

LENTENOMICS

Economic and spiritual profit go hand in hand

ECONOMY

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No doubt, with real dedication and focus our spiritual efforts during Lent can have rather large payoffs. The proverbial carrot before the horse is not merely increasing our chances for personal salvation. Deepening our spiritual nourishment, when combined with virtue acquisition, compounds into other interests and gains.

A most beneficial return on our spiritual investment is the overall strength of

character we gain as individuals helping construct a better civil society and contribute to the common good. Among the critical civil institutions at stake is a more just economy. With this commonsense approach to moral anthropology and Christian spirituality, it takes little convincing – even for those most allergic to economic thinking — that these forty days can bear mutually beneficial fruits for saving both souls and economies from moral incontinence.

In sum, as we aim our souls toward the highest heights of heaven, we contemporaneously engage our wills to seek the proper ends of human action at a lower, though nevertheless noble level while building up God's Kingdom on earth. Therefore, during this period of Lenten renewal, we can even learn an economic lesson or two. This is the very aim of this six-part series of articles entitled "Lentenomics" as we look at the incentives for increasing our faith and virtue while participating in a more intelligent, creative, loving and freer economy.

SACRIFICE

Let us begin this series of Lentenomic reflections with the significance of "sacrifice." After all, sacrifice is the first virtue we normally encounter in Lent. Why? Because at the end of Lent we find Jesus making the biggest sacrifice in all of human history. In the very least, we can imitate Him in our own miniscule sacrificial ways of solidarity. Hence, we give up many symbolic yet difficult things during Lent, like criticizing others, indulging in Belgian chocolates or simply not wasting other people's time with our self-serving interests.

Applied to economic culture, sacrifices come in different shapes and forms.

Often we make financial sacrifices because we are prone to consumerism and need to cut down on excess acquisitions that lead to dependency and deplete our limited savings.

Here are some typical economic examples of sacrifice which anyone can relate to.

We sacrifice 10 less polo shirts a year when we already have a well-stocked summer wardrobe. We sacrifice a largescale personal expenditure for investment reasons, staving off some short-term satisfaction and gain, like a new car, for a much longer-term satisfaction and gain, like a robust pension fund. Finally, we make gratuitous economic sacrifices, not at all for ourselves but for someone else's profit: we lend a portion of our salary to a colleague wanting to prop up his struggling business or even to start a new one.

Whatever it is we discern to give up – a meal, a suit, some cash, etc. – our economic sacrifice comes at a concrete cost or loss. In other words, when aiming to receiving one benefit, another is sacrificed, that is to say, restrained in order to have another good. This is a most basic tenet of any economic decision, requiring what economists call “weighing opportunity costs” and, furthermore, comprehending what they mean by the “subjective theory of value.”

When weighing and applying opportunity costs, we must resort to many virtues. First of all, we need to deliberately apply prudence and temperance in order make the right choices and patiently direct our passions toward their proper ends while restraining them from seeking disordered ends. We need also need to exercise the virtue of vision or foresight when weighing outcomes of economic decisions. We have to apply courage in order to hold the course while persevering in our decisions, no matter what the subsequent level of pain and suffering.

Paradoxically – and this is so often the case in our transformative Christian faith -- over time, such prudence, temperance, foresight and courage lead us to choose things that are *no longer seen as costs* (losses) but actually as “gains” (profits) . We see them as true goods in life's overall balance sheet and, therefore, we sacrifice for them even more willingly. Sacrifice then becomes easy, so to speak.

All this discussion of sacrifice for wiser ends or true human goods helps us understand how the “subjective theory of value” unfolds, especially in terms of relative pricing. In brief, the more we are personally willing to sacrifice to have “X good” at “Y cost”, the more we subjectively we appreciate its value and the higher the price we are willing to pay. Vice versa, the less we want it, the then generally we are willing sacrifice very little and, thus, we will pay a relatively lower price. The high or low price can be literally in terms of cash, but also figuratively in terms of time, patience, suffering, etc.

So higher prices are directly proportionate to our subjective judgements about

a good's higher value, and lower prices proportionate to subjectively lower value. What's more, from market economics we learn that when such a highly desired good is scarce and many others like us subjectively highly value the same exact good, then the price rises dramatically. The price might even rise much higher than we expect or can afford no matter how important it is to us. This is why when it is known there are 100 persons sacrificing for 10 remaining \$20 Don Giovanni opera tickets, box offices tend to increase prices to, say, \$50 or \$100 -- especially when customers begin outbidding one another.

Now there is a lot more to this Lentenomics reflection. Yet, the main takeaway anthropologically and spiritually is threefold: in free markets we can choose and thus make sacrifices, and therefore purposefully deliberate and decide about what we want and at what ultimate cost; we are capable of living for higher goods and loving others by way of our economic sacrifices; a whole bag of virtues is often needed to make the most critical sacrifices.

As a final word, in seeing ourselves sacrificing, we practice aiming higher and denying our base desires. We climb the higher road, instead of stooping lower and giving in to what is immediately valued. This combats what we observe in consumerist economies, where there is a cultural tendency to prefer short-term gains over long-term investments, i.e. we overestimate small but immediate pleasures over bigger gains in the future. This is not just a basic lesson from economics but also wholly applicable to our faith journey: the path to personal salvation and holiness is never the easy road, but one filled with plenty of thorns and uphill climbs for a much longer-term gain: our eternal resting place in heaven.

Up next in Lentenomics: "service"