

# ALTERNATIVE ECONOMIC MODELS AS (THEOLOGICAL) SIGNS OF THE TIMES

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## Abstract

*The prevalence of capitalism in today's global economy underscores the necessity for alternative economic paradigms, driven by concerns over the dominance of profit maximization and extraction within autonomous and free markets. While the Catholic Church acknowledges the legitimacy of capitalism within certain parameters, issues arise when profit supersedes human dignity and communal welfare, and when profit extraction becomes the exclusive goal of economic activity. Pope Francis advocates genuine alternatives that prioritize values over profit, exemplified by initiatives like the Economy of Francesco.*

*This study examines three alternative economic models: the economy of communion (associated with the Focolare movement), the economy for the common good, and social entrepreneurship in the European Union. These models, driven by religious, secular, and institutional motivations, underscore the need for alternatives to prevailing capitalist structures. Despite their diverse origins, all three models share a common rejection of capitalism's inherent features, emphasizing principles of justice, solidarity, and human dignity. Drawing on Catholic social teaching as a guiding framework, these models seek to integrate moral principles into economic activities. Catholic social teaching, grounded in Christian anthropology provides a lens through which economic events can be understood in light of the Gospel i.e., they can be understood within the theological category of signs of the times. The methodology of Catholic social teaching, involving the processes of seeing, judging, and acting, emphasizes the importance of moral integration in economic endeavors to uphold human dignity.*

*Alternative economic models challenge the profit-centric ethos of capitalism, prioritizing the common good over individual gain. By aligning with Catholic social teaching, these models offer a pathway*

beyond the limitations of prevailing capitalism, exemplifying how the theological category of the signs of the times might look like when applied to economy. Pope Francis' prophetic advocacy encourages the pursuit of alternatives that prioritize human dignity and communal well-being, aligning with the Church's mission to promote the holistic flourishing of humanity.

Key words: Catholic social teaching; alternative economic models; signs of the times; capitalism, Pope Francis

## 1. WHY ALTERNATIVE MODELS IN ECONOMY?

Why is an alternative to contemporary prevailing (capitalistic) economy necessary? Primarily because economy today has departed from its original and authentic context articulated already by Aristotelian philosophical tradition. The ancient Greeks recognized the difference between an economy oriented towards the good life, good management of one's household; and an economy primarily and exclusively oriented towards profit-making, and acquiring money (*the acquisition of livelihoods*<sup>1</sup>). In Aristotelian terms, *chrematistike* refers to the acquisition of wealth for its own sake, while *oikonomia* refers to the management of a household or community resources for the purpose of fulfilling the needs and promoting the well-being of the community. Today's global economy is *chrematistike*—capitalistic. Capitalism, as we know it, has reached a dead end, where nothing good awaits us, and it is necessary to change things, as Pope Francis has called us to do in *Evangelii Gaudium* 55. However, it should be emphasized that the Church, in principle, has no problem with capitalism defined in this way: an *economic system* in which the means of production of goods or services are *privately* owned and operated *for profit*. The Church has always affirmed the legitimacy of private ownership and sees nothing questionable in profit – nor in the free market. The problem arises when the right to private ownership is absolutized, when profit is placed at the center of economic activity and seen as its ultimate goal or purpose (when money becomes an idol), and when the free market is declared to be all-powerful and unlimited. When money, profit, private ownership, and the market become gods and idols, then the Church must react because her *God is a jealous God*. (Exod 20,5) We must always

<sup>1</sup> Cendejas Bueno and José Luis, *Economics, chrematistics, oikos and polis in Aristotle and St. Thomas Aquinas*, The Journal of Philosophical Economics: Reflections on Economic and Social Issues, X: 2, 2017, pp. 7.

stand up against any form and kind of idolatry. And this is one side of the motivational coin (triggered by religious feelings) that directs us to look for and demand alternative economic models. The other side of that coin stems from the (secular) sense of social justice.

In today's rapidly evolving global landscape, the need for alternative economic models has become increasingly apparent. Traditional capitalist frameworks, while effective in certain respects, have shown limitations in addressing pressing contemporary—both social and environmental—challenges. „The basic guidelines of the current economy have most often been, and still are: fast and high profits, immediate efficacy, constant progress, maximum technocracy, etc. The constant search for this has led to serious economic crises. The question arises as to which guidelines and frameworks could help renew the economy so that it can truly be what it is supposed to be in its fundamental sense.“<sup>2</sup> We should not look for these guidelines exclusively in the narrow economic context within which, separated from morality and autonomous from the social context, they have led to the crisis in which we find ourselves. It is necessary to imbue the economy more strongly with moral principles and values, as required by the Catholic social teaching, so that economic—and, by extension, the entire social—development takes place within the limits of the moral order.<sup>3</sup> In this way, we will return the economy to its original and authentic context of *oikonomia* (and not *chrematistics*), which is already happening at a lower and individual level with alternative economic models that can have, as indicated earlier, different motives—religious or secular.

One of the primary (secular) motivations for seeking alternative economic models is the pervasive issue of social inequality and exclusion. Capitalism, in its pursuit of profit maximization and extraction, often exacerbates disparities in wealth and income. Alternative models offer solutions to mitigate these inequalities by promoting more equitable distribution of resources and opportunities, as they already do this on a smaller scale by prioritizing social welfare and inclusivity. Another critical consideration behind the need for alternative economic models is the imperative of sustainability. Capitalism's emphasis on perpetual growth and consump-

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<sup>2</sup> Ivan Platovnjak, *The Role of (Christian) Spirituality in the Economy in the Light of Laudato si'*, *Synthesis philosophica*, Vol. 34, No. 1, pp. 76.

<sup>3</sup> See Paul VI. (1965). *Pastoral Constitution on the Church in the modern world: Gaudium et Spes*, No. 64. Retrieved from [http://www.vatican.va/archive/hist\\_councils/ii\\_vatican\\_council/documents/vat-ii\\_const\\_19651207\\_gaudium-et-spes\\_en.html](http://www.vatican.va/archive/hist_councils/ii_vatican_council/documents/vat-ii_const_19651207_gaudium-et-spes_en.html)

tion has led to environmental degradation and resource depletion. Alternative models, such as those centered around principles of ecological economics or circular economy, prioritize sustainability by incorporating measures to minimize waste, conserve resources, and mitigate environmental impact. By fostering practices that harmonize economic activity with environmental health, alternative models can help ensure the long-term viability of our planet.

In this research, I will focus only on three alternative economic models that I see as signs of the times for the Church and humanity, as signs for breaking out of the dead end that *chrematistike* capitalism has led us into. These are *the economy of communion* (of the Focolare movement), *the economy for the common good* established by Christian Felber, and *social entrepreneurship* in the European Union. I have chosen these three models because they represent different motivations. The motivation behind the Focolare movement is, undeniably, of religious nature, while the motivation behind the economy for the common good is of humanistic nature (secular, in other words). The motivation behind social entrepreneurship is the European Union's institutional willingness to enable European citizens to provide more concrete responses and actions to social problems and needs at the local level. To sum up, there are religious, secular, and institutional (political) motivations that indicate capitalism has its shortcomings and that alternatives are necessary.

## 2. POPE FRANCIS ON CAPITALISM: SUCH AN ECONOMY KILLS

In *Evangelii Gaudium* No. 53, Pope Francis stated that *such an economy kills* to highlight the destructive consequences of an economic system (*chrematistike*) driven solely by profit and the pursuit of wealth. He observed that in such a system, the relentless pursuit of profit often leads to inequalities, poverty, and social exclusion. The emphasis on market forces and the prioritization of financial gain over human dignity and well-being can result in the marginalization and exploitation of vulnerable individuals and communities. Additionally, Pope Francis criticized the culture of consumerism and materialism, perpetuated by this economic model (a *throw-away* culture), which can lead to the degradation of human values and the erosion of social bonds. The relentless pursuit of economic growth and consumption can also have devastating effects on the environment, leading to environmental degradation, resource depletion, and climate change. By stating that *such an economy kills*, Pope Francis aimed to draw attention to the human suffering and

social injustices perpetuated by an economic system that prioritizes profit above all else. He called for a more inclusive and equitable economic system that promotes the common good, human dignity, and social justice. And this is nothing new, when it comes to the Church's relationship to the economy and economic development. The entire body of Catholic social teaching points to the necessity of connecting economics and morality, of managing economic processes in order to achieve the common good—and not just individual interests—and of alleviating the *cry of the poor* (a preferential option for the poor) and the *cry of the Earth* (integral ecology), when these cannot be completely eradicated—because *the poor you will always have with you* (Mk 14,7).

In this way, in his analysis of the crisis of our communal commitment, the Pope clearly articulates the need to include all three stated motivations (starting from religious, through secular, and insisting on institutional, or political motivation<sup>4</sup>) in a critical reflection of the contemporary prevailing economic model, as well as a stronger articulation of the need for alternative models. And his critical reflection, articulated through his papal Magisterium, points to the unsustainability of the prevailing global economic model. It is quite clear and understandable that the Pope primarily starts from a religious motivation, whereby we can then talk about an economic conversion that can be formulated as “gratitude that arises from the recognition that all goods together with the whole world are costless God’s loving gift, and that we are called quietly to imitate his generosity in self-sacrifice and good works.”<sup>5</sup> From his documents—and here I am primarily referring to *Evangelii Gaudium*<sup>6</sup>, *Laudato si’*<sup>7</sup> and *Fratelli tutti*<sup>8</sup>—we can recreate thoroughly the Pope’s

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<sup>4</sup> In this context, we can see Pope Francis’ encyclicals as an encouragement to involve all three motivations in addressing issues. *Evangelii Gaudium* is primarily aimed at people motivated by religion, while *Laudato Si’* is more open and accessible to those driven by secular rather than religious motivations. Finally, it is in *Fratelli Tutti* that Pope Francis directly addresses institutions and politicians, calling for better politics and more transparent and open decision-making processes.

<sup>5</sup> Ivan Platovnjak, *The Role of (Christian) Spirituality in the Economy in the Light of Laudato si’*, *Synthesis philosophica*, Vol. 34., No. 1, pp. 80.

<sup>6</sup> Pope Francis, *Apostolic exhortation Evangelii gaudium to the bishops, clergy, consecrated persons and the lay faithful on the proclamation of the gospel in today’s world*, Vatican press, 2013. (Further in the text: EG)

<sup>7</sup> Pope Francis, *Encyclical letter Laudato si on care for our common home*, Vatican press, 2015. (Further in the text: LS)

<sup>8</sup> Pope Francis, *Encyclical letter Fratelli tutti on the fraternity and social friendship*, Vatican press, 2020. (Further in the text: FT)

attitude towards the contemporary capitalist global economy, which does not represent any discontinuity—as some would like to portray it—in Catholic social teaching, but we can understand it as a prophetic voice that, discerning the signs of the times, primarily calls us to conversion, but also gives us clear guidelines on what to do and how to act, on both personal and social levels.

The Pope clearly indicates that critical insight should not be limited only to the economic sphere of society, but must necessarily encompass broader social and anthropological frameworks. In essence, the whole problem arises from an excessively narrow focus solely on economic categories, market logic, and other elements of economic activity, which, within such a narrow context, are observed as completely autonomous and detached from culture, society, anthropology, and morality or ethics. Behind such a narrow view of the economy lies the rejection of God (EG 57), which then, by removing objective norms and values, pulls everything into the logic of the market governed by the principle of supply and demand (LS 123). And thus, essentially, the doors to relativism have been opened wide, which fits perfectly with an economic model that does not recognize permanent or objective values (such as the dignity of the human person), so the only acceptable dogma or objective reality becomes that which is defined solely by the market (FT 168). This approach to the economy is short-sighted and highly unsustainable, not only harming individuals and societies by resulting in increased social inequalities but also endangering our common home. The technocratic capitalist paradigm (LS 109) being globally imposed deprives us of social, cultural, and ultimately, economic diversity, now threatening to redefine humanity through various forms of transhumanism. Technology is not neutral (LS 114). It is necessary to slow down, critically examine the situation and the direction of economic and technological progress, which proves unsustainable and detrimental, and boldly embark on the adventure of finding new, alternative approaches and models to global crises without unjustifiably neglecting the local context and environment. It is precisely the right balance and relationship between the local and the global, as offered to us by the Pope in *Fratelli tutti* 138, that demonstrate—also through examples of alternative economic models—its generosity and potential for directing economic progress towards the common good.

Based on his critical analysis contained in official papal documents, the Pope has called upon all people of good will, but especially the young, to dare to dream and realize a new, just, and ethical economy. An economy favoring humanity, where the person,

with their inalienable dignity, which is the greatest value that can be found on Earth, will be in its center. "A financial reform open to such ethical considerations would require a vigorous change of approach on the part of political leaders. I urge them to face this challenge with determination and an eye to the future, while not ignoring, of course, the specifics of each case. Money must serve, not rule! The Pope loves everyone, rich and poor alike, but he is obliged in the name of Christ to remind all that the rich must help, respect and promote the poor. I exhort you to generous solidarity and to the return of economics and finance to an ethical approach which favors human beings." (EG 58) The young people gathered in the Economy of Francesco movement readily responded to the Pope's call and are now dedicatedly working in their local communities, but connected globally by one common goal, so that the Pope's vision of a better economy can be realized. And at the same time, they use the immensely valuable content of Catholic social teaching which points to what Pope Francis emphasizes: an economy separated from ethics and moral values, and from the correct image of man (anthropology), is the economy that kills—no matter how disturbing it sounds. I aim to deepen the connection between Catholic social teaching and economics, specifically by exploring alternative economic models within the theological framework of the *signs of the times*. This framework, influenced by Catholic social teaching and its methodology, gained greater significance in theological discourse following the Second Vatican Council. At the same time, I want to root Pope Francis' criticism of the prevailing capitalist (*chrematistic*) economic model more strongly in Catholic social teaching and thus point out that the Pope is not saying anything new that has not already, at least implicitly, been contained in Catholic social teaching.

### 3. CATHOLIC SOCIAL TEACHING AND ECONOMY: CONTINUITY

It is interesting to note here that the Catholic social teaching was more clearly articulated and explicitly acknowledged by the Church, owing precisely to the economy and the economic issues and problems of human labor in the late 19th century. The first social encyclical, which speaks of the new (we could say, capitalist) economic (industrial) context, within which it particularly observes the value and social role, as well as the meaning of human labor, and even the dawning of drastic social inequality that will mark the world we live in, clearly sets the guidelines and principles of the entire content of the Catholic social teaching. The Church rightly



speaks about 'new things' (*rerum novarum*) and thus offers—primarily to the faithful but also to all people of good will—a supernatural view of the nature and meaning of man, society, and the world as a whole. As Chesterton wrote long ago in *Orthodoxy*, only the supernatural has a sane view of Nature, and thus the Church—as the Mystical Body of Christ—sees more clearly, better, and more competently these worldly and social events and processes, understanding them in the light of the Revelation and the Gospel, discerning the signs of the times, as she is called to do until the end of the world. In this way, the Church serves humanity (for we are indeed called to serve, as stated in Mk 10,43-45), with which it walks the paths of history. "In her social doctrine, the Church offers, above all, an integral vision of man and a complete understanding of his personal and social dimensions."<sup>9</sup> And that is precisely what is lacking in the modern world and in man—a comprehensive and complete understanding of oneself. "A knowledge of God is a prerequisite for a knowledge of man as he really is, in all his fullness."<sup>10</sup>

In that context, it is especially important to emphasize the Church's constant insistence on the essential interconnectedness of all spheres of society (whether vertically on the local-global level, representing *subsidiarity*, or horizontally, in relation to the question of who is my neighbor, representing *solidarity*), and the necessity of recognizing and respecting the integrity of the human person, as well as humanity as a whole, articulated through insistence on the *common good*. These three principles (the *common good*, *subsidiarity*, and *solidarity*) are indeed the foundations of the entire Catholic social teaching, which themselves arise from the responsibility toward the inalienable dignity of every human being. Michael Novak addresses all these topics in his celebrated work<sup>11</sup>, where he emphasizes the relationship between Catholic social teachings and the development of modern capitalism. Thus, spanning from the inception of Catholic social teaching to the era of Pope Francis, whenever the Church addresses economic relations, processes, and the economic domain of society, it consistently advocates all three principles to be upheld, ensuring that the economy fulfills its primary purpose: serving the welfare of humanity.

<sup>9</sup> Pontifical council for justice and peace, *Compendium of the social doctrine of the Church*, Libreria editrice Vaticana, City of Vatican, 2010., No. 522.

<sup>10</sup> Pope Paul VI, *Address of Pope Paul VI during the last general meeting of the Second Vatican Council*, December 1965. ([https://www.vatican.va/content/paul-vi/en/speeches/1965/documents/hf\\_p-vi\\_spe\\_19651207\\_epilogo-concilio.html](https://www.vatican.va/content/paul-vi/en/speeches/1965/documents/hf_p-vi_spe_19651207_epilogo-concilio.html))

<sup>11</sup> Michael Novak, *Catholic Ethic and the Spirit of Capitalism*, The Free Press, New York, 1993.



From this short summary of the development of the Catholic social teaching, generated by ChatGPT, we can see that all the issues (or, should I say, critique of capitalism) that Pope Francis is addressing now were also addressed by his predecessors, and, as such, do not mark any discontinuity within the Catholic social teaching:

“The origins of Catholic social teaching can be traced back to the late 19th century with Pope Leo XIII’s encyclical *Rerum Novarum* (1891). This seminal document responded to the social upheaval brought about by the Industrial Revolution, advocating the rights of workers, just wages, and humane working conditions. It introduced the principle of subsidiarity, which emphasizes decision-making at the most local level possible, while balancing state intervention with personal responsibility and community action. As the 20th century unfolded, subsequent encyclicals further developed the Church’s stance on social justice. *Quadragesimo Anno* (1931) addressed the challenges posed by capitalism and socialism, advocating economic systems that prioritize the dignity of the human person and the common good. The principle of solidarity emerged as a guiding principle, highlighting the interconnectedness and mutual responsibility among all members of society. During the mid-20th century, encyclicals such as *Mater et Magistra* (1961) and *Pacem in Terris* (1963) expanded the Church’s teachings to encompass global issues such as development, peace, and human rights. They emphasized the importance of promoting integral human development, which includes not only economic well-being but also spiritual, social, and cultural prosperity. In the late 20th century, the Church addressed global economic disparities and labor rights in documents like *Populorum Progressio* (1967) and *Laborem Exercens* (1981). These encyclicals called for solidarity with the poor and marginalized, advocating just wages, safe working conditions, and the right to unionize. The contemporary era has seen Pope Francis’ encyclicals, notably *Laudato Si’* (2015) and *Fratelli Tutti* (2020), tackle pressing issues such as environmental degradation, social exclusion, and the culture of indifference. *Laudato Si’* calls for an integral ecology that recognizes the interconnectedness of social, economic, and environmental issues, while *Fratelli Tutti* emphasizes the importance of fraternity, dialogue, and solidarity as antidotes to the social ills of our time.” (ChatGPT)

Therefore, criticisms directed towards the Pope (primarily aimed at justifying contemporary global capitalism by labeling Pope Francis a socialist) must simultaneously be directed at the entire Church and all his predecessors who, through the clear articulation

of Catholic social teaching, have led the Church to take a stance on the economy and everything that it entails. Thus, the Church's position cannot be labeled as either capitalist (in the sense of the prevailing capitalism today) or socialist, but rather as the rightful position of the Church which, through a supernatural perspective, sees and understands the nature of humanity and the nature of human society (hence economy). "Catholic social doctrine, as it gradually developed, became an important model between radical liberalism and the Marxist theory of the State."<sup>12</sup> Throughout this progression and development, Catholic social teaching has consistently emphasized the dignity of the human person, the common good, solidarity, subsidiarity, and the preferential option for the poor as guiding principles for building a more just and humane economy. These principles continue to shape the Church's response to contemporary social, economic, and environmental challenges, offering a vision of integral human development grounded in the Gospel message of love and justice.

An important thing needs to be stated clearly: Catholic social teaching is not an end in itself. It is a tool that the Church primarily offers to the faithful and, by extension, to all people of good will, so that together, with different motivations, as stated earlier, we can build a better and more just society. The meaning, purpose, and mission of the Church is to proclaim the Good News—the salvation of all humanity achieved in Christ—and the nearness of the Kingdom of God to every nation, society, and every time in history. The Church has no earthly ambitions other than serving God through serving people and humanity. Therefore, Catholic social teaching cannot be seen as a political ideology, let alone an economic program. The mission entrusted to His Church by Christ (part of which is fulfilled through Catholic social teaching) is not one of a political, economic, or social order: its purpose, namely, is of a religious order. But it is precisely from this religious motivation that Church can serve humanity to build and strengthen human community according to God's law. "And since religion alone, as We said at the beginning, can avail to destroy the evil at its root, all men should rest persuaded that main thing needful is to re-establish Christian morals, apart from which all the plans and devices of the wisest will prove of little avail." (*Rerum Novarum*, 62)

<sup>12</sup> Pope Benedict XVI., *Address of his holiness Benedict XVI to the roman curia offering them his Christmas greetings*, 2005. ([https://www.vatican.va/content/benedict-xvi/en/speeches/2005/december/documents/hf\\_ben\\_xvi\\_spe\\_20051222\\_roman-curia.html](https://www.vatican.va/content/benedict-xvi/en/speeches/2005/december/documents/hf_ben_xvi_spe_20051222_roman-curia.html))

Catholic social teaching is also not a dogma. Its content is not a dogmatic doctrine, but a significant expression of the dogmatic teaching of the Church (an expression of Christian anthropology). The content of Catholic social teaching is found mainly in the documents of the Church—whether it be papal encyclicals, official speeches, documents of various dicastery, bishops' conferences, or individual bishops, etc. However, all of these must emerge as a result of a two-way movement, that is, must have two sources: from the bottom up; and from the top down—from the human to the divine and from the divine to the human. This two-way movement means that, in reflection, it starts from a concrete human experience that seeks to be understood in the light of faith. In doing so, the Church uses history, philosophy, social sciences, culture and art, as well as all other available tools to gather human and social experience and the situations in which we find ourselves. In this context, the four principles<sup>13</sup> of Pope Francis should be reiterated—much like the change of pastoral perspective given to us by the Second Vatican Council—that reality is more important than an idea. The second movement goes from the deposit of faith (*Depositum fidei*), that is, through *Revelation* and *Tradition* that are constitutive and binding for the Church. The content of the deposit of faith is filtered through theological anthropology and finally articulated through the authentic Magisterium. These two movements (we could name them by the term *hermeneutics of reform*<sup>14</sup>) intersect in concrete documents that contain the content of Catholic social teaching. “The substance of the ancient doctrine of the deposit of faith is one thing, and the way in which it is presented is another.”<sup>15</sup> In this manner, the structuring (and the methodology) of Catholic social teaching also found its footing within theology following the Second Vatican Council. This transition is perhaps most evident in the interpretation of the theological concept of the *signs of the times*, which was distinctly elucidated during the Council, diverging from mere eschatological classifications. In this fruitful exchange and overlap, the methodology from Catholic social teaching (see–judge–act), which was clearly articulated by Pope John XXIII in *Mater et Magistra* No. 236, entered the theological stage strongly influencing the post-conciliar development of theology and the life of the Church in general.

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<sup>13</sup> From *Evangelii gaudium*: time is greater than space, realities are greater than ideas, unity prevails over conflict, and the whole is greater than the part.

<sup>14</sup> Pope Benedict XVI., *Address of his holiness Benedict XVI to the roman curia offering them his Christmas greetings*, 2005.

<sup>15</sup> Pope John XXIII, *Opening Speech to the Council*, October 11, 1962. ([https://vatican2voice.org/91docs/opening\\_speech.htm](https://vatican2voice.org/91docs/opening_speech.htm))

#### 4. CATHOLIC SOCIAL TEACHING AND THEOLOGY OF THE SIGNS OF THE TIMES

In the text summoning the Second Vatican Council (*Humane salutis*), Pope John XXIII applies his method from *Mater et Magistra* when, as the first step, he observes the deep crisis in society resulting from the fact that the world, society, and even the Church are on the threshold of a new era. This crisis challenges the Church with serious and broad tasks, which the holy Pope sees as an opportunity for the Church. An opportunity to apply Jesus' recommendation of discerning the signs of the times (Mt 16,4). This brings us to the second step, which requires discernment and judgment. The content of this step involves analyzing social, global, and ecclesiastical realities from the perspective of faith—discerning and judging what is happening so that we can (re)cognize God's interventions or opportunities for His grace in them. Finally, in the third step, the Church set guidelines for ecclesiastical actions, accepting *aggiornamento* as the fundamental pastoral and ecclesiological principle of post-conciliar development. This application of Catholic social teaching methodology in theological (especially pastoral but also biblical and dogmatic) work has resulted in a stronger use of the inductive approach in theological reflection, prioritizing exegesis over hermeneutics and moving away from mere application of doctrinal truths, liturgical norms, or moral principles in specific ecclesial, but also in social situations and practices, as it was the case before the Council. This new methodological approach reverses the applicative–deductive approach, now starting from observing reality as it is (of course, always from the perspective of faith and counting on faith as a constitutive element of observation itself<sup>16</sup>), and seeks to redirect existing practices through concrete action by discerning within the framework of doctrine. This movement and change have opened the doors wide for a new beginning (the *New Pentecost*) in the relationship between the Church and the world, particularly in a deeply secular world and society where the Church was losing significance and relevance. However, this change did not come without potential dangers in the form of excessive and unjustified alignment of the Church with the world (as superficial understanding of *aggiornamento* might suggest), which could lead the Church to lose her identity, established and sustained by God Himself. We see this as a real danger even today, 60 years after the Council, as

<sup>16</sup> See Bruno Petrušić, *A fusion-barrier model for the relationship between theology and science*, Faculty of Catholic Theology, University of Split, 2002, pp. 226-240.

the Church continues to grapple with an identity crisis. Pope Benedict XVI sought to overcome this crisis through the hermeneutic of reform, which seems to me a completely adequate, and in theological and historical terms, justified perspective of the post-conciliar Church. Pope Francis articulated (EG 222-237) his four principles as a reminder for the Church that she should always be awake and watch over what is entrusted to her.

Thus, the inductive approach, as defined by the Council in the concept of discerning the signs of the times, found its way into theology, through Catholic social teaching, and gained prominence. Since then, a continuous tension persists between the two aforementioned dynamics (bottom-up and top-down), requiring the Church to maintain equilibrium, uphold her identity, fulfill her God-given mission, and simultaneously remain approachable to people of all times, effectively communicating the salvation realized in Christ in an accessible and understandable manner. "To carry out such a task, the Church has always had the duty of scrutinizing the signs of the times and of interpreting them in the light of the Gospel. Thus, in language intelligible to each generation, she can respond to the perennial questions which men ask about this present life and the life to come, and about the relationship of the one to the other. We must therefore recognize and understand the world in which we live, its explanations, its longings, and its often-dramatic characteristics."<sup>17</sup>

And signs of the times, as a theological category before the Council, mainly referred to prophetic texts of the New Testament in which Jesus speaks about the last (apocalyptic) times. In that context, this phrase mainly refers to negative, dreadful, apocalyptic events that will precede the Second Coming of Christ. At the Council, the Church's teaching articulated the theological context and meaning of the phrase 'signs of the times', which now relates more to the question of history and contemporaneity, in which various events unfold that need to be interpreted in the light of the Gospel. The biblical perspective on the signs of the times is primarily directed towards apocalyptic themes and Jesus' response to questions about the end of the times. We have asked, and Jesus has answered—with the key answer being precisely the uncertainty concerning when all of this (the end of the world) will happen (Lk 1,40). From this answer arises the necessity of attention and vigi-

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<sup>17</sup> Second Vatican Council, *Gaudium et spes: Pastoral Constitution on the Church in the Modern World*, quoted by: *Pastoralna konstitucija o Crkvi u suvremenom svijetu Gaudium et Spes*, in: *Drugi Vatikanski koncil, Dokumenti*, Kršćanska sadašnjost, Zagreb, 2008., nN. 4.

lance in order to recognize and understand those worldly events that unfold in history, with humans as the main actors, in the light of the Gospel and faith. It is precisely to this necessity that the Council and theology respond with the theological concept of the signs of the times, at the center of which is the question of the relationship between the Church and the world—the connection between sacred and profane history.

If God is at work in the world He created and redeemed in Christ—and He is—what does that mean for the Church? This concerns the relationship between sacred history, the history of salvation; and secular history, the history of the world, all under the prism of Revelation. In other words, simply put, the question is this: has God revealed Himself only and exclusively in the sacred salvation history, or is He also revealed in the history of the world? This question was not generally raised at the magisterial level before the Council, and if it had been raised, the answer would clearly have been negative. Authentic revelation takes place only in the context of salvation history. Speaking about the signs of the times at the Council, the Church now seeks to recognize worldly events through which she can discern God's speech—she decides to be attentive to *some sort of revelation* that takes place apart from her, the designated guardian of authentic revelation. "In other words, *the signs of the times* reflect the recognition that there are facts of history that a credible presentation of the faith cannot dismiss without losing its credibility."<sup>18</sup> And all of this is possible thanks to the firm and unwavering faith that God is the ruler of history and the one who governs everything (or allows everything). God is the creator, sustainer, and savior of the whole world. Therefore, this theological concept is articulated precisely in the context of faith and trust. Pope John XXIII says that a believer sees beyond the darkness that has descended upon the world precisely because he trusts in the Savior who has not abandoned the world He redeemed. And the Council calls us to (re)interpret and understand worldly events in the light of the Gospel, so that we can act in the world from faith and conviction that everything God has created is good. It is precisely *here* that the clearest influence of the Catholic social teaching on the change (inductive approach) brought about by the Council is most visible, because via the '*signs of the times*' concept, a new method of Catholic social teaching is directly implemented into theological thinking.

<sup>18</sup> Massimo Faggioli, *Reading the Signs of the Times through a Hermeneutics of Recognition: Gaudium et Spes and Its Meaning for a Learning Church*, in: Horizons, College Theology Society, 44 (2016), pp. 332–350.

## 5. ALTERNATIVE ECONOMIC MODELS AS SIGNS OF THE TIMES

Alternative economic models present diverse approaches to organizing economic activity that deviate from the conventional capitalist paradigm. In contrast to the profit-driven, growth-oriented nature of capitalism, these models prioritize different values, methods of resource allocation, ownership structures, and goals. They offer alternative visions of economic organization that aim to address social, environmental, and economic challenges while promoting sustainability, equity, social justice, and community well-being. At the core of alternative economic models lies a fundamental reevaluation of values. While capitalism often places a primary emphasis on maximizing profit and economic growth, alternative models prioritize broader societal goals. Sustainability, both environmental and social, is a central value in many alternative economic models. They recognize the finite nature of the Earth's resources and seek to operate within ecological limits to prevent environmental degradation and ensure the well-being of future generations. Equity and social justice are also key values within alternative economic models. These models aim to reduce inequalities within and between societies by promoting more equitable distribution of wealth and resources. Many of these models involve forms of collective ownership and democratic decision-making, such as cooperatives and community-led initiatives. By giving stakeholders a voice in economic decision-making processes, these models seek to ensure that economic activities align with social and environmental goals and reflect the needs and preferences of communities. They challenge the concentration of wealth and power that often characterizes capitalist economies, advocating systems that provide opportunities for all individuals to thrive. They challenge the notion that economic growth and profit maximization should be the sole objectives of economic activity, and instead propose alternative visions that prioritize social well-being, environmental sustainability, and democratic participation.

I am not suggesting that these values cannot exist—whether partially or entirely—within the current capitalist system. Instead, I am emphasizing that alternative economic models prioritize these values as their foundational principles, while capitalism primarily focuses on profit generation and perpetual growth. It is important to recognize that continuous growth is not inherently problematic; natural growth is an essential aspect of healthy systems, as evidenced by various phenomena in nature. However, when growth becomes excessive and detrimental, it transforms into a harmful condition



akin to a disease. Just as cancer cells proliferate uncontrollably, causing harm to surrounding healthy tissue, unrestrainable growth in capitalism can lead to adverse consequences. Therefore, it seems appropriate to distinguish capitalism, as a system primarily driven by profit (*chrematistike*), from alternative economic models, as systems grounded in principles of stewardship and sustainability (*oikonomia*). As mentioned earlier, I will delve into a robust analysis of only three alternative economic models in this discussion. Including additional models would require considerable space, but I find these three models to be sufficient and adequate. They each highlight distinct motivations that underscore the necessity for alternatives to capitalism and help justify the understanding of alternative economic models in general, as signs of the times.

### 5.1. The economy of communion

The Economy of Communion is an alternative economic model inspired by the values of solidarity, sharing, and communion. It was founded by Chiara Lubich, the founder of the Focolare Movement, in 1991. This alternative model “emerged not so much from a desire to find solutions or sources of orientation for the problems of business life, but rather from the practical experience of a particular community that intuited the capacity for business endeavors to further nourish the life of the community and to express its religious values.”<sup>19</sup> The Economy of Communion seeks to promote a more just and equitable economy by integrating business activities with social and ethical principles. At the heart of the Economy of Communion is the idea of putting the human person at the center of economic activity, prioritizing the well-being and dignity of individuals over profit maximization. It advocates a more inclusive and sustainable form of capitalism that fosters relationships of solidarity and promotes the common good. The Economy of Communion is implemented through a network of businesses, organizations, and individuals around the world who share its vision and values. These businesses operate in various sectors and industries, ranging from manufacturing and agriculture to services and finance. “These firms, therefore, are not non-profit organizations, but the business profits are to be pooled and used for three precise goals: first, to finance the development of the business itself; second, to

<sup>19</sup> Luigino Bruni and Amelia J. Uelmen, *Religious values and corporate decision making: The Economy of Communion Project*, in: *Fordham Journal of Corporate and Financial Law*, 11(2006), No. 3, pp. 646.

spread the culture of communion by means of press, conferences and various infrastructures; and third, to help people in need, by beginning with those who are in contact with the Focolare communities, according to the principle of subsidiarity.”<sup>20</sup> Overall, the Economy of Communion offers a compelling vision of an economy that prioritizes human dignity, solidarity, and the common good. It challenges the notion that profit maximization is the sole purpose of business and provides a practical framework for creating a more just and equitable economic system. “The first step of the Economy of Communion is to put people, relationships at the heart of the enterprise and economic system. And this starts with recognizing that everyone is a gift and has the capacity to give, this then shapes a virtuous and generous cycle of giving in terms of talent, goods and time.”<sup>21</sup>

## 5.2. The Economy for the Common Good

The Economy for the Common Good is an alternative economic model that advocates a fundamental shift in economic thinking, placing the well-being of people and the planet at the center of economic activity. It was developed by Austrian economist Christian Felber in 2010 and has since gained traction as a framework for promoting social justice, sustainability, and democratic participation in economic decision-making. The Economy for the Common Good offers a comprehensive framework for reimagining economic systems and creating a world where the well-being of people and the planet are prioritized over narrow financial interests. Through advocacy, education, and practical initiatives, supporters of this alternative model are working to transform economic paradigms and create a more equitable and sustainable future for all. The *common good economy* is an alternative economic system to the prevailing capitalist market economy, as it differs in characteristics such as the pursuit of profit, material wealth, concentration of power, economic growth, competition, and *Gross Domestic Product* (GDP). Instead, it emphasizes the common good, values, trust, sufficiency, cooperation, money as a means to an end, no compulsion to grow, and the Common Good Balance Sheet. In an economy for the com-

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<sup>20</sup> Luigino Bruni and Stefano Zamagni, *The Economy of Communion: Inspirations and achievements*, *Dans Finance and Bien Commun*, 3(2004), No. 20, pp. 93.

<sup>21</sup> Lawrence Chong, *The Economy of Communion: What is it and its Future*, *Glas koncila*, (2020) No. 11, available at: <https://www.linkedin.com/pulse/economy-communion-what-its-future-lawrence-chong/>

mon good, success would be redefined and realigned with earlier conceptions of *oikonomia* and contemporary constitutions, i.e. with the contribution of economic activity to the common good/general welfare/well-being of the society. One of the strengths of the movement is that it has created practical tools for diverse actors that are accepted and applied by companies, banks, cities, regions, schools, and universities. The Common Good Balance Sheet is a universal instrument for all types of organizations; at least 800 businesses from all branches, as well as a growing number of municipalities and cities apply it.<sup>22</sup>

### 5.3. Social entrepreneurship of the European Union

Social entrepreneurship in the European Union refers to the practice of using entrepreneurial principles and innovative approaches to address social, cultural, or environmental challenges within EU Member States and beyond. Several initiatives and programs have been established to support and promote social entrepreneurship across the EU. One significant initiative is the European Commission's Social Business Initiative (SBI), launched in 2011. The SBI aims to create an enabling environment for social enterprises to thrive, by providing access to funding, networks, and expertise. It includes measures to improve access to finance, enhance legal frameworks, and promote social innovation and entrepreneurship education. The European Union also supports social entrepreneurship through various funding programs, including the European Social Fund (ESF), the European Regional Development Fund (ERDF), and the European Investment Fund (EIF). These funds provide financial support to social enterprises and organizations working to address social and environmental challenges.

Social entrepreneurs typically aim to create positive social impact while also generating sustainable financial returns. A social enterprise combines entrepreneurial activity with a social purpose. Its main aim is to have a social impact, rather than maximize profit for owners or shareholders. Businesses providing social services and/or goods and services to vulnerable persons are a typical example of social enterprise. Social economy encompasses a variety of businesses, organizations, and legal forms—social enterprises, cooperatives, mutual benefit societies, non-profit associations, and foundations—which all share the feature of systematically putting

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<sup>22</sup> For more about this alternative model see: <https://www.ecogood.org/>

people first.<sup>23</sup> The EU data suggest that there are some 2.8 million social economy entities and enterprises in Europe, employing together around 13.6 million people. The share of the social economy in paid employment varies between 0.6% and 9.9% among Member States.<sup>24</sup> Social entrepreneurship plays an important role in addressing social, economic, and environmental challenges while fostering inclusive and organic growth, shared prosperity, and social inclusion. Moreover, social entrepreneurship contributes to job creation, especially at local level, as well as to democratic participation and improvement of welfare services delivery. Social entrepreneurship is increasingly challenging the traditional idea of doing business just for the sake of profit, and social enterprises are developing around the world, even if, in statistical terms, they are still a niche form of business. But, combined with other alternative economic models, which can be seen as a sign of the times, they together indicate that the change (from *chrematistike* to *oikonomia*) is reachable and possible.

#### 5.4. Alternative economic models and theology of the signs of the times

The call for a more humane and just economy resonates deeply within the teachings of the Catholic Church, encapsulated in its rich tradition of social doctrine. Catholic social teaching emphasizes the inherent dignity of every human person and calls for economic systems that prioritize the common good, solidarity, and social justice. This calling is echoed in a series of social encyclicals issued by various popes throughout history, which ultimately exerted a strong influence of Catholic social teaching on theology at the Second Vatican Council. The inductive methodology of the Catholic social teaching entered theology and strongly marked its post-conciliar development. In addition, the theology of scrutinizing the signs of the times developed, which sought to find echoes or evidence of God's miraculous action in the world, which, thanks to natural laws and relative autonomy (which is seen as a kind of theological form of subsidiarity), develops independently. Through

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<sup>23</sup> See: Jolita Greblikaite, Włodzimierz Sroka and Juris Grants, *Development of Social Entrepreneurship in European Union: policy and situation of Lithuania and Poland*, in: *Transformations in Business and Economics*, 2(B), 35 (B), (2015), pp. 376-396.

<sup>24</sup> See: <https://ec.europa.eu/social/main.jsp?catId=952&intPageId=3510&langId=en>

these two processes, the Church changed its perspective towards the society to which it was sent to preach the Gospel, to every time, culture and man—until the end of time. The Church now accepts the (relative) autonomy of culture, society and individual social segments, such as economy, politics, art, and focuses on reading the signs of the times in order to recognize God's action in events and processes outside of herself. What is important to emphasize and never forget is the fact that this concerns relative—not absolute—autonomy. The moment we agree to absolute autonomy of society, economy, politics, or science from moral and value frameworks (or the world in relation to God), we will find ourselves lost and disoriented in space and time. From that moment, the call to conversion will be an imperative we must not ignore.

The theological notion of the signs of the times, as articulated in the Second Vatican Council's document *Gaudium et Spes*, calls for discernment of contemporary social, political, and economic realities in light of the Gospel. This concept encourages a responsive and engaged theology that interprets the challenges and opportunities of the present era through a faith-based lens. Connecting this theological notion with alternative economic models involves recognizing and responding to the injustices and unsustainable (*chrematistike*) practices prevalent in today's dominant capitalistic systems. Alternative economic models, such as the Economy for the Common Good, the Economy of Communion, and social entrepreneurship within the EU, embody principles that resonate with the values emphasized in Catholic social teaching. The signs of the times prompt a critical examination of current economic systems, highlighting issues like inequality, exploitation, and environmental degradation. Alternative economic models address these injustices by promoting equity, sustainability, and community well-being. Models like the Economy for the Common Good prioritize human dignity, fair wages, and ethical business practices, aligning with these theological principles. In response to environmental crises recognized as signs of the times, alternative economies, such as the Economy of Communion, emphasize environmental sustainability and stewardship of resources, reflecting the call for an integral ecology found in encyclicals like *Laudato Si'*.

All of the above can be seen as the negative side of theological interpretation of the signs of the times (inequality, injustice, unsustainable growth) and a grounded analysis of the globally prevailing capitalist economic system. However, when we include alternative economic models in the interpretation of the signs of the times and

critical analysis, we can speak of a positive side in the context of which we can recognize the seeds or inspirations of actions that come from God—as calls for the global economy to convert and believe in the Gospel. Moreover, when we add the different motivations underlying alternative economic models, we can justify the conclusion that Pope Francis' pontificate is a prophetic voice that authentically interprets the signs of the times in which we live and shows us the way out of the dead end of the contemporary consumerist and capitalist society. In this context, we can understand and see alternative economic models as true signs of the times that theology identifies and sees, judges, and, based on this, calls to action: conversion from *chrematistike* to *oikonomia*.

#### CONCLUSION

Why do alternative economic models exist? They exist because capitalism, as we know it today, has reached a dead end. Increasingly, people are seeing and recognizing this as a structural global problem. Among them is the Church, which has more clearly and strongly articulated a critique of capitalism—a critique that runs as a connecting thread or theme through the entirety of Catholic social teaching, especially during the pontificate of Pope Francis. To say that this economy kills may be bold and perhaps exaggerated, but it is not far from the truth. Therefore, through Catholic social teaching, the Church offers guidelines and principles that allow for the organization of society and all its spheres, including the economy, in accordance with the principles of justice, equality, and respect for inalienable human dignity, as well as care for our common home. However, since other voices have emerged—voices outside the Church—that propose, seek, and demand the same, voices that are not religiously motivated, we can speak of clearly articulated signs of the times that theology must take into account. And thanks to the acceptance and implementation of the inductive methodology in Catholic social teaching in post-conciliar theological development (which is again most clearly seen in the prophetic pontificate of Pope Francis), theology is capable and obligated to do so.

## ALTERNATIVNI EKONOMSKI MODELI KAO (TEOLOŠKI) ZNAKOVI VREMENA

### *Sažetak*

Prevlast kapitalizma u današnjoj globalnoj ekonomiji ukazuje na nužnost alternativnih ekonomskih paradigmi koje su potaknute zabrinutošću zbog maksimizacije i izvlačenja profita iz poduzeća unutar autonomnih i slobodnih tržišta. Iako Katolička crkva priznaje legitimnost kapitalizma unutar određenih parametara, problemi nastaju kada profit postane važniji od ljudskog dostojanstva i zajedničkog dobra te kada izvlačenje profita postane isključivi cilj ekonomske aktivnosti. Papa Franjo zagovara istinske alternative koje prioritet stavljaju na vrijednosti ispred profita, kao što to vidimo u kontekstu Franjine ekonomije.

Ovaj članak ispituje tri alternativna ekonomska modela: ekonomiju zajedništva (povezanu s pokretom Fokolara), ekonomiju za opće dobro i socijalno poduzetništvo unutar Europske unije. Ovi modeli, vođeni religijskim, sekularnim i institucionalnim motivacijama, ističu potrebu za drugačijim pristupom u odnosu na dominantne kapitalističke strukture. Unatoč njihovom različitom podrijetlu, ovi alternativni modeli dijele zajedničko odbacivanje inherentnih obilježja kapitalizma te naglašavaju principe pravde, solidarnosti i ljudskog dostojanstva. Oslanjajući se na socijalni nauk Crkve kao okvir, ovi modeli nastoje integrirati moralna načela u ekonomske aktivnosti. Socijalni nauk Crkve, utemeljen u kršćanskoj antropologiji, pruža perspektivu kroz koju se ekonomija može razumjeti u svjetlu Evanđelja, tj. može se razumjeti unutar teološke kategorije „znakova vremena”. Metodologija socijalnog nauka Crkve, koja uključuje procese promatranja, prosudbe i djelovanja, naglašava važnost moralne integracije u ekonomske pothvate kako bi se očuvalo ljudsko dostojanstvo.

Alternativni ekonomski modeli osporavaju model kapitalizma usmjeren prema profitu, stavljajući zajedničko dobro ispred individualnog dobitka. Usuglašavanjem sa socijalnim naukom Crkve, ovi modeli nude put izvan ograničenja prevladavajućeg kapitalizma, prikazujući kako bi teološka kategorija znakova vremena mogla izgledati kada se primijeni na ekonomiju. Proročko zagovaranje pape Franje potiče potragu za alternativama koje prioritziraju ljudsko dostojanstvo i dobrobit zajednice, usklađujući se s misijom Crkve da promiče cjeloviti napredak čovječanstva.

Ključne riječi: *Socijalni nauk Crkve; alternativni ekonomski modeli; znakovi vremena; kapitalizam; Papa Franjo*