

human development. In doing so, we should find that the problems of poverty and economic injustice become easier to address.

The problem with the market-state binary is that it causes us to miss the importance of challenging cultural norms. But we must challenge them. If people think it is good to be (narrowly) self-serving, you will get bad market outcomes *and* bad state outcomes. If people think that unlimited economic growth is desirable, you will get bad market outcomes *and* bad state outcomes. We need to have a strong vision of what goods are served by our economic strivings. Correlatively, we need to resist with all our might the culture-wide tendency to elevate economic questions to the level of ultimate questions. That tendency is the root of our problems. If we all think more is better, it's hard for us to make the personal sacrifices necessary to promote the common good. If we all think more is better, it's harder to work for an environmentally sustainable path to prosperity for all. And as a result, we'll tend to focus on the sorts of pointless polemics that pass for political discourse in our culture, because it is a way of expressing concern about these issues without actually doing anything. When I think of Pope Francis' exhortation that we resist the idolatry of the golden calf, I think it is best to not assume that he is merely talking about the greedy buzzards on Wall Street. It's a culture-wide problem that impedes all of us from doing what we really can to move toward genuine human community. The Left and the Right manifest that disorder in different ways, but they are both tarred with it. As Catholics we have a diagnosis for that disorder, and the potential to offer a compelling alternative vision in which material goods are properly subordinated to the higher goods they are meant to serve. With such a heritage at our disposal, it would be a shame to continue to squabble as though the important question is whether the latest papal pronouncement is a win for the Democrats or the Republicans.

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IV. Pope Francis on the Economy: A Challenge to Both Right and Left

Pope Francis insists that we live in an “economy of exclusion and inequality” governed by “the laws of competition and the survival of the

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fittest, where the powerful feed upon the powerless,” justified by those who “continue to defend trickle-down theories which assume that economic growth, encouraged by a free market, will inevitably succeed in bringing about greater justice and inclusiveness in the world” (EG §§53–54). These statements on the economy in *Evangelii Gaudium* have inevitably set off a firestorm of commentary. For example, Samuel Gregg has accused the pope of making “rather questionable” assumptions about the free market,⁴⁶ while Rush Limbaugh has even accused him of being a “Marxist.”⁴⁷

In his introduction to this Roundtable, David Cloutier points our attention to *New York Times* columnist Ross Douthat’s more nuanced analysis of Francis’ teaching.⁴⁸ Douthat recognizes that Francis’ teaching represents a challenge to American conservatives, and concludes that, rather than worrying “that the throne of Peter has been seized by a Marxist anti-pope,” conservatives should seek to integrate Catholic social teaching and conservative ideas in new and creative ways.

Cloutier rightly identifies the dilemma behind Douthat’s analysis: to be a conservative Catholic means to hold two propositions—a loyalty to teaching authority, and a preference for individual and market-based economic systems over state bureaucracies—that are ever more evidently in tension because of Francis’ more “liberal” criticisms of the free market. As Douthat writes, for conservative Catholics “the burden is on them—on us—to explain why a worldview that inspires left-leaning papal rhetoric also allows for right-of-center conclusions.”

Although Douthat wrestles with Francis’ teaching, his efforts are paralyzed by a failure to escape the binary thinking about market and state that so dominates our political discourse. For Douthat, the primary political question still remains, Do we need more market, or more state? But the more important political questions are, What kind of market, what kind of state, and for what purposes?

Criticism of capitalism, or for that matter advocacy for state intervention in the economy, does not necessarily imply “liberalism,” let alone “socialism” or “Marxism.” Our political discourse demonstrates a real poverty of language in that some advocate more market, some advocate more state, but we rarely articulate what purpose either is meant to serve. This discussion of means in the

⁴⁶ Samuel Gregg, “Pope Francis and Poverty,” *National Review Online*, November 26, 2013, <http://m.nationalreview.com/corner/365004/pope-francis-and-poverty-samuel-gregg>.

⁴⁷ Rush Limbaugh, “It’s Sad How Wrong Pope Francis Is (Unless It’s a Deliberate Mistranslation by Leftists),” *The Rush Limbaugh Show*, November 27, 2013, http://www.rushlimbaugh.com/daily/2013/11/27/it_s_sad_how_wrong_pope_francis_is_unless_it_s_a_deliberate_mistranslation_by_leftists.

⁴⁸ Douthat, “The Pope and the Right.”

absence of ends reflects the fact that both the mainstream Left and the mainstream Right in the United States are fundamentally liberal, committed to maximizing personal freedom while setting aside questions of what freedom is for. Both Pope John Paul II and Pope Benedict XVI have noted this problem.

For example, John Paul writes in *Centesimus Annus*: “The individual today is often suffocated between two poles represented by the State and the marketplace. At times it seems as though he exists only as a producer and consumer of goods, or as an object of State administration. People lose sight of the fact that life in society has neither the market nor the State as its final purpose, since life itself has a unique value which the State and the market must serve.”⁴⁹ Benedict is just as clear in *Caritas in Veritate*: “The continuing hegemony of the binary model of market-plus-State has accustomed us to think only in terms of the private business leader of a capitalistic bent on the one hand, and the State director on the other.”⁵⁰ The problem with being accustomed to thinking in this way is that “the exclusively binary model of market-plus-State is corrosive of society.”⁵¹ Clearly, both popes are suggesting that we cannot approach social problems in the simplistic terms of more market or more state, but rather must consider the “final purpose” that both should serve.

Admittedly, Doughat seems to understand this. Without quite saying so, he seems to suggest that what Catholic teaching provides is a moral vision, a final purpose, that both the market and the state are instruments for achieving. Political debate for Catholics, then, centers on which instrument best brings forth this vision. For example, Cloutier is right to note the importance Doughat gives to the track record of capitalism in overcoming poverty.

Yet this understanding of Catholic social teaching as a moral vision guiding both state and market is an abstraction that risks being co-opted by the very binary it is meant to challenge. For example, Doughat interprets the principles of solidarity and subsidiarity pretty much as stand-ins for government involvement, on the one hand, and market-based policies or voluntary charity, on the other. Catholic social teaching, however, provides a more concrete vision centered on what both John Paul and Benedict call civil society, which includes the family, the church, and “intermediate communities,” such as labor unions, community organizations, cultural associations, civic organizations, and so forth. It is in these associations of civil society,

⁴⁹ John Paul II, *Centesimus Annus*, §49.

⁵⁰ Benedict XVI, *Caritas in Veritate*, §41.

⁵¹ *Ibid.*, §39.

and not through the state, that we have our primary experience of solidarity.⁵² Likewise, subsidiarity is not in the first case about the size of government, but rather its shape: does the state perform a “harmonizing” function, providing support and coordination to the community, or a “substitute” function, taking over what could rightfully be done by business or civil society?⁵³ As this last point already suggests, Catholic social teaching also insists not only that the market and the state must make room for civil society, but also that civil society must overflow, so to speak, and give a distinctive shape to both the market and the state. Again, it is not simply a question of more market or more state, but what kind of market, and what kind of state.

Pope Benedict provides the clearest articulation of this point in relation to the economy. He writes, “The Church’s social doctrine holds that authentically human social relationships of friendship, solidarity, and reciprocity can also be conducted within economic activity, and not only outside it or ‘after’ it.”⁵⁴ Friendship, solidarity, and reciprocity are reflections of what Benedict calls the logic of gratuitousness, or the logic of gift, which he sees as primarily arising in civil society. But, he insists, this logic of gratuitousness must expand from civil society into economic life as well.⁵⁵ And by its very nature the logic of gratuitousness cannot be reduced to an interior disposition, to personal virtue, but must take concrete form within the economy. This is why Pope Benedict puts so much emphasis on alternative forms of business enterprise, such as mutualist enterprises in which the workers share in the ownership of the company, or the Economy of Communion model in which a portion of a company’s profits are given directly to the poor.⁵⁶ These enterprises give a distinctive shape to the economy, and are rooted in a broader culture of solidarity.

We see a similar dynamic, this time in relation to the state, in John Paul II’s comments on the welfare state in *Centesimus Annus*. These comments have been misunderstood by both the Left and the Right precisely because they have interpreted them exclusively in terms of the market-state binary. John Paul praises the development of the “Welfare State,” which is responsible for “remedying forms of poverty and deprivation unworthy of the human person,” but then criticizes what he calls the “Social Assistance State,” which, “by intervening directly and depriving society of its responsibility . . . leads to a loss of human energies and an inordinate increase of public agencies, which are dominated more by bureaucratic ways of thinking than

⁵² *Centesimus Annus*, §49.

⁵³ *Ibid.*, §48.

⁵⁴ *Caritas in Veritate*, §36.

⁵⁵ *Ibid.*, §38.

⁵⁶ *Ibid.*, §§38, 46.

by concern for serving their clients, and which are accompanied by an enormous increase in spending.”⁵⁷

Now the comment about the “loss of human energies” is often interpreted as if John Paul is saying that the problem with welfare spending is that it creates dependence and discourages its recipients from returning to the job market, but there is very little evidence for this in the text. If one continues reading, one finds that the “human energies” at risk are those provided by “intermediate communities,” that is, the family, the church, and all of the social associations that make up human community, not the energies of the market. It is precisely here that John Paul makes his point, cited earlier, about both the state and the market suffocating the individual. The point here is not primarily that the state risks undermining the market, but rather that *both* the state *and* the market risk undermining community solidarity by weakening or replacing intermediate communities.

Returning to Pope Francis, Douhat is correct that “there is far more continuity between Francis and Benedict than media accounts suggest,” and I would add there is continuity with John Paul II’s thinking, as well. Francis himself insists that his statements on the economy should be interpreted in light of the broader treatment of these issues in the *Compendium of the Social Doctrine of the Church*, which is decidedly shaped by the teaching of John Paul II (EG §184). It is no surprise, then, that we see similar themes in Francis’ apostolic exhortation. Obviously Francis is critical of a certain form of free-market capitalism, of “ideologies which defend the absolute autonomy of the marketplace and financial speculation,” which create an economic 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” (EG §56). Francis is critical of these ideologies for rejecting “the right of states, charged with vigilance for the common good, to exercise any form of control,” implying by way of contrast that states should exercise some control over the economy.

Yet it is worthwhile to look at the role that Francis gives to culture in his critique of the economy. For example, he refers to consumerism as the “culture of prosperity” (EG §54) and the “throwaway culture” and states that the “economy of exclusion and inequality” is defined primarily by a (cultural) vision of “what it means to be a part of the society in which we live” in which the poor are “leftovers” (EG §53). Clearly, then, some of Francis’ most striking critiques are not of free-market economic institutions in themselves, but rather the shape they take in a culture completely dominated by merely

⁵⁷ *Centesimus Annus*, §48.

economic values. It must be insisted, however, that just because Francis' criticism is primarily cultural, this does not mean that he is not critiquing the workings of our economic system; rather, the injustices we find in the contemporary economy reflect a sick culture.

Like his predecessors, Francis suggests that solidarity must have an overflow effect into the economy: "Convictions and habits of solidarity, when they are put into practice, open the way to other structural transformations and make them possible. Changing structures without generating new convictions and attitudes will only ensure that those same structures will become, sooner or later, corrupt, oppressive, and ineffectual" (EG §189). Francis also agrees with Benedict that the transformation of the workplace is fundamental for a just economy: "It is through free, creative, participatory, and mutually supportive labor that human beings express and enhance the dignity of their lives" (EG §192). Again, like his predecessors, Francis is aware that the state is not a panacea. Echoing John Paul II, Francis criticizes what he calls the "simple welfare mentality," which is insufficient for the "integral promotion of the poor" (EG §204).

While Douthat is correct that Pope Francis presents a challenge to the American Catholic Right, this is not because Francis is a man of the Left. Francis' challenge to the Left, both secular and Catholic, is just as fundamental, and not simply on issues such as abortion and same-sex marriage. As the British author Phillip Blond has argued, beginning with Bill Clinton and Tony Blair, the Left has embraced the neoliberal economy, ensuring the economic freedom of the socially mobile while using welfare spending to pacify the underclass excluded from market participation: "Welfarism was the Faustian bargain that the left struck with monopoly capitalism, it ensures a kind of permanent ascendancy of the middle over the working class and creates an antagonistic feudal structure—where any genuine extension of power and ownership to the poor is resisted by the liberal middle classes who fear mostly for their own status and their sole assumed inherited right to social mobility."⁵⁸

Progressive Catholics in the United States have fallen into this same welfarism trap. For example, the social-justice lobby NETWORK's agenda for poverty and economic justice focuses almost exclusively on safety-net spending.⁵⁹ As important as this is, missing is the much more radical proposal of the US bishops' 1986 document *Economic Justice for All* for "programs that are

⁵⁸ Phillip Blond, "The Civic State: re-moralise the market, re-localise the economy, re-capitalise the poor," *Demos*, January 23, 2009, http://www.demos.co.uk/files/File/Phillip_Blond_-_The_Civic_State.pdf. accessed March 24, 2015.

⁵⁹ NETWORK, "Poverty, Income Security, and the Safety Net," NETWORK: A National Catholic Social Justice Lobby, <http://www.networklobby.org/issues/economic-justice/income-security>.

small in scale, locally based, and oriented toward empowering the poor to become self-sufficient,” such as “low-income housing, credit unions, worker cooperatives, legal assistance, and neighborhood and community organizations” that “enable the poor to participate in the ownership and control of economic resources.” As the bishops note, “Poor people must be empowered to take charge of their own futures and become responsible for their own economic advancement.”⁶⁰ Similarly, NETWORK’s agenda for worker justice is focused exclusively on increasing the minimum wage.⁶¹ This erases the bishops’ earlier radicalism in proposing “profit-sharing by the workers in a firm; enabling employees to become company stockholders; granting employees greater participation in determining the conditions of work; cooperative ownership of the firm by all who work within it; and programs for enabling a much larger number of Americans, regardless of their employment status, to become shareholders in successful corporations.”⁶²

Francis gives the American Right little comfort, but neither should those on the Left feel smug. We are so ensnared in the binary of market and state, of Right and Left, that a criticism of one is heard as an endorsement of the other. A serious and attentive listening to what Francis has to say will mean rethinking the very categories of our political discourse.

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⁶⁰ United States Catholic Bishops, *Economic Justice for All: Pastoral Letter on Catholic Social Teaching and the U.S. Economy* (1986; Washington, DC: United States Conference of Catholic Bishops, 2009), http://www.usccb.org/upload/economic_justice_for_all.pdf, §§200–201.

⁶¹ NETWORK, “Jobs and Labor Issues,” NETWORK: A National Catholic Social Justice Lobby, <http://www.networklobby.org/issues/economic-justice/jobs-and-labor-issues>.

⁶² USCCB, *Economic Justice for All*, §300.