

## THE MEANING OF CREDIT

*Philip McShane*

riverrun past Eve and Adam's. from swerve of shore to bend of bay, brings us by a commodious vicus of recirculation back to

This is surely a quite strange way to begin an essay, and indeed a volume, on our present global economic problems. The strange way of beginning is borrowed from the beginning of a strange book called *Finnegans Wake*, written by the strange Irishman, James Joyce. So at least you are now able to say that, yes, you read part of *Finnegans Wake*. But do not fret: we are not going to continue with the book or its odd way of mistreating English. This start is, for me and you, a new start on the present essay, a better start than the first or I would not inflict it on you. We will return to the previous, first, start on the next page.

But back to that beginning. Back to that beginning: isn't that a fine suggestion? Re-reading—or relistening—is indeed the beginning of wise reading.<sup>1</sup> At the moment I am re-listening, as I type, to the *Nocturnes* of Frederick Chopin: music I heard first over sixty years ago: the music is strangely fresh, intriguing. You may well have music in the background of your reading, even if you are in a silent library: are you listening freshly, molecules flexed? But we are to come back to that, too, as we move along, or round, in this volume. The “riverrun past Eve and Adam” you certainly have in common with me, that cosmic flow of 13.7 billion years which swerved round some types like Eve and Adam some 7 million years ago.

The fact that Joyce was also writing about his home town: does that count in reading his first five words? The river in his home town, Dublin, the Liffey, swings past a small church on its right about a mile up from where it reaches Dublin's bay, and that church is called “Adam and Eve's.” Is Joyce saying something here about bypassing the church? Again, we'll come back—there is that word again, again, again—and back to that

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<sup>1</sup>You might consider this essay as focusing on wise and integral reading, a topic to be developed later under the title “Liberal Arts as the Core of Future Science.” See below, notes 10, 14, 20, 26 and 31.

later, again. Meantime I pause us over, in, that first word, *riverrun*, as it points to that “pulsating flow” of water or life. We are all in this flow together, “in any stage of human history,” each of us passing, perhaps eyes left, some church, mosque, synagogue or temple, that called to us in our childhood.

My quotations in those last sentences come from a paragraph by Bernard Lonergan about that *riverrun*, that flow we all share, that ebb and rise that we can, even as you read, pause to think of, and wonder at, as a global thing: moment by moment, everywhere there, night or daylight, twisting waves of water. So I am led to quote for you one great paragraph of Bernard Lonergan about the **riverrun** in which you have your place and time herenow, now here, and in a sense that eliminates the space between the words and between us, nowhere.

In any stage of human history from prehistoric caves to the utopias which our prophets describe with such vivid detail, among primitive fruit gatherers, among hunters and fishers, in the first dawn of agricultural civilization, along Egypt’s Nile and Babylon’s Euphrates, under India’s mysticism, China’s polish, Greek thought, Roman law, through the turmoil of the dark age and the ferment of the medieval period, in the European expansion and the modern world, everywhere one finds the pulsating flow, the rhythmic series, of the economic activities of man.<sup>2</sup>

The paragraph names in 87 words the single-worded **riverrun** past your own life and invites you, to a somehow single minding. Might we all share a single minding of the ebb and rise of economies’ macro-, meso- and micro- flows, so that indeed the ebb fades into history and the tide of human living rises, a slumpless *revertierun* of global care? So, I come back, or forward, to my first effort, four months ago,<sup>3</sup> of inviting you to consider with me how we—we all, but first you and I—might begin a modest climb to an improbable dream.

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<sup>2</sup>CWL 21:11.

<sup>3</sup>P. McShane, “Do You Want a Sane Global Economy?” *Divyadaan* 21/1 (2010) 19-36.

Is my proposal utopian? It asks merely for creativity, for an interdisciplinary theory that at first will be denounced as absurd, then will be admitted to be true but obvious and insignificant, and perhaps finally be regarded as so important that its adversaries will claim that they themselves discovered it.<sup>4</sup>

Not utopia, but you and I, topos, beginning now in a scheme, scheming. “In this fashion man becomes the executor of the emergent probability of human affairs.”<sup>5</sup>

I begin here simply by quoting the end of my previous essay that summarized our project in this volume.<sup>6</sup> A single sentence is bracketed there by two quotations from Lonergan. The quotations from Lonergan are what we might call ordinary direct speech, or even ordinary academic writing, such as he used in writing *Insight*. Though in *Insight* Lonergan is inclined to use the traditional *we*, or some impersonal form: “certain characteristics of prime potency are already familiar”;<sup>7</sup> “the answer is easily reached.”<sup>8</sup> It is a conventional and, I would note, a safer way of writing. Safer in what way? Well, for one thing it is easier on the reader than saying something like “are you really sufficiently familiar with the notion of prime potency? Tell me about it. Can you relate it to modern notions of space and time? And how easy is it to reach further to answers about energy and the hierarchic structures of human space-time?” That type of writing has much more of a sting in it, much more of the possibility of embarrassment. It nudges you towards self-attention, and even humour.

It is the sort of writing that can push further that sentence above, about us, “not utopia but us.” Instead of talking of utopia or adversaries the talk is of you and me, in a way that makes it less likely that we slide on mindlessly. “Less likely”: In that

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<sup>4</sup>B. Lonergan, “Healing and Creating in History,” conclusion (*A Third Collection: Papers by Bernard J.F. Lonergan, S.J.*, ed. F.E. Crowe [New York/Mahwah: Paulist Press; London: G. Chapman, 1985] 108 = *CWL* 15:106).

<sup>5</sup>B. Lonergan, *Insight*, *CWL* 3:252.

<sup>6</sup>McShane, “Do You Want A Sane Global Economy?” 33.

<sup>7</sup>*Insight*, *CWL* 3:468.

<sup>8</sup>*Insight*, chapter 5: the beginning of the last paragraph.

previous essay I did in fact shift to a shabby statistics as a measure of group reaction: I wrote that I was hopeful that 2 out of ever 100 readers would respond effectively to what we are about here.

But what about you and I, topia, beginning to scheme?<sup>9</sup> I am trying to push us, you and me here, and in the essays to follow the other writers are making an equivalent effort, so that we have a shot at what Lonergan calls *linguistic feedback*, but one moreover that is directed towards us bending our energies to the vast task of the general title. We must come at what that task is, and what the strategies here are, very slowly, and indeed slowness is the key to what we are at here. I think back to my own slowness here, in regard to the economics. But best to bring you into step with the master-seeker. “Do you want a sane global economic order?” Lonergan’s answer, during the late 1920s, when economic chaos was emerging, was “yes!”, and the answer had the vigour of a life decision. He had to face the quite extraordinary challenge of finding what the order might be, so he put his mind to it in whatever spare time he had during the next fifteen years. We could deviate here to see what else went on in that fifteen years, in Cambridge’s economics, in Wall Street and Main Street, in a global war. But that would take us away from the more elementary and important task. That task is twofold: glimpsing the character of the shift in economics, and seeing the value of some elementary linguistic feedback in furthering the facing of that task communally.

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<sup>9</sup>The context is section 8 of chapter 7 of *Insight*, with its possibility of schemes of reversal. One such present scheme, named **SGEME** but with the same pronunciation as *scheme*, is “The Society for the Globalization of Empirical Methods of Evolving” of which the contributors here are members, with general secretary Robert Henman who is at present working towards a strategy for interfering in the educational structures of the Village of Halifax. (See below, note 33). The strategy would be paradigmatic for the 10,000 villages of which Gandhi spoke. Part of your response here might be to align yourself with this **SGEME**. For information you could contact [rohenman50@hotmail.com](mailto:rohenman50@hotmail.com). Perhaps your academic village or your business town needs a Socratic lift? The society’s website is [SGEME.org](http://SGEME.org).

The first twist, then, is to turn away from the communal angle. That is a first step at linguistic feedback. From here on *we* refers to ***you alone in my company***. Look around the library, or whatever your reading space, and then say—but under your breath—since this is quite odd behaviour—“Hello Phil: I’m Andy,” or whoever. Pretty weird, eh? And Hello back, whoever: I’m Phil. Now let’s get down to business.

Pretty weird, but not totally so? And if not, then you are giving me some amount of credit. I, Phil, am making some level of sense to you. Well, that’s a start, both on the meaning of credit, and on the effectiveness of this essay, this volume.

It is not really a great start on linguistic feedback, which is a very novel problem in our times, and is to be a leap of language in the distant future. Here I am only making a beginning by twisting sentences and word so that we both have a better chance of noticing, adverting to, the very personal meaning of what we deal with. An immediate twist can help here, a twist around and about the last four words of the previous sentence: *what we deal with*. On a normal present reading of those four words, we advert vaguely to a what as the object of our interest: here, the giving of credit, perhaps even just the exchange of money as a promise and a risk. But we are trying to mean here, by *what*, also the two **whats** that are you and I in our dealings with each other, and, furthermore by *deal*, the second word of the four, we have, so to speak, a double-dealing: we are trying to deal with dealing.

But that is at present not a very helpful paragraph, is it? It is a paragraph that you have to wind round, illustrate, if we are to get some way towards its meaning. In a present effective conversation between me and you, I would have to add illustrations and invite pausing in a way that would be a slow invitational help to you to do something unusual. I would be, and am now all too briefly, asking you to puzzle over the meaning of credit. I may motivate you by telling you that a false or trivial meaning of credit is at the heart of all our economic troubles. I may thus motivate you if you are giving me credit for knowing what I am talking about. Is this not getting pretty twisted? Still, are you willing to hang in, read and attend and think on for a bit, to see if credit is warranted to me and the direction to the meaning of credit creditworthy?

Giving credit is quite a usual behaviour: it is what you do when you are listening to the flow of an answer to such a question as, How do I get to Main St. from here? But what I have to get you to notice is what I called above the double-dealing. This double dealing is what is needed to lift us solidly out of our economic messing. And this double dealing is part of the education, part of the new future culture, that Bernard Lonergan was talking about when he wrote: “Now to change one’s standard of living in any notable fashion is to live in a different fashion. It presupposes a grasp of new ideas. If the ideas are to be above the level of currently successful advertising, serious education must be undertaken. Finally, coming to grasp what serious education really is, and, nonetheless, coming to accept that challenge constitutes the greatest challenge to the modern economy.”<sup>10</sup>

Well, Andy, here you and I may find ourselves in trouble. We are back to the title-question of both this volume and the lead-in article in the previous volume. “Do You Want A Sane Global Economy?”

“Of course,” you may say, in all sincerity. But do you have any idea, any grasp of the new ideas, of the **what** and the **whats** involved in this new economy? And which **what** is going to come to grasp what serious education is? Is your want of a sane economy somehow a simple want that wants to be carried forward unchanged into a new saner and gentler world, unchanged?<sup>11</sup> Lonergan’s suggestions for a new economy have failed to take because the core suggestion has been neatly dodged, with the neatness of objective talk such as we noted in the previous footnote.

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<sup>10</sup>*CWL 15*:119. I invite you, Andy or whomever, to read footnote 150 of the earlier page 117, now or later, if the volume is available to you. There is a correct statement of the challenge there, the challenge of a new model and of a new good of order. But the challenge is comfortably presented. Contrast this with the discomfort of our moves together in the next paragraph.

<sup>11</sup>How might we entertain that question patiently, seriously? By reminiscing, as Bill Zanardi does in his article below. And perhaps then finding that thinking it out oneself is really not on your existential agenda.

We can be comfortable with the idea of a new model, without any idea of the new model. What is the meaning of credit? We can be comfortable with an old idea of what credit is, without any idea of what credit might be—or is—in old or new times. And the shift out of that mess depends on you and I, Andy and Phil, coming to grasp what serious education is when it comes to answering the question, What is credit? The need for a new operative meaning of global credit is what is written about in that long paragraph of note 150 of *CWL 15*. And since, Andy or whoever, you most likely did not rush to read that paragraph on my invitation—you can't be serious, Phil?—why don't we pause over it here? But I would note—and this is a deeply important point—that I am not criticizing the paragraph regarding content. I am criticizing it in regard to its decadent cultural context. But more about that in the final essay of the volume. Let us read some of that paragraph together.

Lonergan's aggregate, functional, and dynamic analysis of the pure cycle of the productive process of the economic order, like the good of order overall (*Insight* 213-14/238-39/596-97/619-21/605/628/607/630; *Method in Theology* 47-52), may be thought of as a model ... more than a mere model (*Method in Theology* xii) since it also would have the hypothetical normativity.... it would manifest a trans-social and transcultural invariance.

And let me throw in the beginning of the second paragraph of that footnote: "It follows that Lonergan, in expounding the meaning of the need..." And so, let me shock you by suggesting that Lonergan's expounding and the expounding of the paragraph failed and fails. It is axial talk of a long tradition of fragmentation and truncation.<sup>12</sup> Do I accuse Lonergan or his

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<sup>12</sup>While the notion of *axial period* is associated with Karl Jaspers, its identification and explanation is an achievement of Lonergan. (See *The Triune God: Systematics*, *CWL 12*:403). The first period of humanity involves spontaneity of intelligence, without it being comprehended. The second period of humanity, which may well go on to an indefinite infinity of humans, begins when, "for the most part" (Aristotle's words, but contemporary statistics would express it better) the dynamic of intelligence is appreciated. There is a period between these two, which

editor, then, of unauthenticity? Only in a conditioned sense, “with respect to the tradition that nourishes him.”<sup>13</sup> “There is the minor authenticity or unauthenticity of the subject with respect to the tradition that nourishes him. There is the major authenticity that justifies or condemns the tradition itself. In the first case there is passed a human judgment on subjects. In the second case history and, ultimately, divine providence pass judgment on traditions.”<sup>14</sup>

But before I go on with such broad considerations, considerations that carry us away from **the small steps of effective communication with each other**,<sup>15</sup> let me edge in on an instance close to our topic of credit, and indeed credit in the economic sense, by picking up on some comments on credit by the great economist Joseph Schumpeter. I draw on his 2-volume work *Business Cycles*, written in the late 1930’s, where he addresses the question of credit in various places.<sup>16</sup>

On Schumpeter’s view, banks are not there to “force their money upon people,”<sup>17</sup> nor “do they congratulate themselves if they are *loaned up*.”<sup>18</sup> A banking committee is not ‘an automaton’ but understanding and attentive to purpose and situation, “judging the chances of success of each purpose and,

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is called axial, in which spontaneous intelligence is named, misunderstood, blocked both in its spontaneity and its discovery by truncation, especially in its theoretical pretensions. Truncation: being cut off psychically from seriously appreciating one’s loneliness.

<sup>13</sup>B. Lonergan, *Method in Theology* (Toronto: University of Toronto Press, 1990) 80.

<sup>14</sup>Ibid.

<sup>15</sup>Recall note 1. Lonergan’s Frontispiece in *Insight* points us towards Aristotle’s “insights in phantasm.” I am pointing towards “questions swimming in a treacherous ocean of pattern-seeking molecules.” An initial patterning associated with description can block effective communications through rich nominal comforting.

<sup>16</sup>*Business Cycles: A Theoretical, Historical, and Statistical Analysis of the Capitalist Process* (New York and London: McGraw Hill, 1939). Keynes’ light-weight suggestions and the war served to kill the book’s influence. I refer to the volumes below as *Business Cycles I or II*.

<sup>17</sup>*Business Cycles II*, 640.

<sup>18</sup>*Business Cycles II*, 641.

as means to this end, the kind of man the borrower is, watching him as he proceeds....”<sup>19</sup> “It should be observed how important it is for the system of which we are trying to construct a model, that the banker should know, and be able to judge, what his credit is used for and that he should be an independent agent. To realize this is to understand what banking means.”<sup>20</sup> The banker’s function is essentially a critical, checking, admonitory one. Alike in this respect to economists, bankers are worth their salt only if they make themselves thoroughly unpopular with governments, politicians and the public.

Our aim is “to understand what banking means,” since it is a sub-question of the broader question “What is credit?” But I have the audacity to fault Schumpeter somewhat as I faulted Lonergan. The *somewhat* is important: Schumpeter, unlike Lonergan, does not know either what knowing is or what understanding is.<sup>21</sup> He is, then, more deeply trapped in the culture of expression for which we criticize Lonergan. But our interest here is the common entrapment, the common misleading talk about constructing a model and the road to that construction.

How are we to talk to each other, in startlingly new patterns of education, if we are “to realize this”? Obviously, by trying to talk our way stumblingly into seeds of such new patterns: you and I, Andy: which of us is to play the banker? We can simplify the matter, take “**the small steps of effective communication with each other**” by thinking of you wanting to borrow a car or a concept, a direction or a definition, from me. “Thinking of you wanting”: did the phrase give you pause? I think not: not unless you are or have become highly tuned to our mutual reaching for meaning. The phrase pitches you uncomfortably towards “a grasp of new ideas above the level of currently successful advertising,”<sup>22</sup> indeed above the level of current education.

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<sup>19</sup>*Business Cycles II*, 641.

<sup>20</sup>*Business Cycles I*, 116.

<sup>21</sup>Notes 1 and 14 are worth recalling here. My emphasis is on the need to be luminous about the feeble neuro-quest that we are. Lonergan’s emphasis on understanding understanding is way too optimistic for our axial state.

<sup>22</sup>Recalling the quotation at note 8 above.

Shall we then **think of you wanting** in this new way, startled beginners? Note that I talk of both of us, indeed to comfort you I add a third startled beginner: Thomas Aquinas, whom I now dare to fault as I faulted Lonergan and Schumpeter, since he too is caught in axial talk. Aquinas writes at great length, thinking of you wanting. Well, not really: he writes, **thinking of himself** wanting, but he writes apparently thinking of **one**, or **man**, wanting. So that, amazingly, **one** can read Aquinas on the topic not thinking of **one** wanting. A sad situation, since Aquinas was writing a fresh beginning for beginners.

How do we rescue Aquinas from mis-directive talk? Well, that is what we are at here: by adverting to the **what** he is talking about. He is talking about the **what** that is Aquinas to you so that you would notice the **what** that you are as a wanter and track along with him. Lonergan, his best reader in seven centuries did this, and knew the importance of this effort, even counting the little pieces of the puzzle: “in the *Prima secundae* there are sixty-three articles in a row”<sup>23</sup> that treat of wanting. But when he gets around doing the same thing, to talking to you about you wanting, he pretty-well settles for the same style as Aquinas. “One asks oneself just what the proposed course of action is, what are its successive steps, what alternatives it admits, what it excludes, what consequences it will have, whether the whole proposal is really possible, just how probable or certain are its various features.”<sup>24</sup>

Now fourteen pages later Lonergan writes about the “Possible Functions of Satire and Humor,”<sup>25</sup> and certainly **herenow** there is room for laughter. “Satire breaks in upon the busy day.”<sup>26</sup> Not only does Lonergan write about that odd **one**, but he compacts ridiculously, in that sentence, quite a number of the little pieces of the puzzle. How many? Perhaps 63? Might I leave that counting to your busy day? Honestly, I really don’t

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<sup>23</sup>B. Lonergan, *Grace and Freedom*, *CWL* 1:94. His footnote there gives *Summa theologiae* 1-2, qq. 6-17.

<sup>24</sup>*Insight*, *CWL* 3:633.

<sup>25</sup>*Insight*, *CWL* 3:647.

<sup>26</sup>*Insight*, *CWL* 3:649.

trust you to do it: surprise me, Andy, by at least having a shot at the counting. Or are you in too much of a hurry towards borrowing my concept or my direction or my definition? Or are you just interested in finding out what I have to say? And is this not inevitably a borrowing?

I twist and turn **herenow**, with you, turn-about a massive problem of humanity's goings-on, going on, a problem haunting this volume in this axial culture. I have more to say on it in the final essay, but the saying that is to redeem us from the distortion of our humanity is the saying of a new language by a new breed that is to meet the screaming need of present tiny tots and teenagers, who want to know what is worthy of credit.

What of your screaming need: or do you hear, in yourself, a primal scream for some quite different culture? Well, at a minimum, you are interested enough in reading my directions here to read at least to the end of this sentence. "The meaning of credit": I am giving directions to it in a twisted way that is warranted by our twisted culture.

Let us dodge the broad issues of culture and twist back a few pages, yet forward, to "**take 'the small steps of effective communication with each other'** by thinking of you wanting to borrow a car or a concept, a direction or a definition, from me."<sup>27</sup> Forget, now about the car: we are on about the other three, but most directly for the moment we are to thinking of us sharing directions. I am directing you towards the meaning of credit, but notice that I am directing myself stumblingly about how to direct. Is my stumbling credible, credit-worthy? Well, let us go simpler and think of you and I in Time Square, New York, you wanting to get to the Kennedy Center, and I wanting to direct

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<sup>27</sup>The key problem we deal with in this essay, and in this volume, is the problem of "borrowing a concept." The context of that problem is pointed to in notes 1, 10, 14, 20, 31. This places Lonergan's issue of "Systematics," *Method in Theology* 336, note 1 in a fuller perspective: "the key issue is whether concepts result from understanding or understanding results from concepts."

The emphasis here is on molecularity. A further implicit bent here is towards identifying the human concepts as pragmatic, bent-forward, part of the vortex of dynamically creating history.

you. So, we **exchange words**: what a funny way of describing what is going on, or how two **whats** are going on in New York. You, perhaps, are heading for the Kennedy Center to hear Dave Brubeck, at 88, being honoured.<sup>28</sup> I am just a wandering tourist, yet sufficient of an enlightened tourist to talk out, propose, make a proposition to you, about the journey to the Kennedy Center.

What is going on here, herenow? What is going on therethen, in our imaginary exchange? What is going on in the New York Stock Exchange? What might be going on if one of us was banker, and the other was making a proposition?

The crisis of our culture is not asking seriously about such goings-on and indeed, further, the failure of those few who ask seriously and answer adequately to talk directly into the culture in **“the small steps of effective communication with each other.”**

But back to the Time Square exchange of a proposition and the conditions of your acceptance of it. “The conditions are fulfilled in the measure that one knows (1) that the proposition has been communicated accurately from its source, and (2) that the source uttered the proposition, uttered it as true, uttered it truthfully, and was not mistaken.”<sup>29</sup>

You notice, I hope, that this sentence is crazily compact. It is part of a compact direction about how to go about understanding the exchange that is belief, the soul of real promise and credit. Compact direction can also be named doctrine: doctrinal talk slides past the effort to understand. Such is the talk in the sentence that includes those ten words; such, indeed is the style of the entire book *Insight*. This quotation, or the book as a whole, cloudedly points—and not at all successfully in the present culture—towards the efforts needed to appreciate what is named. Another way to think of the sentence or the book, is as the sort of statement or book that would occur in a graduate seminar: it is taken for granted that the work has been done in something like an undergraduate course. So, in a graduate physics class things like Einstein’s doctrinal equations for general relativity are tossed in without any pointers to how to get

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<sup>28</sup>The event took place in Autumn 2009, as I was writing this essay.

<sup>29</sup>*Insight CWL* 3:732.

from Newton and Riemann to this strange general geometry of spacetime.

With this as background help we can, or could, pause over the last ten words in the quotation given at note 27: “uttered it as true, uttered it truthfully, and was not mistaken.”

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The line we passed here on the page is a pause before that proposed pause over the ten words. “So, I come back, or forwards, from my first effort, four months ago, of inviting you to consider with me how we—we all, but first you and I—might begin a modest climb to an improbable dream.”

The sentence I just quoted is the final sentence of the text before the earlier, first, line in the article, with the seventh word there, “to,” replaced by the word “from.” But the larger replacing is the displaced pause over the ten words, and a certain pessimism about the possibilities of that pause, its content, its impact. I turned, in my musings, back again to James Joyce, but now to the end of his two great books. “I wisht I had better glances to peer to you through this bay-lights growing”<sup>30</sup> asking you “to say yes”<sup>31</sup> in a way that I somehow melodied<sup>32</sup> you to find that your “heart was going like mad and yes I said yes I will yes.”<sup>33</sup>

Earlier I opted optimistically for 2% of readers with hearts stirred, if not going mad, about the question of our title, sufficiently stirred to follow it up effectively. Now I think more

<sup>30</sup>Less than two pages from the end of *Finnegans Wake*.

<sup>31</sup>45 words from the end of Joyce’s *Ulysses*.

<sup>32</sup>At the beginning of the essay I mentioned, seemingly in passing, I being, and you perhaps being, in the presence of music. We are certainly in the presence of our own molecular musicality, rhythms of our consciousness. That consciousness, and its rhythms, craves its enlargement, a craving battered by truncation. Integral consciousness is to be the norm of the second period of humanity, beyond the axial state of “human life unlivable. The great task that is demanded if we are to make it livable again is the re-creation of the liberty of the human subject, the recognition of the freedom of consciousness.” (Lonergan, *Topics in Education, CWL 10*:232.

<sup>33</sup>The final words of *Ulysses*.

of Maslow's gloomy statistic of fifty years ago: less than 1% of adults grow. Yet the growth I have in mind initially is not a major growth: it is the growing to understand how a small business works, a topic handled by my colleague, Mike Shute, in the next essay. Perhaps, indeed, he may lift my statistic, with further lifts to be expected from the work of Pat and Darlene and Bill. The lifts can come from their word-smithing, their individual persuasiveness, or even from a consensus of five: you are willing to "Take Five," recalling Dave Brubeck, five who agree on directions to be taken, the "it" uttered by us in this volume. We claim to utter—or stutter—it as true, truthfully, unmistakably. But can we, do we, sway you towards the climbing effort?

There is the problem of paradigm shifting and the larger problem of social change. These are problems which obviously concern us as a group: the outreach here is towards increasing those who are alienated by the present culture of economics sufficiently to make an effort to change it by coming to grips with, and promoting, its correctives. Is there such a thing as critical mass? Nan Lin, who falls within a tradition of the study of social change, detects "Networks as Vehicles for Institutional Transformation"<sup>34</sup> and illustrates such shifting by considering [a] the "Transformation from Within of Women's Studies in the United States"<sup>35</sup> ; [b] "Constructing Alternative Institutionalization: The Communist Revolution in China."<sup>36</sup>

Our efforts reach into and beyond American Women studies, into and beyond the truncated alienation of communism. SGEME, the Society for the Globalization of Empirical Methods of Evolving was indeed founded to draw effective attention to a global need of a cultural shift that would eliminate the society.

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<sup>34</sup>Nan Lin, *Social Capital: A Theory of Social Structure and Action* (London and New York: Cambridge University Press, 2001), in chapter 11, "Institutions, Networks, and Capital Building," 184-209. I am indebted here to the work of Robert Henman, the General Secretary of the Society described in note 8 above, on the sociodynamics of implementation, a preliminary summary version of which appears in *SGEME 2*.

<sup>35</sup>Nan Lin 196-200.

<sup>36</sup>Nan Lin 200-206.

But the problem we face is not a simple social or paradigm change: it is a massive shift of human culture from spontaneous human consciousness to human consciousness as luminous to itself. The shift, when it occurs, is to lift us, Bell-curve fashion, beyond a muddled and cruel axial gap whose primary present characteristic is truncatedness, sometimes innocent, sometimes malicious, with a spectrum of confusions in between. That truncatedness owns our banks, teaches our current economic stupidities, rules our religions, cripples our children. Do you, Andy or whoever, wish to get us beyond that horror? Then give us effective credit for the pointers that we present in this volume.

The brilliance of the pointers we give is that they requires a hilarious minimalism of credit-giving. All human endeavour of science, art, technology, requires the giving of credit, a living in belief and promise.<sup>37</sup> Whether you are reading a book, dancing to music, or handling—being handled by—a machine, like this computer that brings forth the volume in your hands, you are living forward within a complex of beliefs and promises. Are you, then, helpless? No: you can give yourself credit for being the person who was not totally bewildered by the question that heads up the challenge of this volume: “Do You Want a Sane Global Economy?”<sup>38</sup> There is a promise in that recognition of the question mark: it is recognized because that is the mark of your evolutionary status, a mark brutally and insidiously raped by present social structures, especially those related to education.

My earlier plan for the last third of this essay was to have us pause over the ten words, “uttered it as true, uttered it truthfully, was not mistaken.” But now I see such a two-thousand word invitation as just another snowball in hell. Much more than two-thousand words are already there, unread.<sup>39</sup> That previous set of

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<sup>37</sup>See “The Notion of Belief,” section 4 of chapter 20, in Lonergan, *Insight, CWL 3*.

<sup>38</sup>The title of my article in the April 2010 volume of this journal.

<sup>39</sup>“The Reform of Classroom Performance,” *Divyadaan. Journal of Philosophy and Education* **13** (2002) 279-309; “The Wonder of Water: The Legacy of Lonergan,” *Divyadaan* **15** (2004) 457-75; “How Might I Become a Better Teacher?” *Divyadaan* **17** (2006) 201-218; “What Do You Want?” *Divyadaan* **18** (2007) 1-30.

articles was a request to “begin a modest climb to an improbable dream,” not by believing me but by finding you, by giving you, not me, credit. This set of articles adds to that modesty the modest task of finding out that e.g. any small business stands in conflict with the slave-mastery of the present vastly-over-paid economic establishment. “Such is the monster that has stood forth in our time.”<sup>40</sup>

But challenging the monster in any large way is not our topic in this volume: our challenge is to begin a modest climb, and to make that climb a topic. We are to become a type of tree-hugger, and it is best at the end of this contorted essay to get a definite line on what we are expected to hug.

A parallel may help. From my experience, early in my career, of teaching mathematical physics, I learned that there was need for two basic types of presentation in class. The class I am talking about now was a first year university class in which we battled our way, for instance, up to a decent grip on Newton’s three equations of motion, one that allowed us to be comfortable in handling simple problems. Especially there are various problems of planetary motion, and when we “came down to earth” we could not get too far—literally!—without dealing with friction. You may not have had the experience of doing physics properly, through competence in calculus that was not merely a technical competence but an appreciative competence. But that is another story, relevant here but too complex to include.<sup>41</sup> However, my point here is that the small steps of the initial climb involved patience and drudgery. What the class needed now and then was a swing through the larger vision, even though it was quite beyond them. So: we had the small climbs, but we also had the days of encouragement, indeed of dreams. “When you get to fourth year, you will be handling complexities of the reactions of fundamental particles.”

The parallel here is that I have invited you to dream, to vision, to glimpse a glory of a future and a monster of the present. But if you wish to reach an effective vision, the

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<sup>40</sup>Lonergan, *Method in Theology* 40.

<sup>41</sup>Present economics is dominated by the meshing of refined technical competence with deep ignorance and obscene moralities.

realization of a dream, then the way to it involves the small steps. I have written here of various facets of those small steps, but the focus has been on imagining the large task of self-appreciation that is the full task of giving serious normative meaning to the word *credit*. That, however, is not the focus of our climbing here. Pat Brown identified the focus of our volume in the first essay when he quoted Lonergan's view about there being two circuits in any economy.<sup>42</sup> I seem to have led you away from that focus with my broad ramble round the meaning of credit. Yet I am repeating points made by Brown when he mentions the distant global goal of us being luminous about the activity of promising, of giving and receiving credit.<sup>43</sup> That is a distant goal, something that belongs in a later stage of human history.<sup>44</sup> All five of us writing here share this crazy vision of our human future.

And that is where two simpler steps are needed from you. There is the first step of giving credit that does not involve the difficulties that Brown and I have already raised, about delving into what goes on in us when we promise or receive a promise. It is the step that is posed here now: could you, Andy, An Thee, give us credit in regards to our vision of a better global history, and could you give us credit about the difficulty of getting a grip on what is missing in economic analyses? Brown links the problem that we face with Figure 1 in Shute's essay, and so do I. And this leads me to spell out better the parallel with my teaching of elementary physics.

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<sup>42</sup>See the text at note 8 of the first essay by Brown. It is the focus of attention in the next essay by Shute.

<sup>43</sup>Brown's second essay, the fourth in this volume, is on the topic.

<sup>44</sup>The complex issue was introduced in note 11 above, but worth a revisit. Roughly, one can think of history as moving through three stages. There is the early stage, predominantly pre-writing, one of psychic compactness; there is the later third stage, something to which we aspire, an integrated mediation of a new luminous compactness. Then there is the present, second, axial, stage. This is the stage of muddled fragmentation, arrogance and hidden ignorance, a sort of adolescence of the human group. Will it last another millennium? That is for us to decide.

The first step, I would note, does not have a parallel in a good physics degree. It is taken for granted in that science that there is a vision, a standard model if you like, and the teachers of the various courses are given credit in the sense that, yes, those folks know where we are going, where they wish to lead us. In physics, then, the second step is culturally more accepted: there is need for a creative effort to understand, and that creative effort involves messing around with examples and exercises. This second step concerns the struggle towards getting the basis right. So: I talked above of Newton's three laws of motion.

In economics, as our team thinks of it, the first step is a tricky and very challenging one. I will return to that trickiness more fully in the final essay, but it is associated with the problem of "getting the basis right." In physics in these past centuries there has been a successful struggle towards "getting the basis right." In economics this has not been so, and here I move swiftly on, for the point was made pretty neatly in Brown's first essay here.

Still, please notice that, if you accept our lead towards "getting the basis right," you are taking a step that is not like the step taken so spontaneously in a good physics course. We are, frankly, telling you that you simply do not have the equivalent of a good physics course in the present established economics. If you take us seriously and give this volume a serious read, you are really taking quite a leap. But is it such a great leap? Well, not really. The serious reading demands that you do something like what the physics class does: some elementary exercises. We are not asking you to stay with us until, yes, you get to fourth year and face the challenges of complex reactions, not of the fundamental particles, but of... yes, of the centrepiece of Figure 1, **R**.

If you go back, as Brown suggested, to my own version of an introduction to simple exercises, you shall find that I leave the centrepiece out entirely. And you can continue to do so right through here without losing the key message, even though here and there one of us slips into the mention of complexities, of economic innovations, of the strange invention of new money. The centrepiece, **R**, is thus named because it is the **R**edistribution area. It is not meshed directly into the flow of

business, but distributes and redistributes money and ownership. That statement is, of course, massively unsatisfactory and inadequate, and it is meant to be so.<sup>45</sup> When I first began presenting this stuff in 1977<sup>46</sup>—Loneragan did his first presentation of it in the spring of 1978—I foolishly reached, as Loneragan did, for some type of total coverage.<sup>47</sup> Why do I say

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<sup>45</sup>“Meant to be so”? The point relates to the next two notes, and to the entire drive of this volume. If there is to be a constructive discussion of distribution and redistribution, then it has to be mediated by the entirely new ballpark pointed to in *CWL 21*, in the sections indexed under *Redistributive*. Add Shute’s pointers, in the essay to follow, at notes 2, 4, 10, 11, 13, 15. I see no point in commonsense discussions about present banking, trading, etc etc. Such discussions are too close to discussing Einstein’s equations with the flat-earth society.

<sup>46</sup>In June 1977 I did two presentations, one to a general audience, the second to an audience of professors competent in Loneragan’s broader views. Some few in the latter audience picked up the challenge and pushed on. But in the main what I say above is true. So I have been led to advocate an elementary focus on the basic variables. Perhaps, however, I should risk noting here that the understanding of the basic variables is minimal in this elementary introduction? A first university class in physics gives only a glimpse of the meaning of force in physics. *Push* and *pull* take on vastly complex meanings from the developments of Gauge Theory; likewise *buy* and *sell* are to reach presently unimaginable and unthinkable meanings by the end of this century. To this challenge I return in the final essay.

<sup>47</sup>I had the privilege of assisting Loneragan in preparing for his 1978 venture, and indeed he requested that I fly to Boston from Halifax each week for the seminar. But it is noteworthy that neither of us thought of doing anything other than presenting the whole incomprehensible package. The decades in between leave me wiser. It is perhaps both interesting and amusing to recall the day in Autumn 1977 when Loneragan reached his final decision on presentation. As I entered his room in St. Mary’s Hall, Boston College, he immediately claimed that he had solved the problem of presentation : “I’m going to read the manuscript to them twice!” The manuscript in question was the 1944 typescript reproduced in *CWL 21*, Part 3. Later in our conversation that morning he remarked: “you know, Phil, this is going to take 150 years.” That was over thirty years ago: it is time to “start again,” as Brown titled his essay, recalling in his first paragraph the failed hope of Joan Robinson.

*foolish?* Well, think of the parallel with physics. The presentations turned out to be, for many of the receivers, a type of nominalism, something like pop-physics. The result, regularly, was that the people emerging from those classes or that tradition settled easily to talk of the revolution, never seriously got down to the basics, and were all too willing to talk to the establishment about complexities.

This volume invites you to take serious time over the basics. We are not asking you to plunge on into any larger complexities. We are not asking you to follow up with a heavy course on the topic; there are, at all events, no such courses. We are asking you to puzzle over elementary goings-on in any little or big business. Might you find that we are quite wrong, quite silly? But I claim bluntly that we are not at all: we foolish five march together in the light, out of step with the establishment. For all my weaving about here, then, I can name simply in conclusion the simple message, the simple appeal: take time to ingest the fact that there are, unavoidably, two circulations of goods or money. And please follow through—yes And thee, Andy, not just a 2% statistic—to making it a topic in your neighbourhood.

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#### ABSTRACT

The reach here is for relevant guidelines to the search for a meaning to the word *credit* and to the activity of credit-giving. It draws on the work of Joseph Schumpeter on norms of constructive credit in relation to economic progress and development. More fundamentally, it draws attention to the need for a new level of serious science regarding our own performances of belief and credit-giving. What is at stake is the slow emergence of a novel type of economic democracy quite foreign to present centralism, an emergence depending on a novel style of reading on the part of the reader.