
LaRouche Thesis Presented to Aquinas Congress in Rome

Ethics and economics: The science of Christian economy

by Fiorella Operto

The events of 1989, the collapse of the system which had “suffocated the creative subjectivity of the citizen” (John Paul II, *Sollicitudo Rei Socialis*, n. 15), have made clear the failure of Marxist economic thinking.

Yet the data of international economic observers show that the free-market economic doctrine inspired by the thinking of Adam Smith is unable to make the dream of a greater economic and social stability come true: The imbalance between rich and poor countries is growing. The law of free exchange, although it has indisputably shown itself superior to collectivism in the management of economic relations, is no longer capable of governing international relations by itself. Even within the rich countries, economic stagnation is increasing the number of unemployed, disenfranchised, and homeless. The poor become poorer while the rich keep getting richer (Paul VI, *Populorum Progressio*).

In this brief introduction we would like to raise the problem, whether, in the face of the failure of modern economic policy, it may not be possible for the social doctrine of the Church to enter into problems which seem specific to economic theory. Is it possible to lay the basis for a Christian science of economics? And what path should be taken?

A contribution to this quest has been offered by the U.S. economist Lyndon LaRouche with his recent writing entitled *The Science of Christian Economy*, where he tries to prove that a society's economic development is not tied to demographic growth only by moral considerations, but by the very laws of nature.

St. Thomas Aquinas in his *Summa Theologica* states that human law is law only by virtue of its accordance with right reason; and it is thus clear that it flows from eternal law. (S.Th. I-II, q.95, a.4)

Leo XIII, in his *Rerum Novarum*, inspired by this principle, reiterates that: “Civil laws, when they are just, derive their own authority and efficacy from natural law.”

LaRouche poses himself the task of seeking the origin of the laws of economics in the eternal laws of nature. He states that “Faith, aided by right reason, can read the great book of universal nature, a book written directly by God the Creator” and thus arrive at the discovery of those inviolable

laws which would furnish to economics studies the same kind of methodological rigor which investigation into natural law poses to the study of morality.

Economics, in fact, can aspire to becoming a science only if it abandons the idea that its object is some kind of utilitarian calculus or the single entrepreneur's quest for the maximum profit, and is instead seen as the study of processes through which societies reproduce themselves.

The notion of economic value and the wealth of a nation cannot be derived simply from some numerical quantity, from money or the amount of raw materials, but from the productive capacities of the work force, considering the process of overall reproduction as the primary element.

Above all, the economic process must be measured as a function of the total wealth necessary for the reproduction of human society: the goods consumed by the population for its maintenance (health, education, and all the other requirements which contribute to maintaining the technological level of society) and the capital goods which must be produced to allow the productive process to continue. From this standpoint it is possible to study the correlation between technological progress and the increase in the productivity of labor: Technological progress is such if, in order to produce the same market basket of goods a lesser effort is required, that is, if labor can be saved to the society as a whole. The value of productive activities can therefore be measured with the increase in the economy of labor which is achievable via technological progress.

It would be possible to go more deeply into this point, but for now suffice it to observe that we have encountered a first law: For an economy which places man at the center of its study, the efficacy of man's intervention into the natural world through labor is the measurement of value. This is how we capture the meaning of the principle expressed in the Book of Genesis, “You shall earn your bread by the sweat of your brow.”

Physical Economy

We must further consider that a science of economics must be able to respond to a simple yet fundamental question:

Operto refutes monetarism at world Aquinas Congress

The speech we print here in English translation was presented on Friday evening, Sept. 27, at a seminar at the "Angelicum," the Pontifical Academy of St. Thomas Aquinas, as part of the Third International Congress of the International Society of St. Thomas Aquinas, the world's most important Catholic theological gathering. Among the participants at this Third Congress were Cardinal Alfonso López Trujillo from Colombia, who presides over the Papal Commission on the Family, theologians, and politicians, including Italian Prime Minister Giulio Andreotti and Socialist Party leader Bettino Craxi.

Fiorella Operto, chairman of the Schiller Institute of Italy, was both moderator and principal speaker of the panel entitled in Latin, "*De Ethica et Huius Temporis Humana Conditione*" (Ethics and the Human Condition Today). In her remarks, lasting about one-half hour, Operto presented "The Science of Christian Economy"—which is now officially part of the conference proceedings.

She was followed to the podium by a "devil's advocate," a French monetarist who defended the opposing viewpoint. Operto won the polemical debate that ensued, when she said that humanity has invented many instruments (such as monetary systems) to serve the economy, but that the instrument must not be confused with the subject who uses it. Citing the example of a South American country which her adversary had presented as an "International Monetary Fund success," she asked: What was the condition of that population after the success: Was it better or worse? From a Christian standpoint, this is the only criterion for judging success. The French monetarist,



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Fiorella Operto, president of the Schiller Institute in Italy.

in a dramatic twist, had to admit that he "saw the point."

The panel was concluded by Prime Minister Giulio Andreotti. He attacked Adam Smith directly, and pointed out that Europe and the West have only a few years in which to establish social justice, and to save the Third World and themselves. Later, Miss Operto presented Mr. Andreotti with a copy of the LaRouche book.

The participants in the congress, which took place on Sept. 23-27, were received by Pope John Paul II after the close of the week's sessions.

What are the necessary prerequisites to satisfy the economy of a certain society to ensure that it will have a survival which, measured by God's clock, will not only be transitory?

The existence of each society rests upon the exploitation of a certain quantity of resources which are necessary to the production of the material goods consumed by that society. The concept of "resource" is not defined in nature but by the technology that a society can utilize. To give just one example, let us recall here the case of coal, which was already known in antiquity and found limited applications in medicine, but which became a utilizable energy source only with the development of steel making and the invention of the steam engine.

Clearly, if a society sticks to a fixed level of technology, and so keeps on consuming the same natural resources, sooner or later it will begin to run out of available resources. The introduction of laser technologies in industry, the advent of new energy sources such as nuclear fusion, and the use of plasmas to process materials and wastes, are a few examples of the technologies on the horizon which could multiply our available resources.

And thus we encounter a second natural law which derives from the first: Progress is not a simple option but it is necessary if society wishes to survive as a human society. Every society which does not respect these considerations is putting its future existence in danger.

Physical Economy is that science which studies both the continual technological changes necessary and also those cultural and social processes through which fundamental scientific progress must be transmitted. The economy unifies into a single activity, which produces a physical change in the universe, the natural sciences and those of the spirit. Through the generation, the transmission, and the assimilation of scientific and technological progress, humanity is capable of intentionally increasing the quantity of persons who can be sustained by that society's labor.

The process cannot be measured simply by the quantity of goods produced per unit of labor. We must recur to a more complex metric, which however reflects the interrelation between man and nature. Such a metric is represented by the rate of increase in the potential population density (from the quantity of persons whom the labor of that society could keep alive per square kilometer). Such a rate thus becomes an empirical measure of the correctness of the method with which a society causes its scientific knowledge to progress. In the course of human history, thanks to the continuous application of human creativity, we have gone from the 15 square kilometers per capita which were needed when man based himself on hunting and gathering, to the roughly 0.002 square kilometers per capita needed with present-day technologies.

No animal species can do likewise. The spectrum of behaviors and adaptive capacities of animal species is relatively fixed, as if it were determined genetically. Man is not subject to these same limitations, neither with respect to his population as a whole, nor with respect to the development of single individuals.

Scientific progress is not merely dictated by material necessities. Every betterment of basic scientific knowledge has a direct influence on the moral development of every person in society. The rate of human progress tends, moreover, to increase if the number of persons who live on the planet increases and if they have the necessary education to generate, transmit, and assimilate scientific progress.

The writing *The Science of Christian Economy* is a scientific refutation of the malthusian view which has been revived by certain fringes of the ecologist movement, as an error which not only affects morality but man's very capacity to survive. While the rhetoric about returning to the good old days may also evoke the image of a world when men seemed less obsessed with piling up material goods, we must consider that the refusal to continue applying the discoveries of science to productive activities, could lead to lowering labor's productive capacities and hence to reducing potential population density.

In practice, to abandon modern farming and industrial techniques would reduce the number of people who can find sustenance on the Earth: Four billion people would be condemned to death by famine and epidemics. This would be a genocide of catastrophic dimensions.

Which economic system to reconstruct Europe

These principles could find an empirical confirmation if they were applied to the process of reconstruction of the disaster-stricken economies of the countries of eastern Europe. In contrast, if the planned economy is replaced by free-market monetarism, that will be the source of enormous sufferings for all those peoples.

Just as entire civilizations arose along the courses of natural waterways, the Europe of tomorrow will develop along the infrastructures which we plan today and which will be the backbone of the future common economy. Starting from the zone of central Europe which represents the highest population density and productive potential existing in the world, corresponding roughly to the geographic triangle between Paris, Berlin, and Vienna, arms of development will be traced which will embrace the entire European territory and finally reach northern Africa and the Soviet territory.

In a global and coherent project, the system will include roads and railways, magnetically levitated trains, navigable riverways and canals, oil and gas pipelines, interlocking container transport systems, potable water supplies, and the distribution of low-cost electricity.

The real profit which will be generated out of these infrastructural improvements will consist in the increase in the productivity of labor. This will be translated into an increase in the production of material wealth and above all in the increase in the productive potential of the entire economy. The costs of these infrastructure projects cannot be sustained via the imposition of austerity measures on a population which has already been made poor, but will be repaid through the expansion of the tax base as a result of the expansion of economic activities.

At the same time we must consider that available resources will have to be partially invested also in the development of farm production. The living standards of the population must be able to increase while the needed investments in infrastructure are also made: The consensus of the population in a correct policy of economic development can only be obtained if immediate tangible progress comes alongside the promise of a better future.

Liberation from misery, increased living standards, the security of a stable job, protection from situations that offend the dignity of man, these are indeed a just aspiration (Paul VI, *Populorum Progressio*, 6):

We can conclude by recalling that St. Thomas already, foreseeing the development of a capitalistic system, in a letter to the Duchess of Brabant (1270), the daughter of St. Louis IX, the king of France, recommends that political authorities promote remunerative and productive labor (Don Dario Compostá, "Poverty and Neo-Capitalism," speech in Viterbo, March 10, 1990, [in *EIR* Sept. 21, 1990, p. 16 and Sept. 28, 1990, p. 19]). And again, in the *Summa Contra Gentiles*, the great teacher deals at length with wealth as a good which man must earn through his own labor (II, 135).