

Moral Basis of the Financial Crisis

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On December 18, Pope Benedict XVI told 11 new ambassadors to the Vatican that economic development and financial policies must be based on firm ethical grounds. This was not a throw-away statement: the pope has long understood that at the root of contemporary political, economic and social problems is a cultural collapse. Western civilization, to be exact, has abandoned its Christian heritage; it has thus lost its moral bearings.

The financial crisis that has enveloped the U.S., and much of the developed world, is an expression of the rot found in Western civilization. To wit: a preoccupation with the rights and appetites of individuals. Quite frankly, our monistic fixation on satisfying every individual want—sexual as well as materialistic—has been achieved at the expense of civility and community. It is a recipe for disaster.

Greed is a sin. It is not just a problem. Though it has always been a property of mankind, there are times in the course of human history when it is culturally celebrated. We live in such a time. When well-educated men and women go to work every day with the single goal of borrowing more money to make more money—and are lavishly rewarded for doing so—there is something seriously wrong on Main Street, and not just on Wall Street.

We should not be surprised that a lack of ethics abounds in American society. All ethical commitments are expressions of the interests and well being of others. Our society is so self-absorbed that it undercuts the ability to sustain a truly

moral order. And when ethics are weighed, they are typically of the situational variety. In other words, the idea that there are absolutes, some principles which apply to all human conduct, is considered taboo. We can thank the much heralded Sixties for this mess.

It was in the 1960s when radical individualism triumphed in our culture. From drug use to sexual experimentation, from the nihilism found in music, art, the theater, movies and television, our culture has been on a binge for decades. To think that this promotion of greed wouldn't affect ethical standards on the job is as astonishing a thought as it is revealing of our hubris. We just don't get it.

Why are we surprised that legions of financiers put their own interests above the interests of their clients? Why are we surprised that we were lied to by some of the "best and brightest"? Why are we surprised when unscrupulous lenders extend irresponsible loans to equally culpable borrowers? Why are we surprised when unethical banks offer endless credit card deals to equally unethical individuals, all of whom think they can roll over their debt until they die?

Well, folks, the gig is up. We will be paying for this indulgence for decades. Those who look to Washington to fix this debacle are living in fantasy land. If people appointed to high office don't pay their own taxes, how careful can we expect them to be with our money? If others constantly consort with single-minded lobbyists, how can we expect them to look out for our interests?

When almost half of a so-called stimulus package is slated to go to federal, state and municipal workers, and much of the rest goes to wasteful pork spending, it is impossible for real economic recovery to take place. When CEOs who are on welfare from the taxpayers still demand a bonus, and think they are entitled to paid business/vacations in Las Vegas, it is another sign that we've learned nothing.

There is so much blame to go around that it makes no sense to finger just one segment of our society. That's what happens when cultural toxins are embedded in our institutions—no one escapes their effect. Even those among us who have acted with discretion and restraint must pay the price of the moral recklessness that millions of others have exercised. It is so sick and so out of control that it will take a religious revival of the most serious kind to turn things around. But there's the rub: our mania for rejecting any kind of "Thou Shalt Not" ethic stands in the way of reform.

It's too bad the whole country isn't observing Lent. Can you imagine what the reaction would be if it was suggested that everyone practice self-denial for six weeks? There would be an uproar! And that's because we are so used to a culture which prizes self-gratification that the very idea of sacrifice is regarded as absurd, if not obscene. We want it all, and we want it now. In other words, we have become a society of brats.

The American tendency to think that there is a quick fix, and our collective superstition that education can solve every problem, also stands in the way of reform. It's time we took a good look at ourselves and our society and began to understand that constraint and discipline are not the enemies of happiness and progress. Indeed, they are its foundation. In other words, when we clean up Main Street, the clean up on Wall Street will follow.

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