

THE ROLE OF THE SOCIAL SCIENCES AND HIGHER EDUCATION IN THE CURRENT ECONOMIC CRISIS

MARY ANN GLENDON

‘Why did no one see it coming?’ That was the question that Queen Elizabeth posed to the experts during her visit to the London School of Economics in the summer of 2009. It was a question that had occurred to more than a few people as they struggled to deal with the economic tsunami that engulfed the world so suddenly. How is it possible that so many brilliant, well-educated men and women, so many financial experts with key positions in governments and in the private sector, did not anticipate that the world’s economic and financial systems were headed for disaster?

In point of fact, warning signs had been noted by many observers, including the participants in this Academy’s globalization studies.¹ But it took three days for a team of eminent economists to come up with a reply to the Queen’s completely natural question. The answer they produced, after their triduum of cogitation, was that the main problem was that the experts had been doing ‘a good job’ at what they were supposed to do within the narrow confines of their separate disciplines, but they had failed to understand the risks to the system as whole.²

No doubt the tunnel vision that can arise from specialization was part of the explanation of why so many of the best and brightest failed to notice the storm clouds gathering on the economic horizon. But the fact that so many economic and financial experts, educated in the world’s finest universities, were incapable of seeing serious problems in their own fields should prompt reflection on the kind of education that political and economic decision-makers are receiving in our institutions of higher learning. If Queen Eliza-

¹ See, especially, *Summary on Globalization*, Juan J. Llach ed. (Vatican City: Pontifical Academy of Social Sciences, 2008).

² *The Guardian*, Sunday, 26 July 2009.

beth had visited one of London's great hospitals and found it staffed with doctors and nurses who were unable to distinguish between a healthy human being and a sick person on the verge of collapse, one would wonder about what kind of training those doctors and nurses had been given.

In connection with the aim of this Plenary Session to contribute constructive ideas for 'Re-planning the Journey', it is appropriate for this Academy to consider whether there is something about our universities, or the contemporary social sciences themselves, that may have contributed to the current crisis. My reflections on that problem concern three ways in which higher education is failing to prepare young men and women adequately for the challenges posed by contemporary economic and political life. I will begin with the hyper-specialization factor mentioned by the British economists to the Queen. Next, I will consider the observation by Archbishop Celestino Migliore in a speech at the United Nations that, 'The practice of economics has long sought to remove values and morality from economic discussion, rather than seeking to integrate these concerns into creating a more effective and just financial system'.³ Finally, I will turn to the rather primitive state of our knowledge about regulation.

SPECIALIZATION AND THE SEGMENTATION OF DISCIPLINES

Though the answer the British economists gave the Queen fell far short of a complete response, it did get at the difficulties posed by the need for specialization. Modern higher education has not dealt particularly well with the fact that no one person can possibly master all fields of human knowledge. That dilemma is hardly a new one. Already in the 1st century BC, Cicero expressed concern that the various academic disciplines were becoming so divided into parts that people were losing sight of 'the alliance and affinity that connects all the liberal arts and sciences, and even the virtues themselves'.⁴

In modern times, of course, the segmentation of knowledge has accelerated, along with the need for ever more specialization. How could it be otherwise? Neither the natural nor the human sciences can advance with-

³ Archbishop Celestino Migliore, Address to the UN Conference on *The World Financial and Economic Crisis and its Impact on Development*, June 26, 2009.

⁴ Cicero, *De Oratore*, 33.

out rigorous specialized knowledge. The double challenge for educators, therefore, is to find ways to enable people to form intelligent judgments about the opinions of experts, and at the same time to form experts who are capable of seeing their work in its broader context.

That need was already obvious to 19th century thinkers like Wilhelm von Humboldt, John Henry Cardinal Newman, and John Stuart Mill, all of whom took a particular interest in education. Newman argued in his classic essay on *The Idea of the University* that universities needed to develop in their students a philosophical habit of mind and the ability to trace the relationships among different parts of knowledge.⁵ Mill, in a similar vein, wrote that, 'Men are men before they are lawyers, or physicians, or merchants or manufacturers; and if you make them capable and sensible men, they make themselves capable and sensible lawyers or physicians'.

Most universities today, however, have become so oriented toward preparing students for their future occupations that they have ceased being *uni*-versities and have become *multi*-versities – all too often run by people who are incapable of explaining what connects the parts of the curriculum or even what it means to be an educated person.⁶

No one, of course, can reasonably deny that our students have to be prepared to make a living. The challenge for institutions of higher education, therefore, is to equip young men and women to live in the world of necessary specialization while enabling them to keep in view the relation of the various specialties to each other and to what recent papal encyclicals call 'human ecology'.⁷

On that point, it would be difficult to improve on what the great theorist of rationalization and bureaucratization, Max Weber, said nearly a century ago in his famous lecture on *Science as a Vocation*. Social scientists, he admitted, must deliberately constrict their field of vision if they are to do their job well. 'A really definitive and good accomplishment today', he said, 'is always a specialized accomplishment. And whoever lacks the capacity to put on blinders, so to speak, may as well stay away from science'.⁸ That observation

⁵ John Henry Newman, *The Idea of a University* (Notre Dame: University of Notre Dame Press, 1982), 76-77.

⁶ Ernest Fortin, Thomas Aquinas and the Reform of Christian Education, in *The Birth of Philosophic Christianity: Studies in Early Christian and Medieval Thought*, Brian Benestad ed. (Lanham, Md.: Rowman & Littlefield, 1996), 235, 249.

⁷ *Centesimus Annus*, 3, 39.

⁸ Max Weber, *Science as a Vocation*, in *The Vocation Lectures*, David Owen and Tracy Strong eds., Rodney Livingston transl. (Indianapolis: Hackett Publishing Co., 2004).

from one whose work spanned all of the social sciences obviously was not meant to be a general prescription for education. Where the university was concerned, Weber's message was that the most important job of an educator is to assist students in developing habits of clear and critical thinking. 'The most challenging pedagogical task of all', he said in the same *Science* lecture, 'is to explain scientific problems in such a way as to make them comprehensible to an untrained but receptive mind, and to enable such a person – and this is the decisive factor – to think about them independently'.

Recognizing that the work of a social scientist will inevitably stray into neighboring disciplines, Weber said that in such cases, the educator's aim should be 'to provide the expert with useful questions of the sort that he may not easily discover from his own vantage point within his own discipline'.

In other words, what future leaders and experts urgently need is the kind of training that prepares them to understand complex, mutually conditioning, systems in motion; to weigh evidence; to evaluate arguments; and to demand of a given subject the degree of precision that can reasonably be expected of it. A university fails its students and society if it fails to help students acquire the skills to interpret experience, evaluate competing claims and values, and judge whether something is true or false, fair or inequitable.

Fortunately, there are many promising models for addressing these problems through teamwork, interdisciplinary work, and improvement in general education. Still, if Weber were to examine the curricula of most modern universities, it is doubtful that he would be handing out many gold stars.

THE ETHOS OF THE SOCIAL SCIENCES

More difficult problems are raised by the studied avoidance in academic settings of the moral dimensions of social and economic problems. The dominant opinion in the contemporary academy holds that it is futile to search for any standards by which truth or justice or morality could be assessed. This brings us to the problematic role of the social sciences in fostering the dogmatic forms of relativism that are now pervasive in universities and in society generally.

Speaking very bluntly to the members of this Academy in 2007, Bishop J. Augustine Di Noia charged that, while the origins of that mentality are philosophical, 'the social sciences have been the principal vehicle' for the diffusion in modern western societies of reductionist accounts of human nature and relativistic approaches to moral reasoning and

norms.⁹ Uncomfortable as that judgment may be for us social scientists to accept, it is hard to dispute. Not only economists, but lawyers, sociologists, and political scientists have been all too ready to accept faulty assumptions about human nature, morality and truth that have stunted and impoverished the study of economics, law, politics and social phenomena.¹⁰

Once these flawed approaches and attitudes took root in the academy they inevitably migrated into the general culture with serious practical consequences. They have influenced the mentalities of business people, jurists, political actors, policy makers, and educators, shaping their approaches to business, government, schooling and public programs of all sorts. They helped to legitimate or rationalize the abandonment of traditional moral norms that took rise in the 1960s. It is not unreasonable, moreover, to suppose that the social deregulation of marital and sexual behavior in the 60s and 70s reinforced the 'anything goes' mentality that profited from economic deregulation in the 80s.

The ground was thus well-prepared for the pathologies that accompanied the transition from industrial to finance capitalism that took rise in the 1980s – the gradual erosion of the trust-based ethics of producers and traders, the ravages inflicted by corporate raiders in the takeover era, and the growing irresponsibility in borrowing and lending that led to the current crisis.¹¹

The damage extended far beyond the original site of infection. As Professor Dasgupta pointed out in his paper, 'The world's poor had no part to play in the pattern of behaviour that precipitated the financial crisis in rich countries during 2007-2008'.¹² Yet, as many speakers testified during the 2010 Plenary Session of the Academy, the burden has fallen heavily on developing countries.

All in all, it seems fair to say that the social sciences, along with institutions of higher education, must bear some portion of the responsibility for

⁹ J. Augustine Di Noia, *The Encyclical Deus Caritas Est*, in *Charity and Justice in the Relations Among Peoples and Nations*, M. Glendon, J. Llach, and M. Sánchez Sorondo eds. (Vatican City: Libreria Editrice Vaticana, 2007), 12, 16-17.

¹⁰ *Conceptualization of the Person in the Social Sciences*, E. Malinvaud & M. Glendon eds., Proceedings of the 11th Plenary Session of the Pontifical Academy of Social Sciences (Vatican City: Libreria Editrice Vaticana, 2006).

¹¹ See the prescient works of the under-recognized writer on economic subjects, Jane Jacobs: *Systems of Survival: A dialogue on the moral foundations of commerce and politics* (New York: Random House, 1992) and *Dark Age Ahead* (New York: Random House, 2004).

¹² Sir Partha Dasgupta, *Financial Crises and the World's Poor*, Paper delivered at the 16th Plenary Session of the Pontifical Academy of Social Sciences 2010.

the current economic crisis by promoting a culture of moral relativism and insisting that morality is irrelevant to the study of sociology, law, economics, and politics.

As an illustration of how faulty assumptions have migrated from the social sciences and the universities into the practices of professionals, I would cite one example from my own profession and my own country: the remarkable series of changes made in the codes governing legal ethics in the United States over the course of the twentieth century.¹³ The first Canons of Ethics for lawyers, promulgated by the American Bar Association in 1908, stated that an attorney 'advances the honor of his profession and the best interests of his client when he renders service or gives advice tending to impress upon the client and his undertaking exact compliance with the strictest principles of moral law'. That Canon stood until 1968. Then, in the midst of the era when traditional moral restraints were being relaxed in so many ways, the terms 'honor' and 'principles of moral law' were removed, and the provision was watered down to read that 'it is often desirable for a lawyer to point out those factors which may lead to a decision that is morally just as well as legally permissible'. Reflected in the change was a growing lack of confidence that there were any objectively valid 'principles of moral law'.

Then, in 1983, all of the language of moral exhortation that had characterized previous codes of conduct was removed. Words like right, wrong, good, bad, conscience, and character were taken out, and replaced with words like prudent, proper, and permitted. The 1968 Code's mild encouragement to moral deliberation with clients was replaced by the statement that a lawyer in rendering advice to a client 'may refer not only to law but to other considerations such as moral, economic, social and political factors that may be relevant to the client's situation'. He 'may', but he need not.

In sum, these changes show a progressive adaptation of ethical norms to practice and a progressive distancing of the lawyer from the moral implications of his or her work. They also show the influence of a legal education heavily influenced for over a century by the view that law and morality are entirely separate. Nearly every American law student knows the message of Justice Oliver Wendell Holmes Jr. in the most widely cited law review article ever published in the U.S.: 'For my own part, I often doubt whether it would not be a gain if every word of moral significance could be banished from the law altogether, and other words adopted which should

¹³ M. Glendon, *A Nation Under Lawyers* (New York: Farrar, Straus & Giroux, 1994), 78-81.

convey legal ideas uncolored by anything outside the law. We should lose the fossil records of a good deal of history and the majesty got from ethical associations, but by ridding ourselves of an unnecessary confusion we should gain very much in the clearness of our thought'.¹⁴

THE PREVENTION/PLANNING/PROBLEM-SOLVING DEFICIT

There was a great deal of discussion at the 2010 Plenary Session about the regulatory failures that had contributed to the economic crisis, and there were many calls for more and better regulation. As social scientists, however, we should frankly admit that our knowledge about legal regulation is not as advanced as it should be. We do not know as much as we should about what works and what does not, about indirect and unintended consequences, and about the relationships between legal norms and other modes of social regulation. We still know far less than we should about one of the most complex questions at the heart of our deliberations this year: What kinds and combinations of mechanisms, at what levels, can harness the enormous wealth-creating energies of the market so as to minimize its destructive effects and maximize its benefits?

When Pope John Paul II wrote in *Centesimus Annus* of the need to tame the explosive energies of the market, he called for a 'strong juridical framework' (CA, 42). But since law is most effective when supported by habits and attitudes, the strength of any juridical framework will depend on the state of society's culture-forming institutions – the families and the mediating institutions of civil society that are each society's seedbeds of character and competence.

As is the case with hyper-specialization, the path toward improvement in this area lies through inter-disciplinary collaboration and teamwork, plus mutual cooperation between theory and practice. The individual academic entrepreneur will not make much headway.

THE COUNTER-CULTURAL CHURCH

In conclusion, I offer a few reflections about the approach of Catholic thought to the problems that currently hamper higher education and the social sciences from reaching their full potential. It is heartening to note the

¹⁴ Oliver Wendell Holmes Jr., *The Path of the Law*, 10 *Harvard Law Review* 457 (1895).

strong emphasis on the need for interdisciplinary dialogue in the *Compendium of the Social Doctrine of the Church* published by the Pontifical Council for Justice and Peace in 2004. Stressing the importance of dialogue between the Church's social teaching and the various disciplines concerned with man, the *Compendium* notes that, 'In this regard, the foundation of the Pontifical Academy of Social Sciences is significant'.¹⁵

In a passage that is reminiscent of Cardinal Newman, the *Compendium* places special emphasis on the importance of philosophy to the social sciences: 'This contribution has already been seen in the appeal to human nature as a source and to reason as the cognitive path to faith itself. By means of reason, the Church's social doctrine espouses philosophy in its own internal logic, in other words, in the argumentation that is proper to it'.¹⁶

Finally, with regard to the relativism reigning in so many sectors of the academy and in the general society, it is fair to say that the Catholic Church has emerged as a major counter-cultural force. It has done so simply by continuing to teach that certain moral truths are built into the world and are discoverable through human reason – through the never-ending processes of reasoned reflection on experience. In the parts of *Caritas in Veritate* that are directly addressed to morality and the social sciences, Pope Benedict XVI says that, 'moral evaluation and scientific research must go hand in hand, and...charity must animate them in a harmonious interdisciplinary whole' (31). He goes on to warn that, 'The excessive segmentation of knowledge, the rejection of metaphysics by the human sciences, the difficulties encountered by the dialogue between science and theology are damaging not only to the development of knowledge, but also the development of people, because these things make it harder to see the integral good of man in its various dimensions' (31). The market, he pointed out, does not contain within itself the means to correct for its distortions. Even to fulfill its properly economic functions, the market 'must draw its moral energies from other sources' (35-39).

During the current crisis, the Holy Father expanded upon those observations. In his annual address to Holy See diplomats in 2010, he noted that, 'Twenty years ago, after the fall of the Berlin wall and the collapse of the materialistic and atheistic regimes which had for several decades dominated part of this continent, it was easy to assess the great harm which an eco-

¹⁵ Pontifical Council for Justice and Peace, *Compendium of the Social Doctrine of the Church* (Libreria Editrice Vaticana, 2004), No. 76.

¹⁶ *Id.* No. 77.

conomic system lacking any reference to the truth about man had done'.¹⁷ In an interview en route to Prague, he commented on what happens when *market* economies become unhinged from 'the truth about man'.¹⁸ 'It is clear today', he said, 'that ethics is not something outside of the economy, which could work mechanically on its own, but is an inner principle of the economy, which does not work if it does not take into account the human values of solidarity of reciprocal responsibilities, if it does not integrate ethics into the construction of the economy itself: This is the great challenge of this moment'.

It is hard to see how our societies can meet what Pope Benedict calls 'the great challenge of this moment' without some changes in the academic institutions where increasingly narrow specialization and the conscious rejection of moral reasoning have merged – to the great detriment of society. But our skeptical colleagues will certainly ask, as Max Weber and others did in the preceding century: How can one speak about truth or morality in the disenchanting modern world?

Pope Benedict offered a strikingly post-modern response to that sort of question in the address he had hoped to present at *La Sapienza* two years ago (if only that multi-university had been open-minded enough to receive him). Anticipating the usual questions about how one can know what is true, or reasonable, or just, he wrote that the quest for truth is one 'that always demands strenuous new efforts, and that is never posed and resolved definitively. Thus at this point, not even I can properly offer an answer, but rather an invitation to remain on the journey...on the journey with the great ones who throughout history have struggled and sought with their responses and their restlessness for the truth which continually beckons from beyond any individual answers'.¹⁹ As for the supposed contradiction between Jerusalem and Athens – between theology and philosophy – the Pope took a stand directly opposite to that of his fellow Münchener, Weber, who would have banished theology to the hinterlands. 'Theology and philosophy', Pope Benedict said, are 'a peculiar pair of twins, neither of which can be completely separated from the other, while each must preserve its own task and its own identity'.

¹⁷ Pope Benedict XVI, Address to the Holy See Diplomatic Corps, January 11, 2010.

¹⁸ Pope Benedict XVI, interview en route to Prague, Sept 26, 2009.

¹⁹ Pope Benedict XVI, Address for La Sapienza University, January 17, 2008.

WHAT HAS RELIGION GOT TO DO WITH ECONOMICS?

I now come to a point that is rarely discussed in the contemporary university: the relation of Biblical religion to the problems we have been discussing. While I was preparing these remarks, I came across a report of a speech given earlier this year by Cardinal George Pell of Sydney, Australia.²⁰ It is so pertinent to the subject of the Academy's 2010 Plenary Session that I would like to quote some passages from it.

The Oxford-educated Cardinal began his talk by noting that social scientists in China have become concerned about a paradox that several of the participants in this Plenary Session have mentioned: The market economy, despite its well-known advantages, does not encourage, and in fact may discourage, the qualities of trustworthiness and respect for others that it requires in order to remain healthy. On this point, a number of our speakers emphasized the trust-deficit. Others referenced the thesis of Daniel Bell that the very success of capitalism, which depends on delayed gratification to foster saving and investment, has eroded capitalism's moral foundations by fostering a culture of immediate gratification.²¹ Also relevant is the work of Christopher Lasch on the ways that market values of efficiency and productivity have penetrated and negatively affected family relations.²²

To gain a better understanding of how market economies work, some Chinese researchers began studying the economic systems of the West. One of these researchers, according to Cardinal Pell, told a group of visitors to the Chinese Academy of Sciences in 2002 that he and his colleagues had concluded that the most important factor contributing to the health of western market economies had been 'the Christian moral foundation of social and cultural life'. Sometimes, Cardinal Pell commented, it takes an outsider 'to see what is painfully obvious, especially if the truth or insight is unpalatable and systematically avoided by many in the commentariat'. Meanwhile, he added, 'The consequences of forgetting God have been significant for morality, human dignity and society in the West'.

The remedy, in Cardinal Pell's view, is this: 'We need to introduce our children to Western civilization through the teaching of philosophy, histo-

²⁰ George Cardinal Pell, *The Heritage of Western Civilization*, March 25, 2010.

²¹ Daniel Bell, *The Cultural Contradictions of Capitalism*, 2nd ed. (New York: Basic Books, 1996).

²² Christopher Lasch, *Haven in a Heartless World: The Family Besieged* (New York: Basic Books, 1979).

ry and literature, in solid rather than debased forms; and edge them towards considering the big questions: is there truth? What is goodness?... We need to re-present God and the insights about how we should live which come from recognizing our shared human nature. Christians need to challenge intellectually the many agnostics of good will to face up to the absence of alternatives’.

‘RE-PLANNING THE JOURNEY’

It only remains for me to say what is obvious. By focussing my comments on the role of higher education and the social sciences in the current crisis, I do not mean to under-rate the importance of early education, family life, or other elements of civil society. I have emphasized the role of the universities and the social sciences because problems in these areas pose a special challenge for the Church’s social teachings and for her intellectual apostolate. And as such they are of special concern to this Academy.

As Pope Benedict XVI pointed out in *Caritas in Veritate*, Catholic social doctrine has always had ‘an important interdisciplinary dimension’ (31). The Church’s social doctrine, he wrote, is ‘open to the truth from whichever branch of knowledge it comes’; it assembles what it learns ‘into a unity...and mediates it within the constantly changing life-patterns of the society of peoples and nations’ (9). In fact, it was precisely to assist in that mission that the Pontifical Academy of Social Sciences was created.²³ And it is precisely for this reason that our Academy has a special responsibility to ‘foster the interaction of the different levels of human knowledge in order to promote the authentic development of peoples’ (30).

I believe we can take heart, therefore, from what we have heard at this meeting so ably organized by Professor José Raga. For our speakers have enabled us to see that the current economic crisis has opened up opportunities to think and speak about morality and markets in new ways. The crisis has lent new urgency to the search for juridical measures that can discipline the creative energies of the market without destroying the system that has lifted so many men and women out of poverty. It has stimulated discussion of how to re-connect the market with the cultural foundations

²³ John Paul II, *Motu Proprio* establishing the Pontifical Academy of Social Sciences, January 1, 1994.

without which it cannot function. It has prompted us social scientists to ask long neglected questions: What has been the effect of the market on culture and character and family life? What has been the effect of culture and character on the market? And what Professor Dasgupta has called 'the deepest question' of all: 'How do grace and decency establish themselves among wide and disparate groups of people?'²⁴

²⁴ Sir Partha S. Dasgupta, *Financial Crises and the World's Poor*, pp. 198-220.