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*Thomist Celebration*

St. Thomas Aquinas  
“Pathways of the spirit: faith and reason in the third millennium”

## **The contemporary relevance of Thomas Aquinas**

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*“So the best ordering of power within a city or a kingdom is obtained when there is one virtuous head who commands over all; and who has under him others who govern virtuously; and when, furthermore, all participate in such government, both because all are eligible, and because all participate in the election of those who rule.*

*“This is the best form of constitution which results from a judicious admixture of the kingdom, in that there is one person at the head of it; of aristocracy in that many participate in the government according to virtue; and of democracy or popular rule, in that rulers may be elected from the people and the whole population has the right of electing its rulers.*

*“It was such a form of government which was established by the divine law.”*

This is a passage from the *solutio* of the first article, Question 105, I<sup>a</sup> II<sup>ae</sup>, of Thomas Aquinas’s *Summa Theologica*.

Who among us, today, men and democrats of the twenty-first century, would not be willing to subscribe the substance of these assertions? They were set down more than seven centuries ago, in an age in which kingdoms and principalities, and the right to rule them, were acquired and maintained mainly by the force of arms.

Certainly what suggested those principles of good government of a political community was St. Thomas’s frequentation, and his assimilation of even the most recondite implications, of the classical philosophers of Greece and Rome, the Church fathers and the scriptures.

These extremely lucid thoughts were also inspired by young Thomas’s experience in the abbey of Montecassino and the governance structure of its Order.

The principles enunciated here are those upon which the Italian Constitution and other modern constitutions are based.

Sovereignty belongs to the people, which has the right to elect those by whom it is to be governed.

Anyone may be elected and all take part in the voting; there is no discrimination or preclusion of any kind.

However, the text adds, the person who is selected to govern must be chosen for his capacity and moral qualities, *secundum virtutem*. His subordinates, designated to govern particular aspects of political and social life, must be with reference to the same criterion. They form an aristocracy, not in the common acceptance of a wealthy propertied class but according to the etymon signifying the “best”, the “worthiest”.

Not until the eighteenth century were these principles affirmed in the constitutions of the great nations, those which are today the most economically advanced.

In the nineteenth century the concept of democracy was not yet universally accepted, and in fact in the most important nations of continental Europe it regressed. In the second half of the century democracy reaffirmed itself and spread, laboriously, amidst many uncertainties, in the most advanced states, where a new social class linked to trade and industry was also rising.

In this new context, however, not all were truly eligible *de facto*, even though they were *de juris*. The discrimination was based on wealth, the possession of material goods.

The “aristocracy” was identified with the wealthiest, not the best.

The twentieth century witnessed the emergence —as a product and degeneration of Hegelianism, of the right and of the left, and as a reaction to grave economic and social imbalances — of Fascism, Nazism, Communism.

It required the inconceivable death and destruction of the Second World War to resuscitate democracies in Western Europe based on

personalist humanism, rooted in the principles of classical anthropology and Scholastic philosophy.

It is the concept of man that is the cornerstone of our constitutional order. It is not the self-contained individual always in search solely of his own self-interest, much less *homo economicus*.

Man is open to relations with others and to the common good. He has dimensions that find fulfilment in social and political life and in the organization of the State to which he belongs in order to achieve goals that transcend the possibilities of the market.

*“Persona comparatur ad communitatem sicut pars ad totum”* (II<sup>a</sup> II<sup>ae</sup>, q. 61, a.1); and also *“Ipse totus homo ordinatur ut ad finem ad communitatem est pars”* (II<sup>a</sup> II<sup>ae</sup>, q. 65, a.1).

Man, that is, must be subject to the laws of the State and within the framework of its legal order work for his own good and for that of the entire society. The laws are validated by natural law. The Prince himself is subject to them.

Society, by uniting men’s efforts, achieves benefits for the individual and for families through cooperation that are greater than what each man could obtain by himself.

Not only material advantages but also moral, cultural and intellectual benefits depend on and derive from social life.

Nonetheless, while man, who in metaphysical terms is a composite substance, is a part of society, one of his components, the most important for his being, also places him above society. *“Homo non ordinatur ad communitatem politicam secundum se totum et secundum omnia sua. Totum quod homo est, et quod potest, et quod habet ordinandum est ad Deum”* (I<sup>a</sup> II<sup>ae</sup>, q. 21, a.4).

Democracy largely developed together with the modern market economy. An essential part of the latter is private enterprise and capitalism.

Economic theory originated with the philosophers of the ancient world. It developed in the Middle Ages and among the Scholastics, especially in the description of political societies. It evolved further in the modern age, in parallel with the great geographical discoveries, with the growth of trade, international commerce and finance.

At the start of the fourteenth century Duns Scotus had already elaborated a theory of value based on direct and indirect costs of production. No more progress was made on this front until Quesnay's *Tableau économique* and Leontief's mid-twentieth-century analyses of intersectoral input-output relationships.

In seeking to define the conditions for equity in prices and to distinguish profit from usury, the great moralists of the sixteenth and seventeenth centuries — De Molina, Lessius and Lugo, all descendants of the Scholastics — conducted sophisticated analyses of exchange value, markets, loans, insurance, financing and the stock market.

Antonio Genovesi commenced his lectures on civil economics at the University of Naples in 1754. Many Italian scholars had already produced important essays on monetary theory. These efforts culminated in the still unsurpassed treatise, *Della Moneta*, which the young cleric Ferdinando Galiani published in Naples in 1751.

Modern economics was born with *The Wealth of Nations* in 1776.

Adam Smith introduced the theory of the market and competition. The individual producer, in his search for success, offers new products, of better quality than those of the others or produced by processes that lower costs, diminish the use of resources and increase profits.

He is driven by his self-interest, but his action also benefits the community, which, as a result of competition, enjoys better products at lower cost.

Adam Smith's entrepreneur lives in a well-ordered social setting, in which the State provides the essential public goods. Citizens are bound by feelings of affinity. The rules of moral conduct and commutative justice are ever-present.

In the second half of the nineteenth century utilitarianism accentuated the egoistic nature of economic man. Technological progress, mass production and finance fueled the search for profit and economic success. There was another major period of economic growth. The proletarian class, whose only wealth lay in having children and which was utterly without economic power, suffered considerable impoverishment in relative terms and was required to work inhumanly long hours for meagre wages. The great concentration of wealth in the hands of a few provoked social tension.

The response consisted, on the philosophical plane, in the analyses of Karl Marx, which would later degenerate into Leninism and communism; in the Catholic world, in the elaboration of a social doctrine that would culminate in 1891 with *Rerum Novarum*. In Germany, social legislation provided for the first public programmes of social security and work safety.

The great Pontiff who issued *Rerum Novarum* had already pointed to the need to go back to Thomism. The first trade unions arose, along with credit and producer cooperatives.

Democracy requires that every citizen should enjoy decent living conditions in order to participate fully in the life of the community.

The free market and capitalism, particularly in periods of tumultuous expansion, may not ensure social equilibrium or even political stability.

Fascism, Nazism and communism were reactions against the free market and private enterprise.

It is necessary to devise forms of income redistribution that do not interfere with freedom of enterprise. Economic activity and economic theory, notwithstanding their notable development, have often neglected the links with ethics and politics.

In this context the vision of St. Thomas recovers all its contemporary relevance. Aquinas divides all knowledge into four great, essentially irreducible, branches. The first is that of science, of that which exists independently of the actions of men; it comprises the physical and natural sciences, mathematics and metaphysics. The second is logic, which teaches us to move from premises to consequences and to infer causes from our observation of consequences.

The third branch is the great field of human sciences: ethics, economics and politics, where the will of men is essential in deciding, acting and operating. Politics is considered primarily as the behaviour of individuals in the set of social relations as a whole, not as the technique of government.

The last branch is that of applied science, of technology.

The economy is thus part of the human sciences. The material elements that underlie production and exchange and the legal, physical and technical relationships that bind these variables are of fundamental importance.

Yet the behaviour of men in deciding the type of output, the organization of the factors of production and the division of the fruits of economic activity is also intrinsic to the working of the economy.

Thomas Aquinas carefully examined the concept of synderesis. Reason immediately grasps the supreme moral principles and applies them to single actions. In each of us a natural moral law is present, in various forms.

Ethics sets limits on the way in which work is organized for the purposes of production, on information concerning products and on the allocation of the fruits of economic activity.

The intimate connection between the pursuit of economic activity and the correctness of behaviour is such that the lack of ethical principles, *de facto*, unhinges the beneficial aspects of the market.

If competition is carried on not by producing better and at lower costs but by preventing others from doing well, it results not in the enrichment of society but in its impoverishment. Take corruption, for instance. The best man does not win; the mediocre or even the worst will triumph. For it is the latter who need dishonest methods in order to succeed. But in this way, society is presented with products worse than those that honest, more capable, producers could have supplied.

Investment choices orient the development of the economy. Enterprises must have ample freedom of choice. But economic development has profound implications for the structure of society.

It is a high duty of politics to foster the growth of the economy, to guide its development not by imposing obligations and prohibitions but by creating the general conditions so that this takes the directions that best promote social and civil advancement.

In the field of public goods State intervention is direct, at least as regards the planning and design of goods, such as essential public services, defence, basic education, research, infrastructure, public pensions and social protection.



Politics links up with ethics, with the overarching social choices, with values, with ideals.

Economic analysis has developed over the past two centuries along two alternative paths in terms of the epistemological and methodological approach adopted.

The macroeconomic approach considers the reciprocal relationships between such aggregate variables as employment, the total wealth of society or of its classes, the relationship between wage-earners and employers, households in conditions of social distress, the economy's tendency to grow or else to regress. These are variables that provide the foundations for a society's welfare.

Macroeconomics has always been a part of economic analysis. It is based on empirical observation. It constitutes the analytical basis for government action. It does not imply value judgments, save in the sense that changes in the variables in the right direction will increase the welfare of citizens. The apogee of macroeconomic analysis was reached in the first half of the twentieth century above all in the work of John Maynard Keynes.

Microeconomic analysis takes as its point of departure the basic unit, the individual person or firm, in order to deduce more general behaviour and implications.

Market theory posits maximizing behaviour on the part of every single participant, from which one derives, under given and often stringent conditions, results in terms of production and income distribution. All this can be defined, in accordance with a view reduced to formal theory by Vilfredo Pareto, as "optimal", which means that any configuration of the prices and volumes of any good produced and consumed that differs from that of the market and competition implies that some participants, consumers or firms, lose something in terms of welfare, even if others gain.

The distribution of the fruits of economic activity that stems from competition does not normally coincide with an allocation that is socially desirable.

History and practice teach that the market certainly creates a greater amount of wealth than any other economic system but also that it can concentrate the advantages in a very few hands.

At times the emphasis on the principle of individual self-interest through egoistic sentiment has led to ideologies which, in the absence of political counterweights, have produced economic strains, in some cases very severe ones.

Egoism results in concern for one's own interest or for that of one's firm. But the correct working of the economy does not necessarily stem from egoism and indifference to others.

Sufficient conditions have been held to be necessary. This is an error of analysis. Egoism, which is upheld in theory and often idealized as useful or indispensable to economic progress, may take on features that render it counterproductive.

Man, through reason and will, makes choices and operates with visions that go far beyond the aim of personal enrichment, even though this motive may be constantly present in his action.

Freedom of action is necessary for a market economy to prosper. In the conduct of business, economic efficiency and correct behaviour must never be abandoned. The motives may be rooted not only in egoism but also in moral duty, service, altruism.

Acting according to standards of economic efficiency is also profoundly moral, because in this way the best use is made of the available resources, both by individuals and by society.

The pursuit of individual self-interest and the profit motive, finally, are not readily reconcilable with the performance of public functions, which need, instead, to be guided by the general interest.

The political and social consequences of the uneven development of the world economy, resulting partly from the inability of some countries to participate profitably in a world system based on competition and efficiency, have finally been perceived. Overcoming these consequences has become a policy goal, even for the rich countries.

Initiatives to forgive the debt of the poorest countries are an integral part of this new attitude.

It is important that in this Jubilee year the decisions planned in this regard should make palpable progress.

One outcome can be the cancellation of debts that are actually uncollectible but that nevertheless keep the debtor countries in a state of subjection. These countries could be enabled to regain, with dignity, a place within the international system and to adapt their economies, and to some extent their political systems as well, to the needs of a more advanced world, which would bring benefits for these countries themselves and hence for world economic and political equilibrium.

At present, with the international markets now subject to the risk of a rekindling of inflation, we must act promptly and seize the opportunity offered by favourable cyclical conditions and abundant liquidity to increase investment, relieve the structural problems that weigh down our economy and foster a closer link between wages and productivity in order to stimulate faster growth and higher employment. This is the only way to overcome situations of social distress and to achieve a more equitable distribution of wealth and a more just and stable society.

The key to the modernity of St. Thomas Aquinas lies in his unification of knowledge in the tradition of the classical philosophers. The independence of philosophical and moral knowledge from scientific knowledge, for which the former must act as guide, is another firm point in his thought. These are requirements with which we must again comply in order to govern the great transformations under way.

The great medieval thinkers who helped to found our culture and western civilization were given sobriquets; that of Thomas Aquinas was the “angelic doctor”, for his loftiness of mind and purity of conduct.

But Paul VI forcefully called attention to another facet of that immense, elevated body of thought when he called Thomas Aquinas “*Doctor humanitatis*”.

The second part of the *Summa* expounds a philosophy of human nature, in its relations with and implications for every aspect of society and reality, that takes its place in the tradition of classical philosophy and draws on the Scriptures and the Church fathers to reach heights never before reached and never since surpassed.

The economic theory that underpins economic practice is a branch of human science. It demands analytical, logical and mathematical abilities of a high order, as the developments of recent decades make clear. It also demands an empirical knowledge of economic events that can be acquired through observation, with appropriate methods, of reality.

Yet we must never forget that the prime factor of production and of progress is man, with his capacity for work, initiative and enterprise.

We must rediscover the foundations of many legal categories, starting with the right to work, which is an authentic natural right.

The quality of management and administration, the ability to set strategies, and the nature of institutional action will be increasingly important competitive factors in the years to come.

The theme of *virtus*, of a renewed public spirit, of the substance of acting within society, thus becomes crucial.

In opposition to today's return to theoretical advocacy of weak or even negative philosophy there is the widely and deeply felt need for strong and rigorous thinking.

The century just begun cannot be a mere prolongation of the past. In view of the hazards that loom, a new affirmation of ethical values is fundamental. In the economic field, the highest of these values is combating the evil of unemployment.

The wise man inquires into the knowledge of all the ancients. He remembers the teachings of famous men.

We have copious springs of science to tap in order to enrich our incomplete knowledge of man and society, to strengthen our uncertain and vacillating wisdom.