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Press Conference to present the new Document of the Congregation for the Doctrine of the Faith and the Dicastery for Promoting Integral Human Development, entitled “*Oeconomicae et pecuniariae quaestiones*’. Considerations for an ethical discernment regarding some aspects of the present economic-financial system”

Intervention by Cardinal Peter Kodwo Appiah Turkson

Intervention by S.E. Msgr. Luis Francisco Ladaria Ferrer, S.J.

At 11.00 this morning, at the Holy See Press Office, a press conference was held to present a new Document of the Congregation for the Doctrine of the Faith and the Dicastery for Promoting Integral Human Development, entitled “*Oeconomicae et pecuniariae quaestiones*. Considerations for an ethical discernment regarding some aspects of the present economic-financial system”.

The speakers were His Eminence Cardinal Peter Kodwo Appiah Turkson, prefect of the Dicastery for Promoting Integral Human Development; H.E. Msgr. Luis Francisco Ladaria Ferrer, S.J., prefect of the Congregation for the Doctrine of the Faith; Professor Leonardo Becchetti, of the University of Rome “Tor Vergata”, and Professor Lorenzo Caprio, of the Catholic University of the Sacred Heart, Milan.

The following are the interventions by Cardinal Turkson and H.E. Msgr. Ladaria Ferrer:

Intervention by Cardinal Peter Kodwo Appiah Turkson

1) Project as a logical *Inter-dicasterial initiative*. The Dicastery for the service of Integral Human Development aims at promoting the *common good* and wellbeing/flourishing of humanity. To this end, it has to work in collaboration with different organisms of the Roman Curia, with local Churches, and with other Catholic and even

non-Catholic institutions. In fact, as Pope Francis stated in his *Motu Proprio* with which he created the Dicastery (17/8/2016), *all* the Church is called to promote the integral development of the human person in the light of the Gospel. It is therefore not a coincidence that we are launching today a joint document with the prestigious Congregation for the Doctrine of the Faith.

2) Human dignity, common good, and economics: Actual vision of progress/development for Catholic Social Doctrine, is the whole human person -not any one particular dimension of the person (e.g. the material one), and for all peoples (i.e. not just for some). In the words of Pope Paul VI, “the development we speak of here cannot be restricted to economic growth alone. To be authentic, it must be well rounded; it must foster the development of each [person] and of the whole [person]” (*Populorum Progressio*, 14).

Therefore, in order to promote integral human development, the Church wants to ensure that political, economic or financial systems do respect the dignity of every person. Yet, the setting of the dignity of the human person, created in the image and likeness of a Trinitarian God, is to coexist with others to seek the common good. And we do it through a network of relationships; relationships with God, with our neighbours, and with the entire creation (cf *Laudato Si'*, 66). The way we build up and live these relationships helps or hinders human fulfillment.

A key aspect of living together, as any family knows, is to administer in the best possible way the resources of the household. Given that we live in a common home, as a global family that aspires to co-exist well, we need to manage or administer the goods of such a home, the planet, in the best possible way. This is what word “economics” actually means: *oiko-nomics*, the way we organize, manage, or rule our home. When we do it taking into account our common origin, our mutual belonging, and our common destiny, then we can develop new convictions, attitudes and forms of life (cf *Laudato Si'*, 202), and new economic systems that promotes actual, this means integral, human development.

This is what our joint document wants to emphasise. In a household where individualism reigns, their members cannot flourish integrally. Analogically, in a world where individualism is chief, integral human development becomes unthinkable. That is why a healthy economic system is vital to forge flourishing human relationships. To help generate such healthy system, this joint document reminds us that the **resources of the world** are destined to serve the dignity of the human person, and must be **commonly available** for the common good. This is known in Catholic Social Doctrine as *the universal destination of the goods*, which is the “golden rule of social conduct” (*Laudato Si'*, 93) and “the first principle of the whole ethical and social order” (*Laborem Exercens*, 19).

In order to manage resources well, guidelines or “*regolazioni*” are always welcome. Some guidelines are more technical or mathematical, while others are more ethical. Economics, in fact, has these two dimensions. Although it is true that today, in practice, many economic agents seem to have forgotten this fact, it is also true that within economics, there is a great resistance to the “mathematisation” of the discipline.[1] This joint document offers some guidelines or “*regolazioni*” from ethical side of the spectrum, with the hope that they can help discern how to manage the world resources with *freedom, responsibility, justice, solidarity and love*. We believe they can also help us to counter an economy that, because it has sidelined its own ethical basis, it tends to “rule rather than to serve” humanity (cf. *Evangelii Gaudium*, 57-58). Equally, these “*regolazioni*” can help us counter a financial system that if focused more on speculations rather than in serving the real economy (cf *Laudato Si'*, 109).

3) Mission and life in fullness: Some people still thinks that economics or finance is something distant from the Church’s mission. However, as the document we are presenting emphasizes, the Church is concerned with all human activities that can hinder or help human flourishing, the economic activities being no exception. In fact, the Constitution of the Church in the World, *Gaudium et Spes* (n.1), back in 1965, explained that the “joys and hopes, sorrows and anxieties” of the people of the world are the concerns of the People of God, of the Church. Therefore, the Church strives to work for a better world (GS 21), in collaboration with others (GS 21, 88). It does so by contributing, through its world vision and Gospel values (GS 44-45), to promote a global culture that can reduce all forms of injustices, the economic ones included (GS 66, 89), and by fostering integral human development (GS 56), peace and the common good (GS 67-71). As Pope Emeritus Benedict XVI said, the Church “cannot and must not remain on the sidelines in the fight for justice” (*Deus Caritas Est*, 28; *Evangelii*

Gaudium, 183).

Also, experience tells us that when human activities are inspired and guided by love, they anticipate Kingdom of God on earth (cf *Caritas in Veritate*, 7). Love, as the document reminds us quoting *Laudato Si'* (n. 231), is also civic and political, and it is expressed in relations between individuals and also in “macro-relationships, meaning social, economic and political ones. And as there are some ethical guidelines that help us loving our relatives and friends, there are also others ethical guidelines that help us loving our society and the earth, our common home. This joint document with the CDF is a tool that can help us develop this social love, while seeking for life, and life to the full.

4) Learning from mistakes & financial change: We are not naïve, and are aware that the promotion of integral human development needs a financial paradigm shift. We want to encourage the financial world to learn from the lessons of the latest financial crisis, and to acknowledge, once and for all, that markets by itself cannot guarantee true progress, meaning integral human development and social inclusion (cf *Laudato Si'*, 109). Indeed, as the *Compendium of the Social Doctrine of the Church* (n. 470) stated fifteen years ago, market forces cannot adequately safeguard common goods such as decent jobs and the environment. The financial crisis of 2007-08, in this sense, provided an opportunity to develop a new economy, more attentive to ethical principles, and new ways of regulating speculative financial practices and virtual wealth. This is what this joint document is all about.

But the response to the crisis needs different criteria from the one ruling the current financial world (cf *Laudato Si'*, 189). That needs a change in the way of doing business, which means a change in the way of doing politics, for which a change in our lifestyles is required. In the words of Pope Francis, “many things have to change course, but it is we human beings above all who need to change” (*Laudato Si'*, 202). Yet radical change is always costly and difficult, because it encounters strong resistance, whether external or internal, whether conscious or unconscious. For, some “*regolazioni*” like the ones presented in this joint document may help. It can help to acknowledge our blind spots and make *finance* more ethical.

The word *finance* actually derives from a classical Latin term for “goal”... “*finis*”, which is usually translated as *end* or *completion*” Shiller (2012, 7).[2] We know deep down that *finance* does not embody a goal in itself. *Finance* is not about making money per se. Conversely, “*finance* is a ‘functional’ science in that it exists to support other goals –those of society... The better aligned a society’s financial institutions are with its goals and ideals, the stronger and more successful the society will be” (Shiller 2012, 7). In the words of Pope Benedict XVI, “*finance*... needs to go back to being an instrument directed towards improved wealth creation and development” (*Caritas in Veritate*, 65), and also to care for the environment (cf Benedict XVI 2010, 2). [3] Ideas related to circular economy, regenerative economy, restorative economy etc. can help redirecting *finance* as a good means towards the good for all, but especially for the good of the most disadvantaged.

5) Expectations for good wealth: Our expectations are that economics in general and *finance* in particular, which is associated with the science and practice of wealth creation and wealth management, can generate and manage good wealth, which comprises the use of “resources to create and to share wealth and prosperity in sustainable ways” (*Vocation for Business Leaders*, 40). We aspire, alongside Pope Francis, to an economic system from where we can respond to the current cry of the poor and of the earth (*Laudato Si'*, 49).

[1] This is a resistance that comes from students of the best universities worldwide (e.g. La Sorbone, Cambridge, Harvard), to many Nobel Prize winners (e.g. Douglass North -1993; Amartya Sen -1998; George Akerlof -2001; Daniel Kahneman -2002; Elinor Olstrom -2009; Robert Shiller -2013; Richard Thaler -2017, to cite just a few).

[2] Shiller, R. J., 2012. *Finance and the Good Society*. Princeton: Princeton University Press.

[3] Pope Benedict XVI, 2010. “Message for the Day of Peace”, 5.

Intervention by S.E. Msgr. Luis Francisco Ladaria Ferrer, S.J.

Today we present a document from the Congregation for the Doctrine of the Faith and the Dicastery for Promoting Integral Human Development, that will surprise many. They are *Considerations for an ethical discernment regarding some aspects of the present economic-financial system*.

Why is the Congregation considering such a specific theme? In this regard it is good to remember that the Apostolic Constitution *Pastor bonus*, which regulates the service to the Holy Father by the Roman Curia, affirms that the Congregation's proper task is to promote and protect all that concerns the doctrine of faith and morality (Art. 48: *Proprium Congregationis de Doctrina Fidei munus est doctrinam de fide et moribus in universo catholico orbe promovere atque tutari*).

Thus the moral sphere falls within the Dicastery's own competence, and therefore – as the Magisterium of the Church has always clearly stated, that “economic activity is to be carried on according to its own methods and laws within the limits of the moral order” (GS, 64) – it is up to the Congregation also to help the economic dynamics to orient themselves on the basis of an adequate ethic.

Not being an expert on the subject I will limit myself to some general observations. The purpose of these *Considerations* is to state clearly that, at the root of the spread of dishonest and predatory financial practices, there are first of all an anthropological myopia and a progressive crisis of the human that have been achieved. Man, today, no longer knowing who he is, and what he is doing in the world, does not even know how to act well, ending up remaining at the mercy of the convenience of the moment and of the interests that dominate the market.

The profit of the strongest has taken over from the authentic good and has become the real dominant factor in economic and social relations. In this way, the common good has disappeared in many environments from the horizons of living, the conflict of relationships has increased and inequalities have become more pronounced.

The strongest economic subjects have become *Superstars* who seize huge amounts of resources, resources that are ever less evenly distributed and increasingly concentrated in the hands of a few. It is incredible even to think that ten people may hold almost half of the world's wealth: today this fact is now a reality!

Therefore, the Congregation for the Doctrine of the Faith, together with the Department for Promoting Integral Human Development, considered it appropriate to reiterate some elementary anthropological evidence, from which various considerations derive, to help ethical discernment in that complex area of the economic-financial world. This discernment can no longer be postponed, if we do not want to slide towards a worldwide social collapse, with devastating consequences.

It is a document based on some elementary and universal evidence. The text does not intend to adhere to any school of thought, but rather to take a loyal look at some areas of the current financial world and to offer an ethical judgment on certain aspects of those areas. This is a dutiful service that the Church intends to give to people as an orientation towards a good life, an inescapable prerequisite for every social form that aims to be the least unjust possible.

On this occasion I like to recall the figure of Saint Matthew, Apostle and Evangelist. Matthew was a public tax collector - a profession that often included several rogue people among his ranks – who became a follower of Jesus and, in this way, also an honest dispenser of a wealth, not only material, turning in favour of the whole man and of all men.

Therefore the Church venerates the Apostle Matthew as a patron saint of those who carry out economic and financial activities. His figure as a publican, who became a good dispenser of the treasures of heaven, is in itself

an auspice, so that those who work in finance open the horizon of his actions to a goodness that, while it is born from interest in the individual, does not stop there but accept to expand to the consideration of the common good.

As Saint Bede the Venerable notes, in the reading that the Breviary dedicates to Saint Matthew the Apostle and the Evangelist, his conversion “*served as a stimulus to that of many publicans, and the remission of his sins was a model to that of them all*”. The new document, dealing with the *Oeconomicae et pecuniariae quaestiones*, would be a stimulus in this direction.

The text of these *Considerations for an ethical discernment on some aspects of the current economic-financial system*, while intended primarily for the competent economic-financial workers, in fact challenges all women and men of good will.

Indeed, “*every gesture of our liberty, even if it appears fragile and insignificant, if it is really directed towards the authentic good, rests on Him who is the good Lord of history and becomes part of a buoyancy that exceeds our poor forces, uniting indissolubly all the actions of good will in a web that unites heaven and earth, which is a true instrument of the humanization of each person, and the world as a whole*” (No. 34).

The document reaffirms that love for the integral good of man is the key to authentic development (see No. 2). Moreover, without an adequate vision of man it is not possible to found either an ethic or a practice that is worthy of his dignity, and of a goodness that is truly such. In this sense, the human person possesses a peculiarly *relational* character and a *rationality* in the perennial search for a gain and well-being that are whole, not reducible to a logic of consumption or to the economic aspects of life (see No. 9).

It is precisely this vision that allows us to look at others not primarily as potential competitors, but as potential allies. And to recognize that every economic system legitimizes its existence not only by the mere quantitative growth of exchanges, but by documenting above all its capacity to produce development for humanity as a whole and for each man (see No. 10).

A certainty underlines the text of the *Considerations*: “in order to function well, the market needs anthropological and ethical prerequisites that it is neither capable of giving for itself, nor producing on its own” (No. 23). A solid anthropological vision, with its ethical implications, is not only necessary for a life worthy for man, but also helps the efficiency of the markets.

The current situation shows us the urgency of a “*renewal of humanity in order to reopen the horizons towards that abundance of values which alone permits the human person to discover himself or herself, and to construct a society that is a hospitable and inclusive dwelling place with room for the weakest, and where wealth is used for the benefit of all – places where it is beautiful for human beings to live and easy for them to have hope.*” (No. 17).
