

ECONOMICS IS PART OF CIVICS



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The shape of civil society is not just a matter of laws, but also, very significantly, of economics. There are three reasons for this: first that money shapes civics by implying media power to promote civic ideas; second, the shape of a civic entity is deeply affected by the number of individuals who can participate actively in its life, and this depends very strongly on how many are able to take initiatives in its economic life; third, people work for “autonomy, mastery, and purpose;” so that an economy grows or stagnates on whether these are developing in the economy; but these are human and civic ideals, not banking imperatives.

Let me spell it out.

First: a Voice

The power of money carries the power to have a literary output or (now) a media presence. This means the power to shape and present civic choices: to shape how they are understood, whether they are accepted, and how they are implemented. For example, the acceptance of our Constitution depended on the writings of several patriots whose arguments were eagerly followed by everyone interested in the civic decisions. This writing depended both on their own education and on the publication of their writings. Both of these were privileges that depended on money.

Second: Owning the means of production

Widespread ownership of the means of production means that the opportunity for economic initiative is widespread. This depends on laws that favor small business, or at least don't hinder it. Without economic freedom, there can be no civic freedom.

The Catholic Distributist position, continuously promoted over the last 150 years, holds that significant and moral prosperity in a civic body depends on the widespread ownership of the means of production. This means small independent businesses which are responsive to their customer base. It gives the owner or entrepreneur, and the artisans or employees who work for him, good reason to be proud of their work. None of them are robots, and they cannot be replaced by robots.

Capitalists claim that “the markets” — almighty and all knowing — will work everything out to the greatest advantage of everyone. Clearly it is not so simple; and the idea that greed could create wealth was always immoral and silly. Greed creates greed, like any other sin. An eye to serve others does create wealth, however, and being able to act on an insight is the true center of value in capitalism.

Socialism, which puts all ownership in the public sphere, has never served the poor. In particular, it has always swelled their ranks and has always destroyed the middle class which is essential to a strong civic life. By middle class, I mean those who work hard and own their work, always with new aspirations, neither flaunting their wealth nor having anxiety about food and shelter. This the class whose growth is a measure of good civic life. Socialism has always had its own upper class, despite the ideals it promotes, and that upper class has been particularly destructive by being allied with government, so that the civic order is oppressive.

It is said, in favor of capitalism, that the concentration of money that resides in large businesses allows those businesses to operate with certain economies of scale. They *can be* efficient. But we notice they can also waste on a large scale, and the danger is that their implied concentration of power begets further

concentration of power in the hands of a very small group of people. Inevitably, this small group translates its economic power into political power: You can work here *only if* you accept a specific political stance. How long that is good depends on how long the powerful can remain virtuous.

Only with widespread ownership of the means of production is there truly widespread participation in civic life.

Third: Working for “autonomy, mastery, and purpose”

Only the most mechanical kinds of work are improved by monetary rewards. When creativity is even slightly in the balance, “autonomy, mastery, and purpose” are the essential rewards of responsible work. A positive, productive, and moral economy must be based on recognizing this.

1. The basic building block of society is the family. The head of the family is the father. If the father is, or perceives himself to be a slave, that is, if he perceives that extra diligence will not help him to protect and advance his wife and children, he simply will not work as hard. This has always been true, and nothing can change it.
2. Even outside fatherhood, it is clear that, far more than money, people work for three things: autonomy, mastery, and purpose. Dan Pink has reported very persuasively on this matter.
 - Working for autonomy means that people want to pursue their own thoughts and insights. A company which stifles initiative will eventually lose the loyalty of its employees. It will lose their attention first, and then their loyalty.
 - A working situation in which the employees are not gaining mastery of new skills will bore and discourage its best people. They won't give their hearts to a job that simply consumes them as if they were economic assets, not people.
 - People naturally seek meaning. They want to be in the service of a larger vision – in the service of God, of their family, of culture, or of some smaller purpose which is credibly related to a larger purpose.

This last part of the reflection is based on Dan Pink's research, really a report on 40 years of many people's research, which he describes in a TED talk and in an RSA video. It is very important work because he makes it clear that no amount of money will exchange for autonomy, mastery, and purpose, and in fact, production will drop if money is offered instead of these human environments. Thus, at the heart of economic production, there is a civic issue.

When you combine these three considerations, you see that a right economics is the condition for a good civics and vice versa.