

L'Economia del Bene Comune by Prof. Stefano Zamagni

Laudatio

The other ex aequo winner of the award “Economy and Society” established by the Foundation *Centesimus Annus – Pro Pontifice* is Prof. Zamagni’s “*L'Economia del Bene Comune*”.

This text is both a trove of precious information on economic history and a fascinating stimulus to systematic thought. Historical data give depth and plausibility to the doctrinal propositions. Which are the main stages of economic history that Professor Zamagni identifies? He starts with the civil market economy developed by medieval Italy and its three main features: first of all a division of labour which allowed each individual to offer his contribution to the common good. Secondly a tension towards progress (each generation strives to leave to the next one more than what it has received in its turn). And thirdly free enterprise, which acts as a catalyzer of creativity.

In 18th century Scotland civil market economy undergoes a major change with the birth of capitalism, which views profit as the only rational goal of economic activity. This creates serious social problems for which economy itself cannot provide a solution. Consequently we see the development of a dual system where the market has the exclusive task of producing maximum wealth with maximum efficiency whereas the State should see that this wealth is equitably distributed.

Prof. Zamagni’s text tries to overcome this schizophrenia innate to the Scottish capitalistic system. It points out to the reader that the values of justice, promoted by the State, and efficiency, promoted by the market, are not the only ones. There is a third type of values such as friendship, fraternity, trust, happiness, family bonds that are born and can be enjoyed primarily in elementary communities. These goods, essential to human life, can be neither produced by the market nor distributed by the State. Both, however – State and market – cannot long function without them.

Starting with this ontological or anthropological premise Professor Zamagni suggests there is space, within a market economy, for a mode of production that is not solely profit oriented but also promotes these human values. He refers first of all to the third sector, i.e. non profit organizations, for which he uses the term “economy of the common good” – the title of his publication. Professor Zamagni believes the third sector is not alternative but co-essential for profit oriented activities if we want global economy to function well. The market’s task is to promote efficiency, the State’s justice and the third sector protects and promotes humanity.

Where lies the importance of Professor Zamagni’s thesis for the Social Doctrine of the Church? I think it brings to light one of its specific tenets. The Social Doctrine of the Church generally admits three basic principles: the principle of solidarity (which concerns the relationship of horizontal justice among individuals), the principle of subsidiarity (which regulates the help a community must or must not give to individuals) and the principle of common good (which indicates the communitarian good individuals must pursue in their actions). Prof. Zamagni helps us understand that these three dimensions are co-essential. Society needs the State’s power, the market’s contribution and also an environment that promotes human growth. A society which forgets any of these factors is not fully just. Or, in other words, only a non reductive economy is truly human.