible*, i.e., it has its inherent systems (schemes of recurrence) which become more complex as technology grows more sophisticated. At a very primitive stage such cooperation gives rise to the notion of the firm (in its simplest form, an entrepreneur, a person with an idea about “how to make a better living” or “how to make living better,” and some employees), which seems to be the basic *institution*, for the sake of regularizing economic *cooperation*, where *roles* are assigned and *tasks* are performed. This is the context or environment wherein individual persons, whose *capabilities* are *plastic* (they can be molded, as we say) and *perfectible* (they can be *developed* and turned into *skills* in a certain sector), and thus mature even as persons, so as to claim expertise and thus make a peculiar contribution in the firm and consequently in the economy.

Now it is clear that there are plenty of other *goods of order*. Prior to the economy, of course, there is family life. Let us observe, however, that the economy itself, when it reaches a certain complexity, generates its own demand for another supportive good of order. We might name this demand the *political exigence*, and it is for a system which will function to organize and supervise the components of the economy in such wise that all the members of the society profit from the emergent standard of living, i.e., that justice be done, and thus have the wherewithal to live in peace and harmony. The economy will remain autonomous, but laws will be framed to insure that everybody – the entrepreneur, the workers, the households, and the general public – gets a fair deal. And this emergent good of order, which of course is *political*, will subsist on the strength of some system of taxation, and will put into place a constitution whereby the body politic may be governed to this effect.

Now history is an enormously complex variable, but as regards the political order it seems that development occurs in the direction of democracy; and it is in this sense that Lonergan will speak of a *political economy*, meaning thereby a maximum participation even of individuals in both processes or orders. He saw participatory democracy as the political ideal. And if we think along these lines we must acknowledge the gigantic task of civic education, first, to prepare people to participate, and second (perhaps even more important), to learn not to expect salvation from any political order, on the grounds that there is a whole set of values that transcend *political economy*.

We might speak of the gradual discovery that some form of democracy is an ideal to be achieved. There are of course many forms of

²⁸ 1999, 29, *inter alia*.

democracy and as many possible defects. Democracy here does not mean simply the rule of the majority by an electoral process, after which the real work is done by the bureaucrats. Nor does it mean that form of socialism wherein the whole operation is set forth, again by bureaucrats, in Five and Ten Year Plans. Finally is it not the so-called democracy wherein those having political authority write a blank check to the Multinationals, thus turning the normal relationship between the two orders inside out, and making it possible for these gigantic corporations and cartels to destroy the economies and weaken the political structures of the developing world, and then to turn on the economies from which they were born and derived their potentially destructive power even in the political order, to destroy them as well.

And here we return to the person, who is defined neither by the economy, nor by the political order, but rather by that “detached, disinterested, [pure and] unrestricted desire to know,”²⁹ which grounds the possibility of going beyond economic and political ends, to pursue those values that we identify as cultural, personal (the “good life,” not as conceived in consumer society, but rather as inculcated by our Ancestors, and especially by our Elder Brother, Jesus of Nazareth). Here reference is to terminal values, as achieved in concert with other persons (*concert* here means friendship, which would normally include being friends with the persons of the Triune God, as known in the Christian tradition). Typically, of course, this sort of growth will not occur on a smooth curve, and so we have to be set (*oriented*) in the right direction by those in the community who are gifted with wisdom, and when we fall we need to be lifted up, healed, and set aright (*conversion*).³⁰ The fact of liberty and the presence in the world of the Love of God poured out by the Holy Spirit, who is given to us, gives us heart.

Lonergan’s *Essay in Circulation Analysis*

How does Lonergan’s *Essay in Circulation Analysis* fit into the picture? The analogy that comes to mind is quite simple: as *Insight: a Study of Human Understanding* is to human interiority, so the *Essay* is to the economy as a component of the human good. Significantly both are scientific projects in the modern sense of the word, i.e., they are empirical and explanatory (or intend to be so). Now to suggest that a human science (economics), and even more so a study of

²⁹ *Insight*, 619.

³⁰ All this suggests the notion of cosmopolis as a supervening and comprehensive good of order in which the integral scale of values is being approximated (*Insight*, 263–267(238–242).

human understanding, are empirical might seem outlandish, because the term, *empirical*, connotes the procedures of the natural sciences. That it is not nonsense, however, can be seen, if we consider that are really two sets of data available to us: the data of sense and the data of consciousness; and that the data of sense can further be distinguished into what is given in the world of nature and what is given in the world that is under construction by human hands. Furthermore, Lonergan is of a mind that both the world of nature and the world of history are governed by the laws of emergent probability,³¹ to the effect that the various methods which are employed in the natural sciences also have a place in the human sciences.

Now the data of consciousness are the ever-present but much overlooked operations of human interiority, and the *raison d'être* of *Insight* is precisely to provide a guide to the appropriation of these operations in their dynamic, self-assembling structure. Moreover the first part of *Method in Theology* (Background) is a kind of supplement to this guide, in the sense that it goes beyond the structure of knowing to tackle the structure of decision-making, even as it is open to the intervention of grace (development from above downward).³²

Now as regards the data that is available in the world of history there is a special problem, because as contrasted with the data of the world of nature, what is given in the world we are building, as object of the human sciences, consists not merely in the external operations (perceptible human endeavor, individual and cooperative) and the results thereof (technology, goods and services, state houses, parliament buildings and all the other apparatus of the political process, etc.), but includes also all the internal operations of practical intelligence (attention, ingenuity, and spiritual energy) which move this world of ours forward, albeit in fits and starts.

On this account, the economist, for example, ought to be, not only a mathematician, who can analyze flows and/or rates in both the production process and the corresponding circulation of means of exchange, but also someone who is familiar with the technology in place, especially that which is being employed to accelerate the production of goods, and even somewhat of a philosopher in this modern key, i.e., a person who knows “what s/he is doing when s/he is knowing.” Nor will it hurt if s/he is also an authentic (morally upright) human being, even led by the Spirit. The inclusion of the operations of human interiority as data in the human sciences is an indication that these sciences (economics included, of course) will

³¹ *Insight*, 115–128.

³² “It remains that transcendental method is only a part of theological method. It supplies the basic anthropological component. It does not supply the specifically religious component” (*Method in Theology*, 25). Cf. the caveat about the order in which conversion normally occurs, *ibid.*, 243.

have their normative component. This is to say that the economy and the emergent standard of living, are not unrelated to the intelligence that undergirds the decisions that are made in the economic sector, all of which need to be taken into account in the science of economics.

The point here is that throughout the world of science, whether the inquiry is in the world of nature or the human world-under-construction, the intention of the scientist is to reach explanation, i.e., to go beyond the description of things as they are related to us and to identify correlations in things and among things themselves. Moreover, this is the sort of discourse that we have in Lonergan's *Essay in Circulation Analysis*. Put it together, therefore, with the other essay (*Insight*) and you have the beginning of the sort of New Organon which would seem to be called for in this world of ours, where the methods of modern science prevail and philosophy takes the turn to the subject.

Understanding the human person and *understanding* the economic order are intimately related. And in a post-scientific culture such as our own most educated persons of moderate intelligence will be exposed to and aware of the elements of the economic process, for information about these elements has been transferred, especially by the media of social communication, from the realm of the experts into the public domain.

So, if we compare *Insight* and the *Essay in Circulation Analysis*, we find that the former takes data of consciousness at its starting point and develops a theory about the human person, discovering the human subject to be so endowed and so structured that s/he is capable of building a world on the ground of the natural universe, which Lonergan will name the human good (development from below upward). This is in effect historical process, not as a series of random events, but as a drama written without a script by subjects endowed with intelligence and freedom, working together. And among the goods of order that emerge in history is economic process, and its effectiveness will be in function of the authenticity of those in whose hands it lies. The *Essay in Circulation Analysis* then has elements of the good of order which we call the economy as its data, and the challenge is to discover the intelligibilities that are inherent therein.

There is, of course, a "division of labor," after all! Not everyone is called to relish the explanatory discourse of science, whether natural, human, or philosophical/theological. Nor, however, need we despise that to which we are not called. Common sense will say that its own descriptive discourse is sufficient, for it claims omni-competence. But a more comprehensive approach will acknowledge the value of the sciences. It is not difficult to convince people, perhaps, of the value of the natural sciences, for it is to them that we owe the stupendous development of the technology which is at the basis of economic development. But to grasp the value of an analysis of

human interiority, or even of an explanatory discourse having to do with the ups and downs of the economy is another matter.

Perhaps enough has been said here to suggest that such appreciation is in order. In the long run to pursue an objective grasp of both the self-assembling dynamic structure which is the human person, and also the dynamism of macroeconomics will have their place in sustainable human development, understood comprehensively. It has been said that there is nothing more practical than a good theory, a saying that is worthy of being verified as regards both the person and the economy. In both sectors Lonergan has blazed a trail, and his reaching up to the mind of Aquinas seems to have prepared him not only for the project of rational self-appropriation, but also for his analysis of one of the significant goods of order in the building of the human good.

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