

INVITED SESSIONS

THE GLOBAL ECONOMY IN IMPASSE

- Topic: The Global Economy in Impasse: Theological and Ethical Reflections on the Current Economic Crisis
Moderator: Bryan Massingale, Marquette University
Presenter: Daniel Finn, St. John's University, Collegeville
Presenter: Christine Firer Hinze, Fordham University

Bryan Massingale introduced the session with comments on its rationale, namely, the importance that the records of the CTSA reflect how Catholic theologians pay attention to the signal “signs of the time” in which they gather. The CTSA’s past reveals embarrassing omissions whereby theologians were seemingly oblivious to the major social movements occurring around them (e.g., the Civil Rights and Black Power Movements of the 1960s). As we meet in the midst of the worst global economic crisis in over eighty years, it is appropriate that a session reflects, even if in tentative ways, upon the still unfolding events of this financial maelstrom. The presenters then offered twenty-minute contributions to inform the subsequent general discussion.

Daniel Finn focused his remarks upon the causes of the current situation. He stressed that we need to move beyond a facile invocation of “greed.” He examined both the short term reasons and the longer term trends that contributed to this crisis. Among the short term contributing dynamics were the following: 1) a change in the meaning and function of mortgages, that is, the emergence of a transnational “mortgage market” that replaced the loan made by a local bank and then repaid to that bank; 2) the housing bubble, which promoted the buying and selling of properties on the expectation of ever increasing prices; 3) the creation of credit derivatives to insure financial risk, which were not only largely unregulated but also inadequately secured by real assets; 4) the failure of rating agencies, which at times tailored their assessments of corporate risk in order to their maximize their own profits; 5) a change in the economic science of risk, with the emergence of models that could forecast “zero risk” investments; 6) an emphasis upon short term performance in corporate earnings, where long term growth is sacrificed for the sake of profit in the immediate calendar quarter; and 7) changes in corporate compensation, whereby financial service employees are rewarded with incentives for performance over a calendar year, versus performance measured over a longer term.

Finn observed, however, that while these were among the immediate factors that led to this economic meltdown, there are broader dynamics that contributed

to the structural weakness of the economy and made it vulnerable to severe downturns. Among these trends, he identified: 1) the loss of the personal, or the increasing “psychic distance” between financial decision-makers and those affected by their decisions (thus “trust” is replaced by “risk management”); 2) the trend of financial decisions to drive the goods of production, whereby the decisive question becomes how to run the business to make the most money; 3) an ethos in which “efficiency” emerges as a determinative civic virtue with the by-product of legitimating greed; and 4) the impact of economic science and the market as the paradigm for all of life’s decisions, which legitimizes maximizing profit and makes self-interest/selfishness ordinary.

Christine Frier Hinze’s contribution focused on an ethical evaluation of the crisis from the perspective of Catholic Social Thought. She began by observing the following characteristics of the discussion of the crisis in the United States: a focus upon the middle class to the detriment of the already marginalized who were excluded from the benefits of the previous prosperity (however illusory); the setting aside of programs and policies to aid the poor and alleviate poverty (a trend also at work globally); and a lack of precision over what is meant by “recovery,” that is, “what do we want to recover to?” Thus, she points out that a challenge to Catholic ethicists is to consider whose voices are privileged – and muted – in social discussions.

Hinze then offered five key principles from official Catholic Social Teaching which inform ethical reflection upon the economy: 1) the principle of intelligibility, which affirms that markets and economic processes are subject to human comprehension; 2) the principle of agency and accountability, which insists that markets are complex relationships produced and affected by human agency; 3) the incarnational principle, which insists that markets remain anchored to the needs of embodied persons and leads one to always ask what a given economic policy or decision does to real people and their communities; 4) the principle of subsidiarity, which leads to an examination of the effects of macroeconomic forces upon local communities and thus requires an interrogation of power disparities; and 5) solidarity and the option for the poor, whereby economic autonomy is sharply qualified by a recognition of human interdependence with priority concern given to the needs of the exploited and marginalized. “What does solidarity mean?” becomes a key question in ethical reflection upon proposals for economic “recovery.”

Hinze concluded with the questions, “What is the economy and what is it for?” She noted the inadequacy of neoclassical responses centered on the production of goods and services, and offered a more adequate response arising out of a feminist ethics that emphasizes the social and material flourishing of a society’s members.

The spirited discussion that followed from the sixty-five participants attests to the intense interest of Catholic theologians in this topic.

BRYAN N. MASSINGALE
Marquette University
Milwaukee, Wisconsin

TOWARD A MORE PERFECT UNION?

- Topic: Toward a More Perfect Union? Racial Justice Post-Obama:
Impasse or Opportunity
- Moderator: C. Vanessa White, Catholic Theological Union
- Presenters: Barbara Hilkert Andolsen, Fordham University
Alex Mikulich, Loyola University, New Orleans
Jamie T. Phelps, Xavier University of Louisiana

With the election of Barack Hussein Obama as the first African American President of the United States, as well as the recent nominations of Judge Sonia Sotomayor and Miguel Diaz to the posts of Supreme Court Justice and Ambassador to the United Nations, the spotlight is once again on race in the United States. Barbara Hilkert Andolsen, Alex Mikulich and Jamie T. Phelps looked at the state of race in the United States in their three papers and what theologians are called to do and be during this time of impasse or opportunity.

In her presentation, Barbara focused on Catholic responses to white racism. She reminded everyone that in addition to racism directed against African Americans, one should also be mindful of racism against Native Americans, Latinos, Asians, Muslims, as well as Jews. She argued that we need to reframe the civil rights movement of the 1960s to reconnect it with today's youth, who harbor the illusion that racism no longer exists today. She also questioned the lack of response of northern white Catholics to the civil rights movement. It is alarming to note that U.S. Catholic bishops and theologians ignored the civil rights movement. She quoted Charles Curran, who observed that the post-Vatican II U.S. Church has been abysmal about race.

Turning her attention to the U.S. Catholic Church, Barbara pointed out that racism continues with the practice of reorganization in the inner cities while expanding services in white suburban parishes. Little has been written on the racial implications of these practices and decisions. By stating that parishes are too small to survive, are we saying that these communities do not count? Alluding to the writings of Bryan Massingale, she ended by stating that theologians must be prepared to speak out against racism that continues to exist today.

Alex spoke of the impasse of white racism and began by quoting texts from President Obama's *Audacity of Hope*. We are interconnected as human beings. However, today whites state they bear no responsibility for racism while at the same time neglecting to see that their privileged environment has perpetuated the ongoing racism against other races. Alex shared with those in attendance the story of Louis Ramirez, a Mexican immigrant was murdered by two white teenagers. The teenagers were acquitted of Ramirez's murder in July 12, 2008 and instead were found guilty of assault. The defendants did not deny that they beat Ramirez but the defense attorney stated that if he had not been in the country illegally and the defense attorney he would not be killed. The story of Louis Ramirez is not an easy one to hear, but we must remember. We must remember the many forgotten bodies, those bodies buried on stolen land, the terror that many people of color

encounter in the face of racism. White people can no longer deny the history of unearned privilege that blinds them to their racism against other races.

Jamie's paper focused on Obama and what his election means. She began by reminding the participants not to fall into the mindset of exceptionalism that believe that Obama is exceptionally extraordinary, for there are many Obamas in the US. She further explained that Obama does help us look at the whole multicultural reality in the United States. He embodies a different attitude towards race, one that does not see race as divisive. At the same time, he shines a light on the fact that for many there is a lack of experience regarding the multicultural reality in the United States. She further explained that baby boomers and the older generation have a different experience of race and diversity than those in their twenties and thirties. In her opinion, when Catholics voted for Obama, they looked at his intellectual gifts, his vision for the people of the United States, the "content of his character." It is interesting to note that Obama did not begin by stating his race as African American. It was the media and others who began racializing Obama. While many ask, what is he going to do now that he is President, we need only look to his biography to gain insights into his political agenda. He stated, over and over again, two phrases – "out of many become one" and "yes we can." Human beings have the same origin and the same destiny, which is God. "Yes we can" by the power of God and "yes we can," our salvation is communal.

Discussion followed with questions ranging from a discussion on the relationship between race and class to the question of which is more significant today, specifically in light of William Julius Wilson's book, *The Declining Significance of Race*. Barbara stated that more African Americans had jobs in manufacturing and with the closing of mills, increased unemployment is specifically impacting African Americans to a greater degree. Alex continued by stating blacks are disproportionately negatively impacted in every sphere, i.e., homelessness, unemployment, and inadequate health care. The speakers and audience had a fruitful and animated discussion of what theologians are called to do in response to the continuing racism in the U.S., as well as the challenges and opportunities that have been ushered in by the election of Obama.

C. VANESSA WHITE
Catholic Theological Union
Chicago, Illinois