

Fusion 4

Imaging International Credit

It seems best to include immediately the original summary of the project, since it helps us to see the reach of our search and the need for a limited expression of it in this short presentation. We are reaching for a helpful heuristic imaging that is empirically rich and historical. Here, then, is the original summary context.

“Between 1942 and 1944 Lonergan moved to an imaging of international economics which enabled him to begin controlling its meaning heuristically. There remained problems for him, such as "The Financial Problem" with which he concluded the 1942 typescript. He concludes that section, and the typescript, by noting that "it is a vast task. It means thinking out afresh our ideas of markets, prices, international trade, investment, return on capital." I wish to bring *Insight's* frontispiece from Aristotle and the fundamental thesis of the book to bear on this task. The Club of Rome made popular the slogan "think globally, act locally". The Aristotelian twist to be given this is "Image globally and locally", and the imaging to be proleptic. I wish to place Lonergan's enabling imaging of international circulation as through the redistribution function¹ in a larger context of a global imaging of two surface spheres of micro-oscillations. To that imaging there is to be added a functional imaging that brings economics and ecology into a symbiotic dynamics. The result will relate heuristically to a sublation of both ecological movements and global struggles with monetary bailouts into a grounding proleptic imaging of "all the concrete inventiveness, all the capacity for discovery and for adaptation, that we can command."²

The historical context I have in mind can be connected immediately with the final quotation of the summary, and indeed it can be represented, imaged, by a recent book:

¹FNPE, 309.

²FNPE, 105-6.

The International Organization of Credit.³ I would note immediately, and importantly, that we are now on topic, the topic of imaging, and it alerts my present audience both to the problem of the relevant audience, and to the present audience's possible problem of an existential gap.⁴

The problem of the relevant audience is that the relevant audience is absent, or might join us only by slim chance, and further, that this joining would be problematic at best, radically uncomprehending at worst. That relevant audience is the community engaged in studying and operating international credit. Why would their joining, if it occurred, be problematic or uncomprehending? Because the norm implicit in our inquiry is the norm set out so clearly by Lonergan regarding generalized empirical method. "Generalized empirical method operates on a combination of both the data of sense and the data of consciousness: it does not treat of objects without taking into account the corresponding operations of the subject; it does not treat of the subject's operations without taking into account the corresponding objects."⁵ This norm is incomprehensible to the present culture of either economic studies or economic practice. Certainly the groups mentioned use the language of economic decisions, but it is a language cut off by psychic truncation from anything but truncated meaning.

Nor is this short presentation the place to spell this out: it is a massive problem of our axial time, one that, paradoxically, takes on meaning for us as present audience only if that same norm of generalized empirical method is taken seriously by us, if only proleptically, in an incarnate intussusception of the problem of the existential gap.

Here we must return to the discomfoting message of *Insight*. The norm of generalized empirical method "is a rule of extreme importance, for the failure to

³Randall D.Germain, *The International Organization of Credit. States and Global Finance in the World-Economy*, Cambridge University Press pb, 1997. To be referred to below as **IOC**. It is one of many that would serve our purpose, but more recommendable than most.

⁴See Lonergan, *CW18*, index, on *Existential Gap*.

⁵Lonergan, *A Third Collection*, 141.

observe it results in the substitution of a pseudo-metaphysical mythmaking for scientific inquiry.”⁶ We can all too easily, out of our rich common sense, talk of international credit and banking in a cultured fashion and with “an air of profundity.”⁷ But that is not the scientific inquiry warranted by the present century’s problems of finance. Witness the talk of the present community of operators in America in the area of credit, all the way from the frenetics of Wall Street to the poise of the White House. The existential gap is a present cruel reality and it is “through this gap that there proudly march the speculative gnostic and the practical magician.”⁸ Our challenge, the challenge of this audience, is to be luminous regarding that gap in us, if it exists. What is this problem of international credit and its imaging? The small handful **IOC** is an image, or even smaller the two-page image of its Appendix. That Appendix names five centuries of top banks in a sequence of centres beginning with Antwerp in the sixteenth century and inviting us to meet the operators of Amsterdam, London, Berlin, New York. We reach back to Fugger and on the Lehman Brothers and beyond. Or do we; or can we?⁹

But now I must add the key image that I would suggest as dominating the immediate effort to glimpse the real problem of twenty first century credit. It is an

⁶*Insight*, 528.

⁷*Ibid.*, 566.

⁸*Ibid.*, 565.

⁹**IOC** and the listing of banks only represents the edge of the problem of global finance as it shifts from banking to other structures. *Financialization and the World Economy* (Edited by Gerald A. Epstein, Edward Elgar, 2005) adds a context. “One key characteristic of the global financial system is now widely recognized to be its complexity and obscurity, which few are able to penetrate.” (*Global Finance in the New Century*, edited by L. Assassi, A. Nesvetailova and D. Wigan, Palgrave Macmillan, 2007, on page 1 of the editors’ introductory article, an article highly recommended in relation to its unknowing attention to the contemporary mediated blocking of concomitance: see the next note). The penetration involves a slow education (see *CW* 15, 119) into the heuristics sketched briefly here, with its new norms of success (again, see the following note) and of explanatory and functional global care.

image that fits beautifully with the drive of IOC through history, but first envisage it ahistorically. The image in question, in our questing eye and kinesthetic sensibility, is the image mentioned in the summary above: an image of two surface spheres of micro-oscillations covering the globe. In its most elementary form it is a two-dimensional drawing of three close circles, the two outermost being slightly irregular. Think of the inner circle as the surface of the earth, taking as uniform and watery. Then the next circle can be imagined the ups and downs of the ocean's flows. But why the second such image of ocean flows? Because we are imaging the actualities of any economy that we know of: two layers of flow, production goods and consumer goods. And that imaging, in its simplicity, is to be placed in the context of the global village's challenge to meet the promise of money: a concomitance¹⁰ of the two flows, within the dynamics of our feeble human creativities, that would gently lift our standard of pilgrim living to new unimaginable levels of love and leisure.¹¹ "Nor is it impossible that further developments in science should make small units self-sufficient on an ultra-modern standard of living to eliminate commerce and industry, to transform agriculture into a superchemistry, to clear away finance and even money, to make economic solidarity a memory, and power over nature the only difference between high civilization and primitive gardening. But we are not there yet."¹²

But how do we get there, how do we gently lift?

Before moving to that question in summary fashion I wish to complement the global diagram with the second half of a fragment Lonergan wrote on "Economic Control" that I included in CW 21. He refers to the simple diagram, the baseball

¹⁰The word *concomitance* symbolizes the full challenge, a point I made in the introduction to the index of CW 21. Its incarnation in the global community of business is to give a strange salvific meaning to *success*, massively different from profit-seeking.

¹¹Lurking in Lonergan's view is an orientation to leisure within human history, and a theory of dis-employment. See **FNPE**, 18-20, 22, 25, 189.

¹²*For a New Political Economy*, 20.

diagram that is familiar from the 1944 analysis.

“Evidently, there is a high degree of indeterminacy to events within such a dynamic structure. All one can say is the game may go all awry. A large and positive crossover difference uncompensated by action from the pitcher’s box will result sooner or later in depriving the groups at second and third bases of all their balls, or if the crossover difference is large and negative, it will result in depriving the groups at home and first of all their balls. Similarly if the group at the pitcher’s box makes up its mind to accumulate balls, tossing few than they receive, the groups at the bases will find themselves without balls eventually. But without further information one cannot say how rapidly the ultimate event of being without balls will arrive. Further, the players at the bases may make up , by greater efficiency and in pitching and catching what balls they have, for any loss of balls they might suffer, up to the ultimate moment when they have no balls at all. But despite this almost baffling indeterminacy, it remains that there is a definite dynamic structure. There are hypotheses on which the game can go awry; and this possibility constitutes a fundamental indeterminacy for the structure. On that basis either by adding further information about the nature of the game or by adding further suppositions, a still greater determinacy may be built.” Paradoxically, adding the global diagram, with new layers of indeterminacy, is such an additional determinacy.¹³

When presenting the image I asked that it be viewed initially in an ahistorical fashion. Strictly, of course, this is not possible: one needs to imagine a slice of history that enables the inclusion of rhythms. But if one is reaching for a diagram that holds together, say, the topic of four centuries, as IOC does, then one is in a world of Markov

¹³There is a massive problem here of human minding that relates to the absence of a grip on the place of primary and secondary determinations of finite forms in that minding. It effects all areas, starting with the simple science of physics’ mythic overreachings for unifications. Here it is a matter of centralist sillinesses in a world of stupidity malice and wars. Minding has to struggle towards a new luminosity of the emergent probabilities that haunt local events.

matrix thinking,¹⁴ but now imaged with the time line originating at the centre of the sphere that represents the earth. Nor is the imaging some isolation of economic rhythms: the imaging is to be a fusion, without confusion, of other events and rhythms. The imaging, indeed, is to be, eventually, the framework for a geohistorical genetic systematics, an ongoing freshened fractal framework of the cyclic control of human meaning that includes a geohistorical grip on all types of doctrinal contexts.¹⁵

Do I go too far here with the oddities of the task of imaging? I do not, indeed, nor cannot here, go far enough: for the imaging is an eschatological and everlasting human task. But let us stick with pilgrim meaning, with the anticipation of a maturing of pilgrim metaphysics. I return to Lonergan best description of that pilgrim task.

“This comprehending of everything in a unified whole can be either formal or virtual. It is virtual when one is habitually able to answer readily and without difficulty, or at least ‘without tears,’ a whole series of questions right up to the last ‘why?’ Formal comprehension, however, cannot take place without a turning to phantasm; but in larger and more complex questions it is impossible to have a suitable phantasm unless the imagination is aided by some sort of diagram. Thus, if we want a comprehensive grasp of everything in a unified whole, we shall have to construct a diagram in which are symbolically represented all the various elements of the question along with all the connections between them.”¹⁶

There is here a lead to a multilayered“symbolic indication of the total range of possible experience”¹⁷ needed for an effective metaphysics. It points to a deep sense of

¹⁴See McShane, *Randomness, Statistics and Emergence*, Gill, Macmillan and Notre Dame, 1970, 237.

¹⁵The compact statement is opaque without such an effort as is invited by the website pointers *Prehumous 2*, or (more fully) *Method in Theology: Revisions and Implementations*. In particular, I must leave to the reader the task of meshing in ecological searchings.

¹⁶Lonergan, *The Ontological and Psychological Constitution of Christ*, 2002, 151.

¹⁷*Insight* 396[412]. See note 16 above.

general and *generalization* that I have written of previously, a sense that would distract us into larger expression and strange hopes, indeed, of the generalization that is a sublating mesh of *Insight* and *Method in Theology*.¹⁸ I may well cut to the chase in my reaching for both a generalization of *Method* and a method of generalizing by turning to the final section of chapter one of *For A New Political Economy*. First, let us pause, “descend to familiar things”. The familiar things are the events surrounding the bailout efforts of the present American government. How are we, they, to bail out a boat awash in a century of stupidity and cupidity? Only very slowly, and with century-long patience, on a layered¹⁹ set of massively skewed baseball diamonds. But what is needed for that is a new Standard Model of human collaboration, a new general metaphysics. So, let us venture into that two-page section of **FNPE**, chapter 1 by savouring the first paragraph.

“The method of generalization cannot be judged by previous standards. On the contrary, unless there is a notable divergence, one can be certain that there is no generalization. This should be clear from what has been said already, but it will be no harm to reinforce the point, for the inertia coefficient of the human mind is normally rather high.”²⁰ Witness, indeed, that inertia’s destructive presence in the familiar things of Lonergan’s writings that take no account of the notable divergence of *Method’s* definition of general and special metaphysics from the ineffective definition of *Insight*.

I descend, discomfortingly, to familiar things, papers and conferences and talk of progress that are cast in an old stale effete mode. And I must ask you to take seriously the third paragraph of that section. “Despite the fact that the argument is supposed to

¹⁸I can only hint here at a fresh meaning of *general* as rooted in a **generative** luminosity of *notio entis* to oneself in the personal sublation of *Insight’s* and *Method’s* searching pointers towards an empirically-rich and implementable general heuristics.

¹⁹“Like old-style records, with each circuit diagram linked with others through a central funnel” (McShane, *Economics for Everyone*, Axial Publishing, 1998, 108)

²⁰**FNPE**, 8.

be a generalization, still at times it does descend to familiar things. There is no fault in that, for one cannot live in thin air. But there does appear to be this fault, for such descents to the concrete, insofar as they use familiar terms, do so in quite unfamiliar fashion.”²¹

The descent, within the Tower of Able that is to emerge in the 22nd century, is to be from a communally embraced and embracing comeabout²² perspective, lifted existentially to invisible fusion by the intussusception of the canons of hermeneutics, all “being fused into a single explanation,”²³ meshed with its genetically-fermenting framework of imaging. The meshing calls “not merely for sober and balanced speculation but also for all the concrete inventiveness, all the capacity for discovery and inventiveness, that we can command,”²⁴ solving “the problem of general history, which is the real catch.”²⁵ “Plainly the way out is through the more general field.”²⁶

“If here we have insisted on the importance of generalization, that is only because generalization is our undertaking. We would not be thought to make little of the complementary element of science, the solid stimulus and saving control of fact. On the contrary, it is only to give account of enormous facts overlooked by political economy and by specialized economics that this generalization is undertaken, and it is

²¹FNPE, 8.

²²The comeabout perspective is that given in the sentence of *Insight* 514[537] that begins “So it comes about”

²³*Insight* 587[620].

²⁴FNPE, 105-106.

²⁵Loneragan, *Topics in Education*, 236. On the solution to the problem of general history in terms of functionality, see *Field Nocturnes CanTower* 50, “*Insight* Within a New Global Culture”, a paper from the Australian Lonergan Conference of 2007. The conference papers are to appear from University of Toronto Press.

²⁶FNPE, 7. I would have you lift, by strenuous fantasy, these reaches of 1942 into the context of Lonergan’s later reflections on **The Field**: see *CW* 18, index, under *Field*.

only by a new study of facts, more fully grasped because more broadly seen, that our general conclusions can be made a source of practical application."²⁷

The new practical study of cosmic facts, a distant fantasy, is to bud forth from a functional cyclic collaboration sustained by neuromolecules' surges of imagings that gives international credit to God.

²⁷**FNPE**, 10.