

## Editorial *Hope Amid Financial Calamity*

In remarks delivered at the 2008 Annual Dinner, Acton President and cofounder Rev. Robert A. Sirico took the opportunity to address the fundamental moral and spiritual issues facing the global economy. What follows below is an excerpt of that address, which was delivered to a large audience in the Amway Grand Plaza Hotel on the evening of October 30, 2008:

May I give voice, for just a moment, to something I sense we may all be feeling at this moment? I refer, of course, to the erratic nature of both the markets and politics in recent weeks. One senses a deep frustration on the part of those who worked hard to delay gratification so as to secure their future and that of their families. There is a foreboding on the part of everyone for fear that no one really knows the whole of what is happening and may soon happen to us, much less to see a way out of the difficulties.

Yet I stand before you tonight hopeful, even if soberly so. I say hopeful first because I am a Christian and always have a reason for hope. But also, because I am unshaken in the conviction that the idea Acton represents is precisely that “way out.”

That idea—which could have been an inoculation but may now have to be an antidote—is a body of thought representing a refined and proven tradition.... The idea of which I speak, boiled down to its clearest expression, is the synthesis of faith and freedom; liberty and virtue; free markets and moral responsibility; between prosperity and a deep practical and personal concern for the poor and marginalized....

The only society worthy of the human person is a society that embraces freedom and responsibility as its two indispensable pillars—which is a society that understands that our *individual* good depends on our *common* good and vice versa.

Let us reflect upon some crucial facts that are too often overlooked.

The institution of government—what many view as the first resort of charity—is the very thing that unleashed and encouraged those vices of greed and avarice and reckless use of money that got us into the current financial imbroglio. It did so by first placing a policy priority on a worthy goal, increased home ownership, but pursued it with a fanaticism that neglected other goods such as prudence, personal responsibility, and rational risk assessment.

Moreover, its official banking centers enjoyed subsidies which distorted that most sensitive of price signals—the price of money—to delude both investors and consumers into believing that capital existed to support vast and extravagant consumerism when in fact no such capital and savings existed.

It is an obvious point but one the mainstream media appears intent on missing: The financial crisis did not occur within a free market, a market permitted to work within its own indigenous mechanism of risk and reward, overseen by a juridical framework marked by clarity, consistency, and right judgment. Quite the contrary. The crisis occurred within a market deluged and deluded by interventionism.

There is a lesson in this, one brought into focus by Pope John Paul II's emphasis on stable money in his encyclical letter of 1991, *Centesimus Annus*: Distorting the natural patterns of exchange in the market through coercive interventions threatens to unleash unpredictable forces that can lead to destabilization and even ruin.

It is an invaluable lesson, but will we have the means, the wherewithal, to communicate it to a culture in desperate need of hearing it? ...

Liberty is indeed, as Lord Acton said, “the delicate fruit of a mature civilization.” As such it is in need of a nutritious soil in which to flourish. In this sense you and I are tillers of the soil, if you will.

Liberty is a delicate fruit. It is also an uncommon one. When one surveys human history it becomes evident how unusual, how precious is authentic liberty, as is the economic progress that is its result. These past few weeks are a vivid and sad testimony to this fact. As a delicate fruit, human liberty as well as economic stability must be tended to, lest it disintegrate. It requires constant attention, new appreciation and understanding, renewal, moral defense, and integration into the whole fabric of society.

In a trenchant analysis of the free society, Friedrich Hayek once offered a sobering speculation:

“It may be that as free a society as we have known it carries in itself the forces of its own destruction, and that once freedom is achieved it is taken for granted and ceases to be valued ...” and then he goes on to ask, “Does this mean that freedom is valued only when it is lost, that the world must everywhere go through a dark phase of socialist totalitarianism before the forces of freedom can gather strength anew?”

He answers, “It may be so, but I hope it need not be.”

Hayek offers what I consider a partial remedy to this threat. He argues that “if we are to avoid such a development, we must be able to offer a new liberal program which appeals to the imagination. We must make the building of a free society once more an intellectual adventure, a deed of courage” (*The Intellectuals and Socialism*, F. A. Hayek).

He is right of course, but Hayek left something out: We must make the building of the free society once more a *moral adventure*—for its construction was morally inspired in the first place. It emerged from a vision of man as a creature with an inherent and transcendent destiny. This vision, this anthropology, inspired the institutions of Western Civilization: Universal human rights; the right to contract and private property; international institutions of charity; the university. All these formed because of the high view of human dignity we inherited from our Judeo-Christian tradition.

It is, indeed, a point worthy of sustained spiritual and moral reflection just how delicate a fruit our economic liberty has become at this historical moment. Where does one begin to work, when the goal is to renew an anthropological vision that once inspired Western Civilization: On our knees, I think. *Ora et labora!*

—Stephen J. Grabill, Ph.D.