



## The Vatican's Breathtakingly Good Statement on Economics

By Professor Steve Schneck, CACG Board Member

*The Church, which has long experience in human affairs and has no desire to be involved in the political activities of any nation, "seeks but one goal: to carry forward the work of Christ under the lead of the befriending Spirit. And Christ entered this world to give witness to the truth; to save, not to judge; to serve, not to be served.*

This quotation from Paul VI's encyclical *Populorum Progressio* prefaced Monday's release of an extraordinary document in Rome. Authored by the Vatican's Pontifical Council for Justice and Peace it's a breath-taking analysis of the moral failing behind the current economic crisis. Even more—signed by the Council's head, Cardinal Peter Turkson, and by its secretary, Bishop Mario Toso—the document charts what might be called a "Catholic way forward" from the present morass.

The analysis of the intrinsic moral failing of modern economic life is particularly compelling. For while the authors detail how the economic crisis of our day "has revealed behaviours like selfishness, collective greed and the hoarding of goods on a great scale," it is not the greedy sinfulness of individuals that is emphasized. Instead, analysis here focuses on certain structural aspects of contemporary civilization that have abetted and facilitated such greed. Greed no doubt is an endemic temptation for our fallen nature, as it were, but special failings of current institutions, practices, and ideology corrupt the process of human formation in a fundamental way.

What practices and ideologies are to blame? "First and foremost," we're told is "an economic liberalism that spurns rules and controls," an "approach unsympathetic towards public intervention in the market." The European terminology might confuse American readers (who'd likely call such ideology "conservative," not "liberal"). But, this is what Blessed John Paul II once called the idolatry of the market, which is described in Monday's release as a "system of thought, a form of 'economic apriorism' that purports to derive laws for how markets function from theory, these being laws of capitalistic development."

Such thinking is neither radical nor new. Radical as it might seem to Americans, this analysis from the Pontifical Council fits comfortably within magisterial traditions. From the 19<sup>th</sup> century onward encyclicals and other Church teachings—including the writings of Blessed John Paul II and Benedict XVI—have preached that unregulated market forces endanger the common good. Valuable as they are for economic development, without moral safeguards markets are perceived to foment attitudes

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toward others and toward the community that not only oppose Christian values but also are unsustainable for an enduring and just social and political order. Market operations incline us to valorize the self and self-interests and to do so in opposition to and competition with others. In individual moral terms, the worry is selfishness, greed, and pride. We're nudged by market forces, as the document puts it, to live like a wolf among our fellow men and women. Understood more broadly, the Church's long-standing argument is that the unregulated market's "invisible hands" erode *caritas* and concern for others (especially concern for those Jesus called "the least of these") and militate against the primary purpose of our public life as citizens which is the common good of the whole community in light of salvation.

Monday's release from Rome draws from the writings of Benedict XVI pointedly in making this case, noting that "In his social encyclical [Caritas in Veritate], Benedict XVI precisely identified the roots of a crisis that is not only economic and financial but above all moral in nature. In fact, as the Pontiff notes, to function correctly the economy needs ethics; and not just any kind but one that is people-centered." Being should have primacy over having. Ethics should precede economics. Persons are irreducible: they are not merely commodities, consumers, or producers. Thus, a moral appreciation of the utter dignity of the person, the solidarity of the human community, and concern for others must be empowered in public life to guide and regulate the dynamism of economic markets to support the fullness of the Christian vision for the common good. The economic miseries of our time trace to our generation's failure in this regard.

The Pontifical Council's analysis is powerful, and it resonates poignantly within our world's current atmosphere of frustration and despair over out-of-control economic forces that seem to be shredding the fabric of our lives and livelihoods. The remedies that the Council proposes are similarly appealing. Needed, we are told, are morally inspired laws, regulations, and institutions to guide market forces toward the common good and to assure that markets serve humankind rather than the reverse. Specifically, the Council advocates for a supra-national network of laws and an international authority to regulate globalized markets. No fantasizing about black IMF or United Nations helicopters hovering over Wall Street, however. In keeping with the principle of subsidiarity, the Council would empower such authority to intervene only where local and national efforts to regulate for the common good proved ineffective.

American Catholic conservatives are in a tizzy, naturally. "Rubbish, rubbish, rubbish," George Weigel writes, shouting for all who'll listen that the Pontifical Council does not speak with papal authority and not only can its teachings be ignored, but they should be. Samuel Greg of the Acton Institute (echoing the American Tea Party's shrilling that wrongheaded intervention by the "authority" of the Federal Reserve and the national government actually precipitated the crisis) complains that the Pontifical Council offers only "an uncritical assimilation of the views of many of the very same individuals and institutions that helped generate the world's most serious economic crisis since the Great Depression."

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As if anticipating such dismissals, Bishop Toso at the release of the document in Rome reminded the assembled journalists that the Council took its inspiration from Benedict XVI himself who, in *Caritas in Veritate*, proposed that some form of world authority was needed in the present age to bring order to emerging global economic forces.

Cardinal Turkson came to Washington earlier this year where he delivered a powerful defense of Catholic Social Teaching at an event commemorating the 120<sup>th</sup> anniversary of *Rerum Novarum*, the seminal papal encyclical to confront issues of economic justice. He is hardly a radical. It is a measure of how distorted the American political landscape has become that his analysis sounds so fresh and so different from the norm in contemporary debates about the economy. In this new document, he invites all Catholics to look at the financial crisis as Catholics first and political partisans second. It is an invitation we should all accept.

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