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A Return to Pre-Modern Principles of Economic Science: Editors' Introduction

This edition of *Studia Gilsoniana* inaugurates submission of articles on economic science based upon pre-modern principles of philosophy/science. Today, many journals address the intersection of economics and philosophy. Their contributors include practicing economists, economic historians, economist-philosophers, philosopher-economists, and economic methodologists.¹

Research in this interdisciplinary field began to appear in the 1970s and later took shape in the 1980s with the appearance of its specialized academic journals. Today, the intersection of economics and philosophy is a vibrant area of inquiry and research. Books and journal pages are replete with references to classical philosophers such as Plato

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¹ Uskali Mäki, a prominent economic methodologist, defines this field of economics as “a systematic articulated theory on the what and why of economics: what it is like and why it is the way it is . . . the methodologist provides the conceptual tools that help go beyond the mere practice know-how to a theoretical understanding to the foundations of the discipline,” in “Methodology and Economics: Complaints and Guidelines,” *Finnish Economic Papers* 3, no. 1 (Spring 1990): 77–84.

and Aristotle and their contributions to economic science. However, stronger connections need to be made related to the application of economic principles from the past to the present based upon enduring pre-modern principles of science. This is precisely what this inaugural issue celebrates.

St. Thomas Aquinas and the Scholastic Doctors of the 16th Century

According to the renowned medieval philosopher and historian of philosophy Étienne Gilson, philosophy's history is as much part of philosophy as philosophical teachings. Since the social sciences were derived from philosophy, the history of the philosophy is, likewise, as much part of the social sciences; or, in the case of this Special Edition of this Journal, of economic science.

Economic historians have acknowledged the contributions from ancient and medieval philosophers on economic principles with varying degrees of emphasis. For example, Joseph Aloïs Schumpeter (a highly-respected economist, philosopher, and economic historian) had recognized St. Thomas Aquinas as the principal contributor of theological and philosophical thought during the classic period of Scholasticism.² According to Schumpeter, the thirteenth century “gave birth to Scholastic science as distinguished from theology and philosophy; it produced work that initiated and laid the foundations for further work, but it did not establish anything beyond starting points.”³ Schumpeter may not have been aware that, prior to the twentieth century, no separation was generally made between philosophy and science, that both terms were

² Joseph A. Schumpeter, *History of Economic Analysis*, ed. Elizabeth Boody Schumpeter (Great Britain: Routledge Taylor & Francis Group, 2006), 83; available online—see the section *References* for details.

³ *Ibid.*, 83–84.

used synonymously.⁴ Nevertheless, he was aware that St. Thomas Aquinas's starting points on science were later developed by his students in subsequent centuries, especially during the sixteenth century.

Schumpeter singles out the enduring contributions of the Scholastic Doctors, many of whom were students and taught at the famous School of Salamanca in Spain.⁵ Of their work on economics, Schumpeter says:

While the economic sociology of the scholastic doctors of this period was, in substance, not more than thirteenth-century doctrine worked out more fully, the 'pure' economics which they also handed down to those laical successors was, practically in its entirety, their own creation. It is within their systems of moral theology and law that economics gained definite if not separate existence, and it is they who come nearer than does any other group to having been the 'founders' of scientific economics. And not only that: it will appear, even, that the bases they laid for a serviceable and well-integrated body of analytic tools and propositions were sounder than was much subsequent work, in the sense that a considerable part of the economics of the later nineteenth century might have been developed from those bases more quickly and with less trouble than it actually cost to develop it, and that some of that subsequent work was therefore in the nature of a time- and labor-consuming detour.⁶

The laical successors to whom Schumpeter refers are the Protestant Scholastics of the seventeenth century.⁷ Their influence reached into and beyond the eighteenth century, and Adam Smith was one of

⁴ William A. Wallace, *From a Realist Point of View: Essays in Philosophy of Science* (New York: University Press of America, 2nd ed., 1983), 2; Peter A. Redpath, *A Not-So-Elementary Christian Metaphysics*, Vol. 1 (St. Louis, Mo.: En Route Books & Media, 2015), 13.

⁵ Schumpeter, *History of Economic Analysis*, 91–92.

⁶ *Ibid.*, 93. Because of the crucial significance it makes for work already done and yet to be done in this line of research, we have cited Schumpeter's whole quote.

⁷ *Ibid.*, 112.

their beneficiaries. Despite the Scholastic influences on science, modern economic science emerged out of the Neo-classical tradition in the late 19th and early 20th centuries. The connection between Scholastic Doctors of the sixteenth century, the Protestant (or laical) Scholastics of the seventeenth century, and the nineteenth century contributors on economics science was lost: Neo-classical economists saw themselves developing a new social science. “Economic science” during this time became a product of its time because of its strong mathematical orientation and assumptions about the rational nature of human beings and our behavior in the marketplace.

In recent decades, economists have come to realize that modern economics can benefit from broader assumptions from other disciplines about the human person. In October 2017, for example, Professor Richard H. Thaler from the University of Chicago received the *Nobel Memorial Prize in Economic Science* for his work in behavioral economics, a discipline that seeks to incorporate more aspects of human psychology to increase the predictability of economic models.

Economic Science: Philosophy and Science Reunited

While taking into account the complexities and boundaries of modern economic systems today, in continuing to develop and apply to modern times St. Thomas Aquinas’s philosophical principles related to economic science, like the Scholastic Doctors, we will now proceed to indicate the approximate place (locus) corresponding to several characteristics in classical philosophy, some of which has been explored by Gilson directly and some which have been explored by other scholars.

The Pre-Modern Unity of Philosophy and Science

Starting with what we mean by the “pre-modern unity of philosophy and science,” in *The Unity of Philosophical Experience*, Gilson had observed that many histories of philosophy usually agree that “more than any other figure in the seventeenth century, Descartes marks the transition from the Middle Ages to the Modern world.”⁸ Descartes was a watershed in the history of philosophical and economic thought. Considered in relation to Descartes, “pre-modern” is an important reference for future, pre-Cartesian, contributions of articles on economic science to this journal.

St. Thomas Aquinas's Understanding of the Nature of a “Principle”

As previously mentioned, Schumpeter had astutely recognized that St. Thomas had provided *starting points* for his successor students to continue developing his work in economic science. According to Aquinas, all principles are starting points; and while this may seem apparent to modern-day philosophers and economists, the meaning of the term “principle” can be easily misunderstood, especially by economists when they claim that discussing and applying economic ideas of the past to the present is anachronistic. Perhaps they say this because, like many modern philosophers, they understand principles as *linguistic* or logical premises.⁹ According to Peter A. Redpath, “they do this because they tend to reduce philosophy to a branch of the traditional *trivium*: grammar or logic.”¹⁰ Contrarily, Redpath indicates that Aristotle and St.

⁸ Étienne Gilson, *The Unity of Philosophical Experience* (San Francisco: Ignatius Press, 1999), 99.

⁹ Redpath, *A Not-So-Elementary Christian Metaphysics*, Vol. 1, 157.

¹⁰ *Ibid.*

Thomas understood a principle to be a starting point of being, becoming, or knowing.¹¹ Understood in this way, principles are not limited, or governed, by time. In a sense, they are timeless. Hence, economic principles derived from ancient and medieval philosophy can be applied to modern economics.

Uncertain is the extent to which Schumpeter knew the difference between “principle” being understood as a logical premise in the modern-day understanding as opposed to metaphysical being, becoming, and knowing; but he did indicate in a footnote how Aristotle and St. Thomas each defined “principle”: “the real difference is in the source of the starting points (*principia*) which, like other sciences, it takes for granted. Aristotle defined each science by its subject, but St. Thomas by the cognitive process (*ratio cognoscibilis*) which identifies a science.”¹²

To be precise, according to Redpath, St. Thomas thinks about the subject, or matter, of a science is that which a scientific habit chiefly considers, thinks, or talks, about: what a science chiefly studies or considers, the formal perspective under which we habitually think about the intelligible content of a science, or both.¹³ A chief principle, or starting point, of economic science is business activity enacted through an exchange mechanism called a *market*, for the chief purpose (that is, the formal perspective or object) of acquiring wealth.¹⁴

¹¹ *Ibid.*

¹² Schumpeter, *History of Economic Analysis*, 79–80.

¹³ Redpath, *A Not-So-Elementary Christian Metaphysics*, Vol. 1, 156–158. See, also, Peter A. Redpath *A Not-So-Elementary Christian Metaphysics*, Vol. 2 (St. Louis, Mo.: En Route Books & Media, 2016), 4–57.

¹⁴ Aristotle defines wealth in two ways: (1) the things acquired needed to live for managing a household, “which by nature is a part of the management of a household, in so far as the art of household management must find either ready to hand, or provide such things necessary to life, and useful for the community of the family, or state, as can be stored. They are the elements of true riches; for the amount of property which is needed for a good life is not unlimited, although Solon in one of his poems says that *No bound*

Economics within the Classification of Sciences

Our discussion now leads toward considering where economic science lies within the order of sciences in classical philosophical thought. This relationship is crucial to understand because an essential relationship exists between and among the sciences, each differentiated by their formal objects as related to different facultative habits of the human soul. In the classification of the sciences, philosophy/science can be considered as a generic whole, or as a species-part of the genus of philosophy/science (each species distinguished by its formal objects [subjects of consideration] essentially related to a human habit of interest). All specific sciences, moreover, “are architectonically-ordered. The lower sciences naturally subordinate their aims to that of a higher science.”¹⁵

Because of its rigorous application of mathematical models and analyses, some modern scholars in economics regard economic science to be the *Queen of the Social Sciences*. They tend to do this because, today, economic science pervades all other social sciences, tends to dominate them. As a result, some members of the field of contemporary economics sometimes tend to consider economic science to be the whole of social science, instead of a part in which it originated. Consequently, if they include principles from other social sciences (such as psychology, or even philosophy) into their economic calculations, such mathematical reductionists tend to relegate what some scholars consider to be

to riches has been fixed for man.” (*Politics*, Bk. 1, 8, 1256b 27–33), and (2) “[t]here is another variety of the art of acquisition which is commonly and rightly called the art of wealth-getting, and has in fact suggested the notion that riches and property have no limit.” (*Politics*, Bk. 1, 8, 1256b 40–43). This second definition is the typical modern-day understanding of wealth. For Aristotle’s *Politics*, see *The Basic Works of Aristotle*, ed. Richard McKeon (New York: Random House, 1941).

¹⁵ Redpath, *A Not-So-Elementary Christian Metaphysics*, Vol. 1, 62.

“mainstream economics” to a subordinate status called “heterodox economics.”

But, if viewed as a very important part of the whole of philosophy and science classically and properly understood, their understanding is misguided. Economic science can continue to be based on and continue to develop on scientific principles, or starting points, discussed above. A case-in-point is how St. Thomas viewed the classification of the sciences and the place of economics as *a practical science* within this scheme.

Today, general agreement exists among the practitioners in the field that economic science involves management of scarce resources. The management aspect involves a “doing.” The transformation of raw materials into goods and services involves a “making.” The end of “doing” (use) and “making” (manufacturing) in economic activity is for the purpose, chief aim, of serving *some other* chief need. This, in essence, is what makes economic science a *practical science* as opposed to a *speculative*, or *theoretical*, science. Modern economic science, however, also has its theoretical aspects, expressed in mathematical symbols as taught in a graduate course in microeconomics. But St. Thomas indicates, using medicine as an example, that *medicine does have its theoretical aspects* because it must be informed by a higher science; but it is ultimately a practical science because its formal object (chief aim, or interest) is to heal people.¹⁶

This involves a “doing,” just like economic science involves a doing and making. Purely speculative or theoretical sciences, by contrast, do not have this characteristic because they are not tied to any tangible benefit other than simply knowing what something is. Theoretical

¹⁶ St. Thomas Aquinas, *Commentary on the De Trinitate of Boethius*, Questions 5 and 6, trans. with intro. and notes by Armand A. Maurer (Toronto: Pontifical Institute of Mediaeval Studies, 4th ed., 1986), 21.

sciences, like theology or metaphysics, simply allow us to know and do not aim at doing anything beyond this contemplative act.

Science as a Habit of the Human Person

When discussing the nature of a principle above, we already introduced the nature of science. To conclude our “Editors’ Introduction,” we return to what “science” means in a pre-modern understanding. According to James Weisheipl in his “Classification of the Sciences in Medieval Thought,” *scientia* “was used to designate a discerning, penetrating, intellectual grasp of a situation or of a given subject,” which required principles, or starting points. Redpath expands upon what this means. He indicates “that the subject of science is a dematerialized and abstractly considered substance . . . a real being of thought, judged, and talked about in relation to some real differences that activates a knowing faculty or habit.”¹⁷ Philosophy/science is chiefly an intellectual *virtue*, a habit of the human soul, or better, chiefly the psychological habit of an individually-existing human person.

The pre-modern understanding of science is intimately tied to the human person who deliberates and struggles to discern the nature of things and the proximate causes of their behavior. This effort activates a “knowing faculty or habit,” which begins with wonder. How else can the human person scientifically discern the causes of the behavior things if he or she does not invest the time and effort to wonder about their causes?¹⁸

In this pre-modern understanding, economic science, likewise, studies the decisions of the human person in the marketplace. In trying to discern the best possible economic outcomes, he or she activates that

¹⁷ Redpath, *A Not-So-Elementary Christian Metaphysics*, Vol. 1, 157.

¹⁸ Peter A. Redpath, *The Moral Psychology of St. Thomas Aquinas: An Introduction to Ragamuffin Ethics* (St. Louis, Mo.: En Route Books & Media, 2017), 339–374.

psychological knowing faculty or habit. Hence, science, and, therefore, economic science, is chiefly a habit of the human soul: a psychological habit. Economic science is a species of “organizational psychology,” properly understood. This view of science is very different from how modern scientists and economists understand it. Today, science tends to be understood as a systematic logic. This is radically different from the way an ancient Greek like Socrates or Plato had understood science/philosophy. For them, in its highest form, metaphysics:

Philosophy uses no assumptions because it finds confirmation, not in a system or systematic logic, in an awareness of the first principles of considered in itself. It does not take its first principles from the conclusions of another higher science. Philosophy is the science that, with dialectic’s help, knows the first principles that all other sciences assume.¹⁹

Mainstream modern economic science predominately uses mathematical symbols for logical arguments to prove theories. The role of the human person in economic activity is taken as given, but tends to be abstractly removed from concrete scientific analysis.

We at the Aquinas School of Leadership School of Economics seek radically to change this disordered relationship. We hope you will join us in this effort!



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SUMMARY

This edition of *Studia Gilsoniana* inaugurates submission of articles on economic science based upon pre-modern principles of philosophy/science. Today, many journals

¹⁹ Redpath, *A Not-So-Elementary Christian Metaphysics*, Vol. 1, 114–115.

address the intersection of economics and philosophy. Their contributors include practicing economists, economic historians, economist-philosophers, philosopher-economists, and economic methodologists. Research in this interdisciplinary field began to appear in the 1970s and later took shape in the 1980s with the appearance of its specialized academic journals. Today, the intersection of economics and philosophy is a vibrant area of inquiry and research. Books and journal pages are replete with references to classical philosophers such as Plato and Aristotle and their contributions to economic science. However, stronger connections need to be made related to the application of economic principles from the past to the present based upon enduring pre-modern principles of science. This is precisely what this inaugural issue celebrates.

KEYWORDS

economic science, pre-modernism, principle, philosophy, science, economics.

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