

Economic Social Justice in *Evangelii Gaudium*

Faculty Panel Discussion, February 26, 2014

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On November 26 of last year, at the close of the Year of Faith, Pope Francis promulgated an Apostolic Exhortation titled *Evangelii Gaudium* (The Joy of the Gospel). This is the first papal document written by Pope Francis himself, *Lumen Fidei* having been written mostly by Pope Benedict XVI. The mainstream media announced *Evangelii Gaudium* with an almost exclusive focus on its economic sections, with headlines such as "Pope Francis denounces 'trickle-down' economic theories in critique of inequality" (*The Washington Post*), "Pope Francis 'Attacks 'Idolatry of Money'" (*The Huffington Post*), "Pope attacks 'tyranny' of markets" (Reuters), and "Pope Francis attacks 'tyranny' of unfettered capitalism" (NBC News). The following day (Nov. 27) Rush Limbaugh said on his show, "This is just pure Marxism coming out of the mouth of the pope." On December 4, Fox News's Adam Shaw, wrote an opinion piece titled "Pope Francis is the Catholic Church's Obama – God help us."

The response to this Apostolic Exhortation by some politically conservative Catholics such as Fr. Sirico and Samuel Gregg of Acton Institute was two-fold. On the one hand they argued that unfettered capitalism and the globalization of markets have done more to alleviate poverty around the world than anything else. On the other hand, they argued that since no market on earth is entirely unfettered, and that no one advocates an entirely unregulated market, Pope Francis's criticism did not apply to any actually existing market or any market theory, and was thus in that respect setting up and criticizing a straw man.

"Where is the market absolutely autonomous? Who is advocating for an absolutely autonomous market?" asked Fr. Sirico in a video he put out very soon after the document was released. On the same day the document was released, Samuel Gregg wrote an article in the *National Review* in which he claimed, "there is literally *no* country in which markets operate with "absolute autonomy." ("Pope Francis and Poverty," Nov. 26, 2013) Moreover, argued Gregg, nobody is claiming that economic freedom and free markets are sufficient to reduce poverty; they are necessary, but the rule of law is essential as well. Finally, in response to Pope Francis's call for a more just distribution of wealth, Gregg claimed that *Evangelii Gaudium* "seems, alas, unaware" that many poverty-alleviation methods that involve redistribution (such as foreign aid) are increasingly discredited, that "the standard wealth-redistribution policies that are often regarded as indispensable to poverty alleviation have *failed* to achieve their goals."

In my opinion the responses of Fr. Sirico and Gregg, while having some truth to them, misconstrue what Pope Francis actually says, and misrepresent the Catholic social teaching found in the encyclicals extending back to Pope Leo XIII's *Rerum Novarum* promulgated in 1891, and with which *Evangelii Gaudium* is in continuity. That is one reason to consider in more detail these paragraphs on economics. Another reason to consider them together in this panel discussion is that these paragraphs present us with a unique intersection of various disciplines: business, economics, ethics, and theology. So here I want to focus on what Pope Francis actually said in the paragraphs in question, and what it means.

Let's start with paragraph 53. One of the challenges of today's world, according to Pope Francis, is the rise of new kinds of power over others, through a social and

economic structure that excludes and marginalizes some while massively increasing the welfare, health, luxury, and comfort of others. This he calls "an economy of exclusion and inequality." In such an economy, it is not a news item when an elderly person dies of exposure, but it is news when the stock market loses two points. In this same paragraph, he says, "Today everything comes under the laws of competition and the survival of the fittest, where the powerful feed upon the powerless." It is not merely that the poor are exploited; they are the excluded, the neglected, the outcast, the "leftovers."

Here Pope Francis is speaking of a society whose values are distorted, as reflected in what is considered important to that society. This disorder in values is reflected in what its news media report, which itself is determined in part by what media consumers want to see and hear. In such a society, the poor and suffering are absent-by-exclusion from the consciousness of the public life and conversation of that society. In such a society the poor simply don't matter; they and their condition are not valued and are not a pressing concern or priority of society. Pope Francis's criticism here is not about which economic theory is most efficient, or floats the most boats. It is about the disorder of the values of such a society, as reflected in its actions and conversations. Such a society has mistakenly transferred the values of economic competition involving survival of the fittest to the values of the human persons within society, with the result that persons who do not thrive economically are treated as having little or no value. The survival-of-the-fittest, dog-eat-dog value system imported from market competition and applied to persons is in this way contrary to Catholic social teaching, because it fails to recognize the intrinsic dignity of the poor and marginalized with whom we all are *equal* as persons, and accord them the treatment befitting this intrinsic dignity.

Likewise, in paragraph 54, Pope Francis is criticizing a set of disordered values in which the poor are devalued. In a society operating according to these disordered values, theorists often propose that the poor will be taken care of by the trickle-down effects of economic growth. That is, the solution to poverty is a trickle-down economics by which we as a society do not have to concern ourselves directly with the poor among us; we need only consume more, and let the trickle-down (spill-over) effect take care of the poor as the rising tide floats all boats. But, claims Pope Francis, not only does this not work ("the excluded are still waiting"), this notion is merely another expression of a failure to value the poor rightly, and thus to recognize our obligation to the poor, an obligation that is not satisfied simply by pursuing economic growth with the assumption that the rising tide will adequately lift all boats. That underlying disorder is indicated by our thrill when the market offers us something new to purchase (e.g. a new iPhone), but in the meantime, "all those lives stunted for lack of opportunity seem a mere spectacle; they fail to move us." The problem is disordered valuations, namely, the prioritization of the pursuit and attainment of a particular affluent lifestyle over the basic needs of our struggling neighbors, over compassion or empathy for those suffering and in need around us, over recognizing and feeling a need to help them. This is in part what is meant by consumerism. (Think of "Black Friday.") Pope Francis calls it the "culture of prosperity," which, as spread globally, he calls "a globalization of indifference." The problem is not a specific economic theory *per se*, but a social and cultural embodiment of disordered values: selfishness, egoism, and indifference, devoid of the virtue of solidarity.

In paragraph 55, Pope Francis says that the ancient golden calf which was the idol fashioned by the Israelites has returned in our time as the "idolatry of money" and the

"denial of the primacy of the human person." The social disorder he is diagnosing is an over-valuation of money, and an under-valuation of the human person. This disorder reduces man to "one of his needs alone: consumption." So in order to correct the mistake we must turn this on its head. As a society we ought to see that humans are not for money or for the economy; money and the economy are for humans. The purpose of humans is not to grow or serve the economy; the purpose of the economy is to provide for and serve human persons, and thus provide for and serve the poor among us.

In paragraph 56 Pope Francis gets at the heart of the issue, in my opinion. He points to growing income and wealth disparity, and attributes it to "ideologies which defend the absolute autonomy of the marketplace and financial speculation." These ideologies "reject the right of states, charged with vigilance for the common good, to exercise any form of control." He writes, "In this system, which tends to devour everything which stands in the way of increased profits, whatever is fragile, like the environment, is defenseless before the interests of a deified market, which become the only rule." Here the fundamental problem is a value system in which profits are valued above the common good. The absolute autonomy of markets to which he refers is the autonomy by which the market is not subordinate to the State, which has the responsibility for and charge to advance and protect the common good. As a result, the market becomes "deified," because according to this set of values, nothing beyond commutative justice must stand in the way of profits, and the markets do not exist for the sake of the common good, but instead exist for the sake of profit. According to Pope Francis this is why there is significantly widening income and wealth disparity, because the unfettered market does not itself seek just distribution of income and wealth, but the common good does involve

the just distribution of income and wealth, because the pursuit and advancement of the common good requires pursuing and advancing conditions that allow **every** member of the society to flourish, not just some. The common good is not achieved when some contingently remain impoverished or deprived of basic goods, or means to pursue opportunities for dignified life.

In paragraph 57 Pope Francis answers the question: What is behind this "attitude"? His answer is "a rejection of ethics and a rejection of God." He writes,

Ethics has come to be viewed with a certain scornful derision. It is seen as counterproductive, too human, because it makes money and power relative. It is felt to be a threat, since it condemns the manipulation and debasement of the person. In effect, ethics leads to a God who calls for a committed response which is outside the categories of the marketplace. When these latter are absolutized, God can only be seen as uncontrollable, unmanageable, even dangerous, since he calls human beings to their full realization and to freedom from all forms of enslavement. Ethics – a non-ideological ethics – would make it possible to bring about balance and a more humane social order.

Ethics relatives money and power by subordinating them to the human person. And this threatens and challenges the existing value system according to which profit and economic growth are the highest ends to be pursued. Likewise, faith in God, and thus the Church, fall outside the "categories of the marketplace." As Genesis refers to a remaining enmity between the serpent and the woman, so we might go so far to say that the market remains nervous or wary of the presence of God, on account of Christ having personally cleared the money changers from the Temple. Ethics and faith challenge this idolatry of money, and overturn the tables of an autonomous market, as it were, by subordinating it to a higher good, namely, the common good. Here Pope Francis quotes from St. John Chrysostom, "Not to share one's wealth with the poor is to steal from them and to take away their livelihood. It is not our own goods which we hold, but theirs." This quotation

reflects what in the social teaching of the Church is called the universal destination of goods.¹

In paragraph 58 Pope Francis calls for a financial reform open to such ethical considerations, and says, "Money must serve, not rule!" Again, this means that money is for the human person, and thus for the common good of society. Hence he writes, "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 favours human beings."

This requires saying more about the common good. Some persons have attempted to define market autonomy into the concept of the common good by making market autonomy an essential means of advancing the common good through maximizing economic efficiency and growth. But that's a misunderstanding of the concept of the common good, which has been defined in multiple places in ecclesial documents.

Gaudium et Spes, for example, defines the common good in relation to the conditions by which it is attained: "the sum total of social conditions which allow people, either as groups or as individuals, to reach their fulfilment more fully and more easily." And the Compendium of the Social Doctrine of the Church defines the common good in terms of the end goal: "the good of all people and of the whole person" (Compendium #165).

Properly understood, the common good is not a condition where many persons are thriving but some are left languishing on account of exclusion or neglect while society possesses the goods needed to supply what is lacking. The economy therefore is not serving the common good when through its growth some are flourishing while others are being ignored, marginalized, or left in poverty. And that is why simply maximizing

¹ "[T]he Creator Himself, has given man the right of private ownership not only that individuals may be able to provide for themselves and their families but also that the goods which the Creator destined for the entire family of mankind may through this institution truly serve this purpose." *Quadragesimo anno*, 45.

economic growth is not *ipso facto* pursuing the common good, and the common good cannot be reduced to positive economic indicators. Because the common good refers to a social condition in which no part or class is marginalized or deprived, it entails a condition and social structure in which every person has the necessary means to flourish. The problem with an absolutely autonomous market is that it is not *ipso facto* ordered to the common good. This is precisely why, for example, we have laws regulating markets, including regulations preventing monopolies, laws regarding product safety, meat inspectors, etc. Treating economic growth as the measure of attaining the common good conceptually reduces the common good to something that does not include social or distributive justice. Rightly understood, however, the common good includes social justice, according to which no one is marginalized or abandoned, but instead the society actively and directly provides solicitude for each of its weakest members.

In paragraphs 59-60 Pope Francis explains that true peace cannot be attained without addressing this injustice within the present socioeconomic system. Some such societies are attempting to obtain peace by way of advanced security technologies. But, claims Pope Francis, this technology cannot substitute for the virtue of justice. Social stability is not ultimately obtainable through technology, but only through social justice. Moreover, the toleration of social injustice spreads so as eventually to undermine any political and social system. When inordinate consumption among the wealthy is added to social injustice, this proves even more damaging to social stability.

In paragraph 202, Pope Francis refers to structural causes of poverty. These are any social or economic or political arrangements which by their very nature bring about as a consequence impoverishing some persons of the goods and resources needed for human

dignity. Pope Francis gives the “absolute autonomy of markets and financial speculation” as an example of such a structural cause of poverty. By “absolute autonomy” he does not mean that such markets have no regulation whatsoever. Rather, he is referring to markets that are not governed and guided in relation to service to and advancement of the common good properly understood. This structural problem is not ultimately solved by welfare projects, claims Pope Francis, precisely because that solution does not address the underlying structural cause of the poverty; it merely patches over it.

In paragraph 203 we see more clearly the fundamental problem Pope Francis is addressing. What is missing in present large-scale economic practices and policies is the prioritization of the common good and human dignity over increasing the GDP and other such economic indicators. Those motivated by greed, without adequate regard for the common good, find it “irksome” when the principles of ethics, distributive justice, protection of the rights and dignity of labor, and global solidarity restrict or diminish the potential maximization of their pecuniary return on investment. Here, it is important to see why what Pope Francis is saying is not anti-business. He writes,

Business is a vocation, and a noble vocation, provided that those engaged in it see themselves challenged by a greater meaning in life; this will enable them truly to serve the common good by striving to increase the goods of this world and to make them more accessible to all.

First, business is a noble vocation. However, the purpose of the vocation of business is not the maximization of financial profit, but rather service to the common good. Of course this requires profit, not profit at the expense of the common good, but profit as an end subordinate to the common good as a higher end, which thus requires that all the means by which profit is pursued also support and not detract from the common good. Merely producing consumable goods and thereby making profit does not *ipso facto* order

one's activity to the common good, or ensure that one's business is ordered to the common good.

Pope Francis opens paragraph 204 with this memorable line: "We can no longer trust in the unseen forces and the invisible hand of the market." Economic growth, measured in terms of sales, profits, consumption, investment, stock prices, etc. is not *ipso facto* growth in justice. A society can have a growing economy (in that sense of the term) while simultaneously becoming a less just society, even without any change in the level of social adherence to commutative justice. The solution to this problem isn't merely a "simple welfare mentality" that throws money at the poor while leaving them socially in the structural condition and disordered value system that traps them in poverty. Nor is the solution simply to streamline the efficiency of production, and thereby reduce the workforce. This is simply "adding to the ranks of the excluded." The solution requires addressing remedially the underlying conditions that lead to disproportionate income distribution, restructuring social and business practices so that the poor are positively and proactively invited and equipped for meaningful participation in society, space is made for their involvement and contributions, and they are thereby elevated and incorporated with dignity and solidarity into the life of a society ordered to the common good, a society rightfully grateful for their place within it and contribution to it.

In paragraph 205 Pope Francis prays that God would give us more politicians capable of the sort of dialogue that aims at healing the deepest roots of the evils in our world. The purpose of the political office is to serve the common good, and the political leader as such, when carrying out the proper task of that office, serves the common good in a more profound way than does the laborer or craftsman. But since the common good involves

the flourishing of *all* the members of society, the political leader must work “to ensure that all citizens have dignified work, education and healthcare.” Merely advancing the economy is not necessarily advancing the common good. When the politician by his or her policies effects economic growth at the cost of greater social injustice and marginalization of the poor, the politician is failing to perform the fundamental responsibility intrinsic to the political office, namely, advancing the common good. When Pope Francis speaks here of “the wall of separation between the economy and the common good” he is referring to an economic structure and focus in which the value of growing the economy is placed above advancing the common good, or, in another way, growing the economy is viewed as just what it means to advance the common good.

Reply to Objections

What then of the response to *Evangelii Gaudium* by some politically conservative Catholics who claim that nobody, themselves included, supports an absolutely autonomous market? Did Pope Francis criticize a straw man? What is somewhat (though I assume unintentionally) misleading about this objection is that the autonomy these persons deny is not identical to the autonomy Pope Francis is criticizing. The autonomy they deny is anarchic autonomy, that is, among other things: the absence of the rule of law by which violation of contractual agreements is prohibited and penalized, the absence of virtue, the absence of private property rights, and the absence of, for example, regulations prohibiting monopolies that undermine market competition and thereby increase costs for consumers. Hence, paradoxically, the response by critics, “Where are there any unregulated markets?” sets up a straw man because being regulated only in

terms of commutative justice or consumer protection is not the same thing as being regulated in relation to the common good. These critics tend to treat the wrongness of what in actuality are violations of subsidiarity as a basis for rejecting what is required by solidarity. Pope Francis, however, is criticizing the conception of a market that is autonomous with respect to the common good. Pursuing and advancing the common good requires not only maintaining commutative justice, avoiding monopolies, defending private property, etc., but also upholding distributive, legal, and social justice.

Some of these politically conservative Catholics, however, deny the very concepts of social justice or distributive justice. This is the standard Misesian/Hayekian rejection of the very conception of distributive justice. So they either deny the subordination of the market to the common good, or conceptually reduce the common good to something that does not include social or distributive justice. In this way, their “we also deny autonomy” response is a case of equivocation, because the autonomy they deny is not identical to the autonomy Pope Francis criticizes, and the autonomy they allow (i.e. non-conformity to social and distributive justice) is part of the autonomy condemned by Pope Francis and previous Church documents. Likewise, when they say that opening markets has reduced poverty in some countries, the “opening” to which they refer is not a departure from social or distributive justice *per se*, but from violations of the principle of subsidiarity. So when in response to the Pope’s criticism of the autonomy or markets, they point to good effects of autonomy, they are equivocating on the term ‘autonomy.’