

INTERVIEW WITH CHARLES CLARK, PROFESSOR OF ECONOMICS AT ST. JOHN'S UNIVERSITY

*Interview conducted by Quentin Wodon
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EXCERPTS:

- “At one time I told Sr. Margaret John Kelly that I was thinking of doing a MA in Theology. She said we have plenty of theologians, but we do not have enough people who do what you do. St. Paul wrote about many gifts and one spirit. Concentrate first on developing the gifts that are unique to you. Then say yes when you are asked to share those gifts.”
- “[For an intervention of] the Holy See Permanent Mission to the United Nations, ... I was nervous. I heard the Chair announce “We will now hear from the representative of the Holy Spirit” (instead of Holy See, what the Vatican is called at the United Nations). Not surprisingly the mistake drew a lot of laughter. When it died down, I thanked the chair for the promotion, and proceeded to read.”

You are a Professor of Economics at St. John's University. Could you tell us a bit about the University?

St John's University is a Catholic University founded by the Vincentian community in 1870. Like many Catholic schools founded at this time, its mission was to educate the children of immigrants and the underserved. With over 30 percent of our undergraduate students being Pell eligible (which is rare for private institutions of higher education in the 21st century), St. John's has remained faithful to this mission for 150 years.

The Vincentian mission is very clear: follow the example of St. Vincent de Paul and serve the poor. What is most unique about St. Vincent is his emphasis on organization, effectiveness and agency. It is not charity for the sake of the giver, but instead takes a developmental approach. Vincent would be a good patron saint of business schools. Since all poverty is exclusion, our focus needs to be inclusion. Our primary campus is in Queens, New York (the most diverse county in America) and we have campuses in Manhattan, Staten Island and Rome (and we also run a program in Limerick Ireland).

Box 1: Interview Series

What is the mission of the Global Catholic Education website? The site informs and connects Catholic educators globally. It provides them with data, analysis, opportunities to learn, and other resources to help them fulfill their mission with a focus on the preferential option for the poor.

Why a series of interviews? Interviews are a great way to share experiences in an accessible and personal way. This series will feature interviews with practitioners as well as researchers working in Catholic education, whether in a classroom, at a university, or with other organizations aiming to strengthen Catholic schools and universities.

What is the focus of this interview? In this interview, Charles Clark, Professor of Economics at St. John's University, talks about his teaching and research. This interview is part of a series on Catholic economists in partnership with the Catholic Research Economists Discussion Organization (CREDO).

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When I came to St John's (1984) almost all the students were commuters from the New York City area. In the 1990s, St. John's built dorms and now we attract students from all over the country and from abroad (the last time I saw the data we had students from over 100 countries). I had a student from East Timor a few years ago, a country which is younger than myself.

I teach in the Tobin College of Business. I am currently the Chair of the Department of Economics and Finance and Professor of Economics, Senior Fellow for the Vincentian Center for Church and Society, and Research Fellow for the Center for Global Business Stewardship. I have previously served as Associate Dean for Faculty Affairs. .

What is your main area of research and what do you teach? Why did you choose these fields within economics?

In 1979/80, I was an undergraduate student at Fordham University preparing for law school when one of my professors talked me into attending a guest lecture by John Kenneth Galbraith. Ten minutes into the lecture I decided I was going to become an economist. If not for Galbraith's legendary wit I would be a practicing lawyer. Scary how close we come to disasters! For a short while at Fordham my goal was to double major in Philosophy and Theology (I told one of my Jesuit instructors I had a double major in Philosophy and Unemployment, and he responded that I could not do such a double major because unemployment was a prerequisite for the philosophy major). I switched to economics because it was recommended for anyone interested in taking the LSATs and because the philosophers I found most interesting were discussing economic issues (Rawls' Theory of Justice was all the rage at the time).

After hearing Galbraith, I purchased a copy of *The Affluent Society* at Penn Station Book Shop and read it straight through that night. I read all the Galbraith's books I could find at used books shops and eventually picked up and read Robert Heilbroner's *The Worldly Philosophers*, which is an introduction to the history of economic thought. After Fordham, I did an MA and PhD at the New School for Social Research, writing my dissertation under Heilbroner's supervision on the influence of natural law philosophy on economic theory. (My dissertation has no reference to Aquinas or the classical Natural Law tradition, and only looked at what might be called the Protestant Natural Law tradition).

I chose the history to economics as my main field because I feel it is the best way to understand how economists think. Economists who do not understand the history of their discipline may master techniques, but they may not creatively think about economic issues, for they may lack the ability to understand the importance of historical and social context in social life. Luckily for me,

the history of economic thought is also the best preparation for anyone who is interested in a dialogue between Catholic social thought (CST) and economics because the history of economics is also a history of philosophy, and a deep understanding of philosophy is needed for a meaningful appreciation of CST.

At the beginning of my career, my research was in the field of the history of economics, but in the mid-1990s I started to do a lot of applied economics work: on the Irish Economy; on alternative social welfare policies; on alternative ways to measure progress and on CST and the economy. My main teaching responsibilities have been the History of Economic Thought, Economic History, and Industrial Economics for the MBA program and Economic Development.

You have published on CST and are integrating this in your teaching. Which part of your work do you believe has had the most impact and why? Which parts may have had less impact, and again why?

All social theory starts with three questions (what Joseph Schumpeter called the "vision"): what it means to be human (philosophical anthropology)?; what is society?; And what is the good humans pursue? How these three questions are answered greatly determines how an economic theory is going to explain economic activity as well as the policies it will recommend. In many of my classes I usually present a range of theoretical approaches (based on different visions) and often use CST, which has very specific answers to these questions, to offer a contrast (students may find then links to some of their Theology courses). Especially in Freshman courses, I have always tried to show connections between what we do in an economics class with what our students study in their required philosophy and theology classes.

Furthermore, all economics is based on values and value judgements. CST offers a value perspective based on the inherent dignity of each person. I contrast that with the utilitarian and Kantian perspectives they get in the required Philosophy of the Human Person course. As CST is not an alternative economic theory, and does not have a set economic policy agenda, it allows for a discussion disconnected from existing policies or ideologies. However, it is not neutral, and students often have strong feelings (pro and con) about the Catholic Church. I teach economic development in an MA program which is explicitly based on CST and I use a lot of Catholic Relief Services material to help connect theory and practice.

CST has many similarities with the Capabilities Approach developed by Sen and Nussbaum which is the foundation of the Sustainable Development Goals agenda at the United Nations. For the past decade, UN reports and speeches have increasingly adopted the language and

sometimes even the meaning of CST. We see this with the adoption of multidimensional poverty index and integral human development as the goal rather than just increasing GDP.

I do not bring CST into my Industrial Economics class which is a project based/applied course for the MBA program. Both my undergraduate courses and the MA in development are part of larger programs that I can draw connections with to bring CST into the dialogue. The MBA program does not have such connections.

You have advised US Bishops and worked for the Holy See at the UN. How do you personally assess those activities? What has worked best, and what may not have worked as well from your point of view?

I started working for the Institutional Catholic Church with the Vincentian Center for Church and Society at St John's and the Justice Commission of the Conference of Religious of Ireland in the 1990s, working on social policy and poverty policy issues. I provided expert economic analysis and analyzed official government reports. In Ireland there seemed to be a great reluctance from the native academic economists to engage in policy issues, so I got asked to look at a wide range of issues. When the Holy See Permanent Mission to the United Nations had to down-size their staff for budget reasons, the Vincentian Center, under Sr. Margaret John Kelly's leadership, offered St John's professors with expertise in the various issues they needed help with.

Since the mid-2000s I have been covering economic and social policy issues as well as the Statistical Commission at the United Nations. Mostly I attend meetings, write reports, and draft interventions. Occasionally I have been requested to attend individual meetings. (When France was preparing for the 2011 G7 meeting they were hosting, they asked to meet with the Mission to discuss how to enter in a dialogue with the Islamic world, specifically on Islamic banking. I was asked to attend the meeting, and I gave them a history of usury and how the West agreed with the Islamic perspective back in the Middle Ages, and after the financial crisis of 2008 it might be useful to look again at the Christian and Islamic critique of Usury).

Occasionally I have also been asked to be a delegate to a special meeting (such as for the High-Level Meetings on the Financial Crisis in 2009) and on two occasions I was asked to speak on behalf of the Mission.

The Holy See plays an important role behind the scenes and it presents a consistent voice for the poor. During the build-up to the Sustainable Development Goals the Holy See was (among other groups) a consistent voice for keeping poverty alleviation as a central focus, which was being pushed down the list of priorities by the rising concern over climate change. Even before Pope Francis'

leadership, the Holy See consistently argued that poverty and the destruction of the environment are connected and not separate issues.

I was on the International Justice and Peace Committee of the United States Conference of Catholic Bishops (USCCB) for 3 years. My role was mostly to answer economic questions, most often on the free trade agreements then being discussed. The committee would get high level briefings from government officials, NGOs, and Catholic groups around the world so that they would get official government arguments as well as hear from Church workers to get a boots-on-the-ground perspective. Meetings would start with a discussion of an Ebola outbreak, with each successive topic being more depressing than the one before so that when we broke for Mass you really felt the need for prayer. I have also done some work with CRS (my favorite USA-based Catholic group) and a few other Catholic NGOs over the years.

Is being a Catholic economist easy or hard, and why is that?

In many ways I was lucky in that I was already tenured before I came across CST and began engaging its ramifications for understanding the economy at an academic level. It was also fortunate that I was at a Catholic university which still maintained its Catholic mission. So I have never worried about job security. But I think young academics often worry too much about being outside the mainstream.

First let's assume that a Catholic economist is one who has fully embraced the basics of the Catholic faith and intellectual tradition. Certainly this will make being an economist more challenging because the philosophical anthropology of CST completely rejects the philosophical anthropology of many versions of economics, especially mainstream neoclassical economic theory and Austrian economics (which for some reason has become popular among conservative Catholics). Catholics can never accept the premise that people do and should only act in their own material self-interest.

However, even Adam Smith would reject the narrow perspective of neoclassical economics (just read his *Theory of Moral Sentiments*). Yes people often do try to act in their own self-interest, and some even disregard how their actions will negatively affect others and Catholics have a word for this – Sin. We are all sinners, so we shouldn't be surprised by this. The Church is a hospital for sinners. But the extreme selfishness that neoclassical theory requires for some consistency is only found in sociopaths. When Adam Smith wrote about self-interest, he is close to what we would call prudence. He completely rejected actions that achieved material gain at someone else's expense.

Furthermore, a Catholic understanding of the human person emphasizes our social nature, and thus rejects methodological individualism as the best way to understand human actions. Historical and social context are critically important to understand social actions, yet neoclassical economics requires the exclusion of social and historical context. The Catholic economist is going to be an outsider. They will not fit neatly on the left or the right. They should openly engage both the left and right. I do not think you can understand John Paul II without a very good working knowledge of Marx's philosophy and economics, and the openness to learn from Marx as John Paul II did. John Paul II is critically important for understanding CST. Similarly, to fully engage Francis you need to engage liberation theology. CST is inherently dialogical, and to understand it you have to engage both sides of the dialogue.

Also, to be a Catholic economist means that you do not have to solve every problem and answer every question. Economics is not the height of human understanding. Theology and philosophy are the higher levels of understanding. Economists need to learn their place and not try and redo theology as if it were a general equilibrium theory. However, they will do more interesting research, as economics becomes much more interesting when it is about real people and institutions and less about mathematical modeling and linear regressions on numbers you have no real idea how they were generated.

What is your advice for graduates who may be Catholic or have an affinity with Catholic values and are contemplating doing a PhD?

First, get the best training you can get. You do not need to do a dissertation in CST and economics to enter this space. But you do need to study the history of economic thought and philosophy. You cannot be effective or useful if you work for a Catholic organization if your economics education is at a PhD level and your theology education ended with confirmation. Too often I come across economists using their economics education to make theological pronouncements. My favorite (which I have heard more than once) is "*Sin exists because God faced scarcity*". Creating the universe out of nothing seems to me the opposite of scarcity. You don't have to get a graduate degree in Theology, but you should study what graduate students in good theology departments study. I was very lucky in that my oldest daughter did a double major in theology and philosophy at Fordham and then a PhD in Theology at Boston College while I was entering this area of research, so I would often buy two copies of the books assigned for her classes so I could keep up.

I would recommend using your skills as an economist to work for Catholic organizations. There is a great need for this expertise, and NGOs rarely can afford to hire consultants, yet they are fighting agencies that have

armies of such experts. Having reports written by someone with a Ph.D. after their name helps, as does having professors representing them or testifying on their behalf. At one time I told Sr. Margaret John Kelly, who ran the Vincentian Center as I mentioned it earlier, that I was thinking of doing a MA in Theology as I was finding it more interesting than economics. She said we have plenty of theologians, but we do not have enough people who do what you do. St. Paul wrote about many gifts and one spirit. Concentrate first on developing the gifts that are unique to you. Then say yes when you are asked to share those gifts.

Could you share how you ended up in your current position, what was your personal journey?

I was an adjunct at St. John's for a year and when someone quit a week before the Fall semester, I was offered a full-time position as Instructor (I was still taking classes in my PhD program). I had good success publishing as a graduate student (5 refereed articles) which led to going up for tenure within 2 years of defending my dissertation and further publishing success led to promotion to full professor at 36. I spent a year as Visiting Professor at University College Cork in Ireland and while there started doing some research for Fr. Sean Healy and Sr. Brigid Reynolds of the Conference of Religious of Ireland. This led to me becoming an economist working for the Church.

While I was in Ireland, Sr. Margaret John Kelly started the Vincentian Center for Church and Society at St. John's, so that when I came back from Ireland there was a group working on how to better promote the Catholic mission of St. John's. My first exposure to CST was reading *Economic Justice for All* and going to some parish workshops on it with my mother. Pat Primeaux from the Theology Department gave a talk to the economics department where he defended arguments economists were making against EJA and I defended the Bishops positions, which confused the audience (Pat and I soon became great friends, disagreeing on economics but agreeing on the greatness of French Gothic Architecture).

My work on CST as an academic really starts when Dean Charles Kronke (who was Protestant) asked me to represent the business school at a meeting on CST and management education at Loyola Marymount University in Los Angeles. He said it would be a good career move (which I thought was nuts, but he was right as it had a profound impact). I remember the presentations by Michael Naughton and Ernest Petrucci and conversations on philosophical anthropology and human dignity and I committed to writing a paper on the implications of CST to understanding the economy. Some 40 + publications later I am still trying to work this out.

In the end, the purpose of CST is to bring us closer to God. By understanding and caring for God's creation, we grow closer to God and fulfilling our purpose. CST yields great insights into the nature of the economy and economic activity because economic activity is human activity and humans were created by God. This is why the principles of CST are universal principles, because they reflect God's creation: the human person created in God's image and likeness. Thus, after almost two decades I have discovered that the job of a Catholic economist is to find God in the economy. As God is everywhere, this is an easy job. God is easiest to find in the margins, with the poor and unwanted. Convincing an increasingly secular world of God's presence is a challenge. Convincing an affluent and materialist world that God is to be found with the poor is an even bigger challenge.

To the extent that I have had any success it is mostly due to my willingness to say yes to work on projects I know little about when asked. Whether it is trusting the Holy Spirit or not knowing enough to know what I don't know is anyone's guess.

Finally, could you share a personal anecdote about yourself, what you are passionate about?

The first time I was asked to deliver the Holy See Permanent Mission to the United Nations "Intervention" (short speech), I was not surprisingly very nervous. Representing one billion Catholics is a lot of pressure. Back then, you only knew you were on the list to speak, but you didn't know when you would be called, so for nearly two hours I waited, and then I heard the chair announce "We will now hear from the representative of the Holy Spirit" (instead of Holy See, what the Vatican is called at the United Nations). Not surprisingly the mistake drew a lot of laughter. When it died down, I thanked the chair for the promotion, and proceeded to read the text of the Intervention. The mission issued a press release on my giving the speech and it was picked up by over a dozen Catholic newspapers. Unfortunately, none of the New York based papers covered it (and they had all interviewed me).