



“This is why it’s important when we think of economics, that we think of the centrality of the human person.” - Father Robert Sirico

Morality and Free Markets, Father Robert Sirico

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*The following is adapted from a lecture given by Father Robert Sirico at Concordia University Wisconsin's Liberty, Virtue, and Economics Summit, September 19, 2019. Fr. Sirico is the founder and president of the Acton Institute. Fr. Sirico lectures at colleges, universities, and business organizations throughout the U.S. and abroad. His writings on religious, political, economic, and social matters are published in a variety of journals, including: the [New York Times](#), the [Wall Street Journal](#), *Forbes*, the *London Financial Times*, the [Washington Times](#), the [Detroit News](#), and [National Review](#). Fr. Sirico is often called upon by members of the broadcast media for statements regarding economics, civil rights, and issues of religious concern, and has provided commentary for [CNN](#), [ABC](#), the [BBC](#), [NPR](#), and CBS' *60 Minutes*, among others.*

I wanted to talk about the interpenetration of economics, morality, virtue, and freedom. But I wanted to begin by doing it through the lens of my life.

I was born in Brooklyn, New York. This is 1950s Brooklyn. Raw, abrupt, and in your face. The apartment I grew up in had a little mini kitchen. Right across from our kitchen window was an identically laid out apartment where Mr. and Mrs. Schneider lived.

The day that impacted the way I think about these questions, occurred when I was about five years old. On this day I was watching from my kitchen windowsill as Mrs. Schneider was rolling out some dough and mixing up rugelach. I watched ... Mrs. Schneider never said a word, until she pulled out the last tray. Then she looked into my eyes and said, "You come, I'll give you rugelach to eat."

I scampered over to my windowsill. She took a napkin and proceeded to place the warm, aromatic rugelach into my hands.

As she did this, I noticed that running up her forearm were a series of blue tattoo numbers. I had no idea what that meant. I was five years old... I took the rugelach into my apartment and immediately hid them behind the bread box. My mom came in, and I said, "Mom why does Mrs. Schneider have those numbers on her arm?"

My mother didn't finish eighth grade, yet what she said to me was the most important course in morality, philosophy, theology, and anthropology... It became the lens through which I would see the rest of my life and view the world.

My mother said, "What do you do on Saturday mornings?"

"I watch cowboys and Indians on television."

And she said, "What do the cowboys do?"

I said, "Well sometimes they're on the horses and they catch their steers. They lasso them, get off the horse, turn it upside down, tie it tight, and then they take a branding iron to brand the back of the calf."

She said, "Why do they brand the back of the calf?"

I said, "So all the other cowboys know whose animal that is."

She said, "That's what people did to Mr. and Mrs. Schneider. They treated them like animals."

My reaction was instant not thought out, but visceral and natural. I was horrified. I knew there was an injustice to this. If you asked me at the time, I couldn't have said it that way. Years of studying theology and history... had given me a vocabulary to apply to it. But the injustice of it I knew almost as a whole. It was innate. I call it the *natural law*. I knew what I knew.

The rest of my life has been spent looking out at the world from this view of human dignity. Something that is natural to us. Something that when we see violated, we ought to respond.

In the 1970s, I found myself involved in a lot of political change movements. I had left the practice of my faith and was by this time living in California. I was involved in the beginnings of a lot of the political movements that are now established... It occupied my life the great deal of activism went into it. I did not think a lot about what I believed, but I believed and was passionate.

One day after going to demonstrations with different friends, we sat down in my apartment in Hollywood. We were talking about when the revolution comes and what we wanted to see happen. When the revolution comes there will be no more racial injustice, there will be economic equality, there will be no more homophobia, no more sexism, no more war. Everybody went around the room, "When the revolution comes this is going to happen..." When my turn came, I wanted to top them all so I said, "Yes, and when the revolution comes we're all going to shop at Gucci."

There was silence in the room. My friend sitting next to me was... a Marxist. I turned to her and I said, "What did I say that was wrong? We are working for a world where everyone will have access to quality goods and services. Isn't that what we want?"

She said, "Gucci? You are so bourgeois. I don't think you're a real socialist."

There is nothing more uncomfortable than when someone tells you something about yourself that they know, but you do not know yet. She knew something about me that I did not know. I had the desire. I wanted to see a just world where people were able to buy quality goods and services.

Not very long after that I met up with another friend. When we were done, we walked out to the car. I saw this other car and was making fun of the free market bumper stickers that were on the back.

My friend said, "You are delightfully dumb. I'm going to take you on as a 'project' to educate."

He came to my apartment with two arms loaded with books. He threw them on my couch and said, "Read, Sirico. Just read."

So I began to read. Those books were: Friedrich Hayek's *The Road to Serfdom*; who won the Nobel Prize for economics, Milton Friedman another Nobel laureate, and Frederic Bastiat's *The Law*.

One day he said to me, "What is it that you want? What kind of society do you want? What could you do if you had one thing you could do? What would make the world better?"

I said, "A redistribution of wealth."

He said, "Ok. Let us pretend we do that. What would you do the next day, or more importantly what would these people do the next day?"

I said, "They go to their jobs, to their factories..."

"I see," he said. "I know what your confusion is now. You think most of wealth in the world is invested in the little toys that rich people have, in the one percent. You think that wealth is in their jewelry and clothing, and their boats and cars, and their houses, and their third and fourth houses?"

I said, “That’s where it is.”

He said, “That’s a fraction of the wealth in the world. The real wealth of the world is in investments and bonds. That’s the business to which people would go. You’re talking about personal property. That’s not what Marx meant. Personal property is the fish you have for lunch. What Marx was after was not the personal property but the private ownership of the means of production.”

He wrote a whole book on it called *Das Kapital*... What’s the difference between private property and capital? Private property’s the fish. Capital is the net. It’s the thing that produces the private property. That’s what Marx was after...

When I began to read these kinds of ideas, my mind began to open. It wasn’t that I came out of those conversations with different ideas. My ideals remained intact. I did not want to see people treated like Mr. and Mrs. Schneider. I wanted to see a world where people did in fact have access to quality goods and resources, however I didn’t understand how to achieve that end until I began to understand a little bit about economics.

At this point I was away from the church, I was involved in the political left... but as this change began to take place, it wasn’t just a change in my view of economics. This view of economics pointed me back to things that I learned in Brooklyn, not just about Mrs. Schneider. But, also the nun who stood in the classroom and taught me my first lessons about God... As I began to think about economic questions, I asked myself deeper questions. Questions not having to do with supply and demand or bell curves, but about that question that you read in Psalm 8: “Who is man that thou art mindful of him, or the son of man that thou visitest him?”

Who are we? As human beings, of what do we consist? If you don’t answer that question properly, if you don’t take into account the nature of human beings, you’ll never fully understand economics. You’ll never fully understand politics and you’ll never fully understand society, because you won’t fully understand yourself. This is where the religious, the theological, or the philosophical part comes into play. Therefore, it’s important in studying economics to keep the human person at the center... they’re a help to understand how we ought to live in this life. In order to understand how we ought to live in this life, we have to understand who we are as human beings. When I open the first page of the bible, I have a clue as to who we are as human beings. “In the beginning God made the heavens and the earth,” and then the passages go on to each of the days of creation. God saw what He had made and said, “It is good.”

In this biblical vision of the world, the material world is good. That’s cosmology, the study of the cosmos. But there’s also an anthropology that’s included... In the second chapter of Genesis it describes the creation of man. It says that God formed from the dust of the earth the man and breathed into him the breath of life. The man became a living soul. Man is a composite of the heavens and the earth. The earth—the dust of the earth, the material substance—look at ourselves. That’s the most obvious thing about what we are. For some of us it is more obvious than others. We’re physical, corporeal beings. That, by the way, is where economics arises because what is economics? Economics is the study of the allocation of scarce resources, and that comes about because we’re physical beings.

But we’re also bearers of the *Imago Dei*, the image of God. We also have breathed into us the breath of life. We are transcendent beings... All you have to do is leave religion aside for a moment and contemplate yourself. What is obvious about you is your physicality...you have the capacity to transcend that physicality, when you recognize beauty, are inspired by a poem, or when you fall in love. A sense of honor, a sense of patriotism, all these things are real, but not physical. They transcend our physicality.

Animals don't experience this... Animals are physical beings. They are bound to the material world by their physicality and by their instinct. You and I are not that. We have that, but we're more than that. Animals are bound to the material world by their instinct, but humans are bound to the material world also using reason. An animal has consciousness, but an animal does not contemplate itself. Moreover, an animal does not contemplate itself contemplating itself. Human beings can do that. We can do that. And because of our capacity to use reason to think about ourselves thinking about ourselves, we have the ability to build. Beavers build dams and robins build nests, but no beaver has ever built a series of dams and rented them out to other beavers. Animals do not build civilizations.

There's something different about the human person. It is our transcendence and our capacity to reason. This reaches right to the core of economics, why the human person is the center of economic creativity, and why the human person is the reason for economic creativity.

It is that we can see resources transformed. We can imagine because of our transcendence. Because of our ability to reason, we can draw out from the material world things that exist in the material world and transform them.

Wealth does not exist in natural resources. If wealth existed in natural resources, then Africa would be rich, and Japan would be poor. Africa is laden with natural resources. But the political system in both of those regions either allow or disallow people to make use of those resources for others. For most of human life, petroleum existed as a natural resource that had no value until the invention of the combustion engine. Which is essentially the transformation of that natural resource into movement...people could place that energy at the disposal of the people. Other people said, "I have use for that, and I will trade with you something that you want, if you will trade with me what you have." That's a system. That placing of the natural resource that's been transformed at the disposal of others.

To accomplish that, we must be able to use reason and have the freedom to use that reason. To acquire things and to draw out from nature, things that can be transformed and used for human betterment. As one of the great leaders of our age said, "Man is Man's greatest resource."

It's not resources that exist that nobody knows what to do with, but it is the creative capacity of the human mind to transform those resources for human betterment.

...It's important when we think of economics that we think of the centrality of the human person. That is what introduced the whole notion of a moral sensibility. I know of no other worldview other than a biblical worldview that informs us about this... It is understanding the dignity of the human person, the right to private property, the necessity to engage in honest contracts, the rule of law. All these institutions that emerged from the West, created the freest most liberal most prosperous society that the world has ever seen.

We live in the richest society that has ever existed on this planet. The essential question is no longer, "How do we get enough?" but "How do we live in the midst of such abundance?" Virtually the whole world lives better than their previous generation, and that generation lives better than their previous generation.

We must build in the traditions that safeguard the liberty of human beings to use their reason to bring forth the wealth of nations.

We are not there yet. People still suffer. But by every demographic form of analysis people have access to more drinking water, housing, caloric intake, clothing, better medicine than ever before. It is emphatically not true that the rich are getting richer and the poor are getting poorer. What is true is that the rich are getting richer and the poor are getting richer as well.

This brings us to the question of what we do with this knowledge. How do we avoid separating the economic and material dimensions from the transcendent, the moral, and the heroic? Once again, the Judeo-Christian ethic teaches us how to integrate these things. It's not being so heavenly minded that we end up being no earthly good. We have to take into account both dimensions of our reality. To understand most particularly that we have an obligation to those who suffer injustice.

...I learned from the 1970s that it is not enough to have good intentions and a heart for the poor. It is not enough to say, "Let there be bread." It is necessary that we know how to bake bread. Moreover, that we know how to build bakeries and industries that can produce food.

Perhaps one of the most disappointing, unromantic things I can say to you, is people do not rise out of poverty because of our charity. Charity is morally incumbent on us. Let us not think the way which people rise out of poverty is our beneficence our charity. This is accounted for not by government money being redistributed, or by all the best charities in the world, but by the unromantic notion of business. People rise out of poverty because they have access to work. They have access to work when there are businesses. There are businesses when men and women have made use of their reason and their freedom to produce the wealth of nations.

All these other people you see demonstrating calling for all kinds of redistribution of wealth who are into socialism and what they call the democratic socialist notion of what we need in this country. They are all living off the assumption that it has always been like this, it will always be like this. That they can kill the goose that lays the golden eggs. I tell you if you kill that goose, you'll also be killing every other potentially golden egg laying goose. You will kill the engine of productivity because you'll be attacking the creativity of the human person.

The first words that God spoke to the newly created human family in the Garden of Eden are words of calling: "Multiply. Fill the earth. Have dominion over creation." We are to cooperate with God in the ongoing creation of the world. We were made in the image and likeness of God endowed by our Creator with reason. Here in this time, we have been entrusted with great talents. One day we will stand before the throne of God and give account for what we've done with these talents. Whether we've simply tried to steal the gifts from other people and redistribute them, or found ways to draw out the potential of the talents that we've been given and place them at the disposal of others... By being generous not just in what we give to the people, but the information, the networking, we share with other people.

If you'll be faithful to the vocation you've been entrusted with on that day, when all the wrongs of the world will finally be made right, you will hear the voice of the Master say to you, "Well done thou good and faithful servant. Thou hast proven thyself faithful in small things. Now enter into the joys of thy master."