ECONOMY OF LIFE: CHARISMATIC DYNAMICS AND RELATIONAL GOODS



The paper ties Balthasar's essentially Christological argument for "charismatic personalism" to Pope Benedict XVI's strongly Trinitarian account of relationality and the concomitant accentuation of relational goods that bridge the gap between the charism embodied by the Church and the social reality of secular societies. In an article the then Cardinal Ratzinger links the sacramental nature of church office to what he calls the "charism or event of the Holy Spirit" whose interruption in the world mediates between divine creativity and human agency. Just as the Church cannot be reduced to a rival society which consists of purely formal institutions governed by abstract rules, so society is not cut off from the operation of charismatic principles and practices within the living tradition of the Church.

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1. Charisma, Calvinism and Capitalism

We owe the dominant modern understanding of the term 'charisma' to Max Weber. In his 1918 lecture at Munich University on *Politik als Beruf*, he describes charismatic authority as 'resting on devotion to the exceptional sanctity, heroism or exemplary character of an individual person, and of the normative patterns or order revealed or ordained by him'[1]. Likewise, in his seminal book *Wirtschaft und Gesellschaft*, he defines the nature of charismatic leadership as

> «a certain quality of an individual personality, by virtue of which one is 'set apart' from ordinary people and treated as endowed with supernatural, superhuman, or at least specifically exceptional powers or qualities. These as such are not accessible to the ordinary person, but are regarded as divine in origin or as exemplary, and on the basis of them the individual concerned is treated as a leader»[2].

In Weber's typology of different forms of domination or rule *(Herrschaft)*, charismatic authority exceeds and supplants both traditional authority (grounded in informal habits and customs) and rational-legal authority (based upon formal rules and state law). That is because charisma for Weber is truly extraordinary, originating in the divine 'gift of grace' bestowed on the elect few.
What is striking about Weber's account of charisma in both texts is the same emphasis on divine predestination as in the Calvinism which he rightly associates with the birth of modern capitalism. But by focusing on the Protestant work ethic, Weber's thesis about the origins of the capitalist economy is at once too broad and too narrow. Too narrow because he neglects the counter-Reformation Baroque scholasticism of influential Catholic theologians like Francisco Suárez that sunders 'pure nature' from the supernatural and thus divorces man's natural end from his supernatural finality. As a result, human activity in the economy is separated from divine deification and the market is seen as increasingly autonomous. Too broad because Weber fails to recognize the more specific, historical origins of capitalism in Henry VIII's dissolution of the monasteries and the English 'enclosure movement' that started the process of repeated 'primitive accumulation' and provided the surplus capital for financial investment in non-reciprocal, piratical trade - two arguments to which I will return in this paper.
Thus, Weber is right to highlight the Calvinist gospel of prosperity that conflates the elect with the wealthy and sanctifies the pursuit of power and prosperity - a justification for free-market capitalism that cuts across the liberal-conservative divide in the Anglo-Saxon West and remains influential to this day[3]. But linked to the divine predes-

1) Max Weber, 'Politik als Beruf', tr. 'The Profession and Vocation of Politics', in Max Weber, *Political Writings*, tr. Ronald Speirs (Cambridge: Cambridge University Press, 1994), 309-69.
2) Max Weber, *Wirtschaft und Gesellschaft. Grundriss der verstehenden Soziologie* (Paderborn: Voltmedia, 2006 [orig. pub. 1922]), ch. III, § 10.
3) See H. Richard Niebuhr, *The Social Sources of Denominationalism*, repr. (New York: Holt, 1957), esp. 94-5 where he suggests that there is a 'harmony of the Calvinist conception of individual rights and responsibilities with the interests of the middle class' and '*Laissez-faire* and the spirit of political liberalism have flourished most in countries where the influence of Calvinism was greatest'. Cf. William E. Connolly, *Capitalism and Christianity, American Style* (Durham: Duke University Press, 2008), 17-68.

tination of the prosperous is the Calvinist separation of human contract from the divine gift of grace and the Lutheran divorce of faith and works[4]. The same dualism between transcendence and immanence underpins the Baroque Catholic sundering of 'pure nature' from the supernatural and the concomitant claim that human beings have a natural end that is unrelated to their supernatural finality. Taken together, these dualistic theories view the market either as morally neutral or as positively conducive to human freedom or else as the 'invisible hand' of divine providential intervention converting rival self-interest into mutually beneficial cooperation - or as all of the above at once.

In any case, Weber's theory neglects not just this series of dualisms but also the interaction of shifts in theology and philosophy with changes in political economy. Just as certain theological and philosophical ideas shaped the conception and institution of new political-economic models, changes in political and economic conditions led to changes in theological and philosophical thinking. Indeed, the modern dualism, which split asunder human natural goods and the divine supernatural Good in God, brought about a market economy that is increasingly disembedded from the social bonds and civic virtues of civil society. So configured, the market was seen as a system that requires little more than a state-policed legal framework. The underlying secular logic marks a departure from orthodox, creedal Christianity which considers all human arrangements as somehow mirroring a divine, cosmic order. Thus, the secular turn of post-Reformation Christian theology laid the conceptual foundations for the emergence of capitalism.

Nor was this a purely abstract theoretical change brought about by shifts within theology. On the contrary, new religious ideas were embraced by the English gentry who massively increased their land holdings after the 'enclosure' of common land and the dissolution of the monasteries under Henry VIII and his son Edward VI. Both these events transferred over one quarter of national wealth to the landed gentry who seized the full economic benefits of their new assets, whilst ignoring the old social and political duties towards the peasantry and the locality. Thus, private investment was sundered from public charity, not in the sense of handing out alms to the poor but rather as a kind of asymmetric mutual assistance in a spirit of free self-giving. Separating investment from charity foreshadowed the growing abstraction of finance from the real economy that has brought about virtually all financial crises in the last eight hundred years, including the Dutch Tulip mania of 1637 and the English South Sea Bubble of 1720[5].

Indeed, the newly enriched landed gentry mutated into Calvinist agricultural capitalists who invested their surplus in the activities of the guild-excluded merchants who practised non-reciprocal trade and more piratical modes of enterprise[6].

4) Marcel Hénaff, *Le prix de la vérité: le don, l'argent, la philosophie* (Paris: Seuil, 2002), 351-80.
5) Charles P. Kindleberger, *Manias, Panics, and Crashes: A History of Financial Crises*, 5th ed. (Hoboken, NJ: John Wiley & Sons, 2005); Carmen M. Reinhart and Kenneth Rogoff, *This Time is Different: Eight Centuries of Financial Folly (*Princeton: Princeton University Press, 2009).
6) Robert Brenner, *Merchants and Revolution: Commercial Change, Political Conflict and London's Overseas Traders*, 1550-1653 (London: Verso, 2003), 3-37. In this paragraph I draw on arguments made by John Milbank in his 'A Real Third Way: For a New Meta-Narrative of Capitalism and the Associationist Alternative', in Adrian Pabst (ed.), *The Crisis of Global Capitalism: Pope Benedict's social encyclical and the future of political economy*, (Eugene, OR, USA: Cascade, 2010), ch. 1, *forthcoming*.

Coupled with new lending practices and state intervention, this consolidated the nexus between finance and government. In this process, material landed assets were stripped of their social, cultural, symbolic and religious significance and increasingly commodified through their link with maritime fortune - itself closely connected with speculative wealth. From the outset then, capitalism is predicated upon the Calvinist division between earthly matter and heavenly spirit. In turn, this division is based on a literalist, non-allegorical reading of the Fall and our post-lapsarian predicament.

By contrast, creedal Christianity and the episcopally-based Churches of Rome, Constantinople/Moscow and Canterbury all refuse such and similar divisions, emphasizing instead that the Incarnation of Christ restored and renewed God's original creation and that divine love is open to all through the event of the Holy Spirit. In the words of St. Paul, this event is the advent of 'charism'. Just as our material world is always already infused by divine grace, so wealth is not the product of divine election but rather the fruit of faith and works. Faith is a supernaturally infused virtue that habituates reason to recognize that the origin and end of rationality is the divine *logos*. Likewise, our capacity to work and excel in some labours more than others is intimately intertwined with our supernaturally infused natural vocation - exemplified by Jesus' mission embodied and carried forward in the Church. Here 'charisma' is not some superhuman quality of the few or a simple character trait of the many but instead the reception of God's universal grace open to all and the unique vocation of each and everyone.

2. The Source of Charisma: State, Market and Church

Weber's influential theory of modern statehood is inextricably intertwined with his account of charismatic leadership. In 'The Profession and Vocation of Politics', he defines the modern state as 'a human community that (successfully) claims the *monopoly of the legitimate use of physical force* within a given territory'[7]. According to Weber, political legitimacy can derive from three different sources: charisma, tradition or law. In liberal market democracies, traditional and legal sources of legitimacy and authority are necessary but not sufficient conditions in order to guarantee the stability of a system torn between the anarchy of the free market, on the one hand, and the centralized control of the bureaucratic state, on the other hand[8].

Leaving aside the question whether absolute self-rule of the people is feasible or desirable (it is neither), this constitutive tension between state and market requires a further source of authority and legitimacy beyond tradition and law. That is why in 1919 Weber called for a 'leader-democracy' *(Führerdemokratie)* which is based on strong, charismatic leadership. The potentially authoritarian outlook of this conception gives credence to Jürgen Habermas' well-known critique that the con-

7) Max Weber, 'The Profession and Vocation of Politics', 310.

8) Cf. Adrian Pabst, 'Modern Sovereignty in Question: Theology, Democracy and Capitalism', *Modern Theology*, Vol. 26, no. 4 (October 2010), 570-602.

troversial jurist Carl Schmitt who further developed the idea of 'leader-democracy' in the 1930s and early 1940s was in fact 'a pupil of Weber's'[9].

However, Habermas' attack ignores Weber's own emphasis on the importance of associational life and corporatism which the Frankfurt Professor neglects. For Weber, charismatic leadership is not merely fuelled by electoral competition for state power but tends to be nurtured and nourished by involvement in the public, localized life of associations. Such participation is conducive to the formation of character and instils a sense of professional and civic ethos on which a vibrant democracy and market economy depend[10]. Similarly, in his book *The Concept of the Political*[11], Schmitt endorses the importance of professional, religious and cultural organizations and corporations to guard against a 'total state' that subordinates all intermediary institutions to its administrative and symbolic order and seeks to absorb the economy and society as a whole.

Yet at the same time, both Weber and Schmitt in the end privilege the primacy of central state authority over the relative autonomy of intermediary institutions and the freedom of individuals. Paradoxically, this is done in the name of counterbalancing liberal individualism. The trouble is that both the state and the individual are part of the same voluntarist and nominalist poles upon which the liberal tradition is founded[12]. First, the voluntarism of collective state power and the voluntarism of self-governing, negatively choosing individuals. Second, the nominalism of 'the sovereign one' linked with the political 'right' and 'the sovereign many' connected with the political 'left' since the secular settlement of the French Revolution. These double poles reinforce each other to the detriment of the autonomy of the 'radically middle' composed of human relationships within groups, associations and communities. By entrenching the voluntarism of central state power, Weber and Schmitt ignore not only theories of state pluralism put forward by G. D. H. Cole and Harold Laski but also the best elements of the shared Anglo-Saxon and continental European tradition of non-statist corporatism and guilds-based associationism - as detailed in the work of Otto Gierke, Frederic William Maitland and John Neville Figgis.

Common to these thinkers is the argument that corporate bodies such as associations, communities and fraternities form a 'complex space'[13] of overlapping jurisdictions and multiple membership wherein sovereignty tends to be dispersed and diffused horizontally and vertically. In consequence, such and similar economic,

9) Jürgen Habermas, 'Discussion on value-freedom and objectivity', in Otto Stammer (ed.), *Max Weber and Sociology Today*, (New York: Harper, 1971), 66.

10) Max Weber, 'Voluntary Associational Life (*Vereinswesen*)', ed. and tr. Sung Ho Kim, in *Max Weber Studies*, Vol. 2, no. 2 (2002): 199-209.

11) Carl Schmitt, *The Concept of the Political*, 2nd edition, tr. G. Schwab (Chicago, IL: The University of Chicago Press, 1996). The second edition published in 1932 contains important revisions in relation to associational life and other key themes.

12) Pierre Manent, *Histoire intellectuelle du libéralisme. Dix leçons* (Paris: Calmann-Lévy, 1987); André de Muralt, *L'unité de la philosophie politique. De Scot, Occam et Suárez au libéralisme contemporain* (Paris: Vrin, 2002).

13) John Milbank, 'Complex Space', in *The Word Made Strange. Theology, Language, Culture* (Oxford: Blackwell, 1997), 268-92.

political and religious 'intermediary institutions' are not - and should not be - creatures of the modern central state or, for that matter, the modern 'free' market. Far from being opposed, state and market (or, more precisely, the nexus between finance and the executive branch of government) centralize power, concentrate wealth and usurp the sovereign legitimacy of parliament and corporate bodies[14]. The old guilds-based system of intermediary institutions, which characterized politics in Europe since the Middle Ages[15], has been sidelined by the complicit collusion of state and market. That is why much of contemporary 'civil society' represents little more than an extended arm of the new 'market-state'[16].

Thus, the imperative now is to pluralize the 'market-state' by remaking it in the image of the corporations and associations that constitute society on which state and market are - or should be - modelled. In turn, what underpins the freedom of state, market and society is the freedom of the Church. For only the Church can secure the 'free space' between those who rule and those who are ruled by mediating between the sovereign will of 'the one' and the sovereign will of the 'the many' - a voluntarism and nominalism bequeathed to us by the French Revolution and its late medieval origins, as I have already indicated[17].

Not unlike the operation of the modern state (which is essentially a secular simulacrum of the Church), the legitimate exercise of power by the Church can also be distinguished according to charisma, tradition and law. However, the source and meaning of ecclesial 'charisma' is of course profoundly different from Weber's charismatic leadership at the head of modern states. The Swiss theologian Hans Urs von Balthasar rightly attributes the origin of 'charisma' firmly in the Church and stresses the dynamic, complementary interaction between the Church's 'charismatic' and 'institutional' principles. 'Charisma' for Balthasar describes the personal participation in the universal mission of Christ of which the Church is the embodiment anticipating heaven on earth. As such, 'charisma' outflanks the secular, dualistic divide between the sacred space of the Church and the non-sacred realm of society, including the market.

In the following sections of this paper, I argue that Pope Benedict modifies Balthasar's theological conception of 'charisma' and develops it in the double direction of a theological anthropology and a civil economy - so far most clearly expressed in his encyclical *Caritas in veritate*. Bound together by an 'integral humanism' that accentuates the relational nature of mankind, Benedict's vision shifts the focus towards notions of the natural desire for the supernatural Good in God and the centrality of relational goods as a way of challenging the moral relativism and the

14) Giorgio Agamben, *State of Exception*, tr. Kevin Attell (Chicago, IL: The University of Chicago Press, 2005), 1-40.
15) Antony Black, *Guild and State: European Political Thought from the Twelfth Century to the Present*, rev. ed. (London: Transaction Publishers, 2002).
16) See Adrian Pabst, 'The Crisis of Capitalist Democracy', *Telos* 152 (Fall 2010), 1-24.
17) I have argued elsewhere that the left-right rule of individual and collective wills and other such dualisms can be traced to late medieval and early modern shifts within theology - from the realism and intellectualism of Christian Neo-Platonist metaphysics to the nominalist and voluntarist alternative of Avicennian-Aristotelian ontology. See Adrian Pabst, *Metaphysics. The Creation of Hierarchy* (Grand Rapids, MI: W.B. Eerdmans, 2011), ch. 4-6.

liberal separation of the private realm from the public sphere underpinning contemporary capitalism and democracy. Linked to this is a conception of the Church that differs in some crucial respects from Balthasar's. By rethinking the 'role' of the Holy Spirit in the mission of the Church, Benedict sets out a refreshingly orthodox ecclesiology whereby the Church secures and governs the 'free space' between the state and the individual - a kind of 'corporation of corporations' that ensures the autonomy of civic society and all the intermediary institutions therein.
This complements and transforms existing ideas on associative democracy and civil economy in at least two ways: first, accentuating ideas of reciprocity and mutuality that overcome Adam Smith's separation of moral sentiments from the institutions and processes of the market; secondly, fostering bonds of mutual help and reciprocal giving and thereby restoring and extending the universal anthropological reality of gift-exchange - the bestowing of gifts on others in the hope of a reciprocal gift-return. Benedict's call for a gift economy is theologically more orthodox than Balthasar, economically more egalitarian than Smith and politically much more radical than Weber.

3. "Charismatic Personalism": Balthasar and Benedict

In an important article on the concept of person published in 1986, Balthasar refers to St. Paul's notion of 'charisma' as participation in the mission of the Church[18]. Charisma is defined in this text as that which is 'given to each as his eternal idea with God and his social task'[19]. For Balthasar, 'charisma' is the divine gift of vocation that transforms our 'bare individuality' into real personhood. Since we discover our own unique vocation within the life of the Church, 'charisma' combines a strong Christological and Trinitarian focus on our relationship to God with a socio-economic and political outlook that explicitly rejects secular ideas such as choice-based negative individual freedom and collective dependence on statist control.
Indeed, Balthasar goes on to say in the same article that 'The world situation today [in 1986] shows clearly enough that whoever discards this Christian or at least biblical view (in theology or philosophy) must in one way or another find his downfall in a personless collectivism or individualism (which converge upon one another)'[20]. Balthasar's prescient argument about the complicit collusion of centralized bureaucratic statism (whether left- or rightwing) and 'free-market' liberalism (both economic and social) resonates with Pope Benedict's indictment in *Caritas in Veritate* that 'the exclusively binary model of market-plus-state is corrosive of society'[21]. Both agree that the only genuine alternative to liberalism in its leftwing or rightwing guise is personalism, but they developed a different conception of the person that has implications for charisma in civil and economic life.

18) Hans Urs von Balthasar, 'On the Concept of Person', *Communio: International Catholic Review*, Vol. 13, no. 1 (Spring 1986), 18-26.
19) Von Balthasar, 'On the Concept of Person', 25.
20) Ibid.
21) Benedict XVI, *Caritas in Veritate* (Dublin: Veritas, 2009). Henceforth, references to the section of the encyclical will be in brackets in the main text.

Balthasar's distinction between the Church's 'charismatic' and 'institutional' principles is inextricably intertwined with his account of personhood. To become a person, rather than merely being an individual, is to receive and accept a mission from God which is properly pursued and accomplished by participating in Christ. Following the model of the saints, participating in Christ transforms general, 'bare individuality' into real, embodied personhood which is distinct and unique to each and everyone. Since to participate in Christ is to partake of his universal mission, life in the Church involves an ongoing ontological process of conversion whereby we are at once individuated and universalized. We can describe this process like an ever-unfolding event that blends our own self with our God-given mission. In this manner, we discover in our mission our own, true identity which is both personal and social[22]. This is exemplified by the fusion of Eucharistic celebrations and social practices in late medieval and early modern mass, notably processions that combined religious acts of thanksgiving with social rituals aimed at strengthening the bonds of mutual trust and friendship which sustain fraternities, guilds and communities[23].

Like his erstwhile contemporaries Karol Wojtyla, Henri de Lubac and Joseph Ratzinger, Balthasar was strongly influenced by the early and mid-twentieth century work on Christian personalism. Together they challenged pre-Conciliar scholasticism and post-Conciliar liberalism by recovering and extending the legacy of the Church Fathers and Doctors. Coupled with important insights from the Romantic tradition, their writings shaped the *nouvelle théologie* (or 'ressourcement theology') that informs the best reforms of the Second Vatican Council.

But whereas Balthasar and Wojtyla tend to draw a clearer line between philosophy and theology, de Lubac and Ratzinger explore the mutually augmenting interaction of reason and faith. Building on de Lubac's work, Ratzinger - both in his pre-papal and papal writings - develops an integral humanism that underpins his call for a civil economy in *Caritas in Veritate*. At the heart of this humanism lies a daring new theological anthropology that centres on the idea of relationality - the idea that human beings stand in mutually irreducible relations with each other and their transcendent source in God. By contrast with Balthasar's focus on beauty, the current pope shifts the emphasis towards goodness, both at the level of philosophical theology and political economy. This shift brings to the fore notions such as, first of all, the natural desire for the supernatural Good in God; second, the conflict between modern market capitalism and the natural law tradition; third, the new theological imperative to view all production and exchange ultimately in terms of the idea of relational goods that outwits in advance the false, modern liberal dichotomy between private, individual goods, on the one hand, and public, social goods, on the other hand.

Before I can develop some of these points, let me briefly revert to the link between 'charisma' and personhood. Theologically, Benedict connects the sacramental nature of Church ministry with what he calls the 'charism or event of the Holy Spirit'

22) See Stephan Ackermann, 'The Church as Person in the Theology of Hans Urs von Balthasar', *Communio: Catholic International Review,* Vol. 29, no. 2 (Summer 2002), 238-49.
23) John Bossy, 'The Mass as a Social Institution', *Past & Present*, Vol. 100 (1983), 29-61.

whose interruption in the world mediates between divine creativity and human agency[24]. 'Charisma' provides a universal and inter-personal bond that cuts across the modern divide between the sacred realm of the Church and the secular space of society. In this sense, the Church is the true and ultimate locus of sociality in which we participate according to our own specific, unique, God-given vocations. That is why for the pope 'truth in charity' is '*Caritas in Veritate in re sociali*: the proclamation of the truth of Christ's love in society' (sec. 5).

Anthropologically, Benedict argues in his first encyclical *Deus caritas* est that the economy of life into which we are all born is governed by the universal vocation to love . For Christians, the love which moves all men is a gift of God revealed in Christ and infused by the Holy Spirit - hence the idea of 'charismatic dynamics'. But independently of one's faith and belief, we can say that the love we receive and give is itself perhaps evidence that society is ultimately held together neither by a social contract nor by pre-rational moral sentiments but rather by an 'economy of gift-exchange' - a 'spiral paradox of "non-compulsory compulsion" in which the giving of gifts […] half-expects but cannot compel a return gift'[25]. Since the call to love is the most universal reality of mankind, love is 'the principle not only of micro-relationships (with friends, with family members or within small groups) but also of macro-relationships (social, economic and political ones)' (sec. 1). What binds together the theological and anthropological dimension of Benedict's account is that love is both one and triune (*eros*, *agape* and *philia*), thus mirroring the Trinitarian origin and end of creation and underpinning the relational outlook of human life.

In line with *Deus caritas est*, Pope Benedict argues in *Caritas in Veritate* for a comprehensive new model of 'integral human development' based on 'charity in truth' - the recognition that '[e]verything has its origin in God's love, everything is shaped by it, everything is directed towards it' (sec. 1)[26]. The call to love, for Benedict, is at the heart of human nature - 'the vocation planted by God in the heart and mind of every human person' (sec. 1). In other words, love is a deep anthropological desire to enter an economy of gift-exchange where gift-giving (and the giving of ourselves) occurs in the real hope of a reciprocal gift-return. So configured, love translates into solidarity practiced through the exercise of charity.

Building on Balthasar's conception of love as the form of all virtues, the current pope views love as that which infuses all other virtues - theological and classical. Without love, moral and civil virtues are deficient and lack ordering to their final end in God. Beyond the Old Testament, the New Testament fuses the commandment to love God and to love our neighbour equally and without priority. What underpins this is the mystical union with God as revealed in the Eucharistic mystery that is both sacramental and social, as John Milbank has argued[27]. In this manner, Benedict retrieves and extends the patristic and medieval vision of the Church as

24) Joseph Cardinal Ratzinger, 'The Theological Locus of Ecclesial Movements', *Communio: International Catholic Review*, Vol. 25, no. 3 (Fall 1998), 480-504.
25) Milbank, 'The Real Third Way', 6.
26) Benedict XVI, God Is Love: *Deus Caritas Est* (San Francisco, CA: Ignatius Press, 2006).
27) John Milbank, 'The Future of Love. A Reading of Benedict XVI's Encyclical *Deus caritas est', Communio: International Catholic Review*, Vol. 33, no. 3 (Fall 2006), 368-74.

the *corpus mysticum* which he inherited from the *nouvelle théologie* of Henri de Lubac (rather than the slightly watered-down version of von Balthasar).
Indeed, the current pope eschews the Baroque scholasticism of Francisco Suárez and the nominalist voluntarism of Calvinist-Lutheran theology in favour of the Romantic orthodoxy that is common to Augustine, Dionysius, Chrysostom, Aquinas and other Christian Neo-Platonists in both the 'Latin' West and the 'Greek' East[28]. The latter envision the ecclesial *corpus mysticum* as the highest community on earth, a profound and permanent spiritual union within the Church in the reciprocal love of the Holy Spirit (in the words of Saint Paul). By contrast, Suárez contends that the mystical body refers to the sacraments and that the primary community is the nation or population - not the universal brotherhood of the Church. Linked to this is the Baroque scholastic separation of 'pure nature' *(pura natura)* from the supernatural and the concomitant relegation of divine grace to an extrinsic principle that is superadded to the natural realm, rather than a supernaturally infused gift that deifies nature from within. Against Baroque scholasticism, Benedict contends that love is received and returned trough our participation in the universal Eucharist community of the Church that enfolds the social-political body of human society and directs it to the supernatural Good in God.

4. The Church and Civil Economy

Why does all this matter for the charismatic principle in economic and civil life? Well, Baroque scholasticism, by divorcing 'pure nature' from the supernatural, introduces a series of dualisms into theory and practice such as faith and reason, grace and nature or transcendence and immanence. Such and similar dualisms are incompatible with the (theo)-logic of the Incarnation and undermine the continuous link between Creator and creation. Specifically, the idea that 'pure nature' correlates with a purely secular (non-sacred) social space unaffected by divine grace is linked to the 'two ends' account of human nature. According to this theory, human beings have a natural end separate from their supernatural end. Instead of participating in the Trinitarian communion of love by which we are perfected, human society and the economy operate independently and are ordered towards a different finality.
Concretely, this means that the market is viewed as morally neutral and committed to the promotion of human freedom - exactly the neo-Baroque position of contemporary Catholic commentators, in particular the neo-conservatism of George Weigel and the 'Whig Thomism' of Michael Novak. However, this is merely the *laissez-faire* liberal side of the modern coin whose reverse face is the socialist utopia of statism and collectivism. How so? Both uproot the market and the state from the communal and associationist networks of civil society, thereby severing production as well as exchange from the civic virtues that are embodied in intermediary insti-

28) For a detailed account of the argument in this paragraph, see Pabst, *Metaphysics*, chs 5 and 7.

tutions and from the moral sentiments that govern interpersonal relations.
For the current pope, it follows that neither society nor the economy are purely non-sacred, self-standing, self-sufficient realities. Instead, they either reflect some revealed cosmic order, for example Augustine's *Civitas Dei* that is governed by theological virtues embodied in real, primary relations among its members (self-organized within communities, localities, and associations). Or else society and the economy represent a human artifice built over against the inalterability of 'given' nature, such as the modern tradition of the social contract where ties between the state and the individual and also among individuals are determined by abstract standards like formal rights and proprietary relations (a vision which finds its original expression in the works of Hobbes and Locke). The objective of Christian social teaching is to transform the earthly city in accordance with the heavenly city - a foretaste of the heavenly banquet in anticipation of the beatific vision so vividly depicted by the Fathers and Doctors of the Church.
Crucially, in *Caritas in Veritate* Pope Benedict locates the logic of gratuitous gift-exchange and inter-personal trust at the heart of the economic system. Since the work of Adam Smith, the economy represents an increasingly autonomous space, consisting in market exchange based on formal contracts policed and enforced by the state and operating according to Smith's famous principle of 'cooperation without benevolence'[29]. Benedict's insistence that the logic of contract cannot function properly without the logic of gratuitousness marks a radical departure from the Smithian legacy and a return to the civil economy tradition of Genovesi.
Far from simply restoring this tradition, the Pope blends the Neapolitan Enlightenment with the Christian Neo-Platonism of the Church Fathers and Doctors and the Romantic Orthodoxy of nineteenth-century theology[30]. Central to Benedict's vision is the 're-hellenization' of Christianity, which he delineated in his groundbreaking Regensburg address[31]. By appealing to the Neapolitan tradition of Neo-Platonist metaphysics and civil economy, Benedict shifts the emphasis away from a more Aristotelian concern for individual substance towards a more Christian Neo-Platonist focus (in Augustine and Aquinas) on the self-diffusive Good that endows all things with goodness and makes them relational. In turn, this draws on Plato's argument that we have a natural desire for the transcendent Good that 'lures' us erotically - the *Meno* paradox of desiring to know that which we do not as yet understand. It is the presence of the transcendent Good in immanent nature that directs human activity to the common good in which all can share. Concretely, the common good is neither purely publicly provided nor exclusively privately owned but instead distributed communally across the whole of societies and embodied in intermediary institutions and structures such as cooperatives, employee-owned

29) Cf. Adrian Pabst, 'From Civil to Political Economy: Adam Smith's Theological Debt', in Paul Oslington (ed.), *Adam Smith as Theologian*, (London: Routledge, 2011), *forthcoming*.
30) Tracey Rowland, *Pope Benedict XVI - A Guide for the Perplexed* (Edinburgh: T&T Clark, 2010), 9-47.
31) See Adrian Pabst, 'Sovereign Reason Unbound: The Proto-Modern Legacy of Avicenna and Gilbert Porreta', in Peter M. Candler Jr and Conor Cunningham (eds), *The Grandeur of Reason: Religion, Tradition and Universalism*, (London: SCM, 2010), 135-66.

partnerships, community banks, and civil welfare. For unlike the collectivist state or the unbridled free market, such and similar structures work for the social good open to all rather than exclusively nationalized ownership or purely private profit, as *Caritas in Veritate* reaffirms.

5. The "Metaphysical" Economy of Christian Neo-Platonism

Benedict's appeal to Christian Neo-Platonism is significant for a relational politics and economics on (at least) six accounts. First of all, it modifies existing genealogical accounts of the tradition of civil economy in the direction of a stronger recognition of the central significance of the Christian Neo-Platonist metaphysics of relationality. The opposition between an active, civic Aristotelian and Ciceronian humanism (associated with Coluccio Salutati and Leonardo Bruni), on the one hand, and an individualistic, contemplative Neo-Platonist and Epicurean humanism (wrongly ascribed to Pico della Mirandola and Marsilio Ficino), on the other hand[33], must be qualified by linking the heritage of Dominicans like St. Thomas Aquinas (and his Neo-Platonist reading of Augustine) to the Neapolitan tradition of civil economy. Here the conceptual link is the idea of horizontal and vertical relationality of human beings. Metaphysically, patristic and medieval Christian Neo-Platonists reject the earlier radical Aristotelian idea of autonomous individual substance disconnected from the efficient causality of the Prime Mover by arguing that we are created in the image and likeness of the Trinitarian God whose creative activity sustains us in actuality. As such, being is situated in the intermediary realm of 'the between' (Plato's *metaxu*) where the original relation among the divine persons and the participatory relation between creation and creator intersect without however collapsing into one another. Humans can thus be described as relational substances participating in the substantive relationality of the triune Godhead.
This vision resonates with Salutati's civic humanism and his vision of a horizontal, relational orientation of humanity that is nevertheless always already linked to its transcendent source in God: 'The two sweetest things on earth are the homeland and friends […]. Providing, serving, caring for the family, the children, relatives, friends, and the homeland which embraces all, you cannot fail to lift your heart to heaven and be pleasing to God'[33]. This is also reflected in Genovesi's relational anthropology and 'musical metaphysics,' for example in his 1766 treatise *The Philosophy of the Just and Honest* where he writes that '[we are] created in such a way as to be touched necessarily, by a musical sympathy, by pleasure and internal satisfaction, as soon as we meet another man; no human being not even the most cruel and hardened can enjoy pleasures in which no one else participates'[34]. Likewise, in his *Lectures on Civil Economy* (1765-67), he links the social nature

32) Luigino Bruni and Stefano Zamagni, *Civil Economy: Efficiency, Equity, Public Happiness* (Bern: Peter Lang, 2007), 27-99, esp. 45-57.
33) Coluccio Salutati, quoted in Bruni and Zamagni, *Civil Economy*, 47.
34) Antonio Genovesi, *Della diceosina o sia della filosofia del giusto e dell'onesto* (Milan: Marzorati, 1973 [orig. pub. 1766]), 42.

of human animals to the principle and practice of reciprocity: 'How is man more sociable than other animals? […] [It is] in his reciprocal right to be assisted and consequently in his reciprocal obligation to help the others in their needs'[35].
In turn, inter-personal relationality at the metaphysical and anthropological level translates into an emphasis on shared, communal happiness and the mutual enjoyment of 'relational' goods at the civil and economic level. In the *Lectures*, Genovesi argues that 'even among people that are corrupted by the luxury and bad custom there is no one, a chief of family or whatever person4 who does not feel an inner pleasure in doing good things to other people, in making others happy […] It is a characteristic of man of not being able to enjoy a given good without sharing it with somebody else. Some say that it is self-love or pride [*superbia*] to show our happiness to others. I do not think so: it seems to me that there is in us an inner need to communicate to each other our happiness'[36]. In this manner, Genovesi links happiness to goodness and conceives both in terms that outwit in advance the modern, liberal separation of private happiness and individual commodities from public welfare and public, 'relational' goods. The civil economy tradition combines an Aristotelian-Ciceronian emphasis on happiness and a Neo-Platonist-Epicurean insistence on the good.
Second, Genovesi's accentuation of metaphysical and anthropological relationality is neither naïve nor utopian but acknowledges the reality of human vice and sinfulness. Precisely because his account of civil economy is explicitly grounded in a conception of human nature, he recognizes that there are natural instincts (such as self-preservation, seeking comfort or distinguishing oneself)[37] that can direct us away from the quest for the common good towards the pursuit of self-interested wealth and utility. In this process, human vice that leads to practices such as usury 'converts friendship and humanity into merchandise', and utility is divorced from the natural outlook towards the supernatural good[38]. Thus, the institutions and practices of civil society governed by both higher and lower virtues are required to correct human deviation from the natural law of seeking happiness that is itself relational: '[i]t is a universal law that we cannot make ourselves happy without making others happy as well'[39].
Third, Genovesi argues against the ontological atomism of Machiavelli, Hobbes, Locke, and Mandeville that neither the economy nor society can function properly without cooperation and trust and that in turn these require more than either egoism or altruism. Beyond this false divide, what is needed is a network of practices and institutions that blend the strive for utility with the quest for happiness and direct man's ambivalent nature (virtue and vice, unsociability and sociality, etc.) to the pursuit of the common good in which all can participate. It is precisely the civic

35) Antonio Genovesi, *Lezioni di commercio o sia di economia civile*, ed. M. L. Perna (Naples: Instituto Italiano per gli studi filosofici, 2005 [orig. pub. 1765-67]), part I, ch. 1, §17, 14.
36) Genovesi, *Lezioni di commercio o sia di economia civile*, part I, ch. 16, §2, footnote.
37) Ibid., II, ch. 13, §5, 195.
38) Ibid., II, ch. 13, §5, 196.
39) Antonio Genovesi, *Autobiagrafia e Lettere* (Milan: Feltrinelli, 1963), 449. Here Genovesi echoes Doria's 1710 book *On Civil Life* which begins with the following words: 'without any doubt, the first object of our desire is human happiness'.

relations of civil society that constitute the nexus of relationships where individual interest and public welfare coincide without ever being fully identical.

This link between personal and public goods and happiness in the civil economy tradition can be traced to the Italian philosopher and historian Ludovico Antonio Muratori, another key figure of the Italian Enlightenment. Long before the discourse on happiness bequeathed to us by the American and French Revolutions, he wrote in 1749 that 'the master desire in us, and father of many others, is our own private good, or our particular happiness […]. Of a more sublime sphere, and more noble origin, is another Desire, that of the Good of Society, of the Public Good that is Public Happiness. The first is born of nature, the second has virtue for a mother'[40]. Once more, it is clear from such and similar texts that the patristic and medieval Neo-Platonist emphasis on man's natural desire for happiness and the supernatural infusion of virtue, which directs us to the common good, is at the heart of the civil economy tradition.

Fourth, Genovesi looks to early Renaissance civic humanism and also the legacy of Giambattista Vico, Celestino Galiani, and Paolo Mattia Doria in order to make the case that intentional human actions do indeed have unintentional consequences thanks to divine providence and grace, rather than fate and fortune as for Machiavelli and Mandeville. Here Vico and Galiani are particularly important, with the latter speaking of the 'Supreme Hand' and the former writing that 'Man has free will, though it be weak, to turn passions into virtue; but is helped by God with divine Providence and supernaturally with divine grace'[41]. In this context, we are reminded of Augustine's *City of God*, notably the fusion of coercive and persuasive elements in the operation of public institutions. For the Neapolitans as for the Bishop of Hippo, state law, education, and civil life constraint self-interest and direct it towards the 43common good which is always more than the collective sum of its individual parts (*pace* Bentham) because it is eminently qualitative rather than merely quantitative - enhancing as it does the capacity of each individual and of the whole of society to actualize our potential to do good. The twin accentuation of virtuous practices and civil institutions provides the 'civic' nexus between (private and public) happiness and the economy. This aspect that is wholly absent from Smith's conception of the 'invisible hand' metaphor which fuses a questionable understanding of theodicy with a similarly questionable account of human cooperation with divine providence[42]. In part, this explains why Smith is suspicious of the intermediary institutions of civil society with which he associates cartel-like collusion and price-fixing.

Fifth, by contrast with Smith's more Calvinist separation of human contract from divine gift, Genovesi and the other members of the Neapolitan School view the institutions and practices of civic life as a supernatural dynamic that seeks to perfect the natural, created order and calls for human cooperative participation. Linked to this is the insistence upon public trust or faith *(fede pubblica)* as an indispensable condition for socio-economic and political development within the framework of

40) Quoted in Bruni and Zamagni, *Civil Economy*, 73.
41) Giambattista Vico, Scienza Nuova, II, §7, quoted in Bruni and Zamagni, *Civil Economy*, 84.
42) See my 'From Civil to Political Economy'.

civil life and cognate notions such as honour and 'the mutual confidence between persons, families, orders, founded on the opinion of the virtues and religion of the contracting parties'[43]. In this manner, Genovesi emphasizes the importance of social sympathy and reciprocity in economic contract, such that mutuality binds together contractual, proprietary relations, and gift-exchange. From its inception, the tradition of civil economy rejects any separation of the market mechanism from civic virtues and moral sentiments. That is why in *Caritas in Veritate*, Pope Benedict argues that the genuine development of each person involves the fostering of human, social, economic, and political bonds as exemplified by practices of gift-exchange, mutual help, and reciprocal giving. As such, economics is entirely reconfigured, away from the demand- and supply-driven market production of individually consumed goods and services or the paternalistic state provision of uniform benefits and entitlements towards the co-production and co-ownership of relational goods and civil welfare.

Sixth (and finally), the Christian Neo-Platonist vision is not merely abstract and conceptual but on the contrary translates into real, concrete practices which we can also trace back to the Dominicans rather than the Franciscans. For example, the idea of a 'just price' which reflects the true value and not simply the prevailing market equilibrium of demand and supply. This has a wide variety of possible applications today, from the practice of paying workers a 'living wage' (as opposed to merely a minimum wage) to anti-usury legislation and limits on interest rates and also the introduction of asset-based welfare and employee-ownership. Coupled with Benedict's appeal to the ecclesial *corpus mysticum* as the most universal human community and in some sense the condition for sociality, the emphasis in the Christian tradition of Neo-Platonism on relationality ties together the sacramentally ordered universal community of the Church with the network of overlapping intermediary institutions, businesses, and the so-called 'third sector' which operate on the basis of reciprocity and mutuality. Ultimately, this shows just how artificial the old barriers between or across state, market and civil society really are.

As such, the Neo-Platonist metaphysics of relationality is closely correlated with the civil economy tradition of Genovesi's civic humanism. Taken together, they have the potential to transform the state, the market and civil society in such way that state regulation and governmental welfare no longer play a merely compensatory role within the anarchism of 'free-market' capitalism. Instead, state and market are re-embedded in a civil compact. The idea is to foster civic participation based on self-organization, social enterprise, reciprocity, and mutuality which help produce a sense of shared ownership around 'relational' goods. This approach seeks to balance liberty and responsibility as well as rights and duties in a spirit of individual and communal 'charism' where the talents and particular vocations of each person are mutually augmenting and beneficial to society as a whole. That is what *Caritas in Veritate* seeks to articulate.

So in charting a path that seeks to re-embed markets and states into the complex network of human relationships, the pope deploys a pre-modern, theological

43) Genovesi, *Lezioni di commercio o sia di economia civile*, II, ch. 10, §5, 132.

metaphysics and anthropology in order to develop a post-modern, post-secular civil economy that transcends a variety of essentially modern, secular dualisms (sacred-profane, nature-supernatural, charismatic-institutional, individual-collective, etc.). Beyond Balthasar, Benedict shifts the emphasis away from a more Aristotelian concern for individual substance towards a more Christian Neo-Platonist focus (in Augustine and Aquinas) on the self-diffusive Good that endows all things with goodness and makes them relational. For Benedict, we can have knowledge of the supernatural Good in God because it makes itself known to us through the creative self-diffusion of divine goodness and love. As the Pope puts it in section 5 of *Caritas in Veritate*, 'Love is revealed and made present by Christ (cf. Jn 13:1) and "poured into our hearts through the Holy Spirit" (Rom 5:5)'. The twin emphasis on both the Son of God and the Holy Spirit underscore once more the link between Trinitarian theology and anthropological humanism, as well as an accentuation on the divine wisdom of the Spirit which Roman Catholicism shares with Eastern Orthodoxy.

The 'charism' or event of the Holy Spirit permeates the human and natural world; it sustains the charismatic dynamics of economic and social life; and it directs human activity to the common good in which all can share. In turn, the common good is neither purely publicly provided nor exclusively privately owned but instead distributed communally across the whole of societies and embodied in intermediary institutions and structures such as cooperatives, employee-owned partnerships, community banks and civil welfare. For unlike the collectivist state or the unbridled free market, such and similar structures work for the social good open to all rather than nationalized ownership or private profit.

Concluding remarks: On Relational Goods

Let me recapitulate. Just as the supernatural Good in God is relational and endows all things with goodness, so the common good is diffused across the whole of society and the economy in diverse ways and to varying degrees. To illustrate this point, take the extreme example of global finance. Rather than viewing money as a universal means of exchange that measures relative economic worth in accord with social and even moral value, finance treats it as a commodity in its own right - something that can be accumulated, hoarded and multiplied through speculation at the margin. However, even obscure financial instruments such as CDSs or CDOs must ultimately be securitized against physical assets, for money in and of itself is in fact worth less than the paper it is printed upon. Thus, monetary abstraction must in the end relate back to the real economy. Without some link to material resources, disembodied capital loses its value and therefore its proper purpose. Since the real economy depends on our shared natural habitat and the earth's common wealth, even global finance and its propensity to privatize and over-exploit natural resources cannot definitively dispense with notions such the public, common good. So if it is true to say that the common good is distributed universally, then this it calls into question the dualisms that are constitutive of both the Smithian tradition of political economy and the modern science of econom-

ics - notably private vs. public goods, individual vs. collective preferences or animal spirits vs. rational choice.

It is clear that the rise to power of the Smithian tradition of political economy preserved the ancient and medieval primacy of human happiness over material wealth but sundered market production and exchange from civil institutions and civic virtues. With the birth of Bentham's utilitarianism, political economy is redefined as the science of wealth and individual material welfare is seen as the foundation for public happiness. With Marshall and Pigou, political economy becomes economics, the science of rational choice and marginal utility. Since wealth is now viewed as a means to satisfy needs rather than fulfil the natural desire for the supernatural good, economics breaking the link between the pursuit of wealth and the quest for happiness. Likewise, human relationships governed by the bonds of trust and friendship are merely instrumental and no longer good in themselves.

By contrast, we can say in line with the civil economy tradition of Genovesi that there is a fundamental difference between pure commodities, on the one hand, and relational goods, on the other hand. The point is that virtually all production, trade and consumption involves sharing in inter-personal relations to varying degrees. As such, the separation of individual goods from the 'good' of relationships in some of the early literature on relational goods is unwarranted. On the contrary, the imperative is to restore and extend the 'radical middle' of human relationships in the economy, politics and society. Such a vision - and the policies to translate it into concrete action - has the potential to transform secular modernity and the dominant ideologies. Indeed, modern politics has been dominated by nominalist, horizontal poles of the 'one' linked with the 'right' and the 'many' linked with the 'left'. This is mirrored by the voluntarist, vertical poles of the absolutely sovereign state and the absolutely sovereign individual. By focusing on real, primary relations governed by theological and civic virtues, Pope Benedict's integral humanism provides a genuine alternative to the secular settlement since the French Revolution.

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