

**A RESPONSE TO DR. PAUL ST. AMOUR, “AN INTRODUCTION TO LONERGAN’S  
MACROECONOMIC THEORY,” MARQUETTE UNIVERSITY LONERGAN  
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I want to begin my remarks by thanking Fr. Doran for asking me to be a part of this panel. I want to thank my fellow panel members, Dr. D. Stephen Long, whose course on theology and economics gave me my first chance to study the interplay between Christian assertions about God and the nature of economic reason, and Dr. John Davis, an economist who continues to teach us theologians about economics and about interdisciplinary collegiality. I especially want to thank Dr. St. Amour for the precision, clarity, and explanatory power of his paper. Whether or not Lonergan is correct about macroeconomics, making his complex analysis understandable for lay people is itself a significant achievement. My comments are not those of an economist, but of a theologian strongly influenced by Lonergan’s thought, and thus many of the questions I wish to pose take aim at Lonergan himself and the relationship between his economics and his breakthroughs in the areas of the human good, meaning making, and value. I do not expect Dr. St. Amour to channel Lonergan or to speak in his name, but his paper shows quite clearly that he has given these matters a great deal of thought.

In a manner unique among theologians of his time, Bernard Lonergan sought to articulate the individual and social aspects of the invariant structure of the human good through the heuristic structure of terms and relations that stand to the good not as abstract definitions, but as concrete components of historical consciousness. As Lonergan states in *Method*, “What is good is always concrete.” The concrete aims at a totality, at a view of the human good that embraces the full range of historical being-in-the-world, a scale of values evoked by feelings that stand to vital, social, cultural, personal, and religious realities of human consciousness and intersubjectivity. In the scale values of *Method in Theology*, economics is the technical apparatus at the social level of values that attempts to describe and facilitate the flow of goods, services, and capital at the level of vital values, ostensibly with the goal of informing the efforts of the institutions of regulatory and managerial agency at the social level. This distribution of vital goods to the community made effective through practical intelligence contains a further upward dynamism to respond to the making of human meaning at the level culture, of authentic self-constitution at the level of the personal, ultimately to respond and be transformed by the healing vector in history in religious values.

Given Lonergan’s instinct that the creating vector from below, and the healing vector from above establish the multi-directional dynamism of this scale of values, it is surprising that his technical discussion of economics both in the forties and in the seventies contains so little of the explicit discussion of the human good that plays so prominently particularly in his later work. Students of Lonergan look at these economic essays and see the exactitude and penetrating insight that they have come to expect, but few of the explicit themes that animate Lonergan’s

other work. Yet, as Dr. St. Amour has shown, there is something very familiar even in these seemingly strange pages. His essay rightly points to Lonergan's emphasis on the teleology of economy, a fact that will come as no surprise to anyone who has worked through the chart on the human good in *Method*, wherein all particular goods, their structure of recurrence, and their individual and social character are all aimed at particular ends. As it relates to economy, the skill of individuals is socially instantiated and organized in institutions of social efficacy with the end not of achieving individual instances of the good, but of establish a recurrent structure of goods; that is, a good of order. Here St. Amour's discussion of teleology is especially helpful. Contrary to moralizing efforts to ground the ends of economic activity and the good of order through an *extrinsic* application of the good, Lonergan sought the essential terms and relations of the foundation of economic flows in order to elucidate the *intrinsic* finality of recurrent goods. As St. Amour shows, for Lonergan, the central dynamics of the good of order is the productive process that is brought into being for the purpose of the distribution of a standard of living to the community at the level of vital values. Certainly, given the nature of the North American economy for much of the first half of the twentieth century, it is a prudent move to differentiate the processes of production from the interventions of finance. However, in a post-Fordist cycle, wherein services, ideas, and consumption are intentionally disconnected from the production process, does this separation of production from finance still hold? What does a surplus expansion look like in a post-production economy? What if the problem in our time is not in the relations between the four bases on the baseball diamond but on the pitcher's mound, with the balance of finance and regulation?

Dr. St. Amour shows that Lonergan's operative goal in achieving a theoretically differentiated account of economics is to clarify the essential terms and relations of economic dynamics in order to effect the return from the theoretical to the practical intelligence of the institutions of communal agency at the social level values. Lonergan pictures an interaction of cycles that, when properly differentiated and managed, can occur without the boom and bust cycles of capitalist expansion. Yet, here again, the absence of an explicit discussion of subjectivity and of goods and values becomes somewhat confusing for students of Lonergan's work, with its typically heavy focus on self-transcendence and authenticity. Do the images for insight into economic order provoke correct insights if they are construed at the cosmological level of meaning (e.g., fisherman and net-makers) when humanity has moved through the axial age to the meanings constituted by subjectivity and historical consciousness? I ask this question without a clear suspicion of an answer.

The condition of possibility for the integral social values necessary for the good of order is authenticity at the level of cultural values. It is obvious from St. Amour's exposition that Lonergan wants us to understand the internal normativity and meanings of economic processes before trying to integrate or offer critique from a cultural, existential, or theological vantage point. Yet, in light of Lonergan's own construal of the human good, is this really possible? After all, economy is a human construction. It is not self-assembling or an *ex nihilo* emergence. It is a creation of human meanings and values. As such, can it ever be truly theoretically understood if

the agents and values involved in constructing the dynamic processes of basic and surplus expansion are bracketed off from the theoretical explanations? In other words, if we limit the discussion of the scale of values to the creative vector from below that establishes vital, social, cultural, personal, and religious value through an upwardly directed dynamism, and do not make explicit how the healing vector works downward from above, are we left with economics that is paper thin? My suspicion here, is that the disconnect between the creating and healing vectors is not due to a methodical fault or oversight in Lonergan's account of economics, but rather in a gap at the level of communications between his tremendous breakthroughs and accomplishments in *Insight* and *Method*, and the detailed focus on economic interrelations in his work on circulation dynamics. It is difficult for students of Lonergan's project in the former case to understand the relationship between that and his economic project in the latter case. That being said, thanks to Dr. St. Amour incisive analysis, I can honestly say that the connection between cognitional theory, existential authenticity, and the efficacy of grace in the scale of values and the essential terms and relations of macroeconomic production cycles is far clearer to me now than it was before. Yet, it may well be that the challenge of the functional speciality of communications is exactly what stands in the way both of students of Lonergan and economists from seriously engaging Lonergan's work. Perhaps an anecdotal example will illustrate this point. Theologian Michael Novak, whose own work on theology and economics is influential in certain Catholic and Protestant circles, describes a meeting that he arranged in the late seventies through his connections at the American Enterprise Institute between Lonergan and several major economists. Novak got Lonergan to sit in a room with professional economic theorists to talk shop. The result was less than stellar. As he recounts the incident,

Poor Bernie! In the company of strangers, he pretty much froze. . . . I tried to break the ice by feeding him some leading questions. His answers were perfunctory. We had brought him together with a stellar group of economists who had been told all about his theoretical interests, which were so different from their own. . . . But Father Lonergan could not, or would not, engage them with questions or challenges of his own. He was not a master of small talk. All of us could feel Father Lonergan's discomfort; it was one of the most painful nights I've ever experienced.

If Lonergan himself was unable to do the work of communications between his own theory and those with the technical expertise to understand it, what hope is there for students of Lonergan to do what our teacher could not. However, as Dr. St. Amour's paper exemplifies, the challenge need not be insurmountable. I congratulate him on making the broad contours of Lonergan's project accessible to those of us in the economic laity; this is no small achievement. In our present economic situation in which the dominant voices in policymaking seem hopelessly tied to economic ideologies predicated on a classical view of both culture and causality (I think this is true of both the Austrian libertarians and the Keynesian deficit spenders), Lonergan's theoretical differentiation of the cycles of production may help to break the stalemate.