

Centesimus Annus pro Pontifice Foundation

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Keynote speech by

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Your Eminences, Reverend Fathers, ladies and gentlemen.

May I begin by expressing my sincere thanks to the Fondazione for inviting me to speak to you today. The study and implementation of the social teaching of the Catholic Church is something that both I and the institution I have the privilege of serving as Pro Vice Chancellor – St Mary's University in London – take enormously seriously. My delight in being here today is increased further by the fact that we are here to pay tribute to Professor Hirschfeld. Her winning work, *Aquinas and the Market*, resonated with me greatly in ways I shall come on to shortly.

It is also only a few months since I took part in the London Consultation Meeting of the Dublin Process, also organized by the Fondazione. Over the course of two days of highly stimulating discussion and debate among experts from the Catholic Church, the Church of England, universities, businesses and trade unions, we looked at a number of different ethical, financial and technological questions: from social impact investment to the future of large banking institutions; from reckless lending practices to the coaching and mentoring of CEOs. The particular focus at that conference was on the challenges presented by technology in financial services. While no one argued that Fintech presented new ethical dilemmas or questions, it is clear that the acceleration of innovation – or what Andy Haldane, Chief Economist at the Bank of England, has called the Fourth Industrial Revolution – has made the issues even more acute than perhaps they have been in the past, creating an

even less personalised financial system, with greater potential for harm as well as for good.

A clear message from the conference was that the increasing complexity of the financial system – and the role that big data and machine learning are likely to play in the future – will require significant discernment from individuals. Some of the participants questioned whether schools and universities properly prepared students to act ethically in future in the world of business.

So my intention today is to speak to you about some of the things institutions such as mine – St Mary’s University – can do to advance the cause of the common good, including how this can be done in and through the world of business. This is a task requiring a certain amount of imagination and ingenuity. St Mary’s is both a Catholic university **and** a public university. We welcome students and staff of all faiths and none. We stand for a minority religious ethos within an increasingly secular nation.

However, as I will try to explain, I think institutions like St Mary’s may actually have a surprisingly important part to play in shaping our society in the years and decades ahead – though only, as I hope to show, if we are prepared both to explain and give tangible witness to our beliefs; and to run a university that not only creates competent technicians, but forms good and rounded people, able to play a full role in society.

Many elements of Professor Hirschfeld’s book really struck a chord with me – and which, moreover, are directly relevant to the themes I wish to explore today. In your diagnosis of the 2008 crisis, Professor Hirschfeld, you concluded that markets can – I quote – “only deliver their good results to the extent that they can draw on a reservoir of moral sensibilities in the culture”. Economics, you argued, “needs an assist from some external discourse that is capable of addressing moral questions surrounding economic life”.

I fully concur with these observations. Indeed, they called to mind what I understand is sometimes called the 'Böckenförde Dilemma', named after the late Ernst-Wolfgang Böckenförde, the German constitutional theorist and judge (who was also, I might add, a Catholic). Böckenförde famously observed that the "liberal, secularized state lives by prerequisites which it cannot itself guarantee. This is the great adventure it has undertaken for freedom's sake."

What did he mean by this? I am sure there will be others here today with a far greater grasp of this theory than I can lay claim to, but, as I understand it, Böckenförde believed that a liberal state, and the enormous benefits it entails, can only endure if the freedom it bestows on its citizens takes some regulation from the interior of those same citizens. It will not endure if its citizens simply and single-mindedly – and, from one point of view, entirely reasonably – pursue their own needs and desires, as, within a framework of law, they are perfectly free to do.

Crucially, however, the liberal state cannot by itself procure these interior forces of regulation; and certainly not with the means states typically reach for in situations of outright necessity, such as legal compulsion and authoritative decree. Were it to do so, the liberal state would surrender its liberal character. It would forfeit its own existence in the very act of trying to secure it.

It is striking, in fact, just how often those who have held positions of high responsibility return to this broad theme of the primacy of interior moral force over external regulation and of the utter reliance of the former on the latter for its success. For instance, Pope Emeritus Benedict XVI, while still a Cardinal, wrote that "the state itself cannot create moral force, but must presuppose it and then construct upon it". And, last month, we at St Mary's along with colleagues at the London centre of Notre Dame University jointly organized a

lecture by the former Irish Taoiseach and Finance Minister, Dr John Bruton. In a wide-ranging talk on the theme of 'Catholic Social Teaching and Contemporary Political Life', Dr. Bruton was uncompromising about the inescapable necessity of the exercise of interior moral force to the proper functioning of states, societies and markets. The "informed, muscular and repeated examination of conscience," he argued, precedes all law.

And if we cast our minds back to the financial crisis of 2008, versions of this challenge were raised again and again in the questions posed by so many people. Why, they rightly asked, did so many of those in the banking industry appear not to have stood back from their actions and decisions? Why did they appear not to have applied their consciences to what they were doing?

These questions still hang in the air, prompting ever more questions. Where is this interior moral force, that has been repeatedly found to be 'missing in action' when it comes to economic life, to come from? Who is around to help young people in particular acquire it? Where, in the great plurality of institutions that any liberal democracy worth the name must sustain, will be found the seedbeds of moral and ethical reasoning? There are many things states can legitimately do - whether well or badly - but instilling moral force in its citizens is not one of them.

It is, of course, the case that the answers to these questions on everyone's lips might once have been schools, universities, and churches. These were the institutions society turned to instinctively to secure the ethical formation of young people.

And these remain very good answers. As we all know, the Catholic Church has an ethical outlook on economic life, built up over successive encyclicals, that protects property, rejects the gathering of profit out of the need of others, insists on sufficiency of wages, and much more. Meeting these ethical demands

does not necessarily mean extraordinary sacrifices on the part of businesses and employers - but it does require the repeated examination of an informed conscience.

But good answers are not always the same as easy answers. The truth is that, in order to play a role in stimulating interior moral regulation - or however we choose to word this - Catholic educational institutions will find themselves swimming against the tide.

This is, in some respects, a roaring tide of hostility. But in the context I know best, the United Kingdom, I would argue that the tide we face is primarily a slow-moving but immensely strong tide of indifference, mingled with ignorance, creating an environment that now goes far beyond the level of resistance a minority faith would normally expect to encounter in getting its voice to be heard.

There is today a high degree of theological illiteracy at work in British society. For example,, I was recently told of the case of a journalist educated at one of the finest public schools in England, and then at the University of Oxford, who suggested during the course of a radio interview that “an eye for eye” was part of Christian teaching, rather than its diametric opposite, as even the most cursory reading of the Gospel of Matthew would reveal.

So swimming against the tide is simply a fact of life for Catholic educational institutions. Certainly, this is how things can feel from my particular vantage point within the British university system.

Indeed, before proceeding further, perhaps it is time for me to say a few more words about St Mary’s. My university was originally founded as a teacher training college by the Catholic Poor Schools Committee in 1850, the year of the

restoration of the hierarchy in England following its demise in the sixteenth century.

The social mission that first gave rise to St Mary's remains undimmed. Typically, St Mary's has a high proportion of students - around 40% - who are the first in their family to attend university. Many come from low-income backgrounds. We welcome students and staff of all faiths and none. We are a London Living Wage employer.

The powerful, palpable sense of community that characterises St Mary's is a product of our ethos and the core values that underpin it: inclusiveness, generosity of spirit, respect, and excellence. We want the people who make up our community at St Mary's - who, as I have noted, come from all faiths and none - to develop an ethic of service, and to have a positive impact on the wider world.

In recent years, we have also been deliberately reinvigorating the Catholic identity of the University. We aspire to be both a compelling demonstration of Blessed John Henry Newman's conviction that knowledge and reason are what he called "sure ministers to Faith"; and also a place of true and worthwhile service to the people of God and to the human family.

Our governing body has been completely reformed, our mission statement rewritten, our ties with the Church and religious bodies strengthened. Recently, the Assumpta Sisters opened a convent - at our invitation - close to the University to be a 'praying presence' in our midst. They attend mass every day in our chapel and serve as powerful witnesses to our faith.

We have a new Institute of Theology that is independent of, but interdependent with, other faculties and departments. We continue to be one of the best providers of teacher training in the whole of England. Our programme of

studies includes the first MA degree programme devoted to the subject of Catholic Social Teaching taught face-to-face in any university in the UK and Ireland. Our Benedict XVI Centre is an international hub for research and engagement activities in the area of religion and social sciences.

We are therefore, I hope, in a good position to demonstrate how a dynamic Catholic institution can intervene in the wider world of the early twenty first century in pursuit of the common good; to swim against the tide of indifference and ignorance that I spoke about a few moments ago; and to build up the reservoir of moral sensibilities that Professor Hirschfeld speaks about - and which social and economic life stands in desperate need of.

My conviction is that Catholic educational institutions must become better at being the city built on the hill-top that Christ spoke about in the Sermon on the Mount. Remember, the more society as a whole secularizes, the more visible we become as people of faith who cherish that faith dearly, but who also support and uphold the open, pluralist, public square of the liberal state. Our city gates must be open, and within them young people - Catholic and non-Catholics - must find welcome and encouragement, but they must be challenged too. What they learn with us, what they experience with us, what they see us do - and not just what they hear us say - must have a distinct flavour.

As I have already suggested, it is my conviction that an institution such as St Mary's can only hope to succeed in such a mission if we are prepared not simply to explain but also to bear active witness to our beliefs and values. Today I would like to speak about two initiatives in particular with which we are, I hope, pushing the boundaries of what a contemporary Catholic university can and should be doing

- St Mary's First Star Academy, through which I hope we are providing a compelling practical witness to the sincerity and efficacy of the faith that inspires us
- And our new School of Business and Society, through which we are attempting to develop a new way of forming business leaders that no longer ignores the deep, unsettling questions raised by the 2008 crisis

Perhaps the programme I am proudest of at St Mary's is our First Star Academy. This addresses an issue that has been close to my heart for many years, including my years as a Minister in the British Cabinet: the outcomes achieved by children and young people living in the public care system. I don't propose today to run through all of the outcomes for UK children in care. They are terrible and moreover they have proven immensely difficult to shift.

However, I will mention one figure. Only 6% of care leavers in the United Kingdom attend university, compared with 50% of the population. Imagine, for a moment, the scale of wasted talent this statistic represents.

First Star St Mary's is an attempt to tackle this problem head on. The Academy, which opened just 18 months ago, is the first of its kind in the United Kingdom, and takes its inspiration from a programme in the United States. We are supporting cohorts of thirty young people from the care system over the course of four years - through the whole of the state examination system from ages 14 to 18. The end goal is successful entry to higher or further education.

These young people spend four weeks every summer, living and learning on our campus - sitting in lecture rooms, using a well-stocked library, staying in halls, debating ideas, and expanding their life skills - learning how to cook, do their laundry, manage their finances. When the academic year is back up and running, they return for a study day at St Mary's every month. The message

behind First Star is this: “Yes, you do belong at university. Look around you. You are already here.”

As a Catholic university, we are blazing a trail with this programme in the UK in the hope that other universities will want to follow; that funders will want to get behind it; that government will want to adopt it. The end result will be young people enjoying chances in life that the current system simply cannot offer them. In the US the results have been staggering, with over 90% of the 350 young people who have graduated from a First Star Academy having gone on to higher education.

The other end result of our efforts with First Star will be, as I have said, a powerful, tangible witness to the power of our Catholic ethos. Pope Francis has rightly emphasized again and again the need for the Church to take an active, visible role in supporting those on the margins of society. I believe what the Pope has said cannot be ignored by institutions such as mine. We must not retreat to our “ivory towers”, however tempting that may be. If our voice is to be heard within the public square, and within the hearts and minds of those who would not normally turn to a Catholic university for leadership, example or wisdom, we need to provide this practical witness to our faith. This is part of how we earn the right to be heard.

And when we are heard, we have things of fundamental importance to say. The other initiative I wish to mention today is our new School of Business and Society, which we launched in October of last year. Since 2008, business schools have been attacked by some sceptics for churning out business leaders committed to nothing other than the bottom line; leaders who are unable or unprepared to think and act ethically. Or even individuals who were prepared to speak out against the systems they were working in – to hold themselves and others to account. Some commentators believe that bankers or those working

in the City are never likely to speak out, arguing forcefully, that the “love of money” is always likely to override decent moral sentiment.

That may be true, at least to an extent. If so, arguably that is why promoting a good “culture” within organisations becomes incredibly important. What is considered to be “normal” behaviour in a given context has powerful affects in influencing individual decisions. Or as someone once said “Culture eats strategy for breakfast!”

Alistair MacIntyre has described the nature of a successful organisation in the following terms: “A coherent and complex form of socially established cooperative human activity through which goods internal to that form of activity are realised in the course of trying to achieve those standards of excellence which are appropriate to, and partially definitive of that form of activity, with the result that human powers to achieve excellence, and human conceptions to the ends and goods involved, are systematically extended”. This concept of excellence, clearly moves beyond traditional understandings of how to maximise shareholder value – even if excellent corporations in this sense may ultimately prove more successful in commercial terms. Whatever the merits of the current legal structure of the company, it is clear that ethics demand more than just a short-term focus on shareholder primacy and a consideration of the needs of a broader set of stakeholders, including the workforce itself.

So, at St Mary’s we are trying to reimagine the conventional model of business education and, in doing so, to integrate ethics – virtue ethics - throughout the curriculum. We know that not only do we need to produce technically competent graduates to lead businesses of the future, but we also need to produce graduates who are rounded individuals - graduates who can really think through the ethical context in which they act; graduates who have the courage to speak out when they see something that they don’t feel comfortable

with; graduates who help create a culture that is geared towards serving the needs of others, not just maximising shareholder value.

Our students will work with practice mentors in the workplace on real life business case studies and learn how to approach difficult ethical issues, understanding that while there are often no fixed right answers that can be applied to every situation, there are factors to think through, that need to be taken into consideration.

The time is right for this kind of intervention. At the launch of our new School, Andrew Bailey, the Chief Executive of the Financial Conduct Authority in the United Kingdom, spoke of a decade of very difficult crises in terms of financial services around the world. He saw a role for institutions like St Mary's - studying, researching, training - but also what he termed "provoking" - bringing a whole new strand of thinking to questions of business, society and trust.

So, the time is right for something new in educating future business leaders. And in St Mary's, I hope, the place is right also. We can combine our expertise in business with our expertise in communications, ethics and Catholic social teaching, and with an institutional ethos that binds all of this together in a unique way. And, through programmes such as First Star, we demonstrate that what we say about ethics is matched by what we do.

We are, I should add, under no statutory duties to do any of the things I have just spoken about. We are not simply reacting to the expectations placed on universities as a whole or merely ticking boxes in some process of compliance. We are not dancing to the anyone else's tune.

Instead, as a leadership team, my colleagues and I are acutely aware of our moral responsibilities. Our responsibility not to walk by where we have the

power to help. Our responsibility to use our assets, our freedoms, our position as a modern Catholic university, for the good of the Church and of the wider world.

Only we can impose these responsibilities on our institution. And only we can meet them.

Your Eminences, Reverend Fathers, ladies and gentlemen, I hope these reflections on the role of a Catholic university in the great, ongoing effort to build up the common good have been of some interest, and, above all, I look forward to continuing the discussion. Thank you for listening to me.